

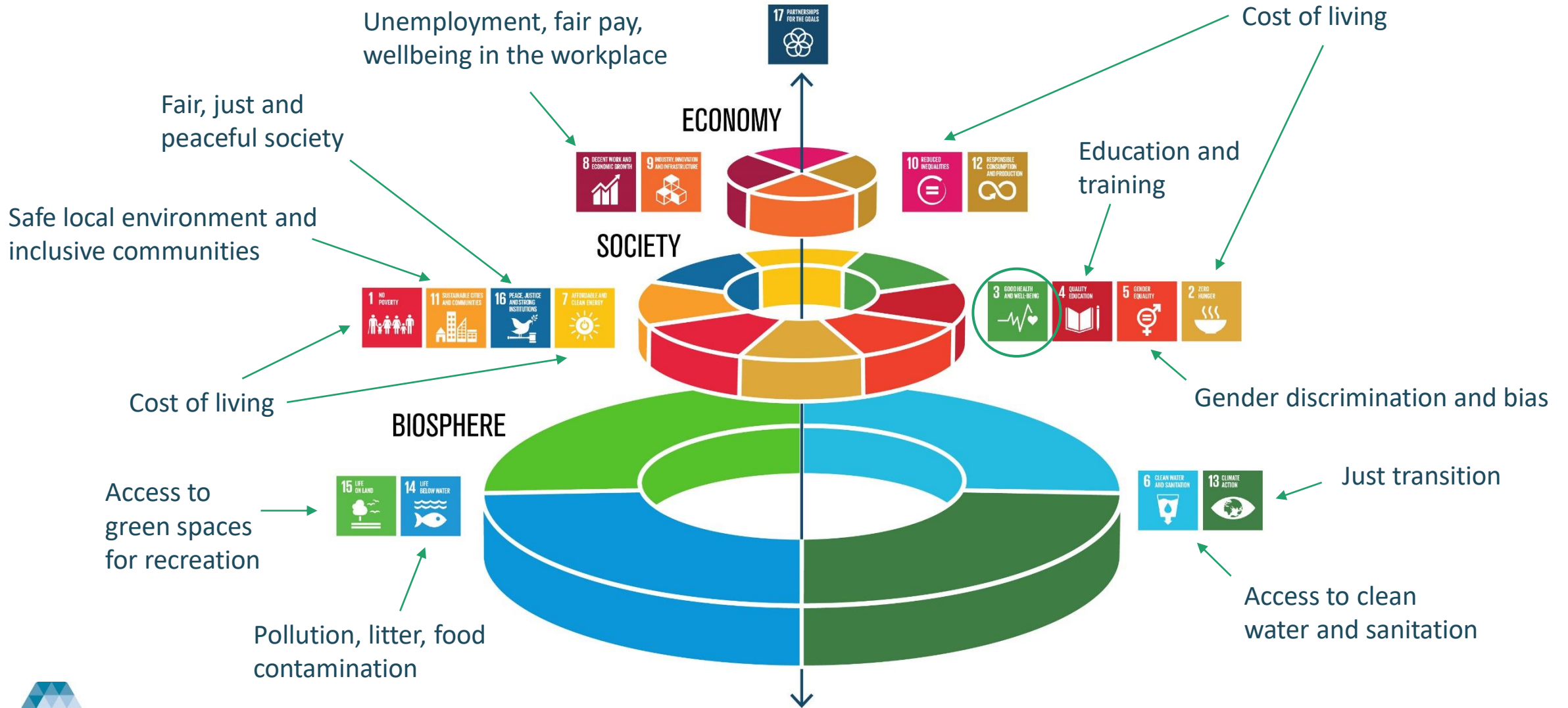


# ACCOUNTING COMMUNITY AND ENTERPRISES DATA NEEDS ESG DATA LINKED TO BEYOND GDP INITIATIVE

HELEN SLINGER, EXECUTIVE DIRECTOR

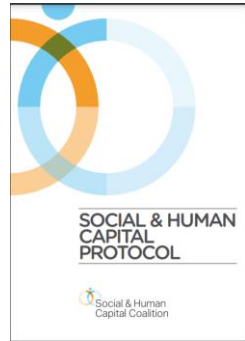
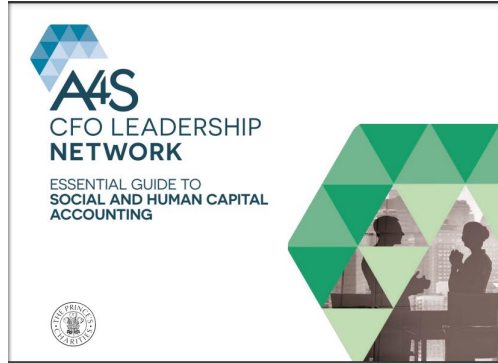


# WHERE DOES WELLBEING 'FIT'?



# ACCOUNTING COMMUNITY AND ENTERPRISES DATA NEEDS

## Decision-making



**MATURITY MAP**  
Use of social and human capital information to deliver better outcomes

On the horizontal axis, the four social and human capital aspects (the business of your organization) that you measured (your social and human capital related impacts and dependencies), rate each opportunity to ensure you are acting on the most material aspect for you (based on the information you need to understand the value of these assets and what impact they have).

	Beginner	Intermediate	Leader
<b>Identify - assess and value</b>	<ul style="list-style-type: none"> <li>Identify the most material social and human capital aspects (the business of your organization) that you measured (your social and human capital related impacts and dependencies).</li> <li>Assess the materiality of these aspects (the business of your organization) that you measured (your social and human capital related impacts and dependencies).</li> <li>Value the material aspects (the business of your organization) that you measured (your social and human capital related impacts and dependencies).</li> </ul>	<ul style="list-style-type: none"> <li>Identify the most material social and human capital aspects (the business of your organization) that you measured (your social and human capital related impacts and dependencies).</li> <li>Assess the materiality of these aspects (the business of your organization) that you measured (your social and human capital related impacts and dependencies).</li> <li>Value the material aspects (the business of your organization) that you measured (your social and human capital related impacts and dependencies).</li> </ul>	<ul style="list-style-type: none"> <li>Identify the most material social and human capital aspects (the business of your organization) that you measured (your social and human capital related impacts and dependencies).</li> <li>Assess the materiality of these aspects (the business of your organization) that you measured (your social and human capital related impacts and dependencies).</li> <li>Value the material aspects (the business of your organization) that you measured (your social and human capital related impacts and dependencies).</li> </ul>
<b>Control - set targets and update governance</b>	<ul style="list-style-type: none"> <li>Set targets for the most material social and human capital aspects (the business of your organization) that you measured (your social and human capital related impacts and dependencies).</li> <li>Update governance to ensure the most material social and human capital aspects (the business of your organization) that you measured (your social and human capital related impacts and dependencies) are covered.</li> </ul>	<ul style="list-style-type: none"> <li>Set targets for the most material social and human capital aspects (the business of your organization) that you measured (your social and human capital related impacts and dependencies).</li> <li>Update governance to ensure the most material social and human capital aspects (the business of your organization) that you measured (your social and human capital related impacts and dependencies) are covered.</li> </ul>	<ul style="list-style-type: none"> <li>Set targets for the most material social and human capital aspects (the business of your organization) that you measured (your social and human capital related impacts and dependencies).</li> <li>Update governance to ensure the most material social and human capital aspects (the business of your organization) that you measured (your social and human capital related impacts and dependencies) are covered.</li> </ul>
<b>Transition - update business strategy and financial reporting</b>	<ul style="list-style-type: none"> <li>Update business strategy to reflect the most material social and human capital aspects (the business of your organization) that you measured (your social and human capital related impacts and dependencies).</li> <li>Update financial reporting to reflect the most material social and human capital aspects (the business of your organization) that you measured (your social and human capital related impacts and dependencies).</li> </ul>	<ul style="list-style-type: none"> <li>Update business strategy to reflect the most material social and human capital aspects (the business of your organization) that you measured (your social and human capital related impacts and dependencies).</li> <li>Update financial reporting to reflect the most material social and human capital aspects (the business of your organization) that you measured (your social and human capital related impacts and dependencies).</li> </ul>	<ul style="list-style-type: none"> <li>Update business strategy to reflect the most material social and human capital aspects (the business of your organization) that you measured (your social and human capital related impacts and dependencies).</li> <li>Update financial reporting to reflect the most material social and human capital aspects (the business of your organization) that you measured (your social and human capital related impacts and dependencies).</li> </ul>
<b>Disclosure - information for investors and other stakeholders</b>	<ul style="list-style-type: none"> <li>Disclose information for the most material social and human capital aspects (the business of your organization) that you measured (your social and human capital related impacts and dependencies).</li> </ul>	<ul style="list-style-type: none"> <li>Disclose information for the most material social and human capital aspects (the business of your organization) that you measured (your social and human capital related impacts and dependencies).</li> </ul>	<ul style="list-style-type: none"> <li>Disclose information for the most material social and human capital aspects (the business of your organization) that you measured (your social and human capital related impacts and dependencies).</li> </ul>



Accounting for a Living Wage

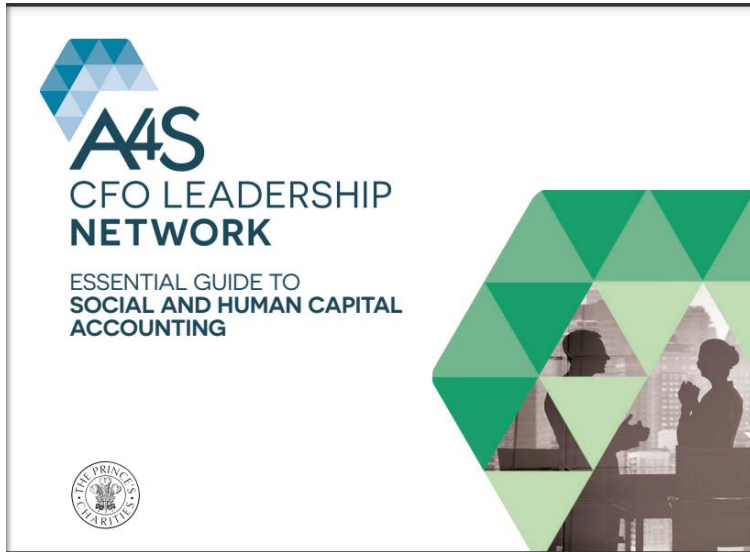


Valuing Human Capital in Occupational Health & Safety

## Reporting



# SOCIAL AND HUMAN CAPITAL ACCOUNTING



## REDUCED SICK DAYS

$$\text{Total workplace productivity of staff in \$} = \left( \$ Z \right) \times \left( \# \text{ of workforce FTEs} \right) \times \left( \text{Workforce average productivity} \right)$$

$$\text{Total productive working days} = \left( \text{Standard hours per week} \times 52 \right) - \left( \text{Standard work hours per day} \times \# \text{ of vacation, personal, stat holiday days} \right)$$

\$ Z = 1 Full Time Equivalent  
 Productivity level of staff = X% (estimate)

$$\text{Productivity lost per day} = \frac{\text{Total workplace productivity of staff in \$}}{\text{Total productive working days}}$$

$$\text{\$ saved from reduced sick days} = \left( \text{Sick days per annum (before)} - \text{Sick days per annum (after)} \right) \times \text{Productivity lost per sick day}$$

$$\text{Productivity Benefits from Improved Presenteeism} = \frac{\left( \text{Productivity Healthy} \right) - \left( \text{Productivity Mental Health Issues} \right)}{\left( \text{Productivity Healthy} \right)}$$

## IMPROVEMENT IN 'PRESENTEEISM'

Productivity level of workforce = X% (estimated)

Productivity level of workforce suffering from mental health matters = Y% (estimated) where Y% < X%

$$\text{Workforce average productivity} = \left( \text{Estimated \% workforce that do not suffer from mental health} \times X\% \right) + \left( \text{Estimated \% workforce that do suffer from mental health} \times Y\% \right)$$

$$\text{Improvement in productivity "presenteeism"} = \left( \text{Workforce average productivity (before)} - \text{Workforce average productivity (after)} \right) \times \left( \text{Total workplace productivity of staff in \$} \right)$$

# CONCEPTUALIZING MULTI-CAPITAL ACCOUNTING

## Multi-Capital Primary Statements

The Multi Business Group



### PROFIT AND LOSS ACCOUNT

	Produced capital \$m	Other capitals (natural, social and human) \$m	Total \$m
<b>Income</b>			
Revenue	44,400		44,400
Societal benefits		56,000	56,000
<b>Total income</b>	<b>44,400</b>	<b>56,000</b>	<b>100,400</b>
<b>Cost of sales</b>			
Production costs	(30,400)		(30,400)
Societal costs			
<b>Total cost of sales</b>	<b>(30,400)</b>		<b>(30,400)</b>
<b>GROSS PROFIT</b>	<b>14,000</b>	<b>56,000</b>	<b>70,000</b>
<b>Operating expenses</b>			
Distribution costs	(1,000)		(1,000)
Administrative expenses	(4,700)		(4,700)
Human capital charge		(1,127)	(1,127)
Social capital charge			
Natural capital charge			
<b>Total operating expenses</b>	<b>(5,700)</b>	<b>(1,127)</b>	<b>(6,827)</b>
<b>OPERATING PROFIT</b>	<b>8,300</b>	<b>54,873</b>	<b>63,173</b>

### BALANCE SHEET

	Produced capital \$m	Other capitals (natural, social and human) \$m	Total \$m
<b>Assets</b>			
<b>Non-current assets</b>			
Intangible assets	1,700		1,700
Land & property	2,800		2,800
Property, plant and equipment	6,500		6,500
Investments	5,200		5,200
Human capital		54,873	54,873
Natural capital			
<b>Total non-current assets</b>	<b>16,200</b>	<b>54,873</b>	<b>71,073</b>
<b>Current assets</b>			
Inventories	9,200		9,200
Trade and other receivables	10,900		10,900
Cash and cash equivalents	7,000		7,000
<b>Total current assets</b>	<b>27,100</b>		<b>27,100</b>
<b>TOTAL ASSETS</b>	<b>43,300</b>	<b>54,873</b>	<b>98,173</b>

	P&L	Other \$m	Balance Sheet	Other \$m
<b>Human capital value</b>		(DR)/CR		DR/(CR)
	Societal benefits	56,000	Human capital	54,880
	Human capital charge	(1,120)		
<b>Health and safety</b>		(DR)/CR		DR/(CR)
	Human capital charge	(7)	Human capital	(7)





# A4S ACCOUNTING FOR SUSTAINABILITY



@PrincesA4S



The Prince's Accounting for Sustainability Project (A4S)



info@a4s.org



www.accountingforsustainability.org

