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ACCOUNTING PROCESS IN THE PUBLIC SECTOR OF UKRAINE: FEATURES AND PROSPECTS

The adaptation process of Ukrainian accounting system towards European standards is a significant step for cooperation of Ukraine with the European Union. The accounting modernization program in the public sector is slower than in other areas, and it slows down the powerful driving force because the number of budgetary enterprises, institutions and organizations in Ukraine exceeds more than 100 thousand (spheres of education, science, sports, medicine, culture, public services, and legislative and executive institutions). In this respect, particular actuality is the searching for the new ways to improve national approaches to the modernization of the accounting system in the public sector of economy, as Ukraine cooperates with international organizations, financial institutions, and activity on stock currency and investment markets requires competence with international standards, openness and transparency of the information according economic issues.

In Ukraine for the public sector, the accounting reforms have been planned for realization within two stages by 2017. The first one began in 2007 and ended in 2013 by bringing changes in the legislation, preparing national accounting standards for the public sector. The second stage provides the key elements of the reform, strengthening of legal framework of accounting and reporting (in accordance with IPSAS) also, the usage and creation of unified IT for government organizations. [1]. It is important to indicate an implementation of National Standards of accounting and Chart of Accounts in the public sector [2].

However, most of regulated changes occur very slowly or even de jure. The main directions of accounting modernization are implementing by the following demands: improving the accounting system and the system of financial reporting as well as accountability of budget performance; creating unified organizational and

accounting information system. We can admit the beginning of creation the Institution of Public Accountants (IPA) in Ukraine as the most significant achievement at the organizational level during a prolonged period. Institutes of State Accountants implement a regulatory function in many countries, because the states almost never interfere with the state institutions of accounting system [3].

The second part of the theoretical improvement in accounting system is change, completion and improvement of accounting policy for public institutions. Since 2015, all public institutions are obliged to conduct accounting procedures and compose financial statements according the new accounting principles and methods that are defined in accounting policy.

Regarding to the adaption process of the National Accounting Standards towards International in the public sphere, with the aim of the most optimal rapprochement to the established requirements – 9 Standards were initiated in 2015 and 11 ones are planned to implement in 2017 [4].

In Ukraine, the reform process also requires the immediate changes in relation to accounting methods as well as implementation of management accounting, adaptation of Ukrainian accounting system to International practices.

LITERATURE

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