



SOCIETY INTERESTS, PROFESSIONAL COMPETENCE AND ETHICAL REQUIREMENTS FOR PROFESSIONAL ACCOUNTANTS

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Article history:	Abstract:
Received: August 24 th 2021 Accepted: September 24 th 2021 Published: November 17 th 2021	Recognizing the growing responsibility of the accounting profession to society, the authors in the article try to prove the necessity and importance of the principles established by the Code of Ethics for Professional Accountants, and also reveals the essence of the fundamental principles of professional conduct of accountants.

Keywords: Code of Ethics, the profession of an accountant, fundamental principles, decency, objectivity, professional competence and due diligence, confidentiality, professional conduct.

The mission of the International Federation of Accountants (IFAC), according to its Constitution, is formulated as follows: "in order to serve the public interest, IFAC will continue to work to strengthen the position of the accounting profession around the world and will continue to contribute to the development of a strong international economy by establishing professional standards of the highest quality and fostering adherence to these standards, activities aimed at converging standards internationally, as well as through representing the public interest in cases where professional knowledge and experience is most in demand."

To fulfill this mission, the IFAC Board has established an Ethics Standards Committee for Accountants to develop and publish, on its own behalf, high quality ethical standards and other provisions for use by professional accountants around the world. The Committee adopted the Code of Ethics for Professional Accountants, which sets out the ethical requirements for professional accountants.

The profession of an accountant is a prestigious, highly paid profession for young people. The prestige or even popularity of the accounting profession is predetermined by the fact that any organization needs information for management. At the same time, the need arises for information that has a different purpose and covers various aspects of activities. Of particular importance is information of a financial nature, such as information on financial

results, cash flows and equity. Such information is usually provided to users who have a direct financial interest. This leads to a huge responsibility of the accountant to the public. In addition, the responsibility of a modern accountant is directly influenced by the process of active international integration of the economy. In other words, the accountant must adapt to the requirements of the global economic system. First of all, of course, professional competence is required from an accountant, which is measured not only by obtaining a secondary or higher education, but manifested by the ability to use this knowledge in practice. The practical application of competent knowledge in the professional field of an accountant is far from an easy question: after all, modern realities, globalization, the ongoing financial and economic crisis, all this requires not only professional knowledge and skills in the specialty, but also knowledge of information and communication technologies, professional flair, and a creative approach in solving problem situations, the ability to independently make competent decisions in unexpected and uncertain situations, knowledge of international accounting and reporting practice. The concept of "professional competence" from the point of view of accounting features has its own specific aspects. Thus, an accountant must be independent, confident in his actions in the course of solving functional problems. At the same time, he should bear in mind the circumstances that the future of a business entity



depends on his professional approach. The confidence of an accountant is achieved by acquiring competent knowledge and professional work experience. From this point of view, the professional standards of an accountant, if life requires it, will continue to improve and develop, which will ensure professionalism and motivation in the continuous improvement of their qualifications for employees of this complex and prestigious field of activity. At the same time, it should be emphasized that in order to perform the function of accountants in the public interest, it is not enough just to have professional competence, if such norms as decency, objectivity, etc. are not observed. Thus, the professional competence of an accountant, in our opinion, is directly related to the observance of ethical standards of behavior.

The Code of Ethics for Professional Accountants in Uzbekistan was adopted by the National Association of Accountants and Auditors of Uzbekistan and approved by the Council in March 2010 by Protocol No. 1. The Code of Ethics for Professional Accountants is normative in nature and is mandatory for all accountants in their day-to-day business.

This Code is divided into three parts. Part A sets out fundamental principles of professional ethics for professional accountants and provides a conceptual framework for the application of these principles. The Conceptual Framework provides guidance on fundamental ethical principles.

Parts B and C show how the conceptual framework should be applied in specific situations. They provide examples of safeguards that can be helpful in addressing threats to compliance with the fundamental principles, as well as examples of situations in which safeguards cannot be applied and, therefore, relationships or actions that create such threats should be avoided.

The main goal of a professional accountant is to provide information in accordance with established standards and rules, for the achievement of which certain requirements are imposed on accounting information. Thus, the main requirements for accounting information are reliability, objectivity and timeliness. Compliance with these requirements requires professionalism, quality of services, and trust from an accountant. In this regard, the Code of Ethics for Professional Accountants describes the fundamental principles:

1. Decency
2. Objectivity
3. Professional competence and due diligence.
4. Confidentiality
5. Professional conduct

Each of these fundamental principles is discussed in more detail in the sections.

It is necessary to pay attention to the fact that decency implies not only honesty of an accountant, but also frankness, as well as fair conduct of accounting affairs and services.

Objectivity is not the same as honesty, since the regulatory document emphasizes that "A professional accountant should not allow bias or impartiality, conflicts of interest, pressure from others to change professional or business judgment" [2]. This means that the accountant must rely on evidence, at the same time remaining neutral in relation to individual situations and comply only with legal acts, while avoiding conflicts of interest of users.

In compliance with the ethical requirements of objectivity, one should:

First, avoid relationships that allow for bias, bias, or the influence of others to the detriment of objectivity;

Secondly, not to accept or offer gifts, offers of a material nature from administratively responsible persons serving in an economic entity, if it can reasonably be assumed that they have a significant and unacceptable impact on the professional judgment of the accountant.

The principle of professional competence and due diligence is of particular importance for a modern accountant. In our country, huge reforms are being carried out in all areas, including in the economic sphere. Thus, to ensure the strengthening of macroeconomic stability and maintaining high rates of economic growth, increasing its competitiveness, an active investment policy is being pursued. All measures are being taken to improve investment attractiveness in all sectors of the economy. All this determines the further reform of the sphere of accounting and auditing, strengthening the integration of the accounting and auditing system in our country with the international system. In turn, the need for accountants in relevant knowledge based on knowledge of international requirements is increasing. Therefore, it should be emphasized that professional competence is the possession of the necessary amount of knowledge and skills that allows an accountant to provide professional services in a qualified and high-quality manner. So, expressing consent to the provision of services, the accountant must be sure that he will perform the work at a high professional level. An accountant should refrain from providing services in an area where he is incompetent, unless he is assisted by appropriate specialists. The accountant must provide services with due care, competence and diligence. His responsibility is to constantly take care of replenishing his knowledge and experience at a level that would give both the management and the client confidence in the high quality of professional services based on constantly updated information in the field of legislation, accounting methodology and practice.



Confidentiality is one of the fundamental principles, which is that an accountant is obliged to ensure the safety of information and documents received or compiled by them in the course of their professional activities, and is not entitled to transfer this information or documents, and even their copies (both in full and partially) to any third parties, or to disclose orally the information contained therein without the consent of the owner (manager) of an economic entity, except for cases stipulated by legislative acts of the Republic of Uzbekistan.

Professional behavior is the observance of the priority of public interests and the duty of an accountant to maintain a high reputation of his profession, refrain from committing acts incompatible with the provision of professional services. The professional ethics of an accountant is not limited to these few rules of conduct. The concept of professional conduct applies to all areas of an accountant's activity. Ethics and its disciplining influence are the basis for self-regulation of the activity of an accounting worker. The accountant must constantly be mindful of the interests of others. It is not for nothing that it was written in an article by Ya.V. Sokolov "Psychological aspects of accounting" in 1990 in the journal "Accounting" that behind every figure in accounting there are people and their fates. [4] Therefore, no matter how difficult their solution, it is necessary, given the technical details, to remember the essence of the problem. The importance for accountants of being aware of the very spirit of the profession that affects other people cannot be overstated.

The Code of Professional Ethics for Accountants is a detailed official list of values and principles that govern accountants in Uzbekistan in their professional activities. In accordance with the terms of the code, it must be recognized that the main goal of the accounting profession is the activities of specialists at the highest professional level, ensuring the quality performance of tasks and the satisfaction of public interests.

Compliance with the Code of Ethics for Professional Accountants is a prerequisite for the comprehensive development and improvement of accounting. This is achieved by the high responsibility of accountants. Compliance with universal and professional ethical standards is an indispensable duty and the highest duty of every employee in the field of accounting.

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