

## References

1. DIGITAL 2022: ANOTHER YEAR OF BUMPER GROWTH [Electronic resource]. — Mode of access: <https://wearesocial.com/uk/blog/2022/01/digital-2022-another-year-of-bumper-growth-2/>. — Date of access: 28.03.2022.
2. How Big Data in Marketing Shapes the Future of Advertising [Electronic resource]. — Mode of access: <https://improvado.io/blog/big-data-marketing>. — Date of access: 28.03.2022.
3. The ROI of Email Marketing [Electronic resource]. — Mode of access: <https://www.litmus.com/blog/infographic-the-roi-of-email-marketing/>. — Date of access: 29.03.2022.

UDC 657

I. A. Klimenkov

*Baranovichi State University, Baranovichi, the Republic of Belarus*

## RELEVANCE OF INTERNATIONAL FINANCIAL REPORTING STANDARDS IN THE REPUBLIC OF BELARUS

**Introduction.** The internationalization of economies necessitates the comparability of accounting data obtained in different countries, and accordingly, there is a need to introduce international standardization of national accounting and reporting systems. The task of unifying the reporting of different states is carried out by international financial reporting standards (hereinafter — IFRS). A very important issue is the globalization of accounting systems and the integration of the Republic of Belarus into the world economic community, as well as the relevance of introducing IFRS principles into the national economy [1]. The application of international financial reporting standards contributes to the attractiveness of the country for investors, getting access to foreign capital markets, transforming the accounting system towards accuracy, transparency and understandability, as well as effectively improving the management system of organizations [2; 3].

**Main part.** The development of IFRS problems began in the 1960s under the auspices of the United Nations Center for Transnational Corporations. A “universal language of businessmen” was required for the normal functioning of global economic relations, accounting and financial reporting was defined as a language, accessible and understandable to all interested parties. Currently, a global accounting system has developed on the basis of IFRS. Operating since 1973 in London, the Committee on International Financial Reporting Standards (hereinafter — CIFRS) is an independent entity whose purpose is to unify the accounting principles used by companies around the world to prepare financial statements. By the beginning of the XXI century, CIFRS had approved more than 40 standards; some of them have undergone two or three revisions during their existence, and some have been completely modernized. Currently, more than 40,000 transnational corporations with more than 200.000 subsidiaries and affiliates around the world voluntarily prepare financial statements in full compliance with IFRS. A number of states, including the Republic of Belarus and the Russian Federation, have decided to bring their national accounting and financial reporting rules into line with IFRS [4; 5; 6].

*International Financial Reporting Standards (IFRS)* are rules that establish requirements for the recognition, evaluation and disclosure of financial and business transactions for the preparation of financial statements of firms and companies around the world. Financial reporting standards ensure the comparability of accounting documentation between business entities on a global scale, and are also a condition for the availability of financial reporting information for external users.

In current economic conditions, there is a great need for timely, reliable and complete information to explore and assess the financial position of the organization and the results of its economic activities. One source of such information is financial statements. Financial statements prepared in according to national legislation provide users with such information quite fully, but there is an opportunity to improve it by using IFRS. The introduction of IFRS is one of the elements of the international attractiveness of both the enterprise and the country’s economy as well. Their weak implementation hinders the attraction of investments into the country, because for investors it indicates a lack of transparency in financial reporting. If there is no transparency of financial reporting, there is no confidence in the organization. If there is no investor confidence, there is no investment in the organization. If there is no investment in the organization, there is no development.

Incentives for the implementation of IFRS are present both at the level of an individual organization and at the level of the country as well. *As microeconomic drives* for the application of IFRS, the following can be distinguished:

- an increase in market capitalization (this advantage, at first glance, seems to be irrelevant for Belarusian banks and organizations, since the stock market in Belarus is poorly developed, but, nevertheless, it can be considered as a factor in a more reliable assessment of an organization’s value for investors);
- access to foreign capital markets and a decrease in the price of attracted capital;
- possibility of more efficient use of information for making management decisions.

*Among the main macroeconomic drives are the following:*

- inflow of foreign investments into the economy;
- greater transparency of domestic companies and, as a result, an improvement in the image of business abroad;

- deeper integration of the country's economy into the world economic system;
- improving the quality of statistical information and the possibility of its comparison [1—3; 6].

Currently, an increasing number of organizations are coming to understand the need to use IFRS. This is due to the necessity of the organization to provide accounting data to the investor in order to obtain foreign investments, the entry of companies into international financial markets, the development of business that imposes modern reporting requirements. In addition, the use of IFRS is necessary to provide financial statements for an IPO.

*The increased interest in IFRS can also be explained by the following:*

- as international practice shows, financial statements prepared in accordance with IFRS are more informative and useful for users. The standards are initially focused on specific users of information and proceed from the criterion of the usefulness of financial information for making informed management decisions;
- the use of IFRS can significantly reduce the time and resources for the development of fundamentally new national accounting and reporting rules. Inclusion of the Belarusian accounting system to IFRS will make it possible to most rationally solve the problem of creating an effective accounting and reporting system that meets the needs of a market economy [1—3; 6].

It should be noted that the implementation of IFRS is not necessary for all organizations. State-owned companies, if they do not need to raise capital, do not urgently need to apply IFRS, since control over their work is carried out by the authorities.

If organizations nevertheless intend to implement international financial reporting standards, switching to IFRS, they may face and take some risks: on the one hand, non-compliance of indicators with the requirements of regulatory authorities, as well as a change in asset quality due to recalculation, and on the other hand, risks associated with insufficient qualification of personnel and revision of information technology.

**Conclusion.** The introduction of international standards requires certain changes both in the regulatory framework and in the accounting system as well. Despite of the taking of certain risks, the transition of enterprises to IFRS not only has significant advantages (although it imposes higher requirements), but it is also a top-vital necessity for enterprises which interest in increasing their attractiveness to investors.

#### References

1. *Bargesyan, L. M.* Challenges in applying International financial reporting standards in the Republic of Belarus / L. M. Bargesyan // *New Economy*. — 2008. — № 11—12.
2. *Sidneva, V. P.* International financial reporting standards : textbook / V. P. Sidneva. № rev. — Minsk : Cronus, 2012. — P. 216.
3. *Shishkova, T. V.* International financial reporting standards : textbook / T.V. Shishkova, E.A. Kozelcteva. — rev. — Minsk : EKSMO, 2014. — P. 320.
4. About accounting and reporting [Electronic resource] : Rep. Law Belarus, July 12, 2013, № 57-3 : adopted by the House of Representatives of the National Assembly of the Republic of Belarus on June 26, 2013 : approved. Council of the Republic of the National Assembly of the Republic of Belarus on June 28, 2013, as amended and additional dated July 17, 2017, № 52-3 // National Legal Internet Portal of the Republic of Belarus. — 07/22/2017. — 2/2490.
5. On the entry into force on the territory of the Republic of Belarus of International Financial Reporting Standards and their Interpretations adopted by the International Financial Reporting Standards Foundation: resolution of the Council of Ministers of the Republic of Belarus, Nat. Bank of the Republic of Belarus, August 19, 2016, № 657/20 : amended. and additional resolutions of the Council of Ministers of the Republic of Belarus, the National Bank of the Republic of Belarus dated September 16, 2019, №. 622/15 // Nat. legal Internet portal of the Republic of Belarus. — 27.09.2019. — 5/47050.
6. *Rodchenkov, M. V.* Problems and specificity of convergence of national accounting systems under the influence of IFRS [Electronic resource] / M. V. Rodchenkov, V. P. Suyts // *Vestn. Moscow university*. — Ser. 6. *Economy*. — 2021. — № 4. — P. 29-47. — Mode of access: <https://elibrary.ru/item.asp?id=46714050>. — Date of access: 04.04.2022.

UDC 336

**E. V. Klimuk**

*Baranavichy State University, Baranavichy, the Republic of Belarus*

### STARTUP DESIGN AS A TOOL OF INNOVATIVE ENTREPRENEURSHIP

**Introduction.** At the present stage of society development, innovative entrepreneurship is the main lever of innovative economy based on the flow of innovations, on constant technological improvement, and the export of high-tech technologies.

A significant role in this direction is played by the creation and development of startups, the number of which is growing every year, and their areas of activity are also diversifying. Programs of state support of small businesses, programs of support and development of innovations are actively developing.

**Main part.** Currently, a startup is considered as an independent business object that has all the prerequisites to grow from a small business into a large highly profitable project. The advantages of creating startups are: creating new jobs, offering an innovative product or service, and as a result — creating a positive social and economic effect.

The distinctive features of a startup are the following:

1. The proposed product must be innovative.
2. The proposed business idea should be valuable and in demand.