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TOPICAL ISSUES OF FINANCIAL ACCOUNTING OF INVESTMENT

Abstract: The article discusses the financial reporting of financial assets in a reliable way to assess the true value (but not the historical cost) of financial assets, and on the other hand, it helps attract more contracting investors into the oil and gas industry. It also examines the classification and practice of financial investment, its economic content and its role in the modernizing economy. Existing problems in increasing financial investment were identified and important recommendations were developed.

Key words: accounting, investments, stock, loans, contributions under a partnership, the profitability analysis, the dynamics of financial investments.

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Introduction

The task of further strengthening the socially oriented market economy in the Republic of Uzbekistan in the Year of Active Investments and Social Development requires the implementation of large-scale comprehensive programs for its modernization and structural diversification as well as the active emission and investment policy. Implementation of measures to enhance the innovative development of the real sector of the economy and development of export potential, competitiveness of commodity producers were identified as important directions of the national economy. At the same time, serious shortcomings in attraction of financial investment resources and implementation of investment projects are in progress.

The article addresses structural changes aimed at the systematic increase of financial investments in the conditions of modernization and diversification of the economy, ensuring financial stability of the oil and gas industry, one of the competitive advantages, further improving the financial support mechanism for the industry. Assistance in the implementation of state capacity building programs and financial investments improvement of accounting and audit systems, one of the mechanisms of management of estates.

In the current globalization, the economic activity of any business entity is directly related to the investment process. The economic growth of enterprises depends on a number of factors, and above all, one of the key factors determining efficiency. This is evidenced by the fact that structural transformations carried out in Uzbekistan in the last decades of the 21st century are mainly aimed at improving the efficiency of investment activities. [1]

The above-mentioned circumstances have led to the need for a large-scale investment activity in our country, targeted research on the analysis of investment activity in the activities of economic entities, and a systematic study of the theoretical foundations of this process. The goal is liberalization of entrepreneurial activity, creation of favorable conditions for foreign and domestic investors. First of all, it is the formation of a long-term investment mechanism that is economically, legally and organizationally sound. This implies a need for a radical review and systematic review of the methodology of accounting for financial investments in enterprises.

Literature review

The oil and gas industry is one of the leading sectors of the national economy. Financial

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investments by the leading companies in the sector are important for the financial sustainability of the sector. Reliable data bases are needed to form financial investments and analyze their effectiveness. Bookkeeping, economic analysis and audit play an important role in this regard. The issues of organizing and improving financial accounting and auditing have been studied by a number of foreign and local scholars. Marina Zaharioia, a foreign scientist who has done research on this issue, has studied the use of financial instruments in public-private partnerships in the European Union. [2]

Russian scientist A.V. Abramova also conducted research on this issue and used the main categories of financial markets used in accounting terminology, such as "investments", "securities", "financial instruments", "financial assets", "financial liabilities", "financial investments". "and others. In his research,

he concluded that it is impossible to define definitions, definitions of "financial investments" and "financial assets" in terms of the nature of financial investments and their functional role in the capital cycle. In particular, M.V. In her research, Levina proposed various classification methods for the following strategies to further enhance the reliability and reporting of external and internal reporting disclosing financial investments: implementation strategies: trade strategy (effective cash management for additional profit) performed under); internationalization strategy (access to new markets); business diversification strategy; integration strategy; strategy of stabilizing its position in the network (this classification group assumes full or partial control of financial investments from the previous investor); strategy of on-net financial support. [3]

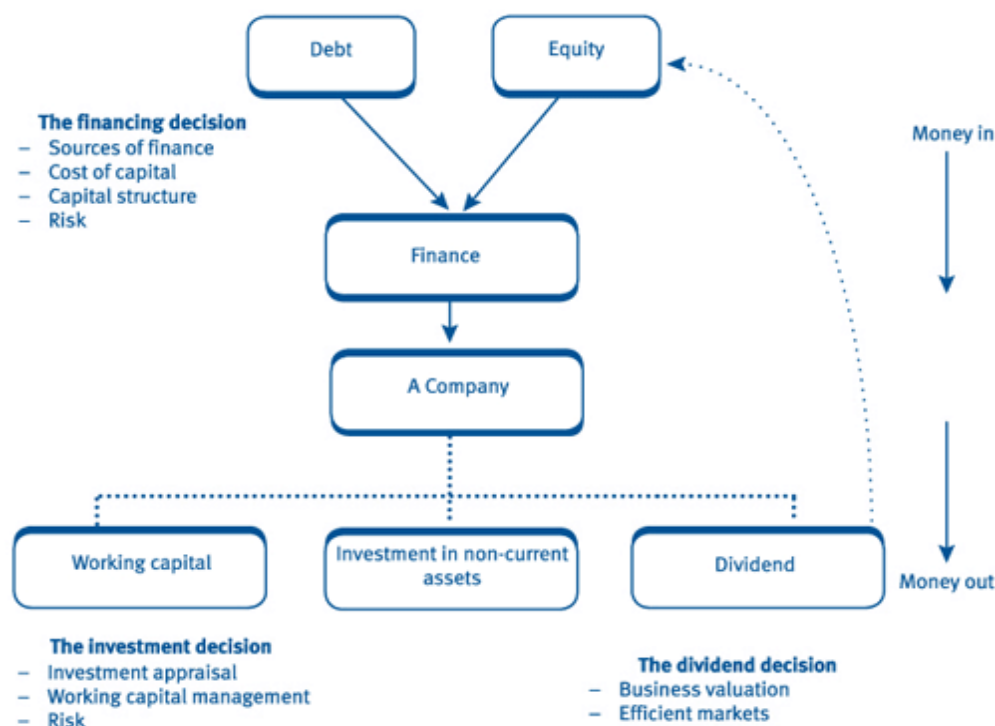


Fig. Aspects of financial management.

Source: <https://kfknowledgebank.kaplan.co.uk/financial-management>

T.V. Pashchenko, Yu.Tarasova researches the methodology of formation of reserves for impairment of financial investments. As a result, they have developed factors that influence the real cost of financial investments. [4]

According to local scientists AA Karimov, "Financial investments are the assets of the enterprise that are under its control for the purpose of earning income (such as interest, royalties, dividends and rent) and increasing the cost of capital." [5]

According to another economist MK Pardaev, "Investment refers to the transfer of property of an investor to an entrepreneurial entity for the purpose of social and economic benefits of the investor's money, securities, technology and technology, machinery and equipment, property rights and intellectual property." . [6]

Financial investments are invested in financial assets, which include all types of capital, payment and financial liabilities. The most important of these

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financial instruments are securities (stocks) and debt (bonds).

Given the fact that foreign and local scholars do not fully understand the problems associated with the practice of accounting financial investments in the country and their elimination in the research on the criteria for recognition and classification of financial investments as an object of accounting, this issue is not considered today. It is relevant every day and requires further research.

Analysis and results

The development strategy of the enterprise is realized through investment activity and thus comes into play. It combines complex systems and means for achieving long-term goals. The system of investing activities is the placement and management of investments at any level of enterprise management. The system of investment activities is not only an economic entity, but also a key element of an entire economic system, regardless of the size and the future development strategy.

According to the definition in IAS 12 Financial Investments: Financial investments are assets that an investor invests in profit (in the form of interest, royalties, dividends, and rent) or other assets used by the investor for other benefits. is understood.

According to paragraph 7 of this Standard, entities that present a distinction between working capital and long-term assets in their financial statements show short-term (current) financial investments as working capital for up to one year, and long-term financial investments. shall be recognized as non-current assets with a term of more than one year. [10]

Financial investments are assets that an investor invests in an increase in the value of invested capital or other benefits for the purpose of earning income (in the form of interest, royalties, dividends and rent).

Conclusions/ Recommendations

The following are some suggestions related to the restructuring and diversification of the economy of the country, the creation and improvement of financial investments in the enterprises of the oil and gas industry in the modernization of production:

- clarify the differences in the concepts of "investments", "securities", "financial instruments", "financial assets", "financial liabilities", "financial investments" on principles classified in international financial reporting standards;
- Integrated approach to reflecting financial investment in the form of financial statements in accounting and financial results in classifying financial investments.

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