

FEATURES OF ACCOUNTING AND FINANCIAL CONTROL IN SMALL BUSINESS

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Abstract: *The article examines the most important features of accounting and financial control in small businesses.*

Key words: small business, accounting, accounting policy, simplified system of accounting, working chart of accounts, financial control, audit

It is known that a market economy is based on the proper protection of the interests of the participants in economic relations, in which the financial soundness of business entities is important. The protection of the interests of the citizens of the country and the state, as well as all other participants in economic activity, is ensured through regulatory regulation. In the first years of the introduction of market relations in our country, the legal framework for accounting and financial control in enterprises has been developed and put into practice. These laws include the Constitution of the Republic of Uzbekistan, the Construction Code ¹, the Labor Code, the Law "On Private Enterprises", the Law "On Guarantees of Freedom of Entrepreneurship", the Law "On Accounting", the Law "On Auditing" and others.

At present, the accounting of legal entities is organized in accordance with the single methodological framework and measures established by No. 21 "Chart of accounts of financial and economic activities of business entities and guidelines for its application." In accordance with the legislation, the head of the farm is responsible for the organization of accounting in enterprises.

this accounting: financial and management accounting. Financial accounting procedures are formally established by the state and are primarily set out in the Law on Accounting and the National Accounting Standards . The results of the financial statements are summarized in the financial statements. These reports are submitted to the tax authorities, which represent the interests of the state, and are transparent financial information. Financial accounting data is very important for running an enterprise, but it is not enough. Therefore, there is a need for a wider and deeper accounting in the enterprise than the requirements of financial accounting. An accounting account that provides the information needed to manage an enterprise is called a management account. This aspect of accounting is determined independently by the enterprise itself.

An accounting policy should be developed based on the need for internal economic information necessary for the preparation of official financial statements and the management of the enterprise. Legislative requirements for accounting policies are set out in IFRS 1.

¹Construction Code of the Republic of Uzbekistan. - T., Uzbekistan, 2003.

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Currently, most small businesses do not have an accounting policy in place. One of the reasons for this is that the knowledge and skills of accounting staff do not meet modern requirements in all cases. It is therefore advisable to develop and recommend model views of enterprise accounting policies for small businesses. Scientific publications propose to improve the accounting of small businesses and raise it to the level of modern requirements. The Ministry of Finance needs to summarize these proposals, develop a simplified chart of accounts for small businesses, recommended samples of the most important types of primary documents, organizational structure and division of responsibilities of accounting in a small business, a model scheme of small business. . Adoption of this document as an integral part of IFRS 20 would also be justified. Because the above does not mean restriction of entrepreneurial freedom, but serves to strengthen financial discipline and financial control in a small business, increase the confidence of creditors and potential investors in a small business, ensure the necessary openness and transparency of reliable information about the business.

Two important issues are important in the development of accounting policy in small business: the first is to use or add to other forms of primary documents , the second is to determine the order of document flow in the enterprise accounting, and the second is to determine the order of accounting in the enterprise. develop a chart of accounts.

The accounting policy sheds light on specific aspects of the preparation and use of primary documents in the enterprise: what primary documents are created in the business process, who compiles and signs them, who processes the documents, details of documents, and so on.

Strict adherence to the above principles of accounting in the enterprise increases the accuracy and objectivity of accounting information. As a result, the quality of information required for management decisions will improve and the effectiveness of decisions will increase.

It should be noted that the procedures of the simplified accounting system are set out in the National Accounting Standard of the Republic of Uzbekistan No. 20, which is called "On the procedure for simplified accounting and reporting by small businesses." This standard was registered with the Ministry of Justice on January 24, 2004 under No. 879. Paragraph 1.2 of the standard states that it applies in accordance with the general rules established by the requirements of the Law "On Accounting", but the standard does not mean a deviation from the requirements of the law on accounting. As noted in paragraph 22 of the Standard, it is used in conjunction with other national accounting standards for the purpose of detailing, measuring and disclosing individual transactions and events.

The organization of accounting in small business should begin with the development and registration of accounting policies of the farm. According to paragraph 55 of the National Accounting Standard of the Republic of Uzbekistan No. 1 "Accounting Policy and Financial Reporting", a newly formed business entity must formalize the accounting policy before the first publication of its financial statements, but not later than 90 days after acquiring the rights of a legal entity. This

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requirement applies to all business entities, regardless of the form of ownership. The accounting policy of the farm should be formalized in the form of an organizational-command document (order, directive, etc.) of the head of the farm in accordance with this paragraph of Standard No. 1. The accounting policy developed and adopted does not change during the year on the farm. The accounting policies reflect the specific rules and practices used by the entity to prepare and prepare the financial statements . Of course, the rules of accounting policy can not contradict the law. At the same time, within the framework of accounting policy, the business can independently address the most pressing issues of accounting, based on their needs and capabilities.

Two issues are important in the development of an enterprise's accounting policy: the first is to use or add to other forms of primary documents, the second is to determine the order of document flow in the enterprise's accounting, and the second is to establish a working chart of accounts in the enterprise. development

When using the simplified system of accounting, it is allowed to adjust the existing registers of business accounting in accordance with the characteristics of their activities.

Accounting is divided into the following stages: comprehensive documentation of all business transactions through the preparation of appropriate primary documents; entry of data in primary documents into account registers; preparation of financial statements.

The entity's accounting policies should take into account the above aspects. In particular, the accounting policy sheds light on specific aspects of the preparation and use of primary documents in the economy: what primary documents are created in the economic process, who creates and signs, who processes the documents, revisions of documents, and so on. Special attention is also paid to the use of account registers.

Accounting registers that can be used in the simplified accounting system are listed in National Standard No. 20: Register of business transactions (Appendix 1); Book of business transactions (Appendix 2); accounting records of the relevant objects of accounting (№ V-1 to № V-11 appendices). In the accounting policy of a small business, it is advisable to choose one of the following two options for simplified accounting.

The first option is suitable for enterprises with a small number of business operations. It records business transactions in a book of business transactions, combining chronological and systematic order. In this ledger, the farm's working chart of accounts will have the appropriate graphs for all accounts, and the ledger will allow the farm to conduct both synthetic and analytical calculations at the same time. It is acceptable to open this book for one year, but it is also allowed to open it every month. Financial and statistical reports are prepared on the basis of data from the book of business transactions. The sum of the data of the register of economic operations is compared on a monthly basis with the sum of the graph of the control sum in the book of accounting of economic operations. A balance is drawn up based on the final balances of the ledger.

Paragraph 5.9 of National Standard No. 20 provides that financial statements for entities using simplified accounting consist of a balance sheet, a statement of financial performance and appendices. However, it is also of great practical importance that the entity also prepares a cash flow statement. Because based on this report, the company will be able to better conduct financial planning and control, in addition, the company's confidence in its relations with creditors will increase.

The second important issue in the formation of the accounting policy of a small business is the development of a working chart of accounts. National Standard No. 20 does not provide clear guidance on the content of the abbreviated business chart of accounts in entities that use simplified accounting. Therefore, in our opinion, it would be advisable for small businesses to use the following working chart of accounts.

I. _ On accounting for long-term assets:

01 Fixed assets;

02 Depreciation of fixed assets;

08 Capital inflows;

09 Other long-term assets.

II . On the account of inventories and work in progress:

10 Material lar;

20 Basic production;

25 Total Production Costs;

28 Finished product.

III. According to the received accounts:

40 Accounts receivable from customers;

42 Employee payroll;

43 Prepayment to suppliers

44 Payments to the budget;

45 Social security contributions;

48 Various receivables.

IV. For cash and other current assets:

- 50 Cashier;
- 51 Bank account;
- 52 Currency account in the Bank;
- 58 Short-term investments and other current assets.

V. _ On current liabilities

- 60 Accounts payable to suppliers;
- 63 Payments received from buyers and customers;
- 64 Debts on payments to the budget;
- 65 Debts on social insurance;
- 67 Wage arrears to employees;
- 68 Short-term loans
- 69 Various Lenders

VI . For long -term liabilities:

- 78 Long-term loans;
- 79 Other Long-Term Debts.

VII . In terms of capital, profits and reserves:

- 83 Charter capital;
- 85 Reserve capital;
- 87 Retained earnings;
- 88 Target Revenues.

U111. On the formation of financial results:

- 90 Operating income;
- 91 Cost of goods sold;
- 94 Current Expenses;
- 95 Income from financial activities;

96 Financial operating expenses;

99 Final financial result.

Accounts 01 - 58 are called active accounts, the debit of which reflects the value of the property at the disposal of the enterprise.

Accounts 69 - 88 are called passive accounts, and their credit indicates the sources of formation of the value of assets at the disposal of the enterprise.

Accounts 90-99 are transit, ie temporary accounts, which reflect the income of the enterprise and the costs incurred to obtain this income. At the end of the reporting period, transit accounts are closed, ie there is no balance. The resulting financial result is transferred from 99 accounts to 87 accounts.

Thus, the balance on accounts 01 - 88 is formed. 90-99 account data is used to prepare a statement of financial performance.

In developing accounting policies for small businesses, special attention should be paid to issues in the field of management accounting. Because without it, the management of the enterprise can not be raised to the level required by the free economic environment. The activities of a modern enterprise are based on careful and continuous budgeting. It is becoming necessary to rely on standard costing in cost accounting. In the management of the enterprise plays a very important role in the rational definition of cost standards for product types or responsibility centers and ensuring regular monitoring of compliance with standards, production volume-cost-benefit analysis. The implementation of these tasks is ensured by maintaining a database management database. In addition, the accounting structure of the enterprise will have to perform these functions directly.

Accounting data is not only an information base for the development of management decisions in the enterprise, but also serves for the effective conduct of internal financial control. Many economic entities, including the state, are interested in the financial health of the enterprise. Therefore, along with internal financial control, external financial control becomes an objective necessity. Currently, tax control plays a crucial role in the financial control of small businesses. Without denying its necessity, we believe that the role of financial control through the bank and through an independent audit system should be sharply increased. In particular, independent audit control serves to strengthen the confidence of those who enter into financial and economic relations with business entities, and thus sharply expand economic cooperation (cooperative relations). In this regard, it would be expedient to introduce a mandatory non-state audit of all economic entities using hired labor.

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