

Corporate Reporting and Disclosure Practices in the Emergent Capital Market: The Perceptions of Users and Preparers

Dr. Rumana Afrin

Assistant Professor, Department of Finance, American International University Bangladesh

Dr. Md. Mohiuddin

Professor, Institute of Business Administration, University of Dhaka, Bangladesh

Abstract:

Corporate reporting is considered as a core business intelligence that allows organizations to easily access, format, and deliver information to employees, customers, and stakeholders. This study examines how users and preparers view the financial disclosure procedures used in annual reports of Dhaka Stock Exchange-listed companies. Between July and December 2023, a questionnaire survey was sent to preparers (auditors) and users (institutional investors) within DSE-listed firms to gauge participants' opinions. The study analyses how preparers and investors' view providing information in corporate annual reports, the significant challenges fronting the disclosure procedure, and the issues limiting corporations' annual report usage. The study also looks into whether there is an apparent need to increase the value of annual reports from Bangladeshi enterprises in decision-making. Cronbach's alpha and descriptive analysis, along with the Mann-Whitney U test, was used to analyse the data. Based on 185 replies, the findings show that Bangladeshi enterprises' accounting methods are deeply established in a heritage of decision usefulness, with management and the investors seen as the primary recipients of information reporting. Indeed, the most significant sources of information are the annual reports of DSE-listed firms. Overall, users and preparers had comparable worries about the amount of information in annual reports, but their perspectives on potential remedies differed. The study's findings are expected to impact those who make decisions, the academic community, and those who establish accounting standards.

Keywords:

Reporting, Users, Preparers, Perceptions, Disclosure, DSE, Questionnaire.