

## NECESSARY AND IMPORTANCE OF IMPROVING ACCOUNTING AND FINANCIAL STATEMENTS

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### Abstract

This article presents the essence of international financial reporting standards (IFRS), their composition and classification. It also describes the need to switch to MWSS and the work being carried out in our country in this direction.

In the process of adapting financial reporting to international standards in the economy of Uzbekistan, its methodological foundations, stages and main directions were studied. International experience in this regard was studied and the necessary proposals and recommendations were made.

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The Decision of the President of the Republic of Uzbekistan "On additional measures for the transition to international standards of financial reporting" was published in the official press in February 2020.[1]

The main goal of the decision is to provide foreign investors with the necessary information environment and expand access to international financial markets.

Investors and other users of financial information (for example, government bodies, trade unions, business partners, etc.) will be interested in information about the organization that interests them. This interest comes from the need for them to make economic, investment and legal decisions.

For example, it is natural for them to be interested in questions such as how profitable the funds invested by the shareholder are, how much the business property has grown, what is the state of debt. In addition, a potential investor tries to carefully evaluate the decision whether to invest in a business or not by comparing the organization with other companies in the network in which it operates. For this, a report consisting of numerical and explanatory texts on the economic, property and financial status of this organization and the results of the previous period is needed. It is to meet this need that the International Financial Reporting Standards Board, headquartered in London, has developed these reporting templates.

President's decision acquiring new knowledge, transitioning to a new job requires a certain amount of effort. But the economic reality is that the accountant's way of working is determined by the interests of the users of financial information, that is, investors.

Another important feature of MHXS is that these templates encourage business managers to be more interested in financial reporting as well as accounting reporting.

Currently, enterprises in our country financial reports preparation based on international financial reporting standards (IFRS) and present to do needs appear is happening

Financial reporting is an important tool for business communication in relations with internal and external (owners, investors, buyers, suppliers, creditors, government bodies and the general public). If the enterprise does not follow international standards in the preparation of accounting reports, this may cause some inconsistencies. Therefore, there is a demand for uniform international financial reporting standards to avoid such inconsistencies. A prospective foreign investor does not understand the reports prepared by Uzbek organizations, so he does not believe that the figures are correctly reflected. Translating and auditing financial statements to MHHS can be difficult, time-consuming and expensive.

From foreign economists on the problems of improving accounting and financial reporting, Robert C., Racket M. [5], R. Libby, R.H.Hermanson, R. Anthony, B. Needles, F. Wood, JDSPiseland, D. Alixander, and P. Astakhov, V. Kachalin, M.I.Kutter, V.F.Paliy, Y.V.Sokolov, V.G.Getman, T.Y.Druzhilovskaya and another scientists Urazov, one of the economic scientists of our republic K.B [5], Dusmuratov RD. and U.I.Tulayev, K.B.Akhmedjanov, A.K.Ibragimov, SH.I. Ilkhamov, M.M.Tulakhadjayeva [9], I Ismanov, B.I.Israilov, A.A Karimov, B.Y Makhsudov, S.U Mehmanov, Djumanov S.A[11], M.Q.Pardayev, I.T Abdukarimov, A.X.Pardayev, M.E.Polatov, A.J.Tuychiyev, K.Burazov, B.K.Khamdamov, Bakhasanov, R.O.Xolbekov, Z.N.Kurbanov, I.N.Qo'ziyev, I. Ochilov [4], M. Marpatov and others have done scientific research.

In the current economic conditions, accounting standards of our country and financial the report make up rules international standards requirements being adapted.

The transition to international standards of financial reporting some businesses exempts entities from the obligation to keep records. But in these enterprises formation of quality and reliable information for all groups of users necessity as before current being will remain. Enterprise account policy while this remains the main enabling document.

Financial the report of management important handle as modernization when you say financial of the report composition and content coordination of the interests of information users, information processing to give and them in transmission the most advanced method and styles and improved report forms current to do understood.

Uzbekistan in the Republic financial the report in modernization It is being gradually transferred to MHXS.

In our opinion, financial accounting and financial reporting in the world process advanced from experience come get out transformational worker balance we must proceed to the practice of composition. Working balance accounts balances transformational records based on financial of the report to the forms carry out the transfer increasing important table (register) is considered

Financial reports preparation stage worker balance and tables using financial condition about report, benefit and damages and another collection revenues about report, money statement of funds, changes in private equity reports is made. Reports positive auditing to the conclusion have from being after top managers by is confirmed and decision acceptance to those who do presentation done is increased.

S.N Tashnazarov, as a result of his research, found that " regulatory and legal documents in force in our country and international to standards according to financial of the report forms the following in the composition designation to the goal according to " that calculated ( Table 1 ) .

**Table 1. The main mandatory forms of financial reporting [8]**

| No | « Accounting report" in the law      | Offers according to MHXS   |
|----|--------------------------------------|--|
| 1  | Accounting balance                   | Financial condition about report                                       |
| 2  | Financial results about report       | Profits and losses and others collectionrevenues about report          |
| 4  | Money currents about report          | Money currents about report  |
| 5  | Private capital about report         | Change of private capital and it's report                              |
|    | Notes, calculations and explanations | Notes, account of politics briefly descriptionand another explanations |

Based on the MHXS that must be reflected in the financial reports based on the standards and best practices, a form of financial status report was proposed for the enterprises operating in our country for the purpose of transformation. In particular, the part of this report on long-term assets reported the following form (Table 2).

Each company has more than one period of service in its accounting policy who does work release, service show or administrative management used in the process "property: land, building, car and equipment" content standard requirements come out independent designations we think it is necessary. BHMS No. 5 "Fixed assets" includes "property: land, building, of cars and equipment" in accordance with international standards substances to bring for worker and productive animals and a lot the principles of recognition of annual plants as biological assets a defining standard should be developed. To the requirements of international standards according to "investment immovable property" (line 080), "biological assets" (line 120) and "sale for intended that classified long for fixed assets and assets of exiting groups» in balance separately (line 150) <sup>1</sup>line break appropriate, that we count.

**Table 2. Financial condition about in the report long term information about assets reflection carry on (thousand soum)**

| Indicators' name  | String code | Reportyear (beginning) | Reportyear (finishing) |
|---|-------------|------------------------|------------------------|
| I. Long term assets   |             |                        |                        |
| Long term material assets , total (040+050+060):                              | 010         | 1,100,000              | 1,300,000              |
| Property; initial cost of land, building, cars and equipment ( by components) | 020         | 1,200,000              | 1250 000               |
| Accumulated amortization (depreciation)                                       | 030         | 400,000                | 350,000                |
| Property; land, building, car and equipment's balance value                   | 040         | 800,000                | 900,000                |
| Not installed equipment   | 050         | 200,000                | 100,000                |
| Not completed capital castings  | 060         | 100,000                | 300,000                |
| The cost of long term not financial assets balance value                      | 070         | 20,000                 | 30,000                 |
| Investment immovable property   | 080         | 50,000                 | 70,000                 |
| Long-term receivables and deferred expenses                                   | 090         |                        |                        |
| Long-term investments (by components)   | 100         | 30,000                 |                        |
| Extended tax assets   | 110         | -                      | -                      |
| Biological assets   | 120         | 60,000                 | 48450                  |
| Section I total (010+070+080+ 090+100+110+120)                                | 130         | 1,260,000              | 8873185                |
| Non-current and exiting group assets classified as held for sale              | 150         | -                      | -                      |

<sup>1</sup> Information is suggested by the author

Information meets the information needs of users meet and directly financial in accordance with the requirements of the standards condition about in the report or comments and in explanations reflection has information about the components that must be delivered to be in order to "Property: earth, building, car and equipment movement about" the structure of the report is appropriate.

Disposal of assets in the form of the proposed report, mistakes correction and from depreciation harm such as content new indicators reflection was made and them of calculation methodological order was brought. This while reports and them reflection being delivered indicators to MHHSS coordinates and information meet the needs of users.

In our country accounting account financial of the report international standards requirements based on organize to do wide attention being directed. This in the process, first of all, the issues of creating an accounting policy and following it are separate importance occupation is enough. Because exactly account policy economy host in subjects is a methodical tool in the implementation of activities in accordance with the requirements of the law. That's it because of account policy in making "Account policy, accounting in the grades changes and mistakes" Number 8 to BHXS requirements compliance to do to the goal is appropriate.

Smooth implementation of accounting policy in economic entities for she is perfect work output necessary. This is it in the article account policy factors influencing its formation are proposed. Business entities management accounting policy, taking into account the factors listed above if they make this in subjects accounting account of work efficient to the road put and entrepreneurship of risk decline is provided.

It is known that any activity, any process has a certain sequence and if it is organized on the basis of a clearly defined procedure, its efficiency will increase even more serves. Therefore, as a result of the research, the accounting policy stages of formation were proposed. By business entities if the formation of the accounting policy is carried out on the basis of these stages, they own to them put strategic and tactical to goals to achieve provides.

Note that must in our republic this about scientific - studies It is necessary to speed up the implementation, because our country is entering the world market with, boldly entering, which is our economy to the demands of the global market suitable demand to be does.

Financial status in accordance with the requirements of international and national standards about of the report main (linear) to substances structural lower open the contents information of users needs suitable provides an opportunity to provide information. "Property: land, building, car and equipment", inventories, receivables and payables recognition, assessment, classification and recognition of debts and private capital financial in the report reflection carry on methodology improvement based on "Financial condition about of the report shape work done his necessary and necessary information cover take and expands the possibilities of making a true assessment of the financial situation and acceptance being done of decisions good quality to be provides. Internal information users benefit come get out "Property: earth, building, car and of equipment movement about report" , "Report on types of investment property" and " Report on Biological Assets " forms current reach and to the report "property: earth, building, car and tool equipment", " Investment property (by types) ", and "Biological assets ". value come fall, modernization and reconstruction, technological retrofit, disposition to be depreciation and other the inclusion of indicators representing changes due to factors controlling the effective use of long-term tangible assets if possible brings

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