

THE ROLE OF ACCOUNTANTS AND ACCOUNTING IN THE STRENGTHENING OF ECONOMIC “HEALTH” OF ECONOMIC SUBJECTS

Sytnik O. E.

Federal State Budgetary Educational Institution of Higher Education
«Stavropol State Agrarian University»
Stavropol, Russian Federation

Accounting specialists play a key operational role in obtaining reliable financial information in various enterprises of all sizes and in all sectors of the economy and have a wide range of knowledge, skills and competencies that allow solving many issues in managing economic entities. Many may think that the work of accountants is to create accounts, however, their real value is to provide reliable information for making the right management decisions. Good decisions mean less risk to economic entities.

According to Kovalev V. V. [1] «Accounting is aimed at the future, and it is unlikely that anyone will be able to shake its foundations and dynamics and diminish its social and scientific significance».

The role of the accountant in decision making and company management and his place among the company management are explored by authors Michael Doron, C. Richard Baker, and Kiren Dosanjh Zucker [4]. The authors' work traces the evolution of chief accountants from «small figures» in corporate governance during most of the 20th century to senior management positions by the end of the 1970s. The authors point out that the evolution of the legal responsibility of accountants over the next few decades, the increasing complexity of financial reporting, has led the company's chief accountant to become its second person after the chief executive officer.

ICAEW's publication «Growth, Development and Accounting» argues that the role of accounting in enhancing the economic condition of an organization is often underestimated, and that the quality of management decisions, the volume and quality of investments, and the simplicity and effectiveness of market operations and taxation require access to relevant and reliable accounting information [3].

Most decisions made by companies have some kind of financial aspect, and most often accountants are asked to evaluate the financial consequences of alternative actions. In larger economic entities, accounting professionals play a more active strategic role. In small companies,

accountants are involved in all aspects of financial management, providing high-quality advice and financial information for business planning, access to credit and expanding operations.

The competency framework of accounting professionals consists of certain levels. The lowest level covers the competencies necessary to provide a basic understanding of how organizations work (simple buying and selling transactions, basic business calculations). The highest level covers such difficult accounting tasks as preparing financial statements, managing budgets, evaluating financial results, complying with tax laws, auditing and consulting, as well as all tasks that require an understanding of systems and how to use them best.

Today, in an era of changing business models and the development of digital technology, the accounting practices and competencies that accountants require are changing. Expert use of analytics will allow more, better and closer approach to real-time reporting, increase predictive analysis and emphasize the relationship of financial and non-financial indicators. Increased use of video and social networks will improve collaboration, disclosure, presentation and stakeholder engagement.

Thus, whatever the stage of economic development, in all countries, in all sectors of the economy, in all economic entities, there are specialists who prepare financial information. Timely, reliable and reliable financial information, the quality of the services provided by professional accountants are fundamental to successful investment and effective management of economic entities.

LITERATURE

1. Kovalev, V. V. Is accounting a science: a retrospective of views and trends / V. V. Kovalev // Bulletin of the St. Petersburg University. Series 5. – Vol. 2. – 2013. – S. 102.
2. CAPA, 2018. Accounting Technicians – Exploring Opportunities for the Profession. Retrieved from <http://www.capa.com.my/accounting-technicians-exploring-opportunities-for-the-profession/>.
3. ICAEW, 2017. ICAEW Thought Leadership: Growth, development and accounting: [Online] Retrieved from: <https://www.icaew.com/-/media/corporate/files/technical/financial-reporting/information-for-better-markets/growth-development-and-accounting.ashx?la=en>.
4. Doron, Michael, Baker, C. Richard and Kiren Dosanjh Zucker, Kiren Dosanjh (2019) Bookkeeper-Controller-CFO: The Rise of the Chief Financial and Chief Accounting Officer. Accounting Historians Journal: December 2019, Vol. 46, No. 2, pp. 43-50. Retrieved from <https://doi.org/10.2308/aahj-52538>.
5. Yuanyuan Liu, Zhongwei Huang, Like Jiang, and William F. Messier Jr. (2019) Are Investors Warned by Disclosure of Conflicts of Interest? The Moderating Effect of Investment Horizon. The Accounting Review In-Press. Retrieved from <https://doi.org/10.2308/tar-2017-0284>.