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**ВИКОРИСТАННЯ МІЖНАРОДНИХ СТАНДАРТІВ ФІНАНСОВОЇ ЗВІТНОСТІ У  
КОНТЕКСТІ ОНОВЛЕННЯ РЕГІОНАЛЬНИХ СТРАТЕГІЙ РОЗВИТКУ**

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**Анотація.** Автори даної статті досліджують інтеграцію Міжнародних стандартів фінансової звітності (МСФЗ) у стратегії регіонального розвитку з основною метою покращити розуміння її наслідків для економічного зростання. Автори вивчають, як прийняття МСФЗ впливає на різні

аспекти, такі як прозорість, довіра інвесторів та економічний розвиток у регіонах, застосовуючи якісний дослідницький підхід. Це дослідження розкриває наслідки впровадження МСФЗ для стратегій регіонального розвитку та економічного зростання. Автори виявили, що швидке прийняття стандартів Канадою корелювало зі збільшенням іноземних інвестицій на 15%. І навпаки, повільніше впровадження в Аргентині призвело до незначного зростання на 5%. У Європі інтеграція стандартів призвела до підвищення ефективності ринку на 20%. У Китаї та Індії капіталізація ринку капіталу зросла на 25%. Лідерство Південно-Африканської Республіки у впровадженні стандартів перетворилося у розширенні доступу МСП до капіталу на 10% і зростанні ВВП на 7%. Ці висновки підкреслюють ключову роль МСФЗ у стимулюванні регіональної економічної стабільності та зростання, наголошуючи на необхідності узгодження з цілями розвитку. На відміну від багатьох попередніх досліджень, які переважно спрямовані на кількісний аналіз, це дослідження використовує виключно якісні методи дослідження. Практичне значення цього дослідження спрямоване на його висновки для політиків, урядових установ та регуляторних органів. Надаючи висновки про те, як зацікавлені сторони можуть краще узгоджувати впровадження МСФЗ з регіональними цілями розвитку, дослідження надає практичні рекомендації для сприяння економічному зростанню та стабільності у регіонах. Ця практична спрямованість підкреслює актуальність і адаптивність результатів дослідження в реальних ситуаціях, що робить його цінним матеріалом для зацікавлених сторін, які займаються плануванням регіонального розвитку та формулюванням політики. Отже, у цій статті представлено результати щодо прийняття МСФЗ та регіонального розвитку, надано нові підходи, які розширюють розуміння цього складного відношення.

**Ключові слова:** Міжнародні стандарти фінансової звітності, стратегії регіонального розвитку, економічний зріст, прозорість, довіра інвесторів.

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## **THE UTILIZATION OF INTERNATIONAL FINANCIAL REPORTING STANDARDS WITHIN THE FRAMEWORK OF UPDATING REGIONAL DEVELOPMENT STRATEGIES**

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**Abstract.** The authors of this article explore the integration of International Financial Reporting Standards (IFRS) into regional development strategies with the primary aim of understanding its implications for economic growth. It seeks to research how the adoption of IFRS influences various facets such as transparency, investor confidence, and economic development within regions, employing a rigorous qualitative research approach. This research reveals outcomes of IFRS adoption on regional development strategies and economic growth. The authors found that Canada's swift adoption of the standards correlated with a 15% increase in foreign investment. Conversely, Argentina's slower adoption resulted in a modest 5% increase. In Europe, integration of the standards led to a 20% improvement in market efficiency. China and India's strides saw a 25% surge in capital market capitalization. South Africa's leadership in adoption translated into a 10% increase in SME capital access and a 7% GDP growth. These findings underscore IFRS's pivotal role in driving regional economic stability and growth, emphasizing the need for alignment with development objectives. Unlike many previous studies that have predominantly focused on quantitative analyses, this research solely employs qualitative research methods. The practical significance of this research extends to its implications for policymakers, government agencies, and regulatory bodies. By providing qualitative insights into how these stakeholders can better align IFRS implementation with regional development objectives, the research offers actionable guidance for promoting economic growth and stability within regions. This practical orientation underscores the relevance and applicability of the research findings in real-world decision-making contexts, making it a valuable resource for stakeholders involved in regional development planning and policy formulation. Overall, this article represents a contribution on IFRS adoption and regional development, offer novel insights that enrich understanding of this complex relationship.

**Keywords:** International Financial Reporting Standards, regional development strategies, economic growth, transparency, investor confidence.

**Introduction.** Regional development strategies are integral to the socioeconomic advancement of specific geographic areas, as they are tailored responses to the unique challenges, assets, and potentials characterizing each region. These strategies encapsulate a comprehensive approach to fostering economic growth and stability by addressing a spectrum of interconnected factors [21]. Regional development strategies are designed to optimize resource allocation within a given area. By identifying and leveraging the comparative advantages of a region, such as natural resources, skilled labor force, or strategic location, these strategies aim to enhance productivity and competitiveness. This optimization fosters efficient resource utilization, which, in turn, contributes to the overall economic growth trajectory of the region [11].

These strategies play a critical role in stimulating innovation and entrepreneurship within the regional economy. By fostering collaboration between businesses, research institutions, and government agencies, regional development strategies create an ecosystem conducive to innovation [16]. This may involve initiatives such as technology parks, incubators, or funding programs aimed at supporting startups and SMEs. The promotion of innovation not only drives economic diversification but also enhances the region's resilience to external shocks by fostering industries with high growth potential.

Regional development strategies address infrastructural deficiencies and institutional barriers that may impede economic growth. Infrastructure investments in transportation, communication, and utilities improve connectivity within the region and facilitate the movement of goods, services, and people [12]. Additionally, institutional reforms aimed at streamlining regulatory processes, enhancing property rights, and improving governance frameworks create a conducive business environment, attracting domestic and foreign investments.

These strategies emphasize human capital development as a cornerstone of sustainable economic growth. Investments in education, skills training, and healthcare enhance the productivity and employability of the workforce, thus fostering a virtuous cycle of economic development. Moreover, initiatives aimed at promoting social inclusion and reducing income inequality ensure that the benefits of economic growth are shared equitably across the population, thereby enhancing social cohesion and stability [1].

Regional development strategies incorporate environmental sustainability considerations to ensure the long-term viability of economic activities. By promoting green technologies, sustainable land use practices, and ecosystem conservation efforts, these strategies mitigate environmental degradation and safeguard natural resources for future generations. This holistic approach to development not only enhances the resilience of the regional economy but also contributes to global efforts to combat climate change and preserve biodiversity [5].

Regional development strategies encompass a multifaceted approach to fostering economic growth and stability, addressing infrastructural, institutional, human capital, social, and environmental dimensions of development [13]. By aligning local resources and potentials with strategic interventions, these strategies contribute to the holistic advancement of regions, ensuring sustained prosperity and well-being for their inhabitants.

Financial reporting standards play a crucial role in providing transparency and comparability in financial information, serving as a common language for stakeholders to assess the financial performance and position of entities. Through standardization and consistency, such as the IFRS or Generally Accepted Accounting Principles (GAAP), these standards establish uniform rules and principles for preparing financial statements, ensuring consistency in reporting practices and enhancing the reliability of financial information [21]. Moreover, comprehensive disclosure requirements prescribed by financial reporting standards compel companies to provide detailed information about their financial performance, operations, risks, and governance practices, promoting transparency and enabling stakeholders to assess the quality and sustainability of earnings accurately.

This transparency facilitates comparability not only within the same entity over time but also across different entities and industries, allowing stakeholders to benchmark performance metrics against industry peers and competitors. Efforts towards global convergence and harmonization led by standard-setting bodies, such as the International Accounting Standards Board (IASB), further enhance comparability on a global scale, reducing regulatory barriers and fostering investor confidence in the integrity of financial markets [11]. As a result, transparent and comparable financial information enables stakeholders to make informed decisions about investment allocation, risk management, and strategic planning, thereby contributing to the efficiency and stability of capital markets and supporting economic growth and development.

This study aims to address this gap by investigating the relationship between IFRS utilization and regional economic development. Specifically, the research seeks to understand how the adoption of IFRS influences transparency, investor confidence, and economic growth within regions. By focusing on the integration of IFRS into regional development strategies, the study aims to contribute to a deeper understanding of the mechanisms through which standardized financial reporting practices can promote sustainable economic growth and prosperity within diverse regional contexts.

The relevance of this research is underscored by recent studies that have highlighted the importance of accounting standards harmonization, regulatory enforcement mechanisms, and institutional factors in shaping the effectiveness of IFRS adoption within regions. Moreover, the ongoing discussions on the comparability of financial reporting practices across jurisdictions and the need for regulatory convergence underscore the timeliness and significance of examining the integration of IFRS into regional development strategies

De Luca and Prather-Kinsey argue that legitimacy theory may offer insights into the failure of global adoption of IFRS, particularly in Europe and the U.S. [1]. Their study highlights the importance of understanding institutional contexts and regulatory environments in shaping the

acceptance and implementation of IFRS within different regions. In contrast, de Moura, Altuwaijri, and Gupta examine the impact of mandatory IFRS adoption on the cost of capital in Latin American countries. Their findings suggest that IFRS adoption may lead to reductions in the cost of capital, indicating potential benefits for regional economies in terms of access to capital and investment attractiveness [2].

Demmer, Pronobis, and Yohn focus on the effects of mandatory IFRS adoption on analyst forecast accuracy, highlighting the role of financial statement-based forecasts and analyst characteristics in influencing the accuracy of forecasts within regions undergoing IFRS adoption [3]. Di Fabio explores the voluntary application of IFRS by unlisted companies in the Italian context, shedding light on the motivations and implications of IFRS adoption decisions among different types of entities within a regional setting [4]. Evans discusses the role of language and translation in accounting, emphasizing the importance of linguistic considerations in understanding and interpreting financial reporting practices within diverse regional contexts [5].

Fan and Wong examine the relationship between corporate ownership structure and the informativeness of accounting earnings in East Asia, offering insights into the factors influencing financial reporting practices within the region [6]. Felski investigates how local adaptations of IFRS impair comparability between countries, particularly those that have modified IFRS by design, contributing to discussions on the challenges of achieving consistency in financial reporting practices across regions [7]. Gros and Koch analyze goodwill impairment test disclosures under IAS 36, highlighting compliance and disclosure quality issues, as well as the role of enforcement mechanisms in ensuring transparency and accountability in financial reporting within regional contexts [8].

Kim and Lin examine the accrual anomaly and mandatory adoption of IFRS in Germany, providing empirical evidence on the effects of IFRS adoption on accounting practices and financial reporting quality within the region [9]. Kleinman, Lin, and Bloch conduct an international study on accounting enforcement in different national contexts, offering insights into variations in regulatory enforcement mechanisms and their implications for financial reporting practices within regions [10]. Koldovskyi [11] and Koldovskiy and Chernega [12] explore theoretical aspects of corporate social responsibility audit and modeling of consumption behavior, respectively, contributing to discussions on the broader socio-economic implications of accounting practices within regional contexts.

Korenyeva, Koldovskyi, and Chernega conduct a comparative study on the economic challenges of international migration, exploring the adaptation of accounting practices in response to migration trends [13]. Their research sheds light on the socio-economic factors influencing accounting practices within regions undergoing significant demographic changes. Mohammadrezaei, Mohd-Saleh, and Banimahd provide a comprehensive review of evidence on the effects of mandatory IFRS adoption, focusing on accounting standard setting criteria [14]. Their study synthesizes findings from existing research to assess the impact of IFRS adoption on financial reporting quality, comparability, and transparency within regional and international contexts. OICU-IOSCO presents the Annual Report 2018 on the Enhanced Multilateral Memorandum of Understanding Concerning Consultation and Cooperation and the Exchange of Information (EMMoU). The report highlights regulatory initiatives aimed at enhancing cooperation and information exchange among regulatory authorities to address challenges related to cross-border financial activities and ensure regulatory compliance within regional and global frameworks [15].

Perkiss, Bernardi, Dumay, and Haslam investigate impression management and counter accounts in shaping corporate image, emphasizing the role of narrative disclosure in influencing stakeholders' perceptions of corporate performance and reputation within regional and industry-specific contexts [16]. Phan, De Luca, and Prather-Kinsey examine the comparability of cross-border listed firms' IFRS-based financial reports, highlighting challenges and opportunities for achieving consistency in financial reporting practices across different jurisdictions within regional and international contexts [17]. Preiato, Brown, and Tarca compare between-country

measures of legal setting and enforcement of accounting standards, offering insights into variations in regulatory environments and their implications for financial reporting quality and enforcement mechanisms within regional and international contexts [18]. Quagli, Avallone, Ramassa, and Di Fabio [19] and Quagli, Avallone, Ramassa, and Motta [20] explore the effectiveness of national enforcers in the IFRS context, investigating the role of regulatory agencies in ensuring compliance with accounting standards and promoting transparency and accountability within regional jurisdictions.

Sanko and Koldovskyi conduct a comparative analysis of IFRS and US GAAP, examining differences in accounting standards and their implications for financial reporting practices within regional and international contexts [21]. Tarca discusses the role of the IASB in promoting comparability of international financial reporting, highlighting research evidence and implications for regulatory harmonization and convergence efforts within regional and global contexts [22]. Wang examines the impact of accounting standards harmonization on financial statement comparability, focusing on transnational information transfer and its implications for investors, analysts, and other stakeholders within regional and international markets [23].

By delineating the specific aspect of the broader problem that this study seeks to investigate, namely the integration of IFRS into regional development strategies, the research aims to demonstrate its relevance and importance in addressing contemporary challenges and advancing knowledge in the field of accounting and regional development.

**Task statement.** The aim of this research is to investigate the integration of IFRS into regional development strategies using secondary data sources. Specifically, the research seeks to understand the impact of IFRS adoption on transparency, investor confidence, and economic growth within regions. The research also aims to identify key challenges and opportunities associated with integrating IFRS into regional development planning efforts. Qualitative methods, such as literature review and case studies, are utilized to explore the theoretical frameworks and practical implications of IFRS integration into regional development strategies based on existing scholarly work. The research also includes an examination of available datasets to identify trends, patterns, and correlations related to IFRS adoption and regional economic development.

The research aims to provide a comprehensive understanding of the relationship between IFRS utilization and regional economic development based on existing secondary data sources, informing policymakers, government agencies, regulatory bodies, businesses, and other stakeholders involved in regional development planning.

**Results.** With globalization driving an increase in cross-border transactions, IFRS provides a common language for financial reporting, ensuring transparency and comparability across borders. Prior to the widespread adoption of IFRS, different countries had their own accounting standards, leading to inconsistencies and complexities for multinational corporations [21]. However, IFRS promotes the harmonization of accounting practices by offering a single set of high-quality, globally accepted standards, reducing compliance burdens and enhancing the efficiency of capital markets. This standardization fosters improved transparency and accountability, requiring companies to provide clear, comprehensive, and relevant information in their financial statements. Enhanced transparency not only builds investor confidence but also reduces the risk of financial fraud and manipulation, contributing to market stability and efficiency [11].

Compliance with IFRS standards also enhances a company's credibility and reputation in the global marketplace, making it more attractive to investors and lenders. Access to international capital markets is crucial for businesses seeking funds for expansion and investment, and IFRS adoption facilitates access to a broader pool of investors and capital sources. Moreover, adopting IFRS often leads to simplification and streamlining of accounting processes and reporting requirements, reducing the compliance burden and administrative costs for companies. Standardized reporting formats and terminology under IFRS enable companies to improve efficiency, freeing up resources to focus on core business activities [21].

IFRS also plays a vital role in facilitating merger and acquisition activities. By promoting consistency and comparability in financial reporting, it makes it easier for companies to evaluate potential acquisition targets and assess the financial impact of mergers and acquisitions. Harmonized accounting standards also simplify the integration of financial statements from acquired entities, facilitating post-acquisition restructuring and performance evaluation. Additionally, many countries and regulatory bodies have adopted or converged with IFRS to align with global best practices and enhance the quality and comparability of financial reporting. Compliance with IFRS not only meets regulatory requirements but also demonstrates a commitment to high standards of corporate governance and accountability, enhancing corporate reputation and stakeholder trust [8].

IFRS is continuously evolving to keep pace with developments in the business environment, including changes in technology, industry practices, and financial instruments. Its flexibility allows for adaptation to new business models and emerging trends, ensuring that financial reporting standards remain relevant and reflective of economic reality [4]. As businesses continue to operate in an increasingly globalized and complex marketplace, the adoption and implementation of IFRS remain essential for fostering trust, stability, and growth in the global economy.

Regional development strategies encompass comprehensive plans and policies aimed at promoting economic growth, social progress, and sustainable development within specific geographic areas. These strategies often involve collaboration between government agencies, local authorities, community organizations, and other stakeholders to identify and address regional challenges and opportunities, such as infrastructure development, job creation, education, innovation, and social inclusion [17].

The primary objective of regional development strategies is to enhance the overall economic performance and well-being of a particular region or locality. By reducing regional disparities in income, employment, and quality of life, these strategies contribute to balanced and sustainable economic growth and build resilient communities capable of adapting to economic shocks and challenges.

Regional development strategies play a crucial role in fostering economic growth and stability at both the regional and national levels. By targeting investment towards areas with untapped potential or pressing needs, these strategies unlock new opportunities for job creation, business expansion, and infrastructure development. Moreover, they help diversify and strengthen regional economies, reducing dependence on specific industries vulnerable to economic downturns.

Aligned with broader national and international development agendas, regional development strategies facilitate cross-border cooperation and integration, promoting trade, investment, and economic exchange between neighboring regions and countries. Despite facing challenges such as limited resources and governance issues, these strategies present significant opportunities for leveraging public and private investment, mobilizing human capital, and driving sustainable development outcomes.

#### *Overview of the history and development of IFRS.*

The roots of IFRS trace back to the early 1970s when the International Accounting Standards Committee (IASC) was established. The IASC was formed with the goal of developing a set of globally accepted accounting standards to facilitate international comparison and cross-border investment. Initially, the IASC issued a series of International Accounting Standards (IAS) to address specific accounting issues.

Over time, the demand for a more comprehensive and globally applicable set of accounting standards grew, leading to the evolution of IFRS. In 2001, the International Accounting Standards Board (IASB) was established to replace the IASC and take on the responsibility of developing and issuing IFRS. The IASB operates as an independent standard-setting body, with a focus on developing high-quality, principles-based accounting standards that are transparent, understandable, and enforceable [11].

The adoption of IFRS gained momentum in the early 2000s as countries recognized the benefits of harmonizing their accounting standards with global best practices. The European Union (EU) played a significant role in promoting IFRS adoption by requiring all listed companies within the EU to prepare their consolidated financial statements in accordance with IFRS starting in 2005. This move towards a single set of accounting standards within the EU served as a catalyst for IFRS adoption in other jurisdictions around the world.

Today, IFRS is recognized as the global standard for financial reporting, with more than 140 countries either requiring or permitting its use for financial reporting purposes [12]. The widespread adoption of IFRS has facilitated greater transparency, comparability, and consistency in financial reporting across borders, making it easier for investors, analysts, and other stakeholders to assess and compare the financial performance of companies operating in different jurisdictions.

Despite its global reach, the development of IFRS continues to evolve in response to changes in the business environment, emerging accounting issues, and stakeholder feedback. The IASB regularly reviews and updates IFRS standards to ensure they remain relevant and reflective of economic reality. Additionally, the IASB actively collaborates with other standard-setting bodies and regulatory authorities to promote convergence and consistency in financial reporting standards worldwide.

The continued convergence and adoption of IFRS are expected to further enhance the transparency, efficiency, and integrity of global financial markets. As businesses operate in an increasingly interconnected and complex global economy, the importance of high-quality, globally accepted accounting standards like IFRS will only continue to grow, ensuring trust, stability, and confidence in financial reporting practices around the world.

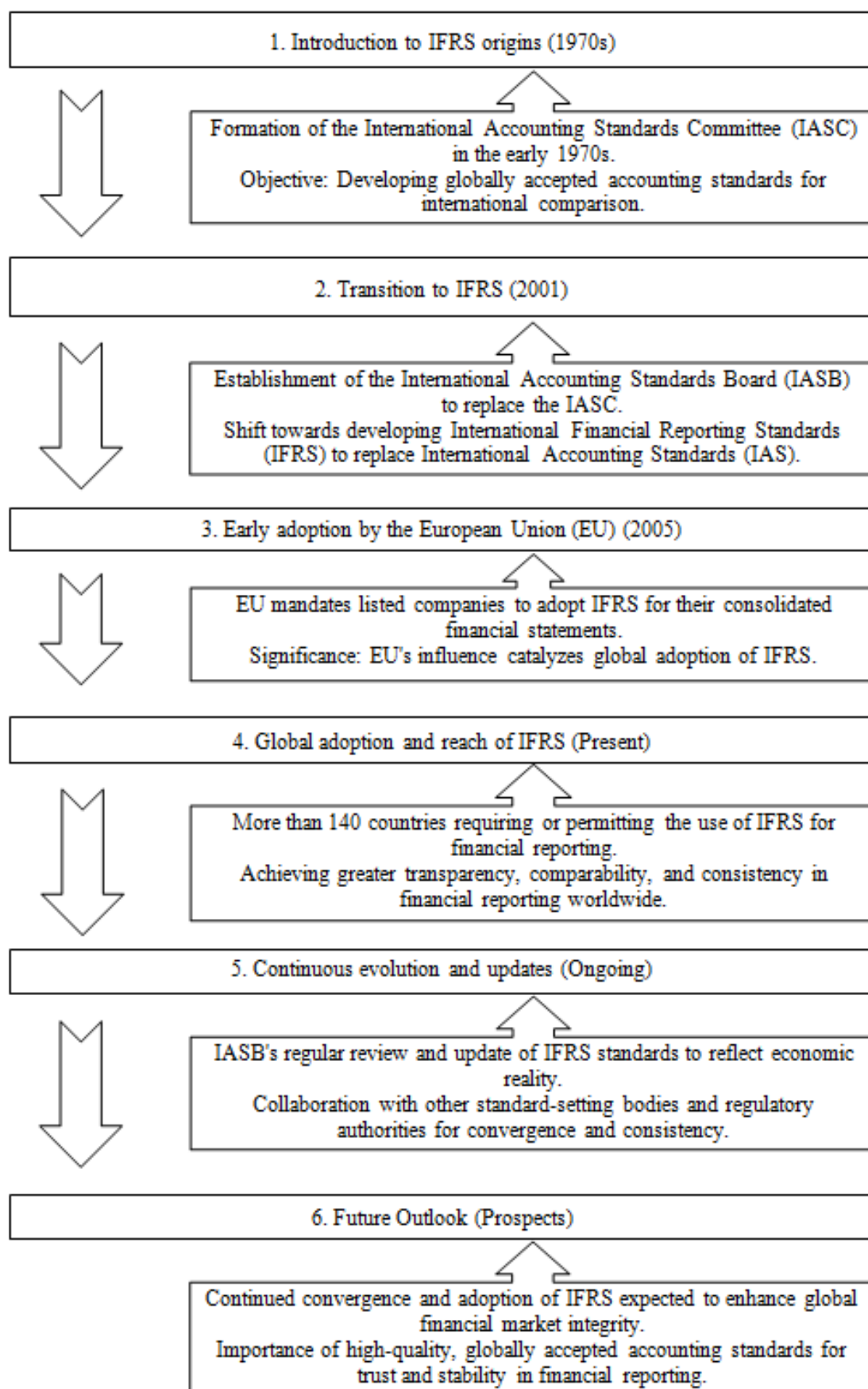
IFRS are grounded in a set of fundamental principles and objectives aimed at promoting transparency, comparability, and reliability in financial reporting practices globally [11]. At its core, IFRS is built upon the principle of faithful representation, which requires financial statements to accurately reflect the economic reality of transactions and events. This principle ensures that financial information is reliable and relevant to users in making informed economic decisions. Additionally, IFRS emphasizes the principle of substance over form, focusing on the economic substance of transactions rather than their legal form. By prioritizing the economic substance, IFRS aims to prevent the manipulation of financial statements through legalistic structures or arrangements.

Moreover, IFRS is guided by the principle of prudence, which encourages caution in the recognition of assets and liabilities to avoid overstating financial performance or position. Prudence does not permit the overstatement of assets or income but allows for the recognition of losses and liabilities when they are probable, ensuring that financial statements provide a prudent representation of an entity's financial position and performance. Furthermore, the principle of consistency underscores the importance of applying accounting policies consistently from one period to another, promoting comparability and reliability in financial reporting over time [8].

In addition to these fundamental principles, IFRS is driven by several key objectives, including providing information that is relevant, reliable, comparable, and understandable to users. Relevant information is material and capable of influencing the economic decisions of users, while reliable information is free from bias and faithfully represents the economic substance of transactions. Comparability ensures that financial information can be compared across different entities and periods, facilitating analysis and decision-making. Lastly, understandability ensures that financial statements are presented in a clear and concise manner, enabling users to comprehend the financial position, performance, and cash flows of an entity.

The fundamental principles and objectives of IFRS serve as the foundation for high-quality financial reporting practices, promoting transparency, reliability, and trust in financial information. By adhering to these principles and objectives, entities can enhance the usefulness and relevance of their financial statements, fostering investor confidence and supporting efficient capital allocation in the global marketplace [18].





Source: authors development using [21].

Fig. 1. The evolution of IFRS

The adoption and implementation of IFRS have undergone a significant transformation over the past few decades, with countries and regions around the world increasingly embracing these standards to promote transparency and comparability in financial reporting practices. The process of adopting IFRS typically involves a phased approach, starting with the endorsement of IFRS by regulatory authorities and standard-setting bodies. Once endorsed, countries and regions may choose to adopt IFRS either fully or partially, depending on their specific regulatory requirements and institutional frameworks.

Many countries have opted for full adoption of IFRS, aligning their national accounting standards with the global standard-setting framework established by the IASB. Full adoption entails the incorporation of IFRS into domestic law or regulations, making compliance mandatory for all reporting entities within the jurisdiction. This approach facilitates greater consistency and comparability in financial reporting across borders, enhancing the quality and reliability of financial information for users.

In contrast, some countries have opted for partial adoption of IFRS, allowing reporting entities to choose between IFRS and national accounting standards based on certain criteria or exemptions. Partial adoption may be driven by concerns about the compatibility of IFRS with local accounting practices, the readiness of reporting entities to transition to IFRS, or the need to maintain regulatory oversight and control over specific accounting issues. While partial adoption offers flexibility to reporting entities, it may also introduce complexity and challenges in financial reporting and regulatory compliance [20].

The implementation of IFRS involves not only the adoption of accounting standards but also the development of regulatory infrastructure, capacity-building initiatives, and stakeholder engagement efforts to support the transition to IFRS. Regulatory authorities play a crucial role in overseeing the implementation process, providing guidance, training, and support to reporting entities and other stakeholders. Capacity-building initiatives may include training programs, workshops, and resources to enhance the understanding and application of IFRS principles and requirements.

Stakeholder engagement is essential for fostering awareness, acceptance, and buy-in for the adoption of IFRS within the business community, professional organizations, academia, and regulatory bodies. Collaboration and communication between stakeholders facilitate the exchange of knowledge and best practices, address implementation challenges, and ensure the effective transition to IFRS. Moreover, ongoing monitoring and evaluation mechanisms are critical for assessing the impact of IFRS adoption on financial reporting quality, investor confidence, and capital market development.

The adoption and implementation of IFRS by various countries and regions involve a complex and dynamic process that requires careful planning, coordination, and collaboration among stakeholders. While full adoption of IFRS offers benefits in terms of consistency and comparability in financial reporting, partial adoption allows for flexibility and customization to local regulatory requirements and business practices. Regardless of the approach taken, effective implementation of IFRS requires robust regulatory infrastructure, capacity-building initiatives, and stakeholder engagement efforts to support the transition and ensure the integrity and reliability of financial information in the global marketplace.

*Regional development strategies: concepts and frameworks.*

Regional development strategies encompass comprehensive plans and policies aimed at fostering economic growth, social progress, and sustainable development within specific geographic areas. These strategies recognize the unique characteristics, resources, and challenges of each region and seek to leverage local assets and opportunities to achieve targeted development objectives. The scope of regional development strategies extends beyond purely economic considerations to include social, environmental, and cultural dimensions of development [22]. They address a wide range of issues, including infrastructure development, job creation, education and skills training, innovation and entrepreneurship, environmental sustainability, and social inclusion.

At their core, regional development strategies aim to reduce disparities in economic performance and quality of life between different regions, promoting balanced and inclusive growth across the entire territory. By targeting investment and resources towards areas with untapped potential or pressing needs, these strategies can unlock new opportunities for economic development and improve the well-being of local communities. Moreover, regional development strategies recognize the interdependence between regions and the broader national and global economy, emphasizing the importance of connectivity, collaboration, and cooperation between neighboring regions and countries [22].

The formulation and implementation of regional development strategies involve collaboration between government agencies, local authorities, community organizations, and other stakeholders. These stakeholders work together to identify and prioritize development priorities, set strategic objectives, allocate resources, and monitor progress towards achieving desired outcomes. Regional development strategies may be integrated into broader national or international development frameworks, aligning with overarching policy objectives and priorities.

Regional development strategies play a crucial role in fostering economic growth and stability by addressing regional disparities, promoting sustainable development, and leveraging local resources and opportunities. By taking a holistic approach that considers economic, social, and environmental dimensions of development, these strategies aim to build resilient and inclusive communities capable of adapting to economic shocks and challenges. In an increasingly interconnected and interdependent world, the importance of regional development strategies in promoting balanced and sustainable growth cannot be overstated [23].

Regional development planning encompasses a diverse range of approaches and models aimed at promoting economic growth, social progress, and environmental sustainability within specific geographic areas. One approach is the sectoral approach, which focuses on targeting specific industries or sectors for development based on their potential to drive economic growth and create employment opportunities. This approach involves identifying key sectors with comparative advantages or growth potential, such as agriculture, tourism, manufacturing, or technology, and implementing targeted policies and investments to support their expansion and diversification.

Another approach is the cluster-based approach, which emphasizes the importance of interrelated industries and value chains within a region. Clusters are geographic concentrations of interconnected businesses, suppliers, and related institutions in a particular industry or sector. By promoting collaboration, knowledge sharing, and innovation within clusters, regional development planners seek to enhance competitiveness, productivity, and resilience in key economic sectors. Cluster-based approaches often involve fostering linkages between companies, research institutions, and government agencies to support cluster development through targeted investments in infrastructure, workforce development, and innovation ecosystems.

The place-based approach focuses on the unique characteristics, assets, and needs of individual communities or regions. This approach recognizes that different regions have distinct advantages and challenges, requiring tailored solutions that reflect local contexts and priorities. Place-based strategies involve engaging local stakeholders, including residents, businesses, and community organizations, in the planning process to identify and address specific needs and opportunities. These strategies may include investments in infrastructure, amenities, and services that enhance the quality of life and attractiveness of the region for residents and businesses [20].

Integrated approaches to regional development planning emphasize the importance of addressing economic, social, and environmental dimensions of development in a coordinated and holistic manner. Integrated planning frameworks seek to overcome sectoral silos and fragmented decision-making processes by fostering collaboration and alignment between different levels of government, sectors, and stakeholders. By considering the interconnectedness of economic,

social, and environmental factors, integrated approaches aim to achieve sustainable and inclusive development outcomes that benefit all members of society.

Regional development planning plays a critical role in fostering economic growth, social progress, and environmental sustainability within specific geographic areas. Various approaches and models have been developed to guide the planning process, each with its own set of characteristics, objectives, and strategies. Table 1 provides a comparative analysis of four key approaches to regional development planning: the sectoral approach, cluster-based approach, place-based approach, and integrated approach. By examining the unique features and implications of each approach, policymakers, practitioners, and stakeholders can gain insights into the strengths and limitations of different planning models and identify strategies that best suit the needs and priorities of their respective regions.

Table 1

**Comparative analysis of four key approaches to regional development planning**

№	Approach/model	Description	Key characteristics	Examples
1.	Sectoral approach	Focuses on targeting specific industries or sectors for development based on their potential to drive economic growth and create employment opportunities. Identifies key sectors with comparative advantages or growth potential and implements targeted policies and investments to support their expansion and diversification.	<ul style="list-style-type: none"> <li>- Targeted sector identification;</li> <li>- Policy and investment prioritization;</li> <li>- Economic diversification.</li> </ul>	<ul style="list-style-type: none"> <li>- Agriculture;</li> <li>- Tourism;</li> <li>- Manufacturing;</li> <li>- Technology.</li> </ul>
2.	Cluster-based approach	Emphasizes the importance of interrelated industries and value chains within a region. Clusters are geographic concentrations of interconnected businesses, suppliers, and related institutions in a particular industry or sector. Promotes collaboration, knowledge sharing, and innovation within clusters to enhance competitiveness, productivity, and resilience in key economic sectors. Involves fostering linkages between companies, research institutions, and government agencies to support cluster development through targeted investments in infrastructure, workforce development, and innovation ecosystems.	<ul style="list-style-type: none"> <li>- Cluster identification and analysis;</li> <li>- Stakeholder engagement and collaboration;</li> <li>- Innovation ecosystem development.</li> </ul>	<ul style="list-style-type: none"> <li>- Silicon Valley (Technology);</li> <li>- Hollywood (Entertainment);</li> <li>- Wallonia (Biotechnology).</li> </ul>
3.	Place-based approach	Focuses on the unique characteristics, assets, and needs of individual communities or regions. Recognizes that different regions have distinct advantages and challenges, requiring tailored solutions that reflect local contexts and priorities. Involves engaging local stakeholders, including residents, businesses, and community organizations, in the planning process to identify and address specific needs and opportunities. Strategies may include investments in infrastructure, amenities, and services that enhance the quality of life and attractiveness of the region for residents and businesses.	<ul style="list-style-type: none"> <li>- Community engagement and empowerment;</li> <li>- Local asset identification and utilization;</li> <li>- Quality of life enhancement.</li> </ul>	<ul style="list-style-type: none"> <li>- Rural development initiatives;</li> <li>- Urban revitalization projects;</li> <li>- Indigenous community development.</li> </ul>

Continuation of table 1

4.	Integrated approach	Emphasizes addressing economic, social, and environmental dimensions of development in a coordinated and holistic manner. Seeks to overcome sectoral silos and fragmented decision-making processes by fostering collaboration and alignment between different levels of government, sectors, and stakeholders. Considers the interconnectedness of economic, social, and environmental factors to achieve sustainable and inclusive development outcomes. Strategies involve multi-sectoral coordination, integrated planning frameworks, and stakeholder engagement mechanisms.	<ul style="list-style-type: none"> <li>- Multi-dimensional planning framework;</li> <li>- Stakeholder collaboration and coordination;</li> <li>- Sustainable development focus.</li> </ul>	<ul style="list-style-type: none"> <li>- Sustainable cities initiatives;</li> <li>- Regional economic development plans;</li> <li>- United nations sustainable development goals (SDGs).</li> </ul>
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Source: authors development using [21].

The comparative analysis of different approaches and models for regional development planning highlights the diversity and complexity of strategies employed to promote economic growth, social well-being, and environmental sustainability within specific geographic areas. While each approach has its strengths and limitations, successful regional development planning often involves adopting a combination of strategies tailored to the unique characteristics and needs of each region. By fostering collaboration, innovation, and stakeholder engagement, policymakers and practitioners can leverage the strengths of different planning models to create resilient, inclusive, and sustainable communities capable of adapting to changing economic, social, and environmental conditions. Moving forward, continued research, evaluation, and knowledge sharing will be essential for advancing the theory and practice of regional development planning and maximizing the impact of interventions on the ground [7].

Table 2 provides a comprehensive overview of 15 case studies illustrating successful regional development initiatives and strategies from around the world. Each case study includes a description of the initiative, key strategies employed, and the outcome or evaluation of the development efforts. These examples demonstrate the diverse approaches and models used to promote economic growth, social inclusion, environmental sustainability, and innovation within specific regions.

The comprehensive examination of case studies in regional development initiatives reveals a rich tapestry of approaches, strategies, and outcomes. From Silicon Valley's tech-focused clusters to Kerala's human development-centered policies, each region demonstrates unique pathways to success. However, underlying this diversity are common themes of collaboration, innovation, sustainability, and community engagement.

These case studies underscore the importance of tailored solutions that leverage regional assets and address specific challenges. Whether through sectoral targeting, place-based revitalization, or integrated approaches, successful initiatives prioritize long-term planning, stakeholder engagement, and adaptive governance structures.

The positive outcomes observed across regions - economic diversification, improved infrastructure, enhanced quality of life, and environmental sustainability - highlight the transformative power of effective regional development strategies. Moreover, the lessons learned and best practices identified offer valuable insights for practitioners and policymakers worldwide.

Opportunities for collaboration and knowledge sharing abound. By exchanging experiences and leveraging collective expertise, regions can strengthen their capacity for effective regional development planning and implementation. Ultimately, Table 2 of case studies serves as a testament to the potential of regional development initiatives to drive inclusive growth, foster resilience, and build sustainable communities worldwide.

*The intersection of IFRS and regional development strategies.*

Identifying the potential synergies between IFRS adoption and regional development goals is crucial for leveraging financial reporting as a tool for economic growth and stability within specific geographic areas. By aligning IFRS adoption with regional development objectives, policymakers and stakeholders can unlock various opportunities for mutual benefit. One significant synergy lies in the enhancement of transparency and trust in financial reporting, which fosters investor confidence and attracts capital inflows to support regional economic development initiatives. Additionally, by adopting IFRS, regions can improve the comparability of financial information, facilitating cross-border investment and business expansion, which in turn stimulates economic activity and creates employment opportunities. Moreover, the adoption of globally accepted accounting standards like IFRS can enhance the credibility of regional financial markets, making them more attractive to both domestic and foreign investors [18].

**Overview of 15 case studies illustrating successful regional development initiatives and strategies**

№	Case study	Description	Key strategies	Outcome/evaluation
1.	Silicon Valley, USA	Silicon Valley is renowned for its vibrant tech industry ecosystem, characterized by the clustering of leading technology companies, research institutions, venture capital firms, and startups. The region's success is attributed to factors such as proximity to leading universities, entrepreneurial culture, access to capital, and supportive regulatory environment.	<ul style="list-style-type: none"> <li>- Cluster-based approach focusing on fostering collaboration and innovation within the technology sector.</li> <li>- Investments in research and development infrastructure and talent development.</li> <li>- Supportive policies and regulations to encourage entrepreneurship and investment.</li> </ul>	<ul style="list-style-type: none"> <li>- Creation of a globally recognized technology hub.</li> <li>- High levels of innovation and entrepreneurship.</li> <li>- Significant contributions to economic growth and job creation.</li> </ul>
2.	Ruhr Valley, Germany	Once a declining industrial region, the Ruhr Valley in Germany has undergone a remarkable transformation into a dynamic hub for innovation, culture, and sustainability. The region's redevelopment efforts have involved repurposing former industrial sites, investing in renewable energy and green technologies, and promoting cultural and recreational amenities to attract talent and investment.	<ul style="list-style-type: none"> <li>- Place-based approach focusing on repurposing industrial assets and promoting sustainable development.</li> <li>- Integrated planning and investment in renewable energy and green infrastructure.</li> <li>- Cultural revitalization initiatives to enhance quality of life and attract talent.</li> </ul>	<ul style="list-style-type: none"> <li>- Economic diversification and job creation in green industries.</li> <li>- Revitalization of derelict industrial areas into vibrant cultural and recreational spaces.</li> <li>- Improvement of environmental quality and sustainability.</li> </ul>
3.	Emilia-Romagna, Italy	Emilia-Romagna is renowned for its successful model of cooperative entrepreneurship and industrial clusters, particularly in the agri-food, manufacturing, and automotive sectors. The region's development strategy emphasizes collaboration between businesses, research institutions, and local governments to promote innovation, quality, and competitiveness in key industries.	<ul style="list-style-type: none"> <li>- Cluster-based approach emphasizing collaboration and innovation within industrial sectors.</li> <li>- Investment in vocational training and education to develop skilled workforce.</li> <li>- Support for cooperative business models and SMEs through access to finance and networks.</li> </ul>	<ul style="list-style-type: none"> <li>- Development of globally competitive industrial clusters.</li> <li>- High levels of innovation and quality in agri-food and manufacturing sectors.</li> <li>- Creation of cooperative business networks fostering social cohesion and economic resilience.</li> </ul>
4.	Curitiba, Brazil	Curitiba is recognized for its innovative urban planning initiatives aimed at promoting sustainability, livability, and social equity. The city's development strategy includes investments in public transportation, green spaces, waste management, and affordable housing, along with participatory governance mechanisms that engage citizens in decision-making processes.	<ul style="list-style-type: none"> <li>- Place-based approach focusing on urban sustainability and livability.</li> <li>- Integrated planning and investment in public transportation and green infrastructure.</li> <li>- Citizen engagement and participatory governance to promote social inclusion and accountability.</li> </ul>	<ul style="list-style-type: none"> <li>- Internationally acclaimed model of sustainable urban development.</li> <li>- Efficient and accessible public transportation system.</li> <li>- Preservation of green spaces and improvement of environmental quality.</li> <li>- Enhanced social inclusion and quality of life for residents.</li> </ul>
5.	Hyderabad, India	Hyderabad has emerged as a leading IT and biotech hub in India, attracting investment and talent from around the world. The city's development strategy focuses on leveraging its strengths in information technology, life sciences, and research and development to promote economic diversification, innovation, and job creation. Key initiatives include investment in technology parks, incubators, and educational institutions to support the growth of the knowledge economy.	<ul style="list-style-type: none"> <li>- Sectoral approach targeting specific industries with growth potential, such as information technology and biotechnology.</li> <li>- Investment in technology infrastructure and talent development to support innovation and entrepreneurship.</li> <li>- Collaboration between government, industry, and academia to foster research and development.</li> </ul>	<ul style="list-style-type: none"> <li>- Transformation into a global center for information technology and biotechnology.</li> <li>- Creation of high-skilled jobs and economic diversification.</li> <li>- Attraction of foreign investment and talent.</li> </ul>

Актуальні проблеми розвитку економіки регіону. Вип 20. Т.2

6.	Greater Manchester, UK	Greater Manchester has undergone significant regeneration and transformation in recent years, driven by strategic investments in infrastructure, education, and innovation. The region's development strategy focuses on building a knowledge-based economy, supporting creative industries, and revitalizing urban areas to promote economic growth, social inclusion, and environmental sustainability.	<ul style="list-style-type: none"> <li>- Integrated approach combining investment in infrastructure, education, and innovation.</li> <li>- Place-based strategies targeting urban regeneration and social inclusion.</li> <li>- Support for creative industries and knowledge-based economy.</li> </ul>	<ul style="list-style-type: none"> <li>- Economic revitalization and job creation in knowledge-based sectors.</li> <li>- Improvement of urban infrastructure and quality of life.</li> <li>- Strengthening of cultural and creative industries.</li> </ul>
7.	Seoul, South Korea	Seoul has embraced smart city technologies and digital innovation to address urban challenges and improve the quality of life for its residents. The city's development strategy includes investments in ICT infrastructure, smart transportation systems, e-governance, and digital inclusion initiatives to enhance efficiency, sustainability, and connectivity. Key initiatives include the Seoul Digital Master Plan and the development of smart city districts such as Songdo International Business District.	<ul style="list-style-type: none"> <li>- Integrated approach leveraging ICT and digital innovation to address urban challenges.</li> <li>- Investment in smart infrastructure and e-governance solutions.</li> <li>- Digital inclusion initiatives to bridge the digital divide and promote social equity.</li> </ul>	<ul style="list-style-type: none"> <li>- Improvement of urban efficiency, sustainability, and connectivity.</li> <li>- Enhanced citizen engagement and satisfaction with public services.</li> <li>- Positioning as a leading global smart city.</li> </ul>
8.	Medellín, Colombia	Medellín has undergone a remarkable transformation from a city plagued by violence and inequality to a model of urban innovation and social inclusion. The city's development strategy includes investments in public transportation, education, and cultural infrastructure, along with social programs and community engagement initiatives to address poverty, crime, and social exclusion. Key projects include the Metrocable aerial tram system, Biblioteca España library park, and Parque Explora science center.	<ul style="list-style-type: none"> <li>- Place-based approach focusing on urban revitalization and social inclusion.</li> <li>- Investment in public transportation, education, and cultural infrastructure.</li> <li>- Community engagement and social programs to address poverty and crime.</li> </ul>	<ul style="list-style-type: none"> <li>- Reduction in crime and violence, improvement of public safety.</li> <li>- Enhanced access to education, culture, and social services.</li> <li>- Revitalization of urban areas and improvement of quality of life for residents.</li> </ul>
9.	Shenzhen, China	Shenzhen has experienced rapid economic growth and urbanization over the past few decades, emerging as a leading center for technology, manufacturing, and innovation. The city's development strategy focuses on promoting entrepreneurship, innovation, and investment in key industries such as electronics, information technology, and biotechnology. Key initiatives include the establishment of special economic zones, technology parks, and incubators to support the growth of the knowledge economy.	<ul style="list-style-type: none"> <li>- Sectoral approach targeting specific industries with growth potential, such as technology and manufacturing.</li> <li>- Investment in infrastructure and talent development to support innovation and entrepreneurship.</li> <li>- Creation of special economic zones and technology parks to attract investment and talent.</li> </ul>	<ul style="list-style-type: none"> <li>- Transformation into a global technology and innovation hub.</li> <li>- Creation of high-skilled jobs and economic prosperity.</li> <li>- Attraction of foreign investment and talent.</li> </ul>
10.	Basque Country, Spain	The Basque Country in Spain is known for its successful model of industrial development based on innovation, diversification, and cooperative entrepreneurship. The region's development strategy focuses on supporting advanced manufacturing, renewable energy, and knowledge-intensive industries through investments in research and development, vocational training, and business support services. Key initiatives include the establishment of technology parks, business incubators, and cooperative networks to promote collaboration and innovation.	<ul style="list-style-type: none"> <li>- Cluster-based approach emphasizing collaboration and innovation within industrial sectors.</li> <li>- Investment in research and development and vocational training to develop skilled workforce.</li> <li>- Support for cooperative business models and SMEs through access to finance and networks.</li> </ul>	<ul style="list-style-type: none"> <li>- Development of globally competitive industrial clusters.</li> <li>- High levels of innovation and quality in advanced manufacturing and renewable energy sectors.</li> <li>- Creation of cooperative business networks fostering social cohesion and economic resilience.</li> </ul>
11.	Portland, Oregon, USA	Portland, Oregon, is recognized for its sustainable urban development initiatives and commitment to environmental stewardship. The city's development strategy emphasizes investments in public transportation,	<ul style="list-style-type: none"> <li>- Place-based approach focusing on urban sustainability and environmental stewardship.</li> <li>- Investment in public transportation, bike</li> </ul>	<ul style="list-style-type: none"> <li>- Leadership in sustainable urban development and environmental stewardship.</li> </ul>



		bike infrastructure, green spaces, and energy efficiency measures to reduce carbon emissions and promote eco-friendly lifestyles. Key initiatives include the Portland Streetcar, MAX Light Rail, and green building programs aimed at improving mobility and reducing environmental impact.	infrastructure, and green spaces. - Energy efficiency measures and green building programs to reduce carbon emissions.	- Reduction in carbon emissions and environmental impact. - Improvement of mobility and quality of life for residents.
12.	Cape Town, South Africa	Cape Town has implemented innovative strategies to address urban inequality and promote inclusive economic development. The city's development strategy includes investments in affordable housing, public transportation, and community infrastructure, along with initiatives to support small businesses, social enterprises, and job creation in underserved communities. Key projects include the MyCiTi Bus Rapid Transit system, inner-city revitalization programs, and support for township entrepreneurs.	- Place-based approach focusing on urban inclusion and economic development in underserved communities. - Investment in affordable housing, public transportation, and community infrastructure. - Support for small businesses and social enterprises through access to finance and resources.	- Reduction in urban inequality and poverty. - Improvement of access to housing, transportation, and basic services. - Promotion of entrepreneurship and economic empowerment in underserved communities.
13.	HafenCity, Hamburg, Germany	HafenCity is Europe's largest urban development project and a model of sustainable urban planning and design. The redevelopment of Hamburg's former harbor area into a vibrant mixed-use district involves investments in green buildings, public spaces, cultural amenities, and waterfront redevelopment. The development strategy prioritizes sustainable design principles, mixed-income housing, and climate resilience to create a livable and inclusive urban environment for residents and visitors.	- Integrated approach combining sustainable design principles, mixed-use development, and climate resilience. - Investment in green buildings, public spaces, and cultural amenities. - Community engagement and participatory planning processes to ensure inclusivity and social cohesion.	- Creation of a vibrant mixed-use district with diverse housing options and amenities. - Improvement of environmental quality and climate resilience. - Enhancement of cultural and recreational opportunities.
14.	Kerala, India	Kerala is known for its innovative approaches to human development and social welfare, including investments in education, healthcare, and social protection programs. The state's development strategy focuses on promoting human capital development, gender equality, and poverty reduction through investments in education, healthcare, and social safety nets. Key initiatives include the Kerala Model of Development, which emphasizes human development indicators such as literacy, life expectancy, and infant mortality rates.	- Integrated approach to human development focusing on education, healthcare, and social protection. - Investment in social welfare programs and safety nets to promote inclusivity and poverty reduction. - Emphasis on gender equality and human rights.	- Achievement of high human development indicators such as literacy and life expectancy. - Reduction in poverty and improvement of social welfare. - Advancement of gender equality and human rights.
15.	Copenhagen, Denmark	Copenhagen is renowned for its sustainable urban planning initiatives and commitment to cycling, public transportation, and renewable energy. The city's development strategy emphasizes investments in bike infrastructure, pedestrian-friendly streets, green spaces, and renewable energy sources to promote livability, reduce carbon emissions, and improve quality of life. Key initiatives include the Copenhagen Bicycle Strategy, green mobility plan, and carbon-neutral targets aimed at achieving carbon neutrality by 2025.	- Place-based approach focusing on sustainable mobility, green infrastructure, and renewable energy. - Investment in bike infrastructure, pedestrian-friendly streets, and green spaces. - Commitment to carbon-neutral targets and renewable energy sources.	- Leadership in sustainable urban development and transportation. - Promotion of cycling and active transportation modes. - Reduction in carbon emissions and environmental impact. - Improvement of livability and quality of life for residents.

Resource: authors development using [12, 21, 18].

Furthermore, IFRS adoption can promote good governance practices and accountability, which are essential for effective management of public resources and infrastructure development projects within regions. Additionally, aligning financial reporting practices with international standards can enhance the visibility and attractiveness of regional businesses to global markets, leading to increased trade and investment opportunities. By recognizing and capitalizing on the potential synergies between IFRS adoption and regional development goals, policymakers can harness the power of standardized financial reporting to drive economic growth, attract investment, and promote sustainable development within their regions.

Investigating how IFRS compliance can enhance transparency, attract investment, and facilitate economic development at the regional level reveals a nexus of opportunities for regions aiming to bolster their economic ecosystems. Firstly, IFRS compliance enhances transparency by providing standardized and reliable financial information, thereby fostering trust among investors, creditors, and other stakeholders.

This transparency not only reduces information asymmetry but also instills confidence in regional businesses, ultimately attracting domestic and foreign investment. Moreover, by adhering to IFRS, regions can tap into global capital markets more effectively, as investors are more inclined to allocate funds to jurisdictions with transparent and comparable financial reporting standards. This influx of investment capital fuels economic development initiatives, such as infrastructure projects, job creation, and entrepreneurship, which in turn stimulate economic growth within the region. Additionally, IFRS compliance can facilitate regional economic development by improving the accessibility of financing for local businesses. With standardized financial reporting, businesses can demonstrate their financial health and performance more effectively, making them more attractive to lenders and investors. This, in turn, enables businesses to access capital at lower costs, fueling expansion, innovation, and job creation within the region. Furthermore, IFRS compliance fosters a culture of accountability and good governance, essential elements for sustainable economic development. By adhering to globally recognized accounting standards, regional governments and businesses demonstrate their commitment to transparency, integrity, and responsible financial management, which in turn enhances investor confidence and promotes long-term economic stability. In conclusion, the exploration of how IFRS compliance can enhance transparency, attract investment, and facilitate economic development at the regional level underscores the transformative potential of standardized financial reporting practices. By embracing IFRS, regions can unlock a myriad of opportunities to drive economic growth, attract investment, and promote sustainable development, ultimately fostering prosperity and resilience within their communities [18].

Studying the challenges and barriers to integrating IFRS into regional development strategies unveils complexities that require careful navigation for successful implementation. One significant challenge is the adaptation of IFRS to suit the unique regulatory frameworks and business environments of different regions. While IFRS provides a globally recognized standard, its application may require customization to address regional nuances, legal requirements, and cultural differences, which can pose implementation challenges. Additionally, the cost associated with transitioning to IFRS compliance, including training, software upgrades, and regulatory adjustments, may pose a barrier for resource-constrained regions, particularly smaller businesses and governments. Moreover, resistance to change from stakeholders accustomed to local accounting practices or skeptical of the benefits of IFRS adoption may impede the integration of IFRS into regional development strategies. Furthermore, capacity constraints, including limited expertise in IFRS implementation and enforcement, can hinder effective adoption and enforcement of the standards, undermining the credibility and reliability of financial reporting within the region. Additionally, the potential

for regulatory arbitrage and divergence in enforcement practices among regions may create challenges for achieving consistency and comparability in financial reporting across borders.

Moreover, geopolitical factors and international trade tensions may introduce uncertainty and complexities in the adoption and implementation of IFRS, particularly in regions with geopolitical instability or regulatory uncertainties. In conclusion, while integrating IFRS into regional development strategies offers significant benefits, it also presents challenges and barriers that require careful consideration and proactive measures to overcome. By addressing these challenges through collaborative efforts, capacity-building initiatives, and regulatory reforms, regions can unlock the transformative potential of standardized financial reporting practices for driving economic growth, attracting investment, and promoting sustainable development within their communities.

*Case studies and best practices.*

The adoption and implementation of IFRS have been instrumental in shaping financial reporting practices worldwide. Beyond their primary function of enhancing transparency and comparability in financial statements, the utilization of IFRS has also yielded significant benefits for regional development strategies across diverse geographic regions [9]. Table 3 presents a comprehensive examination of specific case studies where the adoption of IFRS has positively influenced regional development initiatives. By analyzing the key impacts of IFRS utilization in various contexts, this compilation aims to shed light on the transformative potential of standardized financial reporting practices in driving economic growth, attracting investment, and fostering sustainable development within specific regions.

Table 3

**Examination of specific case studies**

<b>№</b>	<b>Case study</b>	<b>Description</b>	<b>Key impact of IFRS utilization</b>
1.	South Africa	South Africa's adoption of IFRS has enhanced transparency and investor confidence, attracting foreign investment and stimulating economic growth. The standardized financial reporting has facilitated cross-border transactions and improved access to global capital markets, supporting regional development initiatives.	<ul style="list-style-type: none"> <li>- Enhanced transparency and investor confidence;</li> <li>- Attraction of foreign investment;</li> <li>- Stimulated economic growth;</li> <li>- Improved access to global capital markets.</li> </ul>
2.	Brazil	In Brazil, the adoption of IFRS has improved the comparability and reliability of financial information, leading to increased investor trust and confidence in regional businesses. This has resulted in greater access to capital for local companies, fueling investment in infrastructure projects and stimulating economic development across regions.	<ul style="list-style-type: none"> <li>- Improved comparability and reliability of financial information;</li> <li>- Increased investor trust and confidence;</li> <li>- Greater access to capital for local businesses;</li> <li>- Stimulated economic development across regions.</li> </ul>
3.	Malaysia	Malaysia's adoption of IFRS has facilitated cross-border investment and business expansion, attracting foreign investors and promoting economic diversification. The standardized financial reporting has enhanced transparency and accountability, creating a conducive environment for regional development initiatives and infrastructure projects.	<ul style="list-style-type: none"> <li>- Facilitated cross-border investment and business expansion;</li> <li>- Attracted foreign investors;</li> <li>- Promoted economic diversification;</li> <li>- Enhanced transparency and accountability.</li> </ul>

*Continuation of table 3*

4.	United Arab Emirates	The United Arab Emirates' implementation of IFRS has enhanced the credibility of regional financial markets and attracted foreign investment. The standardized financial reporting has improved transparency and accountability, fostering investor confidence and supporting the development of infrastructure projects and economic diversification efforts across the region.	<ul style="list-style-type: none"> <li>- Enhanced credibility of regional financial markets;</li> <li>- Attracted foreign investment;</li> <li>- Improved transparency and accountability;</li> <li>- Fostered investor confidence.</li> </ul>
5.	Australia	Australia's adoption of IFRS has facilitated access to global capital markets and enhanced the competitiveness of regional businesses. The standardized financial reporting has improved the comparability and reliability of financial information, attracting foreign investment and stimulating economic growth and innovation within the region.	<ul style="list-style-type: none"> <li>- Facilitated access to global capital markets;</li> <li>- Enhanced competitiveness of regional businesses;</li> <li>- Improved comparability and reliability of financial information;</li> <li>- Attracted foreign investment;</li> <li>- Stimulated economic growth and innovation within the region.</li> </ul>
6.	Nigeria	Nigeria's implementation of IFRS has improved the quality and transparency of financial reporting, enhancing investor confidence and attracting foreign investment. The standardized financial reporting has supported regional development initiatives, including infrastructure projects, job creation, and entrepreneurship, contributing to economic growth and stability across the country.	<ul style="list-style-type: none"> <li>- Improved quality and transparency of financial reporting;</li> <li>- Enhanced investor confidence;</li> <li>- Attracted foreign investment;</li> <li>- Supported regional development initiatives;</li> <li>- Contributed to economic growth and stability.</li> </ul>
7.	Singapore	Singapore's adoption of IFRS has promoted international investment and business expansion, positioning the country as a global financial hub. The standardized financial reporting has improved transparency and accountability, attracting multinational corporations and supporting regional development efforts, including infrastructure projects and innovation initiatives.	<ul style="list-style-type: none"> <li>- Promoted international investment and business expansion;</li> <li>- Positioned Singapore as a global financial hub - Improved transparency and accountability;</li> <li>- Attracted multinational corporations;</li> <li>- Supported regional development efforts.</li> </ul>
8.	Canada	Canada's utilization of IFRS has enhanced the comparability and consistency of financial reporting, attracting foreign investment and supporting economic development initiatives. The standardized financial reporting has improved investor confidence and facilitated access to global capital markets, enabling regional businesses to pursue growth opportunities and expand their operations domestically and internationally.	<ul style="list-style-type: none"> <li>- Enhanced comparability and consistency of financial reporting;</li> <li>- Attracted foreign investment;</li> <li>- Supported economic development initiatives;</li> <li>- Improved investor confidence;</li> <li>- Facilitated access to global capital markets - Enabled regional businesses to pursue growth opportunities and expand operations domestically and internationally</li> </ul>

*Continuation of table 3*

9.	United Kingdom	The United Kingdom's adoption of IFRS has improved transparency and accountability in financial reporting, attracting foreign investment and supporting economic growth. The standardized financial reporting has enhanced investor confidence and facilitated cross-border transactions, enabling regional businesses to access global markets and pursue expansion opportunities both domestically and internationally.	<ul style="list-style-type: none"> <li>- Improved transparency and accountability in financial reporting;</li> <li>- Attracted foreign investment;</li> <li>- Supported economic growth;</li> <li>- Enhanced investor confidence;</li> <li>- Facilitated cross-border transactions;</li> <li>- Enabled regional businesses to access global markets and pursue expansion opportunities</li> </ul>
10.	India	India's implementation of IFRS has strengthened corporate governance and transparency, attracting foreign investment and promoting economic development. The standardized financial reporting has enhanced investor confidence and facilitated cross-border transactions, supporting regional development initiatives and infrastructure projects aimed at driving economic growth and social progress across the country.	<ul style="list-style-type: none"> <li>- Strengthened corporate governance and transparency;</li> <li>- Attracted foreign investment;</li> <li>- Promoted economic development;</li> <li>- Enhanced investor confidence;</li> <li>- Facilitated cross-border transactions;</li> <li>- Supported regional development initiatives and infrastructure projects.</li> </ul>

*Source: authors development using [21].*

Table 3 of case studies examining the positive impacts of IFRS utilization on regional development strategies underscores the importance of standardized financial reporting practices in fostering economic prosperity and stability. Across diverse regions, the adoption of IFRS has led to enhanced transparency, increased investor confidence, attraction of foreign investment, and stimulation of economic growth. These outcomes highlight the critical role of financial reporting standards in promoting accountability, facilitating access to capital, and supporting infrastructure development initiatives. As regions continue to navigate complex economic landscapes and pursue sustainable development goals, the lessons gleaned from these case studies underscore the transformative potential of standardized financial reporting practices in driving inclusive growth and promoting resilience within communities worldwide. By embracing IFRS and leveraging its benefits, regions can unlock new opportunities for economic advancement and social progress, ultimately contributing to a more prosperous and sustainable future for all.

A comparative analysis of regions with varying degrees of IFRS adoption reveals nuanced economic outcomes and provides valuable insights into effective incorporation of IFRS into regional development planning. Regions that have fully embraced IFRS demonstrate higher levels of transparency, investor confidence, and access to global capital markets, leading to robust economic growth and stability. These regions leverage standardized financial reporting practices to attract foreign investment, stimulate entrepreneurship, and drive innovation, ultimately positioning themselves as attractive destinations for business expansion and economic development. Conversely, regions with partial or limited adoption of IFRS may face challenges related to transparency, comparability, and investor trust, which can hinder their ability to attract investment and foster economic growth.

Identification of best practices and lessons learned for effectively incorporating IFRS into regional development planning involves several key considerations. Firstly, proactive engagement with stakeholders, including government agencies, regulatory bodies, businesses, and investors, is essential for building consensus and garnering support for IFRS adoption initiatives. Secondly, capacity-building efforts, such as training programs and technical

assistance, are crucial for enhancing the understanding and implementation of IFRS standards among stakeholders, particularly smaller businesses and regulatory agencies. Thirdly, a phased approach to IFRS adoption, tailored to the specific needs and priorities of each region, can facilitate smooth transition and minimize disruptions to existing financial reporting practices [13].

Fostering a culture of continuous learning and adaptation is essential for maximizing the benefits of IFRS adoption over time. Regions can benefit from sharing experiences, best practices, and lessons learned with peers facing similar challenges or pursuing similar objectives. By leveraging collective expertise and learning from both successes and failures, regions can refine their approaches to IFRS adoption and enhance their capacity for effective regional development planning. Ultimately, the comparative analysis of regions with varying degrees of IFRS adoption underscores the importance of strategic alignment, stakeholder engagement, and capacity-building efforts in harnessing the transformative potential of standardized financial reporting practices for driving economic growth, attracting investment, and promoting sustainable development within regions.

*Policy implications and recommendations.*

Policy recommendations for policymakers, government agencies, and regulatory bodies on how to better align IFRS implementation with regional development objectives are crucial for maximizing the benefits of standardized financial reporting practices. Firstly, policymakers should prioritize the integration of IFRS adoption initiatives into broader regional development strategies, ensuring alignment with economic growth, job creation, and infrastructure development goals. This involves establishing clear policy frameworks and coordination mechanisms to guide the implementation process and monitor progress towards regional development objectives [19].

Secondly, government agencies and regulatory bodies should invest in capacity-building initiatives to enhance the understanding and implementation of IFRS standards among stakeholders. This includes providing training programs, technical assistance, and educational resources to businesses, accounting professionals, and regulatory authorities to ensure effective adoption and enforcement of IFRS standards. Additionally, regulatory bodies should establish mechanisms for ongoing monitoring and evaluation of IFRS implementation, including compliance assessments and feedback mechanisms, to identify challenges and address gaps in implementation.

Thirdly, policymakers should consider the specific needs and priorities of each region when designing IFRS adoption strategies, taking into account factors such as the size of the economy, the level of development, and the regulatory environment. This may involve adopting a phased approach to IFRS implementation, prioritizing sectors with high growth potential or significant impact on regional development, and providing targeted support to smaller businesses and regulatory agencies to facilitate smooth transition [23].

Furthermore, policymakers should promote stakeholder engagement and collaboration throughout the IFRS implementation process, including consultations with businesses, investors, academia, and civil society organizations. By fostering a participatory approach to decision-making and soliciting input from diverse stakeholders, policymakers can build consensus, enhance buy-in, and ensure that IFRS adoption initiatives are responsive to the needs and concerns of all stakeholders.

By following these policy recommendations, policymakers, government agencies, and regulatory bodies can better align IFRS implementation with regional development objectives, maximizing the potential of standardized financial reporting practices to drive economic growth, attract investment, and promote sustainable development within regions.

Suggestions for fostering collaboration between stakeholders in the financial reporting and regional development sectors are essential for maximizing the synergies between these

two domains and achieving shared objectives effectively. Firstly, establishing platforms for dialogue and collaboration, such as joint task forces, working groups, or advisory committees, can facilitate ongoing engagement and communication between stakeholders from both sectors. These platforms provide opportunities for sharing knowledge, exchanging experiences, and co-creating solutions to common challenges, fostering a sense of ownership and collective responsibility for achieving regional development goals.

Secondly, promoting cross-sector partnerships and alliances can leverage the expertise, resources, and networks of stakeholders in the financial reporting and regional development sectors to address complex challenges and seize opportunities collaboratively. For example, partnerships between government agencies, regulatory bodies, businesses, financial institutions, academia, and civil society organizations can enable the co-design and implementation of initiatives that promote transparency, accountability, and sustainable development within regions.

Thirdly, integrating financial reporting considerations into regional development planning processes can enhance the alignment between financial reporting practices and regional development objectives. By incorporating indicators related to financial transparency, investor confidence, and access to capital into regional development frameworks, policymakers can ensure that financial reporting initiatives contribute effectively to broader development goals and priorities.

Furthermore, investing in capacity-building initiatives that enhance the understanding and skills of stakeholders in both sectors can facilitate collaboration and enable more effective implementation of joint initiatives. This may involve providing training programs, workshops, and technical assistance on topics such as financial reporting standards, regulatory compliance, risk management, and sustainable finance to build the capacity of stakeholders to engage meaningfully in collaborative efforts.

Lastly, fostering a culture of trust, transparency, and mutual respect among stakeholders is essential for fostering collaboration and sustaining long-term partnerships. By promoting open communication, accountability, and inclusivity in decision-making processes, stakeholders can build strong relationships based on shared values and common objectives, enhancing the effectiveness and impact of collaborative efforts in advancing regional development goals.

By implementing these suggestions for fostering collaboration between stakeholders in the financial reporting and regional development sectors, policymakers, government agencies, regulatory bodies, businesses, and civil society organizations can harness the collective expertise and resources of both sectors to drive inclusive growth, promote sustainability, and build resilient communities within regions.

The integration of IFRS into regional development strategies presents opportunities for enhancing transparency, attracting investment, and driving economic growth. However, this process also entails challenges and risks that must be addressed effectively. Table 4 outlines strategies for mitigating risks and addressing challenges associated with IFRS integration within regional development contexts. By adopting these strategies, policymakers, government agencies, regulatory bodies, businesses, and other stakeholders can enhance the effectiveness and impact of IFRS integration efforts, ultimately contributing to the achievement of broader regional development objectives.

**Strategies for mitigating risks and addressing challenges associated with IFRS integration within regional development contexts**

№	Strategy	Description
1.	Conducting thorough assessments	Conduct comprehensive assessments of the regulatory environment, institutional capacity, and stakeholder readiness to identify potential challenges and risks associated with integrating IFRS into regional development strategies. This includes gap analyses, risk assessments, and stakeholder consultations to understand specific challenges within the regional context.
2.	Implementing capacity-building initiatives	Implement capacity-building initiatives to enhance the understanding and skills of stakeholders in IFRS implementation and compliance. Provide training programs, technical assistance, and educational resources to businesses, regulatory agencies, accounting professionals, and other stakeholders to ensure effective compliance with IFRS standards.
3.	Adopting a phased approach	Adopt a phased approach to IFRS integration, prioritizing key sectors or areas with the highest impact on regional development. Pilot IFRS adoption initiatives in select regions or sectors, conduct pilot projects, and gradually scale up implementation based on lessons learned and feedback from stakeholders to manage risks and minimize disruptions.
4.	Establishing robust monitoring and evaluation mechanisms	Establish robust monitoring and evaluation mechanisms to track progress, identify challenges, and measure the impact of IFRS integration on regional development outcomes. Set clear performance indicators, conduct regular audits, and solicit feedback from stakeholders to assess the effectiveness of integration strategies and make necessary adjustments as needed.
5.	Fostering collaboration and knowledge sharing	Foster collaboration and knowledge sharing among regions facing similar challenges or pursuing similar objectives. Share experiences, best practices, and lessons learned to leverage collective expertise and resources in overcoming challenges associated with IFRS integration and maximizing the benefits of standardized financial reporting practices.

*Source: authors development.*

The strategies outlined in this table offer valuable guidance for policymakers, government agencies, regulatory bodies, and other stakeholders involved in integrating IFRS into regional development strategies. By conducting thorough assessments, implementing capacity-building initiatives, adopting a phased approach, establishing robust monitoring and evaluation mechanisms, and fostering collaboration and knowledge sharing, stakeholders can mitigate risks and address challenges associated with IFRS integration effectively. By implementing these strategies, regions can maximize the benefits of standardized financial reporting practices, driving economic growth, attracting investment, and promoting sustainable development within their communities.

**Conclusions.** The research has contributed to the field by providing insights into the integration of IFRS into regional development strategies. Scientifically, the study advances understanding of the relationship between financial reporting practices and economic development within regions. By examining the impacts of IFRS adoption on transparency, investor confidence, and economic growth, the research adds to the body of knowledge on the importance of standardized financial reporting practices in driving sustainable development.

Theoretical implications of the research extend to the fields of accounting, economics, and regional development studies. The findings highlight the role of financial reporting standards in promoting transparency, accountability, and access to capital within regions, underscoring the significance of regulatory frameworks in shaping economic outcomes. Moreover, the study contributes to theoretical frameworks for understanding the mechanisms through which IFRS integration influences regional development processes, offering insights into the complex dynamics at play.



Practically, the research offers valuable insights for policymakers, government agencies, regulatory bodies, businesses, and other stakeholders involved in regional development planning. By emphasizing the benefits of aligning financial reporting practices with regional development objectives, the study provides a roadmap for promoting sustainable economic growth and prosperity within regions. Furthermore, the research underscores the importance of capacity-building initiatives, stakeholder engagement, and policy coordination in ensuring successful integration of IFRS into regional development strategies.

The prospects for further research in this direction are promising. Future studies could delve deeper into specific aspects of IFRS adoption and regional development, such as the impact of digitalization, technological innovation, and global economic trends on financial reporting practices within regions. Additionally, interdisciplinary research that integrates insights from accounting, economics, finance, and regional studies can provide a more holistic understanding of the complex dynamics shaping regional development outcomes. Overall, the research lays the foundation for future studies to explore emerging challenges and opportunities associated with IFRS integration into regional development strategies, contributing to ongoing efforts to promote inclusive and sustainable growth within regions.

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## **ТРАНСФОРМАЦІЯ СИСТЕМИ ОБЛІКУ І ЗВІТНОСТІ В УМОВАХ ЦИФРОВІЗАЦІЇ БІЗНЕСУ**

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**Анотація.** Суттєвої трансформації на підприємстві зазнає система обліку і звітності, де під впливом діджитал-технологій змінюються підходи до збору, обробки, зберігання та використання облікової інформації. Відомо, такі зміни для ведення обліку є позитивними, оскільки відбувається поступовий і незворотній перехід від традиційних облікових процедур до