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THEORETICAL ASPECTS OF ACCOUNTING STANDARDIZATION

The term “standardization” is usually used in the specialized literature to signify the process of development and application of accounting standards. Nevertheless, standardization in accounting has a much broader scope and aspects of manifestation. On the one hand, standardization is considered as a collection of rules on recognition, measurement and presentation of accounting items in the financial statements, and on the other hand, standardization activities involve the processes of development, approval, issuance and application of accounting standards.

Accounting standardization consists in the establishment of a set of strict and rigid rules that have to be applied in the accrual-based and interim financial reporting. A concept has been embraced that different countries should apply a set of uniform accounting principles, rules and standards without being necessary for them to be adopted and amended on the basis of regulations in each country. The major advantage of standardization is the use of comparable accounting systems, saving of time and costs on the transposition of rules. On the other hand, standardization appears to be a challenge for countries with poorly developed organization of accounting practices compared to other countries. [6].

Clare Roberts defines standardization as a process by which all participants agree to follow the same or very similar accounting practices. According to the author, standardization aims to achieve a state of uniformity [7].

John Samuels and Andrew Piper identify standardization as „a state of uniformity, in which everything is regular, homogenous, or at least unvarying.“ [8].

According to Frederick Choi, standardization means imposing a rigid and narrow set of rules, and may require the application of a single standard or rule in any situation [5].

Accounting standardization has been an object of discussions in the specialized accounting literature for a number of Bulgarian accounting scholars.

Ivan Dushanov identifies standardization as „one of the fundamental methods for bringing the organization of reporting entity’s accounting in consistence with the internationalization of capital in the world, in the scale of contemporary European

integration as well.“ [4]. The author highlights that „standardization deals with, and at the same time aims at, the organization of accounting processes, their “adjustment” respectively, for the needs of providing accounting information to multinational companies.“ That is why Ivan Dushanov rightfully concludes that „by standardization in accounting it is aimed to eliminate the differences in the language, reporting currency, the accrual based accounting techniques, and in the presentation of the accounting information on the property and financial standing of an entity, regardless of its size and territorial location“ [4].

According to Snezhana Basheva, accounting standardization represents an establishment of a strict and narrow selection of uniform accounting rules and fundamental principles used by different countries in their accounting practices. The author considers standardization to be an instrument of harmonization and approximation of the organization of accounting under the conditions of contemporary globalization of capital. [2].

In the opinion of Borislav Boyanov, accounting standardization constitutes a historically determined process the origination and the development of which lead to qualitative changes in accounting [3]. The author explores the existence of a „network of individual factors of the environment, which predetermines the boundaries, the elements and objectives of standardization and moulds the pattern of every national accounting system“. Such factors are: capital markets; the financial reporting system; the legal system; the political system, political and economic relations between the countries; the quality of accounting education and the status of the accounting profession; the type, size and complexity of business operators; the level of inflation; the application and implementation of the regulatory accounting framework; the level of economic development, culture and the system of values [3].

Conclusion. Based on the literature review of the theoretical aspects of accounting standardization, we can summarize the following characteristics of particular importance:

- Accounting standardization is regarded in a two-fold manner. On the one part , it is considered as an aggregate of principles and rules that need to be applied in the accrual-based and interim financial reporting, and on the other part - as a historically determined process which involves activities related to the development, approval, issuance and application of the accounting standards.

- The organization of accounting¹ is at the heart of standardization and it is thought of as a process of development and use of rules, which limit and harmonize accounting activities.

- A system of economic, social, political, cultural, legal, educational factors of the environment, as well as technological factors, have an influence on the

¹ There are two principal definitions of the concept of the organization of accounting – from the perspective of the management theory and from the standpoint of the general theory of organization. According to the management theory, the organization of accounting is considered to be a harmonization of accounting mechanism’s activities in view of achieving the objectives of accounting. From the point of view of the general theory of organization, the organization of accounting is an irrevocable, innate feature of each system, which ensures its functioning. [1].

standardization in accounting.

• Standardization seeks to ensure and achieve comparability between accounting systems, saving of time and resources for the transposition of accounting standards.

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УЧЕТНО-АНАЛИТИЧЕСКОЕ ОБЕСПЕЧЕНИЕ УПРАВЛЕНЧЕСКОГО УЧЕТА ДЕНЕЖНЫХ ПОТОКОВ

В сложившихся современных экономических отношениях, в которых функционируют и развиваются организации, невозможным является принятие эффективных, оперативных управленческих решений только базирясь на данных бухгалтерского учета. Динамичность и многофакторность бизнес-среды, наличие огромного количества конкурентов, стремление завоевать и удержать лидерство на рынке – все это предопределяет необходимость