

PAPER

MODERN METHODS OF MANAGEMENT ACCOUNTING AND PROBLEMS OF THEIR IMPLEMENTATION IN UZBEKISTAN

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Abstract

The purpose of this article is to consider modern approaches to management accounting in Uzbekistan, identify the main problems of its implementation and suggest possible ways of improvement, based on international experience and the specifics of the Uzbek economic environment.

Key words: management accounting, financial accounting, International Financial Reporting Standards (IFRS), digitalization, certification of specialists, accounting policy.

Introduction

The modern economy of Uzbekistan requires enterprises to be highly flexible and transparent in accounting, which makes management accounting an indispensable tool for effective management. The introduction of international standards and digitalization create favorable conditions for the development of management accounting, which allows you to adapt accounting data to the internal needs of the company and use them to make informed decisions.

Based on international experience and national characteristics of Uzbekistan, the integration of management and financial accounting makes it possible to create a single information flow, which minimizes duplication and increases the accuracy of analysis.

For the further development of management accounting in Uzbekistan, it is necessary to pay attention to the training of qualified personnel, the introduction of technologies and the creation of a flexible accounting policy. The national system of certification of specialists and educational programs focused on business needs will help fill the shortage of qualified personnel, and the automation of processes will improve the quality and speed of data processing. These changes help increase the competitiveness of Uzbek companies and strengthen their

positions in international markets, which will generally have a positive effect on the investment climate and economic development of the country.

Thus, improving the management accounting system in Uzbekistan is a strategically important process that requires a systematic approach and continuous improvement. Management accounting, integrated with financial reporting and supported by digital technologies, will become a reliable basis for sustainable growth of enterprises and economic stability in the face of global challenges.

Methods

Management accounting is the same accounting of production costs and calculation of product cost in the accounting system. In this case, the term "management accounting" should be understood as "accounting for management" of the enterprise. This point of view is shared by P.S. Bezrukikh, S.A. Stukov [6], as well as foreign authors Ch.T. Horngren, J. Foster [7]. From the point of view of A. Ibragimov, I. Ochilov, I. Kuziev, N. Rizaev: "The main task of management accounting and reporting in the corporate management system is to ensure the collection, analysis and provision of information to the management of the enterprise

for making the most rational decisions”[3]. R.D. Dusmurov and D.U. Mamadiyarov believe that “Managerial accounting is a new interpretation of internal accounting adapted to the requirements of the market economy in the context of deepening economic reforms and liberalization of the economy”[4].

Results and discussion

Accounting in Uzbekistan has gone through several stages of development, starting with the creation of a legal framework and ending with integration with international standards. The first stage began in 1991 with the adoption of regulatory documents governing accounting in the country. During this period, the main efforts were aimed at creating a foundation that would allow enterprises to operate in a market economy.

From 1995 to 2014, more detailed standards were developed and implemented, which gradually converged with international accounting practices. The third and fourth stages (2015–2023) are characterized by the transition to international financial reporting standards (IFRS) and improved quality of financial reporting. The fifth stage, which began in 2024, is marked by a complete transition to IFRS for large enterprises, which requires a higher level of training of specialists and adaptation to international standards. The development of accounting in Uzbekistan is also significantly influenced by the processes of digitalization and modernization of the economy.

The introduction of digital technologies, including the automation of accounting and the creation of electronic reporting systems, opens up new opportunities to improve the efficiency and transparency of financial transactions. Modern technologies can reduce labor costs, increase data accuracy and reduce the risk of human errors. In the context of digitalization, enterprises in Uzbekistan are beginning to use integrated accounting systems, which facilitates the transition to IFRS standards and allows obtaining up-to-date data for management. However, the transition to digital accounting requires significant investments, as well as training of qualified personnel, which remains a challenge for many companies. National accounting standards in Uzbekistan are gradually approaching the requirements of IFRS, which helps to increase confidence in reporting on the part of foreign investors and international partners.

At the same time, national characteristics of the economy, including tax and legal aspects, impose certain restrictions on full compliance with IFRS. In recent years, the government has been taking measures to develop and improve national standards to make them more flexible and adaptive. Thus, although Uzbekistan is still in the process of full transition to international standards, this direction of accounting development is already having a positive impact on the investment climate and the competitiveness of enterprises in the international arena.

Importance of International Financial Reporting Standards (IFRS)

Advantages of IFRS:

1. A global standard is a single language of financial reporting that is understood by investors and analysts worldwide.
2. Using IFRS increases the transparency of financial information, strengthens investor confidence in the markets.
3. Standardized reporting allows investors to more easily compare the financial performance of companies from different countries and industries. IFRS creates a common financial language, simplifies global business, and promotes more efficient capital allocation on a global scale.

Classification of organizations applying IFRS

Organizations applying IFRS are divided into clear classes based on qualitative criteria. Particular attention is paid to public interest entities (PIE).

Planned measures:

- defining the legal status and forming a list of PIEs;

- establishing requirements for this category of organizations for accounting and financial reporting in full compliance with IFRS;

- mandatory publication of financial statements of PIEs together with auditor's reports.

Harmonization of national standards with international principles

An important area of the reform is bringing national accounting standards (NAS) in line with international standards:

- development of National Financial Reporting Standards (NFRS) harmonized with IFRS;
- gradual implementation of NFRS in the activities of business entities (except for organizations for which the transition to IFRS is envisaged).

Establishment of a national system of certification of accountants

To improve the professional level of accountants, it is planned to create a new system of national certification based on a tiered and modular approach. It should

- comply with the International Standards of Education for Professional Accountants;

- ensure the quality of the educational process and transparency of examinations;
- provide for recognition of results within the framework of international certification of accountants.

Implementation of new standards and practices As part of the reform, it is planned to introduce new standards and practices that meet modern trends in the field of accounting:

- IFRS Sustainability Standards;
- the practice of “green” accounting;
- International Code of Ethics for Professional Accountants.

Increasing the prestige of the profession

The introduction of international standards in reporting, in the systems of training and certification of accountants, as well as the announcement of December 9 as the Day of Accountants and Auditors of the Republic of Uzbekistan will contribute to increasing the prestige of financial professions. *Expected results of the reform*

Implementation of all the listed measures should lead to significant positive changes in the accounting sector in Uzbekistan:

- bringing the regulatory framework in line with modern international requirements;
- increasing confidence and inflow of foreign investors, entry of local companies into international markets
- improving the quality of financial reporting of small and medium-sized businesses
- training specialists with international knowledge for financial and economic activities
- introducing a new national system of professional certification of accountants;
- improving the dialogue between investors and companies due to the introduction of sustainable development standards
- widespread implementation of the International Code of Ethics for Professional Accountants;
- resolving issues of coordination and methodological support for the process of implementing IFRS;
- creating an open electronic database of financial statements and a system of external monitoring of its quality.

Management accounting is a system of accounting and analysis of information designed to support decision-making at all levels of enterprise management. Unlike financial accounting, which is focused on providing data to external users, management accounting is aimed at the internal needs of the company. It helps to evaluate the efficiency of activities, control costs, and plan and forecast financial results. Within the framework of management accounting, information can be adapted to the specific tasks of the company, which makes it a flexible tool for solving operational and strategic problems.

The main task of management accounting is to provide the company's management with accurate and timely information necessary for making informed decisions. For

example, management accounting allows you to evaluate the efficiency of resource use, plan a budget, analyze the cost of production, and identify growth points or potential risks. The use of management accounting allows managers to more accurately assess the impact of management decisions on the financial condition of the enterprise and promptly adjust the strategy to achieve the set goals.

Conclusion

The article discusses modern approaches to management accounting in Uzbekistan, including the stages of its development, integration with financial accounting and the impact of digitalization on the accounting system. The author analyzes the main problems of implementing management accounting, such as a shortage of qualified specialists, a lack of a methodological base and the need to adapt to international financial reporting standards (IFRS).

The article offers recommendations for improving management accounting, including the creation of a national certification system, the introduction of automated technologies and the development of a flexible accounting policy focused on the internal needs of companies. It is concluded that the development of management accounting is strategically important for increasing the competitiveness of Uzbek enterprises and strengthening their position in the international market.

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