IMPROVEMENT OF THE FINANCIAL STATEMENT BASED ON THE REQUIREMENTS OF INTERNATIONAL STANDARDS

Jumayeva Mahkamtosh Shavkatovna
The banking and finance Academy the Republic of Uzbekistan
(Uzbekistan, Tashkent)

ANNOTATION

In our country, the number of companies preparing financial reports on the basis of their financial statements is increasing. Because it will be possible to achieve an increase in the transparency of financial reporting only through the transition to IFRS. Therefore, the use of documents developed by international organizations as well as advanced instruments and experiences is one of the urgent issues on the agenda. In this article, the issues of transition to international standards of financial reporting in Uzbekistan and the problems of transition to international standards of financial reporting and ways to overcome them are studied in detail.

Key words: International standards, financial reporting, financial assets, income and expenses, efficiency, economic analysis.

The historical formation of the financial accounting system is the fundamental basis of modern accounting and financial reporting. Accounting and financial reporting emerged and developed gradually out of necessity over a long historical period, and today it has formed as a perfect system of management.

In 1494, the Italian monk and mathematician Luca Pacoli, in the appendices to his mathematical book, explained in detail the use of double-entry bookkeeping, based on the study of accounting practices common among merchants in Italy at that time.

From the definitions and approaches given to the international standards of financial reporting, it can be seen that the only goal is to ensure the uniformity of accounting on a global scale. For example: according to N. Sapojnikova: " The essence of the approach to international standards of financial reporting is the development of a single set of standards that includes the principles and rules of financial reporting and can be used in any country" (Sapojnikova, 2015).

"The idea of standardization of accounting processes is implemented by the Committee of International Financial Reporting through the development and publication of international financial reports. The essence of this approach is to develop a single set of standards applicable in any country in any situation, which leads to the abandonment of national standards" (Generalova, 2008).

These ideas are in line with the process of transferring the accounting system to the National Accounting System in our republic. Because the implementation of uniform standards by itself makes national standards lose their importance.

IFRS is a synthesis of modern knowledge about the economy of companies, summarizes global business experience. They are developed by different economic experts, so it is a symbiosis of management and reporting data. IFRS are not strictly defined guidelines, although they are generally accepted, their priority in the preparation and disclosure of financial statements is not considered mandatory, but rather is focused on voluntary use (Dmitrieva, 2007).

Consistent, full application of high-quality ISMS covering all aspects of accounting and reporting provides the necessary transparency of financial reporting for all potential users. Each standard contains a comprehensive list of financial statement disclosures, along with classification and measurement issues. The reliability and transparency of information is determined by the willingness of those who prepare the report to strictly comply with the established standards (Proskurovskaya, 2008).

The opinions expressed by V. Getman in the coordination of financial statements of enterprises engaged in foreign trade in our republic with the IFRS and their inclusion in the listing are fully consistent, including: "IFRS has a number of advantages: it improves the quality of management information for commercial organizations, increases the transparency of financial reports, borrows reduce costs, facilitate international business and allow companies to enter the list" (Getman et al., 2012).

International financial reporting standards are a system of international principles for the preparation of financial statements. They are widely used and accepted as a basis for preparing financial statements in many countries. IFRS reflects a collection of the following documents: Introduction to IFRS rules, principles of preparation and presentation of financial statements, standards and explanations to them. These documents are interrelated and form a single system and cannot be used separately, although each of them has its own meaning (Babaev, 2012). was brought. The national accounting system was formed and developed in the leading countries of the world.

Creating a favorable investment environment for foreign investors and achieving international integration on a large scale is largely dependent on providing quality and reliable information to the management system, international investors and other information users. Therefore, improving the quality of financial reporting ultimately ensures the quality and timeliness of management decisions

In the description of the financial report, it should be noted that it is a component of financial accounting, that it is an important link in the implementation of its information supply function and purpose, that it is the main stage in its procedure, and that all the results of financial accounting are embodied in financial reports, and that its main purpose is to inform users of the financial status of the organization, we think that it is necessary to take into account that the financial results of the activity satisfy the need for information on the movement of funds. Based on these requirements, we define the financial statement as follows:

" **Financial reporting is** a means of implementing the goals, functions and tasks of financial accounting, and is considered an important final result stage in the accounting procedure, with the help of which, on the basis of generally accepted rules for the past period of the enterprise, the financial condition of the organization, the results of its financial and economic activity, and the movement of funds doir is a system that incorporates the most objective and high-quality aggregated information. It is aimed at providing internal and mainly external information users with their general need for information for decision-making and control.

features of financial reporting should be recognized:

1) The financial report is the final product of the financial accounting process, that is, the product of accounting;
2) financial reporting fulfills the purpose of financial accounting, that is, financial reporting and the purpose of financial accounting are compatible with each other;
3) financial reporting is the main final link of the financial accounting procedure;
4) the financial report is an element of the financial accounting method;
5) the financial report provides information on the state of the financial economic activity of the enterprise in a certain period and changes during the period;
6) financial report provides information about past events and processes;
7) financial reporting period includes annual and interim periods;
8) financial statements are prepared based on generally accepted principles and rules;
9) the financial report provides information on the financial status of the enterprise, financial results of the activity;
10) the financial report provides information on the organization's assets, liabilities, state of private capital as of a certain date, as well as income and expenses during the reporting period, changes in private capital, and cash flows;
11) financial reporting is mainly intended for broad information users who do not have the opportunity to request information that meets specific information needs;
12) financial statements are drawn up in strictly regulated special forms that meet the requirements of accounting standards;
13) economic decisions are made by users based on financial reporting information;

14) financial reporting data is used to control and plan financial and economic activities, to establish "feedback";

15) on the basis of the financial report, the activity of the management regarding the use of entrusted resources is assessed and monitored.

Classification of the financial report provides an opportunity to clarify its issues, to fully understand the interdependence of the types of reports. Based on the results of the research, a classification was proposed according to the method of financial reporting, the structure of financial reporting, coverage period, segmentation, structure in special situations, business mergers and consolidation of financial reporting, types of accounting entities, auditability. Their composition according to classification marks is as follows.

According to the method of construction **:** financial report compiled in special programs in a computerized system; manually prepared financial statements.

According to the composition of the financial report : balance sheet; report on financial results; statement of cash flows; statement of private capital; other disclosures

Financial report prepared in special situations **:** financial report in hyperinflation conditions; financial statements in progress; financial statement reflecting the fluctuation of prices; financial statements reflecting events after the reporting date ; financial report on pension programs; asset impairment report; financial statement reflecting state subsidies and assistance; financial instruments statement.

Reports on the merger and consolidation of enterprises *:* Financial report on the merger of enterprises; consolidated financial statements and separate financial statements; financial report on participation in joint ventures.

By coverage period : Annual financial report; interim (quarterly) financial report.

By type of financial and economic entity : financial report of banks and credit organizations ; financial report of budgetary organizations; financial statements of business units.

Depending on the audit : Mandatory audited financial statements; voluntary audited financial statements.

This classification allows for a broader understanding of the content of financial statements and a full understanding of their purpose.

In accordance with the international concept, the elements related to the measurement of financial position include assets, liabilities and capital. They are described as follows (Figure 2):

The elements shown in this picture are described in the international standard

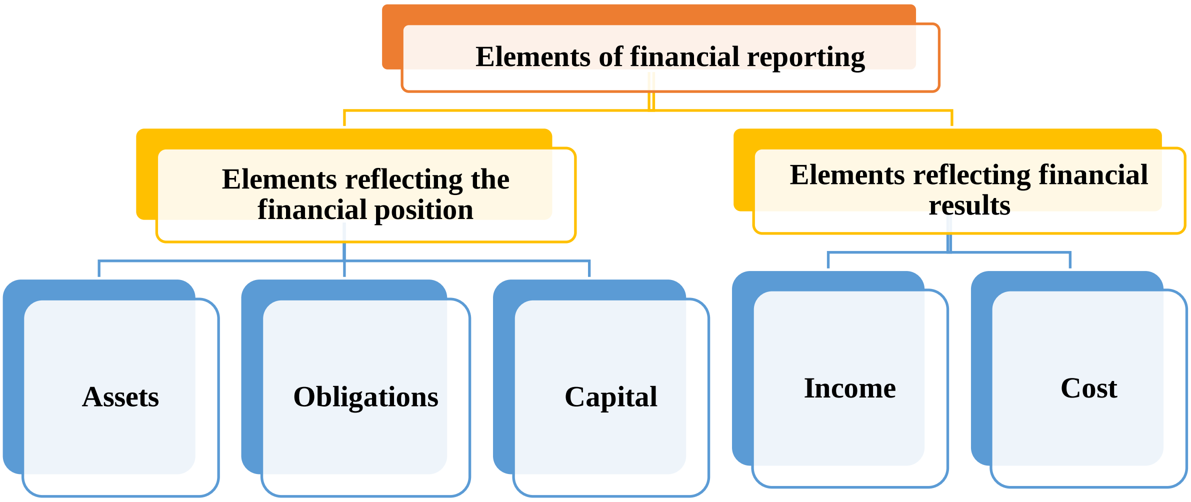

Figure 2. Elements of financial reporting

Assets are resources controlled by the enterprise as a result of past events, the use of which will bring economic benefits to the enterprise in the future;

***Obligations* are** real obligations arising as a result of past events in the activity of the enterprise, and their interruption leads to the outflow of resources of the enterprise embodying the economic value;

Equity is the proportion of a company's remaining assets after all liabilities have been deducted.

The main view of accounting equity according to MFRS is as follows (Figure 3):

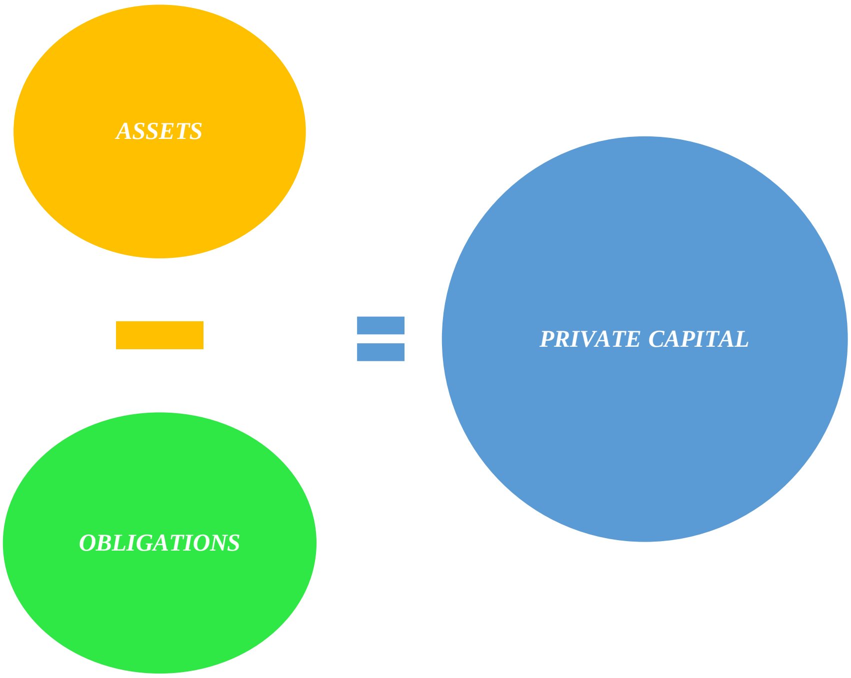

Figure 3 Formula for determining accounting equity

The results of the company's activity are described by the profit indicator, which has an economic essence, like the result of the investment, the profit of the stock. The elements measuring the profit of the enterprise include income and expenses.

LIST OF REFERENCES USED

1. (Karimov, 2020) Karimov A. Ibragimov, N. Rizayev, N. Imamova, "Moliyaviy hisobot xalqaro standartlari" textbook - T.: "Finance", 2020 - 307 p.
2. (Ismanov , 2021) Ismanov I. Uzoq muddatli aktivlar hisobini takomillashtirish. Scienceweb academic papers collection .
3. (Muzrapova, 2022) Sh. Muzrapova "Moliyaviy hisobotlarni xalqaro standartlari asosida moliyaviy hisobotlarni tuzish tartibi" "Tafakkur manzili"
4. (Qudbiyev, 2021) Qudbiyev NT Xalqaro moliyaviy hisob standartlariga o'tish dolzarbligi. SJ international journal of theoretical and practical research, 1(2), 5 2 -6 0 .