

The First Application of International Financial Reporting Standards

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Annotation: *This article covers the issues of the first application of International Financial Reporting Standards. The importance of implementation in accordance with national accounting standards is disclosed. The methods of the first application in our country have been studied. Recommendations and suggestions are given to accelerate the implementation of the standard "IFRS 1 - The first application of International Financial Reporting Standards".*

Keywords: *globalization, economics, accounting, international financial reporting standards, national accounting standards, transparency, comparability.*

Globalization and changing market relations around the world integrate economic relations between countries. In our republic, there are large-scale changes in all spheres of life activity of the population. In order to achieve the improvement of the economic side of our country, large investments are attracted and major projects are being implemented. The Decree of the President of the Republic of Uzbekistan dated 28.01.2022 "On the development strategy of the new Uzbekistan 2022-2026 aimed at cardinal reform of all spheres of life of the state and society, includes accelerated development of the national economy and ensuring high growth rates. Accounting plays an important role in the economic sphere and in achieving a global market economy. We all know that large corporations keep their records in accordance with international financial reporting standards.

Firstly, it will provide investors with a high-quality information base on the financial performance of an organization;

Secondly, it will provide transparency for users and comparability with all other periods presented;

Third, provides an acceptable starting point for accounting in accordance with International Financial Reporting Standards (IFRS); and

Fourth, the cost of preparing which does not exceed the benefits for users.

In order to provide the necessary information environment for foreign investors and expand access to international financial markets by accelerating the transition to international Financial Reporting Standards (hereinafter - IFRS), the Resolution of the Republic of Uzbekistan No. 4611, dated 24.02.2020 "On additional measures for the transition to international financial Reporting standards" was adopted. This step will also accelerate the implementation of IFRS in accordance with National Accounting Standards (hereinafter- NSB).

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Accounting and financial reporting in accordance with IFRS, gives investors an understanding of future forecasts and accurate data on the income and expenses of enterprises.

The first financial statements of an enterprise under IFRS is the first annual financial statements in which the enterprise adopts International Financial Reporting Standards (IFRS), clearly and unconditionally stating in such financial statements that it complies with IFRS. The IFRS financial statements are the first financial statements of an entity under IFRS if, for example, the entity:

- a) submitted financial statements for the most recent prior period:
 - (i) according to national requirements that comply with International Financial Reporting Standards (IFRS) not in all respects;
 - (ii) in accordance with International Financial Reporting Standards (IFRS) in all respects, except for the fact that the financial statements did not contain a clear and unconditional statement that they comply with International Financial Reporting Standards (IFRS);
 - (iii) containing a clear and unconditional statement that it complies with some, but not all, IFRS;
 - (iv) according to national requirements that do not comply with International Financial Reporting Standards (IFRS) with the use of some separate IFRS to account for items for which there were no national requirements; or
 - (v) according to national requirements, with the inclusion of reconciliation of certain amounts with amounts determined in accordance with International Financial Reporting Standards (IFRS);
- b) prepared financial statements in accordance with International Financial Reporting Standards (IFRS) only for internal use, without making it available to the owners of the enterprise or any other external users;
- c) has prepared a set of financial statements in accordance with International Financial Reporting Standards (IFRS) for consolidation purposes without preparing a complete set of financial statements, as defined in IFRS (IAS) 1 "Presentation of Financial Statements" (as amended in 2007); or
- d) Has not submitted financial statements for previous periods.

Based on our above-mentioned studies, the following conclusions can be drawn:

1. Today, the transfer of accounting to the requirements of international standards is a very important issue. When applying the standard "IFRS 1 - The first application of International Financial Reporting Standards" for the first time, it is important to take into account the strategy of each enterprise and study each economic information, since "economic resources" are defined as the right to receive economic benefits. It is important to review the obligations of enterprises, since they are considered "mandatory", and it is almost impossible for any company to avoid paying them. Determine future income based on changes in these economic resources and liabilities. These changes should be made to the regulations of our country.
2. For the full first application and accelerated implementation of IFRS, the Provision on the cost Structure today does not meet the requirements in which the names of indicators do

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not correspond to the conceptual rules. The introduction of IFRS will help bring the accounting of enterprises in line with international standards, increase the transparency of financial statements. This will improve the investment climate of our country, give an effective accounting approach at the modern level and help investors provide information in a clear language, as well as increase the level of trust.

List of used literature

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