

Alla Romanchuk, Candidate of Economic Sciences, Associate Professor,
<https://orcid.org/0000-0001-9155-3417>

Serhii Rylieiev, Candidate of Economic Sciences, Associate Professor,
<https://orcid.org/0000-0002-8994-9663>

Chernivtsi Institute of Trade and Economics of KNUTE, Chernivtsi

FINANCIAL ACCOUNTANCY OF PUBLIC SECTOR ENTITIES IN THE SYSTEM OF INFORMATION SUPPORT OF ANALYSIS

Summary

The article deals with the main forms of financial reporting of budgetary institutions that have undergone a complex process of reform. The emphasis was placed on comparing old reporting articles with new ones that emerged during the reforms. Particular attention was paid to the review of the Balance Sheet, the Report on Financial Results and Notes to the Report. The article defines how the most important analytical data used during the diagnosis of the financial state of the public sector entity has changed. The main differences between the reporting of the budgetary institution, which are made according to the norms of national accounting standards and international ones, are revealed. The introduced new sections on the Balance do not correspond to the existing methods of analysis of the financial condition and require preparatory analytical work. Nonfinancial and financial assets are new concepts that are not foreseen in the existing financial diagnostics of a budgetary institution. The Financial Results Report has changed the approach to the classification of income and expenditure, which also affects the procedure for calculating financial indicators.

The authors identify the range of problems that should be solved by adapting the financial statements of the public sector entity to the requirements of international standards. In the article, the analytical capabilities of all forms of financial reporting of a budgetary institution are systematized, which will allow practitioners to make full use of it for a comprehensive analysis of the financial situation. The introduced changes to the financial statements of budgetary institutions require revision of the methodology of the financial analysis profession. Such adjustments should be changed at the legislative level with the further development of regulatory acts of a recommendatory nature.

Keywords: public sector, financial reporting, analytical reporting capability, balance sheet, financial results report, budget institution reporting.

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