THEORETICAL FOUNDATIONS OF COSTS

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Abstract: *The article discusses international standards of provision, the corresponding classification of education in national practice and ensuring security in international practice.*

Key words: *International standards, assets, management, cost, type of activity, management decisions.*

ТЕОРЕТИЧЕСКИЕ ОСНОВЫ ЗАТРАТ

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Аннотация: *В статье рассматриваются международные стандарты предоставления, соответствующая классификация образования в национальной практике и обеспечение безопасности в международной практике.*

Ключевые слова: *Международные стандарты, активы, управление, стоимость, вид деятельности, управленческие решения.*

The organization of financial statements in economic entities on the basis of international standards of financial statements makes it possible to conveniently use foreign capital markets, increase confidence among foreign investors, ensure the intelligibility of reports. The application of International Financial Reporting Standards in the accounting system of countries is one of the factors of attracting high-potential investors in combination with reaching the world market. International Financial Reporting Standards are effective in assessing the financial stability of a subject, not only in their usefulness, but also in making management decisions.

The presentation of financial statements is formed on the basis of the requirements of international accounting standards (BHXS) and International Financial Reporting Standards (MHXS). It should be noted that the transition to Mhxs assumes the solution of organizational, legal, financial, technical, technological, as well as methodological and other issues of economic operations related to assets, liabilities, private equity, reserves, income, expenses, profit, losses and their movement, which are considered objects of accounting [1]. Each of the economic entities necessarily carries out expenses of different appearance in the conduct of their activities. It is important that the accounting of expenses is properly organized in economic entities in

order to increase the efficiency of production and successfully continue their activities in one run. In them, the most important indicator of costs and cost in the adoption of decisions in management accounting is the recognition of expenses on the basis of MHXS, the improvement of their accounting is important for all economic entities.

Costs are the monetary expression of the costs associated with the production of products, the sale of goods, the performance of work and the provision of services. The following scientists Jumaniyozov K.K., Hasanov B.A., Pardayev A.X., Urazov K.B., Tashnazarov S.N., Hashimov A.A. in their scientific research, in their works, they stated.

The reform of accounting in our country was the adoption of PQ-4611 of the president of the Republic of Uzbekistan dated February 24, 2020 “On Additional Measures For The Transition To International Financial Reporting Standards”. The decree of the Cabinet of Ministers of the Republic of Uzbekistan No. 507 of August 24, 2020 “On Approval Of The Regulation On The Procedure For Recognizing The Text Of International Standards Of Financial Reporting And Explanations For It”, the Order of the Minister of Finance of the Republic of Uzbekistan No. 61 of November 10, 2022 "On the recognition of the text of international standards of financial reporting and explanations for its application in the territory of the Republic of Uzbekistan[2,3,4].

The application of national standards affecting the accounting of expenses and expenses is based on the norms and rules for maintaining a mandatory account. National standards prevent the development of accounting thought, limit practice and do not allow the full use of professional reasoning in the reflection of certain events.

Under the international system of standards, there is no standard that sets the rules for recognizing and accounting for expenses. It can be seen from this that in economic entities, no special standards have been developed for the recognition of expenses and their accounting.

Accounting for expenses in Uzbekistan is regulated by a separate regulation. Resolution of the Cabinet of Ministers of the Republic of Uzbekistan dated February 5, 1999 “On Approval Of The Regulation On The Composition Of The Costs Of Production And Sale Of Products (Works, Services)And The Procedure For The Formation Of Financial Results”. The organization of the accounting of expenses of road transport enterprises is carried out on the basis of the requirements of this regulation.

In international accounting practice, the basic requirements for the disclosure of information about expenses are established in the "principles of preparation and presentation of financial statements"(principles), which are not Standards in themselves. Nevertheless, it is this document that sets the basic requirements for the

quality of financial statements and provides the basis for decision-making in cases that are not directly regulated by international standards.

Issues of accounting for certain types of expenses in business entities are solved by most standards that regulate the accounting of certain types of assets and liabilities, types and directions of activities, in particular, cost accounting and cost of finished products are considered in MHXS (IAS) 2-"Reserves". Accounting for costs associated with the execution of contracts is regulated by MHXS 11-"construction contracts". The basic standard that defines fixed assets, including depreciation-related cost accounting principles, is BHXS (IAS) 16 - "Fixed Assets". The performance of research work, as well as the accounting of costs associated with the depreciation of intangible assets, is regulated by BHXS (IAS) 38-"Intangible Assets". The main standard that determines the procedure for accounting for current employee income is MHXS (IFRS) 19-"Employee Income". The principles of accounting for expenses on debt are determined by MHXS (IAS) 23-"Expenses On Debts". The main standard that determines the procedure for accounting for leasing, rental payments is MHXS (IFRS) 16-"Rent", etc.

In accordance with the mhxs, the costs are recognized and recorded in the report during the period in which they occur, regardless of the cash payment, given that the company does not intend to stop or significantly reduce its activities. In addition, in accordance with the Mhxs, expenses must be recognized as expenses, even if there are no primary documents, such as invoices, during the reporting period to which they belong. In national standards, the last condition is not written.

International standards do not specify a mandatory classification of costs. Organizations independently choose the principle of cost distribution, setting their own choices in accounting policy.

Recently, the issue of developing a unified accounting system, including the concept of financial, management and tax accounting, has been more and more discussed in regulatory documents and specialized literature. This is primarily due to the reform of the national accounting and reporting system in accordance with the IFRS.

Recommendations for the recognition and accounting of expenses on the basis of International Financial Reporting Standards:

- formation of accounting policies based on the requirements and principles of international accounting standards;
- selection of methods in the formation of accounting policies, accounting for expenses, analyzing the requirements of current legislation;
- development of a plan of expenses accounting accounts and an instruction for its use;
- to rely on professional reasoning in recognizing expenses based on international accounting standards.

Costs are one of the categories that influence the choice of the optimal strategy for the development of the enterprise and ensure the formation of the target result today and in the future. In this regard, the cost accounting system should provide both internal and external users with information on both backward and future costs.

List of literature used:

1. Law of the Republic of Uzbekistan "On Accounting" 13.04.2016

2. Decree of the president of the Republic of Uzbekistan No. 4611 of February 24, 2020 "On additional measures for the transition to International Financial Reporting Standards

3. Regulation of the Cabinet of Ministers of the Republic of Uzbekistan No. 507 of August 24, 2020 "On the procedure for recognizing the text of international standards of financial reporting and explanations to it"

4. Order of the Minister of Finance of the Republic of Uzbekistan No. 61 of November 10, 2022 "On the recognition of the text of international standards of financial reporting and explanations for its application in the territory of the Republic of Uzbekistan"

5.Regulation of the Cabinet of Ministers of the Republic of Uzbekistan "On the structure of production and sales costs of products (works, services)and the procedure for the formation of financial results" 05.02.1999

