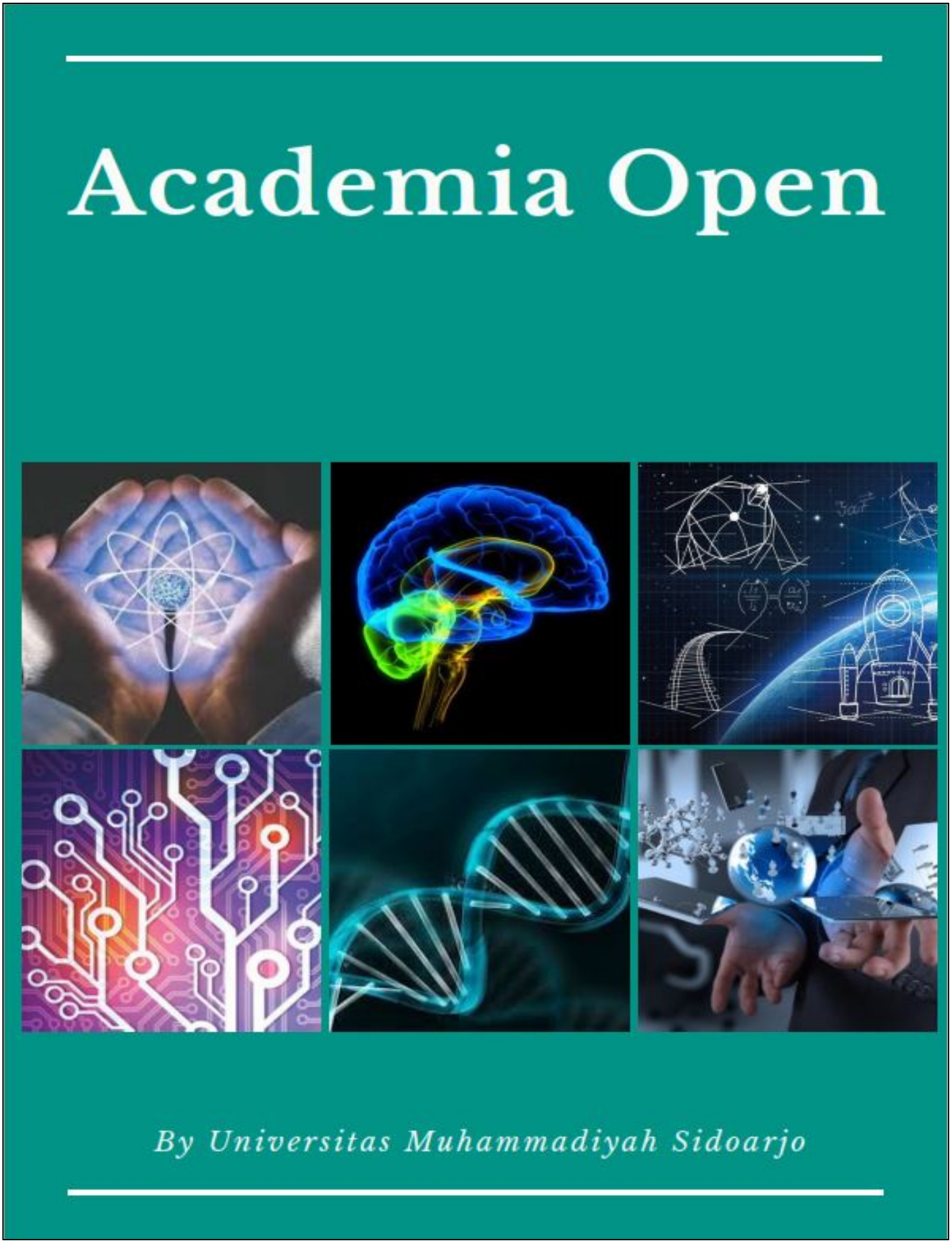
Academia Open
Vol 10 No 1 (2025): June (In Progress)
DOI: 10.21070/acopen.10.2025.10659 . Article type: (Business and Economics)

Table Of Content

Journal Cover 2
Author[s] Statement 3
Editorial Team 4
Article information 5
Check this article update (crossmark) 5
Check this article impact 5
Cite this article 5
Title page 6
Article Title 6
Author information 6
Abstract 6
Article content 7

ISSN 2714-7444 (online), https://acopen.umsida.ac.id, published by Universitas Muhammadiyah Sidoarjo
Copyright © Author(s). This is an open-access article distributed under the terms of the Creative Commons Attribution License (CC BY).

Academia Open
Vol 10 No 1 (2025): June (In Progress)
DOI: 10.21070/acopen.10.2025.10659 . Article type: (Business and Economics)



ISSN 2714-7444 (online), https://acopen.umsida.ac.id, published by Universitas Muhammadiyah Sidoarjo
Copyright © Author(s). This is an open-access article distributed under the terms of the Creative Commons Attribution License (CC BY).

Academia Open
Vol 10 No 1 (2025): June (In Progress)
DOI: 10.21070/acopen.10.2025.10659 . Article type: (Business and Economics)

Originality Statement

The author[s] declare that this article is their own work and to the best of their knowledge it contains no materials previously published or written by another person, or substantial proportions of material which have been accepted for the published of any other published materials, except where due acknowledgement is made in the article. Any contribution made to the research by others, with whom author[s] have work, is explicitly acknowledged in the article.

Conflict of Interest Statement

The author[s] declare that this article was conducted in the absence of any commercial or financial relationships that could be construed as a potential conflict of interest.

Copyright Statement

Copyright © Author(s). This article is published under the Creative Commons Attribution (CC BY 4.0) licence. Anyone may reproduce, distribute, translate and create derivative works of this article (for both commercial and non-commercial purposes), subject to full attribution to the original publication and authors. The full terms of this licence may be seen at http://creativecommons.org/licences/by/4.0/legalcode

Academia Open
Vol 10 No 1 (2025): June (In Progress)
DOI: 10.21070/acopen.10.2025.10659 . Article type: (Business and Economics)

EDITORIAL TEAM

Editor in Chief

Mochammad Tanzil Multazam, Universitas Muhammadiyah Sidoarjo, Indonesia

Managing Editor

Bobur Sobirov, Samarkand Institute of Economics and Service, Uzbekistan

Editors

Fika Megawati, Universitas Muhammadiyah Sidoarjo, Indonesia

Mahardika Darmawan Kusuma Wardana, Universitas Muhammadiyah Sidoarjo, Indonesia

Wiwit Wahyu Wijayanti, Universitas Muhammadiyah Sidoarjo, Indonesia

Farkhod Abdurakhmonov, Silk Road International Tourism University, Uzbekistan

Dr. Hindarto, Universitas Muhammadiyah Sidoarjo, Indonesia

Evi Rinata, Universitas Muhammadiyah Sidoarjo, Indonesia

M Faisal Amir, Universitas Muhammadiyah Sidoarjo, Indonesia

Dr. Hana Catur Wahyuni, Universitas Muhammadiyah Sidoarjo, Indonesia

Complete list of editorial team (link)

Complete list of indexing services for this journal (link)

How to submit to this journal (link)

ISSN 2714-7444 (online), https://acopen.umsida.ac.id, published by Universitas Muhammadiyah Sidoarjo
Copyright © Author(s). This is an open-access article distributed under the terms of the Creative Commons Attribution License (CC BY).

Academia Open
Vol 10 No 1 (2025): June (In Progress)
DOI: 10.21070/acopen.10.2025.10659 . Article type: (Business and Economics)

Article information

Check this article update (crossmark)



Check this article impact (*)















Save this article to Mendeley



(*) Time for indexing process is various, depends on indexing database platform

ISSN 2714-7444 (online), https://acopen.umsida.ac.id, published by Universitas Muhammadiyah Sidoarjo
Copyright © Author(s). This is an open-access article distributed under the terms of the Creative Commons Attribution License (CC BY).

Academia Open
Vol 10 No 1 (2025): June (In Progress)
DOI: 10.21070/acopen.10.2025.10659 . Article type: (Business and Economics)

The Procedure for Maintaining Accounting Records in Trade Enterprises Based on International Standards

Prosedur Pemeliharaan Catatan Akuntansi di Perusahaan Perdagangan Berdasarkan Standar Internasional

Uzakov Utkir Abdusattarovich, u.uzakov@tift.uz, (1)
Tashkent International University of Financial Management and Technologies, Uzbekistan

(1) Corresponding author

Abstract

General Background: Accounting plays a crucial role in business operations by ensuring accurate financial reporting and transparency. The adoption of International Financial Reporting Standards (IFRS) has become essential for global trade enterprises to maintain consistency, comparability, and reliability in financial statements. **Specific Background:** Trade businesses face challenges in financial reporting, including compliance with international regulations, efficient data management, and technological adaptation. IFRS provides a standardized framework to enhance financial reporting quality, improve investment prospects, and support decision-making. **Knowledge Gap:** Despite the widespread adoption of IFRS, gaps remain in understanding the practical implementation of international standards in trade enterprises, particularly regarding accounting policies, automation, and personnel training. **Aims:** This study analyzes the role of IFRS in trade business accounting, examines key elements such as financial statement preparation, auditing, and technology integration, and identifies challenges and solutions in compliance with global standards. **Results:** Findings indicate that IFRS adoption enhances financial transparency, improves internal financial discipline, and strengthens businesses' competitiveness in international markets. The integration of modern accounting technologies and training programs significantly improves compliance efficiency. **Novelty:** This study provides a structured approach to implementing IFRS in trade businesses, highlighting the synergy between regulatory compliance, technological advancement, and personnel expertise. **Implications:** The adoption of IFRS fosters financial stability, attracts investment, and supports trade enterprises in global market expansion. Policymakers and business leaders should prioritize regulatory adherence, automation, and workforce development to optimize financial reporting processes.

Highlights:

1. Importance of IFRS in Business Accounting
2. Technology & Tools for Accurate Financial Reporting
3. Enhancing Global Competitiveness Through Standardized Accounting

Keywords: financial reports, International Financial Reporting Standards (IFRS), Joint-stock companies, revenue and expenses.

Published date: 2025-02-15 00:00:00

ISSN 2714-7444 (online), https://acopen.umsida.ac.id, published by Universitas Muhammadiyah Sidoarjo
Copyright © Author(s). This is an open-access article distributed under the terms of the Creative Commons Attribution License (CC BY).

Academia Open
Vol 10 No 1 (2025): June (In Progress)
DOI: 10.21070/acopen.10.2025.10659 . Article type: (Business and Economics)

Introduction

Economic globalization and the necessity of unified financial reporting system increases the importance of transition to International Financial Reporting Standards (IFRS) in Uzbekistan [1]. The purpose of this is to attract foreign investment and increase economic transparency [2]. IFRS adoption is essential for Uzbekistan's integration in the global economy and financial markets [3]. Measures have been taken by legislation to apply IFRS, especially to balance sheet but there is still a problem to reconcile financial statements with IFRS [4]. To solve these problems, the researchers propose phased approach IFRS implementation in Uzbek enterprises [1] and underline the fact that when transforming financial reports, environmental conditions and the composition of production should be taken into account [2]. Specifically, practical recommendations have been formulated for improving the composition and interpretation of balance sheets for the benefit both of domestic businesses and foreign investors [4].

To be participants in the world markets and to be transparent in the presenting its financial statements, International Financial Reporting Standards (IFRS) has to be adopted by businesses [5]. IFRS implementation leads to high quality, comparably financial information that promotes efficient economic decision making by the companies producers and the investors throughout those world[6]. The transition from local accounting standards to IFRS brings a number of challenges that Vietnamese enterprises also have to face, including those of poor quality of financial reporting [7], but it provides opportunities for a higher quality of financial reporting. International accounting standard enforcement supports the business management in terms of harmonization and globalization across countries and is especially useful to multinational companies to consolidate the financial statement across different national frameworks [8]. However, on the whole, IFRS adoption is needed to improve the quality of accounting information, promote comparability and play a part in economic globalisation.

LITERATURE REVIEW

Currently, it is necessary to address the opinions and research findings presented by economists and experts regarding the International Financial Reporting Standards (IFRS), their application, and global recognition, as well as the relevance and importance of transitioning to these standards.

The IFRS have been developed to establish consistent financial reporting by commercial entities across the world. Such standardization is required to meet the needs of the increasing globalization of business. It is expected that over time, IFRS will replace national reporting standards [9].

The globalization of markets and the creation of a single international economic space highlight the need to establish accounting, financial reporting, and control mechanisms within enterprise management systems that are built on the same principles and rules [10].

Globally comparable accounting standards can help promote transparency, accountability, and efficiency in financial markets. They assist investors and market participants in making more informed economic decisions regarding investment opportunities and risks [11].

Studies indicate that IFRS does not necessarily improve earnings quality; rather, it enhances the faithful representation of earnings while decreasing earnings relevance. These findings suggest that IFRS mitigates information asymmetry by improving the faithful representation of earnings [12].

The transition to IFRS and its widespread application in business practices is one of the most urgent and priority tasks for all countries around the world, including our republic, which has chosen the path of development based on the laws of the market economy [13].

IFRS serves as an important tool for fostering cooperation between countries, enhancing economic relations, and improving the investment climate. As a result, the number of countries recognizing international standards is steadily increasing [14].

Methods

The methodological foundations of this article are based on the laws of the Republic of Uzbekistan, the decrees and orders of the President, his works and speeches, decisions of the Cabinet of Ministers, national and international standards related to accounting, regulations, guidelines, scientific works, textbooks and manuals published both domestically and internationally, scientific articles, materials from the internet, and practical materials from enterprises where research has been conducted. The analysis process utilized methods such as analysis and synthesis, observation, and the use of tables.

Result and Discussion

ISSN 2714-7444 (online), https://acopen.umsida.ac.id, published by Universitas Muhammadiyah Sidoarjo
Copyright © Author(s). This is an open-access article distributed under the terms of the Creative Commons Attribution License (CC BY).

Academia Open
Vol 10 No 1 (2025): June (In Progress)
DOI: 10.21070/acopen.10.2025.10659 . Article type: (Business and Economics)

In today's global economic integration environment, trade enterprises are facing the necessity to adapt to international accounting standards. Conducting accounting in accordance with international standards not only strengthens internal control within enterprises but also expands opportunities for foreign investments and collaboration. The following lists the primary steps and benefits of using international accounting standards in trade businesses:

1. Function of international financial reporting standards (IFRS) As it is reported in many countries across the world, The International Financial Reporting Standards (IFRS) is the main rules which govern the preparation of the financial statements. These standards help trade businesses to establish worldwide comparable reports that can vividly illustrate organization's assets, obligations, profit and loss.

2. The benefits of adopting IFRS Following international standards when performing accounting has the following benefits: Accountability and transparency: Other stakeholders and investors are assured if the outcomes in the financial statements are clear. Simpler financial analysis: The need for standardized reports is in that the comparisons between the operations of different nations and businesses are enabled. Increasing investment opportunities: International reports help the company secure more overseas investment due to overseas reports. 1. Important IFRS requirements and how to apply them: Trade businesses have number of requirements which have to be complied with when applying IFRS, including recognition and measurement of revenue and expenses, identification of which elements should be reported to financial statements, and fair measurement of their assets and liabilities, respectively. For instance, in commercial enterprises: Recognizing revenue: For instance, whenever a product is sold, or a service is offered, then revenue is realized. Inventory valuation: Inventories should be recognised at the lower of the– selling price and the cost of the inventory.

1. Implementation difficulties with IFRS: A number of problems may arise when implementing the international standards by some of the trade businesses: Technical complexity: There is a need to acquire additional financial accounting know-how and skills to transition from regional to the global Accounting standards. Extra expenses: The adoption of new staff and technology increases the costs.

2. Actionable strategies based on international standards, These strategies should be applied in terms of moving international standards into the practice of trade firm: Training and providing lectures on international standards among the employees. The utilization of the automated accounting system for the purposes of enrichment of the financial reporting in different ways. Enhancing internal control framework: reinforcing internal control systems aimed at ensuring vouching of high quality and relevance of financial reports. An effective way to introduce the students to IFRS principles is via the Framework approach [15]. This approach links IFRS requirements to the objectives of financial reporting and underlying concepts, empowering the students to perform judgmental IFRS [15]. The Framework is used to guide the standard setters, provide aid to the preparers and auditors, as well as to help the users to understand the financial information [16]. Finally, it focuses the attention on judgment for the financial reporting of financial reporting problems, given the recent financial crises [17]. It develops students' thinking and professional judgment through its principles based approach that gives them opportunity to question the basis for differences between the IFRS and the U.S. GAAP [18]. It is appropriate for intermediate and international accounting courses due to being a basis for life long learning on IFRS [15], [18].

Conclusion

When we refer to the procedure for conducting accounting based on international standards in trade enterprises, we can conclude that it encompasses several key aspects related to how accounting and financial reporting should be managed in accordance with international standards. The following significant considerations can be taken into account:

1. International Financial Reporting Standards (IFRS): The requirement that trade businesses use IFRS in their accounting procedures. These guidelines were created to guarantee comparability, improve the caliber of financial reporting, and give investors transparency.

2. Accounting policy: Businesses must create an appropriate accounting policy. The methods for identifying, assessing, and documenting assets, liabilities, income, and expenses should be described in this policy.

3. Financial statement preparation: Trade businesses need to prepare the following important papers in order to prepare financial statements:

a. Assets, liabilities, and equity balance sheets

b. Income statements, which show revenues, costs, and the net income or loss that results.

c. Financial comments: These show how much money comes in and goes out.

d. Statements of Shareholder Equity: Shifts in a company's ownership stake.

ISSN 2714-7444 (online), https://acopen.umsida.ac.id, published by Universitas Muhammadiyah Sidoarjo
Copyright © Author(s). This is an open-access article distributed under the terms of the Creative Commons Attribution License (CC BY).

4. Audit and control: The importance of the audit process in guaranteeing the accuracy of financial statements must be taken into account. Independent auditors examine and evaluate the company's financial situation to verify it. 5. Programs and technologies: Using contemporary software and technologies in accounting procedures opens up possibilities for process automation and facilitates quick data processing. 6. Training and personnel qualification: To guarantee the correct application of accounting procedures in compliance with international standards, it is crucial to improve staff qualifications and set up training.These aspects ensure that accounting in trade enterprises is conducted in accordance with international standards and promote the development of a professional approach in the field of finance.

For trade businesses, there are several benefits to conducting accounting in accordance with international financial reporting standards. This procedure increases investment prospects, aligns financial indicators with the demands of the global market, and improves the transparency of business operations. Trade businesses can therefore improve internal financial discipline and establish a solid basis for worldwide market entry by adopting accounting practices that adhere to international norms.

References

1. N. Karimova and U. Khojiyev, IFRS Implementation in Uzbekistan: Challenges and Opportunities, Tashkent: Finance and Accounting Publishing, 2021.
2. S. Tashnazarov, "Enhancing Economic Transparency through IFRS Adoption," Journal of Financial Studies, vol. 15, no. 3, pp. 45-60, 2021.
3. B. Aralov, Global Integration of Uzbekistan's Financial Markets, Samarkand: Economic Research Press, 2023.
4. M. Turgunovich, "Challenges in Aligning Financial Statements with IFRS Standards," Uzbekistan Economic Review, vol. 20, no. 1, pp. 12-25, 2024.
5. O. Gorgieva-Trajkovska and A. Kostadinovski, "The importance of IFRS adoption for financial transparency," International Journal of Accounting Studies, vol. 8, no. 2, pp. 112-125, 2013.
6. E. Hlaciuc, D. Mihalciuc, L. C. Maciuca, and M. Apetri, "IFRS and its impact on financial decision-making," Journal of Economic Research, vol. 5, no. 4, pp. 78-90, 2009.
7. N. T. H. Ha, T. T. Pham, and D. V. Le, "IFRS adoption in Vietnam: Challenges and opportunities," Asian Accounting Review, vol. 14, no. 3, pp. 215-230, 2022.
8. J. Beke, International Accounting Standards and Business Management, Budapest: Global Finance Press, 2010.
9. M. Parry, IFRS and National Accounting Standards: A Comparative Study, London: Global Accounting Press, 2020.
10. M. Kotsupatriy, "Enterprise Management and IFRS: Principles and Implementation," International Journal of Business and Finance, vol. 18, no. 4, pp. 52-67, 2020.
11. W. Kenton, "The Impact of IFRS on Financial Market Transparency," Financial Markets Review, vol. 22, no. 1, pp. 10-25, 2024.
12. R. Benkraiem, "The Effects of IFRS Adoption on Earnings Quality and Information Asymmetry," Journal of Accounting Research, vol. 30, no. 2, pp. 89-105, 2022.
13. K. B. Urazov, IFRS and Market Economy Development in Emerging Countries, Tashkent: Economic Studies Press, 2023.
14. S. N. Tashnazarov, "International Financial Standards and Economic Cooperation," Global Finance Journal, vol. 12, no. 3, pp. 37-50, 2019.
15. P. Wells, "Framework-based approach to teaching IFRS," Accounting Education Journal, vol. 20, no. 2, pp. 127-146, 2011.
16. H. van Greuning, D. Scott, and S. Terblanche, International Financial Reporting Standards: A Practical Guide, 5th ed., New York: Wiley, 2009.
17. E. Jermakowicz and R. Hayes, "Judgment in financial reporting: The role of IFRS," Global Accounting Review, vol. 25, no. 1, pp. 89-105, 2011.
18. B. Persons, "Encouraging critical thinking in IFRS vs. U.S. GAAP," International Accounting Education Review, vol. 19, no. 3, pp. 210-230, 2014.

ISSN 2714-7444 (online), https://acopen.umsida.ac.id, published by Universitas Muhammadiyah Sidoarjo
Copyright © Author(s). This is an open-access article distributed under the terms of the Creative Commons Attribution License (CC BY).