

The Role of Financial Reporting in the Sustainable Development of Society

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Abstract

Sustainable development is a form of economic growth that takes environmental, social, and economic aspects into account and ensures the well-being of society. The role of financial reporting is extremely important for the sustainable development of society. The timeliness of reporting is directly related to the development of capital markets and increased access to finance.

In a competitive market environment where pricing mechanisms are in place, a business's successful operation largely depends on the level and structure of its management, the effective implementation of management functions and methods, and the transparency and reliability of financial reporting for external stakeholders. Ensuring this requires comprehensive regulation in the fields of accounting and financial auditing.

Excessively strict regulations can create additional barriers for businesses, while excessive liberalization may lead to a decline in professional standards. It is essential to maintain a balance that supports both the protection of professionals' rights and economic growth.

Regulating professions in the context of business globalization is a relevant and multifaceted issue, closely tied to labor market dynamics, technological advancements, and international standards. As economic ties between countries become more intensive, professional regulation plays a crucial role in both protecting employees' rights and ensuring business competitiveness. The paper discusses the challenges that exist in Georgia in this direction.

Keywords

Accounting, Financial institutions, financial reporting, Sustainable development.