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Akramjon Turgunovich Mamazhonov


Andijan Institute of Agriculture and Agrotechnology
PhD, Senior Lecturer of the Department of Accounting, Analysis and Audit,
Republic of Uzbekistan

CONCEPTUAL ISSUES OF ACCOUNTING FOR FINISHED GOODS IN THE AUTOMOTIVE INDUSTRY

Abstract: The article deals with the problems of modernization of the automotive economy, diversification of production, attraction of foreign investment in any country, the need to improve corporate governance and the introduction of international standards of financial and accounting reporting. A state like Uzbekistan is no exception. Accounting in this country has a number of features that will be discussed in this article.

Key words: Accounting, system of national accounts, accounting standard, Automation of accounting processes.
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Introduction

Today, the automotive industry plays an important role in the economy of Uzbekistan. Joint Stock Company "Uzavtosanoat", established over the years of independence, demonstrates the creative potential of our economy. "At present, the company includes 85 companies, contacts have been established with more than 200 foreign companies. Uzavtosanoat has provided over 25,000 jobs. The network attracts foreign investments from the Republic of Korea, Italy, Germany, USA, Japan and other countries. Exported to more than 15 countries worldwide. The structure of JSC "Uzavtosanoat" includes the following enterprises:

- The largest manufacturing companies: GM Uzbekistan JSC, Samavto LLC, MAN Auto-Uzbekistan JV, GM Powertrain Uzbekistan JSC;
- Component suppliers - domestic enterprises producing import-substituting spare parts for industry;
- Trade and service enterprises, including leasing companies;
- Khorezm branch of GM Uzbekistan JSC.(1)

According to the State Statistics Committee of Uzbekistan: "In particular, the production of cars has increased. In the same period of 2018, 181,327 vehicles were produced, in 2019 - 253,421 thousand units. The production of trucks has also increased. In

2018 - 3 787 units, in 2019 - 5 056. The production of automobile engines was increased. In 2018, 135.7 thousand engines were produced, in 2019 - 186.4.(2)

Our President Sh.M. Mirziyoyev, analyzing the activities of the automotive industry in Uzbekistan, repeatedly pointed to shortcomings, including the fact that the industry is in debt, several Uzavtosanoat enterprises ended 2017 with losses, cars were purchased for export at a lower price, the plant produces 290,000 cars a year. , has recently fallen to 160,000-170,000 a year, so the government is working to the detriment of the monopolized auto industry, not in its favor."(3)

Resolution of the President of the Republic of Uzbekistan PQ-4397 dated July 18, 2019 "On additional measures for the accelerated development of the automotive industry of the Republic of Uzbekistan" 2019. A number of tasks have been set for 2023. The most important of them: expansion of the annual production of passenger cars to 350 thousand units; To increase the level of localization of cars on average up to 60%; To increase the annual production of trucks and buses to 10,000 units; Increase in the annual export volume of cars to 100,000 units; Updating the car model range; The implementation of the TRADE-IN program and other tasks can be noted. This decree also sets the task of

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applying modern corporate governance practices in the industry. Corporate governance, in turn, requires the formation of a modern accounting system. Today, one of the most important issues facing the industry is the transformation of automotive enterprises into modern enterprises, and for this, the transfer of accounting to International Financial Reporting Standards (IFRS).

The decree of the President of the Republic of Uzbekistan dated April 24, 2015 "On measures to introduce modern methods of corporate governance in joint stock companies" played an important role in the implementation of International Financial Reporting Standards (IFRS). In accordance with this resolution, joint stock companies were entrusted with the tasks of preparing financial statements based on international standards, auditing and publishing based on international auditing standards. There were no professionals in joint stock companies who knew IFRS. Therefore, they began to compile the report mainly by converting financial statements prepared on the basis of national standards into reports in IFRS format. This was mainly done by attracting qualified experts from third-party or international audit firms. For these purposes, large sums of money from joint stock companies were sent. Today in modern enterprises there is a need for reporting in accordance with IFRS not by transformation, but directly on the basis of the organization of the accounting process in accordance with IFRS, and for this training. In this regard, the Resolution of the President of the Republic of Uzbekistan dated February 24, 2020 No. PP-4611 "On additional measures for the transition to International Financial Reporting Standards" was adopted. In accordance with this decree, joint stock companies, commercial banks, insurance companies and large taxpayers in the country are required to maintain accounting records and submit financial statements in accordance with international financial reporting standards.

In order to ensure the implementation of the tasks set in the above decisions, we consider it expedient to carry out the following work to ensure the complete transition of the automotive industry to IFRS in order to enter the international financial markets:

- Transfer of industry enterprises to IFRS, transition to the procedure for recognition, assessment, accounting and reporting of all accounting units based on IFRS;

- Transition of the procedure for calculating the cost of finished products in the automotive industry from the Regulation "On the structure of costs" to the procedure established by the IFRS 2 "Reserves" standard;

- Valuation of objects new to our practice, including investment property, financial instruments, including financial assets, financial liabilities, equity instruments, contingent liabilities, contingent assets,

employee incentives, biological assets, tax assets, investments in associates, equity method recognition, assessment and reporting of items such as assets under the contract, fair value under international standards;

- To understand and apply IFRS, it is necessary to accept and apply terms related to this area;

- enterprises of the automotive industry should form an accounting policy based on their IFRS, this process is very important, because a comprehensive accounting policy determines the qualitative characteristics of the transition to IFRS;

- The structure of the accounting services department in the automotive industry, its management must be brought in line with international standards. It is necessary to create such departments as the department of financial accounting and reporting, budgeting, cost accounting, pricing (segment price) and pricing, an internal audit manager, which are directly subordinate to the financial manager, so that the departments are called modern names;

- Financial reporting formats (in world practice they are called reporting formats, not reporting forms) should be developed on the basis of IFRS for automotive companies. Each organization is independent in the development of financial statements, statements of financial results and other reporting formats. To do this, it is necessary to develop reporting formats based on the conceptual framework and rules and principles of IFRS 1 "Presentation of Financial Statements", taking into account the specifics of accounting objects in the automotive industry;

- If enterprises of the automotive industry as of 12/31/2021 submit financial statements in accordance with international standards, then there should be a transition point from 01/01/2019. Because it is necessary to ensure the comparability of information. Ensuring comparability is one of the most important principles of international standards;

- The first financial statements of enterprises in accordance with IFRS are accepted with the recognition that they expressly express and unconditionally comply with international standards. Every entity that transitions to IFRS must accept this recognition, which must be confirmed by their orders and the decision of the general meeting of the JSC.

- After the transition to IFRS, the main task of the account is to establish strict control over the prevention of abuse and corruption by the company's employees. Organizations place great emphasis on the proper functioning of employees, including accountants, so that they perform their duties in good faith. He defines the spiritual and moral psychological environment. A healthy spiritual and moral state is one of the important conditions for the implementation of psychologically important IFRS;

- These are the personnel who will implement IFRS in the automotive industry. A company today

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must have qualified professional accountants who know IFRS and have practical competence. This will require training, retraining, international certification and work experience in developed countries.

Below are the international standards that define the rules and principles for accounting for finished products (Table 1).

Table 1. International standards for calculating stocks (finished goods) and proceeds from their sale

International Financial Reporting Standards (IFRS)	Purpose of the standard
Financial reporting conceptual framework	Establishes the principles of basic requirements for the quality of financial reporting and serves as a basis for resolving issues that are not directly regulated by international standards. Assets are described as an element of financial statements. Finished products are included in fixed assets.
IFRS 1 Presentation of Financial Statements	The purpose of the standard is to provide financial statements for public use. Determines the order in which the minimum linear information is displayed in the statement of financial position. This information includes stocks.
2 IFRS "Inventories"	The objective of the standard is to determine how inventories are accounted for, determine the value of inventories and determine the amount that must be carried forward before revenue is recognized.
IFRS 8 "Accounting Policies, Changes and Accounting Errors"	Criteria for the selection of accounting policies, determination of accounting estimates and determination of the consequences of changes and errors in them
IFRS 10 "Events after the reporting date"	When an entity should present its financial statements taking into account events after the end of the reporting period, the date the financial statements were approved in the disclosed information, and events after the reporting date
IFRS 36 "Impairment of Assets"	This is the accounting for impairment of all assets and disclosure of information about them.
IFRS 13 Fair Value Measurement	The principles of fair (fair) measurement of financial statements determine a single basis for the assessment and the procedure for disclosing information about it.
IFRS 15 Proceeds from Contracts with Customers	It is an establishment of principles that apply to the presentation of useful information regarding uncertainties about the nature, amount, timing and receipt of revenue and cash flows arising from contracts with customers.

In accordance with the International Standard "Conceptual Framework for Financial Reporting", the principles of financial reporting are divided into three groups. They can be grouped as follows:

1. Basic principles (fundamental principles, initial assumption). This includes the "going concern" principle.

2. Basic quality characteristics. They include:

2.1. Harmony or relevance.

2.2. Faithful representation.

3. Qualitative characteristics that increase the usefulness of information. They include:

3.1. comparability

3.2. investigation affiliation

3.3. timeliness

3.4. intelligibility

In the international conceptual framework of financial reporting, users of information are divided into two groups. The first group is called the users of

basic information, which includes investors, founders, creditors, creditors who have invested in the activities of the enterprise. The main reason for this is that financial reporting is primarily focused on meeting the information needs of investors. Because an investor puts his money into a business at risk, he starts a business, hires people, produces goods and services that meet the needs of people. Consequently, investors must become the primary user of information. The accounting of companies must primarily serve the interests of investors. Only then will we ensure the information rights of investors. In article 24 of the Accounting Law, "state tax authorities" are indicated as the first user of information, and the word "authority" is used three times in this article. Since one of the important conceptual issues of accounting in the research process is the determination of the content of this information by users, we propose to clarify this article in the law in the following edition,

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based on the rules of the international conceptual framework (table 2):

Table 2. Proposals for determining the number of users of key information in financial statements

Accounting Law	Proposed according to an international conceptual framework
Article 24. Financial statements are provided: state tax authorities; owners in accordance with the constituent documents; state statistics bodies; other bodies in accordance with the legislation;	Article 24. Financial statements provide users with basic and other information. Basic information for users: current and potential investors; lenders and lenders. Other information for users: heads of enterprises; regulatory bodies; other stakeholders

The procedure proposed in this table serves to improve the conceptual basis of accounting, including accounting for finished goods, in accordance with international standards.

Based on the requirements of the above regulatory acts, the main directions of improving the

accounting of finished products, proposals for bringing the conceptual framework of accounting legislation in line with international standards will serve to increase the efficiency of accounting in the automotive industry, improve the rights of investors.

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