

LEVERAGING FINANCIAL TECHNOLOGY (FINTECH) FOR A MORE INCLUSIVE GLOBAL BANKING SYSTEM

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The evolving financial landscape presents significant challenges for traditional banking systems, particularly in terms of accessibility and efficiency for underrepresented individuals. Conventional banking barriers, such as high fees and outdated systems, exacerbate the divide between those with seamless access to banking services and those without. In an increasingly interconnected global community, the demand for an inclusive, efficient, and revolutionary financial system is growing. Financial Technology (FinTech) emerges as a potent solution, blending the sophistication of modern technology with the intricacies of financial services to address and overcome these longstanding challenges.

This research paper explores the transformative role of Financial Technology (FinTech) in redefining the banking industry, with a focus on enhancing inclusivity and efficiency. It highlights the innovative contributions of key FinTech players, such as Chime, Ripple, and Betterment, and showcases how their approaches are pivotal in revolutionizing banking systems. By leveraging cutting-edge technologies and innovative business models, FinTech companies are disrupting traditional banking practices and creating new opportunities for financial services delivery. The paper concludes that the adoption of FinTech solutions by traditional banks is crucial in staying competitive and meeting the evolving demands of customers.

Chime, a pioneering neobank, employs cutting-edge digital strategies to significantly lower operational expenses, making banking services more affordable and accessible, especially for underserved communities. Through innovative approaches to creditworthiness evaluation and a strong emphasis on customer-centric solutions like the Secured Chime Credit Builder Visa® Credit Card, Chime serves as a prime example of how financial technology can promote financial inclusion and help bridge the gap between traditional banking and the underbanked population.

In the world of FinTech, Ripple has emerged as a game-changing technology, especially in the domain of cross-border transactions. By harnessing the power of blockchain, Ripple's digital payment protocol has revolutionized the way international financial transfers are conducted. With its innovative approach, Ripple has significantly reduced transaction fees and timelines, making it a highly efficient and cost-effective solution for global money transfers. This remarkable achievement underscores the immense potential of FinTech in modernizing the financial services industry and promoting financial inclusion across the world.

Betterment is a leading FinTech company that has revolutionized the way people access financial advice. Its AI-powered platform has made it possible for personalized investment strategies to reach a wider audience, breaking down the traditional barriers of wealth management. By providing sophisticated investment

tools to everyone, not just the affluent, Betterment has made financial planning more accessible and inclusive.

The world of finance is undergoing a significant transformation with the emergence of FinTech companies like Chime, Ripple, and Betterment. These entities have taken up the mantle of driving a financial revolution that promises inclusivity and accessibility for all. By revolutionizing the traditional banking system and pushing boundaries, these companies are paving the way for a future where anyone can access financial services effortlessly. Their unwavering commitment to innovation and disruption is setting the stage for a future where banking is more inclusive, global, and accessible. The impact of FinTech on the financial landscape cannot be understated, and it is poised to deliver a more inclusive financial future for all.

PROBLEMATIC MATTERS RELATED TO PROVISIONS ACCOUNTING FOR DOUBTFUL DEBTS

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Receivables can arise in an economic entity activity due to various reasons depending on the nature of its contractual relations with counterparts. The size of receivables is influenced by both external factors, such as the general state of the economy, the level of inflation, the structure, dynamics, capacity and degree of market saturation, etc. and internal factors, i.e. the level of professionalism in managing the receivables, including the keeping of accounting records and organization of internal control. The need to be aware of the risks the entity may face and to estimate the eventual losses generated by past or current events has imposed the creation of provisions – an accounting instrument that, in fact, helps keeping track of doubtful receivables in terms of their maturity date or value.

In the Republic of Moldova, the main accounting rules to set up provisions for doubtful debts are generally governed by the National Accounting Standard (NAS) “Receivables and financial investments” [1] and by the General Chart of Accounts [2]. IFRS 9 “Financial instruments” [3] is usually applied in the international practice.

According to the national accounting regulations, provisions for doubtful debts (hereinafter referred to as provisions) are established only for the settlement of trade receivables. According to the NAS “Receivables and financial investments”, receivables are considered as compromised in cases where the limitation period laid down by the legislation in force has expired or the buyer (customer) finds himself in an unfavourable financial situation [1 point 36].

Each entity sets up and measures the provisions independently, reflecting them in its accounting policies.

The problems of accounting and taxation of provisions are tackled in a series of works developed by domestic and foreign scientists and practitioners [4;5;6;7]. The