

Accounting of current liabilities and settlements in a market economy

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Annotation: within the enterprises operating in our Republic, small and medium-sized economic entities play an important role. An important task is also to improve the accounting of obligations arising during the period of mutual settlements between them in a period when great attention is paid to the development of an economic entity. Until the independence of the Republic of Uzbekistan, all property was owned by the state, and all calculations between them were carried out according to the plan established by the state. Enterprises were engaged only in the implementation of the established plan. In such conditions, the accounting of mutual settlements between them and, moreover, the mutual settlements themselves did not have any significance.

Key words: market economy, income, and expenses, economic entities, export potential, accounting policies.

Introduction

The enterprise belonged to the state, and the income and expenses of all enterprises were calculated by the state.

Under the conditions of the market economy, economic entities operate in connection with each other, that is, they enter into free economic relations with each other, including the Economic entity also operating in connection with other enterprises. In the period of mutual economic relations, they can deliver products, perform works or provide services to each other. In this case, the cost of the products (works, services) delivered by the customer must be paid to the supplier, contractor, or service provider. In the period of such calculations, payments for delivered products (work, services) are not always made on time, as a result of which obligations arise between business entities. Failure to pay obligations on time can lead to various negative consequences.

The rightful enterprise may apply to the commercial court to claim its compensation. As a result, the debtor company may lose in court and have to pay court costs, the amount of the debt, the amount of the fine for non-payment on time, and the moral damage caused. This situation causes great damage to the enterprise and causes the deterioration of the financial situation of the enterprise. Direct accounting and economic audit play a decisive role in these processes.

In the conditions of economic liberalization, economic entities are based on different forms of ownership, and mutual calculations between them become important for each of them. This situation determines the relevance of the topic "Organization of accounting and auditing of current liabilities in enterprises" today.

In the process of expropriation and privatization of property in the Republic of Uzbekistan, a new, unique way was chosen, taking into account the characteristics of local conditions. Creating equal conditions for all forms of ownership, and creating a competitive environment is one of the main directions of the ongoing reforms.

Increasing the export potential of our country, increasing the value of our national currency, and filling our domestic market with domestic goods acceptable in

terms of price and quality are among the main goals of reforms in the economic sphere. Several measures have been taken to achieve this goal. As a result, almost all enterprises in the industrial, construction, and household service sectors of the economy were taken out of state control. This process was carried out step by step in order to prevent various cases of abuse during expropriation. In the first stage, mainly household service, trade, and catering enterprises were taken out of state control, and in the next stage, industrial facilities were also taken out of state control.

After gaining independence, Uzbekistan carried out a comprehensive policy of establishing enterprises that have proven their advantages in various organizational and legal forms of economic management in countries with a developed market economies.

Purpose of work

The purpose of the work is to study the issues of accounting and auditing of liabilities in enterprises. For this, in our opinion, first of all, the concept of "obligation" should be carefully studied. For this purpose, we refer to the opinions expressed by a number of foreign and Uzbek scientists in this regard.

According to scientists B. Needles, H. Anderson, and D. Caldwell, who created a number of excellent textbooks in the field of accounting, "obligations arise as a result of various types of transactions entered into by the enterprise regarding the receipt of goods or the use of services"¹.

Therefore, the liability is the amount of debt that is reflected in the company's accounting until the assets borrowed and the services used are paid.

O.B. Bobojonov and K.J. According to Jumaniyazovs, "liabilities are debts (debts) incurred during the reporting period or in previous periods, and their repayment (i.e. extinguishment) leads to a decrease in economic value, that is, a decrease in available assets. The obligation arises as a result of the fulfillment of various agreements by the entity and is considered a legal basis for future payments for goods, services rendered, and work performed»².

Summarizing the opinions of the above-mentioned scientists, the following cases describing obligations can be given:

- A) liabilities are the result of previous business transactions;
- B) liabilities are debts of one enterprise to another;
- C) extinguishment of liabilities causes a decrease in the company's assets.

Having studied the definitions of the concept of obligation given above by scientists of our republic, foreign and CIS countries, we formed our own opinion on the concept of "obligation". is the result".

The reasons for the occurrence of obligations in an economic entity can be summarized as follows:

- superficial approach to the definition of contractual obligations by enterprises entering into economic relations, that is, the legal situations that may arise for non-fulfillment of the terms of the contract are not clearly specified in the terms of the contract;
- failure to keep a full and accurate account of obligations on time;

¹ Needles B., Anderson H., Caldwell D. Principles of Accounting. - M.: Finance and statistics, 2003. - 178 b., - 301 b.

² Bobojonov O.B., Financial account. - T.: Sharq, 2000. - 306 p.

- limited use of modern forms of calculations in the sale of products, works and services;
 - lack of perfect auditing of the financial situation of enterprises and failure to present their results to the management staff on time;
 - Low solvency of the parties in mutual settlements in the economic entity;
 - the presence of shortcomings in the methodological bases of evaluating the activities of enterprises in the relationship between credit organizations and the client
- In a business entity, in our opinion, the obligation should have three main features:
- the obligation can be satisfied by transferring assets to another entity, performing works, rendering services or paying money from the account number;
 - liabilities should not be controversial, that is, debts recognized by the enterprise are considered liabilities;
 - the reason for the obligation must be reasonable.

When it is said that the obligation can be satisfied by the transfer of assets to another entity, the performance of works, the provision of services, or the payment of money from the account number, it is assumed that the obligation must be paid by the debtor enterprise. Failure to pay obligations on time can lead to various negative consequences. For example, an entitled enterprise may apply to the commercial court to demand its remuneration. As a result, the debtor company will lose in court and will have to cover the expenses related to the court process, the amount of the debt, the amount of the fine determined by the court for non-payment of the debt on time, and the moral damage caused. This situation causes great damage to the enterprise and causes its financial situation to deteriorate. Therefore, obligations are required to be extinguished by timely delivery of products, services, performance of works or payment of money.

Main body

When it is said that the obligations should not be disputed, the amount of the obligation must be the same in the debtor enterprise and in the creditor enterprise, and this obligation must be recognized by both.

When it is said that the reason for the origination of indebtedness must be reasonable, in order for the obligation to arise, products must have been delivered, services rendered, works performed, or payment made in the form of money by the responsible enterprise to the debtor enterprise.

It is important for a business entity to account for its obligations arising as a result of entering into economic relations with business entities in a timely, accurate and correct manner and by dividing them into types. Because failure to calculate obligations in a timely and accurate manner will cause a number of unproductive costs for the enterprise, as mentioned above.

Correct, accurate and timely performance of this task depends on how accounting is organized in enterprises.

Another important aspect of liability accounting is their evaluation and presentation in financial statements.

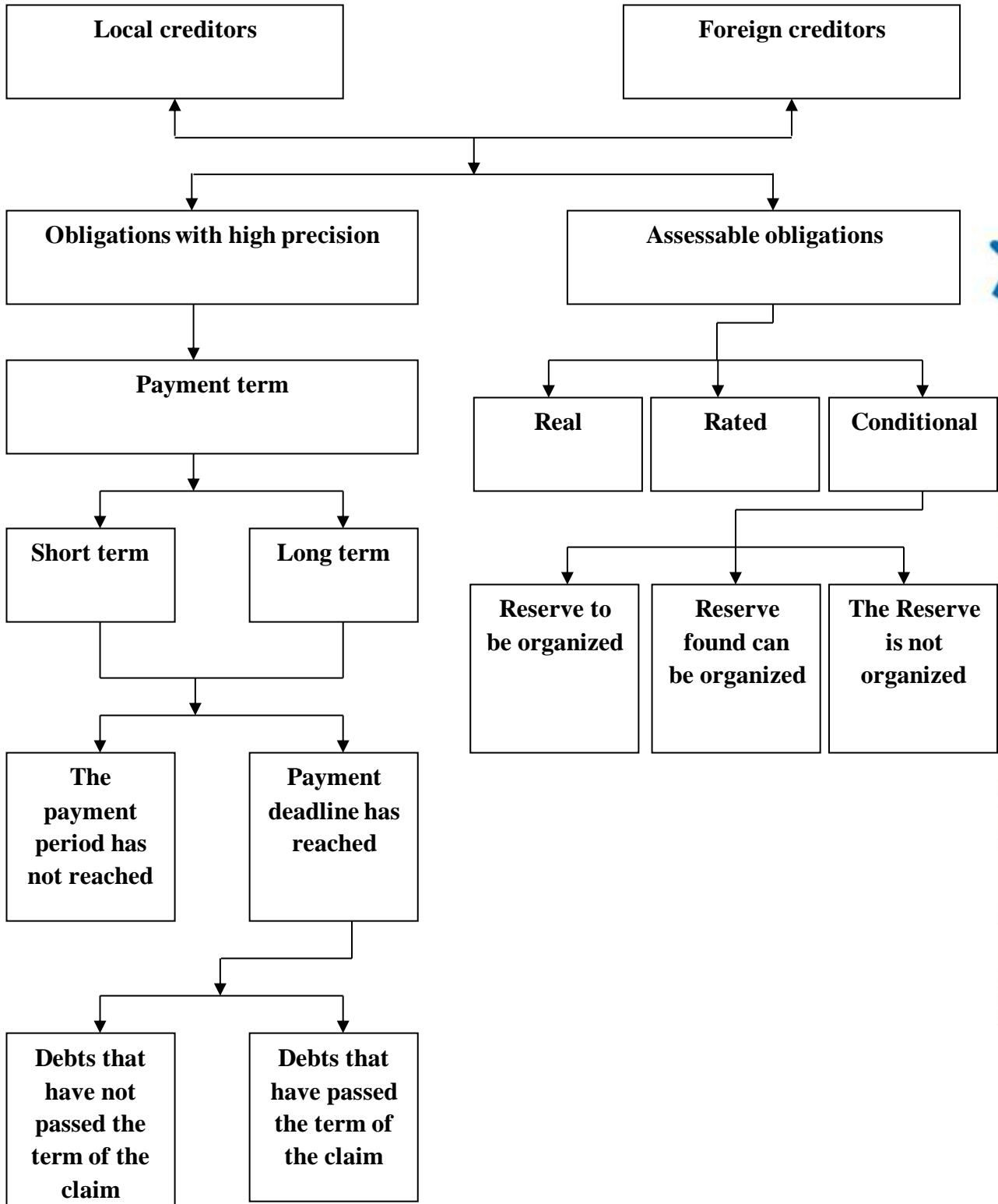
According to the national accounting standard No. 1 "Accounting policy and financial reporting", "the cost or value of the purchase of assets, services and works is considered as the basis for the assessment of liabilities".

As can be seen from the above, the improvement of the accounting of current liabilities in the economic entity is considered one of the urgent issues of today.

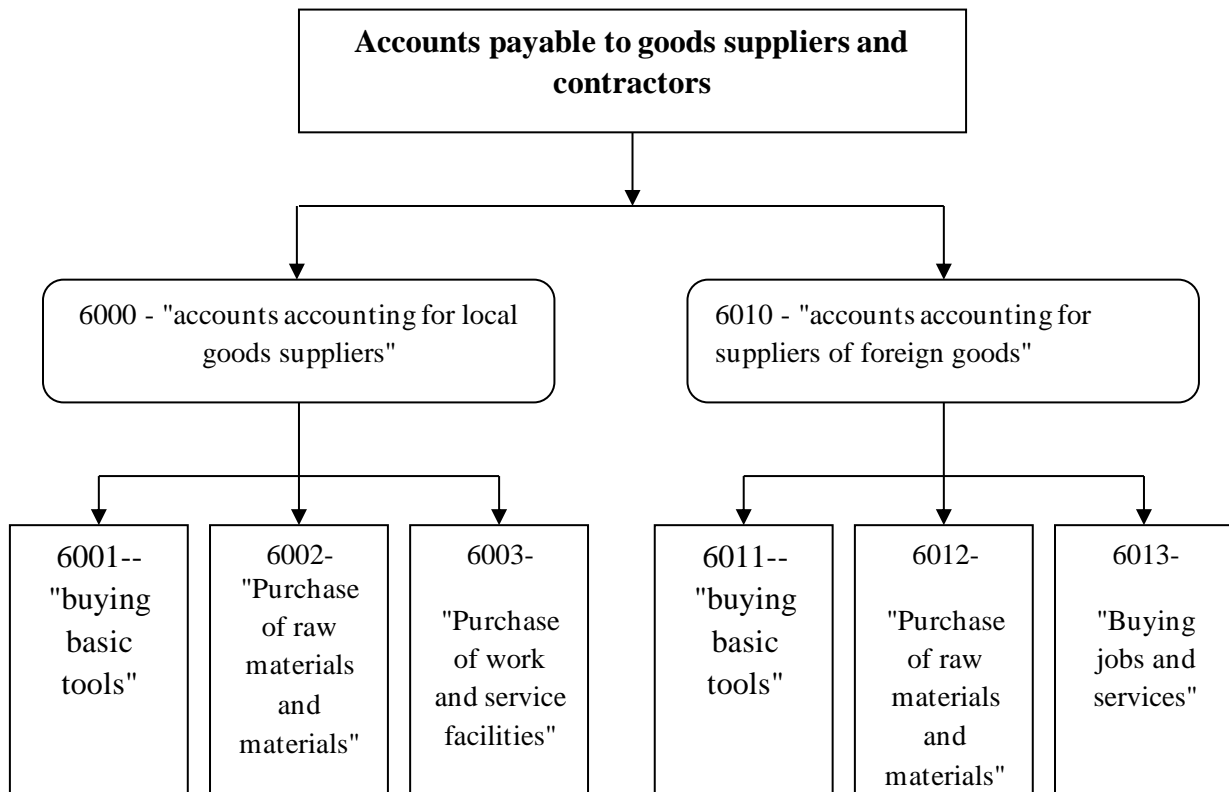
The following are the main types of obligations applicable to the economic entity:

Figure 1

Structure of Obligations.



The procedure for organizing an account for suppliers of goods.



The organization of settlements with suppliers of goods in such an order has, in our opinion, two advantages:

First, control over the obligation to domestic and foreign partners;

Secondly, to conduct a quick audit of the directions for the occurrence of obligations.

6100 – "accounts payable to individual units, generation and dependent Farms" - is intended to summarize information about all types of debts of the enterprise to branches, representative offices, departments and other special units allocated to a separate balance sheet. We propose to organize calculations on this account in the following order.

In our opinion, in the plan of working accounts of an economic entity, it is considered appropriate to open functional accounts listed below in 6110- "accounts payable to individual units:

- 6111- "obligations to purchase fixed assets";
- 6112-"obligations to purchase raw materials and materials";
- 6113 - "obligations for the purchase of work and services";
- 6114- "obligations on debts received";

In a similar way, 6120 is a tribute to the account " majbu-riyats in front of the subsidiary and dependent farms :

- 6121- "obligations to purchase fixed assets";
- 6122-"obligations to purchase raw materials and materials";
- 6123 - "obligations for the purchase of work and services";

- 6124-the opening of functional accounts such as" obligations on debts received " is very handy in the process of conducting a quick audit of the obligations of

the enterprise. Although, given the current capabilities of modern computer technology, this situation does not cause excessive difficulties for enterprises.

The maintenance of settlements under Account 6230-"other expired income", which is included in the current liabilities, has a specific feature. This account takes into account the obligations received (accrued) as a boon during the reporting period, but intended to be recognized as income in the coming periods. Examples of such income are fees incurred for training, rent payments, funds received from the prior sale of tickets, and pre-made fees for subscribing to magazines. These funds are recognized as income in a proportional way over the reporting periods, depending on the beginning of the implementation of economic circulation in these areas.

This account, which is often called "income of the next period", may have a defining word, for example, it may be the income of the next period received from the subscription when paying for a subscription. This account can also have other names, for example: "income from a subscription paid from before" or "income from a subscription as a boon". In our opinion, it will be appropriate if the account includes the following in its composition:

- calculations on the receipt of a fee for future work and services;
- settlements in the reflection of income on leasing with the arrival of the corresponding period;
- calculations in the write-off of the amount of the corresponding difference in the deficit of values depending on the payment of debts;
- calculations in the recognition of extended-term income as income for the reporting period.

Then, after the product is delivered or served and the income is actually generated, the income account for the next period is reduced, while the corresponding income account is credited. This last record is usually one of the year-end Correction records.

Conclusions and suggestions

In the conditions of economic liberalization, the formation of different forms of ownership creates the need to create a new mechanism of economic management in the economic entity. As in other sectors of the economy, joint ventures and private enterprises based on multiple ownership have been and are being established in the business entity. Obligations arising in this economic society are causing a number of problems, bringing the enterprise into debt and, moreover, into crisis.

Improvement of liability accounting and auditing and their effective use is a prerequisite for solving these problems.

Based on the study of scientific and theoretical sources in foreign countries and our republic, auditing and summarization of the data of network enterprises, a certain conclusion, and the following recommendations were given, aimed at improving the methodological basis of the organization of accounting and auditing of liabilities in the economic entity.

1. The definitions given to obligations in the economic literature were critically studied in a comparative sense, and a new scientifically based definition was given to them. We recommended summarizing the opinions of economists regarding obligations and citing the following aspects that characterize obligations. Firstly, we have shown that liabilities are the result of previous business transactions, secondly, they are the debts of one enterprise to another, and thirdly, their extinguishment causes a decrease in the assets of the enterprise.

2. Scientifically based recommendations on the assessment of nature and types of obligations were developed. This made it possible to create a classification of obligations by characteristics and types of debts. In the classification of obligations, we recommended two main directions, local creditors and foreign creditors, to implement them on the basis of obligations with high precision, estimated obligations, and conditional obligations. This, in our opinion, provides the following advantages:

First, a high-precision obligation allows us to determine - whether the debts are due, whether they are current or long-term, whether they are due or past due, and whether the debt is due or overdue.

Second, the appraiser creates an opportunity to determine the actual and estimated liabilities.

Thirdly, it helps to determine the cases in which a reserve is established in contingent liabilities, in which cases the reserve can be established and in which the reserve is not established.

In our opinion, we have tried to prove that we will have two advantages when dealing with suppliers and contractors in accounting for current liabilities. First, our ability to monitor our commitment to domestic and foreign partners; Secondly, this advantage provides a quick audit of the directions for the occurrence of obligations.

Relying on our opinions in the organization of accounts of obligations, we found it appropriate to carry out the obligations arising on the types of taxes separately in the accounts.

In our coursework, we developed several recommendations for improving current obligations. In this regard, we have achieved a classification of obligations. With the help of this classification, we proved that in addition to performing financial accounting tasks, it is also important from the point of view of management accounting.

The procedure for organizing the audit of liabilities in the economic entity and recommendations for its improvement were developed. In this case, recommendations were made on the organization of an audit of obligations at the practice facility. Based on this stage, firstly, it creates an opportunity to collect information about obligations and prepare them for the audit, secondly, to perform the audit, thirdly, to interpret the audit results, and fourthly, to draw conclusions and make recommendations based on the audit results.

Taking into account the importance of evaluating and auditing indicators representing the company's current debt in the audit of the short-term liabilities of the economic entity in the conditions of the economy, changes in short-term liabilities, structural and relative valuation audit were shown.

In addition, a system of indicators relevant to each group, ways of their identification, and auditing have been developed. All theoretical recommendations in this regard are proven by practical data. This case shows. The methods of determining and auditing indicators representing the current obligations of a business entity recommended in the work can be easily used in practice. The implementation of these recommended audit methods in the conditions of the market economy will lead to the improvement of the management of the obligations of the economic entity, as well as to a certain extent to the increase of its efficiency.

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