

Accounting the Main Costs of Production in Farming and Legal Justification for their Compliance with International Standards

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Abstract: In this article, the author commented on the calculation of basic production costs on farms and the legal basis for their compliance with international standards.

Keywords: economy, production, costs, accounting, national accounting standards, international financial reporting standards.

Introduction. Currently, international financial reporting standards are increasingly used by business entities in the preparation of accounting information aimed at meeting the needs of external users. Although the requirements of the national accounting standards of the Republic of Uzbekistan (NAS) are very close to the requirements of national accounting standards, differences in other and sometimes fundamental positions still remain. The most important thing is that in most existing business entities there are still differences in approaches to accounting for such objects as fixed assets, reserves and intangible assets. In turn, most practicing accountants have to recalculate these assets when carrying out transformation procedures. In the context of the modernization of the economy of Uzbekistan and the integration of the country's economy into the world community, the development of the quality of information support for financial reports is of particular importance.

Decision D P-4611 of the President of the Republic of Uzbekistan “On joint measures for the transition to international financial reporting standards” dated February 24, 2020 opened a new page in the accounting policy of our country. In accordance with the decision, from January 1, 2021, accounting will be maintained on the basis of MHHS: joint-stock companies; commercial banks; block of shares; - insurance; legal entities included in the category of large taxpayers.

Moreover, during this period, the transition to international standards will affect not only the above-mentioned individual companies, but also the entire internal accounting system. Because the harmonization of systems was carried out by introducing new accounting provisions and changing existing rules, which ultimately allowed a number of MHXS provisions to be fully applied without significant disruption to the internal accounting system for Uzbek enterprises and companies.

Literary analysis and methodology. Before thinking about the current state of the traditional national accounting system, it is worth noting that in Uzbekistan, as in other countries, certain accounting procedures have been formed in business entities. If this process is regulated by the Law of the Republic of Uzbekistan “On Accounting” dated April 13, 2016, then our national accounting was somewhat improved due to other documents adopted later. But despite these changes, the management of business entities, on the one hand, is explained by the fact that their functional capabilities in solving the accumulated problems of development and financing of their activities could not go beyond their shell, on the other hand, the cost structure of production

and sales was determined at significant costs and financial results. The database with the results did not meet the requirements of external stakeholders in both form and content. This was a major factor in their neglect. However, any business narrows smoothly where accuracy and transparency are ensured. The resolution of the president initiated a new stage of implementation of International Financial Reporting Standards in Uzbekistan, as well as reforms in the field of accounting. From this, let us dwell on some aspects of the level of inconsistency with international norms in the accounting statements used and maintained by business entities. First there was no interest in determining the real, potential value of a business, either in the owner or in the state. International standards allow officially published reports to objectively and realistically reflect the outcome of business, management and activities, to clearly see important trends in the duration of business, development and economy. This creates the basis for increasing the volume of foreign investments involved, strengthening international relations, the formation of a group of potential entrepreneurs, and increasing prestige in the international sphere as a whole. So far, the international standards of financial reporting have been translated into the official four - French, German, Russian and Polish. The transition to international standards of financial reporting, the economic, property and financial status of enterprises and organizations, a comparative study of their financial results in the past period and a narrow search for an objective, makes it possible to attract capital from international financial institutions.

Result. The transition to the international accounting system requires a more active use of professional decision by local specialists to reflect the facts of economic life in the accounting system. In addition, there are significant difficulties in applying assessment methods, which are widely used in the international accounting system. Most reporting articles in the international system require the mandatory application of assessment indicators to provide interested users with more adequate information. It should be noted that the report on international rules on the plan should include information about the future. Working with future information in the MHXS system, the accountant must choose one of the most suitable analytical tools of assessment methods in order to provide users with a fair amount. Uzbek specialists in this field do not yet have enough experience. In turn, in some cases, the current regulatory documents are not obliged to regularly regulate the assessment in relation to the objects of calculation.

The decree of the president of the Republic of Uzbekistan “on the new Uzbekistan development strategy for 2022-2026” states that by intensive development of Agriculture on a scientific basis, increase the income of farmers and farmers by at least 2 times, increase the annual growth of agriculture by at least 5 percent. Specialization of districts in the cultivation of a specific type of product. Expansion of the scope of state support in agriculture and implementation of new mechanisms of insurance. Development of 464 thousand hectares of new and decommissioned land and allocation to clusters on the basis of open competition. Reduction of 200,000 hectares of rack and grain areas and long-term rental to the population on an open competitive basis. The development of export products and fruit and vegetable production, expanding the area of intensive Gardens by 3 times and greenhouses by 2 times, increasing the capacity of the export by another US \$ 1 billion. Increase and protect the productivity of the species. Improving the system of rendering agro-services based on science and innovation. Providing agro-industrial enterprises with raw materials and increasing the volume of production by 1.5 times. Development of agrolistics centers and visualization of the number of modern laboratories. Implementation of the national program for breeding and seedling production. Establishment of an international agricultural university together with prestigious international scientific centers and institutions of Higher Education. Deepening the integration of Science and practice in the agrarian sphere. Urgent tasks such as creating conditions for the effective use of tomatoes by the population are prescribed. These tasks create the need for the production, storage, processing of products by the main agricultural farms in our country, as well as the implementation of the export activities, bringing together several network farmers and the need for the further development of large-scale farms. Therefore, it is advisable to further expand the scope of scientific research in the field of accounting for expenses not foreseen in large-scale farms,

calculations with debtors and creditors and documentation on production reserves, improving the accounting of expenses taking into account the nature of the network.

Discussion. In the context of the modernization of the economy, farms are one of the main tasks for the development of the scale of production, depending on the satisfaction of consumer requirements and demand, the purpose of which is envisaged from the production of food in the main production activities. In particular, the abundance of factors affecting the costs of farming and livestock production and the emergence of some of them independent of farm activities limits the conditions of agricultural production. Increasing the scale of production in this matter depends on the internal capabilities of the farms. In such conditions, it is important that the farm is able to correctly determine the volume of production of products based on its internal capabilities.

In the years of independence, a centralized accounting system was formed in which the requirements of the economy meet the requirements of the market economy from an accounting system adapted to work, and this system is being built on the basis of international requirements. The main purpose of accounting is to determine the competitive tolerance of economic entities in the conditions of a market economy, to calculate their costs and to focus on the financial results of their activities. For the cultivation of products, raw materials, materials, fodder, labor, etc. are spent. Hence, the expression of the cost of production spent on the cultivation of the product in the form of money is called the cost of the product. Tannarch is considered one of the main indicators of economic activity. Product cost is the most important consequential indicator. With its help, the influence of factors such as improving economic accounting, rational organization of production, etc. is manifested. Costs occupy a special place in improving production efficiency. 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 occurrence of types and Substances of cost in enterprises depends on their main financial and investment activities. Production the costs of the enterprise will consist mainly of the costs of payment of raw materials, materials, fuel and labor.

In our republic, the cost articles are based on the regulation “on the composition of the costs of production and sale of products (work, services) and the procedure for the formation of financial results” approved by the decree of the Cabinet of Ministers of the Republic of Uzbekistan No. 54 of February 5, 1999. Based on this statute, all cost articles can be expressed as follows.

1. Costs included in the cost of production of products: direct and indirect material costs; direct and indirect labor costs; other direct and indirect costs, including premium costs in the direction of production;
2. Period costs: sales costs; administrative costs; other operational costs.
3. Costs by financial activity: costs by interest negative exchange rate differences arising from foreign currency operations; reassessment of funds invested in securities; costs by financial activity.
4. Emergency damage.

The costs added to the cost of production of products represent the cost of natural and labor resources, raw materials and materials, fuel and energy, fixed assets and other costs associated with production or processing a product (work, service). These costs are grouped according to their economic content in the following order: material costs of production; costs of remuneration for labor of a productive nature; social insurance deductions that apply to production; depreciation of fixed assets and intangible assets of production importance; other costs that are absorbed by the importance of production. The costs that are included and not included in the cost of production of products, based on the above-mentioned Regulation, are broadly categorized as follows:

1. Labor costs (with deductions), the composition of which includes the following substances:

- payment of the received cocktail according to the system and forms of tariff rates and position salaries, calculated in practice for the work performed or for the time spent on the cocktail khaki;
- Masters added to tariff rates and salaries for professional skills and complexity;
- includes various homogeneous Masters, surcharges, corrections, etc., installed according to the mode and conditions of operation.

2. Material costs. Costs of cocktail redmets: seeds and seedlings produced and purchased in the farm, fodder produced and purchased in the farm for feeding goods and Paranda, waste products of Agriculture-novoz, etc.; mineral fertilizers, bacterial and other prerarates; electroenergy from petroleum products, fuel, foreign and own power plants; other material costs, including materials and spare parts for repair; means of crop production, medikaments and prerarats, special work clothes; wear of low-value, fast-flowing objects; raw materials and materials of auxiliary industrial production or services of a productive nature, which are most common to foreign enterprises and organizations, as well as the costs of head auxiliary industrial enterprises and repair workshops that stand on the economic balance sheet.

3. Depreciation of fixed assets . Based on the initial value of the main tools, the costs calculated in the norms, this also includes deductions on the facilities assigned to catering enterprises, medical outpatient clinics and other institutions for the use of berul.

4. Insurance payments, including crops, goods and other properties include sugurta contributions, as well as Employee Insurance.

5. Other expenses include a single land tax, employee business trip fees, inventive spending, offer incentive costs, fire and guard service maintenance; student styrendia sent to institutions and colleges, deductions to higher organizations, and other expenses.

Conclusion. In general conclusion, at the moment, the main hujat, which takes into account their activities in all farm oxen of our Republic – “the composition of the composition and financial results of expenses that are added to the cost of a product (work, service), related to its production and sale, are determined for the following purposes:

- Net and accurate data on the costs incurred during the production and sale of products directly in accounting documents and schemes;
- Calculation of the profitability of the activities of farm oxen; determination of competitiveness;
- Correct determination of the basis of taxation;

Production costs are divided into elements and calculus substances, depending on their function. Grouping by elements to determine the cost of production according to their economic content and draw up appropriate estimates for it serves. And grouping by calculus substances is needed to calculate the cost of a product. In enterprises, costs are divided into production and non-production costs. Production costs include costs directly related to the preparation and processing of products, and non-production costs include the costs of cultural and domestic facilities. The above points out that accounting in the structure indicates that costs are grouped for purposes in different directions. The widespread introduction of this in practice allows managers to make their decisions based on production management.

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