



## REFORMS IN THE TRANSITION TO INTERNATIONAL ACCOUNTING STANDARDS IN THE REPUBLIC OF UZBEKISTAN

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**Annotation:** The article is devoted to the maintenance of accounting in the Republic of Uzbekistan on the basis of international financial reporting standards and the improvement of accounting. The article describes the role and place of international financial standards in the modernization of the country's economy, accounting and its stages of development, international standards of financial reporting, the rules of their formation, as well as their specific features.

**Keywords:** IFRS, income growth, agricultural reform, gross profit, operating profit, net profit, earnings per share

In the context of modernization of the economy, one of the priorities is to further deepen integration into the world community and the introduction of existing achievements in world practice in the process of socio-economic development of our country, ensuring sustainable operation of real sector enterprises.

Indeed, as noted by President Sh.M. Mirziyoyev, "... the effectiveness of the implementation of targeted programs that demonstrate the effectiveness of reforms. These include industry and others the following economic and financial indicators of network development can be cited: the state of production capacity, costs and cost reduction, localization and level of profitability, product competitiveness unconditional increase" <sup>1</sup>.

Accounting data include opportunities to reduce the cost of production - efficient use of material resources, costs reducing the rate of demand for inventories level of storage and protection, etc. should generalize. Based on the above, it should be noted that the topic chosen for this dissertation is one of the most relevant in the context of modernization of the country.

Simplification of management, in turn, to avoid inefficient costs, improve product quality and reduce costs, is reflected in accounting. The chart of accounts plays a special role in deepening the ongoing economic reforms in the country, the correct organization of accounting in production management. The main task of the chart of accounts is to regulate the economic transactions, to summarize the changes in the movement of funds by type. Each transaction made using the chart of accounts examines the location of funds, their impact on the sources of formation, and provides an opportunity to obtain generalized information on their status.

Adoption of the Law "On Accounting" in the Republic of Uzbekistan requires the harmonization of the accounting system established in the Republic with international standards.

<sup>1</sup> Mirziyoyev.Sh.M "Critical analysis, strict discipline and personal responsibility should be a daily rule of every leader" - Tashkent: "Uzbekistan", 2017. - 26 p.

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Property relations in our country, including the process of denationalization of property, show that economic reforms are well developed, and secondly, it requires accurate, consistent and timely accounting in each sector. Changes in property relations in every process that takes place in enterprises, regardless of the form of ownership, lead to internal and external changes in the assets of the enterprise. The study of such changes by type is carried out using accounting records. The economic content of business transactions carried out with the help of accounting accounts, along with the indication of the category, allows you to determine the demand for appropriate funds. The Law of the Republic of Uzbekistan "On Accounting" approved by the Chairman of the Cabinet of Ministers of the Republic of Uzbekistan (February 5, 1999) - A new chart of accounts was developed and put into force on January 1, 2004, with the addition of the National Accounting Standard. "Accounting chart of financial and economic activities of business entities and instructions for its application." The introduction of the new chart of accounts in the Republic of Uzbekistan is, firstly, the integration of Uzbekistan into the world economic system and its harmonization with international standards, while recognizing the regulatory framework, and secondly, the application of international experience in accounting. National Accounting Standard № 21 of the Republic of Uzbekistan The chart of accounts of financial and economic activities of business entities and guidelines for its application were developed by the National Association of Accountants and Auditors of the Ministry of Finance of the Republic of Uzbekistan. IFRS 21 states that "Accounting accounts are the method of recording and storing accounting information on the movement of economic resources of business entities and the requirements for it". In turn, special attention was paid to the structure of accounts. The economic reforms carried out in the country require a change in the forms of ownership, the inflow of foreign investment, ie the emergence of accounting entities, the organization of accounting in accordance with international requirements. It should be noted that the first chart of accounts adopted in the country was in line with the development of our economy. Radical positive changes in the economy of the republic began to require compliance with the system of accounting adopted in the countries that have transitioned to a market economy. All normative documents on the organization, maintenance and regulation of accounting and reporting in the Republic of Uzbekistan have been adopted and developed. The gradual implementation of IFRS in the Republic of Uzbekistan is aimed at ensuring that the accounting system is in line with international standards. For many years, the chart of accounts served to fulfill the tasks set for accounting at one stage of economic development, but today the most important task is to develop and implement an chart of accounts in accordance with international standards. It can be said that the current chart of accounts did not meet today's requirements. In practice, the chart of accounts is included in 249 balance sheets and consists of 14 off-balance sheet accounts. Approved by the Ministry of Finance of the Republic of Uzbekistan on September 2, 2002 with the first version of the chart of accounts specified in IFRS № 21. In recent years, special attention has been paid to improving the accounting and reporting in the country. Adoption of the Law of the Republic of Uzbekistan "On Accounting" required the development and implementation of national accounting standards. Resolution of the Cabinet of Ministers of the Republic of Uzbekistan of April 2, 1999. The new chart of accounts was developed in accordance with international standards. The Ministry of Finance of the Republic of Uzbekistan, in cooperation with international organizations, has registered the National Accounting Standard (NAS), which came into force on January 1, 2002, in accordance with international standards. In order to improve the accounting, taking into account the

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changes in the legislation, the Ministry of Finance approved the plan of accounting of financial activities of business entities and instructions on its application by Resolution No. 103 of September 9, 2002. Registered as NAS. The new chart of accounts of enterprises and audit organizations with foreign investment was transferred to them from January 1, 2002, January 1, 2003, to exchanges, and from January 1, 2004 to other business entities, regardless of the form of ownership. It can be said that the vitality of the ongoing economic reforms in the development of the new chart of accounts and its implementation is a priority of positive changes in the management system. In developing the chart of accounts, in collaboration with foreign experts, the plan used the experience of countries where advanced methods were introduced. The new chart of accounts includes new accounts to account for structural changes, types of property, liabilities and business operations in which the market economy has emerged, the names of departments, account codes (numbers) and names have been changed.

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