

SOME ASPECTS OF THE DEVELOPMENT OF AUDIT SERVICES IN THE INTERNATIONAL CONTEXT

Audit services and financial statement auditing are highly relevant both globally and at the national level, particularly in Ukraine and China. In the global economy, auditing plays a crucial role in ensuring the transparency of financial information, which is the foundation of trust for investors, creditors, and regulators. In the modern context of business globalization and integrated financial markets, there is an increasing demand for high-quality audits that enable companies to operate effectively on an international level. The leading accounting firms have demonstrated substantial growth in their revenues over the period from 2020 to 2023. Deloitte, PwC, Ernst & Young, and KPMG have consistently dominated the market, reflecting their strong positions and continuous expansion. The smaller firms, while lacking data for some years, have also shown significant revenues in 2023, underscoring their important roles within the industry [1, 2]. Following financial crises and corporate scandals such as the collapse of Enron and Wirecard, the global community has recognized the need to strengthen audit control to prevent fraud and abuses.

An important factor is the development and implementation of international standards, such as IFRS and ISA, which promote uniformity in financial reporting and auditing requirements. Technological progress also plays a significant role: innovative technologies, including Big Data, artificial intelligence, and process automation, allow for increased efficiency and improved accuracy in auditing procedures.

In Ukraine, the auditing of financial statements serves as an important tool for increasing economic transparency, which is especially relevant in the context of combating corruption and the shadow economy. The gradual implementation of international financial reporting standards and harmonization of audit practices with European requirements are key steps toward integration into global markets. The Law

of Ukraine "On Auditing Financial Statements" of 2018 established mandatory audits for large enterprises, contributing to greater oversight and trust in financial information. However, challenges remain, such as ensuring auditor independence and preventing conflicts of interest in the private sector.

In China, the relevance of audit services is driven by the rapid development of the market economy and the need for quality state oversight of large corporations' financial reporting. The government plays a significant role in regulating audit activities, requiring companies to report to state authorities. At the same time, scandals such as the case of Luckin Coffee in 2020 have highlighted the necessity of improving audit quality to prevent financial fraud. China is also actively investing in the digitalization of audit activities, leveraging innovative technologies to enhance the efficiency and transparency of financial reviews.

Overall, financial statement auditing is an essential tool for ensuring the stability of economic systems, both at the global level and within national economies. In Ukraine, it contributes to transparency and the fight against shadow processes, while in China, it focuses on maintaining state control and the stability of large corporations. Both countries are observing trends toward improving audit standards, strengthening regulatory oversight, and integrating modern technologies into the audit process, addressing the global challenges of today's economy.

References:

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