The Importance of The Improvement And Convergence of Ias/Ifrs to the National Accounting System of Uzbekistan

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maximizing profits..

II. RESEARCH RESULTS

Now let's look at the various triggers in turn in order to better understand the real need and problem of bringing international accounting standards into the national accounting system.

Firstly, large foreign investors who have large capital are trying to increase their capital and want to invest in a safe business. Then they begin the search for profitable organizations that have enough property and a best background of doing business. Having found their number, potential investors check and compare their financial results and try to choose the best. Financial data and indicators in the reports allow comparison only if they are prepared in the same way. This is only possible with financial statements prepared according to the international financial reporting standards.

Secondly, it will reduce the cost of studying local standards if financial statements are prepared in accordance with international financial reporting standards. Not only investors, but everyone does not like to spend extra money.

Thirdly, the financial statements of companies must be prepared according to the international financial reporting standards in order to have access to the international financial market and sell their securities there.

Fourth, the transition to international accounting standards or the unification of internal accounting standards encourages foreign investors to start their own business in our country.

Based on the foregoing, we can say that the preparation of financial statements in accordance with international financial reporting standards really helps to attract investor capital.

Coherence across accounting processes in the world and the spread of IFRS rules around the world allow the company, based on IFRS, and all its interested parties to feel confidence in the future prosperity of the company. The role of transparent standards is to increase the accuracy of forecasts, financial and technical support, and market liquidity, as well as to reduce private information owned by the owners of the company and reflecting the value of shares. In addition, this process increases investment and thrives on securities markets.

Our country must constantly support the harmonization process, improving internal coordination in it. The need for harmonization is understandable and beneficial for countries as a whole thanks to the obligations and efforts of regulators, standards
developers, financiers, the business community, the public and the accounting profession.

III. CONCLUSIONS

We made key recommendations in four specific areas:

Organizational framework. With regard to the regulatory framework of Uzbekistan, the following changes should be made:
- Outline norms for differentiating between subjects of attention, small-sized and medium-sized firms and microorganisms to adapt proportional financial reporting requirements that are relevant to market needs and their own information needs.
- Enhancing the audit profession oversight system and create a strong program for audit quality assurance.

Open accessibility of financial statements. Methods to develop compliance with the financial reporting requirements of a company include:
- Preparing financial statements according to the requirements of NAS 1 and submitting all notes to the financial statements to their particular regulatory authority. A regulatory agency must disclose these financial statements and make them publicly available on their websites as legal requirement. At present, financial statements those are disclosed by the companies are simply an income statement and a consolidated balance sheet with the attachment of an audit report on full financial statements.
- In the longer period, a register should be established by the Ministry of Finance which will include centrally filed financial statements of all the companies those will be available for all.
- Continuous cogency and, where applicable, replenishment of audit licenses and certificates for audit firms and individuals should be influenced by the presentation of proof of obedience with related authorized requirements, for example, ongoing specialized improvement, compensation cover, etc. Every five years auditors must take their qualification exams due to the existing requirement of the Ministry of Finance- it seems troublesome and it should be reviewed.
- Moreover, the Ministry of Finance should study the likelihood of changing the appropriate legislation for licensing or approval by the Ministry of Finance, first of all, after meeting certain criteria for professional audit and accounting associations that want to be created in Uzbekistan. In addition, auditors and audit firms must attend recognized audit programs of institution of higher educations, such as the CIPA exam requirements. Professionals and training providers should also coordinate their CPD training courses.

Official capacity construction. All regulatory bodies and other organizations with financial reporting accountabilities are facing increasing challenges as the moving business atmosphere forms the need for an up-to-date accounting and auditing infrastructure. For example, according to the information displayed, increased volume is required, information that the disclosure requirements listed in NAS 1 are not respected and non-equalization of these disclosures does not always result in a revised audit opinion, even if only a careful attitude is not an urgent need for institutional strengthening in accounting reform. This shows the necessity to toughen the capability of both auditors and the audit quality controller function. Consequently, the following is suggested:
- Supervisory body accept support, containing from worldwide mutual associations, for building their capability in terms of scope, skillfulness level and training of their workforce.
- The similar support should be received by qualified organizations of accountants and auditors in order to increase their ability to better control their participants, particularly in the region of audit quality control and principles.

High-end education and training. Despite the fact that the teaching system appears to provide an adequate number of future professionals, it is necessary to toughen the auditing and accounting capacity of education at universities and ensure connection between institution of higher education study programs and up to professional training, as well as further expansion of existing training programs. The proper understanding and presentation of international standards, and accounting and auditing requirements require a concrete foundation for the teaching and training of financial report makers, auditors and regulatory bodies. To do this, it is recommended that you follow these steps:
- Huge potential is required from existing providers of accounting teachers and trainers to meet the growing requirements of the economy of Uzbekistan. This gradually requires the introduction of new programs to replace the skills of school and university teachers in day-to-day accounting and assessment, which can then be transferred to their students. Alternatively, an accounting teacher in Uzbekistan will teach at another regional university and / or teachers from other countries of the former Soviet Union who have made the necessary changes to university syllabus will be attracted.
- Accounting study program should be comprehensively reviewed to include the NAS, IFRS and accounting principles and theory that underlies the NAS and IFRS at the same time. An analogous attention should be given to the audit theory and principles, fundamental to the ISA and NSA. To the institutions that try to find and generate superior educational programs by means of their own resources, support should be provided.
- Priority should be given to better integration of specialized qualifications and certifying requirements and programs of institution of higher educations, such as the harmonization of university courses and CAP / CIPA, by granting exemptions to university graduates to certain CAP / CIPA exam requirements. Professionals and training providers should also coordinate their CPD training courses.

The above recommendations require a universal multidisciplinary tactic and should be executed progressively after the report’ publication. Their execution will require collaboration with a varied kind of interested parties, containing the government, regulatory authorities and the accounting profession, and should be maintained by a senior government figure with strong governmental maintenance. Furthermore, the contribution of peer countries can provide our country - the Republic of Uzbekistan with unique information on how similar problems were solved in similar countries.
In our country, a working body should be created, consisting of representatives of various groups of interested parties, which will recommend officials and regulatory bodies on how to best execute the recommendations. The strategy should contain a wide-ranging financial plan indicating the assets needed for successful execution. The development partners, stakeholders and government should work together to deliver these resources to accomplish the collective objective of upgrading the quality and accessibility of financial information in our country.

IV. BIBLIOGRAPHY

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II. The decrees and orders of the Presidents of the Republic of Uzbekistan

III. Resolution of the Cabinet of Ministers of the Republic of Uzbekistan and the legal documents of the ministries

IV. Textbooks and journals

V. WEBSITES
- http://www.icas.org.uk - International Accounting Standards Board and IFRS Foundation
- http://www.iasc.org.uk - International Accounting Standards Committee (IASC)
- http://www.fasb.org – Federal Accounting Standard Board USA (FASB)
- http://www.ifaci.org – International Federation of Accountants (IFAC)
- http://www.iosco.org/about/ - The International Organization of Securities Commissions
- http://www.gaap.ru - National Database of Legislation Uzbekistan (LexUz)