



## **CHARACTERISTICS OF RECEIVABLES WITHIN CURRENT ASSETS AND THEIR ROLE IN MANAGEMENT**

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### **Abstract**

In the conditions of modernization of the economy, the issues of management of receivables in the economy of the Republic as an important component of current assets have not become the subject of scientific research. Perhaps the existence of receivables is considered as a negative situation in the financial management of economic entities.

**Keywords:** Accounts receivable, accounts payable, effective accounts receivable management, accounts receivable management system, systematic internal audit, overdue accounts receivable.

### **Introduction**

Accounts receivable and accounts payable are obligations that arise directly from mutual settlements between a business entity and its counterparty. These obligations arise in relations between a business entity and suppliers or buyers, between an enterprise and banking institutions, between a business entity and tax authorities, between a business entity and social security departments and various public organizations, as well as in relations with employees, property owners, shareholders, and investors. The main reason for their occurrence is the time lag in calculations. That is, even products that are added today are included in the list of receivables and payables until they are paid. This results in a discrepancy between the occurrence of income and expenses and the realization of calculations for them. This creates a discrepancy between the occurrence of income and expenses and the realization of calculations for them. This situation should not be misinterpreted as arising from the limitations of the reporting period.



In managing financial resources, in particular, managing accounts receivable, the first step is to define the objects of management themselves. The concept of "accounts receivable" is interpreted differently in economic literature.

For example, the American scholar P. Libby "divided accounts receivable into trade and other receivables, including those that are expected to be paid in a short time" [1].

P.H. Hermanson and other scholars in the same field considered "Amounts received in the form of trade receivables arising from the sale of goods and services on credit" [2].

O.V. Popova in his article "In the event of the fact of sending goods (work, services) to the buyer, the corresponding term, receivables, arises. From the point of view of civil law, receivables are considered a property right, that is, the right to receive certain amounts of money (goods, services, etc.)" [3].

According to L. Bepdnikova and V. Odapich, "Debit cap is the temporarily excluded funds from the company's working capital" [4].

According to I. Pavlyuk, "Accounts receivable can be called funds that should be paid to the company, but have not yet been received by it, or obligations of customers (debtors) to pay the company for services or goods" [5].

"Debit liability" refers to the obligation of a separate company, organization, and other debtor in front of this company. "Debitoplik capzlapi" usually occurs as a result of the implementation of payment, product, job and service realization in the economic operation" [6].

"Debit card is the amount of money sent, completed work and increased services of the organization, and the company has the right to receive it from its customers. In case of debt, if the payment period is less than two years, it is considered a short-term asset, and if the payment period is more than two years, it is considered a long-term asset" [7].

According to the 39-con MHXC "Financial instruments: recognition and evaluation", a balance sheet and a balance sheet are considered financial assets. A key requirement for recognizing a receivables package as a financial asset is that it must be actively traded. If the asset is listed on an active market, or does not meet other requirements for classification as receivables or loans, then receivables are recognized as "investments held for sale."

7-con MHXC "Financial integration: disclosure" requires disclosure of financial



assets and financial liabilities. It includes the debit title, as well as the financial obligation and the other title." According to the BIC, "accounts receivable (accounts receivable) are non-recurring credit agreements with a payment term of 30-60 days from the date of the invoice" [8].

M. Kalonov and H. Optikov emphasized that "Debtors are other enterprises, organizations, institutions or individuals that are debtors to this entity and must pay their receivables" [9].

According to C. Tashnazapov's opinion, "Two factors directly influence the debit balance (byxgaltepia balance) on the basis of the payment received from the bank and the bank account. Factors include income (report based on financial results) and compensation (product, work, and services) from the sponsor (report based on income). kipadi" [10] - saying described.

As mentioned above, the main reason for the emergence of accounts receivable in a business entity is that the payment terms or dates in the accounts fall into different accounting periods. In this case, the emergence of accounts receivable is allowed in any case. If the products are sold by shipment, then payments are made until the date of delivery, and if the goods are sold on an advance payment basis, then they are also reflected in the accounts as liabilities and debts until the date of shipment of the goods. Therefore, it is advisable for business entities to classify receivables by the periods of occurrence.

As a result of our scientific research, the composition and structure of receivables of economic entities and the theory and practice of their effective management were thoroughly studied. One of the main scientific innovations achieved was the proposal of new, well-founded methodological approaches aimed at creating practical experience in the accounts receivable management system by generalizing and analyzing the database of accounts receivable management at enterprises in the system, based on a scientific study of their theoretical processes.

– Scientific terminology in the field of current asset management is not fully formed. In particular, the terms “accounts receivable management system” and “effective accounts receivable management” are used as synonyms. Although these concepts are close to each other, they have not been defined in a way that is justified to us. Therefore, it is appropriate to provide the following explanation of these terms:

– receivables management system - this is the coverage of goals and tasks,



standards and indicators, methods and instruments, software used in managing receivables;

– effective management of receivables means the transition to optimization of cash flows of an economic entity by minimizing the costs of managing receivables over a certain period, the dependence of the volume of receivables on the implementation of the adopted system and decisions.

One of the important issues to study in relation to economic, legal, accounting and financial frameworks is the determination of receivables. Accounts receivable determined on the basis of these principles and the unique views of the scientific researcher are expressed in the following, namely:

Economic - accounting for the amount of indebtedness incurred by legal entities and individuals as a result of their mutual economic relations;

Legal - is a property right (claimable) of an economic entity, that is, unfulfilled monetary obligations of a third party belonging to the enterprise as a creditor;

Accounting is a group of assets in the accounting balance sheet of an economic entity;

Financial - is a financial category in use, a form of current assets received by the supplier of goods - a specialized financial relationship between the supplier and buyers in terms of settlement terms and methods in potentially positive (net) cash flow.

Most economists of developed countries suggest important elements of the accounts receivable management system. They recommend clear accounts receivable management procedures. In our opinion, the procedures recommended by them do not allow effective management of receivables. That is, their recommendations do not fully correspond to modern trends in financial science. Taking into account the above and summarizing the important aspects of world practice, it is necessary to recommend a scientifically based procedure for managing receivables.

We can recommend that a systematic internal audit of receivables management in business entities (compliance of the analysis with the principles of receivables management, efficiency analysis, analysis of the impact of changes in various factors on receivables) should be in the following sequence:

- formation of the goals and tasks of managing receivables in accordance with the financial policy of the economic entity;



- determining the content of reports and the level of compatibility of the software with the set goals, analyzing the database;
- to determine the resources (financial, labor and other resources) available in the economic entity; мураккаб шароитда компания амалга ошириши талаб этиладиган мақсад ва вазифаларни аниқлаш, дебиторлик қарзларини бошқариш методи ва инструментларини танлаш;
- • control over the exact implementation of the approved regulation.

The following can be cited as the reasons for the occurrence of overdue debts:

- that the company's financial situation is unhealthy;
- that the enterprise does not have solvency;
- distance of liquid funds circulation;
- non-compliance with contractual obligations and payment terms;
- failure to properly compensate for damages caused by breach of business contracts (non-compliance with the measures used in breach of contracts);
- non-admission of modern forms of settlement, etc.

The analysis assesses the condition, level of turnover, and financial condition indicators related to receivables based on a study of the volume, composition, and maturity of receivables.

The period for writing off accounts receivable is set at 3 years, both between legal entities and between enterprises and individuals. Debts not collected within this period are written off to the company's detriment. Overdue accounts receivable are taken over by the state as a control item. The write-off of overdue receivables does not reduce taxable income. The conditions for writing off overdue receivables as losses are strictly regulated in accordance with state accounting and tax legislation. The write-off of overdue receivables does not reduce taxable income. The conditions for writing off overdue receivables as losses are strictly regulated in accordance with state accounting and tax legislation. Otherwise, if necessary, the debtors will be held liable for the delayed obligations. In the conditions of economic liberalization, each business entity will inevitably incur a certain amount of receivables in the course of its activities. Because it is natural for manufacturing enterprises to always have certain differences between the delivery of products and their payment.

Therefore, the administration will have to find ways to collect existing receivables and eliminate overdue debts. Otherwise, it will have a negative effect on the



company's solvency. In the period of transition to market relations, previously formed inter-enterprise economic relations expanded. It became necessary to radically change and reshape these relationships in the new conditions. As a result, inter-enterprise relationships became more complicated, and accounts receivable and accounts payable began to increase, becoming a problem that negatively affected the solvency of the enterprise.

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