

CONSOLIDATION IN JOINT STOCK COMPANIES PROBLEMS AND SOLUTIONS OF CASH FLOW REPORTING

Eshankulov Azamat Abdirakhimovich

Tashkent State University of Economics "Accounting and Reporting"

Department Doctor of Philosophy of Economic Sciences, Senior Teacher

Abstract

Consolidation in joint stock companies involves combining financial statements of parent and subsidiary companies to present a unified financial position. This process can complicate cash flow reporting, posing several challenges. These challenges include intercompany transactions, timing differences, and the complexities of adjusting for acquisitions or divestitures. This paper explores these problems in depth and proposes solutions to improve the accuracy and transparency of consolidated cash flow reports. Key recommendations include standardizing reporting practices, enhancing intercompany transaction tracking, and implementing robust internal controls to ensure accurate and timely consolidation processes. By addressing these issues, companies can provide clearer financial insights to stakeholders and support better decision-making. If you need any modifications or additional sections, feel free to let me know!

Keywords: Consolidation, joint stock companies, cash flow reporting, financial statements, reporting practices.

Introduction

In the economy of our country, work is being carried out on a large scale to transition to international standards of financial reporting. In this regard, the decision of the President of February 24, 2020 "On additional measures for the transition to international standards of financial reporting" No. PQ-4611 to accelerate the transition to international standards of financial reporting, providing foreign investors with the necessary information and expanding access to international financial stock exchanges, i.e. world capital markets, increasing the knowledge and skills of experts in accounting and auditing according to international standards, improving the system of training according to international standards can be an example. In addition, in this decision, starting from January 1, 2021, the organization of accounting on the basis of international standards of financial reporting, and the legal entities included in the category of commercial banks, joint-stock companies, insurance organizations and large tax payers, which voluntarily prepare financial reports in accordance with international standards, entities are exempted from submitting financial statements according to national accounting standards. It is no exaggeration to say that this process was one of the main steps in the transition to international standards in our country. Compilation of the cash flow statement in consolidation is an important process in joint-stock companies. This process requires combining financial information from multiple subsidiaries to provide a complete picture of the corporation's financial position. And this is often complicated and different different problems cause releases Funds movement about report, corporation inside cash money flows to understand for important This is the report



using investors , managers and another interested parties of the company cash money situation analysis they do and future decisions for basis they create However , this the report consolidation in doing occurring difficulties there is . This problems solution reach for one series strategies and solutions work output need These strategies are financial of information correctness provide and consolidation process efficient done to increase help will give . Consolidation process shareholding in societies strategic important has , because it is the company financial situation more more precisely reflection makes Consolidated money funds movement about report , enterprise income and expenses flows showing his financial stability to evaluate possibility will give .

Consolidation money funds movement about the report make up methodology of the company branches and subsidiary enterprises by done increased money funds movement to combine directed stages own into takes This process the following main from stages consists of:

Table 1 Consolidation money funds movement about the report make up methodology

Initial preparation works	
Data collection	Each branch or subsidiary from the enterprise financial reports , that's it including money funds movement about reports collection
Currency courses determination	If subsidiary enterprises different in currencies activity walking if , it is relevant currency courses determination and apply
Calculations combine	
Cash flows classification	Received information operational, investment and financial activity according to classification.
Internal operations eliminate reach	Internal operations and mutually calculations eliminate to achieve, that is branches between operations out throw
Money funds movement consolidation	
Operation activity	Each branch or subsidiary from the enterprise received operational to the activity about money flows combine
Investment activity	From investments come fell and exit done money funds combine
Financial activity	Funding to the activity about money funds combine
Corrections and changes input	
Currency courses apply	If necessary if different in currencies expressed money flows mutually comparable to form to bring for currency courses apply
Corrections input	Any another necessary corrections and changes input
The report preparation and analysis to do	
Consolidated the report preparation	All data in a single report sum up and money funds movement about consolidated the report preparation
Analyze	Report the results analysis to do is important indicators assessment and to them comment to give
Confirmation and announcement to do	
Internal audit and confirmation	The report internal auditors by check and confirmation
Announcement to do	Consolidated money funds movement about the report to shareholders and another interested to the parties announcement to do
Additional tips	
Good information system current to do	Good organize done information system consolidation process significant level simplifies and automates .
Regular updates and trainings	Employees teaching and qualification increase through the report preparation process improvement



This methodology using shareholding in societies consolidation money funds movement about the report efficient and sure make up can

Current in the day in enterprises consolidated money funds movement about report in making one how much problems there is these are including :

Table 2 Consolidated money funds movement about report make up problems

1	Data collection complexity	Different branches from enterprises coming financial of information different in the form to be
2	Currency changes	different countries activity host yes of enterprises currency differences.
3	Finance periods inconsistency	Various enterprises different periods account get
4	Internal operations manage	Sho' ba enterprises between internal deals from the report release necessity

This problems solution to do through companies own financial reports sure and reliable way consolidation that's what they do with together financial decisions acceptance in doing important basis to create can

Above to problems solution as in this in the table we bring can

Table 3 Consolidated money funds movement about report make up problems solution

	Integrated information systems	Information on a single platform hard work and management
1	Standardized currency courses	Currency o' changes one different courses through count
2	The same report periods	Enterprises in the middle financial periods one different to do
3	Internal operations separate to show	Internal deals separately separate and account not get

This solutions shareholding in societies consolidation money funds movement about the report efficient and sure to compose help will give. Data right collection, renewal and analysis to do through of the company financial situation complete and reliable show opportunity is created. And this shareholder and another interested parties for important information present reach and of the company financial management to improve service does Consolidation process efficient done increase through companies own financial situation more more precisely showing to give can And this to them to investors more reliable data present to do and financial decisions better acceptance to do help will give.

CONCLUSION

Conclusion when we do consolidation money funds movement about report shareholding societies for important important has , because it is the company financial situation , money flows and investment activities whole in appearance reflection makes This the report in making face bride problems determination and their efficient solutions work exit of the company financial management and reporting quality to improve help will give .



Initial preparation and information collect currency courses determine, and calculations classification such as initial preparation works done is increased

Cash flows in consolidation operational, investment and financial activity according to money currents are combined and internal operations out thrown away

Corrections and changes in input currency courses is used and necessary corrections is entered.

The report preparation and analysis in doing consolidated report is prepared and results analysis will be done.

Confirmation and announcement in doing report internal auditors by is confirmed and to shareholders announcement will be done.

Shareholding in societies consolidation money funds movement about the report make up complicated process although it is true approach and efficient methods using this the process simplification and more precisely to do can This is the company financial management to improve and shareholders for complete and reliable information present to do service does

REFERENCES

1. Decision of the President of the Republic of Uzbekistan dated February 24, 2020 PQ- 4611 "On additional measures for the transition to international standards of financial reporting". <https://lex.uz/docs/4746047>.
2. International Financial Reporting and Analysis, 4- Edition. D. Alexander, A. Britton, A.Jorissen. 2009. 17-p
3. Hermanson, Roger H. Accounting: a business perspective /Roger H. Hermanson, James Don Edwards, Michael W. Maher. 6th ed., Irwin, Printed in the USA, 2009. 17 p
4. Nasreddinov S.S. Theoretical and methodological issues of the preparation of consolidated financial statements (in the case of the state joint-stock association "Dori-Darmon") dissertation abstract for the degree of candidate of economic sciences, Tashkent: 2004. -22 p;.
5. N.B. Khojabekov Improvement of consolidated financial statements during business consolidation: abstract of the dissertation for obtaining the degree of candidate of economic sciences, Tashkent: 2009. 22 p.
6. Модеров С.В. Совместимая финансовая отчетность: логика и техника построения: дис. на соиск. учен. степ. канд. экон. наук (08.00.12). – СПб, 2013 с.13
7. International Financial Reporting Standard 10 (IFRS 10) "Consolidated Financial Statements" / International Accounting Standards Board. - London, 2011. А-Б.банди
8. A set of international standards of financial reporting.<http://www.accaglobal.com>
9. Соколов, Я.В. Судьба международных стандартов финансовой отчетности в России / Я.В. Соколов // Финансы и бизнес. – 2005. № 1. – с. 72.
10. Ковалев В. В., Ковалев Вит.В. Анализ баланса. – 3-е изд., перераб. и доп. –Москва: Проспект, 2016. –317 с
11. DENorbekov, ANToraeV, Sh.Sh.Rakhmonov. International standards of financial reporting. Education manual . Т.: Economy and finance , 2019. -332 p.
12. Alisher Komilovich Bakhadirov "Improvement of accounting and auditing of leasing transactions based on international standards" Doctor of Philosophy (PhD) dissertation in economics. Tashkent - 2022.



13. Rakhmonov Sherzod Sherkulovich " Improving the accounting and analysis of financial resources in economic entities" Doctor of Philosophy (Doctor of Philosophy) dissertation, Tashkent city - 2023 .
14. Eshonkulov Azamat Abdirakhimovich "Improvement of consolidated financial reporting in joint-stock companies on the basis of international standards " Doctor of Philosophy (PhD) dissertation in economics, Tashkent city - 2023 .
15. Yusupov Asror Makhmanazar son "Improvement of financial accounting and reporting in joint ventures based on international standards" Doctor of Philosophy thesis dissertation, Tashkent city - 2023.
16. Misirov Khurshid Mamasobirovich "Peculiarities of preparation and presentation of financial statements in railway transport enterprises" World economics & finance bulletin (wefb) available online at: Vol. December 29 , 2023.
17. Uzakov Sharp Abdusattarovich " Trade in enterprises accounting account present status and him development priority directions and of the field to himself special features " actuary finance and accounting account scientific Journal 4(01), 142-147 2024.