

Analysis of the information verification model in non-financial reporting of oil and gas companies

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Abstract. The article is aimed at investigating the current practice of verifying information in non-financial statements of oil and gas sector companies. The study is based on the analysis of the current regulatory framework for confirming "(certification)" of non-financial reporting, which is structured into two blocks: regulatory documents that define the requirements for the disclosure of information in non-financial reporting, applied at the international and national levels, and regulatory documents that define the requirements for the verification of non-financial reporting at the international and national levels. A comparative analysis of the main standards and recommendations used for disclosure of information in ESG reporting is carried out. Regulatory acts containing general requirements for disclosure of information about the activities of PJSC oil and gas complex in the Russian Federation are considered. The systematization of Russian regulations in the field of disclosure of information on sustainable development and ESG factors and structural elements of the annual report is carried out and the characteristics of the main regulations for conducting an independent audit of non-financial reporting are given. In the course of the study, a matrix of categories was developed that ensure the reliability of public reporting. The features of the verification practice of Russian oil and gas companies that are system-forming are considered. An overview of Russian companies disclosing non-financial information in accordance with GRI, SASB, TCFD and CDP standards is presented. Based on the conducted research, it is concluded that the current regulatory framework in the field of confirmation (assurance) of non-financial reporting requires improvement of the terminology and differentiation of the concepts of "verification", "assurance", "confirmation", "audit", in order to develop the practice of business audit of the XXI century. The study can be useful for managers and decision makers aimed at implementing the Concept of Sustainable Development and achieving Sustainable Development Goals.

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1 Introduction

Under the influence of the transformation of business concepts and the most important historical decisions for the future of world civilization, as well as climatic and social factors that have influenced the change in business goals, the evolution of public reporting of economic entities is moving in the direction from financial reporting to integrated reporting, the central place in which belongs to the integrated report; from many parallel initiatives and standards of non-financial reporting to cooperation and unification [1].

Analysis of international and Russian trends allows us to conclude that large businesses are actively involved in the ESG agenda. Disclosure of ESG information in the format of public reporting is an established global practice in both European and Asian countries. The rapid development of human civilization has led to the fact that the result of achieving economic benefits was the depletion of natural resources and a negative impact on the environment. Serious cataclysms and a pandemic forced humanity to think about true values. The issues of climate and "green transformation" are among the priorities on the global agenda. Modern global business is going through a stage of "qualitative reset" of its financial interests: from the ideology of profit and value creation for shareholders to the creation of sustainable value for all interested parties, which is reflected in the research of Russian scientists [2, 3, 4]. Thus, the new millennium from the point of view of the evolution of the accounting and control environment is characterized by the expansion of the format of public reporting based on innovative digital solutions.

In addition, the disclosure of ESG information within the framework of integrated reporting is becoming one of the main trends in the development of modern society and a key factor in choosing business partners, since it reveals the results achieved by the company in the field of sustainable development, and gives a clear idea of how the organization creates value now and how it is planning to create it in the future.

Today, the concept of integrated reporting has been implemented in more than 2,500 companies in more than 70 countries [5]. The development of ESG principles and practices of "green financing" motivates companies to form an expanded format of corporate reporting, revealing the policy of social and environmental responsibility. The wide coverage of public non-financial reporting around the world and the active growth of its implementation over 10-15 years in geometric progression is clearly traced according to various international registers, for example, IIRC [6], GRI [7], etc., as well as regularly conducted research [8].

The prospects of the study are confirmed by the "Transition to Integrated Thinking", published by Management Cost Reporting Fund in August 2022, which should be applied taking into account national and industry specifics. Integrated thinking makes it possible to present transparent financial information to interested parties, as well as non-financial information in the field of sustainable development, to disclose the process of creating the cost and features of the business model, which contributes to the introduction of effective business methods from the perspective of the Concept of Sustainable Development.

In order to increase the level of trust of interested parties, commercial organizations strive to increase the transparency of data on the results of their activities and information openness.

In large organizations, the practice of audit confirmation of non-financial statements is used. In addition, there is an internal control system at the level of the organization, one of the goals of which is to ensure the reliability of both financial and non-financial reporting.

Confirmation of integrated reporting by auditors helps to increase the confidence of interested users in its reliability and the quality of both financial and non-financial information disclosed in it.

To ensure such requests, the issue of certification and verification of non-financial reporting data is being actively discussed. Leading Russian scientists have already conducted a number of studies in this area and achieved certain results [9, 10, 11, 12, 13].

2 Literature review

Currently, the audit of integrated reporting is considered as one of the ways to verify non-financial reporting and is a new direction in the theory and practice of auditing, as evidenced by the active development of international auditing standards in this direction.

The audit of integrated reporting is associated by many scientists and practitioners with the audit of the future, which is essentially a business audit. A significant contribution to the development of this direction was made by such scientists as: Alekseev M.A., Aletkin P.A., Astrakhantseva E.A., Berdnikova L.F., Bombin A.Yu., Bulyga R.P., Butakova N.M., Vokina E.B., Gorovoy A.A., Zrozhevskaya Yu.A., Zhilina Ya.P., Kolesnikov V.V., Malinovskaya O.V., Melikhov V.A., Nikiforova E.V., Popadyuk I.F., Pryadkina E.A., Safina R.R., Safonova I. V., Sycheva V.V., Khomenko E.V., Chkhutiashvili L.V., Shamonin N.N., Shcherbinina A.G., Yudina G.A., etc. The development of methodological tools for auditing non-financial reporting and methodological support for auditing non-financial information is reflected in the works of such scientists as: Arzamasov G.S., Baibakova E.V., Baibakov E.I., Baranov G.V., Vidova A.S., Galiev V.T., Golubeva N.A., Demina I.D., Dudko T.A., Dyganova R.Ya., Efimova O.V., Ilyicheva E.V. Kazakova N.A., Kaspina R.G., Kizilov A.N., Malinovskaya N.V., Melnik M.V., Melikhov V.A., Pozharitskaya I.M., Prilepskaya A.A., Samoiloa N.O., Safonova M.F., Selezneva A.V., Strukova M.N., Strukova L.V., Khomutova S.H., Shibaylo O.N., et al.

Despite the wide range of scientists and practitioners involved in the audit of non-financial reporting, it should be noted that there is no work devoted to a detailed study of the regulatory support for the audit of integrated reporting. In addition, issues related to the methods, methodology, technology and tools for auditing integrated reporting require development.

A review of the literature on the research topic and the design of the study allowed us to put forward the main hypotheses.

Hypothesis 1 (H1).

Improving the quality of information disclosed in non-financial reporting requires the development of the methods and methodology for verifying non-financial reporting by improving the regulatory framework for confirming (certifying) these statements, combining the efforts of international organizations in order to unify the main areas of integration of various types of reports (financial and non-financial), determining the mandatory and minimum scope of the subject of confirmation (assurance); formation of a regulatory and methodological framework in the field of ensuring the reliability of financial and non-financial information, taking into account the level of maturity of corporate reporting, ensuring the reliability of integrated reporting with the same volume and level of confidence as for financial statements, which implies a transition from a retrospective model of auditing financial statements to a promising model of auditing integrated reporting, that is, to audit the business.

3 Research design

Confirmation (assurance) of integrated reporting is important for stakeholders in the context of their widespread use of non-financial information in their activities. Currently, in Russia, large companies form either an integrated (annual report), presented on company websites in the form of a pdf file, or present integrated reporting, including various types of reporting, on the basis of which an interactive integrated report is formed. Confirmation (assurance) of non-financial statements to which it relates to, and integrated reporting allows you to increase the level of confidence of interested parties in it.

In international practice, the terms "audit of non-financial accountability" (non-financial audit, non-financial assurance), "verification of non-financial statements" are used.

Confirmation "(assurance)" of non-financial reporting directly depends on the current regulatory framework, which it is advisable to structure into 2 blocks:

- 1) regulatory documents that define the requirements for the procedure for disclosure of information in non-financial reporting, applied at the international and national levels;
- 2) regulatory documents that define the requirements for the verification of non-financial statements at the international and national levels (Figure 1).



Fig. 1. Regulatory regulation of the procedure for disclosure and confirmation (assurance) of non-financial statements of PJSC.

The first block includes international regulatory documents governing the requirements for the disclosure of information on sustainable development in non-financial reporting. The conceptual basis for disclosure of information on sustainable development is the International Framework for Integrated Reporting IIRC [14].

The most commonly used standards for ESG disclosure are: the Carbon Reduction Project (CDP); the Global Reporting Initiative (GRI); SASB standards; standards developed by the Central Group on Climate Change (TCFD), a comparative analysis of which is presented in table 1.

Table 1. Comparative analysis of the main standards, recommendations used for disclosure of information in ESG reporting [15].

Comparison Element	GRI	SASB	TCFD	CDP
Title of regulatory documents	Standards		Recommendations	Instructions for filling in environmental reporting
Goal of sustainable development	All goals sustainable development		Climate	
Application to the branches	3 universal standards, 34 thematic	77 industry	Universal, 11 recommendations in 4 directions: management, strategy, climate risk management, targets	18 industries
What shows	The impact of the organization on the	The impact of ESG factors on the building	Company management by influencing the climate	Management of the global system of disclosure of
What shows	economy, the environment and society	of the organization's value (values)		information about the environment

Continuation of Table 1.

Comparison Element	GRI	SASB	TCFD	CDP
The spread	10,000 largest companies from 100 countries	1300 companies covering various sectors of the economy	More than 3,000 companies around the world	Cities, companies
The format of the information disclosure	Application in AR/ Sustainable Development Report	AR/ Sustainable Development Report	AR / Sustainable Development Report	Sustainable Development Report Published on CDP website
Users	Stakeholders	Shareholders and creditors	Shareholders and creditors	All interested persons

Non-financial reporting standards development organizations (GRI, SASB, IIRC, CDSB and CDP) have developed two draft ISSB standards with a common architecture: S1 "General requirements for disclosure of financial information related to sustainable development"; S2 "Disclosure of information related to the climate". The structure of both standards is similar and imposes requirements on such sections of the report as corporate governance, strategy, risk management, as well as goals and key indicators. The official release of these standards and their application will become a positive practice, as it will increase the transparency of disclosed information.

The main documents that disclose the procedure for disclosure of information in non-financial reporting at the national level include regulations containing general requirements for disclosure of information on the sustainable development of PJSC (Table 2); Russian regulations in the field of disclosure of information on sustainable development and ESG factors and regulatory requirements of the Russian Federation for the formation and disclosure of basic structural elements annual report of PJSC (Table 2).

Table 2. Regulations containing general requirements for disclosure of information about the activities of PJSC oil and gas complex in the Russian Federation.

Regulatory acts	Information disclosure requirements
Federal Law No. 208-FL (as amended on 07/14/2022) "On Joint Stock Companies", Article 92	PJSCs are required to disclose "annual report; annual accounting (financial) statements; securities prospectus; notice of the General meeting of shareholders; other information determined by the Bank of Russia [16].
Federal Law No. 39-FL (as amended on 07/14/2022) "On the Securities Market"	disclosure of information on the securities market means ensuring of its availability to all interested persons, regardless of the purpose of obtaining this information in accordance with the procedure guaranteeing its finding and receipt. In case of registration of the securities prospectus of PJSC, "in addition to the annual report and accounting (financial) statements, it is necessary to disclose: the issuer's report; consolidated financial statements of the issuer (if PJSC together with other organizations creates a group in accordance with IFRS) or financial statements of the issuer (if PJSC with other organizations does not create a group); reports on material facts" [17].

Continuation of Table 2.

Regulatory acts	Information disclosure requirements
Federal Law No. 147-FL of 17.08.1995 (as amended on 11.06.2021) "On Natural Monopolies", Article 8 [18]	In addition to the general list of disclosures provided for by the Federal Law "On Joint Stock Companies", PJSCs are required to submit to the regulatory federal body "current reports on their activities, as well as a number of additional information: on the main indicators of financial and economic activity; about prices (tariffs) for goods (works, services); about investment programs; about the main consumer characteristics of goods (works, services), etc."

In addition to the regulations presented in Table 2, Russian regulations in the field of disclosure of information on sustainable development and ESG factors applied by PJSC oil and gas sector have been in force in Russia since 2010 (Table 3).

Table 3. Systematization of Russian regulations in the field of disclosure of information on sustainable development and ESG factors and structural elements of the annual report.

Year	Regulations
Russian regulations in the field of disclosure of information on sustainable development and ESG factors	
2010	Standards for Disclosure of Information by Natural Monopolies providing Services for the Transportation of Oil and Oil Products through Trunk Pipelines
2014	Regulation of the Bank of Russia No. 714-P "On Disclosure of Information by Issuers of Equity Securities"
2017	Order of the Government of the Russian Federation No. 876-r dated May 5, 2017 "On the Concept of Development of Public Non-Financial Reporting and the Action Plan for its implementation"
2019	Decree of the Government of the Russian Federation "On Approval of the List of Key (Basic) Indicators of Public Non-financial Reporting" (Draft)
2020	Regulation of the Bank of Russia No. 714-P "On Disclosure of Information by Issuers of Equity Securities"
2021	Information Letter of the Bank of Russia on recommendations on accounting by the Board of Directors of Public Joint Stock Company ESG factors, as well as issues Sustainable development of 16.12.2021 No. IN-06-28/96
2022	Draft Federal Law "On Public Non-Financial Reporting" (Report on Sustainable Development)
Regulations that disclose the structural elements of the annual report	
2014	Bank of Russia Corporate Governance Code
2021	Letter of the Bank of Russia dated 27.12.2021 N IN-06-28/102 "On Disclosure in the Annual Report of a Public Joint Stock Company of a Report on Compliance with the Principles and Recommendations of the Corporate Governance Code"
2021	Information Letter of the Bank of Russia on recommendations on Disclosure by Public Joint Stock companies of non-financial information related to the Activities of such companies dated 12.07.2021 No IN-06-28/49

It should be noted that despite the existing requirements for disclosure of information, the Government of the Russian Federation in 2022 granted PJSC the right to refuse to disclose information or to disclose it to a limited extent if this fact could lead to the introduction of restrictive measures against the issuer and (or) other persons, including persons about whom

the issuer discloses information" [16, 17]. In particular, the Government of the Russian Federation used such powers in 2022. [19]

In accordance with this resolution, a number of oil and gas companies have closed information about their activities and do not present it on their official websites.

Based on the conducted research, it can be concluded that a number of normative documents of the 1st block (national and international) regulating the procedure for disclosure of information in non-financial reporting partially disclose the requirements for confirmation (certification) of non-financial reporting. Nevertheless, there are a number of regulatory documents that regulate the methodology for confirming (certifying) non-financial reporting (block 2).

The international methodological basis for independent verification of non-financial reporting is currently represented with four standards (ASAE 3000, AA1000AS, ASAE 3410 and ISO 14064-3-2021) that directly regulate the process of confirming all or part of non-financial reporting (Table 4).

Table 4. Characteristics of the main regulations for conducting an independent audit of non-financial statements.

Standard	Characteristic
ASAE 3000	Standard is comprehensive and applicable to tasks to ensure confidence in non-financial information disclosed in corporate reporting, including environmental, social and managerial (ESG) or sustainable information disclosure
AA1000AS [20]	Regulates the process of certification specialists performing two types of quality assurance tasks in relation to an expanded format of public information about the organization's activities, including sustainable development reports, annual and/or comprehensive reports, website content, mandatory applications or regulatory disclosures, etc.
ASAE 3410 [21]	Grants the practitioner, when expressing in a written opinion his opinion on the degree of reliability of the greenhouse gas emissions report [22], the right to choose the responsibility assumed in the form of reasonable or limited confidence.
ISO 14064-3-2021[23]	Statements regarding greenhouse gases are an objective fact-based declaration containing the subject for verification. A greenhouse gas statement can be presented in a greenhouse gas report, a greenhouse gas project plan, or a product carbon footprint research report. ISO 14064-3-2021 grants the verification expert, when expressing in a statement own opinion on the degree of reliability of the statement regarding greenhouse gases, the right to choose the responsibility assumed in the form of reasonable (i.e. high, but not absolute) or limited (minimal) confidence.

In addition to the standards listed in the table, ISA 720 [24], ISA 701 [25], ISA 315 [26], ISA 620 [27] and ISA 600 [28] are used for verification of non-financial statements, etc.

In addition, the second block includes 2 groups of national regulations regulating the confirmation of non-financial reporting:

- 1) Regulations and standards in the field of non-financial reporting (including integrated reporting);
- 2) Basic regulatory acts in the field of auditing.

We shall look at them in more detail.

The Concept of Development of public non-financial reporting notes that one of the priorities is the development of "minimum requirements for public non-financial reporting, as well as recommendations on procedures for verification, evaluation and confirmation (assurance) of public non-financial reporting" [29]. To ensure the transparency of non-

financial reports, the practice of internal quality control of public non-financial reporting is widely used, which involves conducting inspections aimed at achieving three interrelated goals:

- 1) compliance with regulations and internal regulations in the field of the formation of this reporting;
- 2) ensuring its reliability;
- 3) "improving the effectiveness of control procedures and other risk management measures in the preparation of public non-financial reporting" [29].

Audit confirmation of non-financial statements, which involves checking it for reliability and completeness of disclosure of information in it, depending on the requirements of the standards that were used in its formation, is one of the types of confirmation along with public confirmation [29].

The Information Letter of the Bank of Russia dated 12.07.2021 N IN-06-28/49 "On recommendations for disclosure by public joint-stock companies of non-financial information related to the activities of such companies" recommends an independent external assessment of non-financial information disclosed in the annual report of a joint-stock company or in a Non-financial report in the form of professional confirmation (assurance) [30].

The draft Federal Law "On Public Non-Financial Reporting" [31] (Article 6) proposed to introduce an independent external assessment of public non-financial reporting, carried out in two forms:

- professional confirmation conducted by audit organizations in accordance with the ISA;
- public certification conducted by the all-Russian public organization or the all-Russian association of employers, in accordance with the methodological recommendations approved by the authorized federal body.

Among the most important regulatory documents in the field of auditing activities are Federal Law No. 307-FL dated 30.12.2008 "On Auditing Activities", the Code of Professional Ethics of Auditors, the Rules of Independence of Auditors and Audit Organizations. The listed documents are used in the audit of both financial and non-financial statements.

It should be noted that we have considered far from a complete list of normative documents used in the confirmation (certification) of non-financial statements, but only the key ones.

In the course of the research conducted by representatives of the scientific school of the Financial University [32], the necessity of distinguishing the concepts of "verification", "assurance", "confirmation", "audit" was proved, which are proposed to be used in the process of forming the regulatory framework and developing the practice of business audit of the XXI century. In the course of this study, a matrix of categories was developed that ensure the reliability of public reporting (Table 5).

Table 5. Matrix of categories that ensure the reliability of public reporting [32].

Category Components	Category name			
	Verification	Assurance	Confirmation	Audit
The sphere of application	Any	Socio - economic		
Confidence Level	High Low No	High Low No	High Low	High

Continuation of Table 5.

Category Components	Category name			
	Verification	Assurance	Confirmation	Audit
The volume of evidence		Large Average Minimal	Large Average	Large
Verification regulations	Verification algorithm	Methodology RUIE	ASAE	ISA
Subject	Verifier	Assurance Specialist	Practitioner	Auditor

The term "verification" is generalizing in relation to the concepts of "confirmation", "assurance", "audit" and does not include internal control procedures and external assessment of the reliability of public reporting.

Verification is a checking of the availability and/or reliability of information (data) based on compliance with certain criteria for its formation. The term is universal, applicable in all spheres and fields of activity.

Assurance is a verification process carried out in the socio-economic sphere. Assurance differs from verification in the scope of application and in the methods of collecting evidence. In the socio-economic sphere, as a general rule, there is a wide range of users of the results of the assurance, which leaves an imprint on the method of collecting confirmations by the verifier (certifier). Assurance is the basic (broadest) category in the field of accounting and control (formation, disclosure and confirmation of the reliability of reporting information of an economic entity). An assurance is any confirmation of the reliability of information about the activities of an economic entity, both with and without confidence.

Confirmation is a subsystem of assurance, when the expression of a judgment must contain the confidence of a specialist, i.e. have a basis in the form of technology (methodology, regulations) for obtaining evidence of the reliability of the evaluated data (information). Confirmation is the basic category of professional confirmation (assurance). Professional confirmation is always a verification of the reliability of information with an expression of at least minimal confidence. Public assurance is verification without providing the user with confidence. Therefore, public assurance is an assurance, not a confirmation of the reliability of reporting. Confirmation is also verification in the socio-economic sphere, when the verifier is required to provide at least a minimum level of confidence.

Audit is a subsystem of professional confirmation, when a specialist (auditor) is required to have a high (reasonable) level of confidence in expressing an opinion on the reliability of public reporting. An audit is also a verification when not any, but only a high level of confidence is required from the certifier. Audit is also verification in the socio-economic sphere, when the verifier is required to provide confidence, and the highest (reasonable) one.

The key criteria for classifying the categories discussed above are the triad of essential concepts: "reliability of reporting", "confidence provided by the auditor (practicing specialist)", "trust of interested users".

Confirmation of non-financial statements can be carried out by audit organizations (professional confirmation), a specialized body of the business union (for example, the RUIE) (public assurance), representatives of public organizations and rating agencies (stakeholder assurance).

In the countries of America and Europe, the vast majority of confirmations (verifications) regarding information in the field of ESG are carried out by audit firms, and only in India and Japan it is audited by affiliated companies, which is due to the national characteristics of these countries (Figure 2).

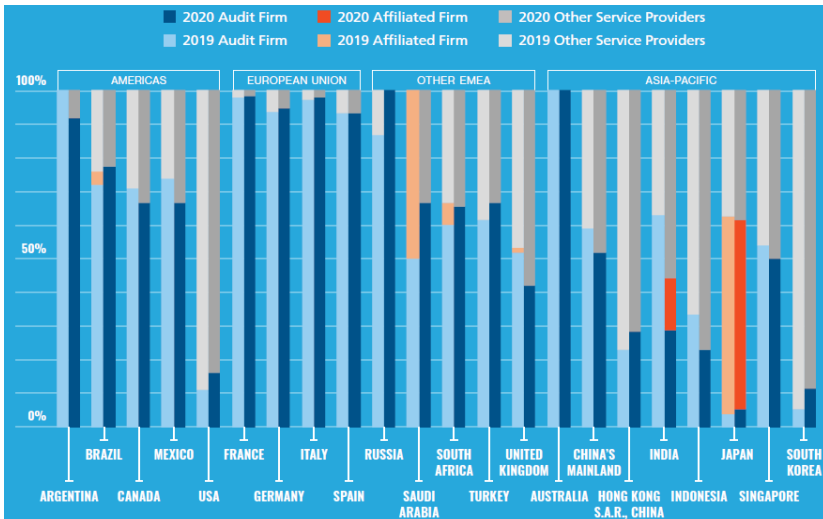


Fig. 2. Prevalence of types of companies providing non-financial reporting assurance services in the world, 2020 [33]

A global survey of 1,400 companies conducted by the American Institute of Chartered Accountants, the Certified Institute of Management Accounting Specialists and the International Federation of Accountants in June 2021 indicates that in Russia in 2020, confirmation (certification) of non-financial statements was carried out by audit companies (93%) of all reports and only 7% of reports in the field of sustainable development was certified by other organizations (Figure 3).



Fig. 3. Prevalence of types of organizations providing non-financial reporting assurance services in Russia, 2020 [33]

We shall consider some features of the verification practice of Russian oil and gas companies that are system-forming.

The oil and gas industry has been and remains one of the most significant sectors of the economy in Russia, which largely forms the country's budget.

According to the annual Statistical Bulletin for 2021 and the Statistical Review of World Energy for 2022, Russia ranks second in the extraction of "black gold". Russia accounts for more than 12 percent of the daily volume of oil production in the world [34].

The Ministry of Energy of the Russian Federation, on behalf of the Government of the Russian Federation, in April 2020, formed a list of system-forming organizations of the Russian economy in terms of the fuel and energy complex [35], which includes 47 commercial organizations.

The current political and economic situation has a direct impact on the value of oil and gas companies both in the short and long term. An increasing number of stakeholders want to see information about the activities of companies, which includes not only financial reporting data, but also non-financial information.

An analysis of the Russian practice of forming non-financial reporting by oil and gas companies included in the List of system-forming organizations showed that out of 48 organizations, 13 (27%) form annual reports, 10 (21%) reports in the field of sustainable development, 2 (4%) integrated reports, 6 (12%) companies form annual reports, sustainability reports and only two companies make both integrated reports and sustainability reports.

A study of non-financial reporting of oil and gas sector companies showed that only 11 out of 48 oil and gas companies disclose information according to GRI standards, three companies according to SASB standards, eight companies use recommendations on disclosure of financial information related to climate change (TCFD) and nine companies participate in CDP climate ratings. The reporting study showed that 9 companies use several standards when forming reports and disclosing information in the field of sustainable development (Table 6).

Table 6. Overview of Russian companies disclosing non-financial information in accordance with GRI, SASB, TCFD and CDP standards of 08.20.2022 [36].

№	Commercial organization	GRI	SASB	TCFD	CDP
1	2	3	4	5	6
1	PJSC Nizhnekamskneftekhim	GRI	-	-	CDP
2	PJSC Kazanorgsintez		-	-	-
3	PJSC SIBUR Holding		-	TCFD	CDP
4	PJSC "Transneft"		-		
5	PJSC LUKOIL		SASB		
6	PJSC "NK "Rosneft"		-		
7	PJSC Gazprom Neft		-		
8	PJSC Tatneft named after V.D. Shashin		-		
9	Gazprom PJSC, SASB		SASB		
10	NOVATEK PJSC		-		
11	Zarubezhneft JSC		-		

In order to increase the level of trust of interested parties, commercial organizations strive to increase the transparency of data on the results of their activities and information openness. Confirmation of non-financial reporting helps to increase the confidence of interested users in its reliability and the quality of both financial and non-financial information disclosed in it.

A study of the non-financial statements of the oil and gas complex company posted on the websites showed that 31 out of 48 companies do not have confirmation (assurance) of non-financial statements, 6 companies (PJSC NOVATEK, PJSC Gazprom, PJSC Gazprom Neft, PJSC Tatneft named after V.D. Shashin, PJSC NK Rosneft, PJSC LUKOIL) received

professional assurance, 5 companies (PJSC Gazprom, LLC Irkutsk Oil Company, JSC Zarubezhneft, PJSC LUKOIL, PJSC Transneft) received public assurance from the Russian Union of Industrialists and Entrepreneurs and one company (PJSC Gazprom) received a conclusion based on the results of public consultations. Figure 4 shows audit companies that confirm (certify) non-financial statements of oil and gas companies.

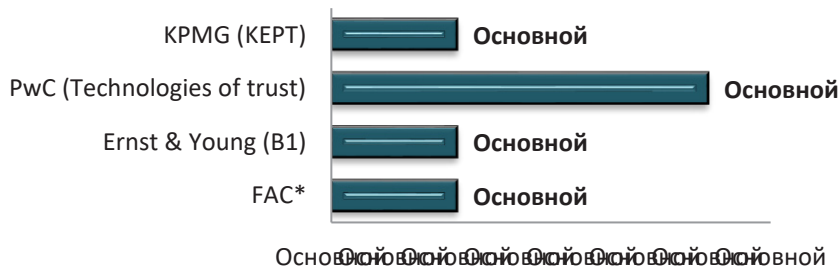


Fig. 4. Audit companies that confirm (certify) non-financial statements of the backbone companies of the oil and gas sector (*Financial and accounting consultants).

The pool of companies that carried out professional confirmation of non-financial statements of PJSC of the Russian Federation is represented by three big Four audit firms (KPMG, PwC, E&Y,) and FBK. These companies carried out professional assurance of non-financial statements as part of the performance of tasks that provide confidence in accordance with ASAE3000.

As the analysis of the information posted on the websites of oil and gas companies showed, the procedure for confirming (certifying) non-financial statements was carried out by audit firms in accordance with the standard ASAE3000 "Tasks that provide confidence, other than auditing and review of financial information of past periods".

4 Conclusions

Thus, the conducted research indicates the actualization of issues related to external confirmation (assurance) of non-financial accountability. The practice of external confirmation of non-financial reporting testifies to its conduct by large audit and consulting organizations such as KPMG, PwC, EY, DELOITTE, FBK LLC, etc., independent practitioners or auditors, as well as public organizations, for example, the Council of Non-Financial Reporting of RUIE, rating agencies, for example, EXPERT.RA.

The current regulatory framework in the field of confirmation (assurance) of non-financial reporting requires improvement of the terminology and differentiation of the concepts of "verification", "assurance", "confirmation", "audit", in order to develop the practice of business audit of the XXI century. In the course of the study, a matrix of categories was formed that ensure the reliability of public reporting (financial and non-financial).

If we proceed from the audit services that hypothetically can be provided in the field of non-financial reporting, including integrated reporting, the range of services provided is narrow (as a rule, these are tasks that provide limited confidence, different from the audit and review of financial information of past periods). The main factors constraining the development of audit of non-financial statements include: low demand for services; lack of well-developed thematic standards based on the ISAE 3000 standard (revised) and supplementing it; lack of auditors' practical knowledge on the methodology of auditing non-financial statements; a variety of standards governing the formation of non-financial reports and difficulties in assessing the reliability of non-financial data.

However, it should be kept in mind that the need for such an audit is growing, and, consequently, further development of both the methodology and the audit methodology is necessary. The most important direction in the development of the audit of non-financial reporting is the improvement of the regulatory framework for the confirmation (assurance) of non-financial reporting, which consists in combining the efforts of international organizations in order to identify and unify the main areas of integration of various types of reports (financial and non-financial) and further development of the conceptual framework for the formation of integrated reporting and audit of non-financial reporting; determining the mandatory and minimum scope of the subject of confirmation (assurances); development of a methodology for assessing the level of maturity of corporate reporting depending on the integration of financial and non-financial information within it; formation of a regulatory and methodological framework in the field of ensuring the reliability of financial and non-financial information, taking into account the level of maturity of corporate reporting, ensuring the reliability of integrated reporting with the same volume and level of confidence as for financial reporting. "The guarantees provided in relation to integrated reporting through the use of confirmation (assurance) contribute to improving business productivity, the efficiency of capital markets, competitiveness, as well as reliability and trust in financial and non-financial reports, the corporate reporting system as a whole and business" [11].

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