

“TRANSFORMATION CONSOLIDATED FINANCIAL STATEMENTS IN COMMERCIAL BANKS IN IFRS”

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Abstract: In such conditions, the introduction of International Financial Reporting Standards leads to the fact that commercial banks have a low level of profitability, profitability and utility. But the reason for this is not the introduction of international financial reporting standards, but the need to calculate the impact of the coronavirus pandemic. In order for the process of World integration to allow you to understand and analyze the financial statements of different countries in the same way, to find solutions to the problems of calculating the impact of financial risks in the same methodology, it is necessary to introduce international standards of financial reporting.

Keywords: bank accounting, international standard. IFRS, financial statements, bank expenses, income, forms of financial statements, comments and explanations.

Introduction. In the context of the international integration of banking systems and the globalization of the economy in different countries, as well as in the context of the globalization of banking systems, a banking audit in Uzbekistan and Uzbekistan cannot be conducted without the participation of the state. In accordance with the requirements of the Law on Public Procurement, banks are required to audit accounting reports, audit accounting profit and loss statements and profit and loss statements. According to analysts, the bank should conduct an audit, analyze and evaluate audit results, analyze analytical data, evaluate the quality and extent of the audit, and evaluate the quality and effectiveness of the audit.

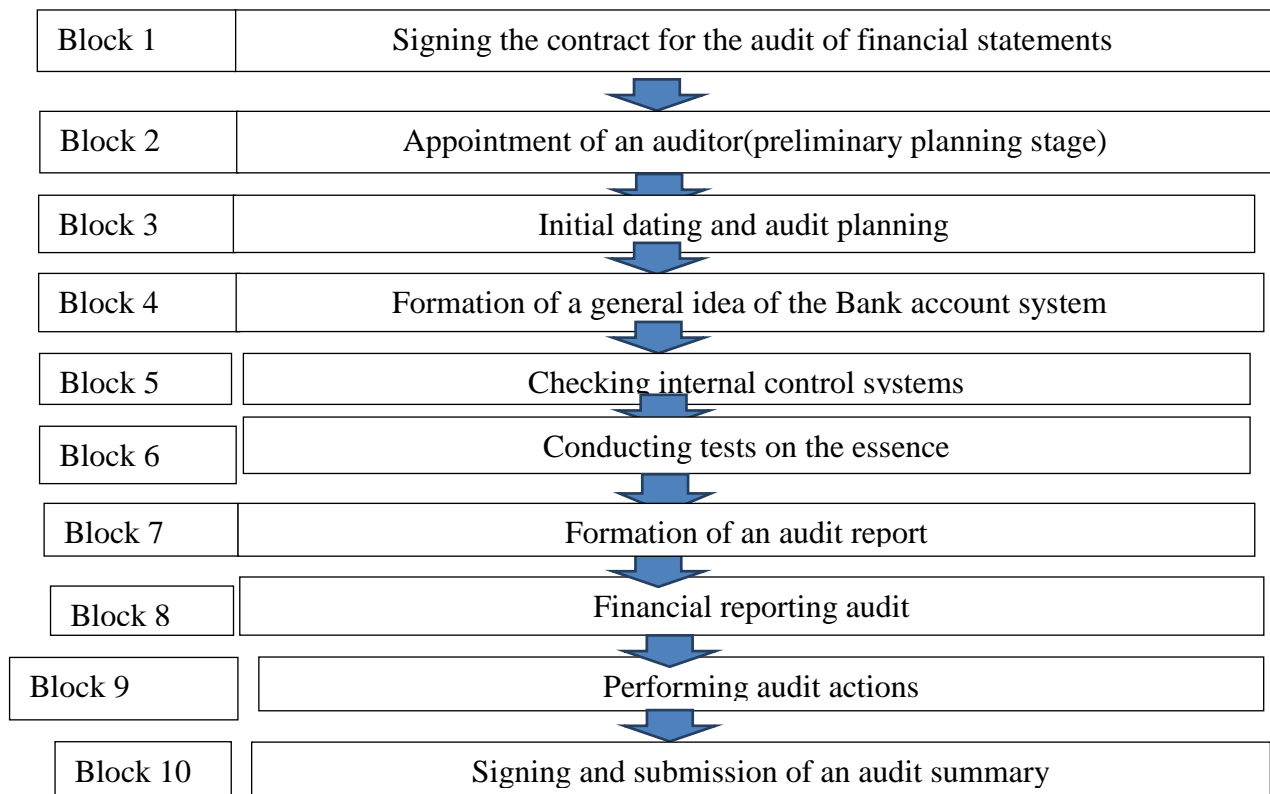
According to the coronavirus epidemic, which is spreading widely in the world, today the number of patients worldwide has reached 15 million people. Because the harm of isolating the influence of objective factors on the decrease in the level of growth of the economy, that is, the impact of the coronavirus pandemic, occurs separately. Under these conditions, the introduction of International Financial Reporting Standards leads to the fact that commercial banks have a low level of profitability, profitability and utility. But the reason for this is not the introduction of international financial reporting standards, but the

need to calculate the impact of the coronavirus pandemic. In order for the world integration process to make it possible to understand and analyze the financial statements of different countries in the same way, and to find a solution to the problems of calculating the impact of financial risks in the same methodology, it is necessary to introduce International Financial Reporting Standards. All banking and financial institutions operating in different sectors of the world, more than 45 thousand transnational corporations and large companies, together with more than 250 thousand of their subsidiaries and other related companies, make financial statements in accordance with their Mhxs on a voluntary basis. Therefore, the number of countries that recognize their CSR is increasing. The most urgent issue for all countries is the Coordination of accounting and reporting with the requirements of international standards, the achievement of global harmonization of financial reporting on this basis, the effective use of advanced experience at the national level.

Literature Review on the Topic: In the Republic of Uzbekistan, several works have been carried out to ensure the sustainable development of the economy and to improve the banking system. Including the decree of the president of the Republic of Uzbekistan on the strategy of Uzbekistan – 2030 defines the following task to commercial banks: "improvement of norms and control bases by introducing internationally recognized minimum standards and requirements to banks." In particular, a number of practical measures are being implemented in the banking system of Uzbekistan in order to establish the financial condition and profitability of commercial banks and increase the efficiency of their activities, and in order to create a favorable investiture environment, to switch to international standards of financial reporting and auditing.

At the same time, when checking the financial statements of banks, the most important thing should be based primarily on the verification of preliminary accounting documents, according to the results of which it is possible to accurately and correctly reflect the results of the most important economic operations in accounting and financial statements, inventory of assets and their reassessment.

According to figure 1.1, the audit of the financial statements of a commercial bank has a certain sequence of actions that must be performed in order to provide quality services in accordance with all requirements.



1.1- picture. Financial statements audit sequence ¹

Block 1 “Signing the contract for the audit of financial statements” it is the stage of concluding a bilateral contract between the auditor and the economic entity, in which the conditions for conducting an audit (goals and objectives, rights and obligations, cost of services and special conditions) are specified.

Block 2 "Appointment of an auditor(preliminary planning stage)" - this is a preliminary planning stage, in which the business entity negotiates with the auditor for the provision of audit services, if the assignment is accepted, the auditor sends a letter of obligation to the client for conducting an audit of financial statements.

Block 3 “Initial dating and audit planning” preliminary acquaintance in the audit process implies the establishment of the stages of the audit, the formation of a unified plan and audit program.

Block 4 “Formation of a general idea of the Bank account system”end Block 5 “Checking internal control systems” when conducting their blocks, the auditor tests accounting systems and internal control systems in order to understand them and check their performance.

¹ the author's opinion

Block 6 " Conducting tests on the essence " includes a detailed study of all accounting schemes, divided into checking the remains and analytical actions of operas and accounts by conducting tests.

Block 7 "Audit of financial statements" final verification of financial statements in order to determine the identification of indicators of Financial Statements, Consolidated accounting and accounting registers; provides for a comprehensive financial and economic analysis to assess the financial condition of the client.

Block 8 "Performing audit actions" it is a necessary stage of auditing, since the auditor performs various actions, collects evidence, receives additional evidence that the client realizes his responsibility for the concluded financial report.

Block 9 " Formation of an audit report " this is considered one of the most difficult and important stages of audit, since the audit is carried out to obtain audit Dali, analyze data, assess the audit risks on which the audit conclusion is based. At the same time, strict control over the effectiveness of the work of the audit team is carried out by the management of the audit organization, and a draft audit summary on financial reporting in general is prepared.

Block 10 "Signing and submission of an audit summary" the audit is the final stage of the audit, in which the management of the audit organization, confident in the adequacy of the stated opinion, signs the audit report and presents it to the client along with the audit report on the performance of the audit work.

The implementation of directions for improving the audit of financial statements helps to obtain objective information about the reliability of financial statements and financial and economic indicators and reduce risks when forming an opinion about the audited Commercial Bank, as well as increase the quality of Audit Services, which, in turn, should increase confidence and respect for the audit profession.

Summing up the above, it is worth noting that the financial reporting audit - it is an independent comprehensive study of the information base of the economic subect based on the approval of financial reporting data, the development of recommendations for improving the internal control system and organizational management structures, the development of forecasts for assessing the financial and economic situation and strengthening financial stability, determining the optimal volume of production and financial resources, the effectiveness of investments and This definition is inherent in any type of audit that is legally valid in the Republic of Uzbekistan.

The results of the study made it possible to distinguish the following main areas of financial reporting audit of commercial banks:

- 1) determination of the goals and objectives of the audit;
- 2) search information information to obtain audit evidence;
- 3) audit planning: determination of control objects, elements and points;
- 4) assessment of the state of accounting and internal control of the commercial bank being audited;
- 5) assessment of Audit Risk and setting criteria for relevance;
- 6) assessment of the impact of accounting policies on the comparison of financial reporting data with accounting registers;
- 7) comparison of indicators with bank averages;
- 8) assessment of changes in financial indicators in dynamics - the effect of possible changes, for example, depreciation rules, tax legislation, accounting policy; analysis of financial and economic status, continuity of activity (probability of bankruptcy) and assessment of the development capabilities of the Commercial Bank under investigation.

As a result of the research carried out to improve the implementation of international standards of financial reporting in the activities of commercial banks, the following conclusions were drawn:

1. In the process of analyzing the international system of accounting, we must first of all analyze the accounting system established in different states. The adaptation of financial resources to international standards is especially important in the assessment of financial indicators of companies and firms and their movement on an international scale. In this regard, it is necessary to consider the process of developing a working plan and implementation program of the application of international standards of financial reporting on commercial banks based on the history of the origin of international standards of financial statements and its evolution in the commercial banks of the Republic of Uzbekistan on the basis of international standards for the preparation of financial;

2. We think that the following cases should be excluded when the accounting of investments in the market (related to companies), in which there is a significant impact on international standards, is carried out according to the method that takes into account the size of the shareholder's share in the capital of a commercial bank:

- if capital investments are made or maintained only in the yakin future, that is, for the next subsequent sale;

- when the investor uses no more than a significant impact;

- the peculiarities of accounting arise when the company carries out its activities in conditions of strict restrictions.

3. From the above points, the process of introducing international financial reporting standards can be conditionally divided into 4 stages:

1)Initial stage;

2)Introduction stage;

3)Stage of formation of financial statements;

4) The stage after the conclusion of the financial report.

4. The issue that is revealed above all in the international standard is accounting policy.

In this we can see that it is defined as follows. Accounting policies are certain principles, methods, habits, rules and practices used by a business entity in the preparation and presentation of financial statements. In our opinion, in the process of moving to the international standards of financial reporting, it is important to determine the accounting policy, and it is necessary to find a solution to this issue based on the international standard. For this reason, when the IFRS clearly applies to an operation, another phenomenon or condition, the accounting policies or policies applied to it are carried out through the application of this international standard, in which the relevant procedure rules must be established under the IFRS.

Conclusion

The implementation of directions for improving the audit of financial statements helps to obtain objective information about the reliability of financial statements and financial and economic indicators and reduce risks when forming an opinion about the audited Commercial Bank, as well as increase the quality of Audit Services, which, in turn, should increase confidence and respect for the audit profession.

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stability, determining the optimal volume of production and financial resources, the effectiveness of investments and This definition is inherent in any type of audit that is legally valid in the Republic of Uzbekistan.

1. The study of the current state, trends and prospects of the National audit System in terms of the dynamics of transformational changes made it possible to determine whether the transition to international standards-based accounting and auditing standards, the state, role and functions of auditing are subject to significant changes.

2. The study and analysis of legislative and regulatory documents made it possible to assess the adequacy and quality of audit activities and its regulation in the Republic of Uzbekistan, to identify certain gaps that prevent the audit from taking advantage of its capabilities in Regulatory, Information, methodological and organizational support and require urgent solutions. Along with positive aspects in the development of audit activities, as an integral part of the management of socio-economic processes, the imperfection of the internal regulatory and legislative framework of audit; as a management system, it has been found that there are a number of unfavorable trends, such as the fact that the attitude to the content and justification of the audit is not determined.

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