

OPINION

by

Assoc. Prof. Dr. Maia Natchkova, PhD, CPA

of the Department of Accounting and Analysis at the UNWE - Sofia,

Scientific speciality 05.02.07 „Accounting, control and analysis of business activity”,

Professional field 3.8. „Economics”

at

dissertation for the award of the educational and scientific degree **„Doctor”**

in Higher Education 3. Social, Economic and Legal Sciences

Professional field 3.8. Economics;

Doctoral Program „Accounting, Auditing and Analysis”

with author: Yanka Ayvazova

Topic: „Disclosure problems in financial statements”

1. General description of the submitted materials

By Order No. 167/15.05.2024 of the Rector of the Higher School of Insurance and Finance Prof. Doctor of Law Boris Velchev, I have been appointed as a member of the scientific jury for providing a procedure for the defense of a dissertation thesis entitled **„Disclosure problems in financial statements”** for obtaining the educational and scientific degree „Doctor” in the Field of Higher Education 3. Social, Economic and Legal Sciences, Professional field 3.8. Accounting, Auditing and Analysis. The author of the dissertation is **Yanka Dimcheva Ayvazova** - PhD student at the Department of Accounting and Audit of the Higher School of Insurance and Finance - Sofia. Scientific supervisor of the dissertation is Prof. Ali Veysel, PhD, CPA.

The materials submitted by doctoral student Yanka Dimcheva Ayvazova include documents according to the submitted inventory, containing brief biographical data and information on the fulfillment of the requirements for the degree „Doctor”, application for public defence, reference for the fulfillment of the minimum requirements for the degree „Doctor” in the professional field 3.8. Economics, dissertation and abstract to it, list of publications on the topic of the dissertation, copies of publications on the topic of the dissertation and their abstracts, full and brief report on the presence/absence of plagiarism in the dissertation and declaration of originality and credibility.

The documents submitted by the PhD student fully comply with the requirements for the opening of a procedure for public defence of a dissertation before a scientific jury for the award of the educational and scientific degree „PhD" in the professional field 3.8. Accounting, Auditing and Analysis.

2. Brief biographical details of the applicant

The doctoral candidate has completed Bachelor's and Master's degree in „International economic relations“ at Plovdiv University „Paisii Hilendarski", Master's degree in „Accounting and Control“ at „St. Cyril and St. Methodius“ University of Veliko Tarnovo and is studying for a PhD in „Accounting, Auditing and Analysis" at Higher School of Insurance and Finance. In parallel with her studies, he has been working in practice as an operational and chief accountant, assistant auditor and manager of a specialized accounting firm since 2001.

3. Characteristics and evaluation of the thesis

The dissertation is 119 pages in length and is well structured into an introduction, three chapters and a conclusion. This is followed by a bibliography which contains 127 sources, 63 of which are in Cyrillic, 53 in Latin and 11 in other Internet sources. The translation from the foreign language sources was carried out independently by the author. 25 tables and 3 annexes are presented in the work. The literature sources are used and cited conscientiously and correctly. The work is written in accordance with the current regulations and accounting standards, with the latest amendments as of 01.01.2024. A limitation is indicated to exclude International Accounting Standards (including International Financial Reporting Standards) from the scope of the thesis because the disclosure relief is applicable to small enterprises, which in most cases apply national standards.

The topic of the dissertation is topical and significant and is of interest to the theory and practice of accounting. The topicality of the topic, the scientific and applied aim and research objectives, the thesis and the research tools are well presented. Appropriate research approaches have been used in the dissertation to achieve the main objective and successfully solve the set tasks. The individual chapters of the dissertation are well balanced and developed in a logical sequence.

In the research done, the PhD student justifies the importance of disclosures. It is in this regard that he proves that they are crucial for the presentation of relevant and reliable financial statements.

The main scientific thesis of the PhD student is that the revision of National Accounting Standards or the introduction of IFRS for SMEs is essential for accounting theory and practice. As a result of the research carried out, the PhD student proposes a change in the publication requirements for the financial statements of micro-enterprises.

Of utmost importance for accounting is the opinion of the doctoral candidate, enshrined in her dissertation, on the retention of the legal requirements for independent financial audits of larger companies in the „small" category.

The doctoral candidate is looking for solutions to improve financial reporting by proposing to remove the relief for compiling a condensed balance sheet and income statement. In doing so, he formulates his thesis to reduce the administrative burden on management in the preparation of the annual statement of the company's activities.

The author of the dissertation very rightly argues that there is a need to improve state control over the compilation and publication of financial statements. He concludes that standardisation of disclosures to accounts is a preferred way of simplifying financial reporting for micro and small enterprises, thereby increasing the quality and comparability of notes to accounts both between companies themselves and between accounting periods. The proposed model is based on the materiality principle, which may require that all information relating to financial statement items is disclosed and described in the notes.

I believe that the dissertation of doctoral student Yanka Dimcheva Ayvazova, submitted for consideration, contains significant and original theoretical research of scientific and applied nature in the field of accounting. It is a personal work of authorship and it is free from plagiarism. The scientific style is at the required level, and the scientific means of expression and special terminology are generally used correctly by the doctoral student.

4. Contributions and Significance of the Development for Science and Practice

The PhD student has formulated 4 (four) contributions, namely:

- conducting a thorough study of the origin, development and purpose of financial reporting to substantiate the importance of disclosures in presenting relevant and reliable financial statements;

- identifying the main issues in the requirements for the preparation of the notes to the financial statements, critically analysing the disclosure provisions under the National Accounting Standards and formulating proposals for improvements;

- conducting an empirical study on gaps in the publication of annual financial statements and the quality of disclosures to them, analysing the results and proposing important directions for improvements in financial reporting and relief for business;

- studying the practices in other countries regarding the requirements for the preparation and publication of financial statements and making a proposal for the use of best practices when changing the accounting legislation in Bulgaria.

The contributions are in line with the dissertation content and the results of the research.

5. Assessment of the publications on the dissertation

The PhD candidate has attached 3 (three) articles on the topic of the dissertation, published in the journal of the Institute of Chartered Certified Accountants in 2023, in the Proceedings of the International Scientific Conference "Future Economics", organized by the Higher School of Insurance and Finance and the Balkan Association of Economic Universities in 2023 and in the journal of the Institute of Certified Public Accountants in 2023. „Management in Business and Public Sector" of Higher School of Insurance and Finance in 2023, which are correctly mentioned in the reference and in the abstract to the dissertation. They are concrete evidence that the PhD student's scientific output related to the topic of his dissertation has been successfully approbated in accounting theory and practice.

6. Assessment of compliance with minimum national requirements

I consider that the PhD student has fully fulfilled the minimum national requirements for the acquisition of the educational and scientific degree "Doctor" in the professional field 3.8. Economics; Doctoral Programme „Accounting, Auditing and Analysis", which are indicated in the attached reference for fulfillment of the minimum requirements for the degree of Doctor of Philosophy.

7. Abstract

The abstract of the dissertation has been prepared in accordance with the established requirements of the relevant regulations and presents sufficiently, fully and accurately the content, the results achieved and the main contributions of the PhD student in it. It is 32 pages long and reflects the content of the thesis clearly, accurately and completely.

8. Critical comments and recommendations

I have no significant critical remarks to doctoral student Yanka Dimcheva Ayvazova. My main recommendation to her is to continue her research on the problems of accounting theory and practice and to keep her research activities at a high level.

CONCLUSION

On the basis of the above, I consider that the dissertation submitted for consideration *contains scientific, scientific and applied results that represent an original contribution to science* and *meet all the* requirements of the Law for the Development of Academic Staff in the Republic of Bulgaria

(LDASRB) and the Regulations for the Implementation of the LDASRB. The submitted materials and dissertation results **fully comply with** the specific requirements of the Regulations for Admission and Training of Doctoral Students at the Higher School of Insurance and Finance.

The dissertation work shows that the candidate Yanka Dimcheva Ayvazova **possesses** in-depth theoretical knowledge and professional skills in Professional field 3.8. Economics; Doctoral Program „Accounting, Auditing and Analysis“, **demonstrating** qualities and skills for independent scientific research.

Due to the above, I confidently give my *positive evaluation* for the conducted research, presented by the above reviewed dissertation, abstract, results and contributions and ***I propose the honorable scientific jury to award the degree of Doctor of Education and Science to Yanka Dimcheva Ayvazova*** in the Field of Higher Education 3. Social, Economic and Legal Sciences; Professional field 3.8. Economics; Doctoral Program „Accounting, Auditing and Analysis“.

24.05.2024 г.

Prepared by:

Assoc. Prof. Maia Natchkova, CPA