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DEVELOPMENT OF ACCOUNTING IN THE CONTEXT OF REFORMING THE NATIONAL ECONOMY

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ABSTRACT

The article reveals the tasks of adapting accounting to market conditions and the transition to international rules for its maintenance. An idea of accounting in modern conditions is given, and the legal foundations and normative regulation of accounting are shown. The main approaches to reforming accounting in order to increase its efficiency are considered. The features of accounting in modern economic conditions are disclosed. The norms and regulations, the essence of the Law "On Accounting" in the new edition are disclosed in an accessible way. The importance of the introduction of international standards (IFRS) for the implementation of the tasks of reforming accounting is shown.

KEYWORDS

Economics, management, accounting, regulation, legal framework, international standards (IFRS), enterprise, reform, modern conditions.

INTRODUCTION

In recent years, as a result of reforms carried out by the country's leadership to modernize and diversify sectors of the economy, and further improve the investment climate, stable economic growth rates are ensured.

At the present stage of the development of market relations, accounting is of particular relevance and is constantly being improved. It has become not only a means of processing and grouping economic information contained in primary documents but has

also become a participant and executor of the management policy of a business entity.

Today, accounting is faced with quite complex tasks of adapting it to market conditions and transitioning to international rules for its maintenance, which entails serious methodological changes in the accounting system and makes it an object of close study. This means that in modern conditions it is necessary to further develop the theoretical and methodological provisions of accounting.

The development of the economy of our country and its entry into the world market shows the need to adapt the accounting system to the requirements of international standards.

The relevance of the topic is due to the need to have an idea about accounting in modern conditions. Based on this, the purpose of this study is to analyze the methods, procedures and practices of accounting in modern conditions.

In accordance with the purpose, the objectives of the study are formulated, these are:

- consider the theoretical foundations of accounting in modern conditions;
- study the basic rules for organizing accounting in the Republic;
- identify the problems of adapting the national accounting system and accounting education to international best practices.

The theoretical and methodological basis of the study was the Decrees and Decrees of the President of the Republic of Uzbekistan, the Laws of the Republic of Uzbekistan, and the monographic works of domestic and foreign scientists in the field of accounting.

The essence of modern accounting. Accounting is a field of activity that influences many aspects of the daily life of society. Advances in science and technology are changing every aspect of accounting. The geographical proximity of countries, close economic ties, active participation of foreign companies in investment activities, the active attraction of foreign capital, etc. make you take a fresh look at the accounting system as a whole. Today, scientists recognize the need and expediency of intensifying efforts to bring national accounting systems closer together. They call for the basis of the entire accounting system to be the sign of "understandability", which determines the quality of any accounting information. This important criterion is reflected in all international accounting standards.

Normative regulation of accounting. As a result of the economic reforms implemented over the past period, great changes, as in other areas, have occurred in the accounting system, new legislative acts have been adopted and the existing legislative acts have been improved regarding the sphere. This, and the accumulated national and foreign experience, led to the further improvement of legislation on the organization, accounting and reporting in accordance with modern requirements. Based on this, the Law of the Republic of Uzbekistan "On Accounting" No.404 dated April 13, 2016, as amended [1]. Hereby, amendments and additions have been made to the current Law "On Accounting" adopted on August 30, 1996, No. 279-I [2]. The innovations were aimed at improving the legal regulation of accounting in accordance with international principles and standards, increasing the responsibility of the heads of business entities, and their accounting services, by clearly delineating their rights and obligations.

The new edition of the Law of the Republic of Uzbekistan "On Accounting", which entered into force on April 14, 2016, became the legal basis for providing users with reliable and reliable economic information and financial reporting. The law was developed taking into account international requirements for high-quality and reliable accounting and serves as a legal basis for increasing confidence in the financial statements of enterprises, developing accounting in a market economy.

The law defines the essence, goals and objectives of accounting based on changes in the economy, new requirements of law enforcement practice, in accordance with international financial reporting standards, in accordance with which financial statements are compiled and published on the basis of international standards.

The law establishes accounting standards that meet both national and international standards and introduces new standards aimed at ensuring mutual control between the head of an accounting entity and the head of an accounting service. At the same time, the law contains new norms aimed at determining the relationship between primary accounting documents and accounting registers, improving internal document management and introducing modern information and communication technologies into the sphere.

It should be noted that this version of the law regulates new legal relations that arise in the process of organization, accounting, preparation and presentation of financial statements. Innovations, of course, have a positive impact on the improvement of modern enterprise management, in particular, its economic levers and mechanisms.

In general, the norms and provisions of the Law "On Accounting" in the new edition contribute to the further improvement of the accounting system, ensuring its openness, the correct and high-quality implementation of business operations, the safety of assets, the timely detection, elimination and prevention of errors and violations in accounting and financial reporting.

As part of the improvement of the accounting system, a fairly broad legal and regulatory framework has been formed in the Republic today, which regulates the procedure for maintaining accounting records and the procedure for the formation and submission of financial statements. The purpose of these legal acts is primarily to create conditions for the formation of reliable and high-quality financial statements.

In accordance with the interests of different groups of consumers of information, a modern accounting system serves three main purposes:

- accounting of the company's assets, its liabilities and capital, periodic public reporting on the financial condition and financial results;
- information support of management - providing the administrative apparatus with the information necessary for making managerial decisions;
- "taking into account the future", providing managers with information for the development of management decisions related to future business activities.

It should be noted that management accounting is a subsystem of accounting. Used to identify, collect, analyze, prepare, transfer management decisions in order to improve the efficiency of the organization. "A clearly and competently drawn up accounting policy is considered an indicator of high accounting

qualifications, it is an element of the regulatory accounting system and is formed in accordance with the current regulatory documents in the field of accounting and financial reporting. The accounting policy determines not only the organization and methodology of accounting but also approves measures to optimize the economic activities of the organization. [6, p.37]. Due to this,

Reforming the national economy did not bypass the issues of accounting development. Our country cannot become an equal participant in international economic relations as long as the national accounting system differs from international standards. In view of this, in recent years, the accounting system has undergone impressive changes, additions and clarifications.

An important and topical issue in the entire system of reforming accounting in the country is its transition to international financial reporting standards (IFRS). In this connection, as part of the ongoing reforms, Uzbekistan is currently actively working to improve accounting and bring it closer to international standards.

In order to provide the necessary information environment to foreign investors, and expand opportunities for access to international financial markets by switching to international financial reporting standards (IFRS), the Decree of the President of the Republic of Uzbekistan “On additional measures for the transition to international financial reporting standards”, No. PP-4611 dated February 24, 2020. On its basis, a roadmap was developed for the phased introduction of international financial reporting standards and modern methods of training personnel in this area, taking into account international best practices [3].

The resolution established that joint-stock companies, commercial banks, insurance organizations and legal entities classified as large taxpayers will organize

accounting in accordance with IFRS from January 1, 2021, and starting from the results of 2021, prepare financial statements based on IFRS, with the exception of legal entities for which the legislation provides for an earlier transition period to IFRS.

For the successful implementation of IFRS, the Decree defines the fulfilment of the following main tasks:

1. Systematization and improvement of the effectiveness of the IFRS implementation process.
 2. Measures to improve the system of personnel training and improve the quality of higher education in the areas of accounting and audit.
 3. Measures to clarify the meaning and content of IFRS.
- The resolution opened a new page in the field of accounting in the process of transition to IFRS. The adopted document provides for a fundamental revision of the process of coordination and preparation for the transition to IFRS of business entities.

In order to successfully fulfil the tasks set, the Ministry of Finance of the Republic of Uzbekistan has been designated as the authorized body for the implementation of IFRS and it has been assigned the relevant functions, for which a department for coordinating the implementation of international financial reporting standards and external quality control has been created in the structure of the ministry.

Taking into account the need to train a significant number of qualified specialists with the necessary knowledge and skills, the document provides for a fundamentally new integrated approach to the training of national personnel, which significantly influenced the creation of a national system for training qualified specialists in the field of IFRS.

Thus, the reform of accounting in Uzbekistan is based on the use of the achievements of accounting science, statistics and world practice, reflected in the system of

national accounts (SNA) and international financial reporting standards (IFRS) [4], as well as taking into account the characteristics of the national economy. The general structure of the accounting regulatory system is based on the new edition of the Law “On Accounting”. On this basis, new national accounting standards of the Republic of Uzbekistan (NAS) are being developed [5].

CONCLUSION

The process of evolution of accounting is very complex, and the trend towards international standards is not very easy. At the same time, it is important to note that in the event of a full transition to IFRS, one should not expect foreign investment to flood into the country like a river. This will be an important step in the process of building mutual trust between Uzbekistan and the international community, and for investors, investments will become less risky. Obviously, apart from the international one, no national financial market will be able to develop normally. Undoubtedly, the accounting reform will be really completed only when every accountant has a professional knowledge of the basics of IFRS, and company executives are really interested in providing reliable and objective information. It follows that the professionalism of accountants occupies a special place in the reform of accounting, which means that more active work should be carried out to improve their qualifications.

Among other tasks of the reform, it should be noted the need for a final division of accounting into tax, financial and managerial, as is customary in international practice. Wherein:

- financial analysis will be focused on external users (owners, investors, creditors, debtors, etc.);
- management accounting will be used to systematize costs, make management decisions and plan;

- tax accounting will be used to calculate taxes.

At the same time, it should be emphasized that the accounting reform should be carried out taking into account the established national traditions, and the specifics of the economic development of the Republic, and not by blindly copying the Western experience. In order for the reform to be carried out at a rapid pace and acquire a complete character, it is necessary to significantly reduce the endless stream of current instructions, letters, and instructions in the regulation of accounting, which often contradicts each other.

It should be noted that the main conclusion from the first results of reforming the accounting system is the presence of certain positive results in changing attitudes towards the accounting profession. A very painful process of transformation of accounting in accordance with the requirements of a market economy required, first of all, a change in attitude towards the profession of an accountant. The accountant, previously one of the most inconspicuous figures, has become an indispensable adviser to the head of the enterprise, mastering completely new functions (such as financial management, tax planning, the use of information technology, etc.).

One of the promising areas of the reform is the need for greater participation of businesses in the development of new accounting standards, which can be achieved through more active involvement of accounting associations in the process of adapting international standards.

It is assumed that in the conduct of modern accounting, information will become the most valuable resource. This means that financial information can be considered the most important tool for making economic decisions since the effectiveness of attracting investments depends on their quality.

In conclusion, it should be noted that in the reform of accounting an important place is occupied by the study

of the history of accounting, since a deep knowledge of history will facilitate the identification and understanding of practical problems, and will raise new questions put forward by life.

The introduction of IFRS in modern conditions requires a thorough justification of the need, as well as the allocation of a certain types of companies that really need to use these standards. The introduction of standards is necessary precisely for large companies that have access to a foreign market or seek to get it. Therefore, one of the main goals of the transition to IFRS is to increase transparency in enterprise management and attract investors to the economy. Improvement of legal regulation should be carried out in the direction of bringing to international requirements not only accounting standards but also the legislation of civil, tax and other industries, as well as using all the positive experience that has been gained in the course of economic reforms.

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