

D. A. TSENOV ACADEMY OF ECONOMICS – SVISHTOV

JUBILEE INTERNATIONAL SCIENTIFIC
AND PRACTICAL CONFERENCE

CHALLENGES FOR FINANCE
AND ECONOMIC ACCOUNTING
IN CONDITIONS OF MULTIPLE
CRISES

Svishtov, 9-10 November 2023

*Dedicated to the 70th anniversary since the establishment of Faculty
of Finance and Faculty of Economic Accounting
at D. A. Tsenov Academy of Economics*

Book of abstracts

*The Jubilee international scientific and practical conference has
been organized as implementation of project SF-2-2023 „Challenges for
Finance and Economic Accounting in Conditions of Multiple Crises“, financed
with funds by Institute for Scientific Research*

Tsenov Academic Publishing House
Svishtov
2023

PROGRAM COMMITTEE

Prof. Mariyana Bozhinova, PhD – Chairman

Prof. Andrey Zahariev, PhD

Prof. Atanas Atanasov, PhD

Prof. Rumen Brusarski, PhD

Assoc. Prof. Iskra Panteleeva, PhD

Assoc. Prof. Lyubomir Ivanov, PhD

Assoc. Prof. Rumen Erusalimov, PhD

ORGANISATIONAL COMMITTEE

Assoc. Prof. Galina Chipriyanova, PhD – Chairman

Prof. Stoyan Prodanov, PhD

Prof. Penka Shishmanova, PhD

Assoc. Prof. Ventsislav Vasilev, PhD

Assoc. Prof. Plamen Petkov, PhD

Assoc. Prof. Silviya Kostova, PhD

Sen. Lect. Viktor Monev, PhD

Sen. Lect. Radoslav Nikolov, PhD

EDITORIAL COMMITTEE

Prof. Bojidar Bojinov, DSc

Prof. Georgi Ivanov, PhD

Prof. Yordan Vasilev, PhD

Prof. Penka Shishmanova, PhD

Prof. Stefan Simeonov, PhD

Prof. Teodora Dimitrova, PhD

Assoc. Prof. Krasimira Slaveva, PhD

The published materials have been reviewed. The authors are responsible for the content and layout of their papers, the opinions expressed, the data used and the sources cited.

All rights reserved! Copying, reproduction and distribution of books or parts thereof in any way without the written permission of the authors and Tsenov Academic Publishing House is not allowed.

Адрес на електронното издание:

Виртуална библиотека DLib на Стопанска академия „Д. А. Ценов“ – Свищов
<https://dlib.uni-svishtov.bg/handle/10610/4870>

ISBN 978-954-23-2424-9 (print)

ISBN 978-954-23-2425-6 (online)



Direction

INVESTMENTS, BANKING, CORPORATE
AND PUBLIC FINANCE –
THEORY AND PRACTICE



ENERGY PRICES IN BULGARIA AND SYSTEM ECONOMICS IN THE EUROPEAN UNION IN 2023

Prof. Andrey Zahariev, PhD¹

Abstract: After the series of socio-economic, military, energy and health crises, 2023 was expected to be the year of the real recovery of the EU economies. Pandemic damage from Covid-19, the war in Ukraine, interrupted gas supplies along the Northern and Central Gas Corridors formed an environment for rebalancing the energy sector, leading to record prices and an international transfer of inflationary shock. In Bulgaria, in 2022, in the „day-ahead“ segment of the Bulgarian Independent Energy Exchange, a price record of 936.33 Euro/MWh was reached (at the end of August 2022). In 2023, the price level underwent a radical change and the highest recorded price in segment for the first nine months was 400.00 Euro/MWh with an average value of 106.14 Euro/MWh. On this basis, the purpose of the study is to present a correlation analysis of the Day Ahead exchange segment for Bulgaria and the EU system economies of Germany, Poland, Italy and Austria.

Key words: power generation, day-ahead stock market segment, Pearson correlation coefficient, descriptive statistics

JEL: Q41, Q43, Q47

¹ a.zahariev@uni-svishtov.bg, Tsenov Academy of Economics, Svishtov, Bulgaria

VAT-GAP IN BULGARIA (2007 – 2020)

Prof. Rumen Brusarski, PhD¹

Abstract: The value added tax is a basic method of taxation and a powerful lever for state regulation. This makes it a traditional object of attention in tax theory and practice. Usually, there are significant differences between the notional and theoretical revenues from VAT and between the theoretical and actual (real) revenues from the tax in the treasury (so-called VAT gaps). This report is dedicated to the VAT gap as a result of fraud, legal tax avoidance, etc. in Bulgaria for the period 2007-2020.

Keywords: value added tax

JEL: H71, H72, H61

¹ rbrusarski@unwe.bg, University of National and World Economic, Sofia, Bulgaria

CYBERTAX: A NEW APPROACH TO CYBERSECURITY RISK MANAGEMENT

**Prof. Serghei Ohrimenco, DSc.¹
Valeriu Cernei²**

Abstract: In our modern world, it may seem that we have a complete understanding of threats, means of counteraction, risk management, and potential impact. However, reality turns out to be much more complex and less evident. The theory of risk management is constantly evolving and expanding, and this also applies to a new direction - risk management in cyberspace.

This paper presents an analysis of the concept of „Cybertax“ proposed by George K. Tsantes and James F. Ransome. The emergence and evolution of this concept are driven by the necessity to enhance the management of cyber security both in governmental and commercial organizations, as well as among individual users.

It should be recognized that „Cybertax“ - is a measure of the effort and resources used to prove the current state of cybersecurity to others, primarily business partners, regulators, and auditors.

Keywords: Cybersecurity, Cybertax, Cyberthreats, Risk, Management

JEL: P41, D74, D89, H12, K24

¹ osa@ase.md, Academy of Economic Studies of Moldova, Chisinau, Moldova

² valeriu.cernei@bsd.md, Academy of Economic Studies of Moldova, Chisinau, Moldova

THE EFFECTS OF MERGERS AND ACQUISITIONS TRANSACTIONS

Assoc. Prof. Virginia Ivanova, PhD¹
Lora Peycheva, PhD²

Abstract: During the last decade of the 20th century and the beginning of the 21st century, changes and restructuring were observed in the various branches of the economy, individual markets, international business and inter-company collaborations. Processes such as globalization and internationalization are considered to be one of the leading factors influencing the development of individual economies, industries and organizations operating in the market - companies, banks and others. It is observed globally that large-scale corporate deals are taking place, which leads to the development of the markets themselves. International business acquires new dimensions influenced by various economic, social, political and other factors. One of the most common options for business growth, entering a foreign market, achieving competitiveness, diversification, synergy and others are mergers and acquisitions. The effects of these transactions will be analyzed in the report.

Key words: mergers, acquisitions, transaction effects, synergistic effects, profitability, synergy, international transactions

JEL: F23

¹ virginia.ivanova@vfu.bg, Varna Free University „Chernorizets Hrabar“, Varna, Bulgaria

² lorsan@abv.bg, Wien Energie GmbH, Wien, Austria

ANALYSIS OF THE BALANCE OF PAYMENTS OF BULGARIA IN THE PERIOD 2007 - 2022

Assoc. Prof. Galina Zaharieva, PhD¹

Abstract The report examines the structure and dynamics of the components of Bulgaria's Balance of payments. Its purpose is to analyze changes in the country's Balance of payments in the period 2007 - 2022. For the needs of the analysis, BNB data is used. The results show that during the first years of the period, the current and financial accounts have a negative balance, which defines Bulgaria as a net user of credits from the rest of the world. In the remaining years, a positive balance is mostly formed on the current and capital accounts, as well as on the financial account, which makes the country a net creditor to the other countries.

Key words: balance of payments, current account, capital account, financial account

JEL: F21, F32

¹ g.zaharieva@uni-svishtov.bg, Tsenov Academy of Economics, Svishtov, Bulgaria

ASSESSMENT OF THE REGIONAL FINTECH PERFORMANCE BASED ON THE FINANCIAL INCLUSION INDEX

Assoc. Prof. Eduard Hîrbu, PhD¹
Ana Hîrbu, Master in Finance and Accounting²

Abstract: The rise of Fintech is an emerging topic as it changes the way financial markets work. Fintech introduces new business models to the traditional financial industry. The existing literature does not provide sufficient empirical evidence regarding the significant impact of Fintech on financial inclusion, so the research on this topic aims to reduce this deficiency. Carrying out a comprehensive analysis of the evolution of the Fintech sector in the last decade will allow the evaluation of the complex interaction between the various Fintech tools and financial inclusion. Moreover, the empirical investigation of the effect of Fintech on financial inclusion will allow the development of a ranking within the group of states in the region. A separate topic of the study, presented in the article, will focus on the comparative analysis of traditional and Fintech-based financial inclusion. The experiences of the economies included in the study will provide governmental institutions and decision-makers in the analyzed countries with thorough perspectives on the correction of financial instruments, and valuable benchmarks for further research.

Key words: Fintech – Financial Technology (FT), Traditional/Fintech Financial Inclusion (T/FFI), Financial Inclusion Index (FII), Evaluation Ranking

JEL: G17, G23, C43

¹ harbued@ase.md, Academy of Economic Studies of Moldova, Chisinau, Moldova

² harbuana22@gmail.com, Prague University of Economic and Business, Double Degree: UCLouvain, Louvain School of Management

THE ROLE OF SOVEREIGN WEALTH FUNDS IN THE MODERN ECONOMY

Assoc. Prof. Ivaylo Mihaylov, PhD¹

Abstract: Over the past twenty years sovereign wealth funds (SWFs) have experienced tremendous growth and are therefore the subject of particular interest from both academic researchers, fund managers and stock market speculators. By the end of 2022 the assets managed by them are about \$9 trln. and approximate the amount of FX reserves maintained by central banks. This makes SWFs a key participant in the international financial markets and a desirable business partner, especially during and after a crisis, when the need for capital is most tangible. Moreover, the investment and dividend policy of the SFB can have an impact on the main mechanisms of economic policy – public finances, monetary policy, exchange rate policy – which gives reason to claim that the SWFs has an exceptional influence on the country's economic management. The purpose of the article is to acquaint the professional community with the nature, features, financing mechanisms and goals pursued by sovereign investors with the managed public resource.

Key words: sovereign fund, investment, wealth, foreign exchange reserves, economic growth

JEL: E21, E22, F21

¹ ivaylo_mihaylov@outlook.com, University „Prof. Dr. Assen Zlatarov“, Burgas, Bulgaria

WHEN THE NUMBERS SPEAK FOR THEMSELVES: BUDGET FISCAL RULES AND COVID-19

Assoc. Prof. Lyudmil Naydenov, PhD¹

Abstract: Questions about the role and effects of the fiscal rules have been widely debated in public finance theory. The Covid-19 has further updated the academic discussions in the analyzed field. The object of research are the budget balance rules and the subject of analysis are the effects of Covid-19 on budget balance of the EU countries and Bulgaria. The aim is to highlight current trends and critically consider the role of fiscal constraints in pandemic conditions. The study proves the negative Covid impact, analyzes the directions of impact and argues the need for a reasonable fiscal policy in the post-crisis period.

Key words: fiscal rules, budget balance, structural budget balance, budget deficit, Covid-19

JEL: H61, H62

¹ lnaydenov@ue-varna.bg, University of Economics, Varna, Bulgaria

PREPAREDNESS OF BULGARIA TO ADOPT THE EURO

Head Assist. Prof. Aglika Kaneva, PhD¹

Abstract: In this paper, an analysis has been made of the degree of convergence of the Bulgarian economy to the European economy, assessing the nominal convergence, real convergence and other relevant factors. Major economic indicators for Bulgaria in the period 2018 – 2022 have been examined.

Key words: Euro, convergence, nominal convergence, real convergence

JEL: G18, F63, F43, F45

¹ A.b.kaneva@gmail.com, University of National and World Economic, Sofia, Bulgaria

THE COMMON CURRENCY AS A FACTOR OF FINANCIAL INTEGRATION AND ECONOMIC GROWTH IN THE EUROPEAN UNION

Head Assist. Prof. Dimitar Kostov, PhD¹

Abstract: Growth is an invariable goal of the development of any economy. The European Union is no exception in its pursuit of intelligent and sustainable economic growth. The degree of correspondence between the set goals and the achieved results sometimes worries Europhiles, but does not at all bring satisfaction to Eurosceptics either. The present study explores this controversy in an attempt to gain insight into why some theoretical benefits of trade openness and the common market, economic and financial integration and the common currency are sometimes difficult to prove, even though these benefits are accepted as indisputable truths in science. The aim is to understand whether the reasons are rooted in wrong assumptions, in a failed policy, in the crises or in the methodologically difficult distinction of the effects of the individual levels of integration in the EU.

Key words: Common currency, economic growth, financial integration, trade openness, financial depth

JEL: G18, F63, F43, F45

¹ d.kostov@uni-svishtov.bg, Tsenov Academy of Economics, Svishtov, Bulgaria

REASONS FOR THE DYNAMICS OF THE BASIC INTEREST RATE IN TURKEY

Head Assist. Prof. Petya Vasileva, PhD¹

Abstract: The Turkish currency has lost more than 80% of its value in recent years, and foreign investment in the country has plummeted. While much of the global economy is grappling with rising prices linked to the Covid-19 virus pandemic and supply chain issues, the Turkish lira's devaluation problem is more self-inflicted - the predictable result of the president's policy mentoring of The Turkish Central Bank and the aversion to high interest rates. That is why the Central Bank decided to start a process of tightening fiscal policy by raising its main interest rate by 750 basis points - from 17.5 to 25 percent. With this decision, it is trying to establish a course of reducing the rate of inflation and slowing down the rate of growth of the general level of prices of goods and services in Turkey's GDP. The agreement was reached at the Bank's Monetary Policy Council meeting in August 2023, exactly a month after the key rate was raised from 15 to 17.5 percent and two months since the monetary regulator raised its key rate again for the first time path of more than two years - from 8.5% to 15%.

Key words: Turkish lira, prime rate, Turkish Central Bank, inflation

JEL: E43

¹ p.vasileva@uni-svishtov.bg, Стопанска академия „Д. А. Ценов“ – Свищов, България

BITCOIN AS A HEDGE AGAINST ECONOMIC AND POLITICAL UNCERTAINTY – MYTH OR REALITY

Head Assist. Prof. Svetoslav Borisov, PhD¹

Abstract: Recent studies have explored Bitcoin's potential role as a hedge against economic and policy uncertainty. The results are mixed: some find that Bitcoin acts as a safe-haven asset during crises, while others show its hedging abilities are limited. Factors like market volatility and the lack of lengthy historical data contribute to inconclusive findings. The present study evaluates whether Bitcoin serves as an effective safe-haven asset or a hedge against economic uncertainty. The impact of economic and political uncertainty (EPU) on Bitcoin's returns and variation is analyzed. It is hypothesized that safe-haven assets like gold experience increased returns and variation during EPU, while speculative assets exhibit heightened variation but diminished returns. Investors should exercise caution in solely relying on Bitcoin as a hedging mechanism until further in-depth analyses provide more definitive conclusions.

Keywords: Bitcoin, economic and political uncertainty - EPU, safe-haven asset, speculative asset

JEL: C52, C58, G15, G17, O33

¹ svetoslav_borisov@ue-varna.bg, University of Economics, Varna, Bulgaria

A DECADE AFTER THE EUROPEAN DEBT CRISIS - REFORMS AND CHALLENGES

Head Assist. Prof. Tsvetan Pavlov, PhD¹

Abstract: The aim of the report is to systematize the most significant measures of the European institutions that helped to contain the debt crisis (2010~2015) and to outline the literature's consensus critiques and recommendations for further action. The paper initially seeks to identify the causes that led to the vulnerability of the monetary union and hence the necessary structural reforms. On this basis, a comparison is made with the implemented measures and an assessment is performed of their effectiveness in addressing macroeconomic imbalances and weaknesses in the design of the euro area. Caution and reluctance to take tough decisions are found: measures have tended to follow events, and larger-scale reform proposals are reached only after the crisis has become existential for the euro area. Significant progress has been made, but also some of the key reforms are still pending. The Outright Monetary Transactions (OMT) programme and the European Stability Mechanism (ESM), together with quantitative easing by the ECB, are singled out as the most successful measures that have calmed markets.

Key words: European debt crisis, euro crisis, ECB, eurozone, structural reforms

JEL: G01, G12, G18, G28

¹ ts.pavlov@uni-svishtov.bg, Tsenov Academy of Economics, Svishtov, Bulgaria

FINANCIAL AUTONOMY OF THE MUNICIPALITIES OF THE NORTHWESTERN BULGARIA IN THE CONDITIONS OF COVID-19

Assist. Prof. Angel Angelov, PhD¹

Abstract: The present study is aimed at assessing the degree of fiscal decentralization of local authorities in Northwestern Bulgaria. For this purpose, the study analyzes the dynamics of the financial autonomy of 51 out of 265 municipalities in the Republic of Bulgaria for the period from 2018 to 2022. In this way, the effects of the pandemic situation on the budgetary policies of local authorities can also be highlighted.

Key words: financial autonomy, fiscal decentralization, local government

JEL: H77, H71, H72, H61, E62

¹ angelov@unwe.bg, University of National and World Economic, Sofia, Bulgaria

ANALYSIS OF EQUITY STRUCTURE IN THE INSURANCE SECTOR

Beatris Lyubenova, PhD¹

Abstract: The report analyzes the implementation of capital requirements for the insurance sector based on official statistical data of the European Insurance and Occupational Pensions Authority for 31 countries for the period 2017-2020. The main criterion for choosing the analyzed period is that the data are comparable and comparable and to allow both comparative analysis and generalization of conclusions. The regulatory framework for the insurance sector Solvency II places an important emphasis on the management of risk arising from the activities of insurance companies, but also pays special attention to the capital requirements and capital reserves that must be maintained. Tracking the dynamics of the relative shares of individual types of capital gives reason to conclude that in the period 2017-2020 there is a tendency to increase the share of first-order capital.

The established change in the distribution of countries according to the relative share of Tier 1 capital in their insurance sector is the result of the admission of Tier 2 and Tier 3 capital in the structure of the capital base. The analysis carried out confirms the importance that Solvency II places on the qualitative and quantitative characteristics of capital positions, emphasizing the role that Tier 1 capital has on the resilience of institutions against the risks of their activity.

Key words: equity, Solvency II, capital requirements, risk, relative share of Tier 1 capital

JEL: G22, G32, C10

¹ beatris_lyubenova@abv.bg, Tsenov Academy of Economics, Svishtov, Bulgaria

THE PERSONAL INCOME TAX ASSESSMENT – TRENDS AND CHARACTERISTICS

Dimitar Tsenov, PhD¹

Abstract: The Bulgarian tax system falls into the category that primarily relies on revenue from indirect taxes. However, direct taxes maintain their significant role not only in terms of their fiscal function but also in terms of the regulatory and economic functions of taxes. An explicit function of the latter is the presence of tax incentives, as well as their form and type. Economic theory teaches us that the application of proportional tax rates usually leads to the minimization of tax incentives. In Bulgarian tax reality, an empirical tendency is observed – the application of a proportional tax rate in income taxation for both individuals and legal entities is combined with a system of tax incentives that can hardly be described as minimized or insignificant. The application of proportional, relatively low tax rates, in combination with the presence of tax incentives, objectively leads to a reduction in direct tax revenues, i.e., to the minimization of the fiscal function of the tax, but it is a manifestation of a pursuit of other goals related to the economic policy of the state.

Keywords: Tax revenues; tax policy; direct taxes; taxes on the income of individuals, tax base, gross income, net income, tax deductions

JEL: H30

¹ dimitar_tsenov@mail.bg, ТД на НАП Пловдив, Дирекция „Контрол“, отдел „Ревизии“; хоноруван преподавател по „Публични финанси“ и други дисциплини в ПУ „Паисий Хилендарски“ – Пловдив, България

STUDY OF THE PRACTICES OF COMMERCIAL BANKS IN BULGARIA TO ASSESS THE IMPACT OF CLIMATE RISK ON THEIR ACTIVITIES

Raya Dragoeva, PhD¹

Abstract: Today we are facing many challenges globally. The world is going through crises of a different nature, including a climate crisis. Climate change and catastrophic climate change have long-term negative consequences. They have an impact on various sectors of the economy, although indirectly they also have an impact on the banking sector. Banking institutions as financial intermediaries providing loans to economic entities from various sectors makes them vulnerable to this risk. For this reason, the possibility that climate change will cause systemic financial risks cannot be ignored. Regulators and commercial banks should take climate risks into account and include them in their financial stability assessment models. The purpose of the study is to examine the practice of Bulgarian banks, whether they have adopted models for assessing the impact of climate risk on their activities.

Key words: banks, climate, risk, credits

JEL: G2, G21

¹ raya_dragoeva@abv.bg, Tsenov Academy of Economics, Svishtov, Bulgaria

DIMENSIONS OF CONTEMPORARY ECONOMIC CHALLENGES AND THEIR IMPACT ON VEHICLE IMPORTS IN BULGARIA

Galina Georgieva, PhD Student¹

Abstract: This report presents a focus on the analysis of the import of vehicles in Bulgaria by the world's automotive magnates. The time frame of the development covers the period after the „opening“ of the country's international market, following the country's accession to the EU, until the peak of the COVID-19 health pandemic in 2020. The report is based on objective data from the World Bank and, in particular, the Platform for World Integrated Trade Solutions (WITS). The first twenty countries generating the largest import of transport vehicles in Bulgaria are taken into account. The purpose of the development is to analyze the key trade partners in the import operations of means of transport in Bulgaria, as well as to bring out the specific characteristics of the partner countries in the activity. The main conclusion of the performed analysis is related to the fact that the import of cars is a highly dependent quantity, influenced by global socio-economic and financial factors. Restoring the disturbed balance in the import of cars in Bulgaria is a significant challenge, to overcome which it is necessary to comply with modern strategies in the automotive framework of Europe.

Key words: import, means of transport, World Integrated Trade Solutions (WITS), Bulgaria

JEL: F1

¹ g.georgieva1982@abv.bg, Tsenov Academy of Economics, Svishtov, Bulgaria

INDEX ANALYSIS OF THE FINANCIAL CONDITION, MUNICIPAL DEBT AND BUDGET INDICATORS OF THE DANUBE MUNICIPALITIES AS A FACTOR FOR INTEGRATED DEVELOPMENT

Elena Kostadinova, PhD Student¹

Abstract: In the present study, four of the Danube municipalities (Svishtov, Belene, Vidin and Ruse) are the object of research. The goal is to determine their financial status by analyzing the municipal debt and budget indicators based on the index method. In the considered five-year time period, a negative trend is established in the indicated indicators. An increase in the indebtedness of the budget structures and a deterioration of their economic and financial condition was noted. As a measure to improve the well-being of the investigated administrative units, the Plans for integrated development of municipalities (PIDM) and regional funds under the Recovery and sustainability plan (RSP) are argued.

Key words: Financial position; municipal debt; budget indicators; integrated development; index approach

JEL: H72, H61

¹ elena.kostadinova0727@gmail.com, Стопанска академия „Д. А. Ценов“ – Свищов, България

PROBLEMS IN FINANCING FESTIVALS IN CRISIS CONDITIONS

Zaharina Tomova, PhD Student¹

Abstract: In times of crisis, festival funding becomes a challenge as it relies on a variety of sources, including public funds, private investment and ticket sales.

The purpose of the research is to examine the problems of financing festivals in the conditions of economic crisis and to identify ways to solve them.

Key words: crisis, festival, funding, problems

JEL: G19, Z19

¹ zaharina_tomova@gmail.com, Tsenov Academy of Economics, Svishtov, Bulgaria

PUBLIC FINANCE – THEORY AND PRACTICE

Katya Evtimova, PhD Student¹

Abstract: The content of this report is to highlight the crucial role of the public sector. It is also directed towards consumers of information for financial reporting with general purpose for public sector organizations.

Key words: Public finances, Central budget, Consolidated fiscal program, State budget, Budget organizations, Legal basis for reporting in budget organizations

JEL: H0

¹ kevtimova@unwe.bg, University of National and World Economic, Sofia, Bulgaria

THE CIRCULAR ECONOMIC MODEL IN THE SMART CITY

Nikolai Todorov, PhD Student¹

Abstract: Cities can transform from consumptive social systems consuming food, energy and other resources to systems of a renewable food system and bioeconomy. The transition to a circular economy means production that regenerates, rather than harms, the natural systems it relies on. The purpose of the study is to indicate the effects of a smart city on society, the economy and the environment, and to define how smart cities can make the transformation to a successful circular economy. An integrative review of the literature on the topics of the Smart City and the circular economy is attached. The main challenges are related to the search for applicable models for smart and innovative activities in Bulgarian cities.

Key words: the smart city, circular economy, renewable systems

JEL: R11, Q56, O30

¹ n_v_tod@abv.bg, Tsenov Academy of Economics, Svishtov, Bulgaria

BULGARIAN ELECTRICITY PRODUCTION AND PRICE DYNAMICS IN THE DAY AHEAD SEGMENT IN 2022

Todor Georgiev, PhD Student¹

Abstract: Electricity production in Bulgaria in 2022 marked a historical record for the last ten years of 50,570 million MWh. This record was supported by the 38.5% increase in generation capacity from Photovoltaic power plants to reach a 12.8% share of the total installed capacity by generation type, which already reached 135,050 MW at a peak load for the year of 7,150 MW. In parallel, in 2022, the economy fell into a cycle of multiple crises, which severely reduced the pace of post-epidemic recovery and created strong inflationary pressures on goods and services markets. The main factor for pro-inflationary action is electricity prices, which in the „day-ahead“ segment recorded a price record of 936.33 Euro / MWh (on 30.08.2022 at 20.00 hours) with a traded volume of 3377 MW. On this basis, the purpose of the study is to present in an analytical plan the dynamics of the power generation capacity in Bulgaria in 2022 through the lens of the record price changes in the „Day Ahead“ stock exchange segment. To achieve this goal, correlation analysis and regression modeling were applied.

Key words: power generation, photovoltaic power plants, day-ahead stock segment, correlation analysis, regression modeling

JEL: Q41, Q43

¹ d010221245@uni-svishtov.bg, Tsenov Academy of Economics, Svishtov, Bulgaria



Direction

THE CURRENT SITUATION
AND PROSPECTS
IN THE DEVELOPMENT OF INSURANCE
AND SOCIAL SECURITY



THE CARMEL MODEL AS A POSSIBILITY FOR ANALYSING THE NON-LIFE INSURANCE MARKET IN BULGARIA

Assoc. Prof. Ventsislav Vasilev, PhD¹

Abstract: The assessment of financial stability, both of insurance companies and the insurance sector as a whole, involves the study, monitoring, and control of the risks to which they are exposed. In achieving an acceptable level of reliability in assessing the overall financial condition of an insurance company, a variety of quantitative and qualitative indicators must be taken into account. The CARMEL model for quantitative monitoring and analysis of the financial stability of insurance companies, developed in accordance with the methodology of the IMF, creates an additional opportunity related to the analysis of the Bulgarian non-life insurance market. The results of the calculated indicators demonstrate stability, with average values falling within the recommended standards of good practice, both for individual insurance companies and for the Bulgarian non-life insurance market as a whole.

Keywords: insurance market; financial stability

JEL: G22

¹ v.vasilev@uni-svishtov.bg, Стопанска академия „Д. А. Ценов“ – Свищов, България

COMPARATIVE ANALYSIS OF THE FINANCIAL STRUCTURE OF HEALTH EXPENDITURE IN EU COUNTRIES

Assoc. Prof. Nikolay Atanasov, PhD¹

Abstract: The purpose of the paper is to determine and provide a comparative analysis of the financial structure of the health expenditure of Bulgaria and that of the EU countries, as a set of the used methods of financing, separated according to the source of the funds. Specifically, these are the two groups - private and public sources. Within the framework of the analysis, the way of relating the method of providing funds to the current income is considered - directly and indirectly (i.e., direct, and indirect taxation). The latter grouping has implications for the impact of system financing on income inequality.

The analysis is retrospective and covers a period of the last 10 years (2003 – 2022). The object of study is the general health costs, the costs of the state budget, divided into direct and indirect taxes, the costs of the public health insurer, the costs of households, and the costs of insurance companies. Based on obtained results and using the knowledge of the characteristic features of the specified elements of the applied financial structure, conclusions have been drawn regarding the more important redistributive effects of health care expenditure on individual income.

Keywords: health system, financing, financial mix of health expenditure, redistributive effects, income inequality

JEL: H51, I18, H61

¹ nikolay.atanasov@mu-plovdiv.bg, Медицински университет - Пловдив, България

GENDER-AGE PROFILE OF SICKNESS SOCIAL INSURANCE WITH TEMPORARY DISABILITY IN BULGARIA

Assoc. Prof. Plamen Yordanov, PhD¹
Head Assist. Prof. Margarita Nikolova, PhD²

Abstract: The object of the study is public short-term social insurance in Bulgaria, while the subject is social insurance for sickness with temporary disability. The main goal of the paper is to investigate the specific characteristics of risk manifestation determined by gender and age of the insured individuals, taking into account the organisational and economic characteristics of the provided social insurance protection.

The study is based on the commonly accepted theoretical and methodological foundation of social insurance protection, on the regulatory framework, current as of September 2023, and on officially published statistical information regarding economic activity, employment, and the functioning of the State Social Security system in Bulgaria during the period 2018-2022. The achieved results can be successfully utilised in the process of organisational development and enhancement of public sickness social insurance with temporary disability coverage in Bulgaria.

Keywords: short-term social insurance, social insurance for sickness with temporary disability, compensation for sickness with temporary disability, characteristics of social insurance protection for sickness with temporary disability by gender and age of insured individuals

JEL: H55

¹ p.yordanov@uni-svishtov.bg, Tsenov Academy of Economics, Svishtov, Bulgaria

² m.i.nikolova@uni-svishtov.bg, Tsenov Academy of Economics, Svishtov, Bulgaria

IMPACT OF CRISES ON THE DEVELOPMENT DYNAMICS OF THE INSURANCE MARKET IN BULGARIA

Head Assist. Prof. Anelia Paneva, PhD¹

Abstract: The insurance sector is a part of the national economy and its development is strongly dependent on the economic situation in our country. Crises pose many challenges to the Bulgarian economy, affecting in particular the insurance market. The paper traces the impact of crises on the rates of change of gross domestic product and gross written premiums. The calculated lead-lag coefficients are the basis for comparing the development dynamics of insurance as an economic sector (in general and by individual sections of insurance) with the economic development of the country. The results show that under conditions of economic stability the insurance market develops more dynamically than the national economy. In times of crisis, the insurance activity in our country decreases and the insurance development lags behind the general economic development. It turns out that life insurance is more affected by crises.

Key words: crisis, lead-lag coefficient, non-life (general) insurance, life insurance

JEL: G22

¹ a.paneva@uni-svishtov.bg, Tsenov Academy of Economics, Svishtov, Bulgaria

CHALLENGES TO THE LABOR MARKET IN BULGARIA

Head Assist. Prof. Tanya Ilieva, PhD¹

Abstract: The paper examines the main challenges facing the labour market arising from technological developments and the Covid-19 pandemic. The work opportunities determined by the changes in the economy under conditions of digital transformation and an extraordinary epidemic situation are explored. The paper presents the dynamic processes of the labour market related to the emergence of new professions and the implementation of flexible employment.

Keywords: labour market, human resources, professional skills, remote work, flexible employment.

JEL: J21, J45

¹ t.ilieva@uni-svishtov.bg, Стопанска академия „Д. А. Ценов“ - Свищов, България



Direction

CURRENT ISSUES IN ECONOMIC
THEORY



NEW FORMS OF INNOVATIVE DEVELOPMENT IN THE ERA OF DIGITAL ECONOMY

Assoc. Prof. Irina Dorogaia, PhD¹

Abstract: The information age is rapidly being introduced into all parts of human life. Modern economic development is associated with digitalization and digital transformation of organizations. All processes are becoming even more interconnected and accelerating faster every day. It is obvious that in the new economy enterprises have to find new models of interaction with the elements of the external environment, as well as to restructure business processes and, accordingly, to change the management style, to transform organizational structures, to change the interaction between employees in teams, as well as to transform the planning function, which is no longer focused on long-term goals, but more on the vision of the company and lightning-fast adaptation of all elements of the system in case of need. Such transformations change the company both at the micro level and affect the economy as a whole on a macroeconomic scale. The article is devoted to the issue of economic and organizational transformations at both micro and macro levels, as well as to the study of the peculiarities of new forms of innovative development in the era of digitalization.

Acknowledgment: This work is part of a post-doctoral study funded from the state budget of the Republic of Moldova on the topic: „Creating the organizational change management model for small and medium enterprises through the challenges of Industrialization 4.0“, within the framework of the project numbered 22.00208.0807.10/PD

Key words: digital economy, change management, Industrialization 4.0, singularity, business model, innovative development

JEL: E32, M13, M14

¹ dorogaia.irina.ion@ase.md, Academy of Economic Studies of Moldova, Chisinau, Moldova

THEORIES OF MONEY IN MODERN ECONOMIC SOCIOLOGY

Head Assist. Prof. Vanya Ganeva, PhD¹

Abstract: Money is not a category at the centre of sociological analysis. With the formation of economic sociology as an independent trend, however, the interest in the study of money has grown and even a separate research field has been formed – sociology of money.

The sociological approach to money can be viewed as a complement to the economic approach and is aimed at exploring its social nature, importance and role. According to various representatives of economic sociology, money is defined as a social institution, a means of communication, an idea, etc.

Due to length constraints, this paper briefly examines only some of the theories of money in modern economic sociology, with the aim of highlighting some important sociological aspects of that social phenomenon. These aspects are related to: examining money in the context of social relations, clarifying the role of the government and the trust for the money functioning, commenting on the relationship between cultural values and money.

Keywords: sociology of money, money and social relations, money and government power, trust and money.

JEL: A13, A14, Z13

¹ v.ganeva@uni-svishtov.bg, Tsenov Academy of Economics, Svishtov, Bulgaria

NEW TECHNOLOGIES AND THE MOTIVES FOR FOREIGN DIRECT INVESTMENT

Head Assist. Prof. Elitsa Petkova, PhD¹

Abstract: Nowadays, new technologies play a leading role in the economic development of countries. Directly related are also foreign direct investments, which can be motivated by various goals and conditions such as necessary resources, new markets, striving for efficiency, innovation activity, etc.

Under the influence of information and communication technologies, the motives associated with market-oriented FDI are weakening. However, the dominance of the service sector can stimulate this type of investment. The increasing importance of intangible resources and innovation for the production process causes a weakening of the motives associated with resource-oriented FDI. But it stimulates FDI aimed at the acquisition or realization of strategic assets and FDI aimed at increasing efficiency.

Key words: Information Economy; knowledge-based economy; new technologies; foreign direct investments

JEL: F20, F21, F23

¹ e.petkova@uni-svishtov.bg, Tsenov Academy of Economics, Svishtov, Bulgaria

EDUCATION AND EMPLOYMENT OF WOMEN IN THE CONTEXT OF COMPETITIVENESS IN BULGARIA

Head Assist. Prof. Elka Pirimova, PhD¹

Abstract: The research is focused on one of the factors and criteria of competitiveness, reported in the World Competitiveness Yearbook and highlighted in a document of the European Commission in March 2023. The main goal is to analyze the features and the relationship between education and employment of women in Bulgaria. The task of the research is based on the parameters and dynamics of certain indicators to assess the changes that have occurred in them as sources of increase, resp. decrease in Bulgaria's competitiveness in the years after the country's accession to the EU (2007-2022).

Key words: competitiveness, labor, employment

JEL: E24, J00, J21

¹ esyarova@unwe.bg, University of National and World Economic, Sofia, Bulgaria

INTERCONNECTION BETWEEN FOREIGN DIRECT INVESTMENTS AND GROWTH IN EU COUNTRIES FOR THE PERIOD 2000-2020

Konstantsa Gyurova, PhD Student¹

Abstract: The purpose of the report is to examine the influence of FDI on GDP and to examine the relationship between them in EU countries for the period 2000-2020. The EU countries are divided into two groups in terms of the realized growth rates- respectively with higher and lower growth rates. The aim is the presence of similarities or differences between the two groups of countries in terms of the impact of FDI on GDP dynamic to be established and distinctive features to be outlined. The methods of analysis and synthesis and the econometric method for variance decomposition are applied.

Key words: economic growth and foreign direct investments

JEL: F21, O47

¹ k.k.gurova@unwe.bg, University of National and World Economic, Sofia, Bulgaria

INTERCONNECTION BETWEEN R&D EXPENSES, GROWTH AND CRISES IN BULGARIA FOR THE PERIOD 2000-2020

Konstantsa Gyurova, PhD Student¹

Abstract: The purpose of the report is to examine the dynamics of R&D expenses and the relationship between them and GDP in Bulgaria for the period 2000-2020. Special attention is paid to the effects on R&D expenses as a result of the two crises that affected the economy of Bulgaria during the period - the global crisis of 2008-2009 and the Covid crisis. The methods of analysis and synthesis, descriptive analysis, incl. statistical and mathematical methods are used.

Key words: financial and economic crisis, R&D, economic growth

JEL: G01, O30, O40

¹ k.k.gurova@unwe.bg, University of National and World Economic, Sofia, Bulgaria

FEATURES OF BUILDING AN ORGANIZATIONAL TARGET SYSTEM

Nataliya Stoyanova, PhD Student¹

Abstract: This paper examines the development of a sustainable organisational goal system in the current crisis. It identifies the key aspects in an organisation that need to be addressed. Projects, managers, culture, innovation, circular economy are essential in a system and their improvement is important for the organization to adapt in the current crisis time.

Key words: sustainable development, organization, target system, innovation, circular economy

JEL: M21

¹ tali_n@abv.bg, Tsenov Academy of Economics, Svishtov, Bulgaria



Direction

THEORETICAL AND APPLIED ASPECTS
OF ACCOUNTING AND AUDIT



CURRENT ASPECTS IN THE ACCOUNTING OF INCOME UNDER THE STATE SOCIAL SECURITY FUND BUDGET IN THE REPUBLIC OF BULGARIA

Prof. Atanas Atanasov, PhD¹

Abstract: The paper examines the normative, organizational-methodical and reporting aspects of the revenues from the state social security budget in the Republic of Bulgaria. The features of these specific reporting objects are analyzed. The revenue collection technology and its sources are outlined. The accounting accounts for revenue reporting, provided for in the applicable in the Republic of Bulgaria Chart of Accounts of budgetary organizations, are characterized. Opportunities are presented for current accounting reporting of income in the system of the National Social Security Institute. Methodical approaches in the accounting reporting of the analyzed reporting objects are argued and outlined. In conclusion, it is summarized that at present, at the national level, an optimal organization has been created and consistently applied in the accounting reporting of revenues under the budget of the state public insurance in Bulgaria, which makes it possible to provide the necessary adequate and timely reporting information, but this organization can be updated in the context of the accrual basis.

Key words: income; accounting; budget; state social insurance; National Social Security Institute

JEL: M41

¹ a.atanasov@uni-svishtov.bg, Tsenov Academy of Economics, Svishtov, Bulgaria

**REGULATORY, ORGANIZATIONAL-METHODICAL AND
REPORTING ASPECTS IN THE REVERSE CALCULATION
OF VALUE ADDED TAX
(EXAMPLE OF AN ENTERPRISE WITH AGRICULTURAL
ACTIVITY)**

Prof. Atanas Atanasov, PhD¹

Abstract: The paper examines the normative, organizational-methodical and reporting aspects of the reverse charging of value added tax on the example of an enterprise with agricultural activity. The features of this special tax regime are analyzed. The advantages of its application are outlined. By means of methodical examples, the specifics regarding the calculation and reporting of value added tax both on purchase and on sale in the context of reverse charge are presented. The methodological steps in the practical application of the analyzed tax regime are argued and deduced. In conclusion, it is summarized that, given the available practice, in general, the result of the application of the reverse charging of the value added tax has a markedly positive effect, which is reasonably expressed in the following aspects: an advantage is provided to the correct economic entities in the prevention of unfair competition; minimizes the number of intermediaries in the trade chains, the issuing of invoices by invalid suppliers and their use for unlawful reimbursement of value added tax or reduction of the amount of tax due. The special regime also indisputably contributes to the declaration of real income by taxpayers and an increase in budget receipts at the national level.

Key words: value added tax; accounting; enterprise with agricultural activity; reverse charge

JEL: H25, M41

¹ a.atanasov@uni-svishtov.bg, Tsenov Academy of Economics, Svishtov, Bulgaria

THE ROLE OF DECISION SUPPORT SYSTEMS AND CORPORATE SOCIAL RESPONSIBILITY IN THE DEVELOPMENT OF SUSTAINABLE STRATEGIES IN THE AGRICULTURAL SECTOR

Prof. Dimitrios Petropoulos, PhD¹
Assoc. Prof. Galina Chipriyanova, PhD²
Assoc. Prof. Mihail Chipriyanov, PhD³

Abstract: The agricultural sector is characterized by a pivotal role in the economy as it provides food security for the global population. The challenges facing the sector are enormous – resources must be secured, production managed, and sustainability ensured in every aspect of its activities. Two fundamental elements play an important role in achieving this sustainability: Decision Support Systems (DSS) and Corporate Social Responsibility (CSR). The report focuses on the way of integration of DSS and CSR into the agricultural sector to create sustainable strategies and for sustainable agricultural development. The key highlights are related to: analysis of the role and functions of Decision Support Systems (DSS) in the agricultural sector; researching the concept and practices of Corporate Social Responsibility (CSR) and the way they apply in the agricultural context; analysis of challenges and opportunities for the agricultural sector in the integration of DSS and CSR.

Keywords: sustainable development, strategies, management, Decision Support Systems (DSS), Corporate Social Responsibility (CSR)

JEL: M21, M41, Q42

¹ d.petropoulos@uop.gr, University of Peloponnese, Greece

² g.chipriyanova@uni-svishtov.bg, Tsenov Academy of Economics, Svishtov, Bulgaria

³ m.chipriyanov@uni-svishtov.bg, Tsenov Academy of Economics, Svishtov, Bulgaria

EFFECTS AND LIMITATIONS OF THE INFORMATION TECHNOLOGIES USE IN MANAGEMENT REPORTING

Prof. Mirjana Todorović, PhD¹
Assoc. Prof. Milan Čupić, PhD²

Abstract: Management reporting (MR) is a key task and responsibility of management accountants. Management reporting is a very important process that aims to provide adequate informational support to management. It is, therefore, necessary to constantly improve the quality of management reporting, often through the application of various IT tools. The paper aims to examine management accountants' attitudes towards IT tools used in management reporting and their effects on companies in Serbia. The data were collected using a questionnaire. Empirical results have shown that IT tools are used in practice, but not to the extent expected. Excel is the most frequently used IT tool of management accountants and SAP Business Objective is the most popular BI tool. Finally, management accountants in Serbia are found to be satisfied with the IT tools they use.

Keywords: management reporting, IT tools, management accounting, controlling, management accountants

JEL: M41, O33

¹ mtodorovic@kg.ac.rs, University of Kragujevac, Serbia

² mcupic@kg.ac.rs, University of Kragujevac, Serbia

FINANCIAL ACCOUNTING AND SUSTAINABILITY CONCEPT

Assoc. Prof. Galina Chipriyanova, PhD¹

Abstract: The study of financial accounting through the concept of sustainability is of increasing importance in the dynamic business environment in which enterprises operate. Financial accounting serves as the primary reporting and information system within an enterprise, designed to record and process current data on economic and financial transactions, and periodically provide information on the company's property condition and financial position. In this context, the concept of sustainability adds value to and improves traditional financial accounting practices. It underscores the significance of integrating ecological, social and sustainable aspects into the reporting of enterprises.

The aim of the research is to analyze the integration of financial accounting with the concept of sustainability, which represents a crucial step towards achieving financial transparency and sustainability in all aspects of business and society. The research thesis is that incorporating sustainability into financial reporting provides a comprehensive information about the economic, environmental and social activities of the enterprise and it has an impact on the behavior of investors, customers, suppliers, business partners, consumers, government, NGO, financial institution, regulators, etc, which increasingly promote sustainable and environmentally responsible business management.

Key words: financial accounting, concept of sustainability, integrate, ecological, social and sustainable aspects, reporting, enterprises

JEL: M41

¹ g.chipriyanova@uni-svishtov.bg, Tsenov Academy of Economics, Svishtov, Bulgaria

GREEN ACCOUNTING AND ITS ROLE IN SUSTAINABLE BUDGETING

Assoc. Prof. Galina Chipriyanova, PhD¹

Abstract: The integration of environmental accounting information into the budgeting process represents a crucial and key step towards sustainable budgeting in modern enterprises. This accounting approach adeptly amalgamates the financial aspects of an organization with data regarding its ecological impact, enabling more effective resource management and the achievement of long-term sustainability.

The aim of the research is to analyze the significance of integrating environmental accounting information into the budgeting process of enterprises and to analyze the challenges that enterprises face within this context. The research tasks are: 1) to analyze the role and importance of environmental accounting information in the context of the budgeting process of modern enterprises; 2) to notice the methods and tools used for integrating environmental accounting information into the budgeting process; 3) to identify the benefits and opportunities arising from successful integration of environmental accounting information into the budgeting process; 4) to analyze the key challenges and limitations faced by enterprises when implementing this integration. The object of the research is the role of the integration in achieving sustainable budgeting and more efficient resource management within enterprises. The research defends the thesis that the integration of environmental accounting information into the budgeting process is of significant importance and plays a pivotal role in achieving sustainable budgeting within enterprises.

Key words: green accounting, ecological impact, environmental accounting information, budgeting process, sustainable budgeting

JEL: M41

¹ g.chipriyanova@uni-svishtov.bg, Tsenov Academy of Economics, Svishtov, Bulgaria

THE ROLE OF GREEN STANDARDS IN SUSTAINABLE FINANCIAL REPORTING AND BUDGETING IN ACCOUNTING

Assoc. Prof. Galina Chipriyanova, PhD¹

Abstract: The research focus on green standards and their role in sustainable financial reporting and budgeting in accounting. Internationally recognized standards, such as the Global Reporting Initiative (GRI) and Integrated Reporting (IR), provide a framework for collecting and reporting non-financial information, including environmental and social aspects of a company's business activities. These standards encourage companies to incorporate green accounting practices into their reporting and budgeting processes, strengthening the connection between the financial and non-financial aspects of their operations. In recent years, the EU and UN's policy for common goals in a sustainable future and the Sustainable Development Goals (SDGs) have become increasingly evident on a global scale, with the EU's success in negotiations being noteworthy. At the corporate level, the importance of compliance with green standards in the context of sustainable financial reporting is emphasized, which enhances transparency and the trust of stakeholders while facilitating the comparability of data from different companies regarding their sustainability. The study thesis is that a key factor for the success of businesses today, including business in Bulgaria, is the timely transition of enterprises from traditional (financial) accounting to sustainability accounting and the full integration of sustainability financial reporting into the budgeting process of companies.

Key words: green standards, sustainability, financial reporting, budgeting in accounting, enterprises

JEL: M41

¹ g.chipriyanova@uni-svishtov.bg, Tsenov Academy of Economics, Svishtov, Bulgaria

PROBLEMS IN THE ACCOUNTING OF TRANSACTIONS IN THE EUROPEAN UNION

Assoc. Prof. Galia Ivanova-Kuzmanova, PhD¹

Abstract: In the accounting of transactions within the European Union, there are peculiarities related to documentation, charging of value added tax and payments between enterprises. Typical transactions are intra-Community acquisition and intra-Community supply. Through the accounting information, control over the legality and expediency of the transactions carried out, the compliance with the requirements of the normative acts, financial and tax discipline is carried out. In order for the transaction to take place, it is necessary for the companies to be registered for value added tax purposes in both countries.

Key words: intra-Community acquisition of goods; intra-Community supply of goods; VIES declaration; INTRASTAT declaration.

JEL: JEL: M41

¹ g.ivanova@uni-svishtov.bg, Tsenov Academy of Economics, Svishtov, Bulgaria

ACCOUNTING CONSERVATISM

Assoc. Prof. Daniela Georgieva, PhD¹

Abstract: Accounting conservatism consists of the proceeding of extreme skepticism in the recognition of income and expenses and in the measurement of the assets and liabilities of the enterprise, which leads to a decrease in the income, followed by the net assets, as a result of „bad news“, but not an increase in income and net assets in response to „good news“. The report presents the characteristics and proceedings of conservatism in accounting and discusses the reasons for conservatism in the accounting policy of the entity, as well as its proceeding in accounting standards

Key words: accounting conservatism, prudence, IFRS, IAS

JEL: M41

¹ daniela_georgieva@ue-varna.bg, University of Economics, Varna, Bulgaria

GUIDELINES TO IMPROVE THE ACCOUNTING OF REVENUES IN PUBLIC SECTOR ENTITIES

Assoc. Prof. Diana Papradanova, PhD¹

Assoc. Prof. Ventsislav Vechev, PhD²

Abstract: The paper presents an analysis of current practices and the authors' opinion regarding significant issues related to the accounting of revenues in the public sector. It also puts forward concrete proposals for improving the accounting and reporting process in this sector.

By identifying the existing problems and making relevant proposals, it aims to improve the quality of accounting information and the transparency of financial statements prepared by public sector entities.

Key words: revenue, public sector entities, accounting, current accrual

JEL: M41

¹ d.papradanova@uni-svishtov.bg, Tsenov Academy of Economics, Svishtov, Bulgaria
² v.vechev@uni-svishtov.bg, Tsenov Academy of Economics, Svishtov, Bulgaria

PERFORMANCE-BASED BUDGETING IN THE PUBLIC SECTOR IN BULGARIA - PRESENT AND PROSPECTS

Assoc. Prof. Iliyana Ankova, PhD¹

Abstract: The aim of this paper is to examine the state of performance-based budgeting in the public sector in Bulgaria and to outline perspectives for its future development.

The study is based on audit reports of the National Audit Office, documents of the Council of Ministers and the Ministry of Finance, as well as articles and publications by Bulgarian and foreign researchers.

The results of the study convey that despite its more than 20-year history, the application of performance-based budgeting in the public sector in Bulgaria does not lead to the fulfilment of its main objectives of efficient and transparent allocation of resources and as an information basis for taking motivated management decisions.

Several tools, tailored to the specificities of the budget process, have been proposed to contribute to the future development of performance-based budgeting in Bulgaria.

Key words: performance-based budgeting, public sector, prospects

JEL: H61, H72

¹ iliana_ankova@feb.uni-sofia.bg, Sofia University „St. Kliment Ohridski“, Sofia, Bulgaria

THE CONCEPT OF SUSTAINABLE DEVELOPMENT IN ACCOUNTING

Assoc. Prof. Kameliya Savova, PhD¹

Summary: The concept of sustainable economic development is established in accounting as a direction to reflect vitally important global issues. This presupposes the presentation of primarily non-financial information about these problems in the company's activities to meet the needs of stakeholders. At the end of 2022, the Sustainability Accountability Directive of companies was adopted, which institutionalized the concept. Current issues for sustainable growth relate to ecology, governance and social development. Requirements are introduced for disclosure of information on environmental, social and governance risks and actions to address them. The report presents a view of the accounting aspect of the concept of sustainable economic development.

Key words: accounting for sustainable development, directive, non-financial information, conceptual essence

JEL: M 41, M 49

¹ ksavova@unwe.bg, University of National and World Economic, Sofia, Bulgaria

CHALLENGES OF IMPLEMENTING DSS IN SUSTAINABLE DEVELOPMENT

Assoc. Prof. Mihail Chipriyanov, PhD¹

Abstract: The report examines the possibilities and challenges of implementing Decision Support Systems (DSS) in sustainable development. This innovative analytical tool aims to optimize sustainable resource management and informed decision-making. The enhanced capacity for analysis and simulations supports precise forecasting. However, despite its technological advantages, the introduction of DSS faces challenges such as data complexity, lack of standardization, and others. Overcoming these challenges is crucial to ensure the successful adoption of DSS and to enhance business and societal effectiveness and sustainability.

Key words: sustainable development, environmental management, Decision Support Systems (DSS), business

JEL: M21, Q42

¹ m.chipriyanov@uni-svishtov.bg, Tsenov Academy of Economics, Svishtov, Bulgaria

OPPORTUNITIES AND PERSPECTIVES ON RISK MANAGEMENT IN BUDGET ORGANIZATIONS

Assoc. Prof. Nadezhda Popowa-Yosifova, PhD¹

Abstract: Risk management in public sector organizations is characterized as a process of identifying, assessing and controlling potential events or situations that may adversely affect the achievement of the goals of these organizations. This process is designed to give reasonable assurance that the operational and strategic objectives set will be achieved. The heads of budgetary enterprises have the responsible task of approving a risk management strategy, which should contain specific approaches, methods and procedures. The purpose of this publication is to analyze various options for selection of specific techniques and methods for identifying, assessing and monitoring of the risks in enterprises in the public sector.

Key words: risk management, budget organization, strategic objectives

JEL: M42

¹ nadia_popowa@ue-varna.bg, University of Economics, Varna, Bulgaria

THE DOUBLE MATERIALITY ANALYSIS OF SUSTAINABLE REPORTS' INFORMATION

Assoc. Prof. Nikolina Grozeva, PhD¹

Abstract: The reporting obligation for many companies is already in force. According to the EU Action plan sooner or later there will be a reporting requirement on ESG issues (Environmental, Social, Governance) for almost everyone capital market-oriented companies. Initially only large listed companies, that meet certain criteria, are affected but from 2026 capital market-oriented SMEs will also be included. With the adoption of the Corporate Sustainability Reporting Directive (CSRD) sustainability reporting becomes a must. An essential part of the new reporting requirements is the implementation of a materiality analysis. But how companies recognize what is essential to them and what is important to take into account in the process of assessment of double materiality?

Key words: double materiality, sustainability, CSRD, ESRS

JEL: M40, M41

¹ nikolina.grozeva@vfu.bg, Varna Free University „Chernorizets Hrabar“, Varna, Bulgaria

OPPORTUNITIES TO ASSESS STUDENTS' KNOWLEDGE OF ACCOUNTING DISCIPLINES

Assoc. Prof. Svetlozar Stefanov, PhD¹

Abstract: In this report, an attempt is made to explore discussion problems related to the assessment of students' knowledge and skills in accounting disciplines. The question of assessing the knowledge and skills of students is a very significant issue that has always caused disputes and discussions among specialists working in the education system. This is because it is one of the most essential indicators of quality.

The subject of the report is the opportunities for assessing the knowledge and skills of students through the use of different methods, especially web-based computer tests containing both practical assignments and different types of test questions, allowing to obtain a complex assessment of the knowledge and skills acquired at the university. Through the application of computer tests to achieve an objective assessment of the knowledge and skills of students in accounting disciplines.

Key words: assessment, knowledge, skills, computer tests

JEL: M41

¹ svetstefanov@ue-varna.bg, University of Economics, Varna, Bulgaria

IMPAIRMENT OF SALES RECEIVABLES IN COMPANIES APPLYING NATIONAL ACCOUNTING STANDARDS – ACCOUNTING AND TAX ASPECTS

Assoc. Prof. Slavi Genov, PhD¹

Abstract: The research examines issues related to the impairment of the enterprise's receivables. Uncollected receivables related to the changes in the Value Added Tax (VAT) Act raise questions about the accounting and tax treatment in the context of their non-collectibility.

Key words: uncollected receivables, individual adjustments, tax base, impairment

JEL: M41

¹ sdg@ue-varna.bg, University of Economics, Varna, Bulgaria

GUIDELINES FOR THE DEVELOPMENT OF A MODEL FOR THE ACCOUNTING OF TRANSACTIONS FOR THE IMPORT OF GOODS INVOLVING A COMMISSIONER WORKING IN HIS OWN NAME BUT FOR THE ACCOUNT OF A PRINCIPAL

Assoc. Prof. Stanislava Pancheva, PhD¹

Abstract: The report examines the essence and peculiarities of transactions for the import of goods with the participation of a commission agent working on his own behalf, but at the expense of a principal, formulates a definition for them for accounting purposes and systematizes their distinguishing features. The necessity of preparing a model for accounting reporting, as proposed in the scientific development, is argued. It is tested in a real environment and on this basis it is proven to be flexible, legal, methodologically sound and practically applicable. It facilitates the accounting activity and increases its efficiency. Therefore, it is recommended to use it in the practice of non-financial commission agents operating on the territory of the country.

Key words: import, accounting, foreign trade transactions, goods, commission agent

JEL: M41

¹ stgeorgieva@nbu.bg, New Bulgarian University, Sofia, Bulgaria

HARMONIZATION OF SUSTAINABILITY REPORTING – MISSION (IM)POSSIBLE

Head Assist. Prof. Atanas Atanasov, PhD¹

Abstract: The aim of this report is to carry out a critical analysis of the applicable regulations and standards for sustainability reporting of the enterprises and, on this basis, to formulate appropriate conclusions and recommendations regarding their future development in the context of the need for harmonization in this area. The analysis of the existing situation shows that, regardless of the achieved correspondences between the main sustainability reporting standards, there is still a lack of a unified opinion of the standardization bodies on key issues related to the scope of the reported information, the final number of sustainability indicators in the individual areas (KPI), as well and the existence of serious inconsistencies in the application of the concept of materiality, etc. All this gives grounds for formulating the conclusion that the process of harmonizing sustainability reporting will continue for a long time, and the struggle for supremacy between the main players in the field of sustainability reporting will continue, but it should not be at the expense of companies that have to report their sustainability and at the expense of the quality of the reported information.

Key words: sustainability reporting, harmonization, legislation, sustainability KPI

JEL: M41, Q56, M48

¹ atanasov_at@ue-varna.bg, University of Economics, Varna, Bulgaria

INTRODUCING IN THE BULGARIAN ACCOUNTING LEGISLATION OF THE NEW EUROPEAN RULES FOR DISCLOSURE OF INCOME/CORPORATE TAX INFORMATION BY MULTINATIONAL ENTERPRISES

Head Assist. Prof. Borislav Boyanov, PhD¹

Abstract: This report analyzes Directive 2021/2101/EU of the European Parliament and of the Council of 24 November 2021 amending Directive 2013/34/EU with regard to the disclosure of income tax information by certain enterprises and branches as presented: the purpose; the scope; the requirements for businesses that are required to prepare and publish a declaration with information on income/corporate tax; the requirements for the content, terms and conditions for publishing the declaration; the responsibilities of the obliged persons for the preparation, publication and provision of access to the declaration with information on income tax. The delayed process of transposition of Directive 2021/2101/EU into the Bulgarian Accounting Law has been analyzed and the main points of the Draft Law proposed by the Ministry of Finance to amend and supplement the Accounting Law have been examined. The procedure, conditions and deadlines for preparing and publishing a declaration with information on accrued and paid income/corporate tax are presented. An analysis of the structure and content, as well as of the mandatory details that must be contained in the declaration, was carried out. An empirical study has been made of the potential businesses that will be required to prepare and publish together with their financial statements and an 'Income/Corporate Tax Information Statement'.

Keywords: multinational enterprises, corporate tax disclosure, public reporting country by country

JEL: M41

¹ b.boyanov@unwe.bg, University of National and World Economic, Sofia, Bulgaria

ADDITIVE MANUFACTURING – CHARACTERISTICS AND CHALLENGES IN ACCOUNTING

**Head Assist. Prof. Radosveta Krasteva-Hristova, PhD¹
Vladislava Georgieva, PhD Student²**

Abstract: The report focuses on important aspects of additive manufacturing and how they are reflected in accounting. The innovative method provides new opportunities, but also creates challenges for the business. The challenges facing accounting are outlined, drawing attention to the need to adapt accounting processes to the new realities of production. The necessity of building a model for accounting the costs of production of products through additive manufacturing is emphasized.

Key words: additive manufacturing, 3D printing, 3D print, accounting, cost accounting

JEL: M41, O14

¹ r.krasteva@uni-svishtov.bg, Tsenov Academy of Economics, Svishtov, Bulgaria

² vgeorgieva@uard.bg, University of Agribusiness and Rural Development, Plovdiv, Bulgaria

THE ROLE OF CYBERSECURITY IN ACCOUNTING IN THE CONDITIONS OF MULTIPLE CRISES

Head Assist. Prof. Radosveta Krasteva-Hristova, PhD¹

Abstract: In the contemporary landscape of global uncertainties, where multiple crises, encompassing economic, health, and geopolitical challenges, have become increasingly prevalent, the role of cybersecurity in accounting has emerged as a critical issue. This report explores the multifaceted aspects of cybersecurity's role in accounting, addressing the protection of financial data, fraud prevention, the challenges of remote work, business continuity, regulatory compliance, and the importance and role of human factors.

Key words: cybersecurity, accounting, multiple crisis, cyber threats, fraud prevention, human factors

JEL: M41

¹ r.krasteva@uni-svishtov.bg, Tsenov Academy of Economics, Svishtov, Bulgaria

THE ROLE OF ESG CRITERIA IN BANK LENDING - REGULATORY COMPLIANCE

Head Assist. Prof. Romyana Marinova, PhD¹

Abstract: Credit risk assessment, management and reporting are central to the bank lending process. This paper argues that new regulatory requirements on the reporting of specific indicators related to sustainability will lead to changes in bank lending that will require banks to change the criteria for evaluating the activities they finance so that they meet of what the EU taxonomy defines as sustainable activity. The analysis of the regulatory requirements in this area necessitates the conclusion that financial institutions have to walk a difficult path and deal with a number of rules that require serious preparation in assessing the specific ESG risks of the financed businesses.

Key words: ESG, credit risk, bank lending, sustainability reporting, regulation

JEL: M41, G21, Q56

¹ r_marinova@ue-varna.bg, University of Economics, Varna, Bulgaria

POSSIBILITIES OF MANAGEMENT ACCOUNTING TOOLS IN MULTIPLE CRISES

Assist. Prof. Rosen Kolev, PhD¹

Abstract: Each independent science forms a subject, goal, tasks, areas of application, etc., but special attention should also be paid to its tools. Management accounting is no different from other independent disciplines, but one of the main factors that what separates it from the general accounting process is the tools. In case of multiple crises, it is possible to provide information on different types of management decisions to the economic entities. It is the possibilities for variability in determining the direction of the economic perspective in the specific economic conditions that determine the importance of management accounting and, in particular, its tools.

Key words: management accounting, tools, analysis, cost, calculation methods

JEL: M41

¹ r.kolev@ts.uni-vt.bg, University of Veliko Tarnovo, Veliko Tarnovo, Bulgaria

CURRENT ISSUES OF ACCRUAL ACCOUNTING IN THE PUBLIC SECTOR

Diyan Velikov, PhD¹

Abstract: The purpose of the report is to analyze the current situation in Bulgaria regarding accrual accounting in the public sector. In accrual basis accounting, financial flows are recorded at the time economic value is created, converted, exchanged, transferred or redeemed. The period from the moment of accrual of the liability or receivable to the time payment is actually made is accounted by recording a receivable or payable in the financial accounts. Unlike accrual accounting, in cash accounting, revenues and expenses are recognized only when cash is actually received or paid. The cash basis is mandatory in the reporting of the state budget and the budgets of budgetary organizations, regard to the state budget it is the leading one, not the accrued basis. Proposals have been made for changes in the legal framework of budget accounting.

Key words: accrual basis, cash basis, accounting, public sector

JEL: M41, P43

¹ velikovd320@gmail.com, Unified school „Dobri Voynikov“, Pobeda village, Bulgaria

ACCOUNTING AUDIT IN THE PUBLIC SECTOR

Diyan Velikov, PhD¹

Abstract: The need to control on the realization of the set public goals imposes the creation of reporting information about the incurred costs and revenues during the implementation of the activities and assessment of their effectiveness. The role of the accountant in the public sector as an integrator of knowledge, skills and competences, serving and supporting all units of the organizations in the public sector are supported, is becoming more and more important. The accounting audit is carried out by the chief accountants of the budgetary organizations and the chief accountants of the first-level budget managers regarding the accounting reporting of the secondary and third-level budget managers. Contributing the financial audit, the accounting audit represents a self-assessment expressing a critical opinion about the accountability of the organization. The accountants highly qualified in their professional field can perform accounting audit in other budgetary organizations and improve the quality of account reporting.

Key words: accounting, public sector, auditing, competence

JEL: M41, M42, P43

¹ velikovd320@gmail.com, Unified school „Dobri Voynikov“, Pobeda village, Bulgaria

ABOUT THE AVERAGE COST PRICE IN MANUFACTURING ENTERPRISES (ACCOUNTING ASPECTS)

Marii Stoyanov, PhD¹

Abstract: One of the main questions faced by the manufacturing enterprises is at what cost to write off company's own production items sold during the current period, in the presence of leftovers from the previous year. Should this be done at the cost of the products produced during the previous period or at the cost of the items produced during the current one? Is it possible an alternative approach by averaging the cost of the items available at the beginning of the period and those manufactured during the current year? **The purpose** of the research is to be analysed the possibilities before the enterprises if they apply the weighted average value as a method for writing off the inventories during their consumption, including analysing the positive and negative sides, with a view to deriving the most rational approach for writing off the company's own production items. In order to achieve the aim pursued, we set the following **objectives**: 1) to analyse the methods of writing off the items sold during the current year in the presence of unsold items, own production from the previous accounting period; 2) to propose an interpretation of the average cost price in manufacturing enterprises; 3) to examine the degree of application of the average cost price in production enterprises.

Key words: cost price, averaging, calculation, accounting

JEL: M41

¹ marii.v.stoyanov@gmail.com, Kreston BulMar Veliko Tarnovo Ltd., Bulgaria

EMBRACING ESEF: TRANSFORMING FINANCIAL REPORTING FOR PUBLICLY ACCOUNTABLE ENTERPRISES

Desislava Aleksandrova, PhD Student¹

Abstract: The European Single Electronic Format (ESEF) represents a groundbreaking initiative that seeks to infuse technology into the financial reporting practices of publicly accountable enterprises. This article conducts a comprehensive analysis of the ESEF's implementation, with a primary focus on examining the newly established standards, addressing the myriad challenges encountered, and elucidating the manifold benefits it offers. It is incumbent upon the accounting community to meticulously dissect the intricate technical aspects, effectively tackle the inherent challenges, and harness the transformative potential of the ESEF in enhancing analyzability and transparency. Worth noting is that this study confines its purview to consolidated financial statements, while areas exempt from consolidation requirements will be explored in subsequent research endeavors.

Key words: European Single Electronic Format (ESEF), financial reporting, accounting publicly accountable enterprises, eXtensible Business Reporting Language (Inline XBRL), standardization

JEL: M 41

¹ daleksandrova@abv.bg, Tsenov Academy of Economics, Svishtov, Bulgaria

GOOD PRACTICES OF CORPORATE SOCIAL RESPONSIBILITY

Kiril Luchkov, PhD Student¹

Abstract: The report analyzes the meaning of the Corporate Social Responsibility (CSR) within the modern business context. The conclusion is that CSR became an integral and key aspect in establishing corporate strategies and activities. The growing interest and awareness in the consumers, investors and public to social and ecological issues are giving additional strength to CSR. There are several key factors, which contribute for increasing the role of CSR in the modern business. They include a change in the consumer preferences, encouragement through regulatory measures, raising the requirements from the investors for sustainability, the trend of acquiring „sustainable“ competitive advantages and flexibility upon occurrence of new challenges and crises, etc. CSR becomes a central factor in the success of the modern business organizations, as they are aware that the social and ecological responsibility are not only ethical obligations, but also strategically beneficial activities, contributing to the long-term sustainability and competitiveness.

Key words: corporate social responsibility, sustainable development, sustainable business model, management, corporate management

JEL: M21, Q42

¹ kiril.luchkov@gmail.com, Tsenov Academy of Economics, Svishtov, Bulgaria

CIRCULAR ECONOMY AS AN INNOVATIVE AND RESOURCE-EFFECTIVE MODEL

Kiril Luchkov, PhD Student¹

Abstract: The report focuses on the importance of the circular economy as an innovative model for sustainable management of the resources and business practices. The challenges and issues as an incentives for developing and improving the approach are analyzed. Emphasised are the opportunities, which the circular economy provides for transformation of the way, by which we manage the resources. For realization of this ambitious purposeful model, the active involvement of all interested parties is encouraged by stimulating the innovations in the field of technologies for recycling and sustainable resource management. Reaching the circular economy requires building effective policies and regulations which shall stimulate this model and shall mitigate the adverse impacts on the environment. The conclusion is that the circular economy is not only a theoretical idea, but in essence a key way for reaching sustainability and promoting innovations in the modern economy and the field of business.

Key words: sustainability, sustainable development, the circular economy theory, sustainable business model management

JEL: M21, Q42

¹ kiril.luchkov@gmail.com, Tsenov Academy of Economics, Svishtov, Bulgaria

SDG – OBJECTIVE-BASED APPROACH TO THE SUSTAINABLE DEVELOPMENT

Kiril Luchkov, PhD Student¹

Abstract: The report focuses on the UN Sustainable Development Goals (SDGs) in the role of a key tool for reaching sustainable development and responsible management in the field of business. The goals comprise various sustainability aspects and set challenges in front of the corporations for reaching sustainable growth.

The integration of SDGs in the business models has to be made carefully, for avoiding risks as „greenwashing“ and internal conflicts. This process requires involvement, transparency and reporting on behalf of the organizations.

The report analyzes the integration reflecting that the integration of SDGs in business models may contribute to the efforts for reaching sustainable development and to establish more modern, responsible and socially involved business model for the future. This appears of significant importance not only for the planet sustainability, but also for the long-term success and profitability of the companies.

Key words: sustainability, sustainable development, goals for sustainable development, sustainable business model management

JEL: M21, Q42

¹ kiril.luchkov@gmail.com, Tsenov Academy of Economics, Svishtov, Bulgaria

ACCOUNTING ASPECTS OF PROVISIONS IN THE ENTERPRISES OF THE EXTRACTIVE INDUSTRY BUSINESS

Miglena Marinova, PhD Student¹

Abstract: The report analyzes the accounting aspects of provisions in the enterprises of the extractive industry business. Emphasis is placed on the significance of accurate and comprehensive provisioning to ensure the proper representation of the property and financial condition of the enterprise. The unique challenges associated with accounting in this sector are examined, including the risks and uncertainties inherent to extractive activities. Furthermore, the specific types of provisions utilized to account for mine reclamation and environmental preservation are analyzed. The report provides valuable insights for financial accounting to address these challenges and ensure accuracy and transparency in the financial statements of the enterprises of the extractive industry business.

Key words: accounting reporting, provisions, extractive industry, risks, financial statements, sustainability.

JEL: M 41

¹ miglenam80@gmail.com, Tsenov Academy of Economics, Svishtov, Bulgaria

THE ROLE OF THE ACCOUNTING INFORMATION SYSTEM IN ENHANCING THE MANAGEMENT OF ENERGY INDUSTRY COMPANIES

Niya Marinova, PhD Student¹

Abstract: This article emphasizes the significance of accounting information systems in efficiently managing companies within the energy sector. These systems provide invaluable financial and accounting data, essential for conducting analyses that streamline operations, inform strategic investments in new projects, and facilitate the pursuit of sustainable development goals. Accounting information systems form a foundational pillar for the successful operation and expansion of energy enterprises. Through these systems, managers gain access to a toolkit enabling them to analyze and predict financial and accounting metrics, adapt to the ever-evolving business landscape, and play a pivotal role in achieving financial stability and long-term sustainability for companies operating in the energy sector.

Keywords: accounting information system, accounting information, energy sector, efficient management, sustainable development, financial stability

JEL: M41

¹ niya_marinova@abv.bg, Tsenov Academy of Economics, Svishtov, Bulgaria

BUSINESS MODELS FOR ORGANIZATIONAL DEVELOPMENT

Hristo Vasilev, PhD Student¹

Abstract: The development is focused on the issues of forming and implementing successful business models for strategic development of companies in contemporary conditions. The business model reveals the scheme through which additional product value is created for the customer and profit for the organization.

Emphasis is placed on the conceptual aspects of business models, as well as the challenges of building sustainable business models. Their importance is emphasized in terms of being an ideal type of business model that focuses on generating positive impact on the environment and society through the activities of business organizations. They are based on economic, environmental, and social aspects of sustainability when determining the goals of the respective company.

Key words: model, business model, sustainable business model, strategic management

JEL: M21

¹ hrvasilev@yahoo.com, Tsenov Academy of Economics, Svishtov, Bulgaria

MAJOR ALTERNATIVES IN STRATEGIC BUSINESS INTEGRATION

Hristo Vasilev, PhD Student¹

Abstract: The integration strategies involve gradually combining and transforming initially independent components of different companies into highly integrated and synergistic business units. As a corporate strategy, they are a key element in improving organizational effectiveness by constantly aligning business strategies with the dynamically changing external environment. In this sense, integration strategies have been proven as reliable means to leverage favorable opportunities and address/overcome potential risks and threats that arise at various levels of business organizations. The report specifically examines two major strategies of business integration - horizontal and vertical integration, as well as alternative approaches for their implementation.

Keywords: strategic management, business integration, horizontal integration, vertical integration

JEL: M21

¹ hrvasilev@yahoo.com, Tsenov Academy of Economics, Svishtov, Bulgaria

BUSINESS COMBINATIONS AND CONSOLIDATED FINANCIAL STATEMENTS

Nikolay Yovchev, Student¹

Abstract: Considering the group of companies as one and creating consolidated financial statements is a prerequisite for making correct business decisions. In this context, the study sets out in detail and presents in a comprehensible manner the complex general requirements and options provided under the Accounting Act and applicable International Accounting Standards in relation to the preparation, presentation and publication of consolidated financial statements. The report also examines goodwill in the consolidated financial statements in terms of measurement and presentation.

Key words: Consolidated Financial Statements, IFRS 3 Business Combinations, IFRS 10 Consolidated Financial Statements, Goodwill, Non-controlling interest, Control

JEL: M41

¹ nikolay.yovchev1992@gmail.com, University of National and World Economic, Sofia, Bulgaria



Direction

THE CURRENT SITUATION
AND PROSPECTS FOR CONTROL
AND ANALYSIS



SPECIFICATIONS IN THE APPLICATION OF THE „AUTHORIZED ECONOMIC OPERATOR“ STATUS IN THE USA AND CHINA AS LEDING TRADE PARTNERS OF THE EUROPEAN UNION

Assoc. Prof. Zornitsa Gancheva, PhD¹

Abstract: Due to the open economy of the European Union, international trade is essential for it. To create a level playing field for its enterprises, the Union negotiated a number of Free Trade Agreements, ratified the Protocol to the Revised Kyoto Convention, sign the Trade Facilitation Agreement of the World Trade Organization, develops and implements the Authorized Economic Operator program, concludes agreements with other countries for mutual recognition of the AEO status.

Within the framework of the current development, the possibilities of applying the „Authorized Economic Operator“ status in the USA and China, as leading trade partners of the European Union, will be examined.

Key words: „Authorized Economic Operator“ status, simplified customs procedures, facilitation of legal trade, mutual recognition of AEO status

JEL: F1, F13

¹ z.petkova@uni-svishtov.bg, Tsenov Academy of Economics, Svishtov, Bulgaria

THE NEW EUROPEAN CUSTOMS REFORM

Assoc. Prof. Momchil Antov, PhD¹

Abstract: The EU's customs system is the guardian of the single market, but it has come under increasing pressure in recent years due to the rapid growth in trade volumes, the challenges posed by e-commerce and the growing number of standards for goods to be tracked at borders. As a result, at the beginning of May, the European Commission proposed a reform project aimed at simplifying the customs union by reducing bureaucracy and increasing transparency, while strengthening the protection of the EU's financial and non-financial interests. The changes may be described as revolutionary or even over-ambitious, but if successful, the reform would usher in a new approach to customs control that is unparalleled in the world. Any change brings with it new opportunities, but it can also create several problems. It is important to be well prepared to make the most of the opportunities and to be able to respond appropriately to the problems, or even to prevent them.

Keywords: customs reform, customs union, customs control, customs procedures, digitalization

JEL: M49

¹ m.antov@uni-svishtov.bg, Tsenov Academy of Economics, Svishtov, Bulgaria

REALITIES AND PERSPECTIVES FOR EQUALITY OF BULGARIAN ACADEMIC TEACHERS IN ECONOMICS

Assoc. Prof. Pepa Stoykova, PhD¹

Abstract: Gender equality is important in creating a diverse environment that builds independent thinking and decision-making skills. The natural differences between women and men are manifested in various spheres, of which the educational one has a particularly important, strategic importance. The role of education is essential because the teacher not only imparts knowledge, but also influences the formation of the personality and acquisition of skills for future development.

In the present study, the state of equality between women and men in the field of higher education, in the study of economic bachelor and master programs, is examined. An overview of the relevant legal framework is made, highlighting the main highlights. Quantitative and qualitative indicators related to equality between the sexes in Bulgarian higher schools, organizers of economics training, are studied. The perspectives and challenges in overcoming stereotypes about the role of strategic and tactical skills in making relevant decisions are analyzed.

Key words: gender equality, gender balance, strategy, tactics, stereotypes, higher education, skills, artificial intelligence

JEL: A22, A23, D83, D63

¹ p.stoykova@uni-svishtov.bg, Tsenov Academy of Economics, Svishtov, Bulgaria

IDENTIFICATION OF INFORMATION SYSTEMS RISKS IN THE AUDIT OF FINANCIAL STATEMENTS

Assoc. Prof. Silviya Kostova, PhD¹

Abstract: The report examines information security (IS) risks affecting the organization and the environment in which it operates. The objective is to investigate, detect, analyze and prevent risks to the security of information systems that affect the audit of financial statements. The wide range of processes related to risk assessment, the implementation of effective and efficient controls, and the documentation of the entire cycle of activities implies the availability of sufficient resources of people, money and time necessary to plan, build, operate and improve the organization's IS risk management system.

Key words: risk, audit of financial statements, risk assessment, critical analysis

JEL: M41

¹ s.kostova@uni-svishtov.bg, Tsenov Academy of Economics, Svishtov, Bulgaria

CHALLENGES FACING THE FINANCIAL MANAGEMENT OF MUNICIPALITIES IN BULGARIA

Head Assist. Prof. Diyana Ivanova, PhD¹

Abstract: Achieving financial stability and long-term sustainability of public finance in today's complex economic, social and political environment requires adequate and effective mechanisms which are to create conditions for strict compliance with budget discipline and to ensure the effective, efficient and economical management of public funds. Their good financial management is an important prerequisite for achieving the pre-set goals of public sector organizations and for protecting public financial interests. This paper focuses on the management of public funds at the local level and, more specifically, its compliance with fiscal rules and parameters regulated by the legislation.

Key words: public sector, public finance, financial state of municipalities

JEL: H72, H83

¹ d.ivanova@uni-svishtov.bg, Tsenov Academy of Economics, Svishtov, Bulgaria

CONTEMPORARY PROBLEMS OF FINANCIAL MANAGEMENT AND CONTROL IN MUNICIPALITIES IN BULGARIA

Head Assist. Prof. Diyana Ivanova, PhD¹

Abstract: Public sector organizations operate in a dynamic environment, and the wide-ranging framework regulating their activities requires compliance with numerous fiscal rules and parameters. Their activities are influenced by a number of internal and external factors that bring risks for the good financial management of public funds and the achievement of financial sustainability. This provokes questions related to solutions to minimize the potential negative effects and support the economical, efficient and effective management of public funds. In this context, the present paper focuses on the management and control of public funds at the local level.

Key words: public sector, public finance, financial state

JEL: H72, H83

¹ d.ivanova@uni-svishtov.bg, Tsenov Academy of Economics, Svishtov, Bulgaria

SAF-T TAX ACCOUNTING STANDARD IN TAX CONTROL – PERSPECTIVE AND/OR CHALLENGE

Head Assist. Prof. Zhelyo Zhelev, PhD¹

Abstract: Increasing the level of voluntary compliance with tax legislation is a priority for individual countries around the world, with the aim of efficient functioning of their economies. This gives rise to the need to search for tools and methods to influence the efficiency of the tax process in the direction of improving data exchange, reducing business costs, and increasing transparency. This study provides a critical analysis of the idea of implementing a standard for electronic data exchange between taxpayers and tax authorities in Bulgaria. For this purpose, a review of the good practices of the European countries that have implemented the international standard SAF-T and an analysis of the Bulgarian conditions in which it will be implemented. On this base, the positive and negative sides of its integration into the Bulgarian tax system are brought out.

Key words: tax policy, tax control, International standard, SAF-T, critical analysis

JEL: G32, F23, F38, H25, H26

¹ zh.zhelev@uni-svishtov.bg, Tsenov Academy of Economics, Svishtov, Bulgaria

ANALYTICAL TOOLS WHEN PREPARING RATING ASSESSMENTS OF PRODUCTS

Head Assist. Prof. Krasimir Kulchev, PhD¹

Abstract: The sustainable upward development of enterprises, in the conditions of the modern business environment, characterized by over-awareness of customers and market instability, is unthinkable without maintaining a relatively high level of company competitiveness. This applies to the highest degree to the competitiveness of the products, the revenue from the sales of which is a major factor in the formation of the financial results of the production enterprises. To increase product competitiveness, it is necessary to know both the strengths and weaknesses of one's own products and those of competing products. Achieving such a purpose is possible through the application of analytical tools designed for the preparation of rating assessments. The results of the rating evaluation of the products can be used in making justified managerial decisions aimed at increasing the product competitiveness in particular or the competitiveness of the entire enterprise.

Key words: economic analysis, analytical tools, rating assessments

JEL: C10, M31, M41

¹ k.kulchev@uni-svishtov.bg, Tsenov Academy of Economics, Svishtov, Bulgaria

COMPARATIVE ANALYSIS OF DISTRIBUTORS

Head Assist. Prof. Krasimir Kulchev, PhD¹

Abstract: In the optimization of business activities, issues related to the improvement of the company's policy on the placement of goods are extremely important. The main element of this policy is the distribution activity, which in turn includes two key components - building a distribution network (of distribution channels and the distributors participating in them) and physical distribution of the production. Due to the long-term nature of the business relationship between an enterprise and its distributors, before the commercial agreements are concluded and the physical movement of the goods through the distribution network begins, the business partners should have carefully researched each other in order to know well the advantages and disadvantages of their counterparties. In the present work, the emphasis is placed on the use of a comparative analysis of the distributors, in order to select the most suitable of them in the construction of a new network of distribution channels or in the optimization of an already existing distribution network.

Key words: comparative analysis, comprehensive assessment, distribution

JEL: C10, M31, M41

¹ k.kulchev@uni-svishtov.bg, Tsenov Academy of Economics, Svishtov, Bulgaria

CONTROL DIMENSIONS IN THE PRODUCTION OF MILK IN PRACTICE

Head Assist. Prof. Nadezhda Tsvetkova, PhD¹

Abstract: In recent years, less and less attention has been paid to foods and their consumer properties. Regardless of the fact that the Bulgarian consumes a variety of foods, he does not often ask himself the questions - what he eats, what are the individual ingredients, what is the quality of the food, are there applicable standards, but he consumes, rather, what grabs his external perceptions, that is, aesthetics.

The purpose of this scientific publication is related to a practical study of the problems in the production of dairy products and production on the Bulgarian market from the standpoint of its control dimensions. A comprehensive study was carried out in a specific enterprise, which has been operating in our country for a long time and has its own units in the city of Sofia and the city of Vidin. The interest is provoked by the fact that the company is a licensed exporter of Bulgarian live sourdough, developed according to the BDS standard and certified applicable production practices.

Attention is focused on analyzing behavioral attitudes of personnel, motivational procedures, controls, quality systems, subsequent improvement of quality in the enterprise and others.

Key words: control, control dimensions, user properties, manufacturing practices, quality standards

JEL: C10, L83

¹ n.tsvetkova@uni-svishtov.bg, Tsenov Academy of Economics, Svishtov, Bulgaria

ARTIFICIAL INTELLIGENCE – THE CHALLENGES TO FINANCIAL CONTROL IN BULGARIA

Head Assist. Prof. Hristosko Bogdanov, PhD¹

Abstract: The report presents the main challenges to financial control in Bulgaria, what are these challenges to the financial control system and what measures and activities need to be foreseen.

Key words: financial control, financial control system, artificial intelligence, Bulgaria

JEL: H24, M49

¹ h.bogdanov@ue-varna.bg, University of Economics, Varna, Bulgaria

METHODOLOGICAL ASPECTS OF THE IMPLEMENTATION OF THE MONETARY CIRCULATION CYCLE

Assist. Prof. Galina Sabcheva, PhD¹

Abstract: In the specialized literature, the cash flow cycle is unambiguously applied as an assessment of efficiency achieved by the use of the working capital of the enterprise. The methodology of calculating its constituent components remains outside the scope of studies, in the presence of numerous variations, approaches and possibilities for the interpretation of the obtained results, which have a direct impact on the evaluation of the cycle. The purpose of this report is to propose a methodology for calculating the indicators included in the monetary circulation cycle based on publicly provided information from annual financial statements.

Key words: cash circulation cycle, working capital, efficiency, methodology

JEL: M41; D21

¹ Sabcheva.galina@ue-varna.bg, University of Economics, Varna, Bulgaria

MODEL FOR ANALYSIS OF THE INTANGIBLE ASSETS IN BASIS OF THE CONTRACT RIGHT

Petko Ganchev, PhD¹

Abstract: In the scientific report, we examine the intangible assets, based on contractual rights - license and franchise agreements, by creating a model for analysis of the intangible assets. In the model we will use indicators of financial and economic analysis. We present author's indicators for ILA analysis using the RILA method.

Key words: asset, analysis, contract, intangible assets, license agreements, franchise agreements

JEL: O12, O34, K12, M21, M41

¹ pg_ganchev@mail.bg, University of National and World Economic, Sofia, Bulgaria

APPLICATION OF ANALYSIS AND CONTROL METHODS IN EDUCATION

Su Ertürk, PhD¹

Abstract: In the present work, an overview is made of the process for intra-school control, research and analysis of the educational process in school in order to coordinate the work, in accordance with the tasks set. The control should be aimed primarily at ensuring high quality education and upbringing of the younger generation. The control functions are checking and recording the implementation of the guidelines, the effectiveness of their implementation and identifying the causes of deficiencies. Based on the control data, the work is coordinated in accordance with the assigned tasks.

Key words: education, training, control, planning, competitive advantage

JEL: I21, I22, A11

¹ Su.erturk@meb.gov.tr, Turkey

THE „TRUST AND CHECK“ CONCEPT – A CHALLENGE FOR EX-POST CONTROL OF APPROVED ECONOMIC OPERATORS

Antonia Zheleva, PhD Student¹

Abstract: The new customs reform presented by the European Commission in mid-May 2023 foresees upgrading the status of Authorised Economic Operators (AEOs) with a new concept of trusted and verified traders „Trust and Check“. Together with the creation of a new EU customs authority and a single customs data centre, the programme will provide several opportunities to facilitate both the international supply chain and customs controls. This report examines the challenges that the reform poses to the ex-post control of AEOs, in view of the emerging need to introduce high-tech solutions in the control process, to enhance the skills and competences of control authorities, to harmonise and automate control procedures in the execution of ex-post controls and monitoring.

Key words: customs reform, customs control, ex-post control, AEO

JEL: M49

¹ d010123291@uni-svishtov.bg, Tsenov Academy of Economics, Svishtov, Bulgaria

A DIGITAL PERSPECTIVE OF THE SYSTEMS APPROACH AND ITS APPLICATION IN CUSTOMS CONTROL ACTIVITIES

Boryana Peicheva, PhD Student¹

Abstract: The application of the systems approach to customs control is a comprehensive way of examining, studying, and analyzing the whole because it focuses on the vision, structure, and architecture of the system itself. Knowledge of the overall vision enables the policies that drive the system and characterise it to be identified and applied, and also sets precise and clear objectives for the system, defining its purpose for being. In modern times, digitalisation, applied in combination with other system approaches, is playing an increasing role, on the one hand, in the development and modernisation of systems as a whole and, on the other, in helping to minimise their weaknesses and errors.

Key words: customs control, digitalization, system approach, cybernetic, system thinking, design thinking

JEL: M49

¹ Peicheva.boryana@gmail.com, Tsenov Academy of Economics, Svishtov, Bulgaria

PROBLEMS WITH THE INFORMATION PROVISION OF THE FINANCIAL ANALYSIS AT THE MUNICIPALITIES

Denitsa Hristova, PhD Student¹

Abstract: The report presents part of the results of an empirical study for the purposes of a dissertation work on the topic: „Assessment of the risk of insolvency in municipalities with financial difficulties“. The study presents the methodological basis of the study and systematizes the identified problems and gaps in the disclosed public information, which is available on the websites of the nine investigated municipalities with financial difficulties. Conclusions have been formulated about the completeness and quality of the information disclosed by the municipalities and whether it is possible to conduct a qualitative and effective analysis on this basis.

Key words: public sector, municipalities, information provision, financial analysis

JEL: M40

¹ denitsa_hristova@ue-varna.bg, University of Economics, Varna, Bulgaria

ARTIFICIAL INTELLIGENCE AND CONTROL

Yordanka Slavkova, PhD Student¹

Abstract: The subject of this article is artificial intelligence(AI) as a technology entering tax control systems, how it would help to improve compliance with tax legislation and fraud detection. The article examines European Union actions on AI technology and regulatory options. Data from research in this area by international auditing companies and EU reports were used. The change that technology brings is a potential opportunity to rethink and integrate new methods and automation of tax control systems combined with powerful algorithms and computing capacity. The process of digital transformation has begun in many countries and expectations are for more efficient, standardized and quick control to meet the needs of business and society.

Key words: Artificial intelligence, tax control, regulation, digitization

JEL: H25, H26, K34, O23, O33

¹ yordanka.slavkova@unwe.bg, University of National and World Economic, Sofia, Bulgaria

THE CURRENT SITUATION AND PROSPECTS FOR CONTROL AND ANALYSIS ON THE RESOLUTION OF LEGAL REPORTS AND REGULATIONS IN ENVIRONMENTAL LAW

Luminita Diaconu, PhD Student¹

Abstract: Aim: The environmental issues are becoming an increasingly addressed issues nowadays. Thus, the legislators in various legislative acts impose new and new regulations with a nature of environmental protection, it becomes difficult to identify whether, being incorporated in the text of a certain law, a certain legal norm, belongs to environmental law or, it is a norm that belongs to the field which in substance represents the regulatory object of this law. In other words, it is often quite difficult to determine the boundary of environmental law regulations, especially since the norms of this branch are not always compactly found in environmental legislative acts.

Findings: It must be recognized that the legal mechanisms for environmental protection change their appearance over time, becoming much more aggressive and relentless. They are often used without taking into consideration certain traditional rules and presumptions that often do not ensure effective protection of the environment. In such cases, it is necessary to understand that the regulatory mechanisms for environmental protection are a component of environmental law, even if they are based in other legislative acts and even if they are very similar to the mechanisms used in the regulation of other categories of legal relations

The lack of a clear procedure means that the environmental legislation remains unenforced. Although in other countries the problem of environmental protection has been raised to a much more important level, including the fact that objective and joint liability is established for damage caused to the environment.

Key words: environmental law, regulatory mechanisms and methods, contraventional law, liability

JEL: K1, K10, K15

¹ diaconulumi@yahoo.com, Academy of Economic Studies of Moldova, Chisinau, Moldova

CHALLENGES IN TAXATION PROCESS FOR INCOME-TAX FROM CRYPTO ASSETS FOR INDIVIDUALS IN BULGARIA

Mariya Dimova-Takeva, PhD Student¹

Abstract: The new changes in Crypto Assets Regulations approaching. From 31-May-2023 REGULATION (EU) 2023/1114 on markets in crypto-assets was adopted. Attending the Credit, Market and Liquidity Risks together with Ethical Principles arise questions about controlling processes of Crypto Assets transactions. The scope of current research is to analyze taxation processes for individuals in the field mentioned above. What is the status of Tax policy currently in Bulgaria? What is coming next, and do we are prepared for it? Up to now National Revenue Agency has announced statements № 24-34-39/18.03.2014 г.; № 24-34-40/18.03.2014 г.; № M-24-36-37/29.06.2017 explaining several crypto-market tax effects. Currently Crypto assets varies and appears as Virtual currencies, Stable coins, Crypto currencies, E-money tokens (EMD), Asset-referenced tokens (ARD), etc. and this is just the beginning.

Key words: taxation, individuals, crypto

JEL: H24

¹ mdimova-takeva@unwe.bg, University of National and World Economic, Sofia, Bulgaria

CRUCIAL OPERATIONAL INDICATORS FOR MANAGERIALS ANALYSIS IN THE HOTEL INDUSTRY

Tatyana Dimitrova, PhD Student¹

Abstract: To achieve high efficiency in the hospitality industry it is necessary to apply management analysis for management purposes. Hotel performance analysis provides objective and comprehensive information needed for management decision making. The successful use of analysis helps to study in detail the state of hotel activity, its dynamic change, serves management structures in the implementation of the set operating budgets and assists them in short-term forecasting. All this necessitates the study of the significant indicators and ratios for management analysis in the hotel industry.

Key words: analysis, hospitality industry, operational indicators, Uniform System of Accounts for the Lodging Industry (USALI)

JEL: M490

¹ Tatyana.dimitrova@ue-varna.bg, University of Economics, Varna, Bulgaria



Direction

21st CENTURY STATISTICS –
THEORETICAL AND PRACTICAL ISSUES



STATISTICAL ANALYSIS OF EXPENDITURE ON PROTECTION AND RESTORATION OF THE ENVIRONMENT

Assoc. Prof. Krasimira Slaveva, PhD¹

Abstract: The report examines the dynamics of indicators characterizing the costs of environmental protection and restoration and evaluates the progress achieved by Bulgaria. The dynamics of key indicators for the costs of environmental protection and restoration were analyzed - Total costs for services related to the environment, Total costs for services related to the environment in the economy. The availability and movement of long-lasting material assets with an ecological purpose in general for the country and for some economic sectors - agriculture, forestry and fisheries, industry, production and distribution of electric and thermal energy and gaseous fuels, water supply, specialized producers of eco-services, construction, government and other activities. The dynamics of the key indicators for the incurred expenses for long-lasting material assets with ecological purpose are compared with the dynamics of GDP. The report uses statistical methods to analyze time series and to analyze structural changes and differences. The results of the analysis show that the change in the studied indicators for the costs of environmental protection and for the acquisition of long-lasting material assets with an ecological purpose is at a slower pace and Bulgaria lags behind significantly compared to the other member countries of the European Union.

Key words: sustainable development Expenditure on protection and restoration of the environment, Tangible fixed assets with ecological use, statistical analysis.

JEL: Q50, Q52, C10, C19

¹ k.slaveva@uni-svishtov.bg, Tsenov Academy of Economics, Svishtov, Bulgaria

FORECASTING WITH EXPONENTIAL SMOOTHING - THEORETICAL ASPECTS

Assoc. Prof. Margarita Shopova, PhD¹
Head Assist. Prof. Evgeni Ovchinnikov, PhD²
Head Assist. Prof. Krista Neykova, PhD³

Abstract: In this paper we discuss exponential smoothing as an approach for time series forecasting. We classify the forecasting opportunities based on methods obtained by combining their trend and seasonal components. By analysing the strengths and weaknesses of the approach, we identify the problems in its application and outline the feasible solutions. We draw the conclusion that the presence of a statistical foundation, that underlies those methods, makes exponential smoothing a suitable solution for time series forecasting.

Key words: forecasting, time series, exponential smoothing

JEL: C22, C53

¹ m.shopova@uni-svishtov.bg, Tsenov Academy of Economics, Svishtov, Bulgaria

² e.ovchinnikov@uni-svishtov.bg, Tsenov Academy of Economics, Svishtov, Bulgaria

³ k.neykova@uni-svishtov.bg, Tsenov Academy of Economics, Svishtov, Bulgaria

STATISTICAL ANALYSIS OF STRUCTURAL CHANGES AND DIFFERENCES IN THE VISITS OF FOREIGNERS TO BULGARIA

Assoc. prof. Plamen Petkov, PhD¹
Plamena Koleva, PhD Student²

Abstract: This publication analyzes the structural changes and differences in inbound tourism through the number of visits by foreigners to Bulgaria for the period from 2008 to 2022. The differences in the structure are examined both in terms of the purpose of the visit and in terms of the countries from which the tourists come, special emphasis is also placed on the diversity within the individual groups of countries, according to the nomenclature of countries for the purposes of tourism - European Union, other European countries, other countries and the rest of the world. The results show that during the analyzed period there are significant structural changes and differences both in terms of the purposes of the visits and in terms of the regional dimensions of the nationality of incoming tourists.

Key words: inbound tourism, integral coefficient of structural changes and differences, statistical analysis, trends

JEL: C20, C50, Z30

¹ p.petkov@uni-svishtov.bg, Tsenov Academy of Economics, Svishtov, Bulgaria

² plamenakoleva84@abv.bg, Tsenov Academy of Economics, Svishtov, Bulgaria

METHODOLOGICAL ASPECTS OF THE STATISTICAL STUDY OF ECONOMIC ACCOUNTS FOR AGRICULTURE

Gergana Pavlova, PhD Student¹

Abstract: Agriculture is a sector of the economy that is extremely important, as it is the basis of feeding the population and provides the opportunity to create jobs, obtain additional income, etc. In this regard, an important place in the EU, as well as in Bulgaria, is the implemented Common Agricultural Policy (CAP). Monitoring and evaluation of the CAP requires comparable, up-to-date and reliable information on the economic situation of agriculture, and in particular on changes in agricultural income. Agricultural accounts are an essential tool for analyzing the economic state of agriculture in a given country. The development and refinement of the applied policies in the field of agriculture place the requirement for agrarian statistics to develop more and more detailed methodology and data, especially regarding the income received in the sector.

Key words: Agriculture, Common Agricultural Policy, Statistical methodology, Economic Accounts for Agriculture, Farm Income

JEL: C82, Q11, Q18

¹ gpavlova1988@gmail.com Tsenov Academy of Economics, Svishtov, Bulgaria

STATISTICAL ANALYSIS OF THE COVERAGE OF THE POPULATION WITH HEALTH CARE PERSONNEL

Mariya Hadzhihristeva, PhD Student¹

Abstract: In the current paper we examine the number and the structure of health care personnel in Bulgaria during 2012 - 2022 with statistical methods for the analysis of dynamics and structures. We identify an increasing trend in the number of physicians and dentists and a decreasing trend in the number of health care professionals. We model the time series with a linear function. The density of physicians and dentists per 10,000 population is increasing, while there is no trend for the density of health care professionals. The structure of the medical staff is stable over the analysed period.

Key words: health care, health care personnel, times series analysis, structural changes

JEL: C22, I19

¹ mariyahadzhihristeva@gmail.com, Tsenov Academy of Economics, Svishtov, Bulgaria



Direction

CURRENT ISSUES IN FOREIGN
LANGUAGE TEACHING, PHYSICAL
EDUCATION AND SPORTS I
N THE FACULTIES OF FINANCE
AND ECONOMIC ACCOUNTING



ENGLISH APPLICATION IN ACCOUNTING EDUCATION

Head Assist. Prof. Kalin Kalev, PhD¹

Abstract: The report is aimed to contextualize the English language in study of accounting in Bulgarian universities. There is evidence that the level of English proficiency affects the teaching and learning of accounting. Important avenue is the English translation which is an overseen issue. Bulgarian universities do not prioritize English. Besides it is a cornerstone in global accounting education. It is not clear to what extent the lack of English in the accounting curriculum is a problem. Major proposal is the discipline 'Academic Studies' which objective is to improve students' academic reading and writing competencies, to be taught in English or its application to be solely in regard to writing.

Key words: English, accounting, teaching, studying, writing

JEL: M40, M49

¹ kalev_k@ue-varna.bg, University of Economics, Varna, Bulgaria

EDUCATION FOR COLLABORATION SKILLS IN A DIGITAL ENVIRONMENT: A REVIEW OF BEAKOUT ROOM EXERCISES

Vladislav Lyubenov, PhD Student¹

Abstract: In the current paper, we review some implications of digital collaboration practices regarding higher education learning. Our main focus is on the breakout room concept for teamwork cooperation exercises. The digital environment provides opportunities to build resilient skills in team management through distance communication. This idea carries through different forms of education including e-learning and distance learning. To carry out the goal of the paper, we made an overview of the general digital collaboration concept for higher education. Then we put emphasis on the practical solutions for implementing breakout rooms as a digital collaboration exercise in practical educational classes.

Key words: digital education, management, teamwork

JEL: I20, I29

¹ vl.lyubenov@mail.bg, Tsenov Academy of Economics, Svishtov, Bulgaria

TEACHING LANGUAGES - BUILDING CULTURAL BRIDGES: A VIEW FROM THE CLASSROOM

Stella HÎRBU, PhD Student¹

Abstract: The cultivation of intercultural competence is an ongoing journey that empowers individuals to effectively engage in diverse cultural settings. This article seeks to draw the attention of language educators to the importance of integrating cultural education into foreign language classrooms, especially in light of the increased emphasis on this aspect in the recently released Basic Standards of Competencies in Foreign Language Education. The initial section of this paper introduces the concept of intercultural communicative competence, followed by an examination of the challenges, contemporary teaching methodologies, strategies, attitudes, and dialogues related to fostering intercultural competence in foreign language instruction. Lastly, it offers recommendations for initiating a transformative approach in this domain.

Key words: language, culture, intercultural competence, language education

JEL: I20, I29

¹ stella_hirbu@yahoo.de, Academy of Economic Studies of Moldova, Chisinau, Moldova

CONTENTS

INVESTMENTS, BANKING, CORPORATE AND PUBLIC FINANCE – THEORY AND PRACTICE

ENERGY PRICES IN BULGARIA AND SYSTEM ECONOMICS IN THE EUROPEAN UNION IN 2023 <i>Prof. Andrey Zahariev, PhD</i>	5
VAT-GAP IN BULGARIA (2007 – 2020) <i>Prof. Rumen Brusarski, PhD</i>	6
CYBERTAX: A NEW APPROACH TO CYBERSECURITY RISK MANAGEMENT <i>Prof. Serghei Ohrimenco, DSc</i>	7
Valeriu Cernei THE EFFECTS OF MERGERS AND ACQUISITIONS TRANSACTIONS <i>Assoc. Prof. Virjinia Ivanova, PhD, Lora Peycheva, PhD</i>	8
ANALYSIS OF THE BALANCE OF PAYMENTS OF BULGARIA IN THE PERIOD 2007 - 2022 <i>Assoc. Prof. Galina Zaharieva, PhD</i>	9
ASSESSMENT OF THE REGIONAL FINTECH PERFORMANCE BASED ON THE FINANCIAL INCLUSION INDEX <i>Assoc. Prof. Eduard Hîrbu, PhD, Ana Hîrbu, Master in Finance and Accounting</i>	10
THE ROLE OF SOVEREIGN WEALTH FUNDS IN THE MODERN ECONOMY <i>Assoc. Prof. Ivaylo Mihaylov, PhD</i>	11
WHEN THE NUMBERS SPEAK FOR THEMSELVES: BUDGET FISCAL RULES AND COVID-19 <i>Assoc. Prof. Lyudmil Naydenov, PhD</i>	12
PREPAREDNESS OF BULGARIA TO ADOPT THE EURO <i>Head Assist. Prof. Aglika Kaneva, PhD</i>	13
THE COMMON CURRENCY AS A FACTOR OF FINANCIAL I NTEGRATION AND ECONOMIC GROWTH IN THE EUROPEAN UNION <i>Head Assist. Prof. Dimitar Kostov, PhD</i>	14
REASONS FOR THE DYNAMICS OF THE BASIC INTEREST RATE IN TURKEY <i>Head Assist. Prof. Petya Vasileva, PhD</i>	15
BITCOIN AS A HEDGE AGAINST ECONOMIC AND POLITICAL UNCERTAINTY – MYTH OR REALITY <i>Head Assist. Prof. Svetoslav Borisov, PhD</i>	16
A DECADE AFTER THE EUROPEAN DEBT CRISIS – REFORMS AND CHALLENGES <i>Head Assist. Prof. Tsvetan Pavlov, PhD</i>	17
FINANCIAL AUTONOMY OF THE MUNICIPALITIES OF THE NORTHWESTERN BULGARIA IN THE CONDITIONS OF COVID-19 <i>Assist. Prof. Angel Angelov, PhD</i>	18
ANALYSIS OF EQUITY STRUCTURE IN THE INSURANCE SECTOR <i>Beatris Lyubenova, PhD</i>	19

THE PERSONAL INCOME TAX ASSESSMENT – TRENDS AND CHARACTERISTICS	
<i>Dimitar Tsenov, PhD</i>	20
STUDY OF THE PRACTICES OF COMMERCIAL BANKS IN BULGARIA TO ASSESS THE IMPACT OF CLIMATE RISK ON THEIR ACTIVITIES	
<i>Raya Dragoeva, PhD</i>	21
DIMENSIONS OF CONTEMPORARY ECONOMIC CHALLENGES AND THEIR IMPACT ON VEHICLE IMPORTS IN BULGARIA	
<i>Galina Georgieva, PhD Student</i>	22
INDEX ANALYSIS OF THE FINANCIAL CONDITION, MUNICIPAL DEBT AND BUDGET INDICATORS OF THE DANUBE MUNICIPALITIES AS A FACTOR FOR INTEGRATED DEVELOPMENT	
<i>Elena Kostadinova, PhD Student</i>	23
PROBLEMS IN FINANCING FESTIVALS IN CRISIS CONDITIONS	
<i>Zaharina Tomova, PhD Student</i>	24
PUBLIC FINANCE – THEORY AND PRACTICE	
<i>Katya Evtimova, PhD Student</i>	25
THE CIRCULAR ECONOMIC MODEL IN THE SMART CITY	
<i>Nikolai Todorov, PhD Student</i>	26
BULGARIAN ELECTRICITY PRODUCTION AND PRICE DYNAMICS IN THE DAY AHEAD SEGMENT IN 2022	
<i>Todor Georgiev, PhD Student</i>	27

THE CURRENT SITUATION AND PROSPECTS IN THE DEVELOPMENT OF INSURANCE AND SOCIAL SECURITY

THE CARMEL MODEL AS A POSSIBILITY FOR ANALYSING THE NON-LIFE INSURANCE MARKET IN BULGARIA	
<i>Assoc. Prof. Ventsislav Vasilev, PhD</i>	31
COMPARATIVE ANALYSIS OF THE FINANCIAL STRUCTURE OF HEALTH EXPENDITURE IN EU COUNTRIES	
<i>Assoc. Prof. Nikolay Atanasov, PhD</i>	32
GENDER-AGE PROFILE OF SICKNESS SOCIAL INSURANCE WITH TEMPORARY DISABILITY IN BULGARIA	
<i>Assoc. Prof. Plamen Yordanov, PhD</i> <i>Head Assist. Prof. Margarita Nikolova, PhD</i>	33
IMPACT OF CRISES ON THE DEVELOPMENT DYNAMICS OF THE INSURANCE MARKET IN BULGARIA	
<i>Head Assist. Prof. Anelia Paneva, PhD</i>	34
CHALLENGES TO THE LABOR MARKET IN BULGARIA	
<i>Head Assist. Prof. Tanya Ilieva, PhD</i>	35

CURRENT ISSUES IN ECONOMIC THEORY

NEW FORMS OF INNOVATIVE DEVELOPMENT IN THE ERA OF DIGITAL ECONOMY	
<i>Assoc. Prof. Irina Dorogaia, PhD</i>	39
THEORIES OF MONEY IN MODERN ECONOMIC SOCIOLOGY	
<i>Head Assist. Prof. Vanya Ganeva, PhD</i>	40

NEW TECHNOLOGIES AND THE MOTIVES FOR FOREIGN DIRECT INVESTMENT <i>Head Assist. Prof. Elitsa Petkova, PhD</i>	41
EDUCATION AND EMPLOYMENT OF WOMEN IN THE CONTEXT OF COMPETITIVENESS IN BULGARIA <i>Head Assist. Prof. Elka Pirimova, PhD</i>	42
INTERCONNECTION BETWEEN FOREIGN DIRECT INVESTMENTS AND GROWTH IN EU COUNTRIES FOR THE PERIOD 2000-2020 <i>Konstantsa Gyurova, PhD Student</i>	43
INTERCONNECTION BETWEEN R&D EXPENSES, GROWTH AND CRISES IN BULGARIA FOR THE PERIOD 2000-2020 <i>Konstantsa Gyurova, PhD Student</i>	44
FEATURES OF BUILDING AN ORGANIZATIONAL TARGET SYSTEM <i>Nataliya Stoyanova, PhD Student</i>	45

THEORETICAL AND APPLIED ASPECTS OF ACCOUNTING AND AUDIT

CURRENT ASPECTS IN THE ACCOUNTING OF INCOME UNDER THE STATE SOCIAL SECURITY FUND BUDGET IN THE REPUBLIC OF BULGARIA <i>Prof. Atanas Atanasov, PhD</i>	49
REGULATORY, ORGANIZATIONAL-METHODICAL AND REPORTING ASPECTS IN THE REVERSE CALCULATION OF VALUE ADDED TAX (EXAMPLE OF AN ENTERPRISE WITH AGRICULTURAL ACTIVITY) <i>Prof. Atanas Atanasov, PhD</i>	50
THE ROLE OF DECISION SUPPORT SYSTEMS AND CORPORATE SOCIAL RESPONSIBILITY IN THE DEVELOPMENT OF SUSTAINABLE STRATEGIES IN THE AGRICULTURAL SECTOR <i>Prof. Dimitrios Petropoulos, PhD, Assoc. Prof. Galina Chipriyanova, PhD Assoc. Prof. Mihail Chipriyanov, PhD</i>	51
EFFECTS AND LIMITATIONS OF THE INFORMATION TECHNOLOGIES USE IN MANAGEMENT REPORTING <i>Prof. Mirjana Todorović, PhD, Assoc. Prof. Milan Čupić, PhD</i>	52
FINANCIAL ACCOUNTING AND SUSTAINABILITY CONCEPT <i>Assoc. Prof. Galina Chipriyanova, PhD</i>	53
GREEN ACCOUNTING AND ITS ROLE IN SUSTAINABLE BUDGETING <i>Assoc. Prof. Galina Chipriyanova, PhD</i>	54
THE ROLE OF GREEN STANDARDS IN SUSTAINABLE FINANCIAL REPORTING AND BUDGETING IN ACCOUNTING <i>Assoc. Prof. Galina Chipriyanova, PhD</i>	55
PROBLEMS IN THE ACCOUNTING OF TRANSACTIONS IN THE EUROPEAN UNION <i>Assoc. Prof. Galia Ivanova –Kuzmanova, PhD</i>	56
ACCOUNTING CONSERVATISM <i>Assoc. Prof. Daniela Georgieva, PhD</i>	57
GUIDELINES TO IMPROVE THE ACCOUNTING OF REVENUES IN PUBLIC SECTOR ENTITIES <i>Assoc. Prof. Diana Papradanova, PhD Assoc. Prof. Ventsislav Vechev, PhD</i>	58

PERFORMANCE-BASED BUDGETING IN THE PUBLIC SECTOR IN BULGARIA - PRESENT AND PROSPECTS <i>Assoc. Prof. Iliyana Ankova, PhD</i>	59
THE CONCEPT OF SUSTAINABLE DEVELOPMENT IN ACCOUNTING <i>Assoc. Prof. Kameliya Savova, PhD</i>	60
CHALLENGES OF IMPLEMENTING DSS IN SUSTAINABLE DEVELOPMENT <i>Assoc. Prof. Mihail Chipriyanov, PhD</i>	61
OPPORTUNITIES AND PERSPECTIVES ON RISK MANAGEMENT IN BUDGET ORGANIZATIONS <i>Assoc. Prof. Nadezhda Popowa-Yosifova, PhD</i>	62
THE DOUBLE MATERIALITY ANALYSIS OF SUSTAINABLE REPORTS' INFORMATION <i>Assoc. Prof. Nikolina Grozeva, PhD</i>	63
OPPORTUNITIES TO ASSESS STUDENTS' KNOWLEDGE OF ACCOUNTING DISCIPLINES <i>Assoc. Prof. Svetlozar Stefanov, PhD</i>	64
IMPAIRMENT OF SALES RECEIVABLES IN COMPANIES APPLYING NATIONAL ACCOUNTING STANDARDS – ACCOUNTING AND TAX ASPECTS <i>Assoc. Prof. Slavi Genov, PhD</i>	65
GUIDELINES FOR THE DEVELOPMENT OF A MODEL FOR THE ACCOUNTING OF TRANSACTIONS FOR THE IMPORT OF GOODS INVOLVING A COMMISSIONER WORKING IN HIS OWN NAME BUT FOR THE ACCOUNT OF A PRINCIPAL <i>Assoc. Prof. Stanislava Pancheva, PhD</i>	66
HARMONIZATION OF SUSTAINABILITY REPORTING – MISSION (IM)POSSIBLE <i>Head Assist. Prof. Atanas Atanasov, PhD</i>	67
INTRODUCING IN THE BULGARIAN ACCOUNTING LEGISLATION OF THE NEW EUROPEAN RULES FOR DISCLOSURE OF INCOME/CORPORATE TAX INFORMATION BY MULTINATIONAL ENTERPRISES <i>Head Assist. Prof. Borislav Boyanov, PhD</i>	68
ADDITIVE MANUFACTURING – CHARACTERISTICS AND CHALLENGES IN ACCOUNTING <i>Head Assist. Prof. Radosveta Krasteva-Hristova, PhD</i> <i>Vladislava Georgieva, PhD Student</i>	69
THE ROLE OF CYBERSECURITY IN ACCOUNTING IN THE CONDITIONS OF MULTIPLE CRISES <i>Head Assist. Prof. Radosveta Krasteva-Hristova, PhD</i>	70
THE ROLE OF ESG CRITERIA IN BANK LENDINGE – REGULATORY COMPLIANCE <i>Head Assist. Prof. Rумыana Marinova, PhD</i>	71
POSSIBILITIES OF MANAGEMENT ACCOUNTING TOOLS IN MULTIPLE CRISES <i>Assist. Prof. Rosen Kolev, PhD</i>	72
CURRENT ISSUES OF ACCRUAL ACCOUNTING IN THE PUBLIC SECTOR <i>Diyan Velikov, PhD</i>	73

ACCOUNTING AUDIT IN THE PUBLIC SECTOR <i>Diyan Velikov, PhD</i>	74
ABOUT THE AVERAGE COST PRICE IN MANUFACTURING ENTERPRISES (ACCOUNTING ASPECTS) <i>Marii Stoyanov, PhD</i>	75
EMBRACING ESEF: TRANSFORMING FINANCIAL REPORTING FOR PUBLICLY ACCOUNTABLE ENTERPRISES <i>Desislava Aleksandrova, PhD Student</i>	76
GOOD PRACTICES OF CORPORATE SOCIAL RESPONSIBILITY <i>Kiril Luchkov, PhD Student</i>	77
CIRCULAR ECONOMY AS AN INNOVATIVE AND RESOURCE- EFFECTIVE MODEL <i>Kiril Luchkov, PhD Student</i>	78
SDG – OBJECTIVE-BASED APPROACH T O THE SUSTAINABLE DEVELOPMENT <i>Kiril Luchkov, PhD Student</i>	79
ACCOUNTING ASPECTS OF PROVISIONS IN THE ENTERPRISES OF THE EXTRACTIVE INDUSTRY BUSINESS <i>Miglena Marinova, PhD Student</i>	80
THE ROLE OF THE ACCOUNTING INFORMATION SYSTEM IN ENHANCING THE MANAGEMENT OF ENERGY INDUSTRY COMPANIES <i>Niya Marinova, PhD Student</i>	81
BUSINESS MODELS FOR ORGANIZATIONAL DEVELOPMENT <i>Hristo Vasilev, PhD Student</i>	82
MAJOR ALTERNATIVES IN STRATEGIC BUSINESS INTEGRATION <i>Hristo Vasilev, PhD Student</i>	83
BUSINESS COMBINATIONS AND CONSOLIDATED FINANCIAL STATEMENTS <i>Nikolay Yovchev, Student</i>	84

THE CURRENT SITUATION AND PROSPECTS FOR CONTROL AND ANALYSIS

SPECIFICATIONS IN THE APPLICATION OF THE „AUTHORIZED ECONOMIC OPERATOR“ STATUS IN THE USA AND CHINA AS LEDING TRADE PARTNERS OF THE EUROPEAN UNION <i>Assoc. Prof. Zornitsa Gancheva, PhD</i>	87
THE NEW EUROPEAN CUSTOMS REFORM <i>Assoc. Prof. Momchil Antov, PhD</i>	88
REALITIES AND PERSPECTIVES FOR EQUALITY OF BULGARIAN ACADEMIC TEACHERS IN ECONOMICS <i>Assoc. Prof. Pepa Stoykova, PhD</i>	89
IDENTIFICATION OF INFORMATION SYSTEMS RISKS IN THE AUDIT OF FINANCIAL STATEMENTS <i>Assoc. Prof. Silviya Kostova, PhD</i>	90
CHALLENGES FACING THE FINANCIAL MANAGEMENT OF MUNICIPALITIES IN BULGARIA <i>Head Assist. Prof. Diyana Ivanova, PhD</i>	91

CONTEMPORARY PROBLEMS OF FINANCIAL MANAGEMENT AND CONTROL IN MUNICIPALITIES IN BULGARIA <i>Head Assist. Prof. Diyana Ivanova, PhD</i>	92
SAF-T TAX ACCOUNTING STANDARD IN TAX CONTROL – PERSPECTIVE AND/OR CHALLENGE <i>Head Assist. Prof. Zhelyo Zhelev, PhD</i>	93
ANALYTICAL TOOLS WHEN PREPARING RATING ASSESSMENTS OF PRODUCTS <i>Head Assist. Prof. Krasimir Kulchev, PhD</i>	94
COMPARATIVE ANALYSIS OF DISTRIBUTORS <i>Head Assist. Prof. Krasimir Kulchev, PhD</i>	95
CONTROL DIMENSIONS IN THE PRODUCTION OF MILK IN PRACTICE <i>Head Assist. Prof. Nadezhda Tsvetkova, PhD</i>	96
ARTIFICIAL INTELLIGENCE – THE CHALLENGES TO FINANCIAL CONTROL IN BULGARIA <i>Head Assist. Prof. Hristosko Bogdanov, PhD</i>	97
METHODOLOGICAL ASPECTS OF THE IMPLEMENTATION OF THE MONETARY CIRCULATION CYCLE <i>Assist. Prof. Galina Sabcheva, PhD</i>	98
MODEL FOR ANALYSIS OF THE INTANGIBLE ASSETS IN BASIS OF THE CONTRACT RIGHT <i>Petko Ganchev, PhD</i>	99
APPLICATION OF ANALYSIS AND CONTROL METHODS IN EDUCATION <i>Su Ertürk, PhD</i>	100
THE „TRUST AND CHECK“ CONCEPT – A CHALLENGE FOR EX-POST CONTROL OF APPROVED ECONOMIC OPERATORS <i>Antonia Zheleva, PhD Student</i>	101
A DIGITAL PERSPECTIVE OF THE SYSTEMS APPROACH AND ITS APPLICATION IN CUSTOMS CONTROL ACTIVITIES <i>Boryana Peicheva, PhD Student</i>	102
PROBLEMS WITH THE INFORMATION PROVISION OF THE FINANCIAL ANALYSIS AT THE MUNICIPALITIES <i>Denitsa Hristova, PhD Student</i>	103
ARTIFICIAL INTELLIGENCE AND CONTROL <i>Yordanka Slavkova, PhD Student</i>	104
THE CURRENT SITUATION AND PROSPECTS FOR CONTROL AND ANALYSIS ON THE RESOLUTION OF LEGAL REPORTS AND REGULATIONS IN ENVIRONMENTAL LAW <i>Luminita Diaconu, PhD Student</i>	105
CHALLENGES IN TAXATION PROCESS FOR INCOME-T AX FROM CRYPTO ASSETS FOR INDIVIDUALS IN BULGARIA <i>Mariya Dimova-Takeva, PhD Student</i>	106
CRUCIAL OPERATIONAL INDICATORS FOR MANAGERMENTS ANALYSIS IN THE HOTEL INDUSTRY <i>Tatyana Dimitrova, PhD Student</i>	107

**21st CENTURY STATISTICS – THEORETICAL
AND PRACTICAL ISSUES**

STATISTICAL ANALYSIS OF EXPENDITURE ON PROTECTION AND RESTORATION OF THE ENVIRONMENT <i>Assoc. Prof. Krasimira Slaveva, PhD</i>	111
FORECASTING WITH EXPONENTIAL SMOOTHING – THEORETICAL ASPECTS Assoc. Prof. Margarita Shopova, PhD, Head Assist. Prof. Evgeni Ovchinnikov, PhD, Head Assist. Prof. Krista Neykova, PhD.....	112
STATISTICAL ANALYSIS OF STRUCTURAL CHANGES AND DIFFERENCES IN THE VISITS OF FOREIGNERS TO BULGARIA <i>Assoc. Prof. Plamen Petkov, PhD,</i> <i>Plamena Koleva, PhD Student</i>	113
METHODOLOGICAL ASPECTS OF THE STATISTICAL STUDY OF ECONOMIC ACCOUNTS FOR AGRICULTURE <i>Gergana Pavlova, PhD Student</i>	114
STATISTICAL ANALYSIS OF THE COVERAGE OF THE POPULATION WITH HEALTH CARE PERSONNEL <i>Mariya Hadzhihrsteva, PhD Student</i>	115

**CURRENT ISSUES IN FOREIGN LANGUAGE TEACHING, PHYSICAL
EDUCATION AND SPORTS IN THE FACULTIES OF FINANCE
AND ECONOMIC ACCOUNTING**

ENGLISH APPLICATION IN ACCOUNTING EDUCATION <i>Head Assist. Prof. Kalin Kalev, PhD</i>	119
EDUCATION FOR COLLABORATION SKILLS IN A DIGITAL ENVIRONMENT: A REVIEW OF BEAKOUT ROOM EXERCISES <i>Vladislav Lyubenov, PhD Student</i>	120
TEACHING LANGUAGES - BUILDING CULTURAL BRIDGES: A VIEW FROM THE CLASSROOM <i>Stella HÎRBU, PhD Student</i>	121