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Scherbakova T.V.
4th year student
Faculty of Financial Markets
federal state educational
budget institution of higher education
"Financial University under the Government of the Russian Federation"
Russia, Moscow
Scientific adviser: Mislavskaya N.A., Doctor of Economics, Associate Professor, Professor of the Department of Accounting, Analysis and Audit
federal state educational
budget institution of higher education
"Financial University under the Government of the Russian Federation"
Russia, Moscow

SPECIFICS OF RUSSIAN AND INTERNATIONAL FINANCIAL REPORTING STANDARDS

Abstract: *The article considers the fundamental differences between international financial reporting standards and Russian accounting principles. As the main reason for the difficulty in implementing international financial reporting standards in Russia, conceptual differences in accounting practices are stated.*

***Keywords**: international financial reporting standards, accounting, users of accounting (financial) reporting, regulatory and legal acts.*

For the Russian accounting system, the last twenty years have passed under the auspices of reform in accordance with the requirements of International Financial Reporting Standards (IFRS). The main reason for the corresponding reorientation was the reason for the imperfection of our national standards. The introduction of new principles and concepts foreshadowed and clearly associated with the dynamic development of the economy in general and business in particular.

Until now, it is believed that the transition to IFRS is appropriate for Russia, even in the face of ongoing economic sanctions. One of the weighty arguments is the belief that these measures will help attract foreign capital and foreign investment to the national market, as financial information will become more transparent and understandable for interested users. However, making the transition overnight has proven challenging. As a rule, small organizations, small and medium-sized businesses are inclined to the methodology based on the previous principles of accounting. However, it is worth noting that large companies issue two types of reporting. Moreover, current trends indicate that an increasing number of companies are joining them. [3, p. 171].

In connection with the above, the reasons for the reluctance of some Russian organizations to fully switch to organizing and keeping records in strict accordance with IFRS do not cease to go beyond the category of topical research topics.

Initially, the corresponding differences appear already at the stage of the development of standards. International standards, unlike Russian ones, imply the maximum possibility of realistic accounting of the current economic situation in a company, that is, the least formal reflection of the organization's operations and events. However, the main difference between IFRS and Russian Accounting Standards (RAS) is in the principles of valuation of assets and liabilities, as well as in the correlation of income and expenses with the reporting period.

Differences in accounting have a direct impact on the reflection of the financial position and results of the company. For example, a company may look more optimistic about the real state of its economic condition. International standards are developed by a non-governmental organization - the Council on IFRS. The initiators are regulators of the securities market, audit and accounting organizations and associations, large companies. Formally, it is implied that no one can influence the decisions of the Council. The IFRS Council is financed on a voluntary basis by international accounting and auditing companies, large organizations, and banks. The main goal of the Council is to develop a single set of high-quality, understandable and implementable global financial reporting standards. Russian regulatory acts have a hierarchical structure and include: legislative acts; federal regulations; industry standards; recommendations; standards of the economic entity. [one]. IFRS are not tied to the legal system of a particular country, unlike RAS. Reporting under international standards must meet the requirements not only for recognition and evaluation, but also for information disclosure. Current accounting regulations (PBUs) also contain a significant amount of information for disclosure, but it is several times smaller than in IFRS. To this end, a separate document is included in the IFRS - Conceptual Framework for Financial Reporting. It contains the basis for making an informed decision regarding certain operations for which there is no specific standard. The position on accounting and financial statements in the Russian Federation is a set of rules for accounting, but not accounting principles. Also important, the conceptual difference between Russian and international standards is to reflect transactions with business owners [2]. In IFRS, business owners at least occupy a dominant position. Accordingly, all reporting is focused on their interests and is committed to one of the main tasks - to reflect the profit of the current period, as well as possible profits of future periods.

In international standards, such general concepts as “assets” and “liabilities” are only defined, while each RAS standard describes specific assets without summarizing the characteristics.

Also in the RAS and the IFRS are different reporting periods. In the first case, the reporting year always coincides with the calendar year (with the exception of newly created organizations), in the second case, the company can independently determine and change the period of financial reporting, that is, the matter falls within the competence of the organization. [five].

There are a significant number of differences between RAS and IAS, however, we consider the following as the most important:

1 - in IFRS, the priority of economic content over the legal documentary form prevails, that is, it is not the legal, but the economic content of the facts of the company's economic life that is decisive for consideration;

2 - consolidation of reports - consolidation and subsequent synchronization of reports of a group of companies, that is, together with the parent organization, take into account the results of all its subsidiaries;

3 - principles of matching income and expenses. Reflection of the direct relationship between costs and revenues under the relevant items;

4 - accounting for the depreciation of long-term assets;

5 - the prevalence in the IFRS of the professional opinion of the accountant over the primary documentation;

6- principles for determining the tax base;

7 - principles of reporting on cash flow.

Thus, today there are still few similarities between the standards analyzed. However, the differences between IFRS and RAS are quite obvious. The Russian Federation still retains a relatively formal approach to financial reporting, which is based on a set of rules that do not allow for flexibility and maneuverability in assessing what is happening in the company. Reports are prepared almost independently of each other. Usually, the first company to make up the balance sheet, and then later reports on financial results and cash flow. This is due to the still insufficient changes in the Russian accounting system for the Soviet period. [four].

In IFRS, all the main forms of reporting are prepared consistently, there is a strong connection between them. First of all, a report on financial results is formed and income and expenses from various types of the company's activities are reflected. Then a cash flow statement is compiled, in which the profit is distributed to all non-cash items. And only after this procedure, based on the data of the previous two reports, the balance sheet is compiled. This approach allows you to generate information about the financial condition of the company, which will be as complete and reliable as possible, which is especially important for investors and creditors.

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