

Improvement of Accounting of Biological Assets in Agricultural Enterprises

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Abstract: In today's environment of globalization and integration, one of the most important accounting objects in the structure of the assets of economic entities operating in the agricultural sector is biological assets. Therefore, the correct organization of the account of biological assets, their evaluation, accounting in the agricultural sector and showing them in financial reports remains one of the priority tasks today.

Keywords: globalization, integration, agricultural sector, economic entities, assets, biological assets, evaluation, financial reporting, priorities.

Introduction:

In accounting, there is the concept of "Fixed assets", and the existence of the main devices, equipment and technologies, as well as buildings and real estate structures belonging to the organization and the enterprise, in the case of the organization of each organization or enterprise. is required. These mentioned are considered as the main tools.

Property, plant and equipment - purpose, content and main provisions of IAS 16 The purpose of this standard is to determine the procedure for accounting for property, plant and equipment so that users of financial statements can understand the investments made in the property, plant and equipment of a business entity and information about changes in such investments. The main issues in accounting for fixed assets are recognition of assets, determination of their balance sheet value and recognition of depreciation expenses and impairment losses. This standard should be applied to the accounting of fixed assets, except when other standards require or allow special accounting of fixed assets.

Methodological analysis: International Accounting Standard No. 41 is called "Agriculture" and its purpose is to define the accounting approach and disclosures related to agricultural activities.

The table below provides examples of biological assets, agricultural produce and post-harvest processing products.:¹

Biological assets	Agricultural harvest	Products obtained as a result of processing after harvesting
Sheep	Wool gauze	Spinned yarn, carpet
Trees in an arboretum	Cut down trees	Timber, sawn boards
Plants	Cotton	Thread, clothes
	Collected reeds	Sugar
Livestock	Milk	Cheese
		sausage products,

¹ IAS 41 (Buxgalteriya hisobining xalqaro standarti 41) Qishloq xo'jaligi (tarjima). www.mf.uz – O'zbekiston Respublikasi Moliya Vazirligi

Pigs	Meat	Canned meats
Shrub plants	Leaf	Tea, dried tobacco
Grape trees	Grapes	Wine
Fruit trees	Picked fruits	Processed fruits

International Accounting Standard No. 41 "Agriculture" uses terms with the following defined meanings:

- Agricultural activity is the management of the biological transformation and harvesting of biological assets for sale or conversion into agricultural crops or additional biological assets by a business entity.
- Agricultural harvest is the collected product of the biological assets of the business entity.
- A biological asset is a living animal or plant.
- Biological transformation - includes growth, reproduction, production and reproduction processes that cause qualitative and quantitative changes in biological assets.
- Selling costs are additional direct costs associated with writing off an asset, in addition to financing costs and income taxes.
- A group of biological assets is a collection of similar living animals or plants².
- Harvesting is the separation of a product from a biological asset or the end of the life cycle of a biological asset.

Book value is the value of an asset as recognized in the statement of financial position.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an ordinary transaction between market participants at the measurement date. (See IFRS 13 Fair Value Measurement.)

Government grants - have the same definition as defined in IAS 20 Accounting for Government Grants and Disclosure of Government Assistance.

The criteria for evaluating biological assets in the agricultural sector are as follows:

An entity shall recognize a biological asset or agricultural product only when:

- a) if the business entity controls the asset as a result of past events;
- b) if there is a possibility of future flow of economic benefits related to the asset to the business entity; and
- c) if the fair value or cost of the asset is reliably estimated.

A biological asset must be valued at its fair value less costs to sell at initial recognition and at the end of each reporting period, except for the case where it is not possible to reliably estimate the fair value specified in paragraph 30.

The agricultural harvest collected from the biological assets of the business entity should be valued at fair value less selling costs at the point of collection. Such valuation is the cost at that date applying BHXS 2 "Inventories" or another relevant Standard.

² IAS 41 (Buxgalteriya hisobining xalqaro standarti 41) Qishloq xo'jaligi (tarjima). www.mf.uz – O'zbekiston Respublikasi Moliya Vazirligi

During the initial recognition of a biological asset at its fair value less costs of sale, and as a result of changes in the fair value less costs of sale, profit or loss should be included in the profit or loss of the period in which it occurred.

There is an assumption that the fair value for a biological asset can be reliably estimated. However, this presumption can be rebutted only upon initial recognition of a biological asset when established market prices for such biological asset are not available or when alternative estimates of fair value are determined to be clearly unreliable.

In this case, the biological asset should be valued at cost less accumulated depreciation and accumulated impairment losses. When it is possible to reliably estimate the fair value of such a biological asset, the business entity should estimate it at fair value after deducting costs of sale.

When a long-lived biological asset meets the criteria for classification as held for sale (or is included in a write-off group classified as held for sale) in accordance with IAS 5 Long-lived assets held for sale and discontinued operations, it is assumed that the fair value is reliably can be evaluated.

Organizations should disclose the total amount of profit or loss resulting from changes in the actual value of biological assets and agricultural products, excluding the costs of selling biological assets.

The organization shall provide information on differences between consumable biological assets and yielding (productive) biological assets, as well as biological assets intended for sale and biological assets intended to be given on a gratuitous or nominal value basis. should reveal.

Results and discussion:

The acceleration of the processes of globalization and integration in the whole world creates the need for the transition to international norms and standards and the strengthening of requirements to follow them. These factors are directly related to generally accepted accounting and reporting. Taking these factors into account, regulatory legal frameworks are being created in our country. In particular, in the draft decision of the President of the Republic of Uzbekistan "On approving the concept of socio-economic complex development of the Republic of Uzbekistan until 2030", the GDP per capita should be doubled in 2030, the rate of economic growth will increase. average annual growth of 6.4 percent, capital investment 9.9 percent, export 9.6 percent, and increase of agricultural products by 1.8 times, as well as implementation of standardization of agricultural products and national standards adaptation to international standards is envisaged.

In particular, one of the most important factors is to adjust the accounting of biological assets and products derived from them to international standards.

In reporting, organizations divide biological assets into mature and immature biological assets.

An entity shall disclose the following information, if it is not disclosed with the financial statements presented:

1. according to the nature of its activity related to each group of biological assets;
2. parameters of non-financial assets expressed in natural form or calculation indicators:
 - 2.1. by the end of the reporting period for each group of biological assets of organizations;
 - 2.2. according to the volume of agricultural products produced during the reporting period.

Organizations must disclose information on the method and main directions used to determine the true value of each group of agricultural products at the time of collection (harvesting) and each group of biological assets.

In relation to agricultural products received (collected) during the reporting period, the organization must show the actual value of this product, minus the sales costs determined at the time of receipt (collection).

The business entity must disclose the following related to the agricultural activities covered by this Standard of BHXS No. 41:

Conclusion:

Today, as a result of the reforms implemented in our country, as well as fundamental changes in the field of ownership, it is considered important to form financial reports of all types of business entities, regardless of the form of ownership and industry, in accordance with national standards and international standards. , moreover, it will be possible for foreign investors to familiarize themselves with each financial report prepared according to international standards, and it will also create an opportunity for them to add their necessary investment to these reports. Financial reporting in accounting is an information system that determines the financial data of a certain business entity, redevelops them, and delivers the necessary information to users interested in the financial status of the entity operating in the form of financial statements.

We can see the practical results of these accounting works in the activities of farmers and clusters operating in the agrarian sector today. The role of foreign investments in further improving their activities and forming them with modern methods is an important requirement of today's economy. This requirement determines the urgency of reporting economic entities operating in the agrarian sector, introducing information about them on the basis of international standards.

List of used literature.

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