



THEORETICAL FOUNDATIONS OF THE ORGANIZATION OPERATIONS IN BANKS

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Article history:	Abstract:
Received: 10 th February 2023 Accepted: 10 th March 2023 Published: 17 th April 2023	Due to the fact that it is not possible to determine the amount of reduction from the book value of the old replaced or partially damaged buildings in buildings or buildings that have been capially repaired by commercial banks. Today, in most cases due to such issues, the balance sheet value of buildings and structures that have been capially repaired by commercial banks is increased due to the costs of repairs. This, in turn, has a negative impact on the financial results of commercial banks with property tax, building and construction depreciation costs. Therefore, it is important to develop theoretically based practical suggestions on this issue.
Keywords: asset, active operations, bank, income, profitability, quality, credit institution, liquidity, management methods	

1. INTRODUCTION.

Ensuring the financial stability of commercial banks and achieving high growth rates, timely reflection of bank operations carried out in the course of their activity, correct formation of financial results and thus ensuring the financial stability of banks are directly dependent on the correct organization of the accounting system. Eliminating these issues puts before accounting the tasks of forming a source of information necessary for making important management decisions, ensuring financial stability and maintaining the rate of growth. Therefore, the expansion of the scope of accounting tasks in commercial banks in strengthening the financial stability and reliability of commercial banks today is related to the fact that the banking system in different countries is implemented in different economic conditions and levels of development. This, in turn, is characterized by the levels of acceptance of accounting not only as a source of information, but as a main support in making future management decisions.

In the economic literature, which is widely covered by foreign experience, there are definitions that express different opinions about accounting in commercial banks [1-5]

2. METHODS OF RESEARCH.

In the aim of the research, it became known that in commercial banks, "Accounting is a business language necessary for conducting business activities. It is based on the generally accepted principles of accounting, just like bank accounts. The distinctive feature of accounting in banks is speed and uniformity. The settlement, credit and other operations carried out during the operating day are reflected in the accounts on the same day and are controlled by drawing up a daily balance sheet. "A single accounting system for all

banks will allow monitoring of banking activities." Through this idea, an attempt was made to reveal the essence and specific features of accounting in commercial banks, that is, the features of speed and uniformity.

In particular, "Accounting in banks at the advanced stage of the economy is understood as the flow of information about bank properties, funds, loans, funds, income and expenses, financial results, which serve to manage, control, analyze and plan banking activities. The main purpose of accounting in commercial banks:

- ensuring control and management of the use of borrowed and own funds of banks;
- analysis and continuous control of bank profitability through pre-planned liquidity and profitability level based on the information received about expenses incurred and income received;
- ensuring control over the state and movement of bank properties and other valuables;
- formation of complete and reliable information on accounts, securities, obligations, financial results and the state of reserves.

In our opinion, the definition given by the above-mentioned authors to accounting in commercial banks indicates that special attention is paid to the specific characteristics of banks [6-11].

In this regard, according to Article 5 of the Law of the Republic of Uzbekistan "On Accounting", it is established that regulation of accounting and reporting of banks shall be carried out on the basis of legal documents developed by the Central Bank.

In particular, according to the Instruction "On the procedure for maintaining accounting and organizing accounting work in banks of the Republic of Uzbekistan" developed by the Central Bank of the Republic of



Uzbekistan and registered by the Ministry of Justice on July 11, 2008 with No. 1834, the main goals of accounting in banks are to ensure the following consists of:

- collecting reliable information about the state of the bank's assets, liabilities, income and expenses of joint capital and changes in them;

- collect reliable information about capital status and changes in them;

- creation of an information system serving to prepare financial reports on the bank's financial status, changes in its financial status and financial results, and evaluating the activities of the bank's management;

- correct calculation, cash, currency, credit and other banking transactions and reflect them in a timely and accurate manner in accounting and reporting;

- continuous internal control and audit of the legality and correctness of operations, creating the possibility of drawing up and formalizing references based on their results.

In addition, one of the main tasks of accounting in commercial banks, as in other industries, is to provide the management apparatus of the bank with the source of information necessary for making important management decisions, in addition to external users (founders, state tax authorities, investors, etc.).

Thus, taking into account the definitions put forward by the scientists mentioned above and as a result of a general conclusion, in our opinion, accounting in commercial banks should be defined as follows:

Accounting in commercial banks is a system that serves to reflect the assets and liabilities of commercial banks and their changes in the account registers in a timely manner based on the principles of accounting and the nature of speed, and to form the necessary database for making management decisions.

Another important issue in the accounting of commercial banks is to reveal the concept of internal bank operations and its nature. Because, based on the characteristics of commercial banks, it is an important issue to properly organize internal bank operations in banks. The bank's internal operations account includes a number of operations. As a result of the research conducted in this regard, it has been shown that there are different opinions in the economic literature about the types of operations included in the bank's internal operations account.

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In the conditions of modernization of the economy, the ultimate goal of the economic entity of various forms of ownership, including the activity of commercial banks, is to make a profit. Therefore, it is important to create a healthy competitive environment among commercial banks based on the laws of the market economy established in our country in order to increase their profit.

Nowadays, in the environment of growing competition among commercial banks, they strive to ensure financial stability by reducing the cost of banking services as much as possible, providing new types of banking services, studying customer requirements.

Commercial banks make several types of expenses in the process of providing banking services to customers. It is envisaged that the expenses incurred by the banks will be covered by the income received from the provision of banking services. Therefore, banks should not only pay attention to the increase in the amount of income, but should also pay attention to the purposefulness of the expenses and saving them as much as possible. From this point of view, it is appropriate to study the reasons for the occurrence of operational costs, which play an important role in the activity of commercial banks, to conduct a detailed study of the bank's internal operations account in order to keep their accounts correctly.

Today, the current system of accounting for internal bank operations in commercial banks has some



issues that are waiting to be solved in providing sufficiently accurate and complete information to the bank management. In addition, until now, internal bank operations and their accounting have not been sufficiently covered in the economic literature and research works related to the improvement of accounting in commercial banks of our republic. These scientific researches, the study of the bank's internal operations as a whole series of operations, indicate that they have not fully revealed the modern aspects of accounting.

Because, the procedure for organizing and conducting accounting in commercial banks is implemented on the basis of the decision of the Central Bank Board dated May 3, 2008 No. 11/5 "Instructions on the procedure for conducting accounting and organizing accounting work in banks of the Republic of Uzbekistan". In this, instructions were given on the principles of accounting work and organization of accounting apparatus in banks, customer service and methods of establishing document circulation, rules for keeping accounts of bank transactions and their control, and responsibility for the legality of performed bank transactions.

At the same time, the following are defined as the goals of accounting in banks in this instruction:

- "proper execution of accounting, cash, currency, credit and other banking operations and timely and accurate reflection of them in accounting and reporting;
- collecting reliable information about the bank's assets, liabilities, income and expenses, as well as the state of capital and changes in them;
- creation of an information structure that serves to compile financial information about the bank's financial situation, changes in its financial situation and financial results, and evaluates the activities of the bank's management;
- strict observance of the bank working day, quick and accurate service to clients;
- acceleration of the circulation of funds in accounts" and other goals are set.

In our opinion, we believe that it is appropriate to include operations such as fixed assets and intangible assets, low-value and perishable goods, materials, salary settlements with employees, income and expenses, tax and other mandatory payments accounts in commercial banks. . One of the operations of an integral group of internal operations of the bank is the account of fixed assets. Its importance occupies a special place in the activity of commercial banks.

In our opinion, taking into account the opinions of the above economists and the results of scientific research, the bank's internal operations accounting includes fixed assets and intangible assets accounting, low-value and perishable goods accounting, materials accounting, accounting for salaries and accounts payable amounts with employees, income and expense accounts, tax and other mandatory payments accounts, net profit accounts, and various accounts receivable and payable accounts can be included. Because, if we look at these banking operations from the point of view of their impact on the banking service, it is understood as an account of operations that indirectly serves the creation of the banking service.

If we look at the history of the development of the audit, it shows how important it is in the effective management of the country's economy based on the market economy. Because there is no need to audit economic entities that are not fully independent in the method of economic management based on planned economy, they should only be audited. However, today's independence is the opposite, that is, the type of service that helps to find the right solution to the existing problems has replaced the investigations in the mood of finding errors and taking action.

The necessary information for the management of commercial banks is compiled through internal reporting forms defined in its accounting policy, other reporting forms established based on the requirements of the management apparatus, as well as rapid and statistical reporting forms. In addition, the management staff of a commercial bank has the ability to read the report, that is, to understand the economic nature of each item of the report, the methods of assessing its importance in the banking activity, the relationship with the items of other forms of balance sheets, the description of the changes in amounts for one or another item, and the ability to evaluate the significance of these changes requires to be. It should be noted here that the terms internal reporting and consolidated financial reporting differ in content. Because internal reporting information is created for internal users, they should have enough information for quick and decision-making. These data serve as the basis for the analysis of commercial banks' activities and the supply of information for operational decision-making by the internal audit department (internal audit department, finance department, risk management) and other relevant departments. As confirmation of our word, we present the following comparison table 1.

Table 1

3. RESULTS.



Comparison of the report and the financial report on some features

No	Comparison marks	Internal report	Consolidated Financial Statements
1	Depending on the intended users	Internal and upper organs	External users
2	Disclosure of trade secrets	It exposes	Does not expose
3	Depending on the performance of the plan	Depends on plan performance	Not related
4	According to the sources used in the preparation of the report	Management accounting, statistical and quick account information	Financial account information
5	According to the form	Networks, division and by branches	Same for all banks

As can be seen from the table above, internal reporting and consolidated financial reporting differ in form and content. The reason for this can be explained by the fact that the internal report was compiled based on the requirements of rapid control and analysis of the banks' activities, while the consolidated financial report was created based on the generally accepted and international standards of financial reporting in the conditions of the market economy. The demand and needs for information of legal entities and individuals interested in the activities of commercial banks are satisfied through consolidated financial statements. If the necessary information for the management of the economic entity is prepared and presented on the required date, the consolidated financial statements of commercial banks are compiled and presented on the dates determined by the Central Bank

4. CONCLUSION.

We consider it appropriate to use the principles of accuracy, completeness and timeliness of the accounting of internal banking operations in commercial banks along with the principles of "prudence", "conformity of income and expenses in the reporting period", and "significance".

In general, banking operations carried out by commercial banks can be divided into two groups in

terms of their impact on the creation of the bank's main product, i.e. banking service.

In our opinion, these are:

- banking operations that directly affect the creation of banking services;
- bank operations that indirectly affect the creation of banking services.

In our opinion, taking into account the opinions of the above economists and the results of scientific research, the accounting of fixed assets and intangible assets, the accounting of low-value and perishable goods, the accounting of materials, the accounting of calculations of wages and accounting sums with employees, accounts of revenues, expenses and net profits, accounts of settlements with budgetary and extra-budgetary funds, and accounts of settlements with various debtors and creditors can be included. Because, if we look at these banking operations from the point of view of their impact on the banking service, it is understood as an account of operations that indirectly serves the creation of the banking service.

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