

**FORMATION OF COMMODITY RESERVES IN GLOBAL ECONOMIC
CONDITIONS BASED ON INTERNATIONAL STANDARDS**

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Abstract: *At a time when the current world economy is becoming more and more global, it is urgent to improve the accounting of goods and materials, which is one of the important elements of financial reports, based on international standards. For this reason, this article examines the issues of improving inventory in accordance with international standards.*

Keywords: *inventory, materials, cost, goods, international standard, national standard, finished product.*

Introduction. Nowadays, new, modern methods of approach to the evaluation of the results of financial and economic activities of economic entities reflected in financial reports are very necessary. After all, the adoption of a number of decisions by our government regarding the transition to international standards of financial reporting, further development of audit activities, evaluation of the efficiency of economic activity of economic entities, and improvement of the financial rehabilitation system also contribute to the analysis of the effectiveness of the financial potential of economic entities. determines the relevance and practical importance of the transfer. Therefore, the analysis of indicators representing the efficiency of the financial potential of enterprises is a topic of actual scientific and practical importance.

Inventories are of particular importance in the effective organization of the activities of economic entities and play an important role in the formation of product costs. In the conditions of economic globalization, the product cost indicator occupies the main place in the general system of indicators that reflect the efficiency of the production activities of economic entities. Because reducing the cost of products leads to an increase in the company's profit and the creation of additional opportunities for expanding its activities. In order to further increase the effectiveness of these indicators, it is necessary to adapt the inventory management to international standards. For this purpose, Decision No. PQ-4611 "On additional measures for the transition to international standards of financial reporting" was adopted. providing foreign investors with the necessary information environment by accelerating the transition and expanding access to international financial markets, as well as improving the system of training accounting and auditing specialists according to international standards" was discussed in detail above. the given decision will be fully provided, in fact, it will cause the population to be provided with high-quality and cheap products, as well as the rational use of raw materials and resources to increase the competitiveness of our economy in the world market.

Literature review. According to the research carried out by O. Bobojonov and K. Jumaniyazov, the availability of inventory is determined based on the results of inventory of existing stocks.

inventory's balance when using inventory's continuous accounting system accounts show the inflow and outflow of inventory in detail [1]

M.I. Hayitboev in his scientific article - the timing of recognition of reserves in the international standards of financial reporting relies on the general understanding of the asset as a resource controlled by the organization as a result of past events, establishing control over them at the expense of reserves and receiving economic benefits in connection with the economic benefit from it. emphasized that it should be recognized according to the possibility.

According to I.K. Ochilov and J.E. Qurbanboev, the net sales value is the difference between the costs of preparing goods before sale and selling them from the estimated cost of sales [2]

According to B.A.Khasanov and A.B.Akramov, the inventory process must first be carefully developed when organizing inventory accounts, and it is necessary to automate the inventory of inventory, referring to the practices of foreign countries. [3]

Research methodology. As a methodological basis of this article, economic literature and scientific articles, the researches of economists on the issues of classification and evaluation of commodity stocks and determining their costs, expert evaluation, comparative analysis, conclusions, suggestions and recommendations are given in the relevant directions. In the process of studying the topic, in addition to general economic methods, methods such as observation, comparison, grouping, compilation of theoretical and practical materials, and systematic analysis were used.

Analysis and results. Correct and accurate assessment of inventory is important in accounting. In accordance with Article 17 of the Law "On Accounting" of the Republic of Uzbekistan on "Valuation of Assets and Liabilities", the valuation of inventories is the lower of the following two values - the actual cost on the balance sheet date (purchase price or cost of production) or market value (net realizable value) [1].

According to NAS No. 4 entitled "Inventories", valuation of inventories in the enterprise is carried out in the following two ways: [4]

- Net realizable value method;
- Constant share of gross profit from realization method.

And in the international accounting standard No. 2 called "Inventories", the assessment is carried out in the following two ways: [3]

- Net realizable value method;
- Fair value method.

The figure below shows the inventory valuation methods of NAS No. 4 and IAS No. 2 are expressed in the form of a structure. (Fig. 1)

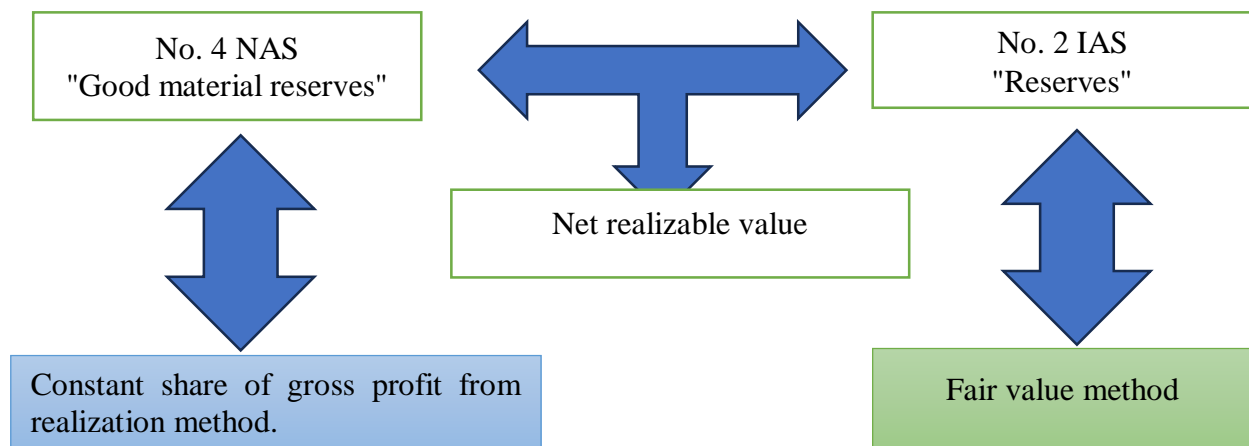


Figure 1. Methods of inventory valuation used in national and international standards¹

IFRS 2 entitled "Inventories" allows the use of different methods of determining the cost of reserves if the results of the use of reserves represent an approximate cost value. The following are used to determine the cost of inventory:

1. Specific method of identification of specific expenses;
2. FIFO method (first-in-first-out);
3. According to the weighted average value (AVECO) method.

Those that are used separately by business entities (precious metals, precious stones, etc.) and are non-substitutable (i.e., they cannot normally replace each other), as well as produced and intended for special projects Inventories (in use) are valued according to the method of specific identification of specific costs. In this method, specific costs are transferred to specific inventories. This method of reflection applies to products designed for special projects, regardless of whether they are purchased or manufactured.

According to the FIFO method, the cost of outgoing units of inventory includes the cost of the inventory purchased or produced first, and the cost of inventory at the end of the period is the total cost of the inventory units purchased or produced last.

According to the AVECO method, the value of each unit of inventory is determined based on the weighted average value of the same units at the beginning of the period and the value of the same units purchased or produced during the period. Determining the value of each unit of inventory according to the AVECO method is the cost and amount of the balance of inventory at the beginning of the period and the cost and amount of inventory received during this period, the total cost of exactly the same units to their total amount is done by being The average value can be calculated periodically or according to the arrival of each new batch of inventory, depending on the method chosen by the organization.

Table 1.

Inventories estimation methods used in practice by foreign countries²

Country	FIFO	Average value (AVECO)	Net realizable value	Others
USA	+	+	-	Retail method
Germany	+	+	+	HIFO, LOFO, KIFO, KILO
France	+	+	+	-
Great Britain	+	+	+	-
Italy	+	+	-	-
Greece	+	+	-	Method of stocking finished products
Spain	+	+	-	-
Luxembourg	+	+	+	Actual costs
The Netherlands	+	+	-	A way to back up finished and unfinished work
Portugal	+	+	-	Standard and special (market) price of the stock
Russia	+	+	-	Cost method per unit

¹Author development

²Author development

Switzerland	+	+	-	-
Sweden	+	-	+	Interest in execution method, contract completion method

Based on the information in the table, it can be concluded that the weighted average cost (AVECO) and FIFO are the most common methods of inventory accounting. Therefore, when moving to the principles of international accounting, it is appropriate to evaluate inventories at an average value. Valuation of inventories at current value allows to present their value as close as possible to the exact value in the reporting period. Inventories valued at current value allow users to obtain complete and accurate information from financial statements. Disclosure of information about inventories in the financial report in a way that is clear and as fully understandable as possible ensures the accuracy and transparency of accounting information.

Conclusion. In the global economic environment, it would be appropriate to use the best practices used by foreign developed countries, the USA, Germany, and other countries, in the formation, classification, and evaluation of commodity reserves in accordance with international standards. This, in turn, makes it possible to establish a strong control over the entry, revaluation and exit of inventories in organizations, and also serves to ensure the accuracy and transparency of financial reports.

We can also conclude that the use of the FIFO method of inventory valuation is appropriate in the current inflationary environment. Because in this method of cost estimation, as we mentioned above, the cost of the initial outgoing inventory includes the value of the initially purchased or manufactured inventory, and the outgoing inventory at the end of the period is the cost of the purchased or manufactured goods at the end of the period. the value of material reserves is added. This, in turn, does not allow the price of goods and products to rise sharply in the market.

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