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ACCOUNTING AND ANALYTICAL SUPPORT FOR VOLUNTARY STATEMENTS OF INTERNATIONAL STARTUP BUSINESS

ОБЛІКОВО-АНАЛІТИЧНЕ ЗАБЕЗПЕЧЕННЯ ВОЛЮТАТИВНОЇ ЗВІТНОСТІ МІЖНАРОДНОГО СТАРТАП-БІЗНЕСУ

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The paper article discusses the nature of voluntary reporting and reveals its place in the system of accounting and analytical support of international startup project management. The paper proposes and grounds understanding the concept of "voluntary statements" as statements, prepared by business entities, their units and associations for dissemination of quality information selected by the governing bodies of reporting entities and recognized as expedient for development and reaching goals in the economic, social and / or research spheres. In order to substantiate methodological approaches to the integration processes of formation and usage of voluntary statements in the system of accounting and analytical management of innovative enterprises, the progressive experience of foreign companies was analyzed, so the paper proposes the directions of its application to increase innovative attractiveness of domestic start-up projects.

Keywords: accounting, reporting, voluntary statements, innovations, international startup business.

Висока гнучкість стартапів як організаційної форми реалізації інноваційних бізнес ідей дозволяє швидко реагувати на мінливу кон'юнктуру світової економічної системи, уникати глобальних соціальних загроз і успішно використовувати короткострокові можливості розвитку. Втім реалізація міжнародних стартап проектів вимагає специфічної організації обліково-аналітичного забезпечення інноваційного менеджменту; обліково-аналітична система такого інноваційного підприємства повинна володіти спеціальними інструментами поширення інформації, одним з яких є волютативна звітність. Стаття має на меті розробку теоретичних та методичних аспектів формування та використання волютативної звітності в системі міжнародного менеджменту інноваційних підприємств. Поняття «волютативна звітність» запропоновано розуміти як звітність, що складається суб'єктами господарювання, їх підрозділами та об'єднаннями з системи якісних інформаційних елементів, обраних керівними органами суб'єктів звітності і визнаними такими, що їх висвітлення і поширення сприяє досягненню цілей діяльності та розвитку суб'єктів звітності в економічній, соціальній та/або науково-дослідній сферах. В результаті аналізу нормативно-правової бази країн-лідерів за чисельністю стартап проектів підтверджено висновок про відсутність законодавчих вимог щодо подання волютативної звітності і наявність широкої наукової методично-рекомендаційної підтримки бізнесу щодо змісту, структури і принципів поширення інформації для досягнення бізнес-цілей. З метою обґрунтування методичних підходів до інтеграції процесів формування та використання волютативної звітності в системі обліково-аналітичного забезпечення менеджменту інноваційних підприємств в статті проаналізовано прогресивний досвід зарубіжних компаній і визначені напрямки його застосування для цілей підвищення інноваційної привабливості вітчизняних стартап проектів.

Ключові слова: облік, звітність, добровільна звітність, інновації, міжнародний стартап бізнес.

В статье раскрыта природа волютативной отчетности и ее место в системе учетно-аналитического обеспечения управления инновационных предприятий, выполняющих международные стартап проекты. Предложено понимать понятие «волютативная отчетность» как отчетность, которая составляется субъектами хозяйствования, их подразделениями и объединениями из системы качественных информационных элементов, выбранных руководящими органами субъектов отчетности и признанными такими, что их освещение и

распространение способствует достижению целей деятельности и развития субъектов отчетности в экономической, социальной и / или научно-исследовательской сферах. С целью обоснования методических подходов к интеграции процессов формирования и использования волонтерской отчетности в системе учетно-аналитического обеспечения управления инновационных предприятий проанализированы прогрессивный опыт зарубежных компаний и определены направления его применения для целей повышения инновационной привлекательности отечественных стартап проектов.

Ключевые слова: учет, отчетность, добровольная отчетность, инновации, международный стартап бизнес.

Raising of problem. In volatile business conditions, large corporations and small businesses face different risks that coexist in a complex market. Most businesses in the developed world follow the path of innovative development, as this is one of the main keys to success. The implementation of the ideas of a small startup or a startup leads to the problem of difficulties in accepting management, which in turn leads to inefficient distribution of own funds.

An important element of economic activity in enterprises is the organization of accounting, because the quality of provided, received and processed accounting data (their accuracy, reliability, relevance, timeliness, availability, completeness, clarity, convenient form of presentation and presentation) depends on the correctness and necessity of management decisions. It is necessary to take into account the activities of the entity, their number and specifics, the number of employees, users of various accounting information, because for certain groups of persons are important management and financial reports, for others – current accounting data for certain objects, economic processes and phenomena.

Activation of small business is one of the strategic objectives of socio-economic development of Ukraine, because small enterprises are able to fill the market with domestic goods and necessary services, increase the number of jobs and tax revenues to the budgets of different levels.

Analysis of recent research and publications shows that the methodological and applied problems of voluntary reporting by innovative enterprises are developed by many scientists and practitioners. Foreign scholars mainly consider voluntary statements as an integral part of non-financial reporting (for example, widely cited publications of Francesco Perrini, Hervé Stolowy, Luc Paugam, Matteo La Torre), domestic researchers (V. Vorobey, I. Zhurovskaya, A. Hrechko) prefer theoretical problems of reporting in the management system of socially responsible companies. However, voluntary statements have the own purpose, which defines the specific principles of collection, accumulation and transmission of information and, therefore,

necessitates the use of special techniques in the organization of accounting and analytical processes that accompany the formation and use of voluntary statements for management decisions by different users.

Formulation of the aim of the article. The study aims to identify the essence and provide a theoretical definition of "voluntary statements", to analyze the progressive experience of foreign companies in the formation of voluntary statements in the management system to increase the innovative attractiveness of start-up projects and identify opportunities for domestic enterprises, as well as to substantiate methodological approaches to integration of the processes of formation and use of voluntary statements in the system of accounting and analytical support of innovative business management.

The main research results. The startup business is the basis for the dynamic innovative development of the economy and rapid creation of intellectual capital. That is why, government of developed countries provide special measures to support national startup ecosystems. Nowadays, the leading hubs for startups such as Silicon Valley, London and New York, continue to dominate at the highest level and will maintain the status of the major developing and maintained startup centers.

The list of ecosystems (table 1) with the conditions most advantageous for startup companies takes into consideration four-point criteria: efficiency, funding, market range, talent and experience. During analysis a statement comes to mind that large agglomerations are unmatched in this area. Unfortunately, no city or region in Ukraine took any important place in a ranking. Highly developed countries, with strong and well-functioning economies may shape such economic environment stimulating creative young entrepreneurs to establish their own firms based on innovations and modern technologies. However, from one year to the next an increasing number of companies of this type has been registered in the territory of Ukraine.

Ranking made on the basis of the Practical Know How Index shown in the table 2 indicates the dominant role of the USA in creating and

Table 1

Ranking of startup ecosystem in 2020

Place	Region/City	Place	Region/City	Place	Region/City	Place	Region/City
1	Silicon Valley	6	Tel-Aviv	11	Washington DC	16	Berlin
2	New York	7	Los Angeles	12	Sao Paulo	17	Singapore
3	London	8	Shanghai	13	Paris	18	Toronto
4	Beijing	9	Seattle	14	Chicago	19	Austin
5	Boston	10	Stockholm	15	Tokyo	20	Seoul

Source: compiled based on [2; 11]

implementing innovations. So, it is worth to analyze experience USA startup companies in management and innovations. The USA has scored high in terms of global connections, well-developed infrastructure, technological expertise, and entrepreneurship. And, the big names in the tech business world such as Google, Facebook, Microsoft, Uber, etc. are based in the United States.

Success in innovation has helped the United States become the world's leading economies. Policymakers in the United States share the recognition that innovation remains the key to international competitiveness in the twenty-first century. They increasingly recognize that equity-financed small firms are an effective means of capitalizing on new ideas and bringing them to the market. Small firms, however, face a variety of obstacles as they seek to bring new products and processes to the market. In this context, public policies that reduce the structural and financial hurdles facing such innovative small firms can play a useful role in enhancing a nation's innovative capacity. That is why, for our research we explore the voluntary financial statements of Ukraine and countries, which are in the top of the ranking as the USA.

In order to harmonize the domestic accounting system with international standards, the Ministry of Finance of Ukraine by order of 08.02.2014 № 48 amended a number of national accounting standards. The most significant adjustments were made to UAS 25 "Financial report of a small business entity". Thus, the payers of the single tax of the fourth group are excluded from the part of UAS 25, which regulates simplified reporting, therefore, they lost the right to submit a Simplified Financial Statement on the forms № 1-ms and 2-ms. According to the new wording, micro-entrepreneurs prepare a Simplified Financial Statement.

Thus, the structure of the form № 1st in the sections of assets and liabilities resembles the balance sheet of the enterprise (Statement of financial position). Form № 2-m provides for the allocation of net income from sales of products (goods, works, services), other operating and other income, cost of goods sold (goods, works, services), other operating and other expenses, pre-tax financial result and net profit. This form is more aggregated compared to the Statement of Financial Performance (Statement of Compre-

Table 2

Ranking of startup ecosystem based on 2020 Practical Know How Index

Rank	Country	Rank Change (from 2019)	Quantity Score	Quality Score	Business score	Total score
1	United States	-	19,78	99,88	3,50	123,167
2	United Kingdom	-	7,17	13,91	3,33	24,406
3	Israel	+1	3,92	12,33	3,16	19,408
4	Canada	-1	6,33	7,95	3,44	17,720
5	Germany	+4	3,02	7,35	3,40	13,770
6	The Netherlands	-	2,75	6,99	3,31	13,053
7	Australia	-2	4,62	3,87	3,49	11,980
8	Switzerland	-	2,81	4,83	3,68	11,323
9	Spain	+1	2,94	4,84	3,04	10,822
10	Sweden	-3	1,90	5,07	3,80	10,770
-	-	-	-	-	-	-
29	Ukraine	+2	0,84	2,18	2,04	5,057

Source: compiled based on [8]

hensive Income), which highlights administrative expenses, marketing expenses, income from equity participation, other financial income, financial expenses, losses from equity participation.

When assessing the information capacity of financial statements of small businesses, its advantages should be defined as a form that reveals information about the retrospective financial condition: the relative ease of preparation, clarity. The disadvantages are the significant aggregation of articles, which does not reflect the industry specifics of enterprises. Enterprises that prepare reports in accordance with NP (S) BU 1 may not provide articles for which there is no information before disclosure (unless such information was in the previous reporting period), as well as add articles with the preservation of their name and line code from the list of additional items of financial statements, if the item meets the following criteria: the information is material; the evaluation of the article can be reliably determined.

A significant number of companies that are now known to the world in the early stages of their development took the form of startups, but a combination of favorable factors allowed over time to become well known and illustrate how a "new illusion idea" can be implemented in the short term. Among the dozens of successful examples, hundreds of those that disappear without being implemented [3].

The financial reporting system of a startup should be designed in such a way that the information is as disclosed as possible on certain issues, and the indicators are clear. Conciseness is important, as unnecessary information can confuse the user of this report. The names of reporting forms and its sections should be formulated so that the user understands their purpose and features. As startups are very risky, it is appropriate to offer such forms of internal reporting as the General Report on Risks of Startup Companies, that should contain information about risk minimization measures, consequences of risk, causes and forms of risk.

This form of internal reporting will provide information on business risks, minimization measures, consequences, causes and forms of risk. The data of this report can be used in determining the amount of security for future expenses and payments for the consequences of economic risks.

Even in the United States, which has traditionally been characterized by promising conditions for startups, about 9% of all US businesses close each year and only 8% open. Just over 50% of

small businesses fail within the first four years. [1]. The most successful startup in Ukraine is SendPulse, a company established in 2015 in the Chernihiv region. SendPulse creates a user behavior profile for each subscriber based on their communication preferences, time zone, content, layout, product purchases, and many other unique data. That is, it is possible to create a startup in Ukraine that can become a global company. There are real venture funds, such as: "TA Venture", "Imperious Group", "Chernovetskyi Investment Group", which invest in Ukrainian startups. Today in Ukraine there are many startups that have gained popularity in the domestic market (for example, Rozetka) and claim a global scale (Grammarly, InvisibleCRM, etc.) [2].

The key trend, which is positioned as global and intensified during the current decade, is that the activities of enterprises around the world show an upward trend, in addition, it occurs in a variety of forms, among which the lion's share belongs to the form of startups. The Ukrainian economy in the period of its transformation period requires active development of entrepreneurial activity, therefore, research, research and analysis of foreign experience in the development of startups is particularly relevant. In this study, the main emphasis is placed on the peculiarities of the formation of financial statements of micro-enterprises and startups, in particular such a type of luminosity as voluntary, which is gaining popularity for these categories of entrepreneurship.

In Poland, businesses such as startups and micro-enterprises are exempted from reporting their own activities. Risk business entities or startups prepare a simplified balance sheet, ie a consolidated income statement in accordance with Annex 4 to the Law, small businesses prepare simplified forms of financial statements in accordance with Annex 5. For startups there is a possibility to provide a simplified form of voluntary reporting for conditions for compliance with the requirements regarding the completeness and reliability of financial statements. In this case, the owner of the startup may abandon the principle of prudence in the valuation of individual assets and liabilities.

Micro and small enterprises, in particular startups, in Poland are allowed not to prepare additional reports or notes, if explanatory information is provided in accordance with the requirements of the Annexes to the Law. Namely, in the section "General information" of the financial statements of the microenterprise indicates: brand name and legal address, the period of preparation of

financial statements, applied accounting principles with details of simplifications, information about possible threats and planned activities, key accounting policies, including the methods of valuing assets and liabilities (including depreciation), the financial result and the method of preparing financial statements to the extent that the Law leaves individual, voluntary choice.

Only in Ukraine for startups in the formation of voluntary reporting is not practiced double entry, and accounting information is summarized in the relevant registers. Significant differences in the financial criteria for dividing entities into groups and approaches to calculation, the only thing they have in common is the number of employees. However, the EU Directive should serve as a benchmark in establishing such criteria for European countries.

The EU Directive does not prohibit the use of IFRS for SMEs in EU countries, in Ukraine voluntary accounting and reporting is carried out according to national or international standards of the company's choice, except when the application of IFRS is mandatory by law. Domestic small enterprises that independently choose the method of accounting and reporting under IFRS for SMEs do not apply UAS 25, but use NP (S) BU 1. Although in fact Directive 2013/34/EU does not apply to domestic enterprises, the need remains harmonization and implementation of international norms in Ukraine under the influence of European integration [4].

According to Polish law, there are two forms of voluntary reporting for micro and small enterprises: balance sheet and profit and loss statement, notes can be omitted provided that the necessary information is disclosed in the introductory part to the financial statements. Small and micro enterprises are not required to prepare a statement of cash flows and a statement of changes in equity, but such reporting forms may be provided if desired. In Ukraine, unpaid capital is still shown in liabilities with a minus sign and the criteria for small businesses are much higher.

So, it is proposed for Ukraine to change the criteria for distinguishing between small and micro enterprises in accordance with the EU Directive and allow to choose some of the restrictions, especially since the Tax Code of Ukraine requirements for a simplified taxation system have significantly lower thresholds. Changes in legislation to simplify the accounting and reporting of small and micro enterprises must meet modern requirements, the latest trends, in particular, labor migration, ease of starting and reg-

istering a small business, reporting procedures, focus on startup projects.

In order to harmonize the forms and methods of compiling voluntary financial statements of small businesses, it is necessary to determine the list of articles that are mandatory for all, and the list, which may vary depending on the specifics of presentation and detail of information. It is sufficient to provide information on the financial condition and results of the small business in the balance sheet and income statement. Notes can be selected in a separate form or as an introductory explanatory appendix to the report. It is important to harmonize national legislation with IFRS for SMEs [5]. The U.S. Internal Revenue Service is a government agency responsible for collecting taxes and complying with tax laws. Because companies are registered in the United States, they are required to comply with U.S. tax laws and file with the IRS. Voluntary tax reporting forms are completed electronically and signed electronically on the Adobe Stock account page. The information in the voluntary tax reporting is updated for each event and can be submitted from personal account page. The system also helps to fill in certain parameters [6]. If the company is a resident of a country that has a double tax avoidance agreement with the United States, an accountant should complete Form W-8 BEN, which allows businesses located outside the United States to take advantage of this agreement and reduce or eliminate U.S. income tax.

A possible fundamental feature of the voluntary accounting system of a small enterprise may be the use in the organization of accounting special Simplified Chart of Accounts. This chart of accounts can be used by business entities – legal entities that are recognized as small business entities in accordance with current legislation, legal entities that are not engaged in business activities (except for budgetary institutions), regardless of ownership, organizational and legal forms. The simplified chart of accounts is not mandatory, but is a possible alternative for small businesses to the so-called general chart of accounts, ie the Chart of Accounts of assets, capital, liabilities and business transactions. The difference between these alternative accounts for small businesses is the level of detail of the accounting information, which is systematized.

Thus, the simplified chart of accounts offers a significantly smaller number of accounts without the separation of sub-accounts, and the general chart of accounts, on the contrary, provides significantly deeper detail of accounting information both at the account level and by using sub-ac-

counts. At first glance, the use of a simplified chart of accounts may seem attractive: logically – everything is simple, convenient, but in practice, on the contrary, most small businesses use to organize accounting so-called general chart of accounts, ignoring the possibility of applying a simplified chart of accounts.

So, it would be more appropriate to use a voluntary form of financial reporting, which is provided by IFRS for SMEs, because a small business could develop and apply such forms of reporting that will be convenient for him given the specifics of its activities. In addition, line ministries and agencies could develop recommendations for methodological support of accounting, which would take into account the industry specifics of companies. This raises the question of comparability of financial statements of enterprises in different industries. In addition, in Ukraine, along with financial, statistical and tax reporting is submitted, the indicators of which are interrelated. Thus, changes in financial statements will lead to inconsistencies between different forms of reporting, which will burden the work of tax and statistical authorities during inspections.

Conclusions. Small businesses and startups in conditions of fierce competition and difficult socio-economic situation are much more vulnerable compared to big business, and therefore need quality, mobile, creative management. The task of information support of management is entrusted to the accounting system of a small enterprise, the quality of which largely depends on the effectiveness of management decisions and prospects of the enterprise. Thus, the study of the peculiarities of the formation of the accounting system of a small enterprise is an important task for both modern economics and accounting practice.

Solving the problems of the current stage of development of Ukraine's economy requires the intensification of entrepreneurial activity, includ-

ing in the form of startups. The main problems of startup development in Ukraine are: macroeconomic instability, lack of state development and support programs, fragmentary development of innovation infrastructure, failure of the banking system to perform basic lending functions, non-compliance with legislation, and as a result high risk of doing business in general, including small forms business activities. The study of startups allows to assert the importance of their creation at the present stage of development of the national economy, because in conditions of limited funding, but the presence of a large number of educated, entrepreneurial population and creating real conditions for entrepreneurship in Ukraine will significantly reduce emigration and trajectory. sustainable development.

So, further scientific developments should be carried out in the directions: development of methodological recommendations on the application of voluntary statements for SMEs with an explanation of the main issues; amendments to the NP (S) BU in accordance with IAS to ensure the unity of the conceptual basis of accounting and financial reporting in accordance with IFRS; strengthening human resources to enable sound dissemination of accounting and analytical approaches to voluntary statements of innovative business.

In this context, the following measures should be a priority: national promotion for the establishment of the "education-business-state" chain and improvement of the level and quality of startup education; implementation of incentive programs for small business development, improvement of the regulatory framework in terms of taking into account the interests of startups, in particular, for special preferential regimes; promotion of the participation of Ukrainian entrepreneurs in international programs; increase public investment in new, primarily infrastructure projects that ensure business development.

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