

BUDGET - MAIN COORDINATE IN FINANCIAL MANAGEMENT – ACCOUNTANT

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Introduction

The general budget expresses the operational and financial plans of the entity's management for a specified period and includes a set of budgetary financial statements. For these reasons, we consider it current and important to study the budgeting process and present them in stages of development.

The purpose of this article is to research and examine the theoretical and applicative aspects related to the reporting of key aspects of the budgeting process and the presentation of the budget development stages, and the objective resides in investigating and elucidating the problem presented above.

Therefore, the provisions of national accounting regulations, as well as the works, research and opinions of local economists and scientists in order to formulate conclusions and recommendations on the problems addressed.

Methodology

The research method stems from the analysis of theoretical and practical material regarding problematic aspects related to the budgeting process and the presentation of the budget development stages. At the base of the theoretical foundation were the analysis, synthesis, deduction and inductive method used for a clear and representative interpretation.

Results

Well-managed entities generally go through the following stages of budgeting:

1. planning the entity's performance as a whole, as well as the performance of the subunits;
2. developing a frame of reference, a specific set of forecasts with which to compare the results effective;
3. investigating deviations from plans. If necessary, the investigation is followed by corrective measures;
4. reiterated planning, depending on the results and any changes in the basic conditions.

It is necessary that the entity approves the Budget Preparation Regulation, being a useful guide for managers who are responsible for preparing budgets. This regulation must also include and describes the objectives, budget preparation procedures and deadlines for submitting them for approval.

The budget preparation process is called the budgetary cycle. Budgeting is a technique of management. Respectively, in order for the prepared budgets to be as rational and useful as possible, the members of the budget committee must:

- ✓ ensure the cooperation and participation of employees (supervisors, some workers, etc.);
to communicate the budgetary provisions as clearly as possible;
- ✓ to plan the preparation of budgets well in advance of the start of the period to which they relate, in order to be sure that the budget is adopted before a new budget period;
- ✓ to create an efficient tracking and reporting system with the help of which it is possible to compare, periodically, the results obtained with the plan provisions;
- ✓ to be ready at any time to take measures to remedy the divergences reported in the situations or reports comparative.

Conclusions

Budgeting is a continuous dynamic process of planning the entity's activity for a relatively short period of time. Budgets are a fundamental component of most control systems managerial. When managed intelligently, a budget provides a frame of reference for evaluation performance, motivates managers and employees of the entity.

Keywords: *managerial accounting, budget, budgeting, budgetary cycle*