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The Voluntary Disclosure of the Value Added Statement
in Annual Reports of Italian Listed Companies

ABSTRACT

This paper examines some of the theoretical issues regarding the publication of the value added statement as voluntary disclosure in the process of accounting communication. The social and economic motivation to use value added reporting is linked to the general process of disclosing financial information in a certain business and cultural environment. In this framework, a question arises about the possible role of the value added statement as a way of accounting communication in the global economy. A survey of 211 published financial statements for the fiscal period 2003 of Italian listed companies shows that the publication of the value added statement in the annual reports is a marginal phenomenon. However, the industrial and services firms voluntarily present in their annual report an income statement rearranged to expose the (industrial) value added by only looking at the production perspective, with a possible interpretation in terms of cost efficiency.

Key words: value added statement, annual reports, voluntary disclosures, Italian listed companies

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