

## **METHODS OF ACCOUNTING AND ITS REFORMING IN THE COUNTRY**

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**Annotation:***The article examines the reform of international accounting standards, the use of scientific and methodological aspects. Studies on the issue of reform of ideas of foreign and domestic scientists, definitions, as well as in accordance with international financial reporting standards.*

**Key words:***Accounting, national accounting standards, international financial reporting standards.*

**Introduction.**After the independence of the Republic of Uzbekistan, radical changes took place in all areas of society, including the economy. Transition to market economy has resulted in the overthrow of property, deepening of privatization, creation of enterprises with different forms of ownership, and gradual reforms have been made in this direction.

Attachment According 1 to the Decree of the President of the Republic of Uzbekistan of February 7, 2017, No. ПФ-4947 of the President of the Republic of Uzbekistan Shavkat Mirziyoev: Increasing its competitiveness through deepening of structural changes, modernization and diversification of leading national economies:

- ensuring balanced and stable national economy, increasing the share of industry, services, small business and private entrepreneurship;

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- conducting an active investment policy aimed at modernization, technical and technological renewal of production, implementation of production, transport and communications and social infrastructure projects;

Further modernization and diversification of the industry through a qualitatively new level aimed at accelerated development of high-tech industries, first of all, on the deep processing of domestic raw resources. [1] Its task is to create and maintain accounting in our country on the basis of international financial reporting standards in accounting entities with established and existing businesses with foreign investments.

**Literature Review.** It is well known that the accounting system has been reformed and improved since the independence of the Republic of Uzbekistan. Since the early days of independence, the Republic of Uzbekistan has been implementing reforms in accounting.

In this regard, the adoption of the Law "On Accounting" was one of the most important steps in the Republic of Uzbekistan. April 13, 2016 Changes and additions to the Law of the Republic of Uzbekistan "On Accounting" No. O'RQ-404. [2]

Many economists of our country on accounting reform have made their comments in the scientific research works and articles.

In particular, economist scientist R. Kholbekov in his brochure, believes that "One of the most important aspects of improving accounting is the level of accountability and the rise in the market demand." [3]

J. Kurbanbaev and S. Jumanov claims about "The deepening of economic reforms requires the integration of the Republic of Uzbekistan into the global economic system and, consequently, the continuous improvement of the national accounting system and its adaptation to international norms and standards." [4]

According to B. Mamatov, "Accounting in the current situation is based on the main idea of further improving the practice of our country - the tendency to bring the financial statements closer to the principles and requirements set out in international standards." [5]

DSc., prof. Z.N. Kurbanov and F. A. Akramovs According to "Accounting in the country on the basis of international financial reporting standards and compilation of financial reporting will allow wider integration into global integration. And this will become a new stage in the reform and modernization of accounting in our country. "[6]

In the case of the Russian Federation, T. M. Odintsova says, "In 1998, as the main vector of the national accounting system, the Accounting System was developed in accordance with the TSPF. National Report on Financial Reporting Since June 2006, work is underway to organize financial reporting. From 2011 on the territory of the Russian Federation a regulation was adopted on the recognition and use of IFRS "[7]

In Ukraine, amendments were made to the Law of Ukraine "On Accounting and Financial Reporting" of May 12, 2011 № 3332-VI. The law came into effect on January 1, 2012. Under this law, starting from January 1, 2012, joint-stock companies, banks, insurance companies, as of January 1, 2013, will set up financial reports based on the IFRS financial and economic entities. The execution of this legal norm is ensured in accordance with the order of the Ministry of Finance of Ukraine dated December 9, 2011 № 1591. [8]

In the work carried out in our country, N. Mirzarahimova said, "The first phase of the transition to the ICCS has been completed, and all businesses have adapted their reports to international standards, and today there is a time to work on errors or to develop plans for the future." [9]

In general, the International Financial Reporting Standards are the Financial Reporting Form (IFRS) or Financial Reporting Form (GAAP) of the US GAAP Standards developed by the International Accounting Standards Committee.

Yu.A.Babayev and A.M. Petrov's textbook, The International Standards of Accounting (IFRS), was developed by the International Accounting Standard Committee (IASC) from 1973 to 2001, in line with International Accounting Standard (IAS) ). In 2001, IASC was renamed the International Accounting Standards Board (IASB). Starting from April 2001, IASB continued its work under

the International Financial Reporting Standards (IFRS), approved by the IASB's previous standards. [10]

Currently, there are 41 IAS / BHRs and IFRS / IFRS / IFRS / IFRS / IFRS / IFRS IFRSs as well as IFRSs. An Explaining Committee (IFRIC), an IFRS, and an IRS operated by the Government to explain some of the standards.

Under the market economy, accounting is the basis of the information needed to control the process of organizing various entities, controlling and analyzing their activities, and the basis for making quick decisions by the administration. The reforms in the accounting system have led to the need to develop national accounting standards.

Compliance with International Standards (IAS and GAAP) requirements  
A simplified accounting and reporting system based on the requirements of the International Standards (IAS and GAAP) will help to create a complete picture of the subject's actual performance and economic situation, which, in turn, will enable all users of accounting documents and reports, including foreign investors enhances comfort.

**Discussion.**Improvement of the legal regulation of the Republic of Uzbekistan, and elimination of obsolete normative documents in accordance with the current legislation, which is determined by the practical analysis of the accounting system in accordance with international practice. Based on the analysis of the above economic literature, we are going to address a number of urgent issues regarding reform, namely, the regulatory and legal framework has been created in the Republic of Uzbekistan, on August 30, 1996, the Law of the Republic of Uzbekistan "On Accounting" . For over 20 years this Law has been an important step in the state regulation of the formation and development of our national system, accounting for all enterprises, institutions and organizations based on different forms of ownership. In the early years of our independence, this law was drafted to meet the modern requirements in the light of international standards, with the help of international experts before the Commonwealth countries. Changes and additions to the Law of the Republic of Uzbekistan "On Accounting"

have been introduced to further improve this law, to reform the international standards and international accounting standards.

In particular, the following articles have been amended in the law: basic principles of accounting, "accounting", "accounting information" and its subjects. At the same time, the Ministry of Finance of the Republic of Uzbekistan is responsible for the development and approval of accounting standards.

Accounting standards establish minimum requirements for accounting and financial reporting, and set specific requirements for its organization, business and financial reporting.

It should be noted that accounting entities are well aware that international standards of financial reporting are established by the legislation.

In addition to disclosing rights and obligations of employees of the management and accounting department, accounting is a system of measures based on accounting policies adopted in the internal audit accounting, financial and other reporting, legitimacy and economic feasibility of economic transactions. defined While changes to the law are urgent, difficulties may arise in practice in applying the requirements. Therefore, we want to express an opinion on the improvement of this law.

Firstly, Article 10 of the Law "Accounting Standards" states that "subjects of accounting may apply international financial reporting standards in the manner prescribed by law". In our opinion, it would be expedient to state that "subjects of accounting should apply the international financial reporting standards in the manner prescribed by law".

Second, there is information about the accounting department, but there is no information about the accounting department. That is, the current role of accounting services or the future role of accounting departments should be clarified.

The company's accounting policy is an official document developed by the chief accountant and approved by the order or order of the manager. However, this was not included in the Accounting Law, so it would be appropriate to clarify the

responsibility of the enterprise to maintain an accounting policy and control its implementation.

It should be noted that at present time the process of organizing accounting, accounting and improvement of accounting in the Republic of Uzbekistan in the accounting process is accelerated, but can lead to a number of problems in accounting of international accounting standards, including the following :

Firstly, the Ministry of Finance of the Republic of Uzbekistan, in coordination with international organizations, requires a group of scientists and practitioners to promote the training, preparation and certification of the SSPC. It is desirable for the certified professionals to develop measures for the retraining of professors and teachers of the higher education institution based on established curricula.

Secondly, there are CAP / CIPA and ACCA programs in our country, which slows down. However, the International Financial Reporting (DipIFR) program does not exist in our country, and in our opinion, the development of this program will improve the quality of work. Of course, knowledge acquired during education should be strengthened by practice.

It should be noted that the only way to make the current economy a reliable and quality information in the context of globalization can be achieved by recognizing the International Financial Reporting Standards (IFRS) and complying with it.

**Conclusion.** The attraction of direct foreign investments to the economy of our country, the creation and functioning of free economic zones require the organization of bookkeeping on the basis of International Financial Reporting Standards (IFRS). At present, the international financial reporting standards are increasingly used by economic entities in the preparation of accounting information aimed at meeting the needs of the external users and ensuring their attractiveness.

Today, with a positive evaluation of the work on accounting reform, we can say that the reform of accounting and reporting was the adoption of the TFRS. This

will ensure transparency for users of accounting information to demonstrate the financial position and true financial position of business entities in the market economy and control the availability and movement of property.

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