



IMPROVING CASH ACCOUNTING IN ENTERPRISES BASED ON INTERNATIONAL STANDARDS

A.Q.Eshonqulov

Teacher of the Department of Accounting and Management, Samarkand Institute of
Economics and Service Samarkand Institute of Economics and Service

Annotation

Cash funds are considered vital economic resources in ensuring the financial stability of an enterprise. This article analyzes the role and main functions of cash in business operations, and how proper management of these funds contributes to economic efficiency. It elaborates on the classification of cash assets and the importance of maintaining proper accounting practices. Particular focus is given to transactions related to settlement and foreign currency accounts held in banks, supported by practical examples. The article also explores the accounting of other cash equivalents, such as cash on hand, card transactions, and related financial activities. Through this analysis, the article emphasizes the significance of accurate and transparent cash accounting in strengthening a company's financial position.

Keywords: Cash funds, accounting, settlement account, foreign currency account, banking operations, financial control, enterprise finance, transparency in accounting.

Аннотация

Денежные средства считаются важнейшим экономическим ресурсом в обеспечении финансовой стабильности предприятия. В данной статье анализируются роль и основные функции денежных средств в деятельности предприятия, а также то, как грамотное управление ими способствует повышению экономической эффективности. Подробно рассматриваются классификация денежных средств и значение ведения корректного бухгалтерского учета. Особое внимание уделяется операциям по расчетным и валютным счетам в банках с приведением практических примеров. Также рассматривается учет прочих денежных средств, таких как наличные в кассе, транзакции по пластиковым картам и другие финансовые операции.



International Conference on Modern Science and Scientific Studies

Hosted online from Madrid, Spain

Website: econfséries.com

20th April, 2025

Проведённый анализ подчеркивает важность точного и прозрачного учета денежных средств для укрепления финансового положения компании.

Ключевые слова: Денежные средства, бухгалтерский учет, расчетный счет, валютный счет, банковские операции, финансовый контроль, финансы предприятия, прозрачность учета.

INTRODUCTION

In the modern economic environment, effective financial management is one of the key factors that determines the sustainability and development of enterprises. Among the various components of financial resources, cash funds hold a particularly critical role. They serve as the lifeblood of a business, ensuring the continuity of day-to-day operations, enabling timely settlements with suppliers and customers, and supporting strategic investment decisions. Without proper handling and control over cash movements, a company risks facing liquidity issues, operational disruptions, and even financial insolvency.

This paper explores the significance of cash funds within the broader framework of corporate financial management. It examines their primary functions, such as facilitating payments, managing cash flows, and maintaining liquidity. Moreover, the article discusses the classification of cash assets and the importance of maintaining an accurate and transparent accounting system to reflect these funds.

Special emphasis is placed on the accounting procedures related to bank settlement accounts and foreign currency accounts, as they are integral to both domestic and international financial operations. Additionally, the article reviews the accounting of other types of cash, including petty cash, card-based transactions, and other monetary equivalents handled by the enterprise. By analyzing these aspects, this study aims to highlight the role of proper cash fund accounting in enhancing the financial stability, transparency, and efficiency of business operations.

LITERATURE REVIEW

The management and accounting of cash funds have been extensively studied in the field of financial and managerial accounting. Numerous scholars and practitioners



International Conference on Modern Science and Scientific Studies

Hosted online from Madrid, Spain

Website: econfséries.com

20th April, 2025

have emphasized the importance of accurate cash flow tracking and internal control systems to ensure financial stability in enterprises.

In their book *Financial Accounting* (Weygandt, Kimmel, & Kieso, 2021), the authors provide a comprehensive overview of cash management practices, including the preparation of cash flow statements and the reconciliation of bank accounts. They stress that businesses must implement strict procedures for handling cash to prevent errors and fraud, especially when dealing with bank transactions and foreign currency operations.

Another key contribution comes from Horngren et al. in *Introduction to Financial Accounting* (2019), where the authors discuss the classification of cash and cash equivalents, highlighting the criteria for recognizing such items in the balance sheet. The book also provides detailed explanations of how businesses manage cash receipts and disbursements, and the use of control accounts to track bank activities. A study by Atrill and McLaney (2020) in *Accounting and Finance for Non-Specialists* discusses the real-world implications of poor cash management, such as overdraft risks and liquidity shortages. They emphasize that even profitable companies may collapse if they fail to maintain sufficient cash reserves. Their analysis supports the integration of bank account management, including foreign currency accounts, into the broader financial strategy of an enterprise. In addition, the International Financial Reporting Standards (IFRS) serve as a foundational guideline for the recognition and measurement of cash and cash equivalents in financial statements. The IFRS framework outlines specific principles for recording cash transactions, ensuring global consistency and comparability in financial reporting. Collectively, these sources underline the importance of disciplined cash management, accurate bookkeeping, and bank reconciliation processes as essential components of financial control and enterprise success.

ANALYSIS AND RESULTS

In market economy conditions, the efficient use of non-cash settlements is one of the key factors in ensuring the sustainable development of enterprises' economies. This is because enterprises require a certain amount of non-cash settlements to ensure the continuity of their activities, such as the purchase of necessary production reserves



International Conference on Modern Science and Scientific Studies

Hosted online from Madrid, Spain

Website: econferences.com

20th April, 2025

and labor tools, and to make payments to extra-budgetary funds. Therefore, when spending their available funds on the purposes mentioned above, enterprises must prioritize economically beneficial and cost-effective methods that allow rational use of their funds. The above considerations underline the relevance of this topic, and highlight the importance of teaching accounting practices that provide necessary data on enterprises' financial resources and expenditures to the management under market conditions. It is well-known that non-cash settlements have always played a crucial role in all stages of economic development, and the accounting procedures for such operations have been determined based on the level of development of the economy at the time. At each stage, the economy followed a certain model, and accounting has been an inseparable part of it. Progress in economic science, including accounting, has always accompanied the ascent to higher stages of development and has, in turn, influenced it.

The development and deepening of market relations require qualitative changes in the methodological foundations of non-cash settlements and the indicators used to measure their movement. Therefore, it has become necessary to fundamentally review the legal and regulatory documents governing non-cash settlements. In line with this, legal and regulatory acts regulating non-cash settlements in our Republic have been developed in recent years based on market economy demands. However, these reforms are not yet sufficient to fully update the methodological foundations of accounting. Most of the focus has been on developing indicators that are of interest to external users, and considerable progress has been achieved in this regard. In particular, non-cash settlements have been brought closer to international standards, but the accounting systems that provide the data for these calculations remain outdated. Every type of activity carried out by an enterprise requires monetary resources. Enterprises receive funds through the sale of goods, services, and assets, including securities. Newly established enterprises can receive capital contributions in cash or by bank transfers (in the case of legal entities) to their bank accounts to form the authorized capital. Enterprises use their monetary resources to develop their core and auxiliary activities, purchase material assets, pay wages to employees, implement capital investments (such as construction of production and cultural facilities, purchase of vehicles, planting of long-term crops, and forming



E CONF SERIES



International Conference on Modern Science and Scientific Studies

Hosted online from Madrid, Spain

Website: econferences.com

20th April, 2025

basic livestock herds), and to make payments to the state budget, extra-budgetary funds, and for services rendered by other legal and natural persons as permitted by legal and regulatory acts.

The formation, storage, and use of funds by legal entities are controlled by the Central Bank of the Republic of Uzbekistan. These procedures are detailed in the "Rules for Conducting Cash Operations of Legal Entities," registered on December 12, 1998, and approved by the Ministry of Justice on January 24, 1998. The main sources and expenditures of monetary funds are described in the Law of the Republic of Uzbekistan "On Accounting" and in the National Accounting Standard No. 9 "Statement of Cash Flows," approved by the Ministry of Finance on October 16, 1998, and registered by the Ministry of Justice on October 4, 1998.

According to the "Rules for Conducting Cash Operations of Legal Entities," all legal entities must:

- Store their funds in bank institutions, regardless of their form of ownership;
- Conduct all mutual settlements between legal entities and entrepreneurs exclusively through bank institutions using non-cash forms;
- Spend withdrawn cash only for the purposes stated when the funds were withdrawn;
- Store cash in their cash desks only within the limit set by the bank in agreement with the organization's head;
- Store excess cash only for specific purposes such as wage payments, stipends, bonuses, and pensions for up to 3 days;
- Avoid using cash receipts from trade and services to pay wages or pensions;
- Provide travel funds according to the norms established for the respective region;
- Return unused funds to the cash desk within 3 days, and the accountable person must submit an advance report to accounting.

Responsibility for the preservation and proper use of monetary funds rests with the head of the enterprise and the chief accountant. They must follow the rules of cash and bank transactions and properly document them in strict accordance with the regulations. Since the production process is continuous, an enterprise's funds are simultaneously involved in all stages of circulation. In this process, monetary funds play a vital role in the enterprise's economy. This is because monetary resources are



International Conference on Modern Science and Scientific Studies

Hosted online from Madrid, Spain

Website: econferences.com

20th April, 2025

used to varying degrees at every stage—procurement, production, and sales. Therefore, enterprises must always maintain a certain amount of funds. In a market economy, the financial stability of enterprises largely depends on their payment ability. This ability is primarily determined by the availability of free monetary funds, which are the most liquid assets. Hence, it is especially important to efficiently use available free funds by putting them into circulation.

1. **Money as a measure of value** – indicates the equivalence of a certain amount of goods to a specific sum of money and represents the magnitude of the value of the goods. The value of goods expressed in monetary terms is referred to as the price. The function of measuring value is primarily carried out through prices. With its help, the value of the goods produced by the enterprise becomes the basis for the market or contract (pre-agreed) price and is reflected in the national currency of the country or converted into foreign currencies.

2. **Enterprise monetary funds** serve as a means of payment in the process of circulation, enabling the purchase of resources required for the production process and payments for services rendered or work performed. With money, an enterprise can purchase all necessary resources and carry out all payments. It is a universal measure for all settlements between economic entities.

3. **Money as a means of accumulation** serves for wealth accumulation. Of course, money is the primary form of wealth, though not the only one. However, money is considered the most convenient means of accumulating wealth. For this purpose, money must be stable. Ensuring the stability of the national currency of our Republic is one of the main economic tasks of our country. In this regard, the President of our country, I.A. Karimov, emphasized: "Only when the national currency is strong and reputable, the economy can become perfect."

The funds held in enterprise settlement and foreign currency accounts in banks serve to strengthen the foundation of our national economy. This is because they ensure the activation of bank operations, promote the circulation of national and foreign currencies in the production process, and fulfill two important functions simultaneously. First, by being engaged in the production process, the money circulation is ensured, and this contributes to the growth of gross domestic product (GDP) and gross national income (GNI) generated in the national currency. Second,



E CONF SERIES



International Conference on Modern Science and Scientific Studies

Hosted online from Madrid, Spain

Website: econferences.com

20th April, 2025

since the monetary funds from settlement and foreign currency accounts are involved in production, banks also pay a certain amount of interest to their clients.

Thus, the **first function of money** is to support the development of the national economy, and the **second function** is to generate certain income for enterprises.

Money also performs a **payment function**. In this case, money is used to fulfill debt obligations of enterprises to suppliers, contractors, other service-providing economic entities, the state budget, and extra-budgetary funds.

The role of monetary funds in the enterprise's economy is determined by their ability to perform key functions, for which accounting must provide the management system with relevant data. To ensure this, the accounting of monetary funds must fulfill the following main tasks:

- Providing necessary information for efficient management of enterprise monetary funds;
- Ensuring timely execution of payments and settlements in accordance with procedures established by monetary regulations;
- Timely reflection of the cash status and movement in accounting records, as cash flows are key indicators of enterprise activity;
- Controlling the spending of monetary funds in line with approved purposes, budgets, and spending limits;
- Ensuring periodic inventory of monetary funds and monitoring the repayment of overdue receivables and payables;
- Ensuring the safekeeping of funds held in cash, settlement, currency, and other bank accounts;
- Forecasting and optimizing cash flows for informed managerial decision-making.

Successful implementation of these tasks enables enterprises to make effective management decisions regarding the use of monetary resources. Naturally, achieving this requires the proper organization of monetary fund accounting. For this purpose, classifying available resources within the enterprise holds particular significance.

Conclusion

In conclusion, monetary resources play a vital role in the financial and economic activities of enterprises. Money serves not only as a means of value measurement,



International Conference on Modern Science and Scientific Studies

Hosted online from Madrid, Spain

Website: econferences.com

20th April, 2025

payment, and accumulation but also as a powerful tool for ensuring sustainable economic development at both micro and macro levels. Efficient use and accurate accounting of monetary funds enable enterprises to fulfill financial obligations, optimize resource allocation, and generate additional income through banking services.

The national currency's strength and stability are fundamental to the growth and resilience of a country's economy. As highlighted, properly functioning settlement and currency accounts strengthen banking operations and enhance monetary circulation in the production sector. Therefore, the accurate organization of accounting and control of cash flows is crucial for effective financial management and decision-making within enterprises.

Suggestions

Based on the analysis, the following suggestions are proposed to improve the management and accounting of monetary funds in enterprises:

1. **Implement advanced accounting systems** – Enterprises should adopt modern accounting software to automate the tracking of cash flows, improve accuracy, and reduce manual errors.
2. **Enhance internal controls** – Strengthen internal control mechanisms over cash handling, inventory, and bank account monitoring to prevent misuse and ensure transparency.
3. **Ensure compliance with financial regulations** – All payments and settlements should strictly adhere to national financial laws and regulatory standards to avoid legal issues.
4. **Improve cash flow forecasting** – Enterprises should regularly forecast cash inflows and outflows to maintain liquidity and make informed investment decisions.
5. **Diversify financial instruments** – Encourage the use of various financial instruments, such as short-term deposits, treasury bills, or currency exchange strategies, to increase returns on idle funds.



International Conference on Modern Science and Scientific Studies

Hosted online from Madrid, Spain

Website: econfseries.com

20th April, 2025

6. **Promote staff training** – Continuous professional development of accounting personnel in financial analysis and reporting standards is essential for effective fund management.
7. **Increase collaboration with banks** – Enterprises should maintain strong relationships with financial institutions to negotiate better terms on credit, interest rates, and investment opportunities.
8. **Monitor performance indicators** – Key metrics related to cash turnover, payment efficiency, and fund utilization should be closely monitored to evaluate the financial health of the enterprise.

By implementing these recommendations, enterprises can ensure more efficient management of their monetary resources, thereby enhancing profitability, maintaining financial stability, and contributing to overall economic development.

List of Used Literature

1. Qudratovich, E. A. (2022). Cash Flows of the Enterprise: The Essence and Methods of Their Evaluation. *International Journal on Integrated Education*, 5(3), 96-100.
2. Qudratovich, E. A. (2022). Cash flow statement as one of the Basic Forms of financial Accounting statements. *European Scholar Journal*, 3(2), 23-25.
3. Qudratovich, E. A. (2023). Cash Flow Statement is one of the Important Sources of Information on the Cash Flows of an Enterprise. *Journal of Ethics and Diversity in International Communication*, 3(2), 40-47.
4. Qudratovich, E. A. (2022). Basis of Efficient Cash Flow Management of the Enterprise. *International Journal on Economics, Finance and Sustainable Development*, 4(12), 5-11.
5. Qudratovich, E. A. (2022). CONCEPT, ECONOMIC ESSENCE AND EVOLUTION OF APPROACHES TO THE DEFINITION OF CASH FLOWS OF AN ENTERPRISE. *Galaxy International Interdisciplinary Research Journal*, 10(4), 709-715.
6. Qudratovich, E. A. (2022). International and national financial reporting standards on cash flows.



International Conference on Modern Science and Scientific Studies

Hosted online from Madrid, Spain

Website: econfseries.com

20th April, 2025

7. Qudratovich, E. A. (2023). Market Conditions as One of the Factors Influencing the Formation of an Enterprise's Cash Flows. *International Journal on Orange Technologies*, 5(3), 32-37.
8. Qudratovich, E. A. (2022). The Impact of Cash Flows on the State and Results of the Financial Activity of the Enterprise. *European Journal of Life Safety and Stability (2660-9630)*, 18, 65-71.
9. Qudratovich, E. A. (2022). Information Capabilities and Methods of Compiling a Cash Flow Statement. *American Journal of Economics and Business Management*, 5(2), 53-56.
10. Eshonqulov, A. Q. (2024). Assessing the Impact of International Cash Accounting Standards on Financial Statements of Enterprises. *European Journal of Contemporary Business Law & Technology: Cyber Law, Blockchain, and Legal Innovations*, 1(2), 54-62.
11. Qudratovich, E. A. (2023). The Role of the Statement of Cash Flow in the Financial and Economic Life of a Business Entity. *Spanish Journal of Innovation and Integrity*, 16, 98-106.
12. Qudratovich, E. A. (2023). Issues and Solutions in Applying International Standards for Accounting Cash and Cash Equivalents in Uzbekistan. *Middle European Scientific Bulletin*, 35, 35-40.
13. Qudratovich, E. A. (2022). PUL OQIMLARI TO'G'RISIDAGI HISOBOTNI TUZISH USULLARI VA AXBOROT IMKONIYATLARI. *Current Issues of Bio Economics and Digitalization in the Sustainable Development of Regions*, 740-742.
14. Эшонкулов, А. (2025). ПУЛ МАБЛАҒЛАРИ ТУШУНЧАСИ БУХГАЛТЕРИЯ ҲИСОБИ ОБЪЕКТИ СИФАТИДА ТАВСИФИ. *Экономика и социум*, (1-1 (128)), 625-630.
15. Эшанкулов, А. (2024). СОВЕРШЕНСТВОВАНИЕ ОПРЕДЕЛЕНИЯ И КЛАССИФИКАЦИИ ДЕНЕГ В СООТВЕТСТВИИ С МЕЖДУНАРОДНЫМИ СТАНДАРТАМИ. *Экономическое развитие и анализ*, 2(10), 493-503.
16. Эшонкулов, А. Қ. (2024). Корхоналарда пул оқимлари тўғрисидаги ҳисоботни такомиллаштириш. *Экономика и социум*, (5-1 (120)), 1870-1874.



International Conference on Modern Science and Scientific Studies

Hosted online from Madrid, Spain

Website: econfséries.com

20th April, 2025

17. Эшонкулов, А. Қ. (2024). КОРХОНАЛАРДА ПУЛ ОҚИМИ ТУГРИСИДАГИ ХИСОБОТИНИ МОЛИЯВИЙ БУХГАЛТЕРИЯ ЖАДВАЛЛАР АСОСИДА ШАКЛИНИ КУРИБ ЧИҚИШ. *Экономика и социум*, (5-1 (120)), 1226-1231.
18. Эшонкулов, А. (2024). ПУЛ МАБЛАҒЛАРИ ТАЪРИФИ ВА ТАСНИФИНИ ХАЛҚАРО СТАНДАРТЛАР АСОСИДА ТАКОМИЛЛАШТИРИШ. *Экономика и социум*, (12-2 (127)), 1649-1659.
19. Эшонкулов, А. (2025). ПУЛ МАБЛАҒЛАРИ ТУШУНЧАСИ БУХГАЛТЕРИЯ ХИСОБИ ОБЪЕКТИ СИФАТИДА ТАВСИФИ. *Экономика и социум*, (1-1 (128)), 625-630.
20. Qudratovich, E. A. (2024). KORXONALARDA PUL OQIMI TO'G'RISIDAGI HISOBOTINI MOLIYAVIY BUXGALTERIYA JADVALLAR ASOSIDA SHAKLINI KO'RIB CHIQISH. *Journal of marketing, business and management*, 2(11), 5-9.
21. Eshonqulov, A. Q. (2024). Accounting Standards on Financial Statements of Enterprises. *European Journal of Contemporary Business Law & Technology Volume*, 1(2).
22. Эшонкулов, А. К. (2023). ПРОБЛЕМЫ И РЕШЕНИЯ ПРИ ПРИМЕНЕНИИ МЕЖДУНАРОДНЫХ СТАНДАРТОВ УЧЕТНОГО УЧЕТА ДЕНЕЖНЫХ СРЕДСТВ И ИХ ЭКВИВАЛЕНТОВ В УЗБЕКИСТАНЕ. *Journal of marketing, business and management*, 2(7), 17-24.
23. Эшонкулов, А. К. (2023). КОНЪЮНКТУРА РЫНКА КАК ОДИН ИЗ ФАКТОРОВ, ВЛИЯЮЩИХ НА ФОРМИРОВАНИЕ ДЕНЕЖНЫХ ПОТОКОВ ПРЕДПРИЯТИЯ. *Journal of marketing, business and management*, 1(12), 21-29.
24. Эшонкулов, А. К. (2023). ВЛИЯНИЕ ЭКВИВАЛЕНТА ДЕНЕЖНЫХ СРЕДСТВ НА ФИНАНСОВУЮ ОТЧЕТНОСТЬ: СРАВНИТЕЛЬНЫЙ АНАЛИЗ МСФО И ОПБУ США. *Journal of marketing, business and management*, 2(7), 1-16.
25. Qudratovich, E. A. (2022). MAIN DIRECTIONS FOR OPTIMIZING CASH FLOWS. *Gospodarka i Innowacje.*, 48-52.



E CONF SERIES



International Conference on Modern Science and Scientific Studies

Hosted online from Madrid, Spain

Website: econferences.com

20th April, 2025

26. Qudratovich, E. A. (2022). PUL OQIMI TUGRISIDAGI XISOBOTINI MOLIYAVIY BUXGALTERIYA JADVALLAR ASOSIDA SHAKLINI KURIB CHIQISH. *Journal of marketing, business and management*, 1(9), 1-5.