

**APPLICATION OF MODERN INFORMATION TECHNOLOGIES FOR
DRAWING UP FINANCIAL STATEMENTS BASED ON THE
INTERNATIONAL STANDARD OF FINANCIAL STATEMENTS**

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Annotation: This article tells about the relevance of the transition to International Financial Reporting Standards (IFRS) in Uzbekistan today and the application of modern information technologies. Based on foreign experience, the positive aspects and advantages of organizing our national accounting system on the basis of International Financial Reporting Standards, as well as practical recommendations on the directions that need to be implemented in the future are formulated, taking into account the consequences of the transition to IFRS.

Keywords: international standards of financial statements (IFRS), International Accounting Standards Board, Ministry of Finance, Central bank, major audit organizations.

Introduction

To date, a number of research on the development of Financial Technologies has been carried out on AMA. In particular, Fribourg School of management professor Patrick Shuffel, reviewing more than 200 scientific papers published over the past forty years, gave the following definition, considering the term Fintech: “Fintech is an emerging financial industry that uses technology to improve financial performance”. Other researchers - Irene Aldridge and Steve Kravtsiv-point to several areas where fintech is spreading, such as insurance automation (often referred to as InsurTech), sales, and risk management. Determining the reasons for such a rapid development of fintech in modern conditions: its coverage; Analyzing the state and statistical indicators of organizations providing financial technologies in the Republic of Uzbekistan, we have a significant scientific and practical significance in the research on the development of fintech to radically change the competence of specialists in the field of finance, banks and business. The increasing intensity of globalization and integration processes all over the world is a necessity for the transition to internationally established norms and standards and the strengthening of the requirements for their use. Joint-Stock Companies, transnational corporations and large companies operating in various sectors of the world are currently making financial statements in accordance with international standards (IFRS) on a voluntary basis. In particular, in our country, a number of measures are being implemented in this regard. This will certainly serve as the main intermediary in the provision of products made in a clear and transparent

way, understandable to all in the international arena while the work to be done. In order to organize and legally strengthen the process of transformation of financial statements of enterprises and organizations operating in our country according to IFRS, the decision of the president of the Republic of Uzbekistan "on the basis of additional measures on the international standards of financial reporting" was adopted. According to this decision, since January 1, 2021, Joint Stock Companies, commercial banks, enterprises belonging to the category of large taxpayers-prepare their financial statements in accordance with IFRS, and coordinate the issues of training specialists in this field to international standards, by which the tasks for attracting foreign investment [1] and other issues are set. Also, on October 12, 2020, according to the order of the Ministry of Finance to translate documents of IFRS No. 92 into the state language and organize their examination, 62 documents of IFRS were translated into the state language.

METHODS

The implementation of International Financial Reporting Standards (IFRS), on the other hand, allows companies to improve the internal management system by using unified accounting methods, provide interested parties with information about the financial condition of the enterprise and increase the competitiveness of the company. The purpose of the financial report is to provide information on changes in the financial condition, activities and financial condition of the enterprise, which is useful to a wide range of users in economic decision-making, especially for investors looking for diversification and investment opportunities around the world. The application of basic quality indicators and relevant accounting standards usually leads to financial statements that provide a fair presentation. However, accounting standards vary from one country to another, which leads to a difference in the quality of financial statements across countries and makes it difficult to compare and transparency financial information. The need to harmonize accounting standards that reduce information has required the development of IFRS, the asymmetry between stakeholders and companies. From this point of view, today it is important for companies to enter international markets, as well as to prepare a financial report in accordance with IFRS in attracting potential investors, and it is becoming a vital necessity. International Financial Reporting Standards (IFRS) are the international benchmark of accounting used in world countries today. [4] currently, more than 60 such standards have been developed and put into practice. In our opinion, about 90 States recognize full compliance with ISFS published by the International Accounting Standards Board and such compliance in audit reports, that approximately 120 states and reporting jurisdictions allow or require mxhs to produce reports for local listing companies [7] justifies this reasoning in full blood. Emmanuel T. De George describes that the main goal of IFRS is to improve the comparison of financial statements and promote high-

quality accounting through unified standards around the world [5]. Also, the purpose of IFRS is to look for ways to create and introduce it into life Versailles standards of financial statements that are acceptable to everyone by improving them, taking into account the best aspects of the financial statements of all countries in the world. As Jason Gordon insisted, IFRS is a common global financial language for business issues that are understandable and comparable at the international level [6]. He also listed the following advantages of adapting IFRS worldwide: quality financial data for shareholders and regulators, improved comparability, increased transparency of results, increased cross-border listing protection capability, better management of global transactions, and reduced capital costs.

RESULTS

The study of the experience of European countries on the implementation of IFRS and a fair assessment of the problems and prospects in this process is a great opportunity during the transition of companies in Uzbekistan to the process of accounting and financial reporting in accordance with IFRS. Separately, it should be mentioned that such a transition period in Uzbekistan has been going on for many years. However, during this period, the study of the world experience and the assessment of the problems and prospects of the transition to accounting and financial reporting in accordance with IFRS are being carried out very slowly. In particular, at the beginning of reforms on the transition to IFRS, the decision of the president of the Republic of Uzbekistan dated November 26, 2010 PQ - 1438 “on the priority areas for further reform and stability of the financial and banking system of the Republic in 2011-2015 and achieving high international rating indicators” was adopted. The decision laid out priority directions on the transition by banks to the preparation of reports on the basis of IFRS and the receipt of international credit ratings [2]. Also, for the first time in our Republic, in 2013, the National Association of accountants and auditors of Uzbekistan (Uzbek), in cooperation with the relevant state bodies and international financial institutions, translated IFRS standards into Uzbek. The Chamber of Auditors of Uzbekistan, the Ministry of finance, the central bank and large audit organizations took part in the translation process as members of the “Review Commission”. Although the translation of the IFRS documents from 2013 was completed, they were not subsequently updated under the permanent changes made by the IFRS Foundation. As the main reason for this, it can be shown to them that there is a low demand and need, and that IFRS documents are not recognized by legislation. Later, according to the decree of the president of the Republic of Uzbekistan dated April 24, 2015 PF-4720 “on measures to introduce modern corporate management methods in Joint-Stock Companies”, in 2015-2018, all joint-stock companies were prescribed to publish annual financial statements and conduct external audits in accordance with international standards of audit and financial reporting [3]. At the

same time, it should be noted that the majority of accountants, tax and finance specialists operating in our country at that time did not have sufficient knowledge of IFRS. On top of this, a permanently updated version of IFRS documents for application in Uzbek was not provided. As a result, most companies were forced to hire auditors and other external experts to prepare financial statements based on IFRS. As a result of this, in the past 2015-2018 years, the experience of the practical application of IFRS in our country has not appeared. According to the decree of the president of the Republic of Uzbekistan dated February 7, 2017, PF-4947, in Chapter 3 of the “strategy of action on the five priority areas of development of the Republic of Uzbekistan in 2017-2021”, the provision of increasing the types and volume of Financial Services was a big step for the development of the Fintech direction. As a continuation of development in this area, according to the decree of the president of the Republic of Uzbekistan No. PF-60 of January 28, 2022, the state (government) support for all organizations operating in the Fintech direction is evident, increasing the volume of software products industry by 5 times and their exports by 10 times, by 500 million US dollars. As a result of these opportunities, Uzbekistan was ranked 122 out of 140 countries according to the annual Global Innovation Index report published in 2015 by the World Intellectual Property Organization. In 2020, in the Global Innovation Index of 80 indicators, Uzbekistan ranked 93rd among 131 countries with positive results in the following areas: institutions (Institutions), human capital and research (Human capital & research), Infrastructure (Infrastructure), knowledge economics and technology results (Knowledge & technology outputs) and creative work productivity (Creative outputs). Today, according to the Global Innovation Index report 2022, Uzbekistan's leap forward again to 11 places 82nd and 3rd in the central and South Asia region.

CONCLUSION

In conclusion, the first on the application of modern Information Technology of financial statements on the basis of the international standard of financial statements, the first on the application of international standards of financial statements in the preparation of financial statements at enterprises, the study of its importance and necessity, users of these financial statements by researching theoretical and methodological aspects, mainly, it is necessary to emphasize that it has priority in attracting investors and provides a transparent and fully disclosed set of data and serves as a reliable resource; the second, the most necessary resource in the introduction of international standards of financial reporting on a nationwide scale, is personnel. For this reason, it is advisable to use existing and additional resources to quickly develop a personnel training system and make changes to the software; third, in the process of continuing reforms to bring national accounting in accordance with the principles and requirements of IFRS, we must make necessary changes and additions to the current

regulatory legal acts, national accounting standards, in particular, regulations, directives and regulations into standards; fourth, in addition to the accounting system in the adoption and application of IFRS, it is necessary to ensure.

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