

Committees. These boards consist of Islamic scholars and experts who oversee the company's adherence to Sharia principles.[4]

Regulation by the Securities and Exchange Commission of Pakistan (SECP):

The SECP serves as the primary regulatory authority overseeing the Takaful industry in Pakistan. It reviews and approves Takaful products, monitors compliance with regulations, and conducts inspections to ensure the industry's stability and adherence to Sharia-compliant practices.

Pakistan has a growing number of Takaful operators, both local and international, offering various Takaful products to cater to the needs of the market. These operators function within the regulatory framework set by the SECP and under the guidance of their respective Sharia Advisory Boards.[3]

In conclusion, Pakistan has established a comprehensive legal framework for Takaful, encompassing the Insurance Ordinance, 2000, and the Takaful Rules, 2012, to regulate and govern Takaful operations. The presence of Sharia Advisory Boards, oversight by the SECP, and a growing number of Takaful operators have contributed to the development and growth of the Takaful industry in Pakistan, making it an essential component of the country's Islamic finance landscape.

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DEVELOPMENT OF A MODEL FOR ACCOUNTING FOR FINANCIAL RESULTS IN CONSTRUCTION ORGANIZATIONS IN THE CONTEXT OF THE ADOPTION OF IFRS 15 "REVENUE FROM CONTRACTS WITH CUSTOMERS" IN UZBEKISTAN

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Issues of improving the accounting of revenue, expenses and financial results are in the circle of interests of both the preparers of financial statements and their users. In Uzbekistan, in the context of reforming accounting following IFRS, existing rules are being revised, and new ones are being issued by analogy with international standards [1, 2, 3].

In May 2014, the IASB (here in after referred to as the IASB) published a new standard, IFRS 15. The standard was developed by the IASB jointly with the Financial Accounting Standards Board (FASB) (hereinafter referred to as the FASB) of the United States and was the result of the convergence of IFRS and American accounting principles.

The new standard replaces the following previous standards for construction organizations:

- IFRS 18 “Revenue”;
- IFRS 11 “Accounting for construction contracts”.

With the advent of this standard, the domestic NAS 17 is no longer relevant, adjustments are required to several other domestic accounting rules. New standard entry on January 1, 2018. In connection with personal needs, a special working group was created with non-standard developers, which is responsible for identifying the practical implementation of the standard, identifying the necessary development for additional guidance, and implementing the role of the platform for the discussion of practical issues of the new standard. The main idea of the new standard is to apply a single revenue recognition model for all organizations, regardless of industry. Exceptions to its scope are contracts of lease, insurance, and guarantees, as well as certain contracts of exchange and financial instruments [4].

The above-mentioned model will be in contact with the entire business management organization system, according to Christophe Grass, partner at PWC, and accounting is only the “tip of the iceberg.” Organizations are forced to reconsider the procedure for doing business to fulfil obligations under the new IFRS when recognizing revenue. The conditions specified in the agreement affect the procedure for recognition in accounting and reporting of income, expenses and financial results. Thus, accountants are forced to work most closely with employees of those services in the company who are responsible for sales of products (works, services). Concerning revenue recognition, a single algorithm will apply to all participants in the capital construction process. This is exactly what was proposed by many scientists and specialists who studied the problems of applying NAS 17.

The new model represents five stages of revenue recognition.

1. Agreeing with a client (customer) and defining its main terms. It seems that at this stage there should be no difficulties for contract construction organizations. The main condition for concluding a transaction (contract) will be confidence in the receipt of economic benefits (remuneration under the contract). Its peculiarity is that this confidence must be achieved not only in the short term but also predicted for the long term, since construction contracts, which are the subject of this thesis, are precisely long-term contracts. However, this is only one of the criteria.

The authors of IFRS 15 oblige us to analyze the concluded agreement with a partner to ensure that:

- the parties have approved the agreement (orally or in writing or following other usual business practices) and are obliged to fulfil its terms;
- the organization can determine the rights of each party about goods (works, services) that are transferred under an agreement by one party and will be acquired under this agreement by the other party;
- the organization can determine the procedure for payment for goods, works, and services);
- the contract has a commercial content, which means that not only the distribution over time, risks, but also the future cash flows of the organization will change as a result of the execution of the contract;
- the organization is likely to receive compensation, the right to which will arise in exchange for goods or services transferred to the buyer.

Even though the identification criteria only talk about goods and services, we consider it possible to add work to the objects of sale, which in this dissertation will mean, first of all, construction work. Thus, work abroad is not allocated, containing a tangible result, and services that do not have such a result. Services mean both. With this in mind, all criteria will allow us to identify a construction contract as an agreement between the parties, which falls within the scope application of IFRS 15 [5].

2. Determination of individual obligations to fulfil the terms of the contract. From a literal reading of the name of this stage (the step towards recognizing revenue under the contract), we can conclude that the contract as such is not a single obligation for which revenue is recognized. Thus, a water contract may contain several services, works or stages with different moments of their transfer to the buyer. Therefore, IFRS 15 proposes to divide the “contract” into separate obligations to fulfil the terms of its implementation. During the preparatory discussions of the draft of this standard, this provision was of particular concern among representatives of the construction industry, because there are many obligations in the construction contract, each of which would need to be monitored and taken into account separately, which leads to a violation principle of rational accounting.

Thus, the construction contract in the vast majority of cases will now be taken into account as providing for a single obligation to perform it. The changes to the guidelines were supported by detailed examples that described situations targeting companies in the construction industry.

The contractor gives an obligation to build, within the period established by the contract, a specific object according to the customer’s instructions, or to perform other work qualified as construction, and the customer undertakes to create the necessary conditions for the contractor to carry out the work, then accept their result and pay a certain price. In this case, the contract is concluded both for the construction or reconstruction of an enterprise, building (including a residential building), structure or other object, and for the implementation installation, commissioning and other work inextricably linked with the facility under construction. Accordingly, under such a construction contract there is no

need to divide obligations for distinct goods and services since the result is the same - construction, reconstruction of a construction project or major repairs [6].

3. Determination of the contract (transaction) price. For revenue recognition, this criterion is of key importance: it is the one that affects the amount of revenue expressed in monetary units. If IAS 18 and IAS 11 strictly stated that the amount of revenue is determined at fair value, then in IFRS 15 the concept of fair value was revised and, as a result, estimates became more widespread. When determining the transaction price, organizations will have to evaluate: the collection of receivables; the impact of variable remuneration, the time value of money (if the existence of a significant financial component is established), the amount of contingent remuneration; receipt of non-cash remuneration and payment of remuneration to the client.

“Variable remuneration (compensation)” takes into account amounts that change according to the contract with the inclusion of bonuses or fines, as well as discounts, and price concessions, in addition to the client’s rights to return goods. Contract agreements may contain terms regarding the timing of receipt of funds from customers that do not coincide with the timing of revenue recognition. If the financing component is significant, then, according to IFRS 15, an adjustment will be required to reflect the effect of hidden financing.

IAS 18 considered the issue of providing so-called trade credit only from the seller. The reverse situation, when the buyer finances the seller, was not considered, since, according to IAS 18, revenue should be measured at the fair value of the consideration received. Consequently, the situation with financing from the buyer is, in fact, a mirror image, but is reflected in accounting completely differently. Therefore, the new IFRS 15 will require that advance payments be assessed for the presence of hidden financing under long-term work contracts. If the time gap between advance payments and recognition of sales revenue is less than a year, then such payments will not be recognized as hidden financing - in this case, the seller receives a loan from the buyer. However, if financing is recognized, advance payments will result in finance charges and an increase in deferred revenue. This approach may result in transactions that include a significant financing component being split into two parts, namely the sale of goods and the financing transaction. At the same time, the consequences in terms of organizing the procedures within the company necessary to identify hidden financing transactions and account for them can be significant.

4. Distribution of the transaction price. After determining the transaction price, it is necessary to distribute it among all previously allocated performance obligations.

5. Revenue recognition. Representatives of the construction industry are leading the most heated discussions on this topic. Such a feature as the long-term nature of contracts offers a special approach to determining the moment of revenue recognition. However, comments at this stage were taken into account in the finally adopted standard. The last stage also changes the concept of determining the moment of revenue. Now the contractual obligation is fulfilled if

the customer (buyer) is transferred control over the product (service, work) that is provided for in this contract. Control refers to the company's ability to use, manage and receive benefits, as well as the transfer of risks to goods (works, services).

The use of international standards in the formation of financial results in construction enterprises serves to provide them with transparent, accurate and more complete and perfect information to external users. Of course, along with the implementation of international standards, construction companies will be encouraged to increase their assets and sign various international agreements.

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Rivojlanib borayotgan moliya tizimi ko'plab inqirozlarga duch kelgan. Har bir inqiroz o'z o'rnida ko'plab xulosalar shakllantirish va xatolardan saboq chiqarish kabi tajbirani ortirishga xizmat qilgan. Jahon moliya tarixida hozircha oxirgi yirik moliyaviy inqiroz sifatida e'tirof etilayotgan 2008-yilda boshlangan jahon moliyaviy inqirozi mavjud moliya arxitekturasida ko'plab xavfli va og'riqli nuqtalar borligini ko'rsatib berdi. Ushbu inqiroz moliyaviy hamjamiyat va tartibga soluvchilarni moliya tizimining mustahkamligini oshirish zarurati uchun jiddiy signal bo'ldi. Zaifliklarni yumshatish va xavf darajasini kamaytirishga