

FEATURES OF ACCOUNTING OF FINANCIAL RESULTS

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ABSTARCT

In this article discusses the requirements for the quality of accounting information. The factors influencing the formation of accounting information in the preparation of financial statements have also been clarified. As a result of the study, the directions for improving the quality of accounting information were recommended.

Keywords: accounting, financial reporting, accounting information, financial result, going concern, reliability, comparability of indicators.

INTRODUCTION. The global coronavirus pandemic has led to the deterioration of financial and economic activity and a decrease in economic indicators in most of the companies operating in economic sectors and sectors. This situation requires economical use of existing resources in many companies, strict discipline in daily activities, timely and transparent preparation of accounting information. It is the accounting information that is important for timely elimination of missed opportunities from the management of companies and development of prospective development programs.

It should be noted that accounting information on financial results is useful for both internal and external users only if it is prepared and presented with high quality. Therefore, all interested users should pay attention to the quality of accounting information in making important economic decisions. In improving the quality of accounting information, it is important to identify the factors that affect it and eliminate those that are of negative importance.

LITERATURE REVIEW. The issues of improving the quality of accounting information are given a lot of attention in normative legal documents and works of economists.

In accordance with International Accounting Standards (IAS) No. 1 entitled "Presentation of Financial Statements", it is necessary to provide quality information in financial statements in order for enterprises to achieve their goals in the process of capital management [1].

American economist Bruce Pounder says that the importance of accounting is expressed by the quality of the information it provides [3].

Malaysian economists N. Azar, Z. Zakariya, N. A. Sulaiman agreed on the following definition of the quality of accounting information: for accounting information to be useful, it should have two quality characteristics: acceptable and reliable presentation. Also, characteristics such as comparability, timeliness, comprehensibility determine the quality of information [5].

According to the Jordanian economist Ahmed Adel Jamil Abdalla, the increase in the quality of accounting information allows to make optimal decisions in order to achieve the intended goal [2].

Romanian economist Karamain Adrian-Cosmin stated that the accounting information provided by the entity should have certain quality characteristics and be useful for users [4].

As can be seen from the points mentioned above, many studies have highlighted the requirements for the quality of accounting information. However, research has not paid much attention to the ways of increasing the quality of accounting information.

RESEARCH METHODOLOGY. In the implementation of scientific research, by studying the opinions of economists-scientists on improving the quality of accounting information, expert evaluation, process monitoring, a systematic approach to economic events and processes, comparative analysis with the author's

experiences, conclusions, suggestions and recommendations were given in relevant directions.

ANALYSIS AND RESULTS. It is known that accounting is the basis of information provision in the activity of an economic entity. Its main task is to provide both internal and external users with information about the activities of the business entity and its financial status, which are taken on the basis of management decisions.

The role of the accountant in business entities is determined by providing the management with the necessary information in a timely manner, because the accounting service is one of the leading departments that forms information about the property status and results of the business entity. Information should be not only complete and reliable, but also transparent and of high quality.

The first step in solving problems related to information quality characteristics is to determine the factors that directly affect the quality of accounting information. When we talk about the quality of accounting information, we mean that there are characteristics that make the information useful for achieving the goals faced by the user. By the quality of information we understand the set of objective characteristics of information that justify its suitability for the needs of end users.

There are many and varied characteristics of information. Information and its properties are the object of research of a number of disciplines, each of which studies the most important properties for itself. There are different approaches to the research of qualitative and quantitative aspects of information (probabilistic-statistical, combinatorial, algorithmic, semantic, pragmatic), to study the nature of information as an economic category, and to study the value aspects of its reproduction. From the point of view of accounting, the following properties of information appear as the most important properties: objectivity, completeness, reliability, relevance, openness and relevance.

Factors affecting the quality of accounting information will be considered in detail below.

It is known that the quality of accounting information primarily depends on the methodology of its formation, as well as the level of regulation of basic principles and rules.

Economists generally set the same requirements for the quality of accounting information. Taking into account the problem of hierarchical arrangement of principles, it is necessary to revise the list and content of the basic principles of accounting established at the legislative level. Quality descriptions are intended to provide users with complete, truthful and unbiased information about the financial condition of an economic entity for decision-making. Information must be complete, truthful and impartial. It is these criteria that depend on the level and capabilities of the accountant's professional discussion.

Disclosure of complete and reliable information in the financial report, according to which users can make correct economic decisions, depends on how the economic entities apply the achievements of the existing accounting theory and practice and legal norms, as well as their ability to use professional discussion.

It is not enough to have a strong regulatory framework and modern technologies for modern accounting. In addition to the professionalism of accountants, their ethical position is also important [6,7].

The assessment of the quality of information on financial results begins with the assessment of the sources of its presentation - primary documents, account registers and other types of reports. In order to ensure the accuracy of information, it is necessary to ensure the correctness of the methods of its collection, collection and recording. If the information in the primary documents does not meet the quality specifications, in particular, reliability, relevance and timeliness, then the information received in the future will not fully reflect the financial situation, which will lead to wrong management decisions and will have a negative impact on the future activities of the business entity.

It should be remembered that the level of quality of information depends on the quality of primary, current and final means of information, how to reduce the

difference between the periods of obtaining information and its reflection in accounting documents [8].

This is helped by the rational organization of the account, which should ideally ensure the timeliness, accuracy and quality of the account information. In order to receive information quickly, many business entities have approved a document circulation schedule. However, the quality of information is often reduced by the fact that the standard forms of primary documents are out of date, therefore, in order to avoid such situations, the accountant should follow the changes in the legislation, update the existing forms of primary documents or keep new ones.

Thus, the assessment of the quality of accounting information depends on the process of information preparation itself, the appropriateness of its use and the assessment of the final result. The application of the main qualitative characteristics of accounting information ensures the creation of a financial report that provides reliable information about the financial situation, as well as increases the scope and quality of the application of accounting information in the process of making management decisions [9,10].

However, the presence of all the listed quality characteristics does not always sufficiently ensure the efficiency of information use in an economic entity, because information indicators can be easily changed in the absence of appropriate control.

The main function of accounting regulatory standards and other legal documents is to provide information users with certain guarantees, as a result of which the information user should be sure that the accounting system is not out of his control. Normative legal documents should create certain protection of interests, prevent falsification of reports and other accounting data.

However, no legislation can completely eliminate information insecurity, and we will never see effective long-term solutions to combat accounting fraud, even in the most developed countries of the world. It is for this reason that there is a great need to create a Code of Ethics and ethical requirements for different groups of professionals in a complex system of economic activity. Scientists and practitioners

see the need to create these types of principles in the form of codes of ethics. These codes should not only be promulgated, but should be reinforced in accounting and the level of practical application should be observed [11,12].

The information generated in the accounting system should serve to make rational economic decisions both within the economic entity and by external users. The quality of such information is affected not only by the persons providing the information, but also by the persons checking it (auditors, inspectors), as well as by the direct users.

As for users, it is they who determine the value and quality of information. The most valuable information is useful information. However, despite the fact that the quality of information is considered one of the most important indicators for the consumer, there is a certain conflict between the quality requirements of users and the requirements of information providers to fill with content.

On the one hand, the account information should contain the maximum aspects and necessary comments that interested persons (users) need to know. On the other hand, each user is mainly interested in the reliability of information and the honesty of its provider, but not in its usefulness, that is, in the possibility of achieving the specified goal with the lowest costs [13].

Accordingly, the quality of accounting information is determined by two aspects. The first aspect is determined by the purpose of using accounting information. For example, the same information will have different values for different management purposes. The second aspect is the availability of accounting information to interested parties (especially external users). In particular, interested users who need information about a particular economic entity should have sufficient knowledge to understand, evaluate and use such information. In turn, the information presented to them should be fast, because the value of information may be lost over time.

The table below shows directions for improving the quality of accounting information (Table 1).

Table 1

Directions for improving the quality of accounting information ²

Factors affecting the quality of accounting information	Explain the factors	Ways to improve the quality of information, taking into account the researched factors	
		At the legislative level:	At the level of the economic entity:
Level of application of legislation, legal norms and standards	Level of regulation by legislation. Accounting information formation methodology Financial reporting rules. Information requirements. Methods of application of existing legal norms. Access to professional discussion	introduction of additional principles, in particular, the principle of documentation; reduce the areas where professional discussion is applied	clearly defining accounting policy principles; strengthening control by the owners of the economic entity
Process of formation and presentation of information, source of presentation	Information collection system, collection and recording methods. Formation of primary documents. Procedure for preparation and presentation of financial report	introduction of new standard forms of primary documents.	rational organization of the account; ensure the correctness of the methods of collecting, collecting and recording information; shortening the difference between the terms of obtaining information and reflecting it in accounting documents; provide appropriate controls that prevent the

² Made by authors.

			possibility of changing the reported indicators
Submission subject	Professional and personal descriptions of the subjects of the provision of information Their level of information about the business entity Knowledge of applicable legislation. Ability to use various legal (civil, administrative, tax, etc.) norms Knowledge and use of information technologies in the accounting system. Ethical norms adopted both at the legislative level and at the level of the economic entity	creating a system for protecting users' interests; prevention of falsification of reports and distortion of other accounting information; creating principles and standards of behavior (code of ethics).	introduction and strengthening of accounting ethics at the scale of the economic entity
Information users (or end consumers)	Influence of users on accounting information. Influence of auditors on the information provided	At this stage, it is not possible to influence the requirements of interested parties.	At the level of the economic entity - ensuring quality control

In conclusion, we found it necessary to mention the following points. The quality of accounting information supply, its completeness, reliability, timeliness and objectivity depends not only on the quality of analytical work, but also on the influence of management on management objects. The high quality of accounting information only ensures the application of full-fledged accounting principles and the consideration of all factors affecting the creation of a quality information system, including an accounting system.

In our opinion, it is necessary to create an information model that allows performing the main functions of management aimed at obtaining maximum profit with minimum risks, based on the creation of accounting information. A systematic

approach allows for the development and adoption of effective management decisions on the formation and distribution of profits while evaluating the results of accounting, analysis, control, audit and other functions of management.

CONCLUSION. 1. One of the main functions of accounting is to provide users with reliable information in a timely manner. Financial information is the most valuable resource for the implementation of the management process in today's business environment, because it is always related to the implementation of all management functions, such as planning, organization and control.

2. Quality presentation of accounting information for external users is one of the important issues. However, ensuring the quality of accounting information depends on several factors. As a result of the conducted research, the factors affecting the quality of accounting information were divided into 4 large groups and the essence of the factors in each group was revealed.

3. In our country, in order to consistently develop the economy and create a favorable investment environment, a lot of attention is paid to the organization of accounting based on international standards, and the improvement of the rules for compiling financial reports. Implementation of these measures serves to increase the quality of accounting information. As a result of the research, proposals were made to improve the quality of accounting information in terms of legislation and economic entities. The introduction of these proposals serves not only to increase the quality of accounting information, but also to bring the accounting system operating in our country closer to international standards.

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