



Creation of Accounting Standards – a Component of Reforms in Public Accounting and Reporting in Ukraine

**Head of the State Treasury
Service of Ukraine
Mr. Sergey Kharchenko**



Precondition for Reforms

- necessity:

- harmonize accounting and financial reporting legislation in Ukraine according to international standards

- resolve the issue of recognition in accounting operations at legislative level

- inability to compare financial condition data of the state with similar reported data in other countries



Regulatory and Legal Framework for Reforms

- Strategy of public accountant system modernization for 2007-2015
(Resolution of Cabinet of Ministers of Ukraine dated 16.01.2007 №34)
- Implementation Strategy of international financial reporting standards in Ukraine
(Ordinance of Cabinet of Ministers of Ukraine dated 24.10.2007 №911-p)
- Strategy of modernization for the public finance system
(Ordinance of Cabinet of Ministers of Ukraine dated 17.10.2007 №888-p)



The Aim of the Reform

Public accounting and reporting systems improvement by international standard requirements (IPSAS)



Main Tasks of the Reform

Improvement

accounting

reporting

Creation

unified
organization
system

unified information
accounting system



Accounting and Reporting System Improvement

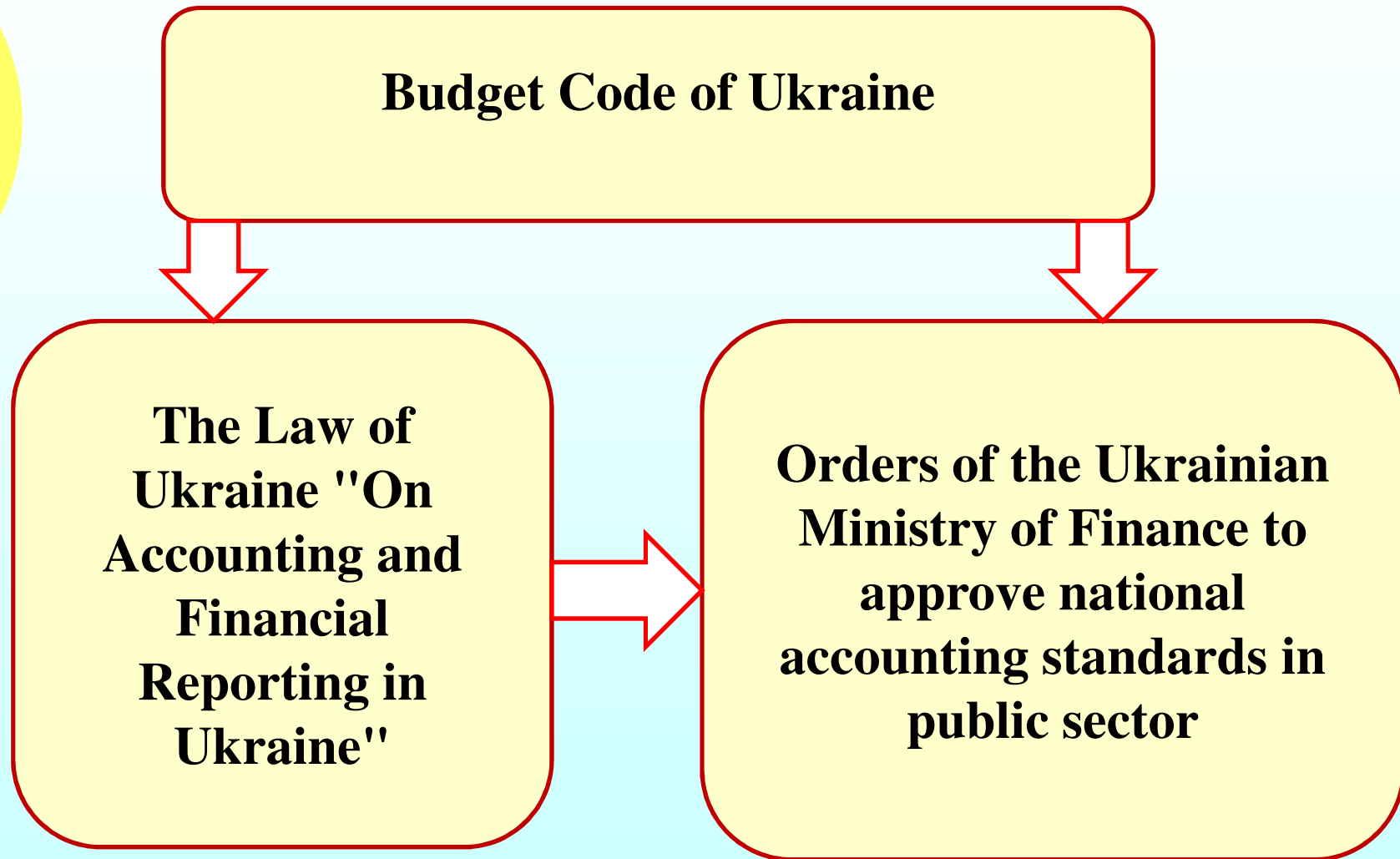
implementation and development of national accounting and reporting standards in public sector

creation of common chart of accounts

reporting and consolidation methods improvement



Changes in Legislation





National Standards

Reporting

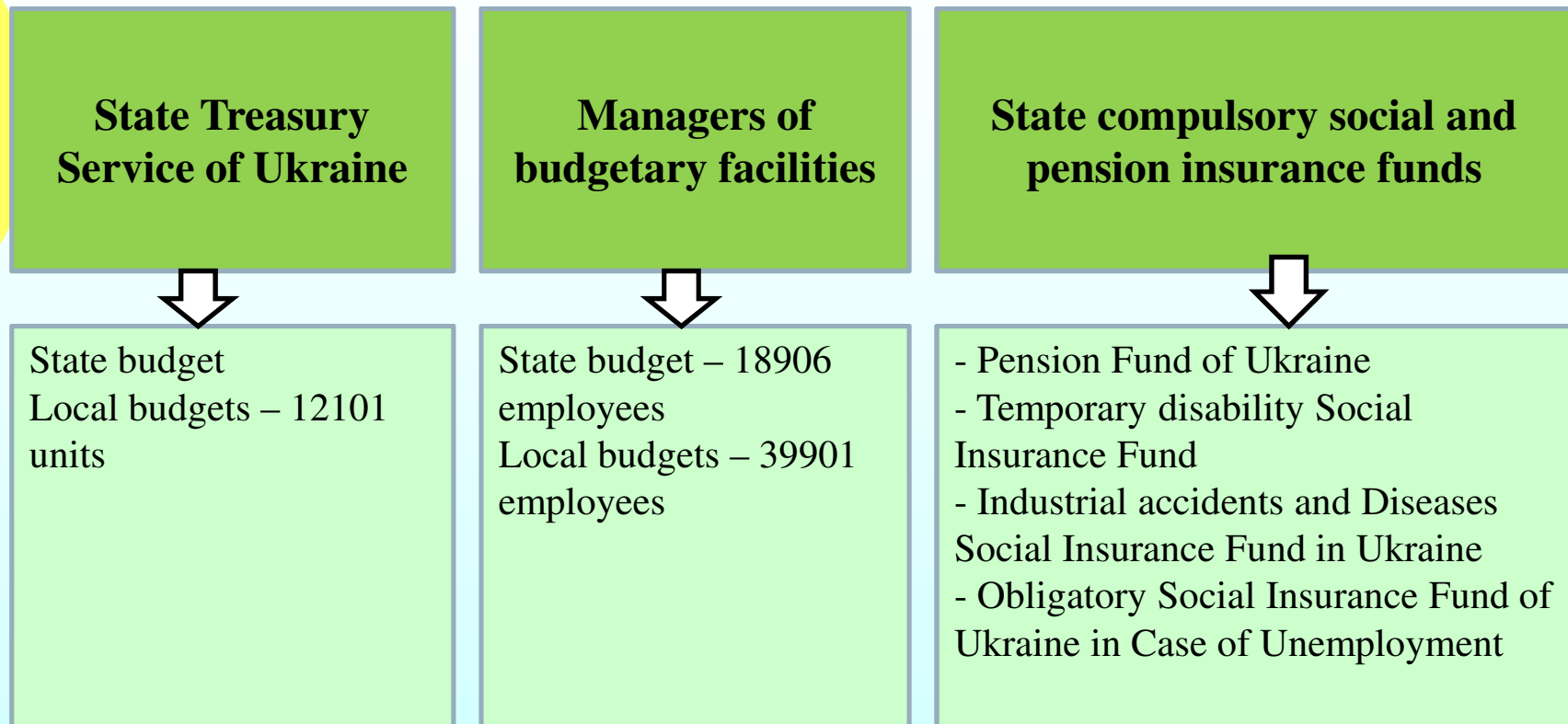
- 101** Presentation of financial statements
- 102** Consolidated financial statements
- 103** Financial reporting by segments
- 105** Financial reporting in hyperinflationary economies

Accounting

- 121** Fixed assets
- 122** Intangible assets
- 123** Inventories
- 124** Income
- 125** Change of registration estimations and correction of errors
- 126** Rent
- 127** Impairment of Assets
- 128** Provision, contingent liabilities and contingencies assets
- 129** Investment real estate
- 130** The effects of changes in foreign exchange rates
- 131** Construction contracts
- 132** Employee benefits
- 133** Financial investments
- 134** Financial instruments
- 135** Expenses



Subjects of Standards Application





New Standards

- **Reporting standards**

 - forms of financial reporting (Balance, Statement of financial results, Statement of cash flows, Statement of own capital)

 - rules of consolidated financial statements

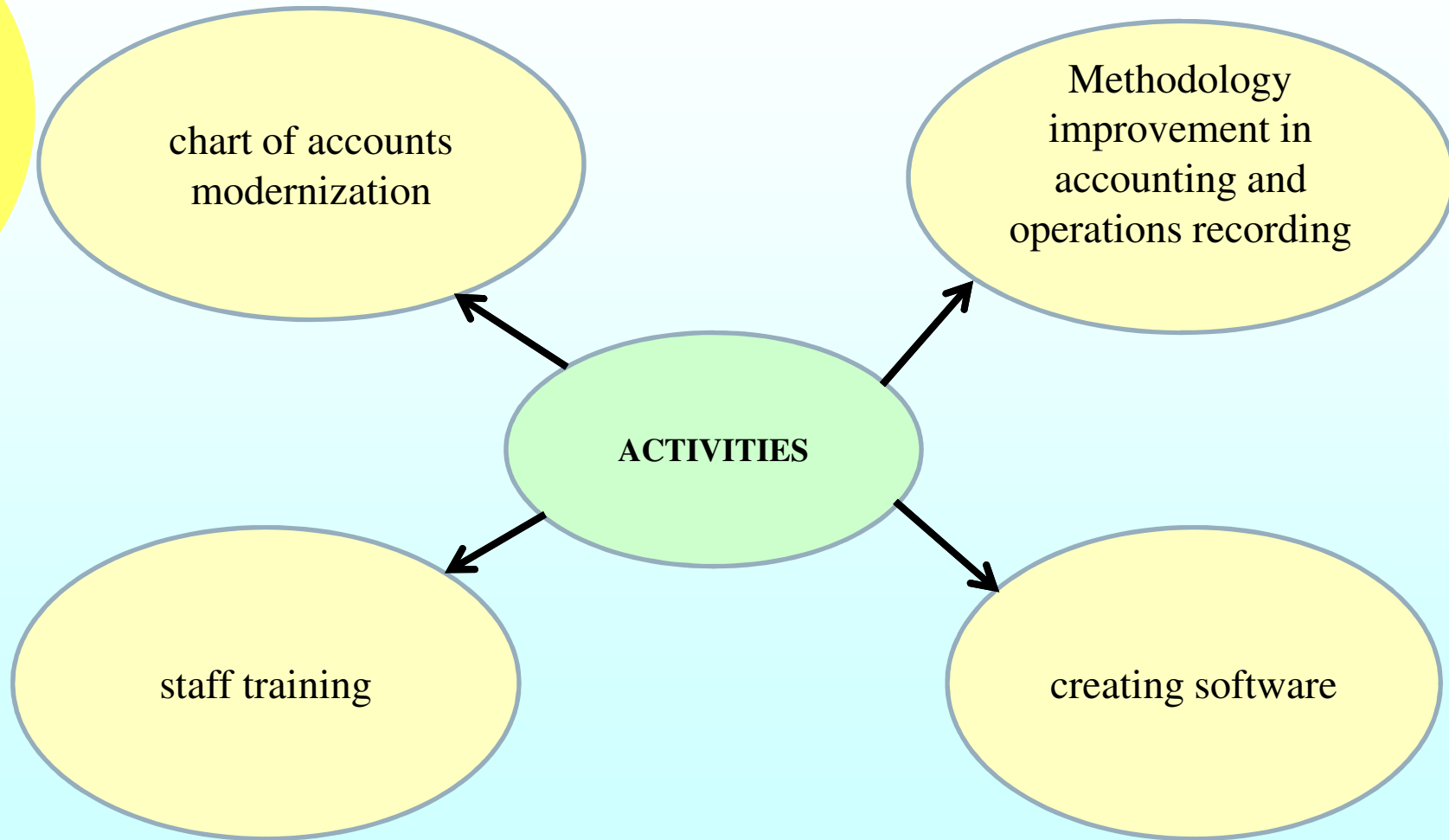
 - procedure for the disclosure of budget information in financial statements

- **Accounting standards**

 - requirements for recognition, measurement, presentation and disclosure of information on operations and events in the financial statements



Implementation of Standards in Public Sector





Expected Results of Standards Implementation

- Adaptation of Ukrainian accounting and reporting legislation to international standards (IPSAS)
- State financial management system improvement
- Financial reporting data transparency in public sector and ability to compare it with similar data of other countries



State Treasury Service of Ukraine

Thank you
for your attention!

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