

Regulatory Legal Framework of Audit of Receipts on the Basis of International Standards

Z. B. Eshpulatova

PhD in economical sciences, lecturer of the Department of Accounting, Samarkand institute of economics and service

S. Khamidova

Master's student, Samarkand institute of economics and service

Abstract

In this article, the regulatory legal framework of the audit of receipts on the basis of international standards, on the basis of amendments to the rules, proposals have been developed to coordinate and improve the rules regarding income in the regulatory legal documents on accounting in Uzbekistan.

Keywords: *income, conceptual rules, proceeds, decision, decree. International Standards on Auditing (ISA), international standards of financial reporting (IFRS), Purpose, regulation.*

In Uzbekistan, from 2021, the practice of drawing up financial statements on the basis of IFRS to joint-stock companies, banks, insurance organizations, enterprises considered large taxpayers has been introduced. In the new Uzbekistan development strategy for 2022-2026, the goal of "increasing the GDP per capital by 1.6 times and by 2030 by 4 thousand US dollars by the next five years by ensuring stable high growth rates in the sectors of the economy, as well as creating the ground for entering the "countries with above - average incomes and audits"¹ has also set clear objectives in.

In our country, comprehensive work is being carried out to coordinate financial statements with international standards. The decree of April 24, 2015 No. PF-4720 "on measures to introduce modern corporate management methods in Joint-Stock Companies" established that joint - stock companies in the Republic will draw up their financial statements based on international standards.

The introduction of international standards into practice is a big step in the implementation of strategic vazivas. Strengthening the role of shareholders in the management of the enterprise requires the recognition of the IFRS, which is the main lever of management, and its wide introduction. These tasks were established by the decree of the president of the Republic of Uzbekistan of February 7, 2017 PF-4947 "on the strategy of actions for the further development of the Republic of Uzbekistan".

The fact that in Article 22 of the new version of the law "on accounting" of the Republic of Uzbekistan, the requirements for financial reporting established by international standards are established in the "international standards of financial reporting" can be considered as the primary

¹ Decree of the president of the Republic of Uzbekistan No. 60 of January 28, 2022 "on the development strategy of the new Uzbekistan for 2022-2026". <https://lex.uz/docs/5841063>

stage of the legal framework imposed on the introduction of international standards of financial reporting in our country.

PQ-4611 of the president of the Republic of Uzbekistan dated February 24, 2020 “on additional measures of 0'tashing of financial statements to international standards” is aimed at the wide introduction of International Financial Reporting Standards taking into account the strategic directions of users of financial statements, including investors, as well as the provision of comparison of financial information in accordance with international principles.²

The implemented IFRS-15 “Receipts for contracts with buyers” provides for the introduction of a new procedure for recognizing receipts, assessing and reflecting them in reports. Therefore, the organization of calculations in accordance with the requirements of this standard, the reflection of transparent information about income and profit in financial statements, the introduction of a methodology for providing reliable, harmonious and comparable financial information to international investors in tools that are understandable to them, that is, using the most tried and effective method and methods, recognition and evaluation criteria, international rules and principles, it is an extremely urgent issue, especially for countries that are applying IFRS for the first time.

IFRS 15 Revenue from Contracts with Customers, which is included is effective for annual reporting periods beginning on or after 1 January 2018, with earlier application permitted.

IFRS 15 establishes the principles that an entity applies when reporting information about the nature, amount, timing and uncertainty of revenue and cash flows from a contract with a customer. Applying IFRS 15, an entity recognises revenue to depict the transfer of promised goods or services to the customer in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services.³

Z.B. Eshpulatova's in dissertation on the topic “Improving income accounting in enterprises”, regulatory legal acts on accounting, including conceptual foundations of financial reporting, which are in force in Uzbekistan, There are discrepancies between the regulations and the National Standards of accounting of Uzbekistan, and in the decision of the president of the Republic of Uzbekistan No. 4611 of February 24, 2020 “on non-specific measures for the transition to International Financial Reporting Standards”, the task of coordinating the national standards of accounting to international standards, eliminating the imbalance between normative and legal acts,, it has been suggested that we can achieve an increase in per capita income.

In addition, the determination of the goal of “further improving the investment climate in the country and increasing its attractiveness, taking measures to attract US \$ 120 billion, including \$ 70 billion in foreign investments in the next five years”. in this extremely important document also indicates that the transition to IFRS and International Standards on Auditing (ISA) in improving investment attractiveness is an extremely urgent task.

² HAMDAMOV B.Q. AUDITNING XALQARO STANDARTLARI. Darslik. TOSHKENT «IQTISOD-MOLIYA» 2020. 27-28 b

³ <https://www.ifrs.org/issued-standards/list-of-standards/ifrs-15-revenue-from-contracts-with-customers/?ref=grand.io>

Table 1. Tasks set in decrees and resolutions aimed at accelerating the introduction of IFRS and International Standards on Auditing (ISA)

<p>President Of The Republic Of Uzbekistan The decision is in the "correctness of additional measures of financial reporting on the transition to international standards" February 24, 2020, PQ-4611</p>	<p>"International financial reporting standards (IFRS) in order to provide foreign investors with the necessary information environment and expand access to international financial markets by accelerating the transition, as well as to improve the system of training specialists in the accounting and audit sectors by international standards: Established Joint Stock Companies, commercial banks, insurance organizations and legal entities included in the category of large taxpayers: Since January 1, 2021, it organizes accounting on the basis of IFRS and prepares financial statements from the end exception of legal entities whose legislation provides for earlier periods of transition to IFRS" ⁴.</p>
<p>The decision of the president of the Republic of Uzbekistan in "state support of non-governmental educational organizations and the correctness of measures to create additional conditions for youth in the educational process" dated June 25, 2021, PQ-5161</p>	<p>"In order to raise the process of training highly qualified personnel in accordance with modern requirements to a qualitatively new level, support non-governmental educational organizations and create additional conditions for youth participation in the educational process: To approve the proposals of the Ministry of Finance and the Ministry of higher and secondary special education under the Tashkent State Economic University on the establishment of an innovative skill development Resource Center for international standards of financial reporting and auditing (next — A Resource Center for Financial Reporting), as well as a non — profit Development Resource Center for accounting and taxes (next-A Resource Center for accounting Together with the Ministry of Finance and the Ministry of innovative development, the Ministry of higher and secondary special education will take measures to transfer accreditation of international organizations in the field of accounting and audit by the end of 2022 from Tashkent State University of Economics, Tashkent Financial Institute, Training Center under the Ministry of Finance and Samarkand Institute of Economics and services. Therefore, approved: as part of the training programs in the field of accounting and audit and the preparation of teachers for accreditation of international organizations, each of the above higher education institutions will be allocated 100 million rubles in 2022; In the event of international accreditation of Tashkent State University of Economics, Tashkent Financial Institute and Samarkand Institute of Economics and services, one-time incentive funds will be allocated in 2023 for the development of their material and technical base." ⁵</p>

⁴ <https://lex.uz/docs/4746047>

⁵ <https://lex.uz/docs/-5474568>

<p>Decision Of The President Of The Republic Of Uzbekistan In the "correctness of additional measures to improve the system of auditor setifikation" August 4, 2021, PQ-5210</p>	<p>"In order to introduce a modern system of certification of Auditors, which will ensure the transparency of the qualification exam for obtaining the qualification certificate of the auditor on the basis of advanced experience of developed countries, as well as establish close cooperation and interaction with international organizations in this area: Together with the Ministry of finance, the international standards of auditing (ISA) in accredited educational centers of the pedagogical staff of the Tashkent State University of Economics, The Tashkent Financial Institute, the Samarkand Institute of Economics and services (next — experimental and test higher educational institutions) in the disciplines of "Accounting" and " Let the audit confirm the schedule of accelerated training; Since August 1, 2022, let the pilot introduce into the educational process updated educational programs of higher educational institutions, which provide for the in-depth study of the International Standards on Auditing (ISA) in the areas of undergraduate education and "accounting" and "Audit" subjects in the specialty of Master. ⁶</p>
<p>Decree Of The President Of The Republic Of Uzbekistan Further improvement of the system of state financial control in the "correctness of measures" August 27, 2021, PF-6300</p>	<p>"Until January 1, 2022, the organization of planning and conducting external audit activities based on international standards of the higher audit bodies (ISSAI), conducting financial, efficiency and compliance audits within them, as well as developing and approving standards for the implementation of risk analysis in state financial control; Until October 1, 2022, together with the Ministry of Foreign Affairs, ensure membership in the International Organization of higher audit bodies (INTOSAI) to introduce international standards of higher audit bodies (ISSAI), improve staff skills, exchange experiences and apply advanced experiments in practice. Let the Accounts Chamber, together with the Ministry of Finance and the Ministry of development of Information Technology and communications, ensure the launch of the program complex "state audit" (next — the program "state audit") by January 1, 2022"⁷</p>

In our country, certain results have been achieved in the Coordination of income and profit accounting to the IFRS. In particular, in accordance with the BHMS Standard No. 2 "Revenues from main activities", and the regulations on "cost structure and procedure for determining financial results", procedures for drawing up financial statements on the basis of IFRS, conducting and publishing them to joint-stock companies, banks, insurance organizations, state-owned enterprises and other enterprises on the basis of volatility will be put into practice⁸

From the tasks set in these decrees and decisions, the active introduction of IFRS and International Standards on Auditing (ISA)S into the practice of organizations operating in Uzbekistan, coordination of accounting and auditing disciplines in the higher education system to the IFRS and

⁶ <https://lex.uz/docs/5552197>

⁷ <https://lex.uz/docs/5607471>

⁸ Z.B.Eshpulatova. Improvement of income accounting in enterprises.dissertation on the topic. 2022. 13 p

International Standards on Auditing (ISA), accreditation of science programs, international certification of professors and practitioners. The study and implementation of standards requires a separate approach to each of them.

The topic of income accounting occupies a special place, since the Coordination of income to international standards also assumes the organization of other processes on the basis of international financial reporting standards (IFRS).

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