

IMPROVEMENT OF ACCOUNTING AND ANALYSIS OF MATERIALS OF JOINT-STOCK COMPANIES

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Abstract: this article considers the issues of improving the organization of the assessment, analytical and synthetic materials, the Main attention is dedicated to the organization of the analysis and ways of its improvement. In a market economy, it is important to organize the accounting of materials on the basis of international financial reporting standards. Therefore, the paper presents the organization of materials accounting on the basis of international accounting standard №2 “Inventories” (IAS). Recommendations for improving the accounting of materials on the basis of international standards are given. The wide experience of the organization of the account and the analysis international experience is studied.

Key words: Joint-stock companies, the valuation of materials, accounting for inventories, accounting methods of valuation of materials, accounting analytical inventories, the rate of consumption of materials, analysis of materials consumption, international financial reporting standards, analysis of materials consumption.

Introduction.

In the context of the formation of market relations is almost impossible to manage the complex economic mechanism of an economic entity without timely economic information, the bulk of which gives a well-established accounting system.

In recent years, the country has done a lot of work on the harmonization of accounting and financial reporting in international practice. The Decree of the President of the Republic of Uzbekistan "On measures to introduce modern methods of corporate governance in joint-stock companies" emphasizes that the ultimate goal of our country is to integrate the world community for this purpose during 2015 — 2018, all joint-stock companies have moved to the publication of the annual financial reporting and external audit in accordance with International

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auditing standards and International financial reporting standards.” [1. 2-3p.]. Information plays an important role in achieving this goal, the development of which will have an impact not only on economic growth, but also on the social sphere, as well as on the integration of Uzbekistan into the international community. In these conditions, accounting on the basis of the international standard, which is a system of collecting, recording and summarizing information about assets, equity, liabilities, income and expenses of the entity, regulated by accounting standards and other regulations, is important.

Inventories play an important role in the economic activities of joint-stock companies. Production stocks and material values are objects of labor and provide the main production process of the enterprise. Their cost is fully transferred to the newly created product, while occupying a fairly high proportion.

Currently, in a market economy accounting for the procurement and acquisition of inventories is of great importance at the initial stage of procurement. In order to achieve the goal of proper procurement and consumption of inventory, with further rational use, the accounting service should contain complete, transparent information that allows monthly analysis of actions for the procurement and acquisition of inventory. In addition, accounting data should contain information for finding reserves to reduce the cost of production in terms of the rational acquisition of inventory.

Literature review.

Organization of material accounting - one of the most difficult areas of accounting work. At the industrial enterprise the nomenclature of material values is estimated by tens of thousands of names, and information on accounting of material and production stocks makes more than 30% of all information on production management. Therefore, the organization of accounting and control for the acquisition, movement, preservation and use of tangible assets is associated with great difficulties. Of great importance is the automation of all accounting work, from the issuance of accounting documents and ending with the preparation of the necessary reporting. An integral part of the accounting and control of inventories is the economic analysis of their use, which deepens the search for reserves to improve production efficiency.

According to the opinion of Ibrahimov A. the variety of forms of ownership in the period of market economy, the expansion of the rights of enterprises in the management of the economy, industry features of production require alternative and sometimes multivariate approaches to solving specific issues of methodology and technology of accounting of industrial stocks.[2.34p.]

According to Lieberman L.V. enterprises now have the opportunity to choose different ways of organizing the accounting of procurement and acquisition of materials; reflect the cost of materials remaining at the end of the month in transit

or not exported from the warehouses of suppliers; identify deviations of the actual cost of material values from the accounting prices and their subsequent distribution between the materials consumed in production and their residues in warehouses; repayment of the cost of in operation of low-value and wearable items and others.[3.41-42p.].

Heads of the enterprises (divisions) engaged in production activities, must continuously monitor compliance with regulations, the dynamics of the actual unit cost because material costs occupy a high proportion in the total cost of production, and consequently, these costs can significantly affect the value of profits. It follows that the saving of material resources is the most important factor in improving the efficiency of production. Therefore, according to Frank wood, without proper organization of accounting and control over the use of inventory it is impossible to control the balances, receipts and expenditures of stocks in warehouses.[4.114-124p.].

Thus, it follows from the above that this topic is very relevant in a market economy. A necessary condition for the implementation of plans and smooth operation of the enterprise for the production of products, reducing its cost, profit growth, profitability is a complete and timely provision of the enterprise with inventories. .[5.34p.].

According to Babayev Yu.A. and Petrov A. M. IFRS 2 operates with the following terms:

inventories are assets:

- Intended for sale in the ordinary course of business;
- In the process of production for such sale or in the form of materials and raw materials to be consumed in the process of production or provision of services.

Net realizable value is the estimated selling price and the ordinary course of business minus the estimated cost of completion and the estimated cost of sale.

Fair value - the amount by which an asset can be exchanged or a liability can be settled when a transaction is made between well-informed, willing to make such a transaction, independent parties.

Inventories include goods purchased and held for sale, including, for example, goods purchased by a retailer and held for resale, or land and other property held for resale. Inventory also includes finished and unfinished products. In cases of submission services stocks include the cost of services, selling price which the company had not yet recognized as revenue. [6.77-78p.]. Inventories are the most liquid item of current assets. For the accelerated circulation of this article in cash, the enterprise needs to have the appropriate services, namely the marketing service – according to a comprehensive analysis to study the system of sales organization focused on meeting the needs of the consumer on the basis of market research and forecasting. The analysis of this article is of great importance for effective financial management. Reserves can be a significant share not only in the current assets, but

also in the assets of the enterprise as a whole. This may indicate that businesses are experiencing difficulties with sales of products, infringement of technology of production and the choice of inefficient methods of implementation. Violation of the optimal level of inventories leads to losses in the activities of enterprises, as it increases the cost of storage of these stocks, diverts from circulation of liquid funds, increases the risk of impairment of goods and reduce their consumer qualities, leads to loss of customers.

Discussions and analysis of results.

The aim is to study the analysis of inventories on the basis of data of JSC "UZQURILISHMATERIAL", ways to improve the methods of analysis and improve the efficiency of use of inventories of the organization. To achieve the goal, the following tasks are set:

- reveal the theoretical aspects of the analysis of inventories, their classification, principles and methods of accounting of inventories.
- to give the production and financial and economic characteristics of the enterprise;
- to study the method of receipt of inventories in the enterprise;
- reflect the accounting of expenditure of inventories, and their implementation at the enterprise;
- reflect the automation of accounting and audit of inventories.

The analysis of economic activity on the basis of accounting data of JSC "UZQURILISHMATERIAL" and shows the presence of the enterprise sufficient inventories is a necessary prerequisite for its normal functioning in a market economy.

Table 1

Analysis the share of inventories in the asset of the financial position report in the cement production system (percentage)¹

№	Company name	2016 year	2017 year
1.	JSC KUVASAYSEMENT	9.7	9.8
2.	JSCBEKABADCEMENT	26.7	27.3
3.	JSCKIZILKUMSEMENT	31.7	31/3

Based on the table, it can be seen that the share of Inventories in the total amount of the asset is small, since most of the basic materials are directly delivered to production from suppliers. Since the share of materials is mostly larger, where production has greater volumes.

In accordance with the national accounting standard 7 "Inventories" this group includes inventories— assets in the form of Inventories, finished products, goods, and other values in the course of activities of joint stock companies.

¹Finance reports in JSC "UZQURILISHMATERIAL"

Inventories represent a part of the public product that is on the market (in the sphere of circulation) until the sale to the final consumer. The purpose of Inventories is to ensure continuity of operation and continuity of implementation. They are compared to the inventory are essentially the significant difference is that their spending is relatively spontaneous.

In the process of production, along with the means of labor, involved objects of labor, which act as inventories. In contrast to the means of labor, the objects of labor participate in the production process only once, and their value is fully included in the cost of production, forming its material basis.

Inventories are working capital and are generally used for one year or a normal cycle in the production, operation and provision of services, or purchased for sale.

In addition, if we consider the industry where more material-intensive is considered. These industries include the chemical industry. For example, in JSC "Ferganaazot", specialize in the production of mineral fertilizers and defoliant. 51% of the company's shares are retained by the economic management body – "Uzkimesanoat". Such parameters are determined by the presidential decree of April 28, 2015 "On measures to increase the share and importance of private property in the economy." According to the company, the annual capacity of ammonia production lines is 400 thousand tons, nitric acid – 360 thousand tons, ammonium nitrate – 450 thousand tons, urea – 330 thousand tons, sodium chlorate – 6.5 thousand tons, chlorate-magnesium defoliant – 30 thousand tons, cellulose diacetate – 15 thousand tons, cellulose triacetate – 27 thousand tons, acetate thread – 6.6 thousand tons. The share of exports accounts for 65% of sales. In the production of mineral fertilizers there are problems of accounting of inventories. Since they have many components of materials. The problem of improving the accounting of material resources is of great importance in terms of accounting for the use of material resources in production, analysis and control of the cost of raw materials, fuel, energy.

Disadvantages of the current practice of accounting for material resources – objects of labor and their use in production, associated with the improvement of classification and accounting for the costs associated with the use of labor in production.

The existing classification does not ensure the unity of data on their balances and consumption and therefore can not meet the requirements of analysis and control of stocks and use of material resources in production. The strategic objectives of the company are to increase its capitalization and profitability through the introduction of innovative technologies, diversification of activities, development of production of products with high added value, construction of new facilities. The current classification of resources in accounting – by accounts and

sub-accounts – differs from their classification in the balance sheet, and the classification of material resources costs as part of the cost differs from the classification of material resources balances in accounting and balance sheet.

The number of inventories items, the complexity of the production process, the presence of foreign and local suppliers, the variety of operations in General require the most developed information systems for process control in warehouses. Thus, the practice of enterprises shows that for these purposes, accounting computer programs are used with the creation of a local network for the enterprise as a whole. Allow it:

- to receive the summary data showing movement of materials on accounts of accounting which are reflected directly as a result of processing of primary accounting documents (acceptance certificates, invoices, requirements, etc.). In this case, the cumulative statements of receipt and consumption of materials may not be prepared;

- automatically compiled statements, where the impact of turnover and balances on each nomenclature number of materials the number and amount. Statements shall be prepared in two copies for the accounting Department and the warehouse (unit).

The use of the companies of the programs of automation of accounting work provides for the formation of the necessary registers of accounting of materials, the main of which can be:

- the turnover sheet of movement of materials on nomenclature numbers in a section of warehouses, divisions, places of storage;

- bill of materials for orders, series, value, other calculation units;

- back sheet on materials in transit.

Thus, computer programs have their advantages and disadvantages, which can be combined in the following section:

- insufficiency of establishment of control over observance of norms and standards of expenditure of materials;

- the presence of additional costs for the payment of operators and accountants at the same time ;

- the presence of collective liability for the storage and movement of inventories.

Conclusion /Recommendations

These problems are due to the psychological aspect of accounting. Collective liability of warehouse workers and the implementation of relevant records on the movement of materials is not financially responsible persons, and operators and accountants, reduces, in our opinion, the effectiveness of accounting and its control

function. In this regard, modern accountants are required to improve automated accounting systems or programs, rather than accounting methods.

The shortcomings of the automated accounting system associated with the determination of the actual cost of Inventories at the logistics level should be eliminated, in our opinion, by making changes to the accounting program. At the same time, the program should become more flexible and adapted to the actual conditions, where sometimes discrepancies in the acceptance of goods by warehouse managers are determined. The programme should be improved in such a way that actual data can be changed at two levels:

1) when there is a shortage in the components of parts with the name of the part, the consignment, the number and date of the document and other details;

2) the second, when the supplier sends on the basis of the complaint not getting part of details with zero cost that does not correspond to process of the customs Declaration.

To do this, the documents on posting should contain details of the shortage and data on the complaints provided to suppliers. Programmers of the enterprise must adapt the program in terms of accounting for Inventories in the financial accounting system by changing the form of primary documents on the movement of Inventories. For this purpose, it is necessary to add one column with the name "Shortage" and several lines in the receipt document to specify the name of parts and assemblies. Else should be in the document entitled "provider claim" that it is necessary to further monitor the implementation of the conditions of the supply agreement.

Control over the activities of material and responsible persons in Inventories warehouses and production units can be improved by ensuring the timely provision of material reports. This problem is not solved even in an automated accounting system. In our opinion, this problem in the practice of enterprises arose as a result of the organization of the accounting system in the enterprise, which at the same time should concentrate the tasks for internal purposes and external purposes. At the same time, it should be emphasized that some tasks are both management-control and reporting-analytical. Thus, the system of preparation and submission of monthly reports by materially responsible persons is part of the procedure of so-called financial accounting, as they help to identify the balances of Inventories at the date of financial statements. In practice, the same report is used to monitor the status and movement of Inventories. From the point of view of safety of Inventories on structural divisions of the enterprise it is correct and necessary. On the other hand, there is a picture of the delivery of reports by the same materially responsible persons to the planning Department of the enterprise, which tries to monitor compliance with the norms and standards of material resources expenditure. On the face of it, such a procedure seems appropriate, although it requires those responsible to review the classification of materials and to regroup

expenditures based on the information needs of the planning division. Such a requirement for accounting procedures of material-responsible persons leads to certain difficulties, which are associated with the regrouping of costs, which in turn is carried out by a subjective approach to the delivery of the report. The warranty on the correctness of the statements for audit purposes in compliance with the established norms and standards in such circumstances are conspicuously absent.

Another problem of accounting for Inventories structural units associated with the presence of the enterprise collective liability, where there is a problem of establishing a specific culprit. In cases of shortages or other violations, the amount of compensation applies to the entire collective structural unit, for example, warehousing. As a result, the amount of damage to be compensated by financially responsible persons per one member of the team will be imperceptible. In this regard, in our opinion, it is necessary to strengthen the financial responsibility of the head of the Department within the framework of the legislation with the help of accounting tools. In these purposes it is necessary to introduce a system of internal accounting and reporting in the division of the company. So, the General management for activity of division has to be performed by the chief of division, that is the Manager of a warehouse. His report should be compiled not on the basis of a computerized accounting system, and based on the report of materially responsible persons who are subject to his leadership. This dictates the need to distinguish between the areas of financial and management accounting in fact. Management accounting should be organized by separate centers of economic responsibility, which include warehouses and production units of the enterprise.

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