

PROBLEMS OF THE QUALITATIVE CHARACTERISTICS OF ACCOUNTING INFORMATION

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Abstract

This article examines the current problems related to the qualitative characteristics of accounting information. Special attention is given to attributes such as relevance, reliability, timeliness, and transparency, as well as the underlying causes of their insufficient fulfillment. It is substantiated that the misalignment between national accounting standards and International Financial Reporting Standards (IFRS), technological limitations, subjectivity in valuation, and weaknesses in information systems contribute to the decline in the quality of accounting information. As a solution, the paper proposes the integration of quantitative and qualitative approaches, the adoption of modern digital technologies, and alignment with international standards. The study analyzes the works of both national and foreign scientists and presents practical recommendations for addressing the identified issues.

Introduction

In the context of an increasingly digitalized economy and intensifying globalization, the qualitative characteristics of accounting information have become a crucial factor in assessing the financial sustainability of enterprises, determining their investment appeal, and providing a credible foundation for external audits. Nevertheless, empirical evidence indicates the persistence of significant issues related to the inadequacy of accounting information quality, which often fails to align with the expectations and requirements of key stakeholders.

Review of the Literature

Within the framework of the stated research topic, a substantial body of scholarly work has been carried out by both international and national researchers. Notably, L.A. Yuditseva, N.V. Tkachuk, H. Xu, Xing, and Yan¹ have emphasized that deficiencies in the qualitative characteristics of accounting information may serve as a source of systemic risk, thus undermining the reliability and relevance of financial data in decision-making processes. On the domestic front, scholars such as D.R. Abdurakhmonov, M.E. Ibrohimov, and G.J. Karimov² have

¹ Yuditseva, L. A. – Problems of Accounting Information Quality in Russia, Tkachuk, N. V. – Methods for Assessing the Quality of Accounting Information, Xing, Y., & Yan, X. (2019). Accounting Information Quality and Systematic Risk., Xu, H. (2015). Accounting Information Quality in Information System Implementation.

² Abdurakhmonov, D. R. (2020). Analysis and Improvement of Accounting Information Quality. Tashkent., Ibrohimov, M. E. (2022). Innovative Technologies and the Quality of Accounting Information. Tashkent., Karimov, G. J. (2019). Quality Indicators of Accounting Information and Their Practical Significance. Samarkand.



contributed to the discourse by analyzing various dimensions of accounting information quality within the context of national accounting practices. The literature collectively demonstrates that the quality-related challenges of accounting information are multifaceted in nature and exert a considerable influence on the validity and effectiveness of managerial and investment decisions. This evidences the scientific and practical significance of further in-depth research in this area.

Discussion and Results

In the context of the modern digitized and information-oriented economy, the quality of accounting information constitutes a fundamental determinant of effective managerial decision-making, the credibility of disclosures for internal and external stakeholders, and the strategic positioning of an enterprise in the market. Nevertheless, empirical evidence reveals a range of persistent challenges associated with the inadequate assurance of information quality, which compromises its relevance, reliability, and overall utility.

Firstly, it is observed that accounting information often fails to fully meet key qualitative criteria such as relevance, reliability, and timeliness. For example, Tkachuk N.V. and Yuditseva L.A., in their respective studies, emphasize the quality-related deficiencies of the reporting system in Russia and their negative implications for user decision-making. Similarly, Xing and Yan (2019) highlight that poor-quality accounting information may generate systematic risks in capital markets. Among local researchers, Abdurakhmonov D.R. (2020) emphasizes the necessity of analyzing and improving the quality of accounting information, drawing attention to inconsistencies within information sources and the potential for errors during data processing. Furthermore, Ibrohimov M.E. (2022) explores the relationship between information quality and innovative technologies, demonstrating that automated information systems play a significant role in enhancing the quality of accounting data.

Thus, the quality of accounting information should be defined not only by financial indicators but also by qualitative parameters such as accuracy, clarity, relevance, and reliability. To enhance the quality of accounting information, it is essential to align national practices with International Financial Reporting Standards (IFRS), accelerate digitalization processes, and utilize automated accounting systems.

High-quality accounting information enhances the effectiveness of strategic planning and investment decision-making. At the same time, numerous problems related to the quality of accounting information persist; among them, the following can be identified:

- Incompleteness of information (completeness);
- Issues related to reliability;
- Lack of relevance;
- Incomparability of data (lack of comparability);
- Untimely presentation of information (lack of timeliness).
- For instance, it is common for small and medium-sized enterprises (SMEs) not to fully reflect their assets and liabilities. A lack of trust in information sources, the diversity of valuation methods applied in accounting practice, and the presence of subjective judgments all contribute to the reduction in the reliability of reported data. Furthermore, discrepancies between national accounting standards and International Financial Reporting Standards (IFRS) create challenges



in making meaningful comparisons between enterprises. The absence of full alignment with IFRS remains a significant factor contributing to such problems. Differences between national accounting standards and International Financial Reporting Standards (IFRS) lead to significant challenges in the comparability of enterprises. The lack of full alignment with IFRS gives rise to inconsistencies in financial reporting. Moreover, in some cases, financial statements are submitted with delays, resulting in outdated information that diminishes its usefulness for timely and effective decision-making.

The aforementioned problems often stem from the following underlying causes:

- A shortage of qualified professionals involved in the preparation of financial reports;
- The absence or inadequate implementation of clear regulations and guidelines;
- Difficulties faced by enterprises in adopting and implementing International Financial Reporting Standards (IFRS).

The use of non-automated or improperly automated accounting systems. To address these issues, the following solutions are proposed:

- a) Harmonization of national accounting standards with international financial reporting standards (IFRS) — including aligning national reporting standards with IFRS and enhancing the professional skills of specialists;
- b) Continuous professional development for accountants — establishing a systematic approach to training specialists in accordance with new standards and requirements;
- c) Automation and digitalization — transitioning accounting departments to digital platforms to ensure timely, accurate, and comprehensive information generation;
- d) Improvement of the regulatory framework — reforming normative documents that regulate reporting procedures and implementing these reforms in practice.

Conclusion

The quality of accounting information, as a fundamental substantive aspect of financial reporting, directly influences the competitiveness, investment potential, and social trust level of organizations in the modern economy. Therefore, ensuring a high level of quality in accounting information is crucial for maintaining the stability of economic activity.

To address the problems outlined above, it is necessary to harmonize national accounting practices with international financial reporting standards, enhance the professional qualifications of accounting personnel, accelerate the processes of digitalization and automation, and improve the regulatory and legal framework. These measures will contribute to improving the quality indicators of accounting information and ensuring the reliability and usefulness of financial reports.

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