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ACTUAL PROBLEMS OF ACCOUNTING IN THE CONDITIONS OF ECONOMIC INSTABILITY IN UKRAINE

In the context of economic instability and military conflict in Ukraine, enterprises are facing dangerous challenges. During this period accounting plays a key role in ensuring financial transparency, controlling resources and making strategic decisions. Also in conditions of war, state regulation of business is constantly changing, new tax initiatives, support programs and benefits appear. Top-notch accounting helps enterprises comply with current legislation, avoid financial risks and use available government programs.

For a business operating under crisis conditions, it is important to ensure financial stability and investment attractiveness. Accurate accounting allows potential partners and investors to assess the real state of the enterprise and make informed decisions about cooperation [1, p. 63].

But in conditions of economic instability in Ukraine the field of accounting is confronted with several current challenges which are listed in Table 1.

These problems are key challenges for accounting in Ukraine requiring flexible solutions and adaptation to new economic realities.

Table 1

List of Actual Problems of Accounting in the Context of Economic Instability of Ukraine

Factors of economic instability	Impact on accounting
Inflationary impact on accounting	The problem of reliability of valuation of assets and liabilities due to the devaluation of the national currency. The need to adjust financial statements taking into account inflation indicators.
Frequent changes in tax and accounting legislation	Instability of the regulatory framework and constant changes in tax rates. The complexity of adaptation of enterprises to new legal requirements.
Impact of martial law and crisis situations	Loss or damage of accounting documents due to force majeure. Features of accounting in the conditions of temporary occupation or relocation of business.
Impact of digitalization and automation	Transition to electronic document management and the need to implement new IT solutions. Data protection and cybersecurity of accounting systems.
Accounting-related difficulties for financial instruments and credit liabilities	Insolvency and debt restructuring risks. Valuation of the fair value of assets and liabilities in conditions of instability.
Impact of International Financial Reporting Standards (IFRS)	The need to harmonize national accounting with IFRS. Lack of a unified methodology for the transition to international standards in Ukraine.
Accounting-related difficulties for transactions in foreign currency	Exchange rate differences and their impact on the financial results of enterprises. Assessment and adjustment of currency risks in financial statements.
Accounting for humanitarian aid and grant funding	Peculiarities of recognition and reflection of humanitarian aid in financial statements. Problems of accounting for funds received from international donors.
Control and audit in conditions of instability	Increasing requirements for internal control and risk management. Challenges faced by independent auditors during crisis situations.

Note. Formed by the author according to sources 1, 2, 3.

To stabilize the economy it is necessary to create conditions for restoring what was lost, to continue the implementation of reforms initiated in peacetime. All this is possible only on the basis of a modern management information base, the basis of which is accounting and financial reporting.

The role of accounting and financial reporting is important in the aspect of Ukraine's financial security. Thus, the following main indicators must be reflected in financial reporting: the size of the budget deficit, state debt and the amount of international reserves. To survive this war, a lot of resources are needed including financial ones [1, p. 86].

Analysis of the activities of in-country enterprises during hostilities in Ukraine showed that they suffered the following negative consequences: temporary suspension of production in the affected territories or its liquidation due to physical destruction; damage or loss of inventory and other assets; disruption of logistics chains of activity; significant fluctuations in raw material prices and exchange rates; decrease in sales volumes and increase in business losses in the affected areas [1, p. 87].

Radova O. V. notes that "... over the past two decades, Ukraine has undergone changes in the accounting system aimed at its harmonization with international standards. However, the accounting reform was not accompanied by the necessary changes in the current economic, accounting and financial legislation. The current state of accounting in Ukraine can be characterized as a symbiosis of administrative and market concepts, national and international standards" [2, p. 786].

Therefore, accounting is one of the key elements that can stimulate or inhibit the economic development of the state. Currently countries with a market economy are in urgent need of such accounting specialists who are able to make decisions based on a thorough assessment of the main economic provisions using advanced information technologies of accounting [4, p. 140].

The activities of enterprises in times of crisis face numerous challenges which force businesses to quickly transform approaches to management, adapt strategies and implement the principles of flexibility, mobility and rapid response to changes. In such conditions accounting acts as a key management tool that provides the opportunity to objectively assess the financial condition of the enterprise and form reasonable short- and medium-term forecasts of its stability.

Martial law conditions may require changes in the production process and accounting, and enterprises must be ready to adapt and change to withstand the challenges of martial law.

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