



ACCOUNTING IN BUDGET ORGANIZATIONS AND IMPROVING FINANCIAL STATEMENT PROCEDURES

Ostonokulov Azamat Abdugarimovich

DSc., Associate Professor,

Abdullayev Nuriddin Isom ugli

Master of Tashkent Financial Institute,

Juraev Nomoz Tursunpulotovich

Head of the department of "Financing of educational institutions" of the main department of Finance of Tashkent region khokimiyat

Article history:	Abstract:
Received: 8 th December 2021 Accepted: 10 th January 2022 Published: 20 th February 2022	The theoretical foundations of the organization and maintenance of accounting in the implementation of budget organizations' activities, as well as the preparation of financial statements, are examined in this article. Budget groups' accounting and financial reporting processes are examined. Scientific proposals and recommendations on the practical application of budget accounting standards, as well as the enhancement of budget organizations' accounting and financial reporting systems to meet international standards.
Keywords: information, budget organization, accounting, budget accounting standards, financial reporting.	

INTRODUCTION

"Critical analysis, severe discipline, and personal accountability should be a daily norm of every leader's work," writes Sh.M.Mirziyoev in his report, which examines the effective and targeted use of state funds. The issues of fund appropriation and the eradication of situations of fund theft for other purposes were brought up. (Mirziyoev 2017).

To achieve transparency and accuracy in the state budget, it is apparent that existing problems in its management and structure must be addressed. This, in turn, will lead to the organization of budget accounting based on international models, the introduction of public sector accounting, the targeted use of public budget funds and increased efficiency, ensuring economic stability, and the study of the degree of interaction of indicators in budget organizations.

One of the most essential jobs in the public sector today is to establish and execute a worldwide standards-based accounting and financial reporting system. In this regard, the country has embraced the idea of upgrading the public sector's accounting and financial reporting system using international accounting standards. This idea refers to the alignment of financial reporting and quality improvement with widely acknowledged worldwide standards concepts. To control accounting and financial reporting and bring them closer to worldwide accounting standards, budget accounting standards have been created and are being adopted in budget organizations. It is vital to do research in budget

organizations to improve accounting and financial reporting methods based on budget accounting standards and international financial reporting standards.

RESEARCH METHODS

For prospective application, the study used data comparison, induction, deduction, analytic and methodical approach to data, statistical analysis, and other methodologies.

REFERENCES

We can see a lot of research of our scientists in the field of accounting and financial reporting in budget organizations.

Accounting in budget organizations is responsible for forming complete and accurate information in accounting records on the status and movement of assets, the state of property rights and obligations, generalization of accounting data, and compilation of financial, tax, and other information for effective management. (Ostonokulov, 2005)

According to Mehmonov(2017), "On the basis of legislative acts issued in the process of revising the legal framework of public finance management, the accounting technique of budget organizations is being enhanced. A number of concerns, in particular, are being addressed, including a unified approach to the formation of accounting information on the implementation of estimates in budget organizations and improving the trustworthiness of information. There are now a number of concerns to be addressed



in the development of accounting in budget organizations in line with legislative requirements, as well as proposals for enhancing accounting and reporting in budget organizations in compliance with applicable regulations".

Melnikova (2010) believes that the major functions of budget accounts and reports of budget beneficiaries will be based on the method of control, information, and analytical calculation, based on the research of international researchers. The report's data indicates certain trends and tracks the targeting of budget expenditures as well as the efficiency with which they are used. As a result, the accounting structure ensures that accounting is organized in the most appropriate and efficient way possible, based on the workload of each group and individual employee, so that structured reports contain accurate data in accordance with the accounting and functional framework of employees.

According to Nizamdinov, Djakishev and Beisenbaev (2016), "The existing system of accounting and reporting in the public sector does not fully ensure the accuracy, quality and reliability of the information produced in them, as well as significantly limiting the usefulness of this information.

Gureva (2009) favored the use of classical models (continental and Anglo-American models) in the organization of accounting, and the researcher described the order of transactions between the state and business entities, mainly on the basis of the chart of accounts. International financial accounting standards, on the other hand, suggest that they are the result of a combination of these classical models.

ANALYSIS AND RESULTS

The adoption of the "Strategy for Public Finance Management Reform of the Republic of Uzbekistan for 2017-2025", in order to create a single legal framework for budget accounting in the process of budget execution and further improve the methodology of accounting and financial reporting for the public sector, the development and coordination of a mechanism for the nationalization of International Financial Reporting Standards (IFRSs), the further improvement of the existing regulatory framework and the scientific study of the factors influencing this process have been identified as important tasks.

In the current context of improving the national accounting system in the field of budget execution at the level of generally accepted norms and requirements of international standards, the use of international financial reporting standards for the public sector in the formation of methods of accounting and financial reporting in budget organizations and their implementation requires.

The law stipulates that the state budget in the country should be organized in a single order of accounting and reporting on the execution of the state treasury. One of the key issues is to optimize them through in-depth analysis of existing theoretical knowledge and concepts of accounting and reporting on the implementation of cost estimates in budget organizations, as well as their further improvement in accordance with international standards in the context of treasury execution of the state budget.

As a result of ongoing economic reforms, a number of measures are being taken to improve the country's budget system and budget accounting and reporting by harmonizing them with international standards. In particular, as a result of approval and implementation of normative documents on the instruction "On accounting in budget organizations" registered in the Ministry of Justice of the Republic of Uzbekistan on December 22, 2010 No. 2169, a single accounting procedure was established in budget organizations. This, in turn, was one of the important steps in further improving the methodology of accounting in the public sector, including budget organizations.

In our country, budget accounting standards are being developed and put into practice to bring accounting in budget organizations closer to international practice. Composition of Budget Accounting Standards of the Republic of Uzbekistan:

BAS number 1 "Accounting Policy"

BAS number 2 "Single chart of accounts"

BAS number 3 "Budget report"

BAS number 4 «The effect of exchange rate fluctuations"

BAS number 5 «Agriculture"

BAS number 6 « Rent"

BAS number 7 «Commodity inventories"

BAS number 8 Real estate, buildings and equipment

BAS number 9 « Intangible assets"

BAS number 10 «Income from exchange transactions"

BAS number 11 "Debt settlement costs"

BAS number 12 «Construction contracts"

There are some problems with the implementation of the above-mentioned BAS. In particular, by the order of the Minister of Finance of the Republic of Uzbekistan on September 10, 2018 No. 125 "On approval of the Single chart of accounts" (2018) "Budget accounting standard of the Republic of Uzbekistan (BAS No. 2)" This approved standard is expected to come into force on January 1, 2021. However, there are a number of challenges in implementing this standard: first, the accountants of the budget organizations that implement it are not



ready. Second, the new technical tasks for the UzASBO software product have not been completed. The implementation of the Budget accounting standard of the Republic of Uzbekistan (BAS No.2) "Single chart of accounts" will lead to the improvement of budget accounting, which will be closer to the IFRS.

Based on the results of the study conducted during the internship, we would like to make suggestions for further improvement of the "UzASBO" software package created for budget organizations.

1. In accordance with the Presidential Resolution of the Republic of Uzbekistan on August 21, 2017 No. PR-3231 "On further improvement of the mechanism of financing of educational and medical institutions and the system of state financial control", but has a personal statement, unable to access this personal account, it is recommended to create an opportunity to receive bank turnover on a personal account in the software package "UzASBO".

2. Regulation of the Cabinet of Ministers of the Republic of Uzbekistan No. 275 of 21.12.2005 "On approval of the improved system of remuneration of public educators" stipulates that one-time bonuses and financial assistance (in case of emergency) are provided to employees of general education institutions. Further increase in work efficiency will be achieved by not restricting the incentives for talented teachers who make a significant personal contribution to the educational process in secondary schools (the district and the region are also encouraged once for achievements at the national level).

3. In accordance with the Resolution of the Cabinet of Ministers of the Republic of Uzbekistan No. 267 of May 10, 2017, cases of overpayment of bonuses for continuous work experience in the Department of Landscaping were identified. At present, the percentage set for the continuous work experience of the employee in the software package "UzASBO" is manually entered by the accountant. The "UzASBO" software package avoids overpayments by introducing an automated procedure that takes into account the continuous length of service of the employee and calculates the percentage accordingly.

Increasing the responsibility of budget organizations to increase the transparency of the budget process in educational and medical institutions and strengthen public control over it, budget financing, improving the accounting and reporting mechanism, strengthening budget discipline in ministries and agencies, as well as it is expedient to radically reconsider the role of public financial control aimed at preventing and preventing violations of budget legislation through the introduction of modern information technologies and internationally recognized standards of financial control.

Based on the study, the BAS-3 standard in budget organizations requires further simplification and unification of approved reporting forms. Because the reporting forms contain a lot of redundant information.

CONCLUSIONS AND RECOMMENDATIONS

As part of the requirements of the ongoing reforms in the budget system, the accounting and financial reporting of budget organizations is improving. Formation of accounting and financial reporting in budget organizations As a result of studying the theoretical and practical aspects of their information capabilities, a number of scientific conclusions and recommendations have been formed.

1. Application of international standards of public sector accounting in the countries provides a great opportunity to evaluate the results of public sector financial performance, increase information transparency, ensure a high degree of integration of financial accounting and statistical reporting in the budget, increase the reliability and completeness of information. effective management of assets, the ability to compare financial statements with the financial statements of other countries.

2. Adapt the budget accounting standards adopted in the public sector to international accounting standards and further improve the BAS. We consider it appropriate to consider the name of BAS 8. Suggestion: Naming the Standard of Budget Accounting of the Republic of Uzbekistan (BAS No. 8) "Fixed assets".

3. The application of international standards in public sector accounting in countries will allow higher quality reporting to be a great opportunity to evaluate the performance of the public sector, increase information transparency, and ensure a high degree of integration of financial accounting and statistical reporting into the budget.

4. There is a need to formulate the reporting capacity of budget organizations within the requirements of applicable law.

5. Adoption of budget accounting standards for the preparation of reports in budget organizations in accordance with the requirements of international accounting standards in the public sector will further increase the reliability of information in financial statements in budget organizations and define a unified approach to accounting.

REFERENCES

1. Budget Code of the Republic of Uzbekistan December 26, 2013 No. DUR 360.
2. Law of the Republic of Uzbekistan "On Accounting", April 13, 2016, No. DUR-404.



3. Resolution of the President of the Republic of Uzbekistan dated August 21, 2017 No PP-3231 "On further improvement of the mechanism of financing of educational and medical institutions and the system of state financial control"
4. Regulation of the Cabinet of Ministers of the Republic of Uzbekistan No. 275 of 21.12.2005 "On approval of the improved system of remuneration of public educators"
5. Instruction "On accounting in budget organizations" Registered by UzRAV on December 22, 2010 No 2169
6. Budget Accounting Standard of the Republic of Uzbekistan (BAS No. 8) "Real Estate, Buildings and Equipment
7. Standard of budget accounting of the Republic of Uzbekistan "Single chart of accounts" (BAS No. 2)
8. Gureva S.A. (2009), "Classical models used in the organization of accounting", textbook p. 98-118
9. Mirziyoev Sh.M. Critical analysis, strict discipline and personal responsibility should be the daily rule of every leader's work. - Tashkent: NMIU "Uzbekistan", 2017.
10. Mekhmonov S.U. (2017) "Issues of improving accounting in budget organizations" Scientific electronic journal "International Financial Accounting". № 2.
11. Melnikova.EV (2010) "Improvement of public expenditure accounting in budget organizations." Russia.
12. Nizamdinov A.K., Dzhakishev U.K. and Beisenbaev A.K. (2016) "Accounting in public organizations: problems and ways to improve it" "Bulletin of KazNU" journals. Almaty.
13. Ostonokulov M. (2005) "Budget Accounting and Budget Execution Control" Tashkent "Finance". p.131.
14. Ostonokulov A.A., Azzamova D.X. Byudjet tashkilotlarida buxgalteriya hisobini tashkil etish va yuritish. // Barqarorlik va Etakchi Tadqiqotlar onlayn ilmiy jurnali. – 2022. – T. 2. – №. 1. – S. 219-224.
15. Ostonokulov Azamat. "Improvement of methodology for accounting of extra-budgetary resources of public educational and medical institutions." E3S Web of Conferences. Vol. 296. EDP Sciences, 2021.