

Improving the Policy of Formation of Financial Resources of Insurance Organizations

Azimjon Meliev

Samarkand Institute of Economics and Service

Abstract. This article presents the policy of using and forming financial resources of insurance organizations, the analysis of its current situation, the organization of a working document of control policy in insurance organizations, and ways to improve the policy of forming financial resources.

Keywords: insurance organization, financial resource, policy, financial system.

Introduction

The acquisition of a global nature of economic processes, the redistribution of the role of the system of financial and economic relations and the subjects of this system, in turn, required the transformation of the basic concepts and principles. In the following years, in the international financial system, firstly, the formation of funds and the redistribution of financial resources of economic entities and the source of investment, secondly, the form of risk management that is increasing in scope, and thirdly, the role of insurance as a stability factor in ensuring the continuity of production (service, performance of work) is increasing. being observed.

During the development of insurance relations in our republic, conditions were created for the emergence of a number of new economic entities. It is known that in the conditions of a developed economy, insurance relations, as a factor of ensuring economic stability, create an opportunity for physical and legal entities to protect themselves from various expected events and eliminate their consequences. In order to form this protection mechanism, contracts are concluded between insurance organizations and insured persons. In order to make this insurance system and all the procedural rules of their formalization in preliminary documents understandable for the recipients of information, the circulation of accounting documents in insurance organizations is regulated by the accounting policy. Accounting documents are considered an important component of the formation of financial and tax reports, and their form and order are determined by the accounting policy. The goal of developing an accounting policy in insurance organizations is to have a coordinated information system of accounting and financial analysis.

Literature review

The results of an in-depth study of the relevant literature, their comparative analysis and generalization show that there are different opinions on the concept of "Accounting policy". Including:

A. Karimov and J. Qurbanboev defined the accounting policy: "The ultimate goal of developing an enterprise accounting policy is to create an effective, integrated system of management accounting and analysis."

One of our economists, A. Usanov, says: "Accounting policy, as an internal regulatory document, ensures the interdependence between the specific characteristics and conditions of the enterprise's activity and the requirements of the regulatory documents adopted by the state on accounting," and the organizational structure of each field and specifies the consideration of service features. Therefore, these considerations require that the specific characteristics of insurance organizations should be taken into account.

At this point, another scientist of ours, A. Alikulov, expressed his opinion about the accounting policy: "The accounting policy of entities is a set of methods used in accounting and financial reporting in this entity." Such an interpretation cannot be fully agreed, because the accounting policy is not only a set of methods, but is a working document that reflects the alternative selected form and principles of accounting organization.

According to one of our famous scientists, H. Musaev: "...accounting policy of the enterprise" is "philosophy of entrepreneurship" and "its language". That is why he pays special attention to the necessity and importance of accounting policy. One cannot fully agree with such an opinion. Because the accounting policy has the nature of an internal guideline and reflects the forms of accounting and the procedures for its management.

Scientists from the CIS countries also expressed their opinions on this issue. In particular, I.P. Kandakov says: "Accounting policy is the main working document that includes the forms of accounting and the evaluation of the organization's accounts and accounting objects, the rules of their organization, and the selected options of the forms of internal reporting."

Summarizing all the points made above, it can be said that the accounting policy in insurance organizations is the procedure for keeping accounting records and compiling financial reports in management, directorates, district and city divisions, alternative selected options for compiling internal reports are developed and approved, and financial management includes evaluation of transactions, revaluation and write-off of assets, application of accounting accounts and reflection of mutual economic relations with district and city divisions, directorate, corporate management in accounting records.

The main basis of the new approach to the organization of financial control in insurance organizations is that, within the limits of general rules established by the state, insurance organizations develop accounting policies based on their characteristics.

Main part

In the conditions of modernization of the economy, there is no sector that is limited by the development and improvement according to the requirements of the time. During the socio-economic development of the society, the social policy aimed at raising the lifestyle of the population and raising the standard of living fulfills its tasks. Ensuring the adequacy of such financial resources while using various financial services in this process is also directly related.

It is worth mentioning that special attention is paid to the development of banking services, leasing, auditing, engineering and other modern services.

There are such risks in everyday life, industrial relations, and business activities that incur unforeseen costs. This can lead to a stoppage of production, damage to the entrepreneur, or a negative impact on people's way of life. The use of insurance services has a positive effect in reducing such cases and preventing unexpected expenses.

Formulation of the insurance control policy is a complex and multifaceted planning, i.e., a unique creative process, as a result of which a procedure for managing the financial business activity and control system of the economic entity is created for 1 year. The formation of the accounting policy can be divided into 3 stages (Fig. 1).

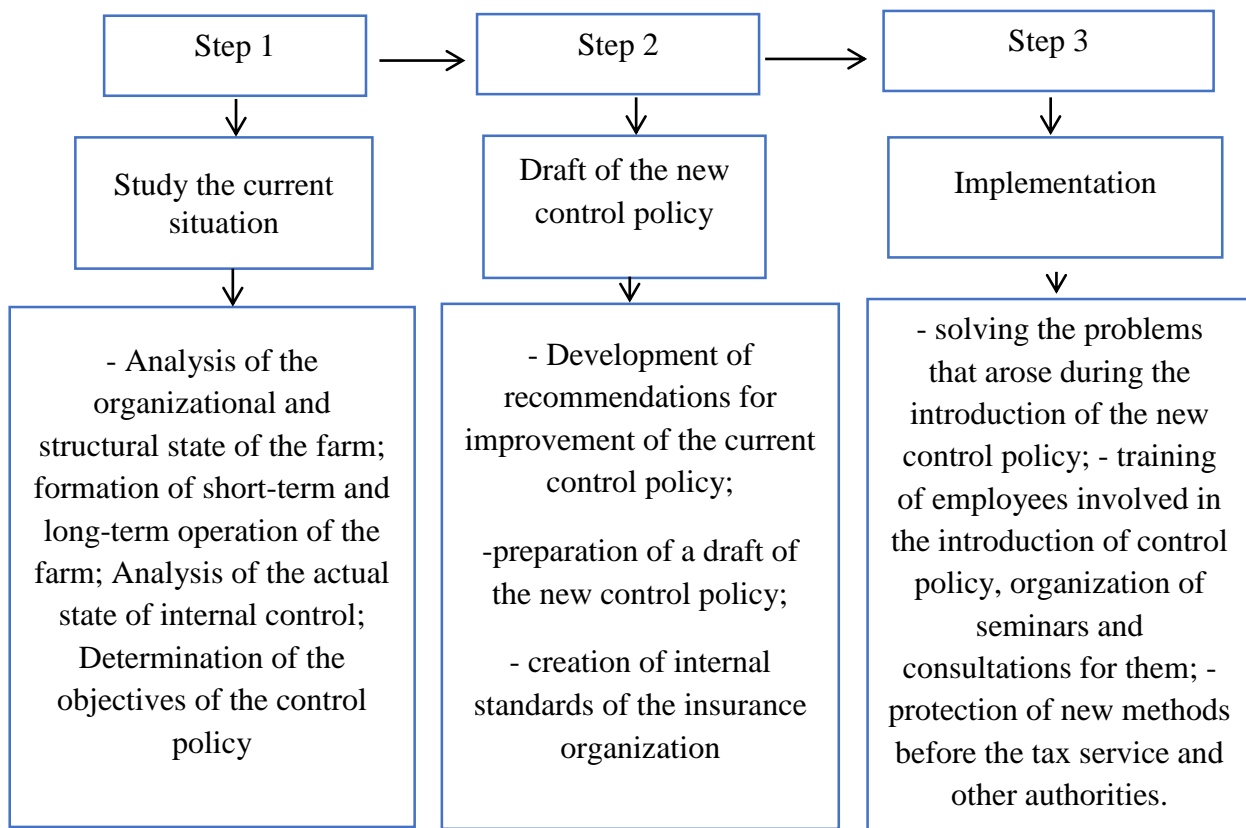


Figure 1. Stages of formation of insurance control policy

The results obtained from the implementation of control policy in insurance organizations can be divided into 4 groups. The implementation of the tasks in these 4 groups determines the purpose of the accounting policy (Fig. 2). Taking into account the specified tasks in a sequence, in the process of development and approval of the accounting policy, creates opportunities for the business entity to become more profitable and to manage it effectively.

In developing the accounting policy of the insurance organization, within the framework of the national accounting policy, in order to effectively organize its activities, it is necessary to select the economically beneficial methods and formalize them with relevant documents and give them a legal status.

The content of the control policy in insurance activities is represented by the following:

- order on the control policy of the insurance organization;
- List of forms of initial documents on insurance activity and forms of summarizing documents for internal control;
- deadlines for submission of documents and sequence of account information processing;
- approved methodical and audited organization for taking into account certain indicators;
- other applications to the control policy order;

Also:

- 1) separate reflection of accounting methods that differ from the previous year, which are selected in the formation of the control policy of the insurance organization;

2) indicate changes in the accounting policy of the insurance organization in the reporting year or in the periods after the reporting year, which significantly affect the decision-making of information users;

3) an explanatory letter related to the insurance organization's control policy, which reflects the events that occurred after the reporting date and the profits per share.

When drawing up a working document of the control policy in insurance organizations, it is recommended to divide it into the following sections (where the action program and conditions of each section are reflected in written form).

1. General rules.
2. Content of the control policy.
3. Tasks of accounting.
4. Principles of accounting.
5. Organization of accounting.
6. Procedures and forms of keeping documents in accounting.
7. Account of cash transactions.
8. Calculation of funds in settlement and other accounts.
9. Account of currency transactions.
10. Settlement account with reporting entities.
11. Mutual accounts of management branch with departments.
12. Carrying out an inventory of the assets and liabilities of the insurance organization.
13. The procedure for the assessment, revaluation and depreciation of fixed assets.
14. Procedure for calculating intangible assets valuation, revaluation and amortization allowances.
15. Inventory accounting procedure.
16. The procedure for accounting, storage, and cancellation of forms under fixed account.
17. Expenses of the next period and their write-off procedure.
18. Procedure for formation of insurance reserves.
19. Income of the insurance organization and the procedure for its reflection in the account.
20. Expenses of the insurance organization and the procedure for its reflection in the account.
21. Profit accounting procedure in the corporate management system.
22. Procedure for accounting for taxation and other mandatory deductions.
23. List of accounts used in accounting.
24. Explanations of the accounting policy.

In today's practice, the control policy is covered based on the requirements developed by the tax authorities, the comments and explanatory letters of the financial report representing the activities of the economic entity. In the explanatory letters of the financial control, it is enough to reflect some aspects of the accounting policy. Although the relevant aspects are covered, many of the recipients of the information are presenting reports without understanding the nature of the accounting policies.

Conclusion

In general, the following should be indicated in the comments and explanations in the financial statements of economic entities engaged in insurance activities:

- 1) to provide information on the selection and use of various economic operations and events to ensure the accuracy of the financial report and control policy of the economic entity;
- 2) disclosure of information required in BHMS and not reflected in any financial report;
- 3) not reflected in the financial statements, but providing additional analysis for the accurate and truthful presentation of the financial statements, etc.

In our opinion, it is appropriate to include the following in the control policy section of the explanatory letter of financial control:

- 1) types of assessment used in preparation of financial statements and its legal basis;
- 2) specific parts of accounting policies that are important in understanding financial statements;
- 3) the situation when there are some changes in the accounting policy.

Given the inherent priority of accounting policy disclosures for users of financial statements, managers should consider that an entity's risk provides an opportunity to assess future cash flows.

When drawing up a working document of the insurance organization's control policy, it is necessary to pay special attention to the following aspects:

I. On organizational and technical aspects:

- to the rules of the document circulation schedule;
- Forms and periodicity of internal report preparation and presentation;
- the participation of the internal audit service, its team of specialists and the monitoring board or audit commission in the organization of the internal control system;
- division of duties of employees of the accounting and reporting methodology department;

II. On methodological aspects:

- to determine the methods of selection of actuarial calculations;
- methods of controlling deviations of the actual consumption of materials in the organization of insurance services;
- providing general services (production). To methods of distribution of auxiliary production costs and other indirect costs;
- to the method of writing off the expenses of the period;
- to choose methods of organizing insurance reserves;
- to the methods used in determining break-even points by insurance types or classes.

III. For tax purposes:

- to the procedure for organizing separate accounting for taxes;
- to organize the separate accounting of social sector objects (so that the owner has a preferential right to property tax in cases where they are used together with the provision of privileged and non-privileged services).

In conclusion, it can be said that the transition to a new procedure of financial reporting in insurance organizations, its compliance with the principles accepted in the world experience, as well as the policy of reporting and control, will ensure the increase of financial resources and the recognition of its financial stability at the international level.

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