

**METHODOLOGICAL BASES OF ACCOUNTING POLICY AND
PREPARATION OF FINANCIAL STATEMENTS**

Abstract: *The article examines the achievements of existing best practices in the preparation and improvement of financial statements in banks, based on the requirements of the conditions of modernization of the economy and increasing competitiveness. Also, practical recommendations and suggestions were made on the use of foreign experience in the preparation and improvement of financial statements in banks, based on the requirements of the conditions of modernization of the economy and increasing competitiveness based on regulation.*

Keywords: *banks stability, competitiveness, financial information, valuation and audit*

**МЕТОДОЛОГИЧЕСКИЕ ОСНОВЫ УЧЕТНОЙ ПОЛИТИКИ И
ПОДГОТОВКИ ФИНАНСОВОЙ ОТЧЕТНОСТИ**

Аннотация: *В статье исследуются достижения существующих передовых практик по составлению и совершенствованию финансовой отчетности в банках, исходя из требований условий модернизации экономики и повышения конкурентоспособности. Также были даны практические рекомендации и предложения по использованию зарубежного опыта при составлении и совершенствовании финансовой отчетности в банках, исходя из требований условий модернизации экономики и повышения конкурентоспособности на основе регулирования.*

Ключевые слова: *стабильность, конкурентоспособность банков, финансовая информация, оценка и аудит*

Ensuring the stability of commercial banks in the context of modernization of the economy and increasing competitiveness is one of the most important and urgent issues. At the same time, in order to ensure the transparency of banks' financial statements, the main emphasis is placed on bringing the reporting procedure in line with international standards. In accordance with the Laws of the Republic of Uzbekistan "On the Central Bank of the Republic of Uzbekistan", "On Banks and Banking", "On Accounting", commercial banks have requirements for the development and implementation of accounting policies and procedures. The fundamental provisions (principles) of accounting reflect the principles (provisions), concepts and definitions, which, in turn, make it possible to clearly, stage by stage, timely, understandably define, evaluate, take into account, formulate and transmit financial information (information). Usatova L.V., Seroshin M.S. "Accounting reflects the process by which useful financial information (data) is created using the rules that form the basis of accounting. The purpose of financial statements is to provide a wide range of users with information (data) that is useful in making economic decisions, ie information about the financial condition, activities and changes in the bank "[1].

To carry out this process effectively, it is important to consider the requirements in terms of providing financial information (data) to stakeholders. These requirements are generally divided into two categories - internal users (bank management) of financial information (data) and external users. Internal users are interested in obtaining the information available in the financial statements, even if they have additional management and financial information (data) that helps them plan, make decisions and exercise control over their obligations. External users are interested in receiving information about the bank's activities and indicators, changes in its financial condition in making economic decisions for a wide range of users. The basis of accounting in the banks of the Republic of Uzbekistan is the Law of the Republic of Uzbekistan "On Accounting" and International Financial Reporting Standards (IFRS). The

financial statements published by banks, as well as the basic principles (rules), concepts and tariffs used by banks in the process of accounting and reporting must comply with the Law of the Republic of Uzbekistan "On Accounting" and IFRS [2].

The Central Bank establishes the basic rules (principles) and basic rules of accounting in banks. The regulations of the Central Bank on the accounting of the Central Bank are not intended to provide similar accounting procedures, ie a set of steps or forms or methods of conducting accounting operations by the bank to achieve certain objectives. Provides a list of regulatory documents for accounting in banks. Based on the regulations of the Central Bank, banks should develop their own calculations and detailed procedures.

According to Abduvahidov FT, Umarov ZA, Djuraev KN: "Obligations of the Board of the Bank, the Management Board, the Department of Accounting and Internal Audit (Department, Division) of the Bank to implement the objectives of the founding rules of accounting should be specified. Approved accounting policies and procedures of the bank must be followed by officials and employees of the bank and help them to apply the relevant accounting rules (principles) and not to make unreasonable decisions. In order to ensure the gradual application of uniform and standard methods in the bank, the accounting procedures are approved by the Board of the bank. To achieve these goals effectively (successfully), a large part of the accounting process must be automated. All banks are required to develop and implement documents regulating their accounting activities. If necessary, the Central Bank provides clarifications on technical issues related to the application of regulatory documents developed in accordance with IFRS.

The Board of the Bank shall develop the accounting policies and procedures, as well as include their application in the responsibilities of the Management Board. The Board approves the accounting policies and revises them once a year, until February 1, to ensure their full compliance with the accounting regulations developed by the Central Bank in accordance with IFRS.

The delegation of powers by the Board of Directors to develop accounting policies and procedures does not relieve the Board from the obligation to ensure the development and implementation of these policies and procedures of the bank in accordance with the relevant regulations [3].

The Board of the Bank must approve the annual financial statements before publishing them. In doing so, the Council shall take all measures to ensure that the published financial statements are in full compliance with the regulatory documents developed by the Central Bank in accordance with IFRS. The Management Board of the Bank is responsible for the development and approval of accounting procedures in accordance with the requirements of the regulations of the Central Bank. The Bank's Management Board is responsible for preparing and submitting the bank's financial statements. The Bank's Management Board shall take all necessary measures to ensure that the financial statements are in full compliance with the regulations developed by the Central Bank following IFRS.

The Accounting Department (department, division) of the Bank is responsible for the proper interpretation and correct application of this Regulation and technical issues related to the internal policy of the bank on accounting.

The Bank's Accounting Department (department, division) is responsible for the development of appropriate internal control, accounting and methodology of accounting processes, as well as their implementation within the bank in the application of documents developed by the Central Bank in accordance with IFRS.

The internal audit of each bank is responsible for verifying internal control, accounting policies and procedures of the bank, their methodology of accounting and accounting processes, their adequacy and their use in the application of regulations of the Central Bank on accounting in accordance with IFRS. According to Kursov VN, Yakovlev GA: "Internal audit is responsible for conducting a fair inspection, evaluation and reporting to the Board of the bank

on the results of the audit. In this case, on the basis of audit reports, the Board of the bank makes an appropriate decision, which is binding on the bank "[4].

The internal audit sends audit materials, opinions and feedback to the Board. The Board shall require periodic reports from the Bank's Management Board on the elimination of deficiencies identified by the auditors and the disclosure of these issues.

Normative documents developed by the Central Bank by the procedure set out in Table 1.3.1 on the balance sheet are intended to provide rules and guidelines for the application of accounting rules (principles), concepts and tariffs in banks. These rules (principles), concepts and definitions should be applied at all levels of accounting, in the same way, step by step, as automated as possible.

References:

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