



VYTAUTAS MAGNUS
UNIVERSITY
AGRICULTURE
ACADEMY

13-osios tarptautinės mokslinės konferencijos

APSKAITA IR FINANSAI VERSLUI 2022: **DARNUMO LINK**

Programa ir santraukos

2022 m. lapkričio 10-11 d.

13th International Scientific Conference

ACCOUNTING AND FINANCE FOR BUSINESS 2022: **TOWARDS SUSTAINABILITY**

Programme and abstracts

November 10th-11th, 2022

Kaunas, 2022

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Vytauto Didžiojo universiteto Žemės ūkio akademijos Bioekonomikos plėtros fakultetas.

The Conference is organised by:

Faculty of Bioeconomy Development of Vytautas Magnus University Agriculture Academy.

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Erika Besusparienė, Jūratė Savickienė, Anastasija Novikova

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Gerbiami konferencijos dalyviai ir svečiai,

sveikiname Jus, dalyvaujančius 13-ojoje tarptautinėje mokslinėje konferencijoje „Apskaita ir finansai verslui 2022: darnumo link“. Konferencija skirta pristatyti inovatyvias ir į darnumą orientuotas apskaitos ir finansų mokslo tendencijas, pasidalyti naujais požiūriais, kurie svarbūs didinant verslo konkurencingumą ir efektyvumą bei skatinant smulkaus ir vidutinio verslo bei viešojo sektoriaus partnerystę.

Džiaugiamės ir didžiuojamės, kad norą dalyvauti konferencijoje pareiškė Estijos, Latvijos, Lenkijos, Vokietijos, Liuksemburgo, Bulgarijos, Rumunijos, Turkijos ir gausus būrys Lietuvos mokslo ir studijų institucijų mokslininkų. Labai vertiname sustiprėjusią partnerystę su verslo, viešojo sektoriaus ir konsultavimo institucijomis bei tikimės, kad mokslininkų pranešimai padės glaudžiau bendradarbiauti ir gerinti tarpusavio supratimą.

Suinteresuotieji asmenys vis dažniau reikalauja, kad verslas teiktų kokybiškas, skaidrias, patikimas ir palyginamas ataskaitas klimato ir kitais aplinkos, socialiniais ir valdymo (ESG) klausimais. Tad aktualu tęsti diskusijas ir mokslinius tyrimus, atskleidžiančius informaciją apie verslo darnumo principus ir praktikas, kurie savo ruožtu suteikia informacijos apie rizikas ir galimybes, susijusias su verslo darnumu. Investuotojai, ypač socialiai atsakingi, vis labiau vertina nefinansinę įmonių informaciją. Socialiai atsakingos įmonės gali padidinti savo vertę per laukiamus pinigų srautus, riziką ir kapitalo kainą, todėl jos turi teisingai ir laiku signalizuoti rinkai apie vykdomas ESG veiklas.

Linkime Jums sėkmingos mokslinių idėjų sklaidos, konstruktyvių diskusijų ir tolesnės partnerystės plėtojimo.

***Mokslinio ir organizacinio komiteto vardu
prof. dr. Vilija Aleknevičienė
doc. dr. Erika Besusparienė***

Dear participants and guests of the conference,

You are welcome to the 13th international scientific conference “Accounting and Finance for Business 2022: Towards Sustainability”. The conference is designed to discuss research ideas in area of innovative and sustainability-oriented accounting and finance trends, concerns, new approaches as well as practical challenges in order to increase business competitiveness and efficiency as well as to promote partnership of small and medium-sized enterprises and public sector.

We are very happy and proud that the representatives of academic and scientific institutions from Estonia, Latvia, Poland, Germany, Luxembourg, Bulgaria, Romania, Turkey, and large number of participants from various institutions in Lithuania are interested in the conference. We highly appreciate the strengthened partnerships with business, public sector and consulting institutions and hope that the presentations of researchers will serve as accelerator for even greater cooperation and mutual understanding.

Stakeholders are increasingly demanding that business provide high-quality, transparent, reliable and comparable reporting on climate and other environmental, social and governance (ESG) issues. Therefore, today it is relevant to continue discussions and scientific research related to the principles and practices of disclosure of information related to business sustainability, which gives information on business sustainability-related risks and opportunities. Investors, especially socially responsible ones, increasingly value non-financial information of companies. Socially responsible companies can increase value through expected cash flows, risk and cost of capital, therefore, they should correctly and timely signal to the market about their ESG activities.

We wish you a successful dissemination of scientific ideas, constructive discussions and further development of the partnership.

On behalf of Scientific and Organising Committee

Prof. dr. Vilija Aleknevičienė

Assoc. prof. dr. Erika Besusparienė

Konferencijos darbotvarkė

Lapkričio 10 d., ketvirtadienis

8.30–9.00	Dalyvių registracija
9.00–9.10	Konferencijos atidarymas
9.10–11.30	Plenarinė sesija (anglų kalba)
11.30–12.15	Pertrauka
12.15–13.45	Paneliniai pranešimai (anglų kalba)
13.45–14.15	Pertrauka
14.15–15.45	Paneliniai pranešimai (lietuvių kalba)

Lapkričio 11 d., penktadienis

8.30–9.00	Dalyvių registracija
9.00–9.10	Sveikinimo žodis
9.10–11.30	Paneliniai pranešimai ir diskusija (lietuvių kalba)
11.30–12:00	Pertrauka
12.00–14.00	Specialioji sesija (anglų kalba)
14.00–14.30	Pertrauka
14.30–16.15	Paneliniai pranešimai (anglų kalba)

Conference programme

Thursday, 10th November

8.30–9.00	Registration of Participants
9.00–9.10	Opening Ceremony
9.10–11.30	Plenary Session (English)
11.30–12.15	Break
12.15–13.45	Parallel Sessions (English)
13.45–14.15	Break
14.15–15.45	Parallel Sessions (Lithuanian)

Friday, 11th November

8.30–9.00	Registration of Participants
9.00–9.10	Welcome Reception
9.10–11.30	Panel Presentations and discussion (Lithuanian)
11.30–12:00	Break
12.00–14.00	Special Session (English)
14.00–14.30	Break
14.30–16.15	Parallel Sessions (English)

Lapkričio 10 d., ketvirtadienis

Thursday, 10th November





Plenarinė sesija / Plenary Session

Anglų kalba / English

9.10–11.30 (EET)

Pirmininkauja / Chairperson

prof. dr. Vilija Aleknevičienė

9.10–9.45		<p>KAJA TEMPERE Jyväskylä (Finland), Tallinn University and Tartu University (Estonia)</p> <p>Corporate social responsibility developments in post-communist countries: towards organizations social legitimacy</p>
9.45–10.20		<p>ALBU CATALIN NICOLAE Bucharest University of Economic Studies (Romania)</p> <p>A new role for accountants: the case of NFR reporting in former communist countries</p>
10.20–10.55		<p>JULIETTE E. TORABIAN University of Luxembourg (Luxembourg)</p> <p>Ethics and sustainability in business: the role of higher education</p>
10.55–11.30		<p>RONALDAS KUBILIUS UAB <i>PricewaterhouseCoopers</i> (Lithuania)</p> <p>Sustainability reports and standards: changes in legal regulation</p>
11.30–12.15	Break	

Paneliniai pranešimai / Parallel Sessions

I sekcija / Session I

Verslo finansai / Business Finance

Anglų kalba / English

12.15–13.45 (EET)

Pirmininkauja / Chairpersons

assoc. prof. dr. Jurgita Baranauskienė

assoc. prof. dr. Anastasija Novikova

Karlis Ketners (Latvia)

TAXATION OF SOLE PROPRIETORSHIP IN EUROPEAN UNION: CASE STUDY OF POLAND, LITHUANIA, UKRAINE

Jeremiasz Kalus (Poland), Jan Žukovskis (Lithuania), Aleksander Punda (Ukraine)

TAXATION OF INDIVIDUAL ACTIVITY IN EUROPE: CASE STUDY OF POLAND, LITHUANIA, UKRAINE

Lilīta Abele (Latvia)

PAPERLESS BUSINESS MANAGEMENT DOES NOT MEAN ONLY PAPER REDUCTION

Vilija Aleknevičienė, Sandra Stralkutė (Lithuania)

ASSESSMENT OF THE IMPACT OF CORPORATE SOCIAL RESPONSIBILITY ON THE COST OF DEBT OF SCANDINAVIAN PUBLIC COMPANIES

Poster presentations

Jurgita Baranauskienė (Lithuania)

ASSESSMENT OF PUBLIC PRIVATE PARTNERSHIP PROJECTS: A THEORETICAL APPROACH

Algirdas Justinas Staugaitis (Lithuania)

SPECULATION IN GLOBAL COMMODITY MARKETS AND ITS IMPACT ON AGRICULTURAL AND OTHER COMMODITY RETURN VOLATILITY DURING THE COVID-19 OUTBREAK

Jūratė Savickienė (Lithuania)

ASSESSMENT OF FAMILY FARM CHARACTERISTICS AND IDENTIFICATION OF THE TYPE OF SUSTAINABLE ECONOMIC DEVELOPMENT: LITHUANIAN CASE

Valdemaras Makutėnas, Janina Endriukaitienė, Lina Paliulienė (Lithuania)

EUROPEAN UNION INVESTMENT IN THE BALTIC STATES: COMPARATIVE ANALYSIS

II sekcija / Session II

Apskaita ir auditas / Accounting and Auditing
Verslo finansai / Business Finance
Įmonių valdysena / Corporate Governance

Lietuvių kalba / Lithuanian

14.15–15.45 (EET)

Pirmininkauja / Chairpersons

assoc. prof. dr. Dalia Juočiūnienė
lect. Asta Bendoraitytė

Diana Bachtijeva (Lithuania)

POREIKIS ATSISAKYTI TERMINŲ “KŪRYBINĖ APSKAITA” IR “PELNO VALDYMAS” NAUDOJIMO LIETUVIŠKOJE LITERATŪROJE / THE TERMS “CREATIVE ACCOUNTING” AND “EARNINGS MANAGEMENT” SHOULD NOT BE USED IN LITHUANIAN LITERATURE

Dalia Juočiūnienė, Dovilė Sakalauskienė, Danutė Zinkevičienė (Lithuania)
APSKAITOS PASLAUGŲ TEIKIMO VIDAUS SANDORIŲ KAINODAROS POLITIKA / TRANSFER PRICING POLICY FOR INTRA-GROUP ACCOUNTING SERVICES

Aurelija Kustienė (Lithuania)

INOVATYVŪS METODAI, DIDINANTYS VIDAUS AUDITO PRIDĖTINĘ VERTEĮ / INNOVATIVE APPROACHES INCREASING THE ADDED VALUE OF INTERNAL AUDIT

Tomas Kanapickas (Lithuania)

LIETUVOS STATYBOS SEKTORIAUS ĮMONIŲ BANKROTO PROGNOZAVIMO MODELIS / BANKRUPTCY PREDICTION MODEL FOR LITHUANIAN COMPANIES IN THE CONSTRUCTION SECTOR

Irena Klimavičienė (Lithuania)

SOCIALINĖS ATSAKOMYBĖS ATASKAITA: REGLAMENTAS IR PRAKTIKA / SOCIAL RESPONSIBILITY REPORT: REGULATION AND PRACTICE

Sergejus Abakumovas (Lithuania)

SAULĖS ENERGIJOS APSKAITOS IŠŠŪKIAI / ACCOUNTING CHALLENGES OF THE SOLAR POWER

Lapkričio 11 d., penktadienis

Friday, 11th November

Paneliniai pranešimai ir diskusija Panel presentations and discussion

Kokios rizikos kyla prekes importuojančiam ar eksportuojančiam verslui, jei finansų ir apskaitos specialistai neturi reikiamų muitinės žinių?

What are the risks for a business importing or exporting goods if financial and accounting specialists do not have the necessary customs knowledge?

Lietuvių kalba / Lithuanian

9.10–11.30 (EET)

Moderuoja / Moderator

assoc. prof. dr. Erika Besusparienė

9.10–9.35		ENRIKA NAUJOKĖ Customs Practitioners Association (Lithuania) Kas atsako už atitiktį muitinės reikalavimams? arba Kai atsako visi – neatsako niekas! / Who is responsible for compliance with customs requirements? or When everyone is responsible – no one is responsible!
9.35–10.00		INGRIDA KEMEŽIENĖ Law firm <i>Ellex Valiūnas ir partneriai</i> (Lithuania) Prekių metamorfozės – tarifinis klasifikavimas / Metamorphoses of goods – tariff classification
10.00–10.25		MONIKA BIELSKIENĖ UAB <i>PricewaterhouseCoopers</i> (Lithuania) Susiję asmenys – rizikos muitinėje / Related parties – risks at customs

Pranešėjų diskusija***Pagrindiniai diskusijų klausimai:***

- Ar atsakomybė įvertinant atitiktį muitinės reikalavimams dėl prekių tarifinio klasifikavimo, prekių kilmės ir prekių muitinės vertės nustatymo yra finansų ir apskaitos specialisto sritis?
- Kokias problemas kelia pridėtinės vertės mokesčio reglamentavimas finansų ir apskaitos specialistams, dirbantiems prekes importuojančiame ir eksportuojančiame versle?
- Kokios žinios ir gebėjimai reikalingi finansų ir apskaitos specialistui, dirbančiam prekes importuojančiame ir eksportuojančiame versle, palyginti su dirbančiu versle, veikiančiame vietinėje rinkoje?
- Kokios galimybės finansų ir apskaitos specialistui su muitinės sritimi susijusias žinias įgyti aukštojo mokslo ir studijų institucijose?

Panel Discussion***Key issues for discussion:***

- Is the responsibility for assessing compliance with customs requirements regarding the tariff classification of goods, the origin of goods and the determination of the customs value of goods the area of finance and accounting specialists?
- What problems does the regulation of value added tax pose to finance and accounting specialists working in the business that imports and exports goods?
- What knowledge and skills are needed for a finance and accounting specialists working in a business importing and exporting goods in comparison to working in a business operating in the local market?
- What are the opportunities for a finance and accounting specialists to acquire customs-related knowledge in higher education and study institutions?

Moderator **assoc. prof. dr. Erika BESUSPARIENĖ**, Member of the Accounting and Finance Bachelor's Degree Program Committee, VMU Agriculture Academy Faculty of Bioeconomy Development

Panel members:

Danutė ZINKEVIČIENĖ, Chair of the Accounting and Finance Bachelor's Degree Program Committee, VMU Agriculture Academy Faculty of Bioeconomy Development

	<p>Enrika NAUJOKĖ, director of Customs Practitioners Association, redactor of journal “Customs Law for Practitioners”, member of International Federation of Customs brokers, Subcommittee of the Customs Advisory Committee and other organization.</p> <p>Filip BORCOV, director of UAB “B1.lt” (Cloud accounting software B1)</p> <p>Ingrida KEMEŽIENĖ, expert in tax audit and litigation of Law firm “Ellex Valiūnas ir partneriai”</p> <p>Monika BIELSKIENĖ, Lawyer, project manager, expert in VAT and Customs of UAB “PricewaterhouseCoopers”</p> <p>Renata DIRMEIKIENĖ, director of UAB “Docinta” (accounting and finance services)</p>
11.30–12.00	Break

Specialioji sekcija / Special Session

Skaitmeninė mokymosi platforma Z kartai: atvira prieiga prie TFAS /
A Digital Learning Platform for Generation Z: Passport to IFRS

Anglų kalba / English

12.00–14.00 (EET)

Moderuoja / Moderator

Prof. Dr. Aylin Poroy Arsoy
(Bursa Uludag University, Turkey)

12.00–12.20	Assoc. prof. dr. Emre Selçuk Sarı, Istanbul University (Turkey) Presentation of PASSFR project
12.20–12.40	Assoc. prof. dr. Elif Yücel, Bursa Uludag University (Turkey) Presentation of PASSFR training methodology
12.40–13.00	Assoc. prof. dr. Erika Besuspariene, Vytautas Magnus University (Lithuania) Presentation of PASSFR peer learning experience
13.00–14.00	Q&A / Discussion: The main objective of PASSFR is to build digital education readiness for IFRS® education in HEIs by taking into account the unique characteristics of Generation Z students. PASSFR is built on three important pillars: <ul style="list-style-type: none"> • PASSFR will construct a flexible but constructing structured digital learning platform. This kind of digital training will be attractive for GenZ students. • PASSFR offers adopting a principle-based approach in IFRS® education. • PASSFR includes a multicultural peer learning exercise. After receiving tutorials from the PASSFR Digital Platform, Gen Z students of PASSFR HEIs will benefit from the Erasmus+ multicultural perspective and learn IFRS® with their peers and enjoy the ability to get different perspectives.
14.00–14.30	Break



PASSFR.EU
A Digital Learning Platform for Generation Z:
Passport to IFRS®



Co-funded by the
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of the European Union

III sekcija / Session III

Apskaita ir auditas / Accounting and Auditing

Įmonių valdysena / Corporate Governance

Anglų kalba / English

14.30–16.15

Pirmininkauja / Chairpersons

PhD student Kristina Gesevičienė

PhD student Silva Katutytė

Kristina Rudžionienė, Aistė Tamonytė (Lithuania)
IMPACT OF CHANGES IN INTERNATIONAL FINANCIAL REPORTING
STANDARDS ON COMPANY'S FINANCIAL RATIOS

Nadya Velinova-Sokolova (Bulgaria)
THE DIGITALIZATION IN ACCOUNTING EDUCATION IN THE UNIVERSITIES –
CHALLENGES AND PROBLEMS

Tuba Bora Kılınçarslan (Turkey)
DISCLOSURES IN THE BANKING SECTOR OF TURKEY IN LINE WITH THE TASK
FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES RECOMMENDATIONS

Vilija Aleknevičienė, Asta Bendoraitytė (Lithuania)
CONCEPTUAL FRAMEWORK OF THE ROLE OF GREEN FINANCE IN GREENING
THE ECONOMY

Erika Besusparienė, Vlada Vitunskienė (Lithuania)
DISCLOSURE OF SUSTAINABILITY OF THE AGRICULTURE PRODUCTION USING
ACCOUNTING METRICS

Ibrahim Mert (Turkey)
THE ROLES OF SUSTAINABLE ACCOUNTING PRACTICES IN THE SUSTAINABLE
DEVELOPMENTS OF FINANCIAL RATIOS OF COMPANIES

Poster presentations

Astrida Miceikienė, Ieva Misevičiūtė (Lithuania)
OPPORTUNITIES AND LIMITATIONS OF THE APPLICATION OF
ENVIRONMENTAL TAXES IN AGRICULTURE

Veronika Heichl, Simon Hirsch (Germany)
SUSTAINABLE FINGERPRINT – DETECTING HOW COMPANIES REPORT ABOUT
THEIR SUSTAINABILITY

Katrin Lemsalu, Elina Maran (Estonia)
AGRICULTURAL LAND VALUE IN THE BALANCE SHEET AND
THE IMPORTANCE OF ITS SIZE FOR STAKEHOLDERS

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Karlis Ketners*

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The Latvian government decided to improve its budgeting processes to comply with international public finance management standards. The research aims to analyse international practice on enhancing public sector budgeting and develop recommendations to improve budget planning and execution in Latvia, strengthening legal, institutional and reporting aspects of the budget process. To achieve the research goal, comparative analysis and theoretical research methods and the case study approach, scientific literature review, analysis and synthesis, induction and deduction methods were employed to execute the research.

The institutional and legislative framework for Latvia's budget and public financial management is of a sound standard, as would be expected of an OECD member country. However, the role of the Cabinet in making all decisions on priority activities suggest that budget formulation is still focused primarily on the annual budget. The performance information framework is excessively complex and detailed and is little used in budget negotiations. The budget preparation process is dominated by political influences and leaves little room for the MoF to undertake robust technical analysis and exercise a more than marginal influence on budget allocations, thus the spending review process also could be further developed.

Strengthening the budget planning through the medium-term budget decisions based on drawing on other European countries' good practices and experience is proposed. Also, a new centralised financial Management Information System (CFMIS), based on an ERP approach, would cover financial accounting and reporting is to be developed to improve accountability and transparency. Based on the new CFMIS decrease in the level of details of the budget law is proposed. Strengthening the financial flexibility of the line ministries is proposed to ensure the achievement of the objectives necessary for the development of the sector.

Keywords: organic budget law, budget reform, performance budgeting.

JEL classifications: H110; H610.

TAXATION OF SOLE PROPRIETORSHIP IN EUROPEAN UNION:
CASE STUDY OF POLAND, LITHUANIA, UKRAINE

Jeremiasz Kalus^{1*}, Jan Žukovskis², Aleksander Punda³,

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The aim of the study is to determine in which of the compared countries the conditions of sole proprietorship are most favorable and what are the reasons for this phenomenon, mainly from the point of view of economic and taxation realities. The purpose of this study is to analyze the tax solutions adopted in some European countries in order to determine the most favorable jurisdiction for running a sole proprietorship under the indicated assumptions. The authors decided to analyze sole proprietorship only, as it is the most common form of business activity and, at the same time, the most accessible for business people. On the other hand, sole proprietorship is a flexible form of business. It can combine various taxation options with an employment contract (or other contracts). The choice of countries was dictated by the authors' experience and the similarity of economic and legal conditions found in these jurisdictions. The article has the character of a comprehensive analysis, both in theoretical and practical terms, which will undoubtedly determine its readability and usefulness. The article will use comparative and comparative law approach in relation to the legislations of the analyzed jurisdictions. Preliminary research indicates that the most favorable conditions for sole proprietorship are found in Lithuania, however, in order to draw comprehensive conclusions it is also necessary to refer to other aspects that may deviate from the assumptions made.

Keywords: comprising, European union, individual activity, taxes.

JEL classifications: H21, H25, H71.

Lilita Abele

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Reducing the use of paper is first and foremost an important factor in environmental sustainability. Digital transformation is also one of the tools that support the circular economy, improving business efficiency and reducing costs in the following ways: by reducing errors and processing times, and by increasing security and confidentiality.

Digital transformation is a complex process consisting of many aspects, and the transition from paper to paperless is only one of them. In addition to document digitization, digital transformation also includes digital files, document management systems, artificial intelligence, and more. By converting documents into a digital format, companies can eliminate or reduce the need for paper while ensuring sustainable development in which the circular economy plays a central role. It not only ensures the long-term preservation of resources in the economy but also ensures the reduction of raw material consumption and is a support tool in digital transformation.

The aim of the study is to find out the readiness of Liepāja state municipality companies to switch to a paperless municipality. As part of the research, various companies in Liepāja municipality were surveyed. The study highlights opportunities, weaknesses and recommendations for future work.

Enterprises of the Liepāja municipality must take the initiative to train employees, inform, and improve knowledge about paperless management, its advantages in ensuring sustainable development both in the short and long term, and demonstrate examples of good practice, as well as take into account the risk of the digital environment exclusion by providing open access points and support staff.

Keywords: digital transformation, sustainability, circular economy, Liepāja.

JEL classifications: H79.

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Scandinavia is recognised as a global leader in corporate social responsibility (CSR) and sustainability. Morsing and Strand (2013) pointed out that there exists an important research agenda to be further explored: what is Scandinavia doing about CSR and what is CSR doing for Scandinavia? There are many findings around the world on the relationship between CSR and various financial indicators. However, the impact of CSR on the cost of debt capital in Scandinavian public companies is still underexplored.

Regression analysis, Fisher, VIF, and Bonferroni tests were applied in the research. Social responsibility scores, cost of debt, and control variables were taken from the Bloomberg database. The data were processed with *R programming* language.

The empirical findings revealed that the average ESG disclosure score of Scandinavian public companies is 43.0, Environment Pillar Score, Social Pillar Score, and Governance Pillar Score – 34.3, 34.5, and 58.1 accordingly (range is 0-100). Moreover, all these CSR scores were increasing over time with the exception of the Social Pillar Score which dropped significantly in 2020 when the COVID-19 pandemic started. The average cost of debt in the companies with CSR disclosure is approximately twice as low (4.69%) as in the companies without CSR disclosure (9.11%). In addition, the standard deviation of the cost of debt is significantly higher in companies without CSR disclosure. We found that ESG disclosure and all its pillar scores have a statistically significant impact on the cost of debt of Scandinavian public companies. The research results do not change with the time lag, i.e., the variables are not lagged, lagged one year or two years.

The research revealed that socially responsible companies are more transparent, disclose more information, and reduce asymmetry which makes them more favorable to creditors. In addition, they also transfer part of their CSR obligations to creditors.

Keywords: corporate social responsibility, cost of debt, ESG disclosure, ESG disclosure pillars.

JEL classifications: G3, M14, Q50, Q56.

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Public Private Partnerships (PPP) in projects are increasingly gaining acceptance as an alternative to the traditional approaches of project funding based on public sources. Every investor seeks to identify the financial, economic, social, environmental results of investment project before investment starts. Public and private investors could have different expectations from the investment projects. The scientific problem is how to assess PPP projects and combine the public and private interest in assessment methodology?

The need to provide high-performance interaction of PPP determines the importance of clarifying methodological approaches to the economic feasibility of projects implemented based on public private partnership by considering possible risks and benefits and methods of its assessment and management.

The main goal of this scientific research is to reveal the differences and peculiarities of public, private and public – private partnership investment projects that influence these projects assessment and present the PPP projects assessment indicators and methods.

Methods of information comparison, scheme-descriptive representation, generalization, and generation of conclusions have been used to identify the public and private interest and combine them in PPP projects assessment.

The research findings allowed us to highlight the uniqueness of PPP projects and select the PPP projects assessment indicators and methods according to different expectations of investors,

Keywords: public-private partnership, projects, investment assessment.

JEL classifications: G31, H43.

SPECULATION IN GLOBAL COMMODITY MARKETS AND ITS IMPACT ON AGRICULTURAL AND OTHER COMMODITY RETURN VOLATILITY DURING THE COVID-19 OUTBREAK

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Because of the severe health crisis brought on by COVID-19, political unrest, and sanctions, the world's agriculture and other commodity markets are highly unstable and associated with price shocks and increased return volatility. Along with the pandemic-induced uncertainty, these markets are becoming more vulnerable to the steadily growing speculation on major commodity exchanges.

The aim of this study is to investigate the relationships between financial speculation and commodity return volatility before and after the economic outbreak caused by COVID-19.

This study focuses on four agricultural commodities: wheat, corn, soybeans, and oats traded on the Chicago Mercantile Exchange but also uses two commodities traded on the New York Mercantile Exchange: crude oil and gold. The study employs typical methods for time series analysis and the generalized autoregressive heteroscedasticity (GARCH) approach to model return volatility. To measure speculation, several indicators are employed: the ratio of futures contract trade volume to open interest to measure short-run speculation; and to measure long-run speculation, the ratio of non-commercial positions to commercial positions.

Several key findings emerge. First, when analyzing the post-2020 period, the destabilizing effects of speculation can only be observed in the crude oil market. Second, long-run speculation is found to reduce volatility while short-run speculation increases it. Finally, among agricultural markets, the effects of speculation are mostly present in the corn market, but they diminish during the post-2020 timeframe.

This has important practical implications. As commodity markets provide tools to hedge against price risks for agricultural and other commodity producers, active measures to limit speculation should be taken cautiously to ensure these markets remain sufficiently liquid.

Keywords: commodity returns, speculation, GARCH.

JEL classifications: C58, G13, Q02.

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Assessment of family farm characteristics and identification of the type of sustainable economic development is relevant as it enables the identification of the typological parameters that prevail in the farm groups. It can contribute to appropriate decision-making processes in relation to governance in order to support sustainable farming.

The aim behind the assessment of family farm characteristics and identification of the type of sustainable economic development is to empirically identify the family farms in Lithuania by the type of sustainable economic development. The types were developed on the basis of the k-means clustering method. The method of descriptive statistics was used to calculate the variables used for establishment of the limits for subsequent determination of the type of family farm. Family farm accounting data for Lithuania were used in the study.

The novelty of the study lies in the classification of the nine types of farms by three levels of sustainable economic development and economic efficiency of a farm (FSED-FEE): level 1 – same FSED-FEE level; level 2 – maximum difference between the FSED-FEE levels; and level 3 – minimal difference between the FSED-FEE levels. They were developed on the basis of the k-means clustering method.

The comparative analysis of the three typological groups was conducted with the view towards the identification of the differences between the farm indicators at different level of development – low, medium, or high – of the farms. It also was aimed at identifying the attributes that prevailed at different farm development levels.

The conducted empirical study has enabled the identification of the level of sustainability of the farms, comparison of the family farms to each other, and identification of the determinants and reasons thereof. The findings of the study may contribute to improvement of the common agricultural policy as well as the measures for promotion of sustainable development of agriculture.

Keywords: family farms, sustainable economic development, farm economic efficiency.

JEL classifications: Q12, Q14.

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The applied research analyses determinants of foreign investment based on EU Cohesion Policy instruments. The research problem outlines the determinants of attracting EU investment in the Baltic states. The aim of this research is to compare EU investment in the Baltic states. SPSS software has been used for statistical surveys.

The model of multiple regression has been developed for identifying the influence of investment environment factors on EU investment in the Baltic states. This methodology may be applied in the countries that seek to attract EU investment.

The research has found that the market size, average salary and tax burden have a major influence on EU investment.

Results of multiple linear regression models, assessing selected macroeconomic determinants that make impact on attracting EU investment, differ. In Lithuania, EU investment is determined by market size and tax burden: inverse dependency has been identified between population and EU investment; direct dependency has been identified between tax burden and EU investment. In Latvia EU investment is determined by market size and average annual salary: if the market increased, EU investment would decrease; if the average monthly salary increased, EU investment would also increase. In Estonia EU investment is determined by all three selected macroeconomic determinants (market size, average annual salary, tax burden): there is a direct dependency between the first two variables and EU investment, whereas inverse dependency exists between tax burden and EU investment.

Keywords: the Cohesion Fund, foreign investment, macroeconomic determinants, investment environment.

JEL classifications: E22, F21.

THE TERMS "CREATIVE ACCOUNTING" AND "EARNINGS MANAGEMENT"
SHOULD NOT BE USED IN LITHUANIAN LITERATURE

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Creative accounting or earnings management is the practice of choosing accounting methods, techniques and other accounting and management judgements, in accordance with accounting standards, to present the desired financial condition and performance of an enterprise in its financial statements (a *phenomenon*). The terms “creative accounting” and “earnings management” used in the Lithuanian academic and professional accounting literature are often linguistically interpreted. They are often associated with creativity and accounting improvement, which is the opposite of the meaning of the *phenomenon*. This introduces a lot of confusion, ambiguity and misleading.

The aim of the study is to assess the impact of the terms used on the perception of the *phenomenon* and to select a new Lithuanian term that best reflects it. The study was based on expert evaluation, content analysis, data clustering, statistical characteristic calculation and other methods.

The survey found that the experts perceive the *phenomenon* as having a negative impact on the company's accounting and accounting results. The term “creative accounting” is associated by experts with the ability to apply creativity to the accounting of a company. The term “earnings management” is associated with the ability to manage a company's assets and resources efficiently, but to choose management solutions that lead to higher profits. Experts believe that the most appropriate Lithuanian term to describe this *phenomenon* is “manipulative accounting”.

The results of the study show that a negative *phenomenon* is named with a positive connotation. It is suggested that the terms “creative accounting” and “earnings management” should be dropped from the Lithuanian literature in the future and that the term “manipulative accounting” should be used instead.

Keywords: creative accounting, earnings management, manipulative accounting.

JEL classifications: M 49.

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The various activities carried out to provide the services play an important role in the transfer pricing of intra-group services. The level of accuracy and reasonableness of the transfer pricing of services will depend on the correctness of the costs allocated to these activities. One of the most important criteria for allocating costs is time as significant amount of the resources consumed in the provision of accounting services are human resources, for which the demand is influenced by the time required to perform the activities. This study aims to develop a transfer pricing model for the provision of accounting services within companies, which considers the variation in workflows and the changes in the time required to perform accounting procedures.

The study was carried out using the methods of analysis, systematization, comparison and generalization of scientific literature and legal acts, as well as the methods of analysis of the company's activity processes, data collection, calculation, comparison, assessment of the time required to perform the provided intra-group accounting services, and data summarization and interview methods.

The study found that the implementation of the transfer pricing model based on the TD ABC cost accounting system in an accounting services company makes the price of the services provided more reasonable based on the estimated volumes of work carried out; creates more transparency and objectivity in determination of pricing for different service recipients; and improves the efficiency of the management of the resources by determining their actual use. All of this reduces the risk of losses.

Applying the TD ABC cost accounting-based transfer pricing model to the selected company and linking the price of services to the volume of activities performed not only improves the company's financial performance, but also the efficiency and reasonableness of transfer pricing decisions.

This study complements previous studies on transfer pricing.

Keywords: TD ABC cost accounting system, transfer pricing policy, intra-group accounting services.

JEL classifications: M41.

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The global Covid-19 pandemic triggered events that disrupted many processes and created many new risks. For internal audit to be effective in a changing environment in adding value to the organisation, new approaches need to be introduced.

The aim of the study is to identify new approaches that can add value to internal audit for the organisation.

The research methods used were analysis and systematisation of scientific and regulatory literature, analysis of the practical experience of the world's leading audit firms, logical analysis, and generalisation.

The analysis of the practical experience of the world's leading audit firms and the opinions of academics highlighted new trends in internal audit: continuous risk assessment, individual analytical assessments, soft controls and corporate culture, and a holistic approach to third party risk management. The introduction of new approaches such as artificial intelligence, diagnostic tools, robotic processes, and a flexible internal audit approach were also revealed.

Following a logical analysis of the results of the study, it is proposed to organise practical insights on new trends and innovative approaches in the field of internal audit by identifying three main components: methodology, governance and enabling technologies. Methodology includes continuous monitoring, impact reporting, flexible audit approach, dynamic risk assessment; governance includes strategic vision for internal audit, organisational structure, human resource management, harmonised assurance; enabling technologies include artificial intelligence, machine learning, automation, progress analysis. The integrated application of these components would increase the added value of internal audit.

Finally, it can be concluded that internal audit needs to adopt innovative approaches, because only then can it be effective in a changing environment and provide the added value to the organisation that stakeholders expect from internal audit.

Keywords: internal audit, added value, risk.

JEL classifications: M42.

BANKRUPTCY PREDICTION MODEL FOR LITHUANIAN COMPANIES IN THE CONSTRUCTION SECTOR

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Assessing the probability of bankruptcy is an important financial management tool. To identify the deterioration in the financial situation of companies, bankruptcy prediction should be carried out regularly by company managers. In addition, other business stakeholders also assess the company's financial position, going concern, and prospects.

Both generic and sector-specific bankruptcy prediction models are being developed. Companies in the construction sector are more vulnerable to insolvency due to the uniqueness of projects and long project lead times, and the rapid changes in the structure of the construction industry, which makes it important for such firms to predict business failures. Therefore, such companies need to predict business failures.

Therefore, *the research aims* to develop a bankruptcy prediction model for micro and small enterprises in the Lithuanian construction sector.

The study uses the following methods – literature analysis, modelling, statistical analysis, evaluation of corporate data, and logistic regression as the basis of a bankruptcy prediction model.

The result of the research is an original bankruptcy prediction model for micro and small enterprises in the Lithuanian construction sector, *which* uses not only financial data but also macroeconomic and business sector data.

Varied model variants have been created using (1) only financial ratios and (2) (i) financial ratios, and (ii) macroeconomic and business sector variables. Moreover, the inclusion of macroeconomic and business sector variables in the model does not substantially improve the characteristics of the model. This means that the models that use only financial ratios can be used in practice, and the models that include macroeconomic and business sector variables can also be used.

The uniqueness of the study is that for the first time, the bankruptcy prediction model is developed using a large sample of companies, i.e., data of about 600 micro and small enterprises in the Lithuanian construction sector are analysed.

Keywords: bankruptcy, bankruptcy prediction models, logistic regression.

JEL classifications: G33.

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An aim of research – to examine the documents, regulating social responsibility (SR) reporting in Lithuania and EU and provide an information on practical study of the social reports of higher educational institutions (HEI's).

The methods used: analysis of legal documents and scientific publications, the research of SR reports by implementing qualitative methods (content analysis in accordance to the ten principles of the UN Global Compact) and quantitative methods (grouping of information, content's scope and structure analysis, data generalization in an MS Excel spreadsheet).

Accounting and reporting regulations in Lithuania have changed since 05/01/2022. The new Law of Corporate Accountability (23² article) provides the information of SR report: environmental protection, social and personnel issues, ensuring human rights, fighting against corruption and bribery. The recommendations linked corporate SR to the modern economy and the newest EU documents (Regulation (EU) 2020/852). However, there is a lack of research in Lithuanian organizations and a lack of uniform methodology in social reporting. This is confirmed by practical study of the SR reports of three Lithuanian Universities of Applied Sciences (UAS) (Kaunas, Panevėžys, Vilnius), the members of the UN network. Reporting differences identified in titles, scope, logic, and form of information presentation and for that it is complicated to compare the information disclosure of different organizations. But despite the differences, the SR reports show strategic positions of the organizations and describe their practical activities and achievements in implementing sustainable development goals and principles in UAS's.

Practical implications: identification of the current situation of social reporting in Lithuanian state UAS; the results can be used for comparing sustainable development practices among different HEI's, and also for further improving of SR reporting.

Keywords: higher education, social responsibility, accountability.

JEL classifications: I23, M14, M41.

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Current geopolitical situation, the strategic of government and business direction towards to sustainable organization of daily operations bring a lot of turbulence in the area of renewable energy resources. Such processes created a lot of possibilities for new solutions and improvement of the efficiency of already implemented ones. As key category in the field of renewable energy resources are solar power plants. Daily energy demands are increasing gradually, therefore, solar power system becomes more important in the period in global energy crisis.

The businesses have wide selection of different options how to implement solar power in their business components. Accounting and taxation of these high value investments is becoming crucial in order to estimate and forecast the impact on the financial situation, cash flow and performance results of each organisation. The applied research is based on a practical case analysis. The practical case analysis were based on practical situations of the businesses in the construction, valuation and accounting of solar power plants. The main findings showed main accounting and tax aspect of solar power plants set-up from both contractor and client side. The main advantages and disadvantages for the business to expand the construction of solar power plants have been identified, as well as the main accounting and tax challenges related to this.

Keywords: accounting, solar power, renewable energy.

JEL classifications: M4, O13, P48, Q4, Q56.

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Over the past few years, the International Accounting Standards Board (IASB) has introduced several amendments to the International Financial Reporting Standards (IFRS) to make financial statements simpler and more comparable. Some of the key changes to IFRSs were the latest standards introduced by the IASB: IFRS 15 “Revenue from Contracts with Customers”, effective for annual periods beginning on 1 January 2018, and IFRS 16 “Leases”, effective for annual periods beginning on 1 January 2019.

The new amendments to IFRS have impact on the financial statements and performance of entities that use these standards. The aim of this study was to evaluate the impact of the changes of IFRS on financial ratios of Lithuanian companies. Since there is already a study about IFRS 15 impact on Lithuanian companies by Vaicekauskas (2020) this study focuses more on the impact of IFRS 16.

IFRS 16 affects the amounts of assets and liabilities of entities that use operating lease. To evaluate the impact on the financial ratios of Lithuanian companies, the study investigated financial ratios from the financial statements of 35 Lithuanian companies before and after adopting IFRS 16.

The results of the study show that after the adoption of IFRS 16 “Leases”, the liabilities of Lithuanian companies increased relatively more than their assets, and the largest changes were seen in retail and telecommunication companies. It can also be said that indicators such as debt ratios, leverage have increased, and the equity ratio, liquidity ratio have decreased. These changes in ratios better reflect the financial position of companies, as increased debt ratios indicate higher risk.

The analysis of IFRS and their impact on the financial performance of companies is based on a systematic analysis and synthesis of scientific literature sources and other information. The data were collected using the method of content analysis of financial statements, and statistical calculations were used for the empirical research: data analysis and interpretation using basic statistical indicators and methods (Wilcoxon Signed Rank test).

Keywords: International Financial Reporting Standards, IFRS changes, impact, financial ratios, Lithuania.

JEL classifications: M41.

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Digitalization of the global economic processes has had a great impact on the digitalization of higher education. However, globalization of business, stronger regulations and numerous technological solutions and innovations are not bypassing the accounting education either. Digitalization in the field of accounting has generated a series of changes both in the educational process and in terms of practical activity. An important point that creates competitive advantages for universities is the integration of science and education. Challenges for the accounting education are reflected in the need for rapid adaptation and transformation of training practice and education processes without abandoning away from basic accounting rules and principles. Accounting education should consider the competencies required in the digital era that must be included in the curriculum. Significant opportunities and challenges emerge from digital disruption and rapid technological development.

The aim of this paper is to analyse and systematize the key challenges that digitalization brings for the accounting education in higher education.

Research is based on the review of relevant and available professional and academic literature. The methodology used is based on general scientific methods of scientific knowledge – analysis, synthesis, induction and deduction.

According to the author, technological changes are having an increasingly a large impact on industry development in the digital era. The main findings of the study indicate that only 20% of teachers currently use innovative teaching methods by applying the digitalization process. In this regard, it is necessary to develop a strategic plan with concrete measures for the introduction of innovative and interactive techniques in the teaching of accounting. In accounting education, various simulation models and workshops should be included, and not only multimedia should be used.

Keywords: digitalization, new teaching methods, accounting education, higher education, universities.

JEL classifications: A2, I2, M2.

DISCLOSURES IN THE BANKING SECTOR OF TURKEY IN LINE WITH THE TASK
FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES
RECOMMENDATIONS

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In recent years extreme weather events, flood disasters, forest fires, drought, changes in seasons all over the world reveal the effects of climate change in a striking way. Companies which are sensitive to climate change present their environmental impacts to users with various international reporting standards (Integrated Reporting Framework (IR), Global Reporting Initiative (GRI), Carbon Disclosure Project (CDP) etc.). One of these reporting is the Task Force on Climate-Related Financial Disclosures (TCFD), which was established by the G20 Financial Stability Board (FSB) in 2015 and released its final recommendations in 2017. TCFD provides a global framework for organizations to report how they manage climate-related risks and opportunities and how to integrate them into their financial reporting processes. TCFD recommendations include 11 recommended disclosures in four groups: governance, strategy, risk management, metrics and targets. The aim of this study is to determine whether publicly traded banks operating in Turkey reporting in line with TCFD recommendations and examine the disclosures of reporting banks. Content analysis was used as a research method in this study. Content analysis is a qualitative analysis method used to determine the presence of certain words, themes or concepts in a text. Using this method, integrated reports for the year 2021 of twelve publicly traded banks were examined. As a result of the research, it has been seen that five publicly traded banks operating in Turkey are TCFD supporters and report accordingly. In addition, it is among the important disclosures made by these banks that they continue to work to reduce emissions from their credit portfolio, they do not finance new coal-fired thermal power plants and new coal mining projects as a credit policy and some of the energy used throughout the bank is met from renewable energies. As can be seen, awareness of the devastating effects of climate change has been in the banking sector of Turkey, and it is expected that more banks will systematically report their climate-related disclosures in the next periods, and they will be supporters of TCFD.

Keywords: Climate-related financial disclosures, TCFD, Turkey.

JEL classifications: Q54, Q56, G21.

CONCEPTUAL FRAMEWORK OF THE ROLE OF GREEN FINANCE IN GREENING THE ECONOMY

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This research is dedicated to highlighting the role of green finance in the environmental protection and development of the financial sector. The novelty of the research lies in the developed conceptual framework of the role of green finance in greening the economy. The conceptual framework covers three main elements of the green economy: the real green economy, green finance, and providers of green finance – the green financial sector and public funds.

Conceptual framework is developed by applying the methods of content analysis and synthesis, comparison and logical modelling, model as a research design proposed by Jaakkola (2020), system test proposed by Arnold and Wade (2015) and the main features of the conceptual framework presented by Jabareen (2009).

The green real economy covers green investment and public policies on greening the economies. The green financial sector and public funds provide financing for the implementation of green investments and the support of public policies. Green finance stands between these two systems. It covers financial tools and instruments that are (i) necessary to finance the green real economy; (ii) supplied by the green financial sector and governments. Matching supply and demand for financing is important for assurance of greening the economy and reaching the main goals related to environmental protection. The conceptual framework not only presents the role of green finance in greening the economy but also reveals the interconnections between the pool of different concepts.

In order to achieve environmental protection goals and to reach the target effectiveness of green investments, we have to overcome a lot of challenges, such as the “greenwashing” phenomenon; pricing, forecasting, and modelling of financial instruments and tools; choosing the best (most efficient or effective) financial instrument or tool; making green finance more attractive for investors; changing the behaviour of investors towards more environmentally friendly, etc.

Keywords: green finance, green economy, environmental protection, green financial sector, green public funds.

JEL classifications: Q50, Q56

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Previous studies into the sustainability assessment of agriculture business suggests different accounting metrics. The accounting metrics differs of the sustainability disclosure purposes. In the large agricultural entities, the main principles of sustainability disclosure towards the interests of investors. The high-quality information of sustainability is necessary for financial decision making. In the case of micro and small agricultural entities, the sustainability information is necessary not only for financial decisions, but also to ensure interests of rural communities and society. New aspects of sustainability disclosure are related with the goals of the European Green Deal. This study was carried out according to a project of the Ministry of Agriculture of Lithuania, where the task is to determine the criteria of sustainability of the agriculture production at the entity level, and to prepare an evaluation and control system.

Here is still not clear what accounting metrics is suitable for agriculture entities, as previous studies suggest contradictory accounting metrics. The aim of this study is suggesting the accounting metrics for sustainability disclosure of the agriculture production, which also let to measure the level of sustainability. To address this, the scientific literature and good practices were analysed.

The authors find large variation of accounting metrics for sustainability disclosure of the agriculture production. After the examining the details of accounting metrics, the authors suggested the accounting metrics for sustainability disclosure including environment, economic, social and management dimension. In each dimension were suggested three types of accounting metrics for sustainability disclosures – basic, additional, and recommended accounting metrics.

Keywords: accounting, accounting metrics, agriculture, sustainability, sustainability disclosure.

JEL classifications: M41, Q1, Q14, Q56.

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The purpose of this study is to document the roles of accounting applications in the sustainable development of financial ratios of companies. Furthermore, its structured literature review, it aims to observe subject matter development since the 90s, in the current period, and in the near future.

The paper has employed a structured literature review with its components of literature review protocol by defining the motivation of the study and research questions by stressing the critical points to direct the study's efficiency analysis. The first research question is employed to evaluate the development of the subject matter since the 90s. The second research question involved in determining the variations of variables that were effective in pushing up or down the development of the subject matter. Finally, the third research question is targeted to extract the future variations and variables and to draw a picture of a near future. The following research questions addressed:

RQ1: How is the development of subject matter been since the 90s?

RQ2: Which variations were observed, and which variables were influential in the development of subject matter since the 90s?

RQ3: Which variations can be expected in the near future, and which variables will be effective in developing subject matter in the near future?

The study reveals that since the 90s, the roles of sustainable accounting practices in the development of financial ratios of companies have had considerable outcomes. It is also observed that expected severe competition among companies forces the management to continue the development of sustainability in accounting practices.

Based on the reviews and findings, it is concluded that sustainable accounting has developed considerably in the last 30 years, and it has a significant role in the sustainable development of companies, as shown in the close past period, today. It will keep its role in the near future.

Keywords: Sustainable accounting, sustainable development, sustainable financial ratios.

JEL classifications: M40, M41.

OPPORTUNITIES AND LIMITATIONS OF THE APPLICATION OF ENVIRONMENTAL TAXES IN AGRICULTURE

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The research problem is based on the increasing global environmental pollution, the reduction of the natural potential of countries, and the importance of exploration of effective measures for the solution of these issues. Scientists identify environmental taxes as one of the most effective means to solve this problem. Agriculture is one of the economic activities that may be influenced by environmental taxes. The literature analysis has suggested that the researchers have different approaches toward the functions of environmental taxes and their opportunities to contribute to solving environmental problems. The research aim is to theoretically substantiate the weaknesses, strengths, opportunities, and limitations of the application of environmental taxes in agriculture. Based on the analysis conducted, the present research identifies the environmental tax practices by identifying the weaknesses, strengths, opportunities, and limitations of the application.

The following theoretical methods were used in order to substantiate the problem's relevance: scientific literature analysis, comparative analysis, systemic analysis, generalization analysis, and other common research methods. The research described herein was conducted by Lithuanian and foreign researchers and published in peer-reviewed and international databases, such as WOS, and Scopus, which were analysed.

The main opportunities are: environmental taxes in agriculture can contribute to the mitigation of the climate change consequences and to the implementation of the European Green Deal goals, contribute to a fairer tax burden after the environmental tax reform is implemented, create the possibility to reduce the tax burden on the business entities that reduce the environmental pollution. The main limitations are: fair tax burden may become distorted due to the complexity of identification of the impact, and may lead to the relocation of high-polluting businesses to countries with lower environmental tax rates or without any environmental taxes.

Keywords: environmental taxes, agriculture, opportunities, and limitations, Mitigation of pollution in agriculture.

JEL classifications: Q14, Q58.

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Transparent reporting of corporate activities and their impact on ESG topics are becoming increasingly important for companies and stakeholders. With the release of the CSR-Directive, the European Commission is pursuing to enhance this transparency. Due to a lack of specific regulation and a clear structure, it has so far been difficult to extract information. By using a text mining approach, we investigate how precisely ESG topics are disclosed in sustainability reports, while considering both a contextual and temporal perspective. The analysis incorporates companies of the most relevant stock indices from France, Germany, Italy, and Sweden.

Our study is based on the analysis of subsections. Hereby, topic and time references of sections are identified by text mining. Applying bag-of-words, both a contextual as well as a temporal dimension are assigned to each section. Hence, every section is described by one of the ESG-perspectives and either past, present or future. Based on the results a unique fingerprint can be allocated to each report.

The descriptive statistics indicate that the most comprehensive reports – in terms of the number of sections – are published in France, closely followed by Italy. In terms of the temporal perspective, more than half of the topics relate to the future, while the past represents the significantly smallest percentage. Overall, the largest element is Environment-Future, followed by Governance-Present.

Remarkable observations are a conspicuously high proportion of Governance in Germany and low Future values in Italy. Furthermore, in Swedish and French reports, a trend to Environment-Future-related content is noticeable. Generally, there is also a tendency towards an expanding volume per report over time. It will continue to increase due to emerging regulations. However, at the moment the topics of many report segments cannot be clearly allocated, and it will be challenging to enhance precision.

Keywords: sustainability reporting, ESG, text mining, accounting, content analysis.

JEL classifications: M41, M14, Q56.

AGRICULTURAL LAND VALUE IN THE BALANCE SHEET AND THE IMPORTANCE OF ITS SIZE FOR STAKEHOLDERS

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The purpose of financial reporting is to provide information about the reporting entity that is useful to various internal and external stakeholders in making economic decisions. The organization of the financial accounting and the accounting policies and presentation format used in the financial reporting in Estonia shall be in compliance with the requirements provided for in the Estonian financial reporting standard (EFRS) or the international financial reporting standard (IFRS). EFRS requires recording property, plant, and equipment in the balance sheet as cost value. IFRS provides two models for assessing property, plant, and equipment: the cost model and the fair value model. The purpose of this study is to find out how important the value of agricultural land in the balance sheet is for different stakeholders.

Individual semi-structural interviews were employed, and questionnaires were performed for collecting data from internal and external stakeholders. The data were analyzed using content analysis and descriptive statistics.

The organization of the financial accounting in most Estonian agricultural companies is based on EFRS. This leads to a situation where the increase in the market value of agricultural land is not reflected in the balance sheet. The results revealed that the value of the land in the balance sheet is important to internal stakeholders. External stakeholders consider it less important.

Agricultural land constitutes usually a large part of an agricultural company's assets. If the fair value method is not applied, it may conflict with the internationally accepted accounting and reporting principle: according to the principle of materiality financial statements shall set out all material information that affects the financial position of the accounting entity.

Keywords: fair value, cost model, external and internal stakeholders.

JEL classifications: M41.

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