

## **THE TRAITS OF THE MANAGEMENT AND DEVELOPMENT OF TREASURY ACTIVITIES IN FOREIGN COUNTRIES**

**Rejapov Xayrillo Xikmatullayevich,**

National University of Uzbekistan named after Mirzo Ulugbek,

The head of the Department of Finance and Credit,

Associate Professor, PhD

**Kadirov Azamat Ashrafovich**

Student of the faculty of Economics

National University of Uzbekistan named after Mirzo Ulugbek,

Tashkent, Uzbekistan

Email: azamatkadirov20030114@gmail.com

### **Abstract:**

The article examines the role of the treasury in ensuring the financial stability and efficiency of enterprises in the context of globalization and dynamic changes in the market environment. The authors analyze the main functions and tasks of treasury, such as cash flow planning and management, capital structure optimization, risk management, interaction with banks and investors, as well as control and reporting. The authors also examine current trends and challenges facing treasury services, such as digitalization, automation, integration, regulation and social responsibility. The article emphasizes that treasury is a key element of strategic financial management and an important factor in the competitiveness and sustainable development of enterprises.

In the current economic conditions, the need to organize treasury activities, effectively manage budget revenues and expenses, increase the efficiency of financing, strengthen control over the circulation of funds, and use the state finances in a targeted and economical manner is of primary importance.

**Keywords:** finance, budget, budget implementation, treasury system, bonds.

### **Introduction**

Today, the introduction of a massive number of innovations and changes in the economic sphere of our country serves its further economic improvement. In particular, institutional reforms in the field of public finance are being implemented on a large scale. On the basis of these practical actions, first of all, it is necessary to mention with special recognition that the implementation of the treasury system, recognized by the world and tested in the countries of the world, which ensures the efficient use of budget funds. In particular, it was possible to effectively organize the treasury

execution of the state budget in foreign countries only after it began to acquire indicators of stable development.

The treasury execution of the state budget provides for the summing up of all revenues of the state budget and state special funds, as well as receipts of budget organizations from extra-budgetary funds into a single treasury account and the implementation of all their expenses from this account.

This is to carry out rapid control and monitoring of the state budget, extra-budgetary funds of budgetary organizations, state debts and their servicing processes, to ensure the effective use of state funds, the correct movement of state financial resources which makes it possible to gather information about to reach prosperous and quality economic growth.

### **Literature analysis**

Scientist V.D. Fetisov conjectured that the implementation of the budget is the most responsible stage of the budget process, which represents the implementation of the main financial plan of one or another regional structure. Its purpose is to ensure sufficient financing of state activities provided for in the budgets on the basis of timely and full receipt of revenues<sup>1</sup>. According to M.V. Romanovsky, "the implementation of the budget has the goal of ensuring revenue receipts and financing of expenses within the limits of the budgets of the approved federal, subjects of the Russian Federation, and local self-government bodies<sup>2</sup>." A.M. Godin, N.S. Maksimova conjectured that budget implementation implies "a set of operations related to the formation of budget funds and their use<sup>3</sup>" [5].

The system of bodies with powers in the field of budget execution includes financial bodies, monetary and credit bodies and state (city) financial control bodies, each of them performs its tasks and works within the limits of the established powers<sup>4</sup>.

The main functions assigned to treasury systems are the following:

a) passive role, that is, the treasury limits its activity to the simple distribution of resources to budget institutions according to the approved budgets;

b) actively, the treasury can set restrictions on the payment of obligations and expenses, in addition to the allocation of ordinary resources;

c) treasury authorities may authorize the implementation of certain expenditure operations based on predetermined criteria. Different countries use different models of budget execution. In countries like Great Britain and the United States, the Treasury and Treasury are the single organizations with the most extensive powers. Therefore, his role in budget execution is hyperactive. For example, in the United States, the treasury provides security functions in addition to the basic economic and financial functions common to all countries. The Treasury is also involved in financial audits. In countries such as France, Brazil, Australia, the treasury has very wide powers and their role is active. In a number of other developed Western countries, treasury functions are more concentrated and limited. Among them we can include Canada, Germany, Italy.<sup>5</sup>

### **Results and discussion**

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<sup>1</sup> Finance. Textbook edited by Professor Romanovsky M.V. - M.: 2001,219 s

<sup>2</sup> Godin A.M., Maksimova N.S., Podporina I.V. Budget system of the Russian Federation. - M.: Danilov I.K., 2003, 356 p..

<sup>3</sup> Premchand A. Public Expenditure Management. 1994 International Monetary Fund

<sup>4</sup> Nesterenko T. G. Budget according to the rules // Budget, 2014. No. 8.89-b

<sup>5</sup> Sarantsev V.N. Comparative analysis of the functions of treasury authorities of foreign countries // Budget, 2010. No. 1.123-b

There are a number of interpretations of the concept of "Treasury budget execution" in modern scientific literature, but there is a single definition in scientific literature that fully describes the process of budget execution by the treasury. "Treasury budget execution" is proposed to be comprehended as the organization of the federal budget execution, which is regulated by the norms of budget legislation, by the special executive body - the treasury, through the management of budget funds through cash flow in the current financial period. The essence of the concept of "Treasury execution of budgets" as an economic and financial category has the ubiquitous and well-known traits such as:

- The treasury is the cashier of the receivers of budget funds and all managers;
- The Treasury uses the system of personal accounts of budget institutions;
- bring budget funds from the single budget directly to the final recipients of budget funds;
- formation of appropriate conditions for the implementation of measures to increase the effectiveness, efficiency and quality of control over the use of budget funds is being carried out.

Thus, the treasury system is an effective tool that ensures the functioning of the state budget system through effective cash execution of the budget. The main functions performed by the treasury bodies of Western countries include:

- single account control (cash management);
- short-term financial planning;
- public debt management;
- forecasting the deficit level;
- working with securities;
- management of state property.

During July-August 2023, State budget revenues in the Republic of Uzbekistan amounted to 38.1 trillion sums, and expenses accounted for 50.3 trillion sums. The Tax Committee of the Republic of Uzbekistan accumulated around 69.0 percent of revenues or 26.2 trillion sums, while other state agencies including the Customs Committee of the Republic of Uzbekistan received 24.0% or 9.1 trillion sums, and 2.8 trillion sums was formed by other revenues and non-tax receipts.

In this case, 3.3 trillion sums of value added tax and cashback were returned to taxpayers. Also, during the reporting period, 24.1 trillion sums or 48.0% of the total expenses were spent from the State budget to finance social expenses. Of these expenses, 19.3 trillion sums (80.1 percent) are for the social sector and social support of the population, 4.5 trillion sums (18.9 percent) are transfers to the Off-Budget Pension Fund, and 239.0 billion sums (1.0 percent) contributed to the costs of financing programs for providing housing to the population<sup>6</sup>.

Xorijiy davlatlar g'aznachilik organlari faoliyatining ular faoliyati samaradorligi va samaradorligini oshirish imkonini beradigan qator jihatlariga alohida e'tibor qaratish lozim. Birinchidan, g'aznachilik organlari tomonidan o'z qimmatli qog'ozlarini, masalan, 3-5 yilgacha kutilayotgan to'lov muddatiga ega g'azna veksellarini mustaqil chiqarish mumkin. Fransiyada g'aznachilikning tashkil qilinishi XII-XIV asrlarga to'g'ri keladi, shu paytga kelib, birinchi marta davlat puli va qirolning mulki bir-biridan ajratib olindi. Fransiya G'aznachiligi orqali Markaziy xukumati va maxalliy hokimiyat organlarining harajatlar o'tkazilayapdi. 2021-yilda Markaziy hukumatning harajatlari 647 mlrd evroga yaqin miqdorida tashkil topgan. Shu paytdagi maxilliy xokimiyat organlarining xarajatlari 342 mlrd evroga teng bo'lgan(2018-yilga ko'ra 8 %ga oshgan).

<sup>6</sup> Execution of the State Budget of the Republic of Uzbekistan for July-August 2023  
<https://www.imv.uz/oz/news/category/yangiliklar/post-1564>

G‘aznachilik organlari faoliyati samaradorligini oshirish bo‘yicha ustuvor vazifalarni uchta yo‘nalishga bo‘lish mumkin.

Birinchidan, federal byudjetning xarajatlar bo‘yicha ijrosini ta’minlash mumkin.

Ikkinchidan, yagona g‘aznachilik hisob varag‘i mablag‘larini prognozlash funksiyasi bajarilishini ta’minlash kerak.

It is also necessary to pay special attention to a number of aspects of the activities of the treasury bodies of foreign countries that allow to increase the effectiveness and efficiency of their activities. First, treasury bodies can independently issue their securities, for example, treasury bills with an expected maturity of 3-5 years. The establishment of the treasury in France dates back to the 12th-14th centuries, when the state money and the king's property were separated for the first time. Expenditures of the Central Government and local authorities are transferred through the French Treasury. In 2021, the expenses of the Central Government amounted to 647 billion euros. At that time, the expenses of the local authorities amounted to 342 billion euros (increased by 8% compared to 2018)<sup>7</sup>. The priority tasks for improving the efficiency of treasury bodies can be divided into three directions.

First, it is possible to ensure the implementation of the state budget in terms of expenses.

Secondly, it is necessary to ensure that the function of forecasting the funds of the single treasury account is fulfilled.

Thirdly, it is required to manage the liquidity of the single account of the state budget<sup>8</sup>.

By improving the treasury system of budget execution, its functional and management structure, it is possible to optimize the entire state finance management system and increase its effectiveness and efficiency. The proposed and considered directions for optimizing the powers of the Treasury allow not only better execution of the budget, but also proper planning of its formation. The transition to the model of an active system of budget execution and the activation of treasury bodies in it with expanded tools (except for budget limits), including budget funds with a wide functional complex, in our opinion, reflect the ongoing process.

The Treasury of the Republic also solves such important tasks of budget execution as distributing income between budget levels and timely transferring them to the appropriate budgets, financing activities within the limits of the amounts approved by the budget, and exercising control over the targeted expenditure of funds. In the cash execution of the state budget, an important place belongs to the economically justified distribution of all types of payments and appropriations of the approved budget, carried out according to the budget breakdown of income and expenses - the main operational plan for the distribution of income and expenses in accordance with the budget classification in the form of a quarterly breakdown and in the context of managers of budget allocations<sup>9</sup>.

In conditions of a shortage of financial resources and tense budget execution, a financing plan is drawn up for operational control and financing of urgent expenses. Currently, the Treasury finances budgetary institutions within the limits of received revenues in accordance with approved financing plans, ensuring uninterrupted budget execution. Financing from the republican budget

<sup>7</sup> Steven M. Bragg. “TREASURY MANAGMENT” The Practitioner’s Guide

<sup>8</sup> T. Eshnazarov. Development factors of treasury execution of the state budget. A collection of materials of the Republican scientific and practical conference on the topic "Actual problems of introducing the treasury system for budget execution". - Tashkent: "IQTISOD-MOLIYA" publishing house, 2011

<sup>9</sup> S.M.ZULPUEV, CH.SH.SAPARBAEVA, Central Treasury of the Ministry of Finance of the Kyrgyz Republic “TREASURY SYSTEM OF BUDGET EXECUTION OF THE KR IN THE CONDITIONS OF REFORMING THE PUBLIC FINANCE MANAGEMENT SYSTEM”, 2008 <https://dergipark.org.tr/tr/download/article-file/575683>

is carried out through the Central Treasury, from local budgets - through regional branches of the Treasury according to established procedures.

### **Conclusion**

In conclusion, it should be noted that the experience of developed countries shows that the use of treasury is one of the alternative methods in the process of budget execution. Economy of using budget funds on the basis of treasury, strengthening of control, prevention of cases of looting of taxpayers' money. It also encourages the heads of budget organizations to effectively use the allocated budget funds. "In the introduction and development of the treasury system in other countries, the introduction of the state finance-information system allows to obtain fast and reliable information about the state of state finances, which ensures effective management of state finances." With the introduction of this system, it is possible to monitor budget implementation, create convenience in making management decisions, protect budget funds from unnecessary spending, and improve the quality of budget planning and forecasting. Therefore, in the near future, it is important to implement measures that ensure the consistent implementation of the treasury system of the state budget.

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