"Problem aspects of transformation in financial reporting of business entities in Ukraine"

AUTHORS	Fedir Zhuravka https://orcid.org/0000-0001-8368-5743 https://www.webofscience.com/wos/author/record/P-4821-2014
ARTICLE INFO	Fedir Zhuravka (2017). Problem aspects of transformation in financial reporting of business entities in Ukraine. *Geopolitics under Globalization*, *1*(1), 36-44. doi:hhttps://doi.org/10.21511/gg.01(1).2017.05
DOI	hhttps://doi.org/10.21511/gg.01(1).2017.05
JOURNAL	"Geopolitics under Globalization"
ISSN PRINT	2543-5493
PUBLISHER	Sp. z o.o. Kozmenko Science Publishing
FOUNDER	Sp. z o.o. Kozmenko Science Publishing

Fedir Zhuravka (Ukraine)

Problem aspects of transformation in financial reporting of business entities in Ukraine

Abstract

In many countries International Financial Reporting Standards (IFRS) have become part of the domestic law or common practice. Ukraine has also taken the first steps to the use of IFRS taking into account its national peculiarities. However, problems occur in the adaptation of international standards, which need to be solved. The proposed article is devoted to the research of specific problems arising during the implementation of IFRS in Ukraine. The author substantiates the expediency of implementing International Financial Reporting Standards in Ukraine, studies the prospects of using international standards in the national accounting practices and defines the principle of transformation as a priority. It determines the stages of IFRS implementation in Ukraine and the problems that arise on each of these stages. As a result, the study highlights the shortcomings of the national accounting system's reform and ways of optimizing the process of IFRS implementation in Ukraine.

Keywords: financial accounting, accounting information, accounting policies, convergence, transformation, accounting standards, International Financial Reporting Standards (IFRS), transformation of financial reporting.
JEL Classification: M41, M48.

Introduction

Intensification of the European integration processes in Ukraine, deepening of international cooperation of the national economic entities, activation of capital movement on financial markets, the need to strengthen the competitiveness of enterprises on the foreign markets cause a necessity to carry out further reforms in the national system of accounting and reporting. This objectively requires the implementation of accounting approaches standardized to international requirements. Adaptation of the national legislation and regulations in the field of accounting and reporting belongs to the foreign policy obligations of Ukraine.

The process of harmonization of the system of accounting and financial reporting with the international standards is associated with a number of problems that arise at different stages of implementation, not allowing to properly realize innovative development of the national economy and international investment projects. Therefore, the study of International Financial Reporting Standards (IFRS) and the process of their implementation in Ukraine require the attention of all participants of the national economy who want to attract investments and improve the competitiveness of domestic companies.

1. Literature review

The implementation of IFRS at the international level is one of the most important and debated issues in the field of accounting among professionals, academics, investors and other users of financial information. The literature review shows that in the world there is a convergence of financial reporting forms, which aims to eliminate differences between IFRS and national accounting standards.

The research of the effects of IFRS implementation is conducted by both foreign and domestic scientists.

In particular, Soderstrom and Sun (2007), Christensen (2012), Armstrong (2010) and Brown (2011) mainly focus on the research of the impact of IFRS voluntary implementation. They emphasize a significant influence of the institutional context in accounting and the importance of the quality of information. They also warn about the inability of generalizing the results of the voluntary transition to IFRS and its mandatory adoption.

Pope and McLeay (2011), Hungand Subramanyam (2007), Platikanova and Perramon (2012) analyzed the principles of the mandatory adoption of IFRS and drew attention to the fact that its consequences are not uniform in different countries based primarily on the peculiarities of their legal regulation.

Brüggemann et al. (2013) also investigated the adoption of IFRS singling out three categories of possible consequences: macroeconomic, capital market and financial reporting of business entities.

Palea (2013) investigated the impact of IFRS implementation in terms of the quality of financial reporting. The author concluded that empirical data indicate a positive impact of the mandatory application of IFRS. In addition, he separately studied the issue of preserving national peculiarities of accounting after the adoption of IFRS.

Fedir Zhuravka, Doctor of Economics, Professor of department of accounting and auditing, Professor of Sumy State University, Ukraine.

Ahmed et al. (2013) and Sun et al. (2011) analyzed the impact of conversion to IFRS on the quality of financial information.

In Ukraine, the issue of IFRS implementation by business entities is considered in the following normative legal acts: On approval of the Strategy of implementation of International Financial Reporting Standards in Ukraine (2014), On cooperation and coordination of the use of International Financial Reporting Standards in Ukraine (2012), On the transition of Ukraine to the system of accounting and statistics which is used in the international practice (2014), On approval of the "Program of reforming the system of accounting with the use of international standards" (2014), On the use of International Financial Reporting Standards (2014), On cooperation, collaboration and coordination of activities to implement International Financial Reporting Standards in Ukraine (2014), and in the research of scientists: Rogozny (2014), Orlova (2013), Melnychuk (2012), Zholner (2012), Golov (2000, 2007, 2010).

The existing pluralism of views demonstrates a lack of consensus of scientists and the state on procedural issues of adaptation of the national accounting procedures to IFRS requirements.

2. Research methodology

The aim of this study is to analyze the peculiar features in the transformation of financial reporting of business entities in Ukraine in accordance with the international principles and to determine the algorithm for a phased transition of domestic enterprises to independent preparation of financial statements, according to IFRS.

The methodological basis of the study is a comparative analysis of differences regarding the concepts and procedures of financial reporting between IAS 1 "First-time Adoption of International Financial Reporting Standards" and NP (S) 1 "General Requirements for Financial Reporting."

The author studies the basic principles and approaches to accounting and financial reporting under IFRS, which are set out in the Framework for the Preparation and Presentation of Financial Statements.

In addition, the methodological basis of the article is made of laws, regulations and methodical recommendations regarding the use of international accounting standards in Ukraine, namely: On Accounting and Financial Reporting in Ukraine (2014), International Financial Reporting Standards (2014), Methodical guidelines for filling financial reporting forms (2013).

3. Key research findings

Financial reporting is like a visiting card of a company. It makes it possible to draw conclusions about the financial position of a company, its performance and development prospects. The presence of an open and transparent financial reporting is a prerequisite for entering external markets and cooperation with foreign companies. It helps attract investments and facilitate access to international capital markets (Golov, 2010).

The preparation of financial statements and adjustment of information according to the data of statistical reports can be carried out according to two methods:

1. adjustment (transformation) of financial reporting;
2. parallel accounting under the national and international standards.

Parallel accounting under the international standards is the reporting of each business transaction, according to IFRS. Normally, such reporting is conducted in a special program – when the accounting transaction is realized its result is entered both into the national accounting base and IFRS base. For big companies it is technically impossible without introduction of an expensive automation system. However, not all transactions can be automatically entered into all bases due to different accounting principles under IFRS and the national accounting standards.

Transformation is a "translation" of the Ukrainian financial reporting into the international one by adjusting certain indicators, the ways of obtaining which differ for the national standards and IFRS. Using this method companies have to bear smaller time and material costs. In addition, it is often seen as a temporary measure during the transition to the parallel accounting under the international standards.

Transformation is much cheaper than parallel accounting as it does not require the implementation of special accounting software (transformation usually is done in electronic spreadsheets such as Excel, Access or Lotus) and a large staff of qualified employees. Another advantage of transformation in comparison with parallel accounting is its visibility: all adjustments can be traced and verified. The convenience and simplicity of transformation is confirmed by the fact that most subsidiaries of foreign companies prepare international reporting by transforming the Ukrainian one (Zhuravka, 2012; Orlov, 2013).

Fundamental principles and approaches of accounting and financial reporting, according to IFRS, are examined within the Framework for the

Preparation and Presentation of Financial Statements accepted by the International Accounting Standards Board (IASB).

Conceptual framework of financial reporting determines the following quality requirements to financial reporting (Fig. 1).

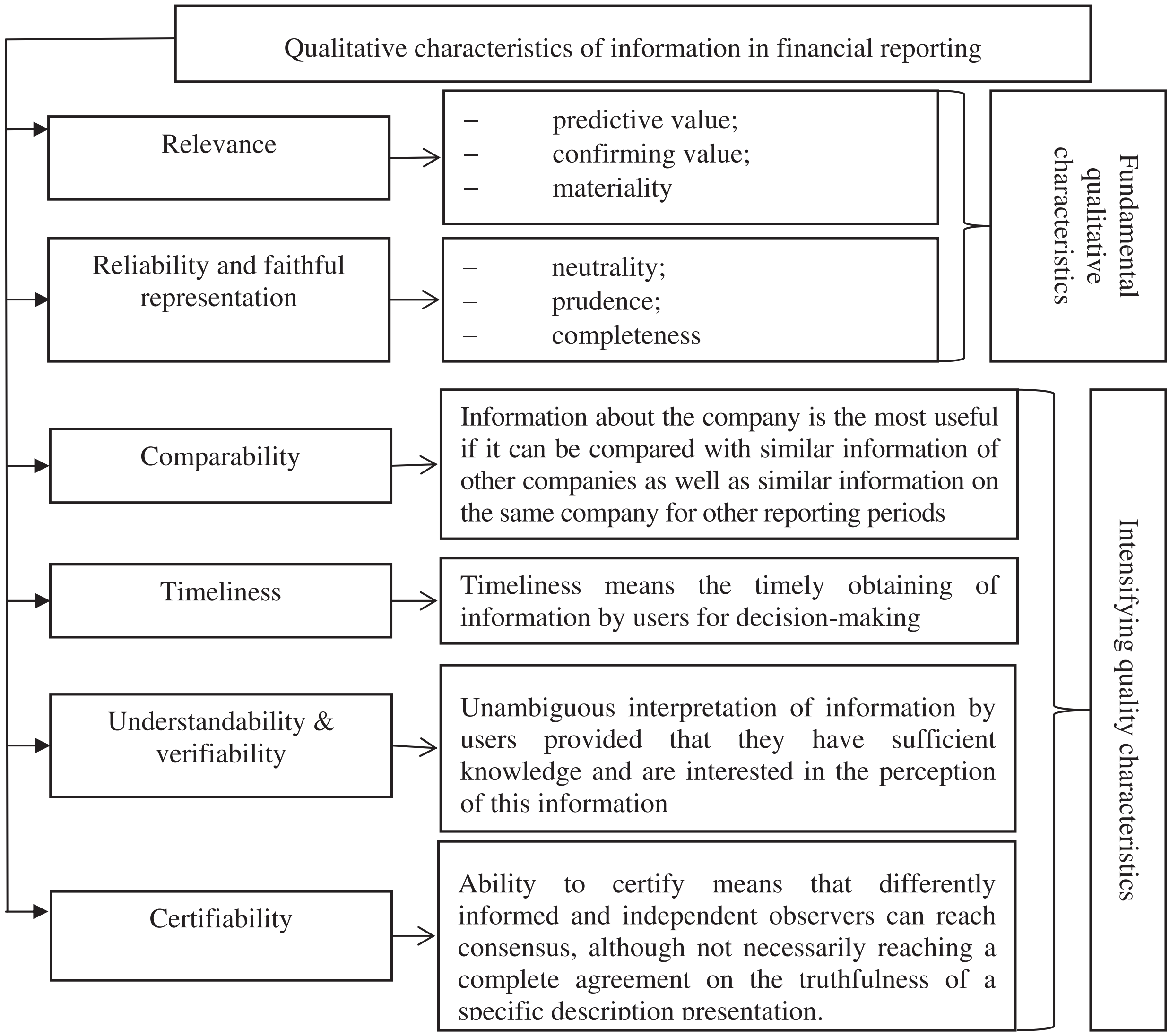

Fig. 1. Quality requirements to financial reporting
(Conceptual Framework for Financial Reporting, 2014)

Conceptual Framework for Financial Reporting emphasizes the fundamental principle of continuity (going concern) in regard to reporting. The principle means that financial reporting is prepared on the assumption that the company plans to operate in the future.

It is necessary to take into account the fact that the principles of accounting adopted by the Law of Ukraine "On Accounting and Financial Reporting" have much in common with international accounting principles.

As for the regulatory requirements to financial reporting, there are differences between IAS 1 "First-time Adoption of International Financial Reporting Standards" and NP (S) 1 "General Requirements to Financial Reporting" (Table 1).

Table 1. Regulatory requirements to financial reporting according to IAS 1 and NP (S) 1

Characteristic	IAS 1	NP (S) 1
Definition	General purpose of financial statements (referred to as 'financial statements') are those intended to meet the needs of users who are not in a position to require an entity to prepare reports tailored to their particular information needs.	Financial statements are accounting statements which contain information about the financial position, financial performance and monetary flows of companies during the reporting period. Accounting statements are the statements based on accounting data to satisfy the needs of specific users.
The goal of reporting	The goal of reporting is to provide reliable financial information that is useful to the general public in the making of economic decisions on the financial position; financial performance; cash flows.	The goal of financial statements is to provide information about the financial position, financial performance and cash flows of an entity that is useful to a wide range of users in making economic decisions.

Table 1 (cont.). Regulatory requirements to financial reporting according to IAS 1 and NP (S) 1

Characteristic	IAS 1	NP (S) 1
A set of financial statements	A complete set of financial statements comprises: a statement of financial position at the end of the period; a statement of profit and loss and other comprehensive income for the period; a statement of changes in equity for the period; a statement of cash flows for the period.	Financial statements include: balance sheet (statement of financial position); financial performance statement (statement of total income); a statement of cash flows; a statement of equity capital; notes to financial statements.
Format of statements	There is no approved form of financial statements, only recommended forms in the annex to the standard, which the company may follow in specific circumstances.	Standardized form of reporting approved at the state level.

Source: (IAS 1 and NP (S) 1).

Thus, based on the definition of financial statements, we can conclude that the fundamental difference between IAS 1 and NP (S) 1 is that national standards regulate both reporting and accounting, while IAS 1 requirements are focused primarily on the correct reflection of transactions in financial statements.

As for the purpose of reporting, in both standards regulations are the same. The most important thing is to satisfy the needs of the users of information provided in the statements.

For both regulatory documents the sets of statements are essentially the same despite the difference in names.

This cannot be said about the requirements to the format of statements. Under IAS 1, there are no requirements to the forms of statements. There is only a recommended model to be followed. At the same time, under NP (S) 1, a standardized form of reporting approved at the state level is used. In our opinion, this is a positive fact for domestic companies on the initial stage of transition to IFRS, because Ukrainian accountants do not have an experience and professional judgment regarding the editing of the existing reporting forms.

As a result of the differences between the Ukrainian Accounting Standards (UAS) and IFRS, domestic companies that make statements according to the international accounting and reporting principles, have to keep a parallel accounting under IFRS or to periodically transform statements prepared according to UAS. Most experts adhere to the opinion that the preparation of financial statements in accordance with IFRS must be done through transformation (IFRS 1, NP (S) 1).

Having defined the principle of transformation as a priority we propose a mechanism of a phased transition to independent preparation of IFRS statements (Table 2).

Table 2. Stages of transition to IFRS statements

Stage	Goal	The main tasks of the stage
Stage 1	Planning the transition to IFRS	- definition of the purpose of IFRS reporting; - appointment of employees responsible for preparing financial statements according to IFRS; - setting the date for the first use of IFRS; - definition of consolidation (combination); - the choice of consultants; - development of the road map
Stage 2	Development of methodology and instruments	Development of methodology: - accounting policy; - key management assessment Development of instruments: - information package for data collection; - transformation model; - consolidation model; - format of notes
Stage 3	Data collection and financial reporting	- filling of information packets of data collection for reporting periods; - transformation of reporting; - consolidation of the transformed data
Stage 4	Training how to make consolidated financial statements	- training specialists of a company to transform and consolidate reporting; - presentation to management (owners) of the main differences during the transition from NP (S) to IFRS
Stage 5	Improving the process of preparation of statements	- self-training on a regular basis; - improving the process of the preparation of financial statements under IFRS; - automation of financial reporting (for example, on the basis of 1C, SAP R/3); - optimization of data collection, instruments, internal control, regulations

Source: IFRS 1.

During the first stage it is necessary to understand the purpose of reporting under IFRS and to make a preliminary assessment of requirements to reporting. In practice, it is important to determine according to which system of international standards the reporting will be conducted: US GAAP (US General Accepted Accounting Standards) or IFRS (International Financial Reporting Standards). At this stage it is necessary to assign a group of responsible persons for the preparation of statements according to IFRS. The key is to assign a group, not an individual employee, for example, a chief accountant or a chief financial director, as it can greatly affect the duration of the process. It is necessary to solve the issue of teaching the working group the theoretical and practical aspects of IFRS.

The key is to determine the date of transition (the first use of IFRS (IFRS 1). Determining the date of transition to IFRS we must remember that this date is the beginning of the first period for which the company provides full comparative information under IFRS in its first IFRS financial statements. Figure 2 shows the peculiarities of determining the date of transition to IFRS.

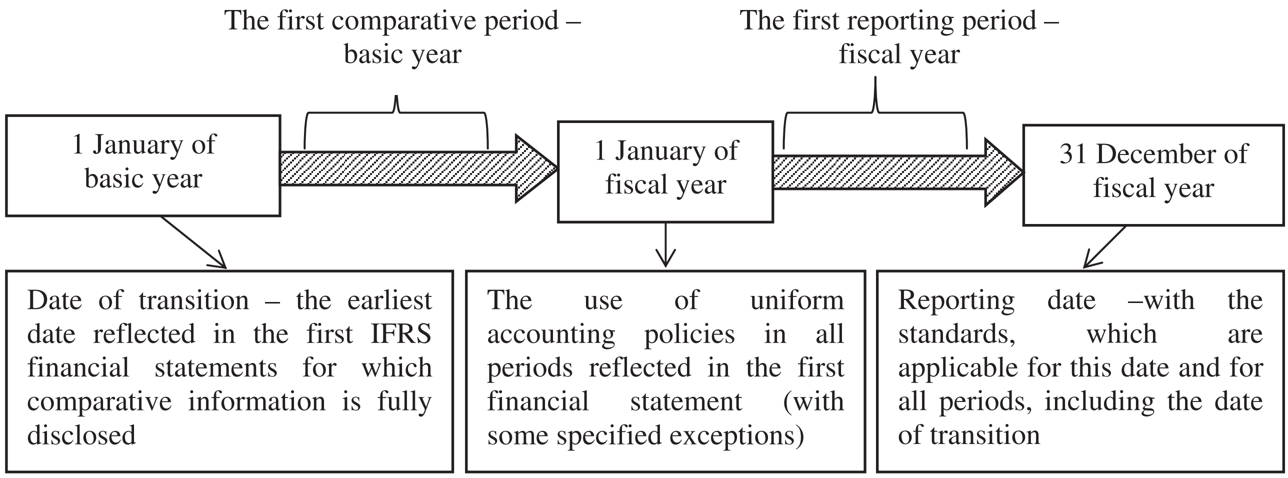

Fig. 2. Algorithm of using IFRS 1 (Golov, 2000)

Financial statements for the reporting year provide comparative information for the basic year transformed, according to IFRS. To prepare comparative financial statements under IFRS for the basic year and the first financial statements for the fiscal year IFRS is used at the end of the fiscal year.

The first financial statement and consolidated financial statement prepared according to IFRS for the fiscal year shall contain information as of January 1 of the basic year, January 31 of the basic year, January 31 of the fiscal year and reports about financial performance, cash flows, changes in equity capital for the basic and fiscal year, related notes, including comparative information.

An important step in the implementation of the first stage is the determination of the group for consolidation, assessment of its structure and components. This raises the question about the need to restructure the group, i.e., the parent company and all its subsidiaries.

During the first stage it is also important to adopt the basic methods of accounting and evaluation of fixed assets: according to fair value or historical costing. For this purpose, it is recommended to hire consultants-specialists who would conduct a quality assessment of property.

The culmination of this stage is the drafting of a roadmap, which defines the main stages and terms of transformation of reporting according to IFRS. This issue should be solved together with consultants, chief accountants and auditors.

Regarding the second stage, which aims to develop methodologies and instruments for the transition to international accounting standards and principles, it is necessary to consider the following issues:

- development of information packages for data collection;
- selection of transformation or consolidation model of transition;
- implementation of the format of notes for reporting in the selected model.

It is necessary to take into account the standards of disclosure required by IFRS and additional disclosure in accordance with IFRS 1 “First-time Adoption of IFRS”. This would make it possible to disclose information in the first financial statements prepared in accordance with IFRS.

In addition, the first set of financial statements under IFRS should include:

- 3 balance sheets (statements on financial position);

- 2 statements on financial performance (statement of total income);
- two statements on cash flows;
- 2 reports on equity capital;
- notes related to financial statements, including comparative information.

Comparative information includes the following aspects:

- a company may submit aggregated data for the periods prior to the first comparative period, but such data may not comply with IFRS requirements regarding recognition and assessment;
- if a company voluntarily decides to disclose comparative information or reporting data according to the previously used accounting rules, then it must clearly identify such information as not prepared in accordance with IFRS and give a qualitative assessment of major adjustments to bring it in accordance with IFRS.

At this stage it is necessary to make a verification of reporting data according to IFRS. That is, the first set of financial statements under IFRS shall include verifications between the following items;

- capital, which is reflected in the statement according to the previously used accounting rules with the capital according to IFRS of two dates: the date of transition to IFRS and the date at the end of the period given in the last annual statement under the previous rules;
- total income (profit) calculated in accordance with the previously used accounting rules for the last reporting period and total income for the same period calculated under IFRS (Figure 3).

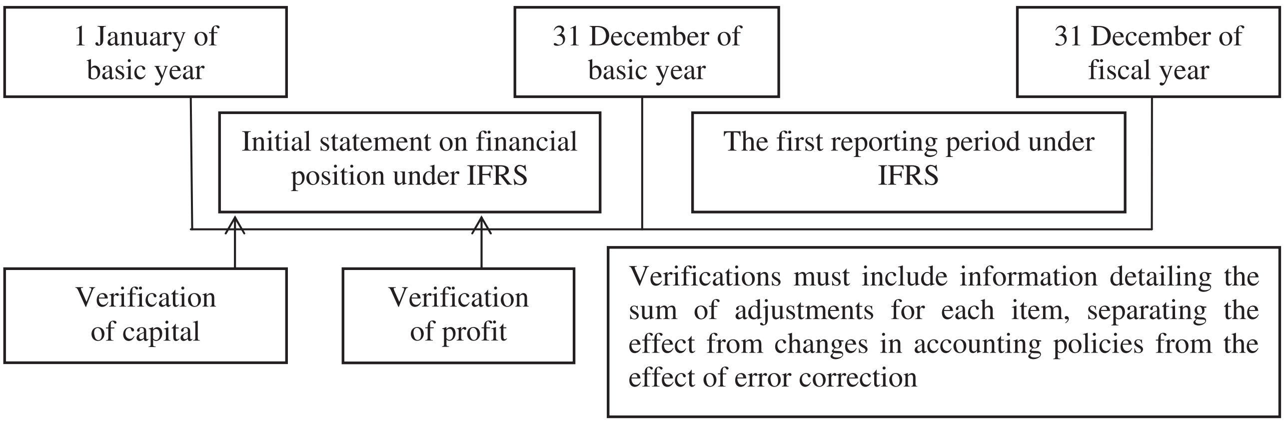

Fig. 3. Verifications according to the requirements of IFRS 1 (Golov, 2000)

An integral part of financial statements is accounting policy. Accordingly, there is a number of IFRS 1 requirements regarding this document:

- the use of accounting policy for the first financial statements under IFRS and interim financial statements;
- the use of a single accounting policy for all periods presented in the first financial statement;
- the use of the necessary verifications of retrospective application;
- provision of detailed disclosures regarding the transition to IFRS and the necessary verifications;
- compliance of the developed accounting policies with all IFRS requirements effective at the end of the first reporting period.

In developing the instruments one should also pay attention to estimates. Such IFRS estimates shall comply with the estimates that were made in accordance with the previously used accounting rules, taking into account the adjustments that reflect differences in accounting policies. However, IFRS 1 prohibits the revision of estimates unless there is objective data indicating errors in the previous estimates. Companies have to adjust estimates only in cases where the methodology of calculation does not comply with IFRS. It should be remembered that the new estimates must correspond to the market conditions on the date of transition to IFRS, such as the estimates of market prices, interest rates or exchange rates.

Proceeding to the third stage "Data collection and financial reporting" it is necessary to collect all the data and fill in information packages for reporting periods. Information is obtained from business departments and/or subsidiaries, after which it is specified and verified. This requires that all business transactions are fully disclosed, documentary proven and reflected in reporting. It can be done by making the necessary adjustments and identifying the missing data. After the consolidation of data from all departments and/or subsidiaries one should proceed to the transformation of statements. Generally, the stage of data collection and reporting looks like a system of interrelated processes (Figure 4).

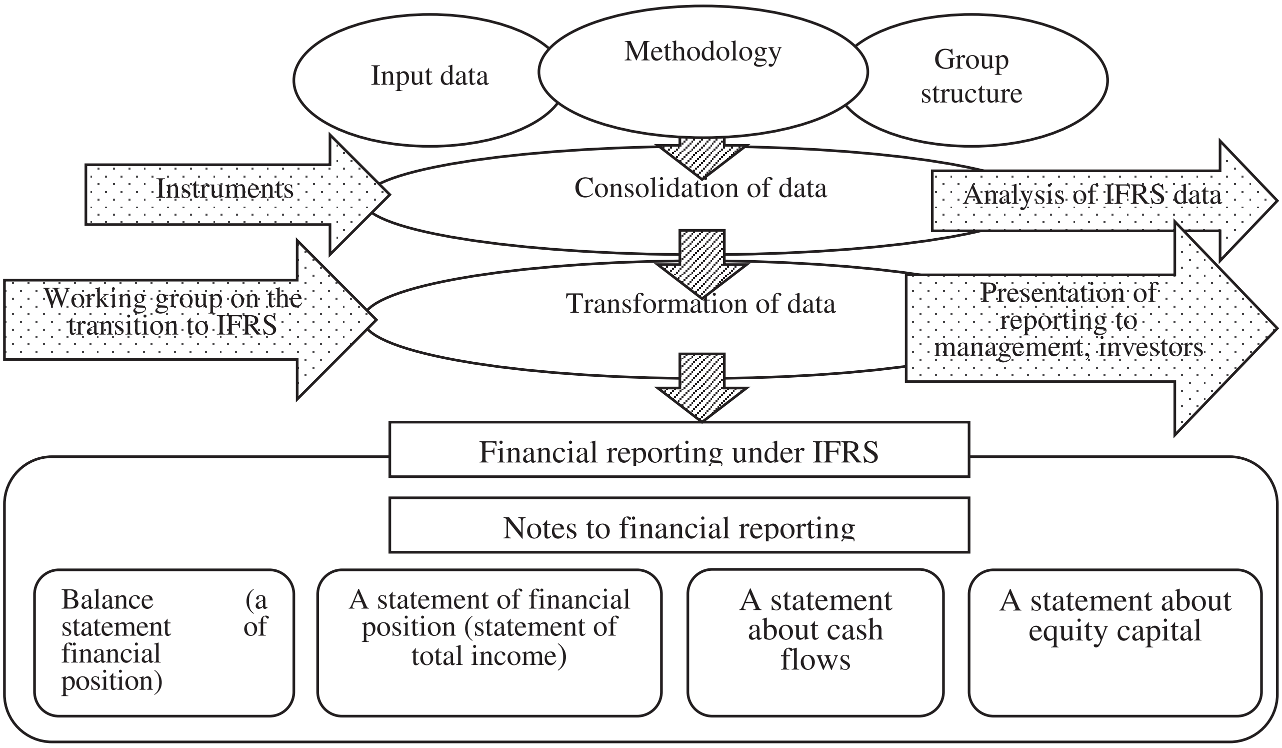

Fig. 4. A system for data collection and financial reporting under IFRS

During the fourth stage of transition to IFRS it is important to train a company's employees the transformation and consolidation procedures. Also effective are specialized courses of international accounting standards. However, it may take a lot of time. Therefore, a company can use the services of consultants to teach practical aspects of the international standards in the context of the first use of IFRS as well as transition and consolidation of the reporting. After finishing these procedures owners should be given statements with an explanation of the main differences in the transition from NP (S) to IFRS.

The final stage is aimed at improving the reporting process. Having established the process of independent preparation of statements on a regular basis, companies must develop and implement a system for the monitoring of statements, according to IFRS. This can be achieved through the development of appropriate regulations. However, the process of improving the statements under IFRS depends on the degree of its automation.

Automation can be implemented with the help of software chosen by companies depending on their organizational structure, sales volume, number of subsidiaries and other factors. Such software products can be the financial, managerial and/or manufacturing ERP – systems of different scales such as local and small integrated systems (1C, Infosoft, Concord), as well as medium and big integrated systems (SAP/R3, Oracle, iRenaissance). On the Ukrainian market the majority of companies use the software such as 1C and SAP/R3 in their transition to IFRS.

An important aspect of improving the reporting process is optimization of the data collection process, instruments and internal regulations. It is necessary to ensure the highest level in the quality of prepared and collected information that would meet the requirements of IFRS.

As for the timing and complexity of transition to IFRS four approaches are distinguished (Table 3).

Table 3. Approaches to the transformation of the reporting regarding the timing and complexity of transition to IFRS

Approach	Term	Characteristic
Diagnostics	2-4 weeks	Preparation of a detailed report, description and analysis of the key issues in the transition to IFRS. Diagnostics is necessary in order to clearly identify what tasks have to be solved in the process of transition to IFRS
Basic transition to IFRS	2-3 months	Preparation of methodology to calculate the main components of reporting under IFRS, calculation of consolidated and transformed amendments, preparation of statements according to IFRS with all the necessary notes. The advantage of this approach is its relatively low cost. However, it does not offer any advantages that go beyond the normal transformation.

Table 3 (cont.). Approaches to the transformation of the reporting regarding the timing and complexity of transition to IFRS

Approach	Term	Characteristic
Optimal approach	4-6 months	Similarly to the previous approach – preparation of methodology to calculate the main components of reporting under IFRS, calculation of consolidated and transformed amendments, preparation of statements according to IFRS with all the necessary notes. Preparation of detailed accounting policies for all components of financial reporting both at a group level and at a level of individual business components. It also includes the training of working groups the transition to IFRS.
Systems approach	7-9 months	Similarly to the previous two approaches – preparation of methodology to calculate the main components of reporting under IFRS, calculation of consolidated and transformed amendments, preparation of statements according to IFRS with all the necessary notes. Preparation of detailed accounting policies for all components of financial reporting both at a group level and at a level of individual business components. It also includes the training of working groups the transition to IFRS. Improvement of the efficiency of information systems, systems of internal control over the preparation of financial statements according to IFRS, formation of a team for the transition to IFRS

Source: Golov (2000); Zhuravka (2012).

Conclusion

In terms of convergence of national accounting standards with International Financial Reporting Standards Ukraine is far behind the developed countries. The study defined the main stages of IFRS implementation in Ukraine and identified the following problems:

- short time of IFRS implementation leading to low motivation, understanding of the structure and content of the standards, the level of the required knowledge and skills;
- the need to adapt the national legal framework of accounting;
- insufficient effectiveness of state regulation in the field of accounting;
- the need to expand international cooperation and to use international experience in IFRS implementation.

Instruments to solve these problems should include:

- development of standards, procedures and guidelines of IFRS implementation;
- ensuring cooperation between the domestic specialists and experts from the IASB;
- improvement of accountants' skills and raising the awareness of other users of financial statements about the international standards.

Under these conditions, the implementation of International Financial Reporting Standards should be an instrument for improving the transparency and efficiency of management, which, in turn, would give Ukraine the possibility to attract foreign investments and loans, access to international markets and the country's accession to the European Union.

References

1. Golov, S.F. (2000). Mizhnarodni standarty bukhgalterskogo obliku 2000 : pereklad z angliiskoii. Red. S.F. Golov. Kyiv: Federatciia profesiinykh bukhgalteriv i audytoriv Ukrainy, 1272 p.
2. Golov, S.F. (2010). Transformatsiia finansovoi zvitnosti ukrainskykh pidpryiemstv u finansovu zvitnist za mizhnarodnymy standartamy : metodychni rekomendatsii. Vinnytsia: TOV Konsol, 308 p.
3. Golov, S.F. & Kostiuchenko, V.M. (2007). Bukhgalterskyi oblik i finansova zvitnist za mizhnarodnymy standartamy. Kharkiv: Faktor, 976 p.
4. Zholner, I.V. (2012). Finansovyi oblik za mizhnarodnymy ta natsionalnymy standartamy: Navch. posib. Kyiv: NUKHT, 335 p.
5. Zhuravka, F.O. (2012). Mizhnarodni standarty finansovoi zvitnosti v konteksti transformatsiinykh peretvoren natsionalnoi systemy bukhgalterskogo obliku. Seriia Ekonomichni nauky. *Visnyk Chernigivskogo derzhavnogo tekhnologichnogo universytetu*, 4(62), pp. 25-30.
6. Kontseptualna osnova finansovoi zvitnosti. Kontseptsiia Ministerstva finansiv Ukrainy vid 01.09.2010. Available at: http://zakon4.rada.gov.ua/laws/show/929_009 (16.02.2014). Ofitsiinyi web-portal VRU.
7. Melnychuk, V.V. Mizhnarodni standarty finansovoi zvitnosti i shliakhy ikh vprovadzhennia v Ukraini. Available at: http://ir.kneu.edu.ua:8080/bitstream/2010/1199/1/Melnychuk.pdf (25.01.2014). Elektronnyi katalog KNEU.
8. Metodychni rekomendatsii shchodo zapovnennya form finansovoi zvitnosti, zatverdzheni nakazom Ministerstva finansiv Ukrainy vid 28.03.2013 No 433. Available at: http://zakon.nau.ua/doc/?code=v0433201-13.
9. Mizhnarodni standarty finansovoi zvitnosti. Polozhennia Ministerstva finansiv Ukrainy vid 17.10.2013. Available at: http://www.minfin.gov.ua/control/uk/publish/article?art_id=386622&cat_id=386616. (08.02.2014). Ofitsiinyi web-sait MFU.
10. MSFZ 1 Pershe zastosuvannia Mizhnarodnykh standartiv finansovoi zvitnosti. Available at: htpp://www.minfin.gov.ua.

11. NP(S)BO Zagalni vymogy do finansovoi zvitnosti, zatverdzhene nakazom Ministerstva finansiv Ukrainy No 73 vid 07.02.2013. Available at: htpp://www.minfin.gov.ua.
12. Orlova V. & Kafka S. (2013). Transformatsiia finansovoi zvitnosti za mizhnarodnymy standartamy. *Bukhgalterskyi oblik i audit*, 5, pp. 3-7.
13. Pro bukhgalterskyi oblik та finansovu zvitnist v Ukraini. Zakon Ukrainy vid 16.07.1999 No 996-XIV. Available at: http://zakon4.rada.gov.ua/laws/show/996-14 (23.01.2014). Ofitsiinyi web-portal VRU.
14. Pro vzaiemodiiu, spivrobitnytsvo ta koordynatsiiu dii shchodo zaprovadzhennia v Ukraini Mizhnarodnykh standartiv finansovoi zvitnosti. Memorandum Ministerstva finansiv Ukrainy vid 10.06.2011. Available at: http://www.minfin.gov.ua/control/publish/article/main?art_id=295336&cat_id=295335 (08.02.2014). Ofitsiinyi web-sait MFU.
15. Pro zastosuvannia mizhnarodnykh standartiv finansovoi zvitnosti. Lyst Natsionalnogo Banku Ukrainy, Ministerstva finansiv Ukrainy, Derzhavnoi sluzhby statystyky Ukrainy No 12-208/1757-14830 від 07.12.2011. Available at: http://zakon4.rada.gov.ua/laws/show/v1757500-11. (23.02.2014). Ofitsiinyi web-portal VRU.
16. Pro zatverdzhennia Programy reformuvannia systemy bukhgalterskogo obliku iz zastosuvanniam mizhnarodnykh standartiv. Postanova Kabinetu Ministriv Ukrainy vid 28.10.1992 No 1706. Available at: http://zakon2.rada.gov.ua/laws/show/1706-98-%D0%BF (24.01.2014). Ofitsiinyi web-portal VRU.
17. Pro perekhid Ukrainy do zagalnopryiniatoi u mizhnarodnii praktytsi systemy obliku ta statystyky. Ukaz Prezydenta Ukrainy vid 26.05.1992 No 303. Available at: http://zakon2.rada.gov.ua/laws/show/303/92. (25.01.2014). Ofitsiinyi web-portal VRU.
18. Pro spivrobitnytsvo ta koordynatsiiu dii shchodo zastosuvannia v Ukraini mizhnarodnykh standartiv finansovoi zvitnosti. Memorandum Ministerstva finansiv Ukrainy vid 20.03.2012. Available at: http://www.minfin.gov.ua/control/publish/article/main?art_id=331737&cat_id=331736 (8.02.2014). Ofitsiinyi web-sait MFU.
19. Pro skhvalennia Strategii zastosuvannia mizhnarodnykh standartiv finansovoi zvitnosti v Ukraini. Rozporiadzhennia Kabinetu Ministriv Ukrainy vid 24.10.2007 No 911-p. Available at: http://zakon2.rada.gov.ua/laws/show/911-2007-%D1%80 (8.02.2014). Ofitsiinyi web-portal VRU.
20. Rogoznii S. (2014) Mizhnarodni standarty dlia efektyvnogo finansovogo menedzhmentu. *Audytor Ukrainy*, 9(226), pp. 38-45.
21. Ahmed, A., Neel, M., & Wang, D. (2013). Does mandatory adoption of IFRS improve accounting quality? Preliminary evidence. *Contemporary Accounting Research*, 30(4), pp. 1344-1372.
22. Ahmed, K., Chalmers, K., & Khlif, H. (2013). A meta-analysis of IFRS adoption effects. *International Journal of Accounting*, 48, pp. 173-217.
23. Armstrong, C.S., Barth, M.E., Jagolinzer, A.D., & Riedl, E.J. (2010). Market reaction to the adoption of IFRS in Europe. *The Accounting Review*, 85(1), pp. 31-61.
24. Brown. P. (2011). International Financial Reporting Standards: what are the benefits? *Accounting and Business Research*, 41(3), pp. 269-285.
25. Brüggemann, U., Hitz, J.-M., & Sellhorn, T. (2013). Intended and unintended consequences of mandatory IFRS adoption: a review of extant evidence and suggestions for future research. *European Accounting Review*, 22(1), pp. 1-37.
26. Christensen, H.B. (2012). Why do firms rarely adopt IFRS voluntarily? Academics find significant benefits and the cost appear to be low. *Review of Accounting Studies*, 17(3), pp. 518-525.
27. Hung, M., & Subramanyam, K.R. (2007). Financial statement effects of adopting international accounting standards: the case of Germany. *Review of Accounting Studies*, 12(4), pp. 623-657.
28. Palea, V. (2013). IAS/IFRS and financial reporting quality: lessons the European experience. *China Journal of Accounting Research*, 6(4), pp. 247-263.
29. Platikanova, P., & Perramon, J. (2012). Economic consequences of the first-time IFRS introduction in Europe, *Spanish Journal of Finance and Accounting*, 156, pp. 497-519.
30. Pope, P.F., & McLeay, S.J. (2011). The European IFRS experiment: objectives, research challenges and some early evidence. *Accounting and Business Research*, 41(3), pp. 233-266.
31. Soderstrom, N., & Sun, K. (2007). A review of the accounting quality after IFRS adoption in the European Union. *European Accounting Review*, 16(4), pp. 675-702.
32. Sun, J., Cahan, S., & Emanuel, D. (2011). How would the mandatory adoption of IFRS affect the earnings quality of U.S. firms? Evidence from cross-listed firms in the U.S. *Accounting Horizons*, 25(4), pp. 837-860.