

## FEATURES OF ACCOUNTING IN SMALL BUSINESS

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### Annotation

The article examines the most important features of accounting in small businesses.

**Keywords:** small business, accounting, accounting policy, chart of accounts, financial statements.

### Introduction

It is known that in the context of economic liberalization, it is important that businesses conduct financially sound activities. This is based on accounting and financial management based on its data.

In our country, the legal framework for small business accounting has been developed and put into practice. These laws include the Constitution of the Republic of Uzbekistan, the Civil Code, the Labor Code, the Law "About Private Enterprises", the Law " About Guarantees of Freedom of Entrepreneurship", the Law " About Accounting", the Law " About Auditing" and others. In accordance with the legislation, the head of the farm is responsible for the organization of accounting in enterprises.

Accounting in legal entities in accordance with IFRS is organized in accordance with the single methodological framework and measures established by the "Instruction plan and guidelines for the accounting of financial and economic activities of business entities" No. 21.

In small business, as in all legal entities, there are two aspects of accounting: financial and management accounting. Financial accounting procedures are formally established by the state and are primarily set out in the Law about 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 enterprise's need for the preparation of official financial statements and the internal economic information

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necessary to manage the enterprise. The requirements of the legislation with respect to accounting policies are set out in IFRS 1 and this also applies to small businesses.

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. Suggestions on improving the accounting of small businesses and raising it to the level of modern requirements are regularly put forward in scientific publications. Currently, the Ministry of Finance is summarizing these proposals, developing 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 sample accounting scheme for small businesses. necessary. In our opinion, it would be expedient to adopt this document as an integral part of IFRS 20. 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.

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 acquisition of legal entity. This 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. Accounting policies The specific rules applied by an entity to the preparation and preparation of financial statements may not be inconsistent with the law. At the same time, within the framework of accounting policy, the business can independently address important issues of accounting, based on their needs and capabilities.

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 work in the enterprise accounting. develop a chart of accounts.

When using the simplified system of accounting, the business is allowed to adjust the existing registers of accounting in accordance with the characteristics of its activities. However, the following requirements must be met:

- Unified methodology of accounting, the principle of double entry;
- The interconnectedness of the synthetic accounting data of the analytical account;

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- Comprehensive recording of all business transactions in the accounting registers;
  - Keeping records based on primary documents;
  - Collection and sorting of data from primary documents on the indicators necessary for the preparation of financial statements.

Accounting is divided into the following stages:

- Comprehensive documentation of all business operations through the preparation of appropriate primary documents;
- Entry of data in primary documents into accounting registers;
- Preparation of financial statements.

The entity's accounting policies should take into account the above. In particular, 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 No. 20 of the Republic of Uzbekistan, 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, No. 879. Clause 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 purposes of detailing, measuring and disclosing individual transactions and events.

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. However, the following requirements must be met:

To a single methodology of accounting;

To the principle of double-sided writing;

The interconnectedness of synthetic accounting data with analytical accounting;

Comprehensive recording of all business transactions in the accounting registers;

Keeping records on the basis of primary documents;

To collect and organize the data of primary documents on the indicators necessary for the preparation of financial statements.

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.

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 a small business will have to perform these functions directly.

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