



PECULIARITIES OF PREPARATION AND PRESENTATION OF FINANCIAL STATEMENTS IN RAILWAY TRANSPORT ENTERPRISES

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Article history:	Abstract:
<p>Received: 3rd October 2023 Accepted: 3th November 2023 Published: 4th December 2023</p>	<p>The article is in accordance with the IFRS, in railway enterprises financial reporting methods, The shortcomings and advantages of the reports prepared on the basis of IFRS, its completeness and the order of presentation are revealed.</p>
<p>Keywords: Railway enterprises, financial reporting, accounting policy, changes in accounting value, correction of errors, retrospective and prospective method, IFRS, transformation of financial reporting</p>	

ENTER.

Today, railway enterprises are considered one of the largest companies in the transport network, and this organization is one of the most necessary sectors of our republic, engaged in service and production activities. Therefore, railway companies In addition to the efficiency of its activities, the development of the economy in general, as well as entering the world markets, increasing the export potential of our country, finding its place in the world raw materials and currency exchanges, cooperating with developing companies and organizations in the world, which in turn, in order to increase the confidence of foreign investors and creditors, it is required to prepare reports based on international standards.

In our country, the development and introduction of national standards of accounting, which are compatible with the requirements of international standards of financial reporting and meet the requirements of our national economy, have been started. Currently, our national standards are being improved in line with international standards.

In this regard, in the speeches of the President of the Republic of Uzbekistan, in order to provide foreign investors with the necessary information environment and expand access to international financial markets, as well as to improve the system of training experts in economic fields according to international standards, by accelerating the transition to the International Standards of Financial Reporting . . Decision of the President of the Republic of Uzbekistan dated February 24, 2020 No. PD -4611 " On additional measures to transition to international standards of financial reporting "[1] and Cabinet of Ministers of the Republic of Uzbekistan No. 507 dated August 24, 2020 "International Standards of Financial Reporting" and the

regulation on the procedure for recognizing the text of explanations [2] in accordance with the decision on approval , the procedure for preparing financial statements based on international standards and placing annual financial statements on the open info.uz site will be implemented.

In accordance with the laws of international financial reporting standards, the following enterprises organize accounting and financial reporting based on international financial reporting standards (IFRS):

- joint stock companies
- commercial banks
- insurance organizations
- large taxpayers. Large taxpayers include producers of excise goods and organizations with an annual net income of more than 100 billion soums.

However, the full implementation of these results in all countries has not been carried out, as well as the application of MHSS requires taking into account the specific characteristics of each country.

According to the decision [3] on the harmonization of financial reporting in our country with NIS and the new edition of the Law "On Accounting" of the Republic of Uzbekistan (No. 404 dated 13.04.2016) and wide-scale work is being carried out to strengthen its regulatory and legal foundations, and certain results are being achieved. In particular, the transition to international standards of financial reporting, which in turn is in accordance with the goal of creating a single financial report that is recognized for all countries rather than the financial report prepared in the same country. As a result, the risk of creating a loan is reduced and the possibility of attracting capital is increased.

"Uzbekiston temir yollari" JSC is included in the above-mentioned, and railway transport enterprises also operate as large joint-stock companies. For this reason,



in order to increase the credibility of foreign and potential investors, creditors and lenders, a lot of work and research is being done with the aim of preparing financial reports based on international standards and presenting them on time.

RESEARCH METHODOLOGY. In the article, the methods of scientific observation, analysis and synthesis, deduction and induction, comparison are effectively used. Also, the scientific-theoretical views of economists and experts in the process of transition to international standards of financial reporting and its implementation were studied and analyzed using the method of scientific abstraction. The importance of the MFRS and its necessity for the country, despite the conditions of global economic changes, the standards of the MFRS, recognized by the Financial Stability Forum as one of the 12 global standards necessary for the stable operation of the world economy, were used.

LITERATURE ANALYSIS

Foreign and domestic economists and specialists expressed their opinions and comments on international standards of financial reporting.

Foreign literature on the field also focuses on financial reporting issues. B. Needles, H. Anderson, D. Caldwell gave the following definition: "Financial statements are a model of economic entities. Although the report does not reflect the full picture of the true state of affairs, it is the most appropriate of the existing attempts of accountants in this regard" [4].

According to R. Anthony, Dj. Rees divides the report in any field into two categories: "(1) Status report and (2) Change (movement) report. The accounting balance is included in the report of the first category. It provides information about the organization's resources at a specific point in time. The remaining two reports - profit and loss and cash flow statements - belong to the second category. They reflect the organization's performance over a period of time, such as a quarter or a year " [5].

J.D. Spiseland et al. define that "financial reporting is the process of providing financial statement information to external information users" [6].

Also, D. Alexander acknowledges that financial reporting provides information about a business organization to people outside of the management function [7].

R.H. Hermanson and others defined that "Financial statements are the last final product of the accounting process and provide internal - management - and external - creditors, founders and other interested parties - with coherent and reliable information" [8] .

International Accounting Standard (IAS) No. 1 "Presentation of Financial Statements" includes the concept of "financial statements in general use", which is defined as follows: "Financial statements in general use are intended to meet the needs of users who need accurate information about themselves. will not be able to demand the submission of reports that fully meet their needs [9].

R. Dusmurotov defines: "Accounting (financial) report as a set of interrelated indicators, presented in duly approved forms, the results of the enterprise's activity for the reporting period" [10].

F.G'. Gulomova "The report of the enterprise includes a system of generalized indicators describing the financial and economic activity of the enterprise in a certain period (quarter, year). The accounting report is prepared according to the uniform rules and forms approved by the Ministry of Finance of the Republic of Uzbekistan for all enterprises, regardless of the form of ownership and the field of activity" [11]

I. Ochilov gives the following definition: "Financial reporting is a collection of accurate data on the movement and results of the financial resources of economic entities during the reporting period, which is used for economic analysis, rational control and effective management of economic activity [12] .

Financial reporting is a means of implementing the goals, functions and tasks of financial accounting, which includes reliable information on the financial status of the enterprise for the past period, the results of its financial and economic activities, changes in cash and private capital, and allows information users to make decisions. and is a document that provides the need for information for control

ANALYSIS AND RESULTS. The procedure for compiling and presenting financial reports of railway transport enterprises based on national standards and international standards is established.

Accordingly, according to the 1st NAS "Presentation of Financial Statements" standard, the following are the complete summaries of financial statements:

- financial statement.
- statement of profit and loss and total comprehensive income.
- statement of capital changes.
- cash flow statement.
- explanation of account policy and other information.

It is appropriate to present a financial report based on the above summary.

International financial reporting refers to financial reporting prepared in accordance with IFRS or US GAAP. These two types of standards govern the preparation



and presentation of financial statements for all stock exchanges in the world and are recognized by these exchanges. Financial statements prepared on the basis of MFRSs improve the investment environment. It creates an opportunity for investments by large companies to enter the country. IFRS are developed by the International Accounting Standards Committee,

which should take at least one year. This, in turn, makes it possible to compare the indicators of financial statements from year to year.

Based on IFRS, the financial statements prepared mainly increase the interest of users.

Users of financial statements are divided into external and internal users (Table 1)

Composition of users of financial reports

External users	Internal users
<ul style="list-style-type: none"> -investor (shareholders) - tax authorities - statistical bodies -creditors - goods suppliers - debtors and others 	<ul style="list-style-type: none"> - leadership - chief accountant - marketing department - department of the economist - producer department - department of contracts and others

From the table above, we can see that the content of reports compiled on the basis of IFRS is of interest to several users.

However, the main stakeholders in the preparation of financial statements based on international standards

are foreign and prospective investors, as well as creditors and lenders. Investors and creditors or lenders who control the inflow and outflow of assets use the statement of financial position of the enterprise. (Table 2)

Indicators	Amount	Indicators	Amount
Assets: Long-term assets Main instruments (IFRS/ IAS 16) Investment property (IFRS / IAS 40) Intangible assets (IFRS / IAS 38) Goodwill (IFRS/ IAS 3) Deferred tax assets (IFRS / IAS 12) Associational companies and to joint ventures investments (IFRS / IAS 28) Biological assets (IFRS / IAS 41) Usage right (IFRS / IAS 16) Leased net investments (IFRS/ IAS 16) Financial assets, changes in fair value through other comprehensive income (IFRS /IAS 9) Financial assets at amortized cost (IFRS /IAS 9) Current assets Inventory (IFRS /IAS 2 IFRS /IAS 41) Accounts Receivable (IAS/IAS9) Contractual assets (IFRS /IAS 15) Financial assets at fair value through profit and loss (IFRS /IAS 9) Cash and cash equivalents (IFRS /IAS 9)		Equity and liabilities Private equity Equity earnings capital Retained earnings Other elements of capital Total private capital Obligations Long-term liabilities Current liabilities Total private equity and liabilities	

Structural structure of the report on the financial status of "Uzbekistan Railways" JSC



From the statement of financial position, we can see that the owners of the assets are the shareholders, and their share is reflected in the equity section.

Shareholders are interested in increased profits and higher dividends at the expense of these invested assets.

Lenders focus on the company's solvency and cash availability due to the assets provided for the loan.

financial reports based on international standards is to increase the credibility of foreign investors and include their funds in the charter of the enterprise.

That is why our state enterprises are getting bigger the interest of foreign investors and creditors will increase.

Financial statements according to international standards have the following forms:

- 1) Statement of financial position.
- 2) Statement of profit and loss and statement of comprehensive income.
- 3) Report on the composition of capital changes.
- 4) Cash flow statement

The main one of these reports is the financial position report for the end of the year, that is, as of the reporting date, and the rest of the reports are for the current year.

From this we can see that after preparing financial reports in railway transport enterprises, in order to increase the reliability of the report, it is necessary to pay great attention to the part of the accounting policy, comments and correction of data.

This serves to increase the interest of financial reporting users and to ensure its transparency.

SUMMARY:

1. A complete set of financial statements based on "1- IAS Presentation of Financial Statements" for the preparation of financial statements in railway transport enterprises based on international standards.

Structure of the statement of financial position.

- financial statement.
- statement of profit and loss and total comprehensive income.
- report on capital changes.
- cash flow statement.
- discussion of account policies and clarification of other information.
 - it is appropriate to specify that the account policy consists of a section explaining comments and other information.

2. It is necessary to compile and present financial statements in compliance with the requirements for the quality of financial statements based on the conceptual basis of the financial statement, on the fundamental

basis of appropriateness and truthful presentation, comparison, verifiability, timeliness and explainability in order to increase the usefulness.

3. The accounting policy, which is one of the main documents for the preparation of financial statements , should be compiled according to the requirements of the 8-IAS "Changes and errors in accounting policy estimates" standard and used for retrospective, that is, if there is a change in the accounting policy, the indicators of the financial statement at the beginning of the year should be corrected. and, even if the accounting policy changes, the financial statements are made from that period. A change in accounting value is a correction of the balance sheet value of an asset or liability or the amount of periodic consumption of an asset as a result of evaluating the current state of assets and liabilities and the future benefits and liabilities associated with them . Changes in estimates that result from new information or developments are not considered corrections of errors .

5. The main purpose of the financial report is to increase the interest of foreign investors and credit and lenders, and through them, the ground is created for the rapid development of large business in our republic.

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