

Financial Report and its Comparative Analysis

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Abstract: This article shows an analysis of the financial condition of businesses subjects, compliance with foreign practice, important assessment issues economic and financial activities and business efficiency based on financial reporting data.

Keywords: analysis, financial analysis, financial analysis status, financial statements, financial reports, elements of financial reporting, financial statement applications, accounting standards, international financial reporting standards, financial stability, liquidity, solvency, profit, net profit, profitability, leverage, business activity, financial ratios, comparative analysis.

Introduction.

Domestic and foreign on the financial situation and its analysis the number of publications published by the authors is so large on the basis of their study, one conclusion can be reached, that is, economy operational efficiency of operating entities and its effectiveness evaluation is always done by a wide range of stakeholders (managers, property owners, etc.) counterparties was one of the important issues in their attention.

Financial not only by analyzing the situation and changes in it to the effectiveness and efficiency of the processes, but also to them future expectations are also predicted. And this is competitive becomes more important in economic conditions.

The effectiveness of the analysis of the financial situation is its information supply and determined by the quality of sources. Information supply the main source is the financial report. Financial reporting Assets, capital and liabilities, income and expenses are known aggregated, balanced, sorted by liquidity, from the periodic reporting forms and attached to them consists of sources.

Financial status of economic entities and changes in it similar aspects of Uzbek and foreign practices in evaluation and analysis a lot. Because the global economy requires accounting, auditing and also requires unification in the analysis system. For the same reason accounting and auditing, financial statements international standards have been developed and are being implemented. That is, international economic a single "business language" of communications has been officially formed. Because of this and the market economy is all developing on the basis of legal rules analysis of the financial situation and changes in the states is organized, even though they are different in terms of methodology, they are kept together in terms of content.

The main differences in the analysis of the financial position of the economy in different operating conditions, accounting reports and in the rules of their composition, methodological aspects and more theoretical can be seen in the basics.

There are many differences in terms of business conditions aspects can be observed. First of all, the system is economic characterized by different aspects of development and management.

The different aspects of running a business are necessarily the flow of information significantly affects the actual state of formation. one, large, medium and small business entities. The inclusion itself varies greatly between countries. In Uzbekistan, business entities are divided into one (small) or one (large) composition. The current procedure of introduction depends on the number of employees, 1 from one person to 200 people. This situation is definitely a flow of information has a significant impact on the mandatory procedures of formation. Because small business entities annual financial report for the whole year, large and business entities are obliged to prepare quarterly.

Small business entities are also considered (small enterprise and microfirms) enterprises according to Article 25 of the Law "On Accounting" in accordance with Article "Accounting" (Form 1) and "Financial results submit an annual financial report consisting of a report" (Form 2) they reach

In developed countries, the main task of accountants is the enterprise information obligations to the state (financial, tax, customs, through statistical reports) not to solve but primarily property aimed at ensuring effective management of the owner and managers aimed at solving tasks.

Similar to the analysis of the financial position and changes in it aspects of content which is an important principle of accounting can be explained by the principle of superiority of form. Developed countries Business entities in Uzbekistan with their financial statements number of financial reporting forms prepared by and their there is no difference in naming. In this respect, the United States, Russia and Financial reports prepared and presented in Uzbekistan we can give a comparative analysis.

Table 1 Financial reports and their content

USA	RUSSIA	UZBEKISTAN
Balance-sheet	Balance-sheet	Balance-sheet
About profits and losses report	About profits and losses report	Regarding financial results report
On capital change report	On capital change report	About private capital report
Movement of funds report on	Movement of funds report on	Statement of cash flows
Account policies and explanations	Appendix to the accounting balance sheet	Notes, calculations and explanations

The accounting policy of an organization, developed by each organization independently and approved by management, is a document containing a set of specific principles, basic conditions and rules adopted by the organization for the preparation and presentation of financial statements. The main goal of developing these rules and principles is to ensure the reliability of information about the results of operations and financial position of the organization, characterized by the completeness of the reporting of all significant indicators, events and transactions, the presentation of significant information to the user, and compliance with the principle of neutrality and prudence when drawing up individual reporting forms. [1]

Integration of Uzbekistan into the world economy requires important changes in the policy. That's it from the point of view, the structure of national standards should be noted separately. To date, more than 20 national accounting standards have been adopted and are being implemented. Financial status and in it This method of evaluating changes is certainly a response to many uncertainties allows to find. Including recognizing assets, income and expenses acquisition, determination of real value of property and fair valuation, assets composition according to liquidity and their reflection in financial statements determining the procedures for following the general approaches in procedures gives. But at the same time accounting and which is used in foreign practice in the preparation of financial statements standards (IFRS), applicable in individual countries and territories (GAAP) significant differences can be seen in

the general requirements. This too certainly has a significant impact on the analysis of the financial situation and its content. [2]

Accounting standards accounting and defines the minimum requirements for the preparation of financial statements. National accounting standards also include accounting especially in connection with the organization, management and preparation of financial reports determines the requirements. Some economic entities are the law in documents (Article 10, paragraph 3 of the Law "On Accounting" paragraph) to the international standards of financial reporting in the prescribed manner formation and disclosure of the information base possible. This is direct, analytical about the financial situation and changes in it is an important issue in forming conclusions. Economy in evaluating the effectiveness and efficiency of its subjects aspect approaches the comparative level of business at the international level, provides analysis of information. [3]

The basis of financial statements that are prepared and presented in practice form "Accounting balance sheet" (Form 1) according to the formal structure and content does not fundamentally differ from foreign practice.

Many authors assess the financial condition of economic entities accounting balance sheet and its composition, which is an important source of giving when determining the structure, again according to the level of liquidity of assets to be structured and understandable for a wide range of interested people note that it is necessary. There are also some methodological aspects of financial analysis differences are observed. But in most cases they are the same can be observed. [4]

In its financial activities, an enterprise can raise funds using certain financial instruments. Financial instruments are not is nothing more than an agreement as a result of which a financial asset arises in one enterprise and a financial liability or equity instrument of another. So same applies to each of them, financial assets are usually classified as: monetary funds, an equity instrument of another entity, a contract to receive money or other financial asset, contract to exchange financial instruments for potentially favorable conditions. [5]

In assessing the financial situation in Uzbekistan and foreign practice the following content index system is used. The following are them indicators include:

1. Liquidity indicators. These indicators in international practice system is called "liquidity ratios".
2. Indicators of financial stability. This is in international practice. The system of indicators is called "financial leverage", in some sources it is called "leverage called "ratios".
3. Profit, profitability indicators. This is in international practice the indicator system is called "profitability ratios".
4. Work activity indicators. These indicators in foreign practice system is called "efficiency ratios".

It can be concluded from the above that Uzbekistan and international In practice, the analysis of the financial situation is sharp in the system of indicators there are no differences. What is the problem. The problem is their single system lack of implementation and a number of methodological and methodological foundations it can be said that it differs.

Liquidity ratios.

Studies published in Uzbekistan and the countries of the former union as a result of observing the literature, it should be noted that in practice 3 important indicators of liquidity are determined. Absolute (quick), intermediate and current liquidity ratios.

Absolute (quick) liquidity.

This indicator is cash and short-term financial is found based on the division of investments into short-term liabilities. This own the following lines according to the "Accounting balance" which is created in practice includes.

$$K11=f+shfi/cl$$

f-funds

cl-current liabilities

This indicator is the prompt payment of current liabilities represents the necessary part.

Quick liquidity.

$$K12= f+shfi+ar/cl$$

ar- accounts receivable

Current liquidity.

This indicator is also called the coverage ratio.

$$K13=ca/cl$$

ca- current assets

Often additional indicators in the assessment of liquidity indicators is also included. Among them with their working capital a factor of provision can be entered.

$$Kawc=sow-lta/cl$$

sow- source of own funds

lta- long-term assets

Kawc- working capital ratio

Current of the enterprise on the liquidity of the accounting balance The ratio of assets and liabilities is also evaluated in the following composition possible.

Table 2 Liquidity of assets and their relative expressions

Assets	Compositi on and content	Passives	Comp ositio n and conte nt	1	2	3	4	5
A3	Slow money rotating assets	P3	Long term obligations	A3/P3	A1+A2+A3 /P1+P2+P3 current liquidity	A1 - P1 +A 2- P2 +A 3/P 3	A1- P1+A 2- P2+A 3- P3/P3	A1/P1+ A2/P2+ A3/P4
A2	For quick money rotating assets	P2	Short term obligations	A2/P2	A1+A2/P1+ P2 quick liquidity	A1 - P1 +A 2/P 2	A1- P1/A2 -P2	A1/P2+ A2/P2
A1	Permanent in action	P1	Credit orship	A1/P1	A1-P1/P2	A1 -	x	x

	assets		obligations			P1- P2/ P3		
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Five as important indicators of liquidity in international practice the indicator is defined. 3 of them are absolute liquidity, fast and fully compatible with current indicators. That is, this content there is almost no difference in the indicators (they have more, the only one of liquidity indicator is determined). The other two are assets of working capital ratio coefficient and interval estimation is the coefficient.

The ratio of working capital to total assets is as follows will be calculated in connection.

Working Capital/Assets.

The following links in determining the interval evaluation coefficient is calculated.

$f + shfi + ar / tc / 365$

tc- total costs

The above two content indicators are not calculated in the practice of Uzbekistan.

Different aspects of liquidity and solvency indicators not in number or definition, but in terms of their level of standards can also be seen in the definition. These indicators (absolute, rapid and current liquidity) norms are given differently in different sources. But they should be higher than 0.2, 0.7, 2.0 on a general basis

will be done. The standard level of these indicators in foreign practice not specified. Also, balance in foreign practice for liquidity composition and their absolute differentiation in relation to substances not calculated. Accounting balance asset by liquidity important attention in Uzbekistan and the CIS countries is focused. This is the arrangement of assets, capital and liabilities in the following order refers to composition.

Table-3 Composition of assets by liquidity

Assets	Capital	Obligations	The norm
Long term assets (A4)	Own funds source (P4)		$A4 \leq P4$
Current assets: - the goods are material reserves (A3) - receivables obligations (A2) - funds and financial bets (A1)		Long term (P3) Current liabilities: - short-term (P2) - creditor (P1)	$A3 \geq P3;$ $A2 \geq P2;$ $A1 \geq P1;$

The general condition for the balance to be liquid is as follows:

$A4 \leq P4; A3 \geq P3; A2 \geq P2; A1 \geq P1$

In all other cases, liquidity depending on their change absolute and relative expressions are evaluated.

Leverage ratios.

On the assessment of financial stability in the practice of Uzbekistan as a result of studying the system of indicators, it should be noted that the system of indicators of financial stability is different in different sources is brought. It is difficult to say their exact number. But still one in

relation to the components and aggregated lines of the balance sheet can be put into the system. Indicators characterizing financial stability system can also be grouped according to the following two contents.

1. On the structural structure of assets, capital and liabilities indicators of financial stability. Among them is financial independence (autonomy), financial dependence, ratio of own and debt funds, compensation coefficient and other indicators can be entered. This line as indicators characterizing financial stability sources include long-term assets, current assets, sources of equity and the order of separate composition of indicators related to obligations defined.
2. Stability in relation to asset financing indicators. With their working capital to these indicators availability, maneuverability coefficient, own inventory financing at the expense of funds, cash of net current assets that is, through the ratio of its working capital to various assets and capital includes calculated coefficients.
3. Of course, similar aspects are observed in the first composition. But, indicators on the second content are not used in foreign practice.

In foreign practice, as well as the determination of the company's profit, EBIT, EBITDA procedures are defined.

Procedures for calculating and evaluating these indicators implementation in the practice of Uzbekistan (Ministers of the Republic of Uzbekistan No. 207 of the Court dated July 28, 2015 "State share was activities of joint stock companies and other economic entities from the Decision and Regulation on the criteria for evaluating the effectiveness) usage is defined and recommended. EBIT based on statutory designation, EBITDA indicators by performing the following calculations is found.

Net profit

+profit tax payment

- the refundable part of the profit tax

+extraordinary profit

- emergency damage

+interest paid

- interest earned

=EBIT

+depreciation allowances for tangible and intangible assets

- revaluation of assets

= EBITDA

The higher this indicator, the better for the company will be according to all indicators of financial stability, Uzbekistan and Standard practice of the countries of the Commonwealth of Independent States are used to determine the levels. But this practice is international not used in the experiment.

Another important difference in assessing financial stability it is also characterized by their study in absolute terms. This is it three important indicators of financial stability are evaluated in order. These indicators include:

Liquidity of own working capital (LOWC);

LOWC=SOF-LA

In this case: SOF - source of own funds;

LA - long-term assets.

Reserves and expenses at the expense of own and borrowed funds source of financing (OBFSF);

$OBFSF = LOWC + LTLD$

LTLTLD - long-term loans and debts

Funding of reserves and expenses from aggregate sources source (EAS):

$EAS = OBFSF + SHTLD$

SHTLD - short-term loans and debts (including goods delivery account books with suppliers and contractors are also included)

Adequacy of funds in sourcing reserves and expenses and the lack can be calculated using the coefficient method. The ratio method is the situation in the financing of reserves and expenses comparative study is important in studying its positive shifts.

Provision of reserves and expenses with own working capital ratio of current assets with own working capital is a component of the supply ratio.

Reserves and expenses from appropriate sources based on the current state of financing of the enterprise the level of stability can also be assessed. The applicable norms are as follows based on conditions.

Efficiency ratios.

Uzbekistan and there is no difference at all between foreign practices. Assets, capital and turnover of liabilities in two expressions viz., turnover is evaluated by the coefficient and the index of rotation periodicity. The only one the difference is their number. In the practice of Uzbekistan relatively many indicators of turnover coefficients are determined.

Theoretically and practically, it is difficult to determine their exact number. Financial among the indicators to which important attention is paid in assessing the condition total assets (asset turnover ratio), current assets, commodity material reserves, goods, accounts receivable turnover ratios and rotation periodicity indicators can be entered. In foreign practice These indicators are among the most calculated indicators is entered.

Profitability ratios.

There are no significant changes in this content either. In practice,

its different value levels are taken as profit indicators. For example operating profit, profit before tax, net profit, etc. Its usually performance against cost, assets and capital is evaluated. Own in turn, their structural indicators are evaluated. Identifiable the indicators are significantly different from the foreign practice in terms of numbers.

In the practice of Uzbekistan, many types of profitability are used and this aspect also varies by sector and activity level. As the most calculated indicators: sales profitability; assets profitability; return on tangible and intangible assets, equity and debt capital profitability; cost profitability, profitability of fixed assets, current return on assets is considered. Net profit in the foreign operation of the profit, profit before taxes, profit before taxes and interest (EBIT, EBITDA) indicators are used.

Another important aspect is that commercial enterprises in foreign practice, special emphasis on market value analysis of companies' performance is given. These indicators include: net profit in circulation ratio to the number of shares; weight of dividend payments in net profit; of annual dividend payments on shares to their average market value proportion; of the market price of the stock and net per share profit ratio indicators are included. Based on these indicators market activity indicators of firms and companies are assessed. In the practice of Uzbekistan, this type of analysis is an assessment of the financial situation does not fall within the scope of issues and is important for operational efficiency are studied separately in terms of indicators. This is

analytical benchmarking, essentials of benchmarking and the importance of the participation of enterprises in the financial market determined by the level of activity. That is, market activity investment activity, attractiveness by evaluating indicators indicators are evaluated.

When assessing the financial situation in foreign experience, often large and famous firms and companies (Coca-Cola, PepsiCo, General like electricity, Adidas, etc.) the entire analytical process carried out and introduced in the final conclusion of this firm, companies The situation is diagnosed and the future development of the company, financial important strategies for increasing power are given.

The financial status of enterprises is complex in the practice of Uzbekistan learning practices are rarely addressed. Any in the source, it was considered an important locomotive in the economy of Uzbekistan enterprises (Mining and Metallurgical Combines, Railways of Uzbekistan, (in the example of Uzbekistan's airlines and automotive enterprises) You will not find real analytical conclusions based on the data.

Often these actions are based on approximate, invented sources will be released. This difference is not only based on the real sources of the objects of analysis but it is also observed in dynamic changes over the years. Also foreign analysis practice of firms, companies' activities and networks Special attention is paid to the different aspects of the joints.

Another important difference in foreign practice is indicators in different names (current assets, current assets, turnover assets, current liabilities of short-term liabilities, long-term assets, called liabilities non-current assets in the form of immobilized assets naming etc.), in the composition (long-term and current assets, own source of funds and obligations, financial result from the main activity, income and expenses from operational activities), in the procedures of identification (gross profit, main activity result, general economic activity result, profit before tax, net profit, EBIT, EBITDA) different aspects can also be classified with Therefore, in printed sources data in the calculations of indicators of financial statements. It should also be clearly indicated which form and lines it is taken from. This way only it is possible to ensure their accuracy and uniformity.

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