COMPILATION OF REPORTS ON FINANCIAL ASSETS AND THEIR CONTROL

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Intruduction. In this article it was given Effective financial resource management is increasingly important for transparency and accountability in both public and private sectors. Financial asset reporting is vital not only for accounting purposes but also for strategic decision-making and organizational stability.

In Uzbekistan, the shift to treasury execution of the state budget has restructured how funds are managed in budget organizations. This system, established by law in 2004, consolidated financial resources into unified treasury accounts, requiring new approaches to financial reporting and control.

This paper explores key issues in the preparation and oversight of financial asset reports within this reformed system.

Today, the importance of reporting and controlling financial assets is increasing in ensuring effective management of financial resources, transparency and accountability in the activities of the public and private sectors. Changes in global financial markets, the introduction of digital technologies and the processes of adaptation to international reporting standards require accurate, reliable and timely presentation of financial information. From this point of view, reporting on financial assets is not only an accounting function, but also an important tool in the process of financial stability of the organization and strategic decision-making. The improvement of control mechanisms is a decisive factor in ensuring the effective use of assets, reducing financial risks and strengthening the trust of stakeholders.

In our country, the effective system of public financial management includes the transfer of the budget to the treasury, which includes the funds of organizations receiving funds from the budget. In this regard, a procedure has been established for the consolidation of budget funds in the treasury departments. In the implementation of budget organizations' estimates of income and expenses, accounting for financial assets, that is, cash, is of particular importance. As is known, the adoption of the Law of the Republic of Uzbekistan "On Treasury Execution of the State Budget" of August 26, 2004 and the gradual transition to treasury execution of the State Budget on this basis led to changes in the accounting of cash by organizations receiving funds from the budget. That is, the budget and extra-budgetary accounts of budget organizations in banks were closed and cash was transferred to a single treasury account. As a result, personal accounts were opened for each budget organization in the treasury bodies for the sources of funds and settlements are being carried out. In the conditions of treasury execution of the state budget, improving the accounting of financial assets, that is, cash, in budget organizations is carried out by studying their theoretical and practical aspects. Based on this, the topic of the master's thesis is relevant.

The level of study of the problem. The issue of organizing financial asset accounting in budget organizations in the context of treasury budget execution has been studied by domestic and foreign economists.

Among the authors of scientific research devoted to these problems are J.A. Kuchkarov, S.U. Mehmonov and others. At the same time, today the issue of improving financial asset accounting in budget organizations in the process of developing the treasury system in the execution of the state budget is relevant. Therefore, this topic was chosen as the subject of research.

Methods of research work. The article uses scientific abstraction, induction, deduction, comparative analysis and other methods.

Main part. The preparation and submission of monthly, quarterly and annual financial reports on the implementation of budget and extra-budgetary funds in budget organizations is regulated by the “Rules for the preparation, approval and submission of periodic financial reports of organizations financed from the state budget of the Republic of Uzbekistan” (registered by the Court of Justice of the Republic of Uzbekistan on September 27, 2011 under No. 2270).

Annual financial reports are prepared as of January 1 of the year following the reporting year. Quarterly financial reports are prepared as of April 1, July 1 and October 1 of the reporting year, monthly financial reports as of the first day of the month following the reporting month.

Budget organizations prepare the following reporting forms on extra-budgetary funds:

Report on the movement of funds on the development fund of a budget organization;

Report on the movement of funds on the fund for material stimulation and development of medical institutions;

report on the movement of funds received from the payment-contract form of training in educational institutions;

report on the movement of other extrabudgetary funds.

The report on the movement of funds for the development fund of the budget organization includes the income received from the production and sale of products (work, services) by the organizations during the reporting period according to the type of activity, from the rental of temporarily unused buildings and other state property, receipts from sponsorship (gratuitous) assistance provided by legal entities and individuals to budget organizations, as well as budget funds saved and transferred to the development fund on the last working day of the reporting quarter is constructed to reflect the action.

Before drawing up the form of the report on the movement of funds for the development fund of the budget organization, organizations:

the completeness of preliminary documents regarding the production and sale of products (work, services) in accordance with the type of activity during the reporting quarter, the leasing of temporarily unused buildings and other state property, the sponsorship (unbiased) assistance provided by legal entities and individuals to budget organizations, as well as the budget funds saved on the last working day of the reporting quarter;

checks the accuracy of the extracts from the accounts and the data of the relevant accounting registers.

In the line "1. Balance of funds at the beginning of the year", the balance of funds available for the development fund as of the first date of the reporting year is reflected in accordance with the extracts from the relevant accounts. In this case, the remaining funds belonging to the organization in the relevant transit accounts of the treasury departments should also be taken into account.

In the line "2. Revenues received during the reporting period - total", the sum of all incomes (revenues) received during the reporting period in lines "a, b, c and d" is indicated.

In the line "a) from the production and sale of products (works, services)", organizations indicate the total revenues (revenues) received from the production and sale of products (works, services) by type of activity.

In the line "b) from renting out temporarily unused buildings and other state property", organizations indicate their income (money) from renting out temporarily unused buildings and other properties.

In the line "v) at the expense of sponsorship (gratuitous) assistance provided by legal entities and individuals to budget organizations" the sponsorship assistance received from sponsoring organizations and individuals is shown to the account of the Budget Organization Development Fund.

In the line "g) from budget funds saved on the last working day of the reporting quarter" the sum of the part of the funds saved on the last day of the reporting quarter, provided for in the cost estimates of organizations in accordance with the law, is transferred to the account of the Budget Organization Development Fund.

In the row "3. Cash expenses incurred during the reporting period - total", the amount of total cash expenses reflected in column 4 "Cash expenses - total" is indicated.

In the row "4. Cash balance at the end of the reporting period", the difference between the cash expenses incurred at the expense of the sum of the revenues reflected in the rows "1. Cash balance at the beginning of the year" and "2. Revenues received during the reporting period - total" is indicated (the amount in the row "3. Cash expenses incurred during the reporting period - total").

In the "Spread of expenses", cash and actual expenses incurred at the expense of the Development Fund funds are reflected by expense items, sub-items and elements of the economic classification of expenses presented in this reporting form.

This reporting form is submitted by organizations quarterly by the 10th of the month following the reporting quarter.

The report on the movement of funds received from the paid-contract form of education in educational institutions is intended to reflect information on the movement of funds received from the paid-contract form of education in higher educational institutions.

Before compiling this report, higher educational institutions check the following for accuracy:

the completeness of all primary documents on the formation and expenditure of funds received from the paid-contract form of education;

the correspondence of analytical accounting data to the corresponding synthetic accounting data;

the completeness and correctness of the data of the corresponding accounting registers.

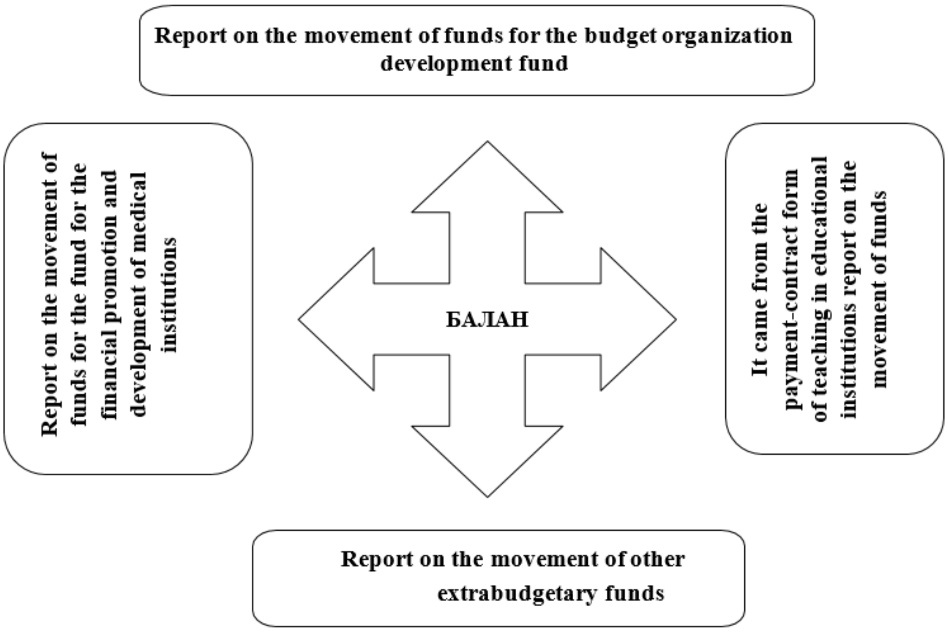

Figure 1. Forms of reports on extra-budgetary funds of budget organizations

The line "1. Balance of funds at the beginning of the year" reflects the balance of paid-contract funds available as of the first date of the reporting year in accordance with extracts from the relevant accounts.

In the row "2. Revenues received during the reporting period - total" the sum of revenues received during the reporting period in rows "a, b and c" is indicated.

In the row "3. Cash expenses incurred during the reporting period - total" the sum of total cash expenses reflected in column 4 "Cash expenses - total" is indicated.

In the row "4. Cash balance at the end of the reporting period" the difference between the sum of revenues reflected in rows "1. Cash balance at the beginning of the year" and "2. Revenues received during the reporting period - total" and the cash expenses incurred (the amount in the row "3. Cash expenses incurred during the reporting period - total) is indicated.

In the “Spread of Expenses”, cash and actual expenses incurred at the expense of payment-contract funds are reflected in the expense items, sub-items and elements of the economic classification of expenses presented in this reporting form.

This reporting form is submitted by organizations quarterly by the 10th of the month following the reporting quarter.

The report on the movement of other extra-budgetary funds is intended to summarize and analyze information on the movement of the following extra-budgetary funds of organizations:

Funds of the extra-budgetary Pension Fund under the Ministry of Finance of the Republic of Uzbekistan for the payment of social benefits;

Amount of receivables received in previous years;

Receipts from parents for child support in preschool educational institutions;

Receipts from parents for child support in out-of-school institutions (music and art schools);

Receipts from employees, from settlements for meals at their place of work;

receipts from parents for the maintenance of children in boarding schools and lyceums;

extra-budgetary funds of ministries and agencies formed at the expense of allocations;

extra-budgetary funds from textbook rental fees in general education institutions;

deposits on capital investment funds;

fees charged for meals from patients being treated in stable treatment-prophylactic institutions;

parents' payment for child support in other educational institutions;

other non-budgetary funds of budgetary organizations;

grants, humanitarian aid and technical assistance;

loans.

Before preparing the report, organizations:

check the completeness of primary documents on the sources of formation and expenditure of all these extra-budgetary funds during the reporting quarter;

check the extracts from accounts and other relevant accounting registers.

In the column “Balance of funds at the beginning of the year”, organizations reflect the available balance of funds as of the first date of the reporting year for all extra-budgetary funds presented in the reporting form.

In the column “Income (revenue) received during the reporting period - total”, they reflect the revenues received by the organization’s accounts during the reporting period, separately for all types of extra-budgetary funds presented in the reporting form.

In the section “Spread of expenses”, they reflect the cash and actual expenses incurred during the reporting period at the expense of these extra-budgetary funds, separately for each type of extra-budgetary funds, by expense item, sub-item and element of the economic classification of expenses.

This reporting form is submitted by organizations every quarter by the 10th of the month following the reporting quarter.

Financial reports submitted to a higher-level organization are signed by the head and chief accountant of the reporting organization. In centralized accounting, financial reports are signed by the head of the management body or organization in which it was established and by the chief accountant of the centralized accounting.

In this case, the relevant financial reports of organizations transferred to the treasury, including reports on the movement of extra-budgetary funds, are approved by the Treasury departments in the established procedure.

Control over accounting of financial assets in budget organizations is carried out in accordance with the established procedure by the Control and Audit Department of the Ministry of Finance of the Republic of Uzbekistan and its territorial departments. The control and audit process is carried out on a plan basis, acts are drawn up based on the results, and in the subsequent process, budget organizations determine measures to eliminate the identified shortcomings.

In order to prevent shortcomings, budget organizations pay special attention to the internal control system.

In budgetary organizations, internal control of financial assets is ensured by establishing an accounting service based on the requirements of current legal documents, while their availability is monitored by conducting an inventory.

As is known, the main purpose of inventory is to determine the actual existence of property, compare the actual property with accounting data, and verify the correctness of the reflection of obligations in the accounts.

An inventory of financial assets is carried out mainly on cash in the cash register and on persons financially responsible for monetary documents.

An inventory must be carried out in the following cases:

when materially responsible persons change (on the day of acceptance -

handover);

according to the inventory plan;

before drawing up the annual financial report.

In accordance with the established procedure, cash, monetary documents, assets and forms of a strict account are inventoried once a month. The composition of the inventory commission for conducting the inventory is approved by the head of the organization on the basis of an order.

To conduct an inventory, permanent inventory commissions are formed in budget organizations, consisting of: the head of the budget organization or his deputy (chairman of the commission); chief accountant; other specialists (engineers, economists, technicians, etc.).

The composition of the permanent inventory commission is approved to monitor the state of cash in the cash register, and a random inventory is conducted once a month.

If even one member of the commission does not participate in the inventory, this serves as a basis for declaring the inventory results invalid.

Members of the inventory commission are held liable in accordance with the established procedure for deliberately entering incorrect information about the actual balance of assets in the register in order to conceal the shortage, use or excess of funds. Before starting the verification of the actual availability of funds, the inventory commission must receive the latest income and expenditure documents or reports on the movement of funds at the time of the inventory.

The chairman of the inventory commission shall put a visa on all income and expenditure documents attached to the reports with the indication “before the inventory ... on (date)”, which should serve as the basis for accounting to determine the balance of funds at the time of the start of the inventory based on accounting data.

The materially responsible persons shall submit a receipt stating that all income and expenditure documents on funds have been submitted to the accounting department or the commission before the start of the inventory and that all funds received under their responsibility have been credited, and those withdrawn have been written off as expenses

The procedure for reflecting the results of the inventory (deficit or surplus) in the accounts of budgetary organizations is regulated by the Regulation on the procedure for accounting for the deficit and surplus of property identified during the inventory process, approved by a joint resolution of the Ministry of Finance of the Republic of Uzbekistan, the State Tax Committee and the Ministry of Labor and Social Protection of the Population dated March 10, 2004 and registered with the Ministry of Justice on April 6, 2004 under No. 1334, and the Instruction on accounting in budgetary organizations, approved by the order of the Minister of Finance of the Republic of Uzbekistan dated December 17, 2010 No. 105 and registered with the Ministry of Justice on December 22, 2010 under No. 2169.

The organization's accounting department is required to continuously carry out periodic control of the accounting of financial assets. In our opinion, implementing control over financial assets accounting based on filling in the table below (Table-1) will ensure the consistency of indicators with accounting documents, accounting registers, and reporting data.

Table 1

Information on the verification of the correct organization of the account of financial assets*

in thousand soms

Account №	Balances on personal accounts, balances according to the cashier's report (form 440 or book form KO-4), etc.	Indicators of the "General Journal" book (Form 308)	Indicators of the budget performance balance (Figure 1)	Explanation
1	2	3	4	5
11				
12				
13				
14				

***Compiled by the author based on research results.**

Using tabular data, the balances on accounts (corresponding subaccounts) reflecting the accounting of financial assets are monitored for compliance with the data of accounting journals and accounting registers. As a result, the reliability of the accounting information generated is ensured.

In conclusion, the formation and implementation of the methodology for controlling financial assets allows improving the accounting of financial assets in budget organizations. The reforms being carried out in the budget system have had an impact on improving the accounting system of budget organizations. As a result of the establishment of a system for targeted spending of State budget funds in accordance with the Law of the Republic of Uzbekistan “On Treasury Execution of the State Budget”, a favorable environment has been created in the country for organizing accounting of financial assets of budget organizations.

Based on the results of the implementation of the set tasks, the following conclusions were drawn:

budgetary funds of budget organizations are managed in separate personal accounts opened through single treasury accounts, and transactions on them are organized in strict accordance with the legal documents on the treasury execution of the State Budget;

legal and financial obligations arising in the process of execution of income and expenditure estimates by budget organizations are registered by treasury bodies and paid in the established manner;

in the implementation of accounting transactions of budgetary organizations, only the payment order form is used in cashless accounting in treasury bodies;

the cash account is organized separately for budget funds and non-budget funds.

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