THE POSSIBILITY OF PROVIDING THE BEST ACCOUNTING INFORMATION FOR THE USERS

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Accounting information is used for both internal and external purposes. To be useful the accounting information must possess some advantages that give utility and value to the information presented in the financial statements and help the business organizations to achieve its goals properly.

Keywords: *Accounting, Accounting information, the advantages of accounting information, Accounting reports, the user needs.*

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ВОЗМОЖНОСТЬ ПРЕДОСТАВИТЬ ЛУЧШУЮ ИНФОРМАЦИЮ БУХГАЛТЕРСКОГО УЧЕТА ДЛЯ ПОЛЬЗОВАТЕЛЕЙ

Бухгалтерская информация используется для внутренних и внешних целей. Чтобы быть полезной, бухгалтерская информация должна обладать рядом преимуществ, которые дают полезность и ценность информации, представленной в финансовой отчетности. И помочь бизнес-организациям достичь своих целей должным образом.

Ключевые слова: *бухгалтерский учет, бухгалтерская информация, преимущества бухгалтерской информации, бухгалтерская отчетность, потребности пользователей.*

1. Introduction: Accounting is a service activity. Its functions is to provide information in accounting reports, which can be used by internal and external users. Accounting requires the production of useful information according to specific advantages. Best information are those that possess these advantages, or some of them.

2. The advantages required for best accounting information:

1) Detail: The accounting information should contain the correct level of detail in order to meet the recipients accounting information needs. For example, in some cases highly detailed accounting information will be required whilst in others only a summary will be necessary [5, p.15].

2) Clarity : Accounting information should be presented in such a way that the user can easily understand it. To this end, standard formats and layouts are used [8].

3) Scope: The scope of the accounting information supplied should be appropriate to the information needs of the recipient. The recipients information needs will determine whether the information should concern organizational or external situations and whether it should focus on a specific area or provide a more general overview [6, p. 13].

4) Order: Accounting information should be provided in the correct order . As an example, management reports normally contain a brief summary at the beginning. This allows a manager to locate and understand the most important aspects of the report before examining it at a higher level of detail [5, p. 15].

5) Frequency: Accounting information should also be available as often as needed . This normally means that accounting information should be supplied at regular intervals , for example some organizations may require weekly sales reports whilst others need only monthly reports [6, p. 13].

6) Time period: The accounting information should cover the correct time period . A sales forecast, for example, might include information concerning past performance , current performance and predicted performance so that the recipient has a view of past , present and future circumstances [6, p. 13].

7) Obtainable Information: Furthermore, to be useful, information must be reasonably easy to obtain. This fits into the concept of cost vs. benefit. The information must be worth more than what it will cost to obtain it and must be secured on a timely basis. Financial statements must be prepared at least once a year (in many cases, quarterly or monthly) and attempting to incorporate unobtainable information could seriously delay these schedules. An example of obtainable information is the number of shares sold by the corporation during the year. Another example would be the amount of sales by the business during the year. An example of information that might not be considered obtainable would be the nitty-gritty details of the pension plan systems used in each of the subsidiaries of a multinational corporation. A more reasonable and easily obtainable piece of data might be the total amount of money that is being spent on the company's pensions around the world [7, p. 16].

8) Confidence: A major reason why independent auditors audit some accounting information is to inspire confidence in the validity and worth of the information. This is a vital aspect of good accounting information, especially where critical decisions are taken based on such information. There must be confidence in the competence and integrity of those who produce accounting information [9].

9) Quantifiable Information: Information is easier to understand and use if it is quantified. Most information that accountants and users of financial information use is represented by numbers. The information that is presented in the financial statements is presented in a numerical form; however, where that is impossible, the information will be presented in narrative form, usually in a footnote to the statements. Accountants include narrative information along with quantifiable information because of the need for adequate or full disclosure; statement users

must have sufficient information about a firm. An example of non-quantifiable information that might be included in the footnotes to the financial statements would be details of an outstanding patent infringement lawsuit against the company, which would be considered a contingent Liability[7, p. 16].

10) Communicated through the right channel: it can present and communicate accounting information in a number of ways. The most important factor is whether you communicate and distribute it through the appropriate channels. Since accounting information is created for certain users, you can judge the appropriateness of the communication channel by the effect on intended users. You can communicate some accounting information informally, while others require a very formal approach that strictly adheres to standards[9].

11) Information Accuracy: Is the correspondence or agreement between the information and the actual events or objects that the information represents. For example, you would have inaccurate information if the quantity on hand in an inventory report was reported as 51 units, when the actual physical quantity on hand was 15 units. Inaccurate information also would result if, for instance, 15 units were actually on hand, yet the inventory report indicated only 10 units [1, p. 22].

12) information presentation: The accounting information should be presented in a form that meet the needs of internal users (management) and external users .The information needs of managers are quite different from those of parties external to the entity. By definition, a manager is anyone in an organization responsible for the work of other people who report to the manager for direction and support. The managers in a given organization are collectively called its management. The senior management of a business is charged with the responsibility for implementing systems, which are capable for producing useful accounting information [3, p. 12].

The managers of an organization need useful information to integrate the activities of the various segments of the organization and ensure that they are directed towards common goals .As an organization develops in size and complexity, authority and responsibility for performance are delegated to a number of people. Consequently, the role of management becomes increasingly important. The growing importance of the management for the business organizations has led to the increase in the importance of accounting information. Accountants must be able to provide information to meet the needs of the management and keep pace with the development in the economics activities. this is true for all service businesses, manufacturing businesses, banks, accounting businesses, hospitals, universities, retail stores, government departments agencies, and charitable organizations [3, p. 18].

As explained above, anyone who needs accounting information to manage the organisation, for example, a sales manager would require information about sales trends, profitability, stock levels and stock turnover rate. A production manager would require information about production rates, production efficiencies, productive employee performance, quality measures and trends, throughput rates and wastage rates. a human resources manager would require information about absenteeism rates, lateness, sickness levels and trends, recruitment costs and the effectiveness of the recruitment process, comparative salary and wages levels. An office manager would require information about matters such as the performance of the particular office, the overall effectiveness of the processes carried out by the office, budgets for the office and the extent to which these are being met , the cost implications of future services to be provided by the office, comparisons between the costs of services provided by the office and those of potential external providers. A procurement manager would require information about stock and procurement order level, the effectiveness and costs of procurement processes, the cost implications of alternative procurement approaches, the comparative costs of alternative suppliers, procurement channels. A director or other high - level manager would require information on all of the above matters but, of course, at a more aggregated, summarised level. The highly level manager needs to be able to "see the wood for the trees". Additionally, this type of manager would be more interested in the wider, longer - term and political aspects of the organisations business and thus the appropriate information requirements may be broader in scope, less accurate, and more frequently exhibit a non - financial bias [4, p. 9].

A major goal of every business entity is to a achieve satisfactory performance. the managers of the business are accountable to its owners for adequate profits as indicators of a successful operation. Consequently accounting information has become an important tool for measuring and evaluating the performance of different departments and different functions of an organisation . For example, when a business has two or more departments, accounting information can help management decide whether a departments performance is acceptable or unacceptable [3, p. 18]; [2, p.12].

13) Matches reader knowledge: The accountant should prepare reports that are tailored to the knowledge of the reader. Thus, a short address at a shareholders meeting may call for an aggregated presentation of just a few key performance metrics, while a presentation to an institutional investor may call for a considerably more detailed report [10].

3. Conclusions: Accounting information that does not include These advantages, Which have been mentioned above Cannot be considered complete information, It also cannot be relied upon by users in making decisions related to the economic situation and the financial performance of the business organizations .

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