

THE WORLD PRACTICE OF PROVIDING THE MECHANISM OF FUNCTIONING OF SUPERVISION ON COMPLIANCE WITH THE REQUIREMENTS FOR THE PREPARATION OF HIGH-QUALITY FINANCIAL REPORTING

Kucheriava M.V.

Researcher

Accounting methodology department
State Educational Scientific Institution
“Academy of Financial Management”

The article is devoted to investigation of the world's experience in the functioning of the oversight on compliance with the requirements for preparation of the quality financial reporting. The author examined the process of enforcement the preparation of high-quality financial reporting by the monitoring of compliance and enforcement the application of the international and national legislative requirements for financial reporting. The object of investigation is the list of the next groups of countries: countries with the good practice (the United Kingdom, Germany), and countries developing the appropriate system (Albania, Bosnia and Herzegovina, Macedonia, Montenegro and Serbia).

The general objective of this investigation is to study the international experience on the supervision on compliance with the requirements of preparation of financial reporting as one of the tools for enforcement

its quality. The research was conducted by the next scheme: “from good practices to issues that arise in the countries with a transitive economies”.

The necessary prerequisite for the implementation of the system investigated is an environment formed by combining of a number of factors: the legislation, responsibilities of regulator, the establishment of a preventive measures' system, etc. Thus, the research made it possible to identify the core principles for establishment of the oversight system for enforcement of quality of undertaking's financial reporting, taking into account the experience of investigated countries.

The oversight on the quality of financial reporting is a system of control measures, aimed at detecting of violations and / or assessment of information presented in the form of financial statements.