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Organizing Accounting Policies in Trade Enterprises

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ABSTRACT

Objective: *This article analyzes the organization of accounting policies in trade enterprises based on the legislation of the Republic of Uzbekistan. Properly structured accounting policies ensure financial stability and compliance with legal requirements.* ***Method:*** *The study examines legislative requirements, international experiences, and practical challenges in implementing accounting policies in trade enterprises. Data analysis is conducted using tables and graphs to illustrate key findings.* ***Results:*** *The analysis reveals gaps in the current legislative framework and identifies challenges faced by trade enterprises in organizing their accounting policies. The study highlights discrepancies between regulatory requirements and practical implementation.* ***Novelty:*** *This study provides a comprehensive evaluation of Uzbekistan's accounting policies in trade enterprises by comparing them with international standards. It offers insights into improving financial stability and regulatory compliance through effective policy implementation.*

INTRODUCTION

The trade sector plays a crucial role in the development of the economy of the Republic of Uzbekistan. Effectively organizing accounting policies in trade enterprises ensures the financial transparency of the enterprise and compliance with the law. Accounting policy includes specific rules for maintaining accounting records and plays a significant role in meeting tax requirements, managing investment processes, and reflecting financial indicators. The process of organizing accounting policies in the Republic of Uzbekistan is carried out in accordance with national accounting standards and international financial reporting standards.

The main objective of the research within the scope of this topic is to organize accounting policies in trade enterprises at the level of global standards and to study their practical significance. The research tasks include effectively organizing accounting policies in trade enterprises, examining the impact of accounting policies on accounting, and developing ways to improve accounting policies in trade enterprises.

Effectively organizing accounting policies in trade enterprises is of significant importance today in light of Uzbekistan's economic development and shift towards a digital economy. Based on the Presidential Decree of the Republic of Uzbekistan dated October 5, 2020 [1], concerning the "Digital Uzbekistan – 2030" state program, the processes of digital economy and accounting are developing. In this process, automating accounting and accounting policies for trade enterprises and aligning them with international financial reporting standards is a pressing issue.

RESEARCH METHOD

Overall, the research was based on the following methods:

a. Legal Analysis: The procedures for organizing accounting policies were studied based on the Law of the Republic of Uzbekistan "On Accounting" and national accounting standards.
b. Statistical Analysis: The practices and results of organizing accounting in trade enterprises, as well as the changes in the digitization process, were reviewed.
c. Comparison: The legislation on accounting in Uzbekistan and other countries was studied, and their differences and similarities were analyzed.

Analysis and Key Results. The primary requirement for organizing accounting tasks today is that they should be cost-effective and straightforward. Only when accounting tasks are organized in such a manner can accounting achieve high efficiency and good results. For this, it is first necessary to deeply study the specific industry characteristics and other aspects of each enterprise. In trade enterprises, the organized accounting system must continuously monitor business transactions occurring during economic activities and express their results in numerical indicators, subsequently ensuring these are comprehensively reflected in specialized documents.

As emphasized in Article 11 of the Law of the Republic of Uzbekistan "On Accounting," approved on April 13, 2016, internal control is a system of measures organized based on the accounting policy adopted by the head of the accounting entity to ensure the legality of economic transactions, their economic feasibility, the safeguarding of assets, and the prevention and detection of embezzlement and errors in maintaining accounting records and preparing financial and other reports [2]. The National Accounting Standard [3] number of 1, of the Republic of Uzbekistan, titled "Accounting Policy and Financial Reporting," registered with the Ministry of Justice of the Republic of Uzbekistan on August 14, 1998, under number of 474, is one of the key documents regulating accounting and financial reporting [4]. This standard governs the processes of defining the accounting policies of trade enterprises. The accounting policy includes the principles of accounting policies in accordance with IAS 8 related to changes in accounting estimates and errors [5].

Additionally, trade enterprises must provide the necessary information when developing their business plans and future strategic programs and practically oversee their implementation. In our country, the overall leadership responsibility for accounting falls to the Methodology Department of Accounting and Audit at the Ministry of Finance of the Republic of Uzbekistan. This department provides overall leadership to the sectors of the national economy on initial accounting matters, conducts work on training and improving the qualifications of personnel in accounting, develops and publishes standard forms of initial accounting, and prepares mandatory guidelines and methodological instructions on accounting and reporting issues for all business entities [6].

Methodological guidance on the correct organization of accounting is also provided by the Department of Accounting and Audit Methodology of the Ministry of Finance [7]. In agreement with the Ministry of Macro-Economy and Statistics of the Republic of Uzbekistan, the Ministry of Finance approves the chart of accounts, standard forms of accounting and reporting, and the instructions for their use, and implements proposals for improving and enhancing accounting [8].

RESULTS AND DISCUSSION

In the process of analyzing the organization of accounting policies in trade enterprises, the following key indicators were studied:

a. **Forms and Methods of Accounting**

Enterprises must determine the methods for maintaining accounting that are suitable for their activities. Through accounting policy, the enterprise approves the methods and principles to be applied in its accounting.

b. **Analysis of Financial Indicators**

The effectiveness of the accounting policies applied by trade enterprises was analyzed in terms of financial results. The following table compares the financial indicators of enterprises that have properly organized their accounting policies and those that have not:

Table 1. In organizing accounting policies in trade enterprises, the following key indicators were studied [9].

Indicator	Properly Organized Accounting Policy	Improperly Organized Accounting Policy
Annual Profit (%)	15%	7%
Financial Transparency	High	Medium
Tax Liability	Low	High
Investment Attraction Capability	High	Low

Understanding and studying accounting policy is essential for accountants, financial analysts, and managers. Recognizing its role and significance helps companies better manage their resources, ultimately leading to their stability and success [10].

When accounting policies are aligned with business goals, enterprises can optimize their financial resources, reduce waste, and ensure sustainable growth. Effective financial management also contributes to better risk assessment, enabling companies to anticipate potential financial challenges and implement necessary measures in advance [11], [12], [13].

The introduction of digital technologies has significantly simplified accounting processes. The implementation of digital accounting systems leads to the automation of financial processes in enterprises and increases accuracy. Automated accounting systems minimize human errors, provide instant financial analysis, and improve regulatory compliance. Moreover, digital transformation allows businesses to integrate their financial operations with other organizational processes, enhancing overall efficiency. Cloud-based financial systems enable remote access, real-time data updates, and improved collaboration among financial teams, making enterprises more agile and adaptable in a dynamic market environment [14], [15].

According to the new Tax Code of the Republic of Uzbekistan, the accounting policies of enterprises play a crucial role in reducing tax liability and ensuring compliance with the law. Organizing accounting policies in accordance with legal requirements reduces tax-related risks. Compliance with tax regulations not only helps enterprises avoid penalties but also builds credibility with regulatory authorities and investors. By maintaining transparency in tax reporting and ensuring proper documentation, enterprises can demonstrate their commitment to ethical financial practices. Additionally, understanding tax incentives and exemptions available under the law enables businesses to optimize their tax obligations and reinvest savings into their growth and development strategies.

Enterprises that organize their accounting policies in accordance with international financial reporting standards will be able to provide transparent and accurate reports for international markets. This, in turn, enhances the opportunity to attract foreign investments. Investors seek enterprises with clear financial statements and accountable financial management. By adhering to international standards, businesses improve their reputation and gain a competitive advantage in the global marketplace. Furthermore, transparent accounting practices strengthen partnerships with stakeholders, foster trust among clients, and facilitate business expansion beyond domestic borders.

CONCLUSION

Fundamentals Finding : The study confirmed that implementing segment accounting enhances financial automation, market segment management, and strategic decision-making in trade enterprises. By maintaining segment accounting, businesses can collect and analyze precise data on various product lines, customers, and departments, significantly improving operational efficiency. **Implication :** The findings emphasize the crucial role of segment accounting in optimizing financial analysis and decision-making in trade enterprises. The adoption of automated systems demonstrated a clear increase in efficiency, allowing enterprises to better allocate resources, streamline processes, and respond effectively to market demands. **Limitation :** Despite its advantages, the study identified challenges in the implementation of segment accounting, including the need for skilled personnel, high initial investment in automation, and potential integration issues with existing financial systems. These limitations must be addressed to fully realize the benefits of segment accounting. **Future Research:** Future research should explore the integration of advanced digital technologies such as blockchain, artificial intelligence, and Big Data in segment accounting. Additionally, further studies should assess the impact of employee training programs on the effectiveness of segment accounting and financial management in trade enterprises.

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