

## CHAPTER «ECONOMIC SCIENCES»

### INFORMATION SUPPORT OF FINANCIAL CONTROLLING OF SUBJECTS OF JOINT ACTIVITY

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**Abstract.** The peculiarities of production and circulation of controlling financial information are analyzed, its essence is defined, peculiarities of functioning of information space of joint activity are substantiated and measures of improvement of circulation of management data between participants of joint activity and their separate centers within the operating economic structure are developed.

The essence and the content of the category «information space of controlling information» are considered, which made it possible to define the main centers of its production (primary structural units, analytical services of enterprises, external entities of information creation for management) and to distinguish specific features of different types of controlling information (external, internal, horizontal, vertical) and their role in the enterprise management process. It is proposed to consider the information space of controlling information as a single environment for the circulation of data on different components of development of an individual entity, in which separate centers of production of such data carry out activities and operate technical and relevant information systems for their analysis and transfer to management for decision-making.

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Much attention is accentuated to defining the essence of controlling financial information and its role in the development of economic entities, and it is proposed to consider this type of information as a set of different data on the financial activity of an enterprise, the results of its activity, which are produced by different structural units of such an entity that study , are summarized for the purpose of preparing analytical information for making managerial decisions in the field of financial activity, ensuring the financial stability of financial institutions, enterprises', improving its efficiency.

The importance of development and use of scientific provisions of the mechanism of development of financial controlling in carrying out joint activity in the sphere of business is developed and substantiated.

### **1. Introduction**

The creation and implementation of financial controlling in the work of economic entities can not be implemented without the organization of management information about certain aspects of their financial activities. The efficiency of building such a system of collecting, exchanging and processing data on economic activity is an objectively existing condition for ensuring the effectiveness of the implementation of financial controlling in the work of enterprises with ensuring its positive impact on the effectiveness of their operation.

Deepening the scientific basis of research on the origin and circulation of financial controlling information in joint activities requires research on the nature and content of such categories as «information space» and «information space of controlling information», identification of major centers of controlling information in the management of the joint venture, and also isolation and classification of types of controlling information, substantiation of definition of necessary volumes and quality of such information depending on organizational structure of the joint venture with development of information streams within each of them In the scientific literature there are two similar concepts – «single information space» and «information space».

Quite considerable attention to the study of the theory and practice of financial controlling and the circulation of financial controlling information was paid in their works by the following domestic and foreign scientists, namely: I.A. Blank [1], M.P. Butko [2], S. Wang [3], J. Weber [4], O. Klokhar

[7], G.O. Partin [9], T. Reichmann [12], N.D. Sobkova [13], I.B. Stefanik [11], D.G. Savchuk, O.O. Tereshchenko [14; 15], R. Hilton [5], P. Horvat [6], K. Surfing [12] and others. But today the role of financial controlling as a component of the joint venture management system that ensures its effective functioning is not fully disclosed.

Analysis of research shows that scientists consider a single information space a set of databases and data banks, technologies for their maintenance and use, information and telecommunications systems and networks that operate on the basis of common principles and general rules, ensuring information interaction of enterprises and their counterparties, as well as meeting their information needs.

In order to further explore the essence of the concept of information space, it is necessary to consider its properties and components that form a complete picture of the object of study.

### **2. Types and properties of the information space of controlling information**

To study the definition of the information space of controlling information, first of all it is necessary to substantiate the essence of the concept of «controlling information», to investigate in detail the main functions and tasks of financial controlling and its information support, which will outline its main components.

Information is a set of diverse data produced within individual departments of economic entities by certain specialists, which allows to obtain decisions on how to more efficiently and profitably organize the production of goods or services in an economic context. Accordingly, the combination of available knowledge and information becomes a strategic resource of the enterprise. Traditional paper media hinder the effective implementation of advanced management technologies such as financial controlling. In this context, the use of modern methods of collecting, processing, storing, analyzing and presenting information for the preparation of management decisions is one of the most important levers of business development. Information is also defined as a set of versatile signals that are produced by certain systems for further use in order to improve their functioning or other systems.

Thus, reasonable conclusions make it possible to define the concept of «financial controlling information» as a set of diverse data produced

by individual structural units of economic entities, government agencies, other institutions and organizations and used in the preparation of reports for managers at various levels correct management decisions. Financial controlling information is a complex concept because it characterizes the data generated within the management system of certain objects.

It is important to study the definition of the boundaries of the information space of controlling information. The definition of information space is considered as an object of management in accordance with modern conditions of development of industrial and economic relations. Therefore, we consider it necessary to expand the following category taking into account the peculiarities of controlling information: «Information space of controlling information is a structured set of information objects that reflect the properties of objects, subsystems and processes of the joint venture for management decisions, analysis, control and regulation of financial and economic activities of the joint venture».

The set of information objects of the information space includes a set of information systems and databases of various types of information, organizational structures and personnel, as well as an information support system. Interaction within the management system should be properly structured and organized, as the information space is also a system that has the following characteristics:

- elements of information space;
- established connections between the elements of space;
- ordered elements and connections.

Therefore, we can conclude that the system of information space of the enterprise is a separate system, but interconnected with the management system and the system of financial controlling.

The process of obtaining, processing and transmitting the necessary information to interested users is carried out within the financial controlling system, and the information that moves within it is the management financial information. Such information is formed within the unit of financial controlling according to accounting and analysis [8, p. 90–92].

However, a characteristic feature of the joint venture is that the information structure of joint activities is more complex, as it involves the formation of information space of individual participants in joint activities and information space and information flows between participants in joint activities.

The structure of links between information objects reflects the links between information processes in joint ventures, and the combination and consistency of information objects and links between them forms the information space of controlling information of joint ventures.

The object of information space in the system of financial controlling is controlling information, which is a necessary and mandatory component of the information system in order to assess the situation, develop possible alternatives to management decisions and select the most appropriate for practical use and have the following properties and characteristics – should be consistent with the objectives and mission of the joint venture, the size and structural units of both the individual participants in the joint venture and the joint venture as a whole and their information needs regarding the quality and quantity of such information.

The issue of quality and usefulness of controlling information is closely related to the concept of structure and automation of information space and construction of information flows and links within the structural units of the joint venture as a whole and individual participants in joint activities, as late receipt of necessary information management decision [15, p. 117–126].

The formation of a system of financial controlling cannot be imagined without the organization of an effective mechanism for the circulation of diverse information between departments and management of the joint venture. It is quite difficult to build models of production, exchange and analysis of data, taking into account some features of the functioning of various structural units of such enterprises, due to the specifics of their activities. However, without a productive system of management information management, it is impossible to create an effective financial controlling department. That is why the issues of organizational development of building an information support system within which the formation, circulation, exchange and analysis of controlling information between the subjects of joint activities and assessment of the amount of information support are quite relevant.

Compliance with the requirements for the quality and usefulness of controlling information, taking into account the organizational features of the information space of the joint venture and analysis of the components of the financial controlling system requires research on the formation of an effective system for collecting, processing and analyzing financial

controlling information. joint venture. Therefore, it is advisable to study the rationale for determining the required amount of controlling information depending on the organizational structure of the joint venture.

The optimal amount of financial information should be within the limits when the subjects of financial controlling have the opportunity to obtain sufficient information for its use in the framework of functional responsibilities, but not more than they can process within their own authority and qualification level. The criterion of optimality should also be applied to external users, as underreceipt or too detailed disclosure of information reduces the level of effective decision-making.

Insufficient level of information support of the financial controlling system leads to an increase in the risk of making economically unreasonable management decisions, inefficient use of resources of the joint venture, an increase in the risk of joint activities, etc. Too much financial information can lead to the inability to process all information, reduce the likelihood of evaluating the most appropriate and reliable information, making erroneous management decisions. The financial controlling system requires only the information on the basis of which sound management decisions are formed.

Thus, the level of awareness of the enterprise and the ability to effectively and quickly assess the information obtained becomes one of the criteria for assessing the stability of the enterprise, the most important factor in competition in the market of goods, works and services.

Insufficient attention on the part of management staff to the formation of a rational structure of financial controlling of joint activities leads to the fact that the use of financial, technical, personnel, organizational, intangible support and obtaining quality and timely information does not give the expected results. The management staff uses more resources to create computer management systems, training of employees of the financial controlling service, but does not pay attention to the study of information needs of users and their relationship with the amount of information produced and provided.

The effectiveness of management decisions, and hence the stability of the joint venture as a whole, depends on the amount of financial information and its quality. Increased risk of joint ventures requires the management staff to form and use in management high-quality and reliable financial information in the amount of information capacity of the management system for processing and analysis of information.

Thus, the study of the structure and mechanism of information flows within the system of financial controlling of joint activities, ways to rationalize them given the size of the enterprise, its resource provision and information capacity of the management system allows to solve effective and rational construction of organizational model of financial control of joint ventures.

### **3. Qualitative characteristics of the information space of controlling information**

The organization of the system of circulation of financial controlling information requires the correct organization of information support, ie the presence of a set of processed information about the state of the objects of financial and economic activities that meet the requirements of the management unit. In turn, the information support contains an information system that has the necessary information fund (staff and technical means) and a system of information flows. The information system is a communication of the staff of the institution on the issues of their professional activity.

Financial controlling serves as information support for achieving the goals and objectives of the joint venture. It is one of the effective management systems of such an enterprise, a system whose economic essence is the process of transforming and integrating existing methods of accounting, analysis, planning and control into an enterprise management system focused on achieving all objectives of the joint venture. In the future, the introduction of this mechanism will reduce the costs of the joint venture through effective resource management, ensure competitiveness, maintain and increase its market share. This mechanism is aimed at effective strategic and operational planning, forecasting and control, which allow to anticipate and solve problems in the future [14, p. 12–14].

To achieve the goal of building a complex system of information support, it is necessary to develop a methodological approach to building a system of circulation of controlling information, which should take into account the peculiarities of the organization and functioning of the joint venture:

- 1) the number of participants in joint activities;
- 2) the relationship between structural units;
- 3) availability and types of resources of the joint venture;
- 4) the life cycle of the enterprise (at the stage of creation, operation or expansion);

5) the purpose of input and output information (for planning, budgeting, accounting, control, analysis).

Taking into account the above research types and organizational features of information flows and movements of controlling information in the system of financial controlling of the joint venture allows to outline the methodological provisions of creating a system of circulation of financial controlling information with their gradual justification. At the stage of diagnostics of the information circulation system it is necessary to analyze the existing information circulation system within the business entities, identify problems of collecting, transmitting and storing management data, conduct surveys of management, heads of various departments on proposals for the organization of the information circulation system and the needs of individual departments. obtaining a certain range of data.

Management of a modern enterprise, changes in consumer demand and market conditions require greater efficiency in ensuring the complexity of the information base for operational and strategic decisions, monitoring their implementation and depends on the quality and validity of decision-making. Therefore, the use of new information and network technologies requires their localization in the controlling system to increase the efficiency of management processes. One of the main directions of improving the management system at business facilities is the introduction of information technology. One of the main directions of improving the management system at business facilities is the introduction of information technology. At the analytical stage, the analysis of the information obtained in the process of the previous stage is performed. Data grouping, their systematization, processing is carried out. The general needs for information on each separate division are defined, their list is formed. The main production centers of the largest data sets of management nature are also analyzed and the possibilities of forming effective communications between the financial controlling department and such cells are investigated. The main source of controlling information is financial and management accounting information, and its analysis, evaluation and processing is carried out in other structural units of the management system of the joint venture.

At the design stage, a system of circulation of financial controlling information is formed, the list of internal reports, their form, frequency of preparation, recipients of such information are determined. Forms of



submission of primary data from different departments to the department of financial controlling, time of receipt of such information are determined. Also, the employees of the financial controlling department develop a mechanism for the implementation of information technologies for processing various data with the need to implement different information processing systems, describe the mechanisms of access of employees to different types of information, its storage.

The peculiarity and specificity of reporting at joint ventures is its expanded format, as it is necessary to form management reporting for internal users, financial reporting package of individual participants in the joint venture and financial reporting package of the joint venture, as well as regulatory and reference information to ensure information processes and flows of the joint venture. The main components of information support of financial controlling include: management and financial statements of the joint venture; operational data of structural subdivisions of the joint venture; normative and instructive information of all levels; planning and forecast information of the joint venture; reference and analytical information.

Joint ventures prepare financial statements, providing information on the financial condition, results of operations and cash flows for the reporting period to a wide range of external and internal users. At the implementation stage, various instructions are developed on the organization of management information within the activities of economic entities of joint activities, previously developed mechanisms for organizing such data are implemented, data processing systems are implemented with the help of information support. The concept of building a system of circulation of financial controlling information, first of all, is to form the maximum possible circulation of information important for management, however, if the manager does not need to check certain data, their detailed analysis, such information is not controlling, but is part of management information, which also plays an important role in the management process of the joint venture.

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information goes to the financial controlling department for verification and further processing. Already within the specified department application of the basic tools of financial controlling for processing of the received data, their detailed analysis according to requirements of the management, employees of other structural divisions, etc. is carried out. Aspects of strategic analysis of the positions of joint ventures in the financial market, assessment of its competitive advantages and the formation of general analytical reports on the current state of the joint venture are of particular importance and importance. The information obtained is passed to management for management decisions. The applied approach to research of essence and features of circulation of the financial controlling information does not mean that the head of any division cannot address directly to the management of joint venture with own ideas and the necessary data for their representation.

One of the main tasks of financial controlling is the comparison of planned and actual values of controlled indicators, based on the development plan and budgeting of the joint venture. With the development of the management system in the joint venture, control and management give way to self-control and self-government in a particular organizational unit. At the same time, the cycle of support for management decisions «plan – organization of implementation – accounting – control – analysis – regulation» must be followed at each of the three levels: strategic, operational and tactical.

Financial controlling, as a holistic system (a certain mechanism), consists of two important parts: strategic financial controlling and operational financial controlling. Financial controlling of production, supply, financial activities, logistics, environmental protection, labor and other activities should be carried out at the operational and strategic levels. All financial information goes to the financial controlling department for verification and further processing. Already within the specified department application of the basic tools of financial controlling for processing of the received data, their detailed analysis according to requirements of the management, employees of other structural divisions, etc. is carried out. Aspects of strategic analysis of the positions of joint ventures in the financial market, assessment of its competitive advantages and the formation of general analytical reports on the current state of the joint venture are of particular importance and importance. The information obtained is passed to

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It is difficult for users to assess the quality and usefulness of controlling information, as it is a subjective indicator of the evaluation of such information. An individual user of information has his own criteria for assessing the usefulness and quality of information, based on his own experience, qualification level and functional responsibilities. The study of the composition and content of qualitative characteristics of accounting information and financial statements under national regulations (standards) of accounting and international financial reporting standards indicates the existence of their basic composition, namely: profitability (comprehensibility), relevance, reliability (true presentation), comparability (comparability). International Financial Reporting Standards set out characteristics such as materiality and timeliness. The largest list of qualitative characteristics includes the international standard of financial reporting for small and medium enterprises, which includes four more qualitative characteristics – prudence, the predominance of essence over form, completeness, cost-benefit ratio.

Yield and clarity. Information in the financial statements prepared by joint ventures is presented in 6 main forms (Balance Sheet (Statement of Financial Position), Statement of Financial Performance (Statement

of Comprehensive Income), Statement of Cash Flows, Statement of Equity, Notes to the Annual Financial Statements). reporting, Appendix to the annual financial statements «Segment information»). Information on non-current assets, income and expenses is presented in great detail and is presented in separate items of financial statements. Therefore, the intelligibility and comprehensibility of information of joint ventures with an expanded range of financial reporting forms depends on the specific information requirements of individual external users.

Relevance of information – providing users with the most important and useful information that is necessary for making informed economic decisions. Joint ventures have an expanded set of forms of financial reporting, respectively, each of the external and internal users can find important and useful information, ie the most relevant information from their own point of view. Therefore, the extended financial reporting package is appropriate for the financial information, and the notes, notes to the financial statements and segment notes increase the relevance of the financial information. In addition, it should be borne in mind that the relevance and usefulness of information tends to decrease over time, which requires parallel compliance with the requirement of timeliness of financial information. Therefore, the relevance of financial information can be enhanced by the requirement of timeliness, which is also a qualitative characteristic of financial information in international standards.

Reliability of information. This qualitative characteristic should, to a greater extent, apply to accounting, because if the formation of information within the accounting system ensures the reliability of financial information, does not contain errors and distortions, its transfer to the financial statements should not reduce its reliability. The requirement of reliability of information is the same as for all business entities, because regardless of the forms of financial reporting, the information should not contain errors and distortions. The organization of an effective accounting system with the formation of control procedures at all stages of accounting (registration, processing and preparation of financial statements) requires financial and labor costs, so you should ensure a certain relationship between the reliability of information and its value.

Comparability – provides an opportunity to analyze the performance of different enterprises and for different similar reporting periods. Therefore, it

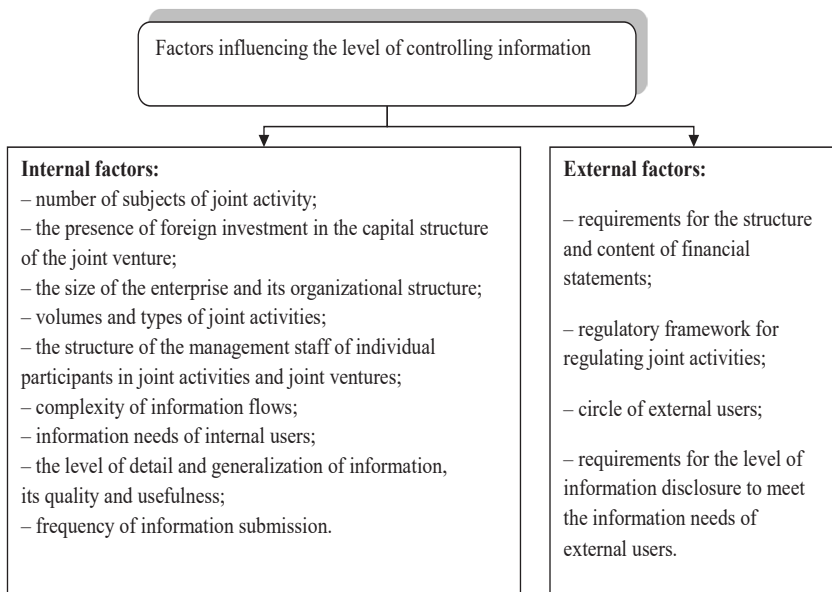
is no longer a qualitative characteristic of information, as this requirement does not help to improve the quality of financial information, but rather a requirement for the structure of forms of financial statements.

Regulated forms of financial reporting have key indicators that should be comparable when comparing the financial statements of different companies and for different periods. The package of financial statements for joint ventures is clearly regulated and does not provide for the addition or removal of individual items of financial statements, so all indicators of such forms are comparable.

Comparability of information requires disclosure of information for previous periods and in the event of changes in certain requirements of accounting policies. Changes in the accounting policy of the enterprise cause discrepancies in the financial statements at the end and beginning of the reporting period, which requires their detailed disclosure in order to assess the relevant changes by external users and improve the quality and reliability of financial information. The formation of a complete package of financial statements involves the disclosure of changes in accounting policies in the notes to the financial statements, therefore, external users have the opportunity to evaluate different accounting policies for similar transactions or events of different companies or one company at different times. Joint ventures prepare notes to the financial statements, so they have the opportunity to disclose changes in accounting policies in the financial reporting package, which increases the quality and usefulness of the information provided (Figure 1).

The optimal functioning of the management system directly depends on the quality of information-based management decisions, which requires further study of the composition and analysis of the essence of qualitative characteristics of controlling information, as well as identifying their relationship with accounting indicators (Table 1).

The growing requirements for the quality and usefulness of financial controlling information in modern business conditions requires the external regulatory environment to improve the quality characteristics of financial information. It is proposed to supplement the content of qualitative characteristics at the regulatory level with the requirement of timeliness, which will increase the level of information support of management activities and external users of business entities.



**Figure 1. External and internal factors influencing the volume of controlling information at joint ventures**

Table 1

**Qualitative characteristics of controlling information in the conditions of activity of joint ventures**

Qualitative characteristics	Content of qualitative characteristics	Measures to increase the level of compliance with qualitative characteristics
1	2	4
Yield and clarity	The information provided in the financial statements should be clear and understandable to its users, provided that they have sufficient knowledge and are interested in the perception of this information	Formation of special financial reports to meet the information needs of individual external users More detailed disclosure of individual items of financial statements

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(End of Table 1)

1	2	4
Relevance of information	Financial statements should contain only relevant information that influences users' decision-making, allows for timely assessment of past, present and future events, confirm and adjust their estimates made in the past.	You can increase the relevance of financial information by writing explanatory notes
Reliability of information	The information presented in the financial statements is reliable if it does not contain errors and distortions that could affect the decisions of users of the financial statements.	The joint venture must independently determine and ensure a certain relationship between the reliability of information and its value, the need to create additional units (control, analytical or planning) within the financial controlling department, a clear definition of job responsibilities of employees
Comparability of information	Financial statements should enable users to compare the financial statements of the enterprise for different periods and the financial statements of different enterprises	Identify at the regulatory level the main indicators of financial reporting required for disclosure, which are necessary for the formation of statistical information at the macroeconomic level and to meet the basic information needs of external users. Other reporting indicators should be formed according to the principle of rationality, taking into account the information needs of the main contractors of a particular enterprise.
Comparability of information	Providing relevant information from the previous period and disclosing information about accounting policies and changes	To be comparable, the joint venture must draw up a separate document reflecting the changes made
Timeliness of information	Timeliness involves providing information within the time required for decision-making. If information is provided with excessive delay, it may lose its relevance	The requirement of timeliness reinforces the qualitative characteristics of relevance, as the delay in providing information does not allow to fulfill the main goal – the adoption of information-based economic decisions by external and internal users

*Source: developed by the authors*

#### **4. Information support for the functioning of financial controlling of joint activities**

Improving the quality of financial data collection with their subsequent proper use, the usefulness of information support for joint activities and sound management decisions depends on the submission and form of controlling information, ie the available composition of management, regulatory, planning, forecasting and reference and analytical forms documentary support of management decisions [7, p. 11–15].

The analysis of the existing legal framework for the regulation of joint activities in Ukraine shows the existence of inconsistencies and inconsistent regulations, which requires their refinement and improvement. In addition, the analysis of the features of information support of joint activities and its individual participants shows the importance and need to improve the composition and structure of reporting documents, which will, on the one hand, increase data on financial performance at the enterprise, and on the other – to systematize existing management data in this area.

Analysis of the composition of forms and structure of financial statements according to national and international standards shows differences. Therefore, the issue of harmonization of financial reporting methods with international financial reporting standards becomes relevant for companies engaged in joint activities both with the creation of a legal entity and without the creation of a legal entity, which will be taken into account when developing proposals for forms and structure of reporting forms and documentation joint activities.

In order to harmonize the information support of management of domestic and foreign participants in joint activities, it is necessary to identify measures for constructive convergence of global accounting systems by harmonizing and supplementing existing domestic accounting standards, financial reporting, tax legislation to enter global capital markets and adhere to common approaches for all organizations – legal forms.

At the present stage of international integration in the field of economics, increased attention to the problem of unification of accounting through two main approaches to its solution: harmonization and standardization.

Harmonization of accounting implies a certain compliance and coherence, adherence to the principles of accounting and statistics, reporting by a group of countries or their associations, for example, the European Community.



Harmonization involves the combination and mutual compliance of country legislation on the regulation of accounting and statistics, the existence in each country of its own model of accounting and standards. The main task of harmonization is that they do not differ significantly from similar standards in other countries, ie are in harmony with each other.

The transition to International Financial Reporting Standards has opened new opportunities for Ukrainian enterprises for consistency and effective functioning of the information system and further harmonization of reporting requirements. The application of uniform financial reporting standards allows international financial markets to evaluate and compare the performance of different companies, ensures the correctness, timeliness, clarity, openness, transparency, uniformity and comparability of financial statements of economic entities.

The application of different approaches to the content and evaluation of financial statements of different countries creates obstacles to the development of the international capital market. Therefore, one of the integral components of the whole complex of economic transformations at the present stage of development of international market relations is the reform of accounting and reporting. This is due to the desire of many companies to gain corporate transparency, which will open access to international capital markets, lead to the expansion of foreign economic relations, facilitate the free movement of capital in European markets.

Thus, the harmonization of accounting and methods of preparation of financial statements of Ukraine with international standards contributes to the clarification of current provisions (standards) of accounting in Ukraine. To ensure proper harmonization of accounting and financial reporting with international standards it is necessary:

- development of a system of measures to improve the legal framework for the regulation of accounting and financial reporting;
- definition of new methodological approaches to accounting and financial reporting;
- improving the organizational aspects of accounting and financial reporting.

Documentary support is required for the entire process of the joint venture – from its creation to the termination of its activities, which is the basis for obtaining controlling information for information support of such activities.

During the period of the joint venture there is a significant number of operations that require documentation of the formation of the authorized capital of the joint venture, changes in its size and structure, accounting for expenses and income, financial results and use of profits of the joint venture.

Also today, considerable attention is paid to the organization of management accounting. As a result of processing management accounting information by an accountant-analyst, internal (segment) reports are compiled, which are provided to both the company's administration and managers of all levels of management.

The main purpose of their compilation is to provide the necessary information only to internal users of joint activities. The main purpose of the segment report is to disclose data on assets, liabilities, income, expenses, financial results and other indicators of the reporting segments for external users of financial statements. Segment reporting helps to understand the effectiveness of various areas of the company's business, which cannot be determined from its aggregate data.

The main problem when organizing internal segment reporting is to increase the complexity of the process of its formation, which reduces the efficiency of its receipt. The formation of segment management reporting includes several stages: the existence of the principles of quantitative assessment, clarity, clarity and analyticalness; definition of segmentation criteria – selection of groups by the value of the segmentation criterion; selection of reporting segments in accordance with the selected segmentation criteria; determining the composition of internal reporting indicators by segment; selection of direct indicators by segment, which can be directly attributed to it and indirect indicators by segment, which are distributed between them according to any algorithm, depending on the type of indicator; preparation of management segment reporting in accordance with the selected segmentation criterion and the developed composition of indicators for each segment.

Therefore, it is important not only what indicators are issued in the appropriate form of management reporting, but also how they are grouped. One of the features of management reporting is that it includes both absolute indicators, which are used to assess various elements of reporting, and relative indicators, which give reporting the status of an analytical report. Each format of the corresponding reporting form should include a system

of indicators that give a comprehensive description of the whole in the form of disclosure of information about its parts, the relationship of these parts.

Summarizing the above material, we can say that in order to avoid differences in the preparation of segment reporting by enterprises there is a need to harmonize the national standard with the requirements of international practice. The application of uniform accounting principles, based on the requirements of IFRS, in order to prepare all types of reporting will help improve the quality of financial information and effective management decisions.

Thus, today the forms of financial reporting take into account the requirements of international financial reporting standards, but there are still a large number of uncoordinated issues on the harmonization of methods of compiling national forms of financial reporting with international ones. Forms of financial statements do not yet differ from the minimum set of items as required by International Financial Reporting Standards. The main advantage of the reform is the alternative of the company's choice of reporting method (direct or indirect – for the Statement of Cash Flows), the method of displaying items (only at residual value or residual and original cost), selection and inclusion of individual items from the general list, proposed by legislators.

Thus, the harmonization of accounting and methods of preparation of financial statements of Ukraine with international standards contributes to the clarification of current provisions (standards) of accounting in Ukraine. To ensure proper harmonization of accounting and financial reporting with international standards it is necessary: development of a system of measures to improve the legal framework for the regulation of accounting and financial reporting; definition of new methodological approaches to accounting and financial reporting; improvement of organizational aspects of accounting and reporting regulation.

Documentary support is required for the entire process of the joint venture – from its creation to the termination of its activities, which is the basis for obtaining controlling information for information support of such activities. Thus, the analysis of the documentary support of the organization of joint activities and the formation of the package of management and financial reporting of the joint venture allows to identify areas for improving information and analytical support and form the information space of

controlling information of financial controlling of joint activities. training and analysis with subsequent effective use for management decisions by external and internal users.

### **5. Conclusions**

Thus, the essence, properties of the information space of the controlling information of the enterprises of joint activity as the object of management are considered. Proposals for defining the information space of controlling information as a structured set of information objects and methods of their organization showed that the level of its structure significantly affects effective management decisions, and external and internal factors affect the volume, quality and usefulness of controlling information and information flows. and links between the structural units of the joint venture.

Analysis of the documentation of the organization of joint activities and the formation of a package of management and financial reporting of the joint venture allowed to identify areas for improvement of information and analytical support and to form an information space of controlling information of financial controlling of joint activities to improve the quality and usefulness effective use for management decisions by external and internal users.

Ensuring the level of quality of financial data collection with their subsequent proper use, the usefulness of information support for joint activities and sound management decisions depends on the submission and form of controlling information, ie the available composition of management, regulatory, planning and forecasting and reference and analytical forms documentary support of management decisions.

The basic requirements to the controlling financial information are analyzed and defined, observance of which will allow to build an effective system of information circulation at realization of joint activity. Such requirements included: correctness, timeliness, clarity, comparability, uniformity and comprehensibility. Also, taking into account the specifics of implementing a system of financial controlling of joint activities, this list was expanded with new requirements for integrity and completeness, which allowed to take them into account when developing guidelines for controlling financial information in joint activities and specify practical measures for its formation.

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