

THE IMPORTANCE AND IMPORTANCE OF THE TRANSITION TO INTERNATIONAL FINANCIAL ACCOUNTING STANDARDS

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Annotation

This article considers the transition of the National Accounting Standard of the Republic of Uzbekistan to international standards, compliance, investment in fixed assets, including foreign investment, as priorities. Also, the requirements of the Resolution of the President of the Republic of Uzbekistan PQ-4611 of February 24, 2020 "On additional measures for the transition to international financial reporting standards" and the opening of a new page in the accounting policy of the country.

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In a market economy, one of the most pressing issues is the sustainable development of the country's economy, as well as strengthening the financial condition of new infrastructure in the industrial sector and ensuring economic competitiveness.

Resolution of the President of the Republic of Uzbekistan №4611 of February 24, 2020 "On additional measures for the transition to international financial reporting standards" opened a new page in the accounting policy in our country. [1] According to the resolution, from January 1, 2021, accounting will be conducted on the basis of IFRS:

1. Joint-stock companies;
2. Commercial banks;
3. Insurance organizations;
4. Legal entities included in the category of large taxpayers.

In particular, this decision means that our Republic, which has a new look at the world, will now move away from a closed economy as much as possible and create an open, transparent, new economy. In our opinion, the need to conduct financial reporting in accordance with international standards is based on:

First, the countries of the world should be able to formulate on the basis of national requirements for financial accounting and reporting, not to fail to provide an opportunity to determine, compare and contrast the financial condition of the object of study;

Second, the use of IFRS requirements as a benchmark for accounts and reports serves to increase the country's investment attractiveness and meet the information needs of domestic owners;

Third, the national securities market will be able to be traded on world stock exchanges and will serve to increase foreign exchange inflows;

Fourth, it will increase the number and expand the activities of international companies in the national economy;

Fifth, the preparation of a single recognized financial statement in accordance with IFRS requirements increases its efficiency and reduces the cost of preparation.

Well, the transition to the IFRS gives so many opportunities, and there are several reasons why this process has dragged on to this day:

1. Before the beginning of the new history of Uzbekistan, the leadership of the republic was interested in the fact that the economy of our country is limited by the world economy.
2. The state becomes a provider of financial information and at the same time a user of financial information. This, in turn, has led to a one-sided view of the value and formation of financial information.
3. The low level of digitization of the economy in our country and the fact that it is not technically well established.
4. Lack of qualified specialists and lack of textbooks, as well as low level of knowledge of foreign languages.
5. The high share of our country in the shadow economy.

The success and timing of the transition to a full-fledged financial reporting system in accordance with IFRS requirements can be predetermined by the fact that the idea of transition is directly understood by companies and organizations as the basis for effective management.

The organization of financial accounting and reporting through the principles of IFRS, the fact that it is not carried out within the framework of special government programs, is not seriously supported by the state, will not allow to solve the main tasks of the transition in the coming years. At the level of international standards, it is recommended to make maximum use of the economic concepts of national accounting standards.

Misinterpretation of certain actions is one of the most pressing issues in the translation of the content of international standards into Uzbek. It is necessary to translate into Uzbek, republish them and adopt new ones, as well as provide free access to these materials.

The president's decision requires this new economic knowledge and knowledge. For this reason, in a number of Internet networks, dissatisfaction and grievances can be expressed by accountants. Acquiring and mastering new knowledge, learning a new way of working by learning the same shell and appearance, takes effort and hard work. But the real situation in the world economy today is that the basis of the activity of an accountant is the interests of the user of financial information, that is, the investor and the decision-makers, no different. Unfortunately, many business leaders do not understand that the role of accountants is to ensure that tax returns are accurate and timely, or that they are accountable for control and audit.

It can be observed that accountants accustomed to thinking and working in the old way accuse IFRS principles of ambiguity and extreme ambiguity. One of the main reasons for this is that the new rules force the chief accountant to understand the business of the organization in which he works as an economist and financier. At the same time, there is no doubt that the introduction of international reporting standards will mark a new stage in the development of the country's economy.

The report prepared by IFRS reflects the real processes in the activities of Uzbek enterprises, organizations and companies. If the assets are measured at market value, and the reserves are calculated correctly, it will be understandable to external users in most countries of the world. As a result, the introduction of IFRS will not only help Uzbek enterprises, companies and banks to reach the international level, but also attract investment.

With this in mind, the President's decision is aimed at creating conditions for the formation of an investment climate in the country and accelerating its work.

Thus, the established legal framework creates favorable conditions for a wide range of investment activities of foreign partners, serves to meet their information needs and protects their investments.

For example, the intensification of the work on the transition to IFRS from 2016 will have a significant impact on the economy of the country, as can be seen from the dynamics of investments in fixed assets in 2015-2020.

Under the slogan "New Uzbekistan", he initiated radical changes, twists and turns in public policy and the economy. A new, democratic image of our country is being created in Uzbekistan on the basis of modernization of our economy, ensuring that every decision and reform is based on human rights and freedoms, the rule of law. Due to the fact that the basis of our reforms, dialogue with the people, the satisfaction of the people has risen to the level of public policy, the atmosphere of openness and freedom in our society is growing.

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