

DIGITALIZING IN THE DEVELOPMENT OF THE ACCOUNTING SYSTEM

Kustanbaeva Jansaya

Faculty of Economics 3-year student

Muratbaeva Sabira

Faculty of accounting and auditing 1-year student

Annotation: The current processes of globalisation and digitalisation, the use of cloud technologies, artificial intelligence capabilities, robotics, big data and tools that allow large amounts of information to be processed in a short period of time by economic actors in their practical activities affect the conceptual basis of theoretical and methodological approaches to the organisation of the accounting system, fill the concept of “accounting” with new meaning. The purpose of this research paper is to assess the transformation of elements of accounting method under the influence of innovative digital technologies being introduced in the accounting process. The research methodology is based on the dialectical and empirical method. The article is devoted to the analysis of domestic and global trends in the accounting system development under the conditions of digitalisation of the processes of collection, consolidation and analysis of information on the activities of economic entities. The article considers the impact of the information potential of the existing economic space on the transformation of the methodological basis of accounting. In this regard, the modification of the theoretical and methodological approach of building an accounting system is a necessary step in the further development of accounting and in maintaining its relevance in competition with modern information systems.

Keywords: accounting, elements of the accounting method, transformation of elements of the accounting method, blockchain technology, accounting, digital economy, digitalization.

The program "Digital Economy of the Russian Federation", implemented by the Government of the Russian Federation, through the development of innovative digital technologies, is aimed at creating an economic environment that ensures the most effective interaction between citizens, society, business and the state [1]. The main innovative tools of digitalization are artificial intelligence, cloud technologies, big data, process robotization. During the transition to digital technologies and the formation of the digital economy, the main trend of the socio-economic society is information as the main most valuable resource. In the accounting system, the information component is also one of the most important and priority. In the works of modern domestic scientists, devoted to this problem, it is noted that the development of the theory and practice of accounting is impossible without high-speed information technology complexes, digitization and transmission of information online. Relevant information, along with the means, objects of labor and labor itself, turns into a full-fledged factor in expanded reproduction.

Accounting, being the main subsystem of the management of an economic entity and a recognized the language of business is constantly changing under the influence of external factors, which are reflected in the legislative acts of Russia. The accounting system concentrates over 70% of information characterizing various processes and facts of financial and economic activities of economic entities. Accounting, including the collection, registration and provision of economic information about the financial and economic activities of the organization in the context of digitalization and changes in

information content is losing its relevance. This is confirmed by the use of tools that have not changed for a long time for collecting, analyzing and storing information, and the stagnation of theoretical and methodological approaches to building an accounting system and generating accounting (financial) statements. The current processes of globalization and digitalization, the use by economic entities in their practical activities of cloud technologies, artificial intelligence capabilities, big data and tools that allow processing a large amount of information, affect the conceptual foundations of theoretical and methodological approaches to the organization of the accounting system, fill the concept of "accounting" with a new meaning. The reform of the accounting system is inevitably associated with a change in the legal framework, the influence of the surrounding reality, the economic conditions in which the economic subject, and the rapid development of digitalization.

Methodology

The digital economy as a new socio-economic phenomenon that is evolving at such a rapid pace that the theoretical and methodological aspects of building an accounting system significantly lag behind in the development of this phenomenon.

The research theory is based on the works of leading Russian and foreign modern scientists and practitioners devoted to the development of accounting in the period of digitalization of processes collection, consolidation and analysis of information on the activities of economic entities. Currently especially acute are the issues of global transformation of the accounting system through the influence of information potential of the existing economic space.

The basis of the study, based on the transformation of the content of accounting methods under the influence of innovative digital technologies introduced into the accounting process, a systematic approach is put. As the main methodological principles of the study, dialectical and empirical methods.

The digital economy is the basis for creating a qualitatively new business model and, accordingly, changes approaches and methods of collecting, analyzing and storing information in the accounting process of economic entities, forming new directions for the development of the accounting system. Reduced functionality accounting and the usefulness of accounting information makes it possible to identify the main directions of the transformation of the accounting methodology in order to maintain its relevance and relevance, not to "dissolve" in modern information systems [4].

Even today, the use of blockchain technology in the banking and financial sector may entail fundamental changes in the accounting system. The advantage of this technology is the ability to store information about the operations of an economic entity on a variety of independent computers. in the form of a unified register of transactional records of ongoing business transactions, creating a system of stable accounting information that eliminates the risk of data leakage. Each entry in the combined ledger contains a backstory that allows you to trace the origin of the information and verify the authenticity data. Due to cryptographic protection, it is impossible to change or destroy information in the combined register. It is impossible to ignore the increase in the speed of transactions and the security of the transaction and the absence of intermediaries.

The use of the blockchain system will reduce expenses for administrative work of personnel, reduce the number of paper carriers, eliminate the influence of the "human factor" when working with documentation, and others. Ethereum is one of the platforms operating on the basis of blockchain technology, which allows you to reflect transactions bypassing standard procedures. Implemented on the Ethereum platform inside the blockchain technology, a computer algorithm "smart contract" (eng. smart-contract), designed to record and control information about a transaction made under certain conditions. A "smart contract" should contain basic information on the transaction being made: the object contracts, performance conditions that cannot be changed or canceled in the future, and digital

signatures of the parties. The use of a "smart contract" in financial accounting will maximize the transparency of the activities of economic entities.

Thus, primary documentation, accounting registers in paper and electronic form may lose their relevance. The introduction of blockchain technology eliminates the need for an inventory of property and reconciliation of settlements on obligations. Warehouse accounting allows you to monitor stocks in real time, capitalize and release stocks, monitor the movement of stocks along the entire chain, from the moment of receipt to the moment of production release or disposal. At the time of the transaction, both incoming and outgoing property accepted by the recipient will occur at a time, which will allow not to use inventory. The capabilities of blockchain technology make it possible to simplify work with counterparties of an economic entity, without the need for additional confirmation to form or write off the debt of both parties to the transaction at the time of the transaction [2]. Thus, one of the elements of the accounting method - documentation and inventory - will lose its relevance. Will replace them by fixing the transaction through a powerful control tool blockchain technology, which allows not only to minimize the costs of economic entities, but also to reduce the risks associated with their economic activities. In the digital economy, the range of accounting objects is expanding. Due to the increase in the number of interested users, the number of requested indicators characterizing economic security, social responsibility of business, strategy and management quality is growing. Also you can't forget about the appearance of new modified accounting objects, such as digital financial assets, digital financial liabilities, innovative products, etc. in accounting and reporting. The impact of digitalization will also affect other elements of the accounting method. So, for example, the system of accounts for accounting objects of accounting will expand significantly due to the accounts of new accounting objects and accounts for reflecting non-financial information. Double entry may be replaced alternative ways of reflecting business transactions. [6].

Already today, managers to manage the economy of an enterprise do not have enough data accounting, therefore, alternative data are used, modified indicators, such as a balanced scorecards (BSC), economic value added (EVA). The current trend in the development of a system of interrelated species accounting (accounting, management, statistical, tax) in the context of the use of innovative digital technologies, in our opinion, lies in their synthesis, which provides complex information flows, including not only actual accounting information, but also planned, forecasting, analytical information of management accounting, tax calculations, statistical data, as well as external non-financial information containing an assessment of the quality of the client base; ways to implement social responsibility; ways to prevent financial risks and economic security risks, assess the degree of application of energy-saving and environmental technologies, and other information necessary for management, investors, creditors, counterparties and business in general [3]. Harmonization all types of accounting system will increase the efficiency of the work of auditors who check the accuracy of information and cut off not only unreliable facts of the financial and economic life of an economic entity, but also of no value to users of financial statements, as well as analysts, which, based on the results of the analysis of the information received, offer alternative solutions to the tasks set for the economic entity.

Changes in accounting information will lead to the transformation of reporting, the emergence of new indicators, characterizing not only the financial activities of the organization, but also social and environmental responsibility, corporate governance, as well as the presence of non-financial objects. The formation of integrated reporting, without which accounting data cannot be fully interpreted, will have to be based on a client-oriented approach, providing customization of user interests. Interactivity reporting allows the user to receive relevant data at the same time with the obligatory addition of the analytical component. Digital technologies make it possible to do this when the request for the necessary relevant, reliable information to solve the tasks is performed instantly. The inclusion of non-financial data in reporting is a response to the challenge of the time when the economic entity takes

over responsibility for their financial and economic activities that affect the country's economy and society as a whole. If we take foreign practice, then the publication of non-financial reporting, as one of the key points of corporate responsibility of large economic entities of the BRIC countries, Latin America and the Asia-Pacific region, from year to year increases. This need is confirmed by the increase in the number of reports containing non-financial information in Russia. Currently 1,163 reports from 197 large companies are registered in the National Register of Non-Financial Corporate Reports, including: 415 reports on sustainable development, 374 social reports, 101 environmental reports report, 273 integrated reports. However, there are problems with the level of trust in it, since there are no uniform standards for the formation and disclosure of information in non-financial reporting. Approved by the Government of the Russian Federation "Concept for the development of public non-financial reporting and an action plan for its implementation" do not solve this problem, since it contains only the minimum requirements for non-financial reporting, recommendations for verification, evaluation and confirmation [5].

To present financial and non-financial reporting in a digital interactive format, it is necessary to use new modern tools for collecting, registering and processing information that allow grouping, structuring information for analysis, making appropriate management decisions. In recent years, there has been widespread transmission accounting financial information through XBRL business language (from English eXtensible Business Reporting Language) [7]. The XBRL algorithm is to form the so-called XBRL taxonomies that allow you to get the necessary relevant data providing customization interests of various user groups in the sections of analytical data necessary for them. And interested users can get all the necessary information on their own in any required format by expanding the standard reporting indicators, excluding labor-intensive collection processes, summarizing information, thereby concentrating on the analysis of information. We can say that the format XBRL is an "accounting and control" software product, providing the necessary information managers of an economic entity. The main advantages of introducing an electronic format for reporting by economic entities through the XBRL business activity language are: improving the quality of information provided, reducing the cost of processing and analyzing reporting indicators, reducing technical and accounting errors in reporting, but the main advantage is a single standard format understandable to interested users from different countries.

In the scientific community, issues related to the electronic form are currently being actively discussed. reporting in XBRL format. If we consider the practical aspect of this phenomenon, then the Bank Russia in 2015 launched a project for the transition of non-credit financial organizations to an electronic form reporting in XBRL format. For individual market entities of non-credit financial organizations reporting in the XBRL format became mandatory, and it was planned from January 2021 to transfer all economic entities of this sector of the economy to reporting in the XBRL format, but based on the results of the analysis of readiness to provide regular reporting in this format, it was decided decision to postpone the date to a later date [3].

The study conducted allows us to conclude that the processes currently taking place globalization and digitalization are expanding, presenting practically unlimited possibilities for the use by economic entities in their practical activities of cloud technologies, opportunities artificial intelligence, big data. In the conditions of the digital economy, first of all, it is necessary to talk about a fundamental change in the conceptual foundations of theoretical and methodological approaches to the organization of the accounting system, allowing filling the concept of "accounting" with a new meaning.

Thus, in the conditions of the digital economy, modern technological and multifunctional digital information systems are dynamically developing and aggressively expanding their capabilities. Therefore, in order for accounting and the accounting profession not to "dissolve" in a new ecosystem,

it is necessary to give them a new context, to determine the main directions of their modernization, to transform the theoretical and methodological approaches to building an accounting system.

References

1. Passport of the National Project “National Program “Digital Economy of the Russian Federation” (approved by the Presidium of the Presidential Council for Strategic Development and National Projects, Protocol No. 7 dated on June 4, 2019), *Legal reference system “ConsultantPlus”*. Available at: http://www.consultant.ru/document / cons_doc_LAW_328854 (accessed 20.09.2021).
2. Ageeva O. A. Transformation of accounting methods in the digital economy, *Economic: Yesterday, Today, and Tomorrow*, 2020, vol. 10, no. 2A, pp. 241–248. (In Russian). <https://doi.org/10.34670/AR.2020.87.12.022>
3. Bulyga R. P., Safonova I. V. XBRL as a digital reporting format of economic entities: international experience and Russian practice abstract, *Accounting. Analysis. Auditing*, 2020, vol. 7, no. 3, pp. 6–17. (In Russian). <https://doi.org/10.26794/2408-9303-2020-7-3-6-17>
4. Karpova T. P. Directions of accounting development in the digital economy, *Izvestiâ Sankt-Peterburgskogo gosudarstvennogo ekonomičeskogo universiteta*, 2018, no. 3 (111), pp. 52–57. (In Russian).
5. Kaspina R. G., Samoilova N. O. Audit of non-financial information, *Accounting. Analysis. Auditing*, 2020, vol. 7, no. 4, pp. 71–80. (In Russian). <https://doi.org/10.26794/2408-9303-2020-7-4-71-80>
6. Odintsova T. M., Rura O. V. Development of types, objects and methods of accounting in the digital economy and information society, *St. Petersburg State Polytechnical University Journal. Economics*, 2018, vol. 11, no. 4. pp. 120–131. (In Russian).
7. Extensible Business Reporting Language. Available at: <http://www.xbrl.org> (accessed 20.09.2021)