

PROBLEMS OF SETTLEMENTS WITH SUPPLIERS AND CONTRACTORS

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ABSTRACT

In this article, the main problems of business entities in accounting with suppliers and contractors and ways to improve them, which will help to minimize errors in financial statements of business entities. The organization is not the last place in the accounting process in terms of volume and the importance of accounting procedures is occupied by accounting for settlements with suppliers and contractors for raw materials, materials, goods and other material values. This is due to the fact that the constantly occurring circuit household funds causes continuous renewal various calculations.

Keywords: *Obligations, liabilities, provisions, legal responsibility, accounting, accounting with suppliers and contractors of the problem, debt.*

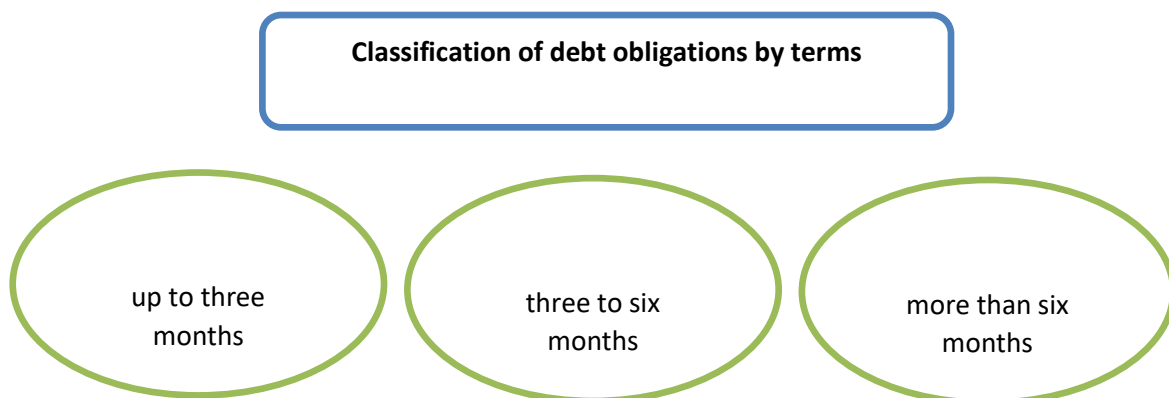
INTRODUCTION. At present, the methodology and development of financial and management accounts of settlements with suppliers and contractors, documentation of settlement transactions and automation of the accounting process have not been sufficiently researched. Also, in the researches conducted in this field, the system of error signs detected in the control of accounts with suppliers and contractors has not been sufficiently studied and formed, so further improvement of this field is necessary. In modern market conditions, organizations are in the process production, commercial, intermediary and other activities enter into various relationships with a large number legal entities and individuals. The need arises not only to accurately and timely keep records of settlements with all creditors and debtors, but also correctly document settlement transactions, prevent the presence of large accounts receivable and payable, accept measures to prevent non-compliance with debt repayment deadlines, periodically reconcile the calculations.

The theoretical and practical aspects of the studied problem are reflected in the works of local and foreign scientists. Many works of economists who studied the accounting problems of accounts payable are devoted to the issue of researching the issue of accounts with suppliers and contractors.

Settlements with suppliers and contractors occupy a special place in the accounts payable of economic entities of various ownership types operating in our country today.

EXPERIMENTAL METHODS. Account books with suppliers and contractors play an important role in the process of studying accounts payable and auditing. In this regard, several local and foreign scientists conducted their research and expressed their opinions. Among them, O. Bobojonov, K. Jumaniyazov, I. Ochilov, A. Karimov, A. Avlokhlov, J. Kurbanbaev and several other scientists have partially touched on account books with suppliers and contractors in their works.

Also, M.I. Bakanova, N.P. Kondrakova, M.I. Kutera, A.D. Sheremeta, E.S. Hendricksen Foreign scholars such as T.Y. Drujilovskaya and N.M. Dementeva also paid attention to the topic of account books with suppliers and contractors in some of their works. Several scientists who conducted scientific research on this topic classified the debts of enterprises to suppliers and contractors according to the terms as follows [1]:



1-picture. Classification of debt obligations by terms

As we noted above, in the literature, the analysis of current liabilities is considered as part of the analysis of the economic activity of the enterprise. In this article, we propose new approaches to improve the accounting procedures for mutual settlements with suppliers and contractors.

In order to improve the accounting of accounts with suppliers and contractors in business entities operating in the Republic of Uzbekistan, it is necessary to develop not only theoretical developments in the system of accounting for obligations, but also practical activities.

RESULTS AND DISCUSSION. Before thinking about the calculation of obligations, it is necessary to analyze several terms related to this topic in this process. In particular, when we say suppliers, we mean organizations that buy various types of

goods. Contractors are organizations that provide work and services to us. In general, the suppliers and contractors of the organizations must carry out the normal production activities of the enterprise. Individuals and legal entities can be suppliers and contractors. Settlements with suppliers and contractors are made on the basis of contracts concluded for delivery, provision of services, performance of works. When the terms of the contract are changed, additional contracts are concluded [2].

In this matter, if we take as a basis the contracts concluded with suppliers and contractors based on the international standards of financial reporting, including IAS 37 "Provisions, Contingent liabilities and contingent assets", the accounts with these suppliers and contractors are a legal obligation. [3]

Settlements with suppliers and contractors in the Republic of Uzbekistan are regulated by the following normative documents:

- Law of the Republic of Uzbekistan "On Accounting" of April 13, 2016;
- Law of the Republic of Uzbekistan "On Auditing Activities" of February 25, 2021;
- Regulation "On Expenses" approved by the Cabinet of Ministers of the Republic of Uzbekistan on February 5, 1999 No. 54.

These regulatory documents have developed the basic rules for settlements with suppliers and contractors. For example: Invoices, transport documents, railway and air tickets, technical passports, documents of acceptance of goods, works, services are documents for acceptance for accounting of goods, works and services. Expenses should be recorded in the purchase book in chronological order, depending on the payment and placement. Payment of expenses is based on bills received on a certain date. Acceptance of goods and materials is formalized with a receipt of the materially responsible person.

In rare cases, suppliers or contractors do not comply with the rules for the delivery of goods and materials, works and services, delivery of goods without additional documents, in which case the organization is obliged to consider them as debtors. Unpaid deliveries are goods and materials received without delivery documents. The definition of the contract includes items listed in Article 90 of the Civil Code of the Republic of Uzbekistan or documents related to it provided for in legal documents or in the contract (quality or safety certificate, regulatory and technical documents on quality or completeness, technical passport, instructions for use, etc.) in such cases, the seller is obliged to hand over the documents to the buyer at the same time as the delivery of the goods within the period agreed in the sales contract [4].

Some companies order materials from other cities, regions and countries. Sometimes in this case, there are cases in practice where the supporting documents have already arrived at the organization and the materials are still on the way. Such

cases are called materials in transit, that is, receiving additional documents without the goods themselves arriving at the warehouse. At the same time, a legal obligation arises that is not reflected in the accounting and financial statements. Timely verification of accounts with suppliers and contractors, prevention of overdue debts should be the basis for organizing their accounting.

Settlements with suppliers of goods occupy an important place in the settlement operations system. The profitability of the enterprise mainly depends on the speed of capital turnover.

Business operations should be shown only on the basis of timely and correctly executed documents, filling in all the details of the enterprise.

Improvement of the existing system of accounting of obligations is carried out if it is integrated with the international system, but at the same time taking into account national characteristics. This situation allows companies to fully disclose accounting information for effective management of their economic activities.

The main elements of control operations and the facts of their changes to ensure settlements with suppliers and contractors of the enterprise:

- objects - contracts concluded by the enterprise; settlement operations; keeping primary documents, accounting registers and reports; business transactions to record the facts of changes in obligations in the context of settlements with suppliers and contractors; information on accounting violations and offenses discovered during inspections and inspections;

- entities - owners and departments of the enterprise that perform control functions for forming settlements with suppliers and contractors (legal department, supply department, accounting, economic analysis department, financial planning department, marketing department).

In order to ensure the fulfillment of contractual obligations in enterprises, one of the important tasks of the effective organization of the internal control system of operations is to regulate its implementation, that is, to establish the appropriate order of control in the relevant orders or instructions and to form the following system of internal administrative documents:

- regulation on accounting policy (from the point of view of regulating the features of accounting for the fulfillment of the company's obligations and changes in obligations);

- the regulation on branches, representative offices, separate units (determining the features of fulfilling and changing obligations of branches, representative offices, separate units in order to assess their impact on the financial condition of the enterprise as a whole);

- provision of contract works;

- work flow chart (setting the movement of initial accounting documents and controlling settlements with suppliers and contractors of the enterprise);
- provision of internal control service (disclosure and integration of functional obligations of selected control subjects over the selected controlled object);
- job descriptions of employees (determination of control functions and implementation of management procedures for the selected inspection object).

The main role and role of accounting in making settlements with suppliers and contractors is to create a system of timely notification to managers about the fulfillment of obligations both by counterparties and by the enterprise in order to make decisions and take operational measures [5].

Settlements with suppliers of goods can be improved by creating a schedule that shows the debts of each supplier under contracts, the due date of the schedule and the fact that it is visible. This allows you to determine the timeliness of the delivery of inventory items and calculations for each operation. Business operations should be reflected only on the basis of timely and correctly prepared documents, filling in all the details of the enterprise.

Account 6010-"Accounts payable to suppliers and contractors" is credited to the value of TMZ and other assets, work and services received, in correspondence with accounts accounting for these assets or related expenses.

1-table

Reflecting short-term obligations to suppliers and contractors for goods received, work performed and services rendered

Content	Debet	Credit
The receipt of goods from the supplier, the work performed and the services provided are reflected.	0800-« Capital investments »; 1000-« Materials »; 2010-« Main production »; 2900-« Goods »; 9400-«Period costs» and others.	6010-«Accounts payable to suppliers and contractors»
Payment to suppliers and contractors is reflected	6010-«Accounts payable to suppliers and contractors»	5110-«Current account»

Currently, there are mistakes made by organizations as a result of violation of the legal framework in order to simplify accounting work. Some of them are as follows:

- violation in the preparation of preliminary documents or lack of contracts with suppliers of goods (contractors);
- failure to register commercial transactions with suppliers (contractors) on time;
- violations in the preparation and presentation of claims under contracts;
- errors in reflection in analytical and synthetic accounting accounts with customers;
- lack of work flow in the organization, as a result of which the document retention period is violated.

Account 6010 "Accounts with suppliers and contractors" is used to reflect information on settlements with suppliers and contractors in the balance sheet. An analytical account of account 6010 is maintained for each submitted invoice [5].

2-table

Problems of accounting with suppliers and contractors and ways to solve them

Problems	Solutions
Incorrectly completed invoice	Carefully check that the received invoice is drawn up in accordance with the established regulatory documents. Otherwise, if the supplier has not filled in the details on the invoice (or has made a mistake in filling it out), it must be returned for correction. [6].
Return of defective goods received and not accepted by the buyer	The buyer (recipient) to whom the goods of poor quality have been delivered has the right to impose the requirements stipulated in Article 434 of this Code on the supplier of the goods, except in cases where the supplier of the goods, having received a notification from the buyer about the poor quality of the supplied goods, immediately replaces the supplied goods with goods of the appropriate quality. except (Article 452 of the Civil Code of the Republic of Uzbekistan).
Organization of rapid exchange of documents	A solution to this problem can be achieved by introducing a paperless workflow. The use of electronic document circulation makes it possible to solve the problem posed by the concept of development of the accounting and reporting system of the Republic of Uzbekistan using the information created in the accounting system when compiling various reports. The most important criterion in accounting is the formation of data in real time, which can

	only be done using the latest computer technologies. Also, it would be appropriate to improve and put into practice documents such as electronic contract, electronic invoice, electronic power of attorney in the implementation of account books with goods suppliers.
Unilateral (full or partial) refusal to fulfill the product delivery contract	The fact that one of the parties violates the contract in such a way as to give the other party the right to unilaterally refuse to perform it does not in itself cause the contract to be modified or terminated. This party must notify the other party of its complete or partial refusal to perform the contract. The notice shall be sent in writing and signed by the person authorized to conclude, amend or cancel the contract. The contract for the supply of products, unless otherwise specified in it, is considered to be modified or canceled from the moment the other party receives a notice of refusal to perform the contract. In cases where one of the parties is given the right to unilaterally refuse to perform the contract, it is his right to change or cancel the contract. The procedure provided for in Article 384 of the RF FC cannot be applied to the relations of the parties.

Having studied in detail the most common problems encountered by suppliers and contractors in the accounting system with suppliers and contractors, recommendations were developed to help minimize accounting violations of the enterprise. One of the priorities for improving the management of enterprises is to organize a detailed accounting of the necessary information about the status of settlements with suppliers and contractors, formed in the accounting system, and to present it to interested parties for the purpose of decision-making. At the same time, it should not be forgotten that an important condition for improving the calculation of accounts with suppliers is compliance with the rules and norms established in the legal documents and regulatory documents that constitute the general rules of accounting.

Settlement of accounts with suppliers and contractors is the most important part of accounting work, because the main part of the company's income and cash receipts is formed at this stage. With the help of calculations, on the one hand, it is possible to supply and supply enterprises with raw materials, etc., and on the other hand, to sell finished products. It is possible to improve the calculation of accounts with suppliers by creating a table that shows the debts of each supplier under the contracts, the terms of payment of the debt in the table and in practice. This allows you to determine the

timeliness of the delivery of inventory items and calculations for each operation. Business operations should be reflected only on the basis of timely and correctly formalized documents, filling in all the details of the enterprise.

We believe that it is appropriate to use registers to collect and group information about settlements with suppliers and contractors for subsequent submission to the journal. It is possible to improve the existing system of settlements with suppliers and contractors in Uzbekistan, if it is integrated at the international level, but at the same time taking into account national characteristics. It allows full disclosure of accounting information for efficient management of enterprises. The above proposals help to improve the methodology of accounting and control of accounts payable for goods, works, and services and to improve accounting discipline.

CONCLUSION. In modern conditions, a well-organized account of settlement transactions, as well as timely cash flow, significantly affects the financial results of the enterprise. It is also necessary to take into account the slow progress of the work and measures to implement the international standards of financial reporting, and based on this, we paid a lot of attention to this in our article.

One of the priorities for improving the management of enterprises is to organize a detailed accounting of the necessary information about the status of settlements with suppliers and contractors, formed in the accounting system, and to present it to interested parties for the purpose of decision-making.

Extinguishment of liabilities in the above business entities serves as a factor that raises the financial independence and profitability of that enterprise to a higher level.

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