MINISTRY OF HIGHER AND SECONDARY SPECIALIZED EDUCATION OF THE REPUBLIC OF UZBEKISTAN
SAMARKAND INSTITUTE OF ECONOMICS AND SERVICE

DEPARTMENT OF "ACCOUNTING AND AUDIT"

EDUCATIONAL-METHODICAL COMPLEX IN ACCOUNTING

Sphere of knowledge:	100000 – Humanitarian Sphere 200000 – Social sphere, economy and law
Sphere of Education:	110000 – Pedagogy 230000 – Economy
Direction of education	5230900 – Accounting and auditing

SAMARKAND – 2021

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REPUBLIC OF UZBEKISTAN
MINISTRY OF HIGHER AND SECONDARY SPECIALIZED EDUCATION

SAMARKAND INSTITUTE OF ECONOMICS AND SERVICE

TRAINING MATERIALS
In
«ACCOUNTING»

САМАРҚАНД 2020

8-module.

PRODUCTION COSTS AND PRODUCT COST CALCULATION OF PRODUCTS (WORKS, SERVICES)

Lecture 1. Classification of production costs, generalization and evaluation

Lecture 2. Product cost types, composition and identify them (calculate) methods

Lecture 3. Direct cost accounting and them cost of goods (works, services) insert mode

Lecture 4. Production overheads account and their product (work, service) costing methods

Lecture 5. Complex production costs basic and additional product types distribution methods between

Lecture 6. Costs and products (works, services) cost calculation "Standard cost" and Direct costing

Lecture 1	CLASSIFICATION, SUMMARIZATION AND EVALUATION OF PRODUCTION COSTS

TECHNOLOGY OF LECTURE

Study hour: 2 hours	**Number of students: 60**
Form of training: Informative lecture	
Plan of Lecture: Lecture plan: 1. The essence, significance of the concept of costs and the tasks of their calculation 2. Basics of classification of enterprise costs 3. The structure of production costs of the enterprise and their generalization 4. Methods of assessing the dynamics of production costs of the enterprise	
The purpose of the training: to give students an idea of the nature and importance of costs, the basics of their classification, generalization of production costs of enterprises, methods of assessing their dynamics.	
Pedagogical tasks: The essence and significance of costs, the basis of their classification, the generalization of production costs of enterprises, the essence of the methods of assessing their dynamics**.**	**Learning Outcomes:** Students learn the essence and significance of costs, the basics of their classification, the generalization of production costs of enterprises, the essence of the methods of assessing their dynamics.
Teaching equpments: video projector, electronic board, whiteboard.	
Teaching methods: Explanation, mental attack.	
Forms of teaching: Collective work	
Teaching conditions: Classroom equipped with technical means.	
Monitoring and assessment: Oral, test questions and answers.	

1. SIGNIFICANCE OF THE CONCEPT OF COSTS AND THE FUNCTIONS OF THEIR ACCOUNTING

In a market economy, the main goal of any business entity is to make as much profit as possible. Profit is the positive difference between income and expenses incurred.

It is well known that without spending, income cannot be achieved. The question is, in fact, how much income or expense is being achieved. If income is achieved at a low cost or expense, it is superfluous because it leads to profit. Conversely, if income is achieved at a high cost or expense, it is undesirable because it leads to a loss. It is this simple ratio that means that costs play an important role in the system of indicators of financial and economic activity of enterprises. Therefore, the concept of «Cost» or «Expenditure»is a very important concept and indicator in economic doctrine and practice.

In economic theory, cost or expense is usually understood as the amount of resources used for a specific purpose, expressed in monetary terms. The purpose of the cost is to purchase any activity, any item or product (brand), to satisfy any demand.

The management of an individual society, its subdivisions, that is, each economic unit, the processes that take place in them, makes it an objective necessity to collect, systematize and deliver real information about costs at different levels to relevant users. Such a necessity indicates that expenditure is an important object of accounting, which is a means of informing.

In the theory and practice of accounting, costs are approached as an important indicator of the financial and economic activity of enterprises and are defined accordingly. For example, the Conceptual Framework for the Preparation and Presentation of Financial Statements defines an expense as follows: Expenditure generally refers to a decrease in an entity’s assets or an increase in its liabilities during the reporting period.

However, not all costs lead to a decrease in an entity’s assets or an increase in liabilities. For example, the money spent on the purchase of fixed assets and other tangible assets does not reduce the total assets of the enterprise, but rather means that they have changed from one form to another. Also, the contributions returned by the enterprise to the founders are not considered an expense for the enterprise, but rather the return of the founder's own funds.

Expenditures are an important element of an enterprise's financial statements, including its balance sheet and statement of financial performance. In particular, the balance sheet reflects expenses incurred for work in progress, incurred for future periods, but not written off. The statement of financial performance reflects the actual expenses written off to determine the net profit or loss of the enterprise.The main functions of accounting for enterprise expenses include:

• Correctly classify and group enterprise costs for different purposes;

• Proper, timely and appropriate documentation of enterprise costs;

• accounting for costs in accordance with the criteria, objectives and classification criteria that reveal their nature;

• Ensuring complete consistency of reporting and accounting information on enterprise expenses;

• to find the causes and culprits of irrational expenditures that lead to cost overruns, to constantly monitor the activities of those responsible to prevent such expenditures.

2. FUNDAMENTALS OF CATEGORY OF ENTERPRISE COSTS

Expenditures are a very important object of both financial and management accounting in enterprises.

The main purpose of financial accounting is to provide general and external users with general information about the costs of the enterprise in monetary terms for the maintenance of synthetic and parent accounts and the preparation of financial statements.

The main purpose of management accounting is to provide internal users with detailed information about operating expenses for various purposes.

In financial accounting, it is important to classify all the costs of an enterprise based on its purpose, mainly on two criteria. These are:

• Depending on the type of activity;

• Depending on which reporting period it belongs to.

The classification of costs according to the above criteria is illustrated in Figure 1.Depending on the type of activity, all costs of enterprises are divided into operating expenses and non-operating expenses.

Operating expenses are the expenses related to the main activity specified in the charter of the enterprise.

Non-operating expenses are expenses and extraordinary losses that are related to the financial activities of the enterprise that do not constitute its principal activities**.**

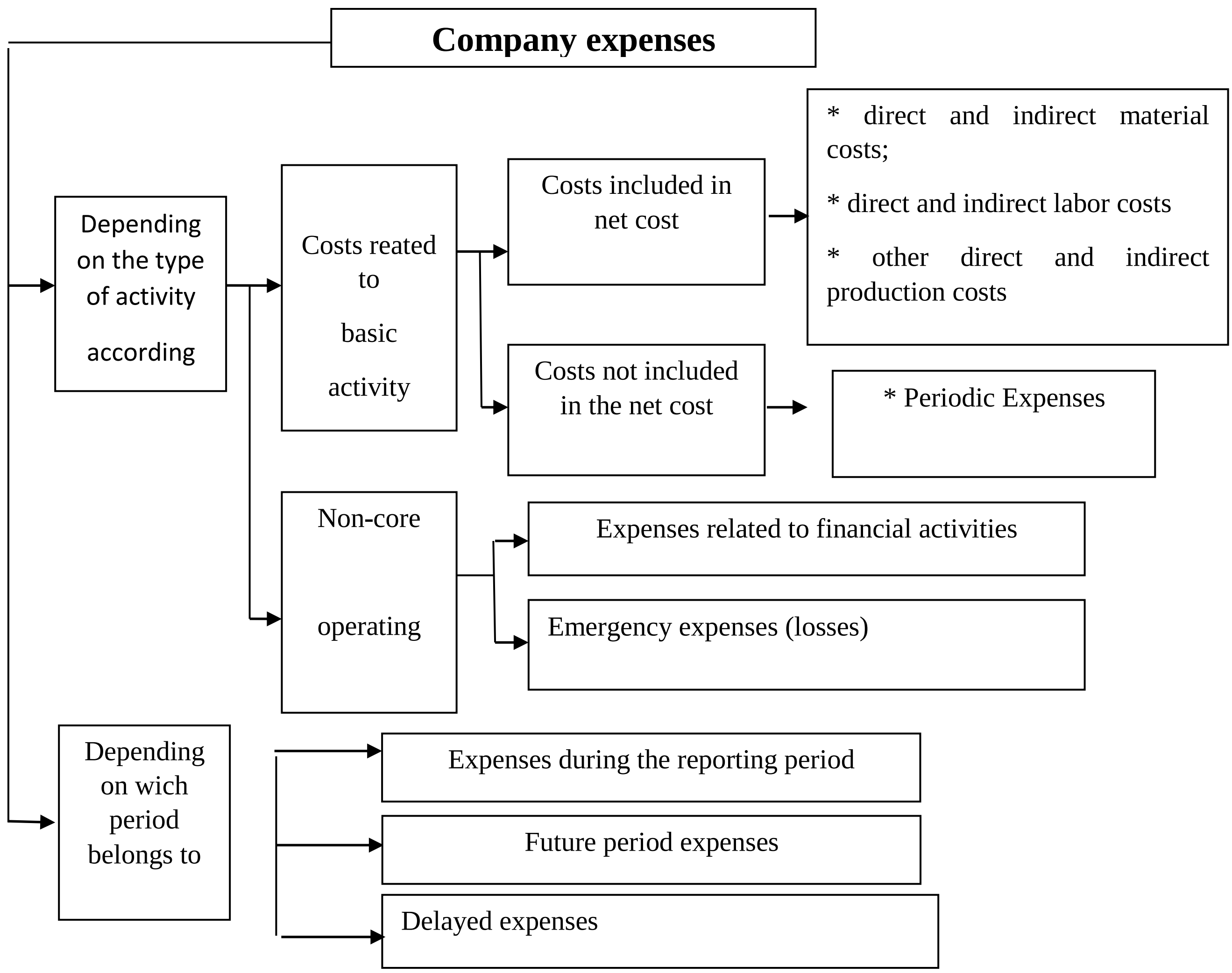


Figure 1. Basics of classification of enterprise expenses for financial accounting and reporting purposes

In accordance with the "Regulations on the structure of costs of production and sale of goods (works, services) and the formation of financial results" and IFRS 21, the costs associated with the main activities of enterprises are divided into two groups:

• Costs included in net cost;

• Costs not included in net cost.

Costs included in the cost are the costs that make up the cost of production and sale of goods, goods, works and services. These include the following costs that make up the cost of goods (goods, works and services):

* direct and indirect material costs;

* direct and indirect labor costs;

* other direct and indirect costs, including overhead costs of production.

Costs that are not included in cost include other costs that are not included in the cost of goods (works, services) produced and sold by enterprises. Such costs are, in turn, divided into operating expenses and expenses related to financial activities.

Current expenses are expenses related to the sale of goods (goods, works and services), administrative management and other operational activities. These costs occur in a particular reporting period, so they are called period costs.

Expenses related to financial activities include expenses related to the issuance and placement of securities, foreign exchange transactions, obtaining loans and borrowings, long-term leases and other financial activities. These include costs in the form of interest, negative exchange rate differences, and so on.

Emergency costs are losses incurred as a result of unforeseen accidents and incidents. These include changes in state laws, natural disasters, and damage caused by revolutionary changes.

All expenses of enterprises are divided into three groups according to which reporting period they belong to:

• Expenses for the reporting period are the expenses of the enterprise directly related to the reporting period (quarter, half year, nine months and years), which consist of all expenses related to the main and non-core activities in the reporting period, included and not included in cost.

• Deferred expenses are expenses incurred during the reporting period in relation to the entity's future principal activities. Such costs include prepaid rents, prepaid service fees and other prepaid payments.

• Deferred expenses - these are expenses that are related to the future activities of the enterprise, but are extended for a period of one year or more.

Based on the requirements of the "Regulations on the structure of costs of production and sale of goods (works, services) and the formation of financial results", in IFRS No. 21 all costs of enterprises are accounted for in the following system of accounts (see Table 1).

Table 1

Designed to take into account the costs of enterprises

account systems

Acc. n	Name of account	What costs are taken into account
2010	Incomplete production	Direct and indirect basic production costs are taken into account
2310	Auxiliary production	Direct and indirect ancillary production costs are taken into account
2510	General production costs	Direct and indirect overhead costs are taken into account
3110	Future expenses	Expenses incurred during the reporting period for the next period are taken into account
3210	Prolonged expenses	Prolonged expenses are accounted for during the reporting period
9100	Cost of goods sold (works, services)	Costs included in the cost of goods sold (works, services) are taken into account
9400	Current expenses	Sales, management and other operating expenses are accounted for
9600	Expenses related to financial activities	Expenses related to financial activities are taken into account
9720	Emergency damages	Emergency losses are taken into account
9800	Use of profits to pay taxes and other mandatory payments	The use of profits to pay taxes and other mandatory payments is taken into account

The basis for classifying expenses for the purpose of maintaining their synthetic and analytical accounting and compiling financial statements is insufficient to plan and control them, as well as to make internal management decisions. To achieve this goal, it is especially important to classify the production costs of the enterprise in addition to the following characteristics (see Table 2).

Table 2

Classification of enterprise production costs for management decision-making, planning and control purposes

Classification mark	Expenses by group
1.Accordingly	General expenses
	Costs of responsibility centers
	Average cost of a unit of product (work, service)
2. According to the effect of production volume	Changing
	Fixed
3.According to the alternative	Alternative
	Lack of choice
4. As far as possible to control	It is possible to control
	It is impossible to control
5. According to the norm	Normalized
	Unbalanced
6. According to relevance	Relevant
	Unrelevant
7.According to differentiation	Ascending
	Marginal cost

General expenses – it is the sum of all expenses incurred on the total enterprise.

Costs of responsibility centers the total costs of the enterprise's departments, shops, products, services and services, which are the direct cost centers. Establishing a cost management account for the responsibility centers allows you to establish control over costs in each of them, in exchange for which irrational costs are avoided. Implementation in terms of cost-effectiveness in the responsibility centers ensures that irrational costs on the whole enterprise are not allowed as a result.

Average cost of a unit of product (work, service)– it is the average amount obtained by dividing the total cost of the product (work performed and service rendered) by their quantity.

Changing expenses it is understood that costs increase as the total amount increases in line with the growth of production. For example, if we say that the total cost of 1 refrigerator, which requires the same material, labor and other costs, is 1,200,000 soums, the total cost of 100 refrigerators is 120,000,000 soums (1200000 * 100), the total cost of 200 refrigerators is 240 000 000 soums (1200000 * 200). This means that the total variable costs of the enterprise increase in proportion to the volume of production, while the variable costs per 1 unit of product remain constant (see Figure 2).

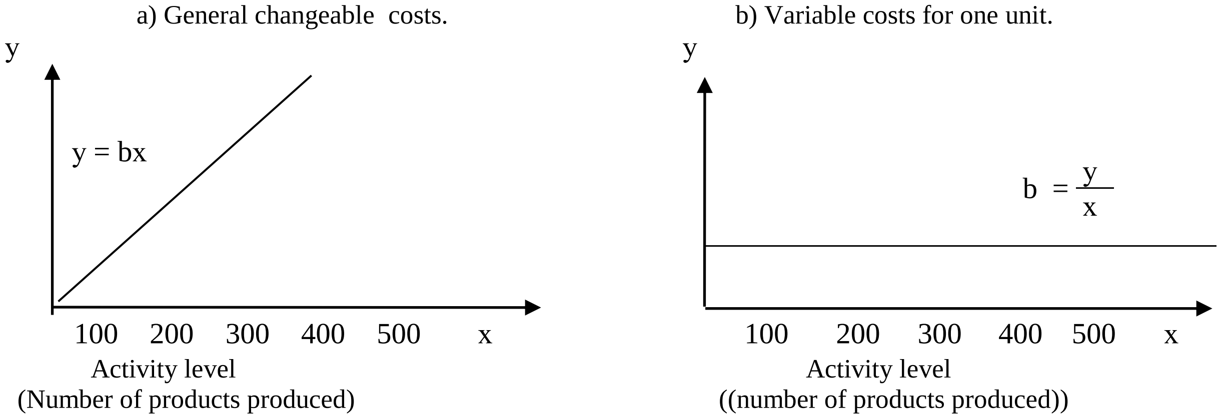
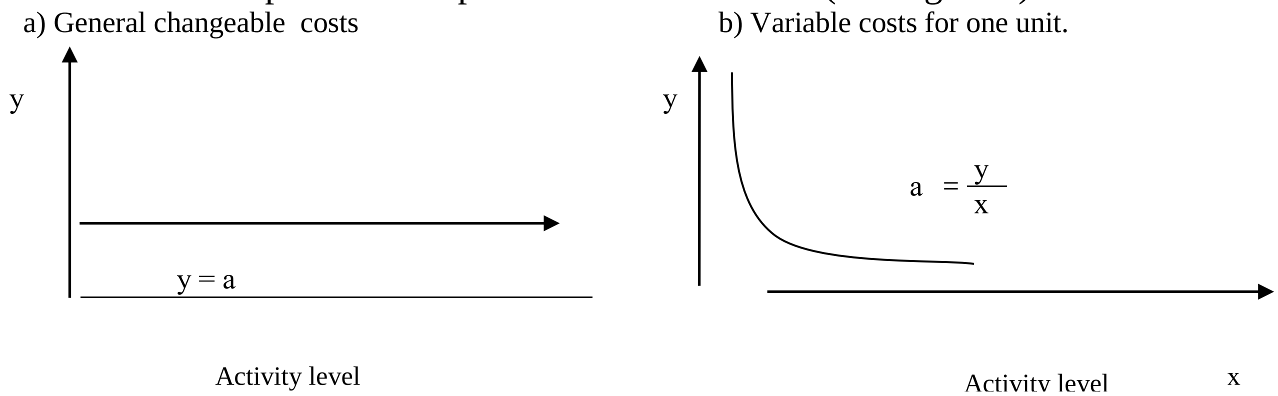


Figure 2. Variable costs: a) total; b) 1 unit per product

Fixed (fixed) costs are costs whose total amount does not change regardless of the growth of production. Examples are the rent of a shop building, the sum insured, and the depreciation of a building or other fixed asset. While the total amount of such costs is constant, the amount per unit product will be variable. For example, the rent for the above-mentioned refrigerators is 12,000,000 soums per month. In this case, the amount of monthly rent is constant, but the rent per unit of product is 120,000 soums (120,000,000/100) for the production of 100 refrigerators, and 60,000 soums (120,000,000/200) for the production of 200 refrigerators. . This means that as the business activity of the enterprise increases, the total amount of rent remains unchanged, while the fixed costs per 1 unit of product remain variable (see Figure 3).



(Number of products produced) (Number of products produced)

Figure 3. Fixed (fixed) costs: a) total; b) 1 unit per product

a - fixed (fixed) costs, in soums

a – constant

Typically, all direct material and labor costs are variable costs. Some indirect overhead costs are semi-variable or semi-variable (fixed). For example, if a rented shop building is designed to produce 100 refrigerators per month, then an additional shop will be needed to produce 200 refrigerators, and this will require the rental of an additional shop, which will result in a constant increase in rent.

Alternative costs are costs that are the basis for a management decision that is effective in replacing one activity with another. Such costs are estimated at the amount of the economic benefit that can be derived from the subsequent operation. For example, if the introduction of additional vacuum cleaner production at a refrigerator manufacturing plant would bring additional benefits to the plant, then the cost of producing a vacuum cleaner would be considered as an alternative cost.

Non-alternative costs are those costs that are the basis for the management's decision that the replacement of one activity with another will not be effective. Such costs are estimated at the sum of the economic losses incurred in carrying out the previous and subsequent activities. For example, if the introduction of additional vacuum cleaner production at a refrigerator manufacturing plant does not bring additional benefits to the plant, then the cost of producing a vacuum cleaner is not considered an alternative cost.

Controllable costs are costs that change as a result of being controlled by the manager. Establishing strict control over costs allows you to avoid many irrational expenses, such as excessive losses, thefts, additions, unnecessary expenses not provided for in the business plan.

Uncontrollable costs are costs that occur (arise) and increase despite being strictly controlled by those responsible. Examples are the costs of acquiring long-term assets and inventories.

Standardized costs are costs that are determined on the basis of the norms established by law and legislation. Examples of such expenses include travel expenses, advertising expenses, representation expenses, and tax payments.

Non-standardized costs are costs that are not regulated by law and regulations. Such costs include fines and penalties, sponsorship, court costs, and emergency damages.

Relevant costs are costs whose amount and level will change in the future based on a management decision. For example, the transfer of cars from gasoline to liquefied gas supply at a trucking company on the basis of a management decision leads to a change in fuel consumption. Relevant costs are also called costs that can be offset by others.

Non-regulatory costs are costs that remain unchanged under the influence of a management decision. Examples include property and insurance costs for vehicles. This is because these costs will exist regardless of whether a management decision is made to convert cars from petrol to liquefied natural gas. Nonrelevant costs are also called irreversible costs.

Incremental costs are the additional costs incurred as a result of the production of an additional product.

Additional costs (AC) for the total enterprise are determined as follows:

AC = Fc -

Here: FAC is the forecast amount of costs; Amount of expenses for the reporting period;

Marginal cost is the additional cost incurred per unit of output.

The marginal cost (ΔC1) per unit of additional product is determined as follows:

$$\Delta C1 = \frac{\Delta C}{\Delta K}$$

Here: ΔK is the amount of increase in production volume

3. COMPOSITION AND INSTRUCTION OF ENTERPRISE PRODUCTION COSTS

Production costs play an important role in enterprise costs.

Production costs are the costs incurred in producing the product and constituting the cost of the co-produced product.

Costs included in the cost of production

According to the economic content is divided into the following groups:

- material costs of production (minus the cost of returnable waste);
- labor costs of a production nature;
- social insurance contributions related to production;
- depreciation of fixed assets and intangible assets of production significance;
- other production costs

Production costs included in the cost of production are divided into direct and indirect production costs.

Direct production costs include raw materials and supplies directly related to the production of goods, as well as labor costs (including deductions).

Direct material costs form the basis of manufactured goods (works and services) and represent the costs of imported raw materials and supplies, which are part of it or used in the manufacture of goods, works and services.

Direct labor costs include the costs of direct production workers, machine operators working in the production process and other employees directly involved in production.

The total amount of direct material and indirect labor costs of the production nature of the enterprise consists of the number of products produced (b) and the sum of direct material and direct labor costs per unit of product (x), ie (b * x). The total amount of direct material and direct labor costs of a production nature is variable, i.e., the more products produced, the greater the total amount of these costs, and conversely, the less product produced, the lower their total amount. Therefore, the total sum of direct material and direct labor costs of a production nature is called variable production costs.

Indirect production costs include other production costs associated with the production of all products, such as electricity, steam, gas, water, repairs, maintenance of fixed assets, depreciation, etc. These costs are, in other words, the overhead costs of production. Their total amount is relatively constant. That is why they are called fixed production costs. Such costs cannot be directly attributed to the cost of each product. They are included in the unit cost of the product by distribution.

Thus, the total production costs (u) of a certain amount (number) of production activity of the enterprise will be the sum of two types of costs:

(1) fixed production costs (a);

(2) variable production costs ((b * x), ie:

u = a + b * x.

Example: Let us say that the monthly fixed production costs of a plant producing 100 refrigerators per month are 15,000,000 soums, the average amount of direct material and direct labor costs per refrigerator is estimated at 800,000 soums. total production costs are 95,000,000 soums,

y: u = 15,000,000 + 100 * 800,000 = 15,000,000 + 80,000,000 = 95,000,000

COMPANY PRODUCTION COSTS AND IT'S METHODS OF ASSESSMENT OF DYNAMICS

There are different methods of estimating the change (dynamics) of production costs of the enterprise. The most common of these are:

1) engineering methods;
2) the method of accounting (checking accounts);
3) graphic method;
4) the method of minimum and maximum quantities (minimax).

Engineering methods. As the name suggests, this method is a method based on the analysis of engineers. Typically, engineers are well aware of the content and physical quantities of technological processes and operations of production, the amount of material resources required for them, the amount of labor required to use the necessary production equipment, their obsolescence, consumption of electricity and other production factors. Relying on technical specifications and current estimates, standards, scales allows engineers to accurately calculate the cost of production on any quantity.

The method of accounting (checking accounts). This method is based on the classification of costs incurred by a particular period and reflected in the accounts into variable and fixed costs by managers and accountants. From this, based on the sum of the total variable costs and the amount of product produced, the variable costs per unit of product are found. Systematizing production costs of a fixed nature allows you to find the sum of total fixed (fixed) costs for the period. This method allows managers and accountants to assess the dynamics of total production costs over the activity of the enterprise during the reporting period.

Example: In the accounting of a factory that produces 100 refrigerators per month, the following information is collected based on production cost accounts.

Types of costs	**The sum**
Basic production materials	50 000 000
Labor of key employees	30 000 000

Auxiliary staff labor	6 000 000
Depreciation	7 000 000
Repair and maintenance	2 000 000
Total	**95 000 000**

part passes from one reporting period to another, thus weakening their control. In this case, the system of "direct costing" helps to reduce the labor costs of the distribution of additional costs.

Also, the study of the theoretical and practical aspects of the system of "direct costing" reveals the following shortcomings Managers and accountants classify cost items according to their variability and immutability (permanence) as follows:

Types of costs	**Variable costs, for 1 unit, in soums**	**Total fixed costs, in soums**
Basic production materials	500,000	
Labor of key employees	300,000	
Auxiliary staff labor		6,000,000
Depreciation		7,000,000
Repair and maintenance		2,000,000
Total:	**800,000**	**15,000,000**

The analysis of total costs shows that the estimated variable costs per unit of product were estimated at an average of 800,000 soums, which was the basis for setting these costs for 80,000,000 soums for 100 refrigerators. The fixed costs for the production of 100 refrigerators this month amounted to 15,000,000 soums. Total production costs this month amounted to 95,000,000 soums.

Thus, the total cost of production of 100 refrigerators can be expressed in the following arithmetic equation:

$$\boldsymbol{u} = \mathbf{15{,}000{,}000 + 800{,}000 * x}$$

This general mathematical device will be the basis for determining production costs for other levels of production activity as well.

The main disadvantage of this method is that it relies on the subjective opinions and approaches of managers and accountants in classifying costs into variable and immutable types. Such a subjective opinion or approach does not guarantee that managers and accountants will make mistakes.

Graphic method. In this method, total costs are represented graphically. In this case, the total cost is determined on the graph with the corresponding points at certain intervals on the vertical axis (U), production activity (number of products produced) on the horizontal axis.

The smallest and largest quantities (minimax) method. The essence of this method is that, as a result of comparing the changes in costs during the periods when the highest and highest levels of production are achieved, a general conclusion is reached in assessing their dynamics.

For example. The costs of the plant in the production of the smallest (100 units) and the largest quantity (200 units) refrigerators are as follows

	Production activity, pcs	**Total costs**
At the smallest level	100	95,000,000
To the greatest extent	200	175,000,000
The difference	100	80,000,000

The variable costs per unit of output are found as follows:

b = (Cost difference) / (Product difference) = (175000000-95000000) / (200-100) = 800000 sum.

Fixed costs can be estimated at any level of production and it is found as the sum of the total costs minus the sum of the total variable costs calculated as a fixed amount corresponding to 1 unit of product. So, in the above example, when the production activity is 100 refrigerators, the total cost is 95,000,000 soums, and the total variable cost is 80,000,000 soums (100 * 800,000). In this case, the difference between total costs and variable costs corresponds to 15000000 (95000000-8000000) fixed costs. In this case, the cost function can be expressed as follows:

u = 15,000,000 + 100 * x

Lecture 2	TYPES OF PRODUCT PRICES, COMPOSITION AND METHODS OF DETERMINATION (CALCULATION)

LECTURE TECHNOLOGY

<table>
<tr><td>Study hours: 2 hours</td><td>Number of students: 60</td></tr>
<tr><td colspan="2">Form of training: Informative report</td></tr>
<tr><td colspan="2">Lecture plan:
1. Types of product costs and the procedure for determining them
2. Methods of calculating the cost of the product</td></tr>
<tr><td colspan="2">The purpose of the training:to give students an idea of the types of costs, methods of determining (calculating) costs.</td></tr>
<tr><td>Pedagogical tasks:
to reveal the essence of cost, its composition, types, methods of determining (calculating) cost.</td><td>Learning Outcomes:
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<tr><td colspan="2">Monitoring and evaluation: Oral, test questions and answers.</td></tr>
</table>

1. TYPES OF PRODUCT COST AND THE PROCEDURE FOR DETERMINING THEM

The two types of product cost differ from each other. These are:

(1) the cost of the product produced;

(2) cost of goods sold.

Cost of goods producedindicates the production costs incurred to the value of the finished product produced during the reporting period. To determine the cost of goods produced, the sum of total production costs incurred in the reporting period (debit turnover of the account "Main production" in 2010) is the net change in the amount of work in progress in the reporting period (the balance of the account 2010 "Main production" at the beginning and end of the period) the difference between) is increased or decreased.

Cost of goods sold means the production costs corresponding to the part of the total finished product sold in the warehouses during the reporting period. To determine the cost of goods sold, the sum of the cost of goods produced during the reporting period and deposited in warehouses (debit turnover of the account 2810 "Finished goods") is the net change in the amount of stocks of finished goods) is increased or decreased.

On the basis of accounting data on these indicators, representing the cost of production, separately prepared "Report on the cost of manufactured products" and "Report on the cost of goods sold."

Cost of goods sold

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month

t / r	**Indicators**	**Summa**	
		Private	**General**
1	**The amount of work in progress at the beginning of the period**		**40,000,000**
2	**Plus**		
2.1	Materials	**50,000,000**	
2.2	Salary	**40,000,000**	
2.3	Other production overheads	**30,000,000**	
2.4	**Total expenses (2.1 + 2.2 + 2.3)**		**120,000,000**

2.5	**Total production costs (1 + 2)**		**160,000,000**
3	**Minus:** The amount of work in progress at the end of the period		**20,000,000**
4	**Cost of manufactured products (2.5-3)**		**140,000,000**

Cost of goods sold

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Month

t / r	**Indicators**	**Summa**	
		Private	**General**
1	**The amount of the finished product at the beginning of the period**		**40,000,000**
2	**Plus the cost of the product produced**	**140,000,000**	
3	**Total ready to sell product (1 + 2)**		**180,000,000**
4	**Minus:** The soum of the finished product at the end of the period		**25,000,000**
5	**Cost of goods sold (3-4)**		**155,000,000**

The interdependence of production costs of manufactured and sold products

1. Basic materials	+	Basic work	Other production costs	Total production costs
50,000,000	+	40,000,000	30,000,000	120,000,000
2. Total production costs t	+	Balance of work in progress at the beginning of the period	Residue of work-in-progress at the end of the period	Cost of goods produced

120,000	+	40,000,000	20,000,000	140,000,000
3. Cost of goods produced	+	The balance of the finished product at the beginning of the period	The balance of the finished product at the end of the period	Cost of goods sold
140,000,000	+	40,000,000	25,000,000	155,000,000

2. METHODS OF CALCULATION OF PRODUCT COST

Determining the cost of the product (calculation) is done in different ways. The main ones are:

1. Process calculation
2. Custom calculation
3. Normative calculation
4. Scheduled calculation
5. Actual calculation.

Process calculation, typically used when product manufacturing consists of multiple processes. In this case, the cost of the product is accounted for separately for each process in the accounts opened in the system of accounts "Main production". In this case, the costs of the department (shop) where the first process is performed are the main balance for the department (shop) where the next process is performed. The total production costs accumulated in the last section (shop) from which the finished product is obtained, constitute the cost of production.

Example:

Process A

Material	5000000	B was transferred to the process	
Cocktail	3000000		
BIChX	2000000		10,000,000
	10,000,000		10,000,000

Process B

From	10,000,0	Transferred to	
Material	6000000	Transmitted	
Labor	4000000	Finished product	
BIChX	3000000		23000000
	23000000		23000000

Finished product

B from the process	
23000000	
23000000	

If 1000 products are produced in processes A and B, then the production cost (cost) per 1 unit of product is a total of 23,000 soums (23,000,000/1000), of which in process A it is 10,000 soums (10,000,000/1000), In process B, it is 13,000 (13000000/1000)

In the process calculation, information on all production costs and the number of products produced is reflected in the production report.

Production report on a shop

Indicators	Number	Costs, u.e.
Weleft alone	0	0
Entered the process	1000	10000000
The total was taken into account	1000	10,000,00
Transferred to another process	1000	10,000,00
Finished product delivered to the warehouse	0	0
We stayed last	0	0

B tsex production report

Indicators	Numbers	Costs, u.e.
Counted alone	1000	10,000,00
Entered the process	1000	13000000
The total was taken into account	1000	23000000
Transferred to another process		
Finished product delivered to the warehouse	1000	23000000
We stayed last	0	0

Custom calculation, usually applied when the production of the product is carried out on a special order. In this method, the cost of the product is determined in the following sequence:

* designation of the order as an object of expense;

* determination of direct material and labor costs associated with the order;

* determination of the base, rate and amount of indirect overhead production costs included in the cost of the order;

* determination of the total cost (cost) of the order.

In the order method of determining the cost, an "Order Card" is opened for each order, and this card takes into account all the costs incurred by it. All materials, labor and other production costs incurred in fulfilling the order constitute the cost of the finished product produced to order.

Normative calculation method. The difference between this method and other methods is that in determining the cost of the product (calculation) is based on the established standards of direct material and labor costs, as well as indirect overhead costs. The cost found on the basis of these criteria is the standard cost of the product.

Scheduled calculation. The difference between this method and other methods is that in determining the cost of the product (calculation) is based on direct material and labor costs, as well as indirect overhead costs in determining the planned costs. The cost found on the basis of these planned quantities is the planned cost of the product.

Actual calculation. The difference between this method and other methods is that in determining the cost of the product (calculation) is based on direct material and labor costs, as well as indirect overhead costs in determining their actual costs. The cost found on the basis of these actual quantities is the actual cost of the product.

Lecture 3	**DIRECT COST ACCOUNTING AND THEM PRODUCT (WORK, SERVICES) COST ADDITION PROCEDURE**

LECTURE TECHNOLOGY

Study hours: **2 hours**	**Number of students: 6**0
Form of training: Informative report	
Lecture plan: 1. Calculation of direct material costs and the order of their inclusion in the cost of goods (works, services) 2. Calculation of direct labor costs and the order of their inclusion in the cost of goods (works, services)	
The purpose of the training:to give students an idea of the calculation of direct material and labor costs and the procedure for their inclusion in the cost of goods (works, services).	
Pedagogical tasks: direct material and labor **disclosure of cost accounting and procedures for their inclusion in the cost of goods (works, services).**	**Learning Outcomes:** Students will learn how to calculate direct material and labor costs and how to include them in the cost of products (works, services).
Teaching aids: video projector, electronic board, whiteboard.	
Teaching methods: Explanation, mental attack.	

Forms of teaching: Collective work
Teaching conditions: Classroom equipped with technical means.
Monitoring and evaluation: Oral, test questions and answers.

1.DIRECT MATERIAL COSTS ACCOUNTING AND THEM PROCEDURE FOR INCLUDING IN THE COST OF PRODUCTS (WORK, SERVICES)

Material - these are labor items that participate in the production process once and during which the value is fully included in the cost of the newly created product.

Materials used in the production process are divided into direct (basic) and indirect (auxiliary) materials.

Direct (basic) materials- The main raw material used in the manufacture of this product. Examples include metal sheets used in the manufacture of car bodies, cotton fibers used in the production of yarn, yarn used in the manufacture of fabrics, flour used in the manufacture of bakery products.

Indirect (auxiliary) materials -additional materials used in this production, such as nuts, washers, lubricants, vanillin, salt, yeast, and the like. The production of such materials is an integral part of overhead costs.

Materials for production are provided from warehouses on the basis of applications of shop managers, foremen, foremen. Requests are, on the one hand, a permit for the transfer of material to warehouse managers, and, on the other hand, are the basis for reflecting information on the cost of materials in the warehouse manager's report, warehouse account card, as well as in the General Ledger.

There are two systems of material accounting. These are:

- periodic system of material accounting;

-continuous system of material accounting.

Periodic system of material accounting. In this system, the income of materials in the shops is calculated on the basis of applications. However, during the reporting period (for example, on a monthly basis) there is no detailed calculation of their production costs. At the end of the reporting period (month), the value of materials remaining in the shop is determined by inventory. After that, the cost of materials used in production is determined in the following order:

Balance of materials at the beginning of the period

+ The value of materials received during the period

- Material balance at the end of the period

= Cost of materials used in production.

The advantage of the periodic system of material accounting is that it reduces the number of documents related to the consumption of materials. Disadvantages of this system include:

* detailed accounting data reflecting the status of materials cannot be obtained at the required time;

* Due to the lack of this information, it is not possible to quickly monitor the status of stocks of required materials;

* there may be interruptions in production due to the fact that the required materials are not fully and permanently available;

* the cost of consumables cannot be determined quickly and therefore the cost of the finished product cannot be determined quickly.

Continuous system of material accounting. In this system, unlike the periodic table, the receipts and expenditures of materials in the shops are strictly documented, on the basis of these documents their warehouse reports are kept, warehouse account cards are kept, as well as relevant entries are made in synthetic and analytical accounting registers. In the continuous accounting system, it is possible to obtain information on the available balance of materials, the cost of materials used in production from the accounting registers for the entire reporting period without additional calculations. At the same time, the number of documents in the continuous system of material accounting, the amount of time spent on maintaining accounting registers will increase. These are the main drawbacks of this system.

The cost of materials used in production and included in the cost of the product is estimated and taken into account using one of the following methods:

1. Mass identification method;
2. LIFO (Last-in, first-out LIFO) method;
3. Average-cost AVECO method;
4. FIFO method (First-in, first-out FIFO);
5. NIFO method (next-in, first-out NIFO);
6. Normative value method.

Mass identification method- it is a specially purchased solitary material or a method of evaluating materials. This method is used to include the cost of materials that have no analogues, which are usually expensive. The method of mass identification is used, for example, in the manufacture of doors and windows of the type "Rasulov doors", Akfa, Engelberg. The production of such products requires only the purchase and consumption of materials specific to them.

FIFO (FIFO) methods - it is a method based on taking into account the consumption of material resources at the values of their income sequence. In this method, the cost of materials used in the production of the product and included in its cost is strictly based on the value formed in the sequence of their purchase, and the cost of materials not used in the shops at the end of the period is estimated at cost.

The FIFO (FIFO) method can be used by all network enterprises regardless of the actual physical movement of materials, as this method directly reflects the movement of material, not its value. This method provides the highest possible level of net profit in the face of rising prices, including inflation.

Example of FIFO (FIFO) method:

Date of material receipt	Number, piece	Purchase price of one unit of material, UZS.	Total value, soums
March 2	2000	400	800000
March 15	6000	440	2640000
March 30	2000	475	950000
Total available backup	10,000		4390000
Balance at the end of the period, in pieces - 6000 pieces, of which 4000 pieces from the purchase on March 15 and 2000 pieces from the purchase on March 30			
Balance at the end of the period, in soums - (4000 * 440 + 2000 * 475) = (1760000 + 950000) = 2710000 soum			
Total cost of available materials 4 390,000 sum. minus: Reserve at the end of the period 2710,000 sum. = Included in the cost of the product cost of materials 1680,000 sum Or (2000 * 400 + 2000 * 440) 1,680,000 sum			

LIFO (LIFO) method- it is a method based on taking into account the consumption of material stocks at their last batch values, the value of materials not used in the shops at the end of the period by the value at the initial purchase price. This method, like the FIFO (FIFO) method, can be used by all network enterprises regardless of the actual physical movement of materials, as this method also reflects the movement of its value rather than the direct movement of the material. This method provides the lowest level of net profit in the context of inflation, and the highest level of net profit in the context of deflation.

Example of LIFO (LIFO) method:

Date of material receipt	Number, piece	Purchase price of one unit of material, UZS.	Total value, soums
March 2	2000	400	800000
March 15	6000	440	2640000

March 30	2000	475	950000
Total available backup	10,000		4390000
Balance at the end of the period, in pieces - 6000 pieces, of which 4000 pieces from the purchase on March 15 and 2000 pieces from the purchase on March 2			
Balance at the end of the period, in soums - (4000 * 440 + 2000 * 400) = (1760000 + 800000) = 2560000 sum			
Total cost of available materials 4 390,000 sum. minus: Reserve at the end of the period 2560,000 sum. = Included in the cost of the product cost of materials 1830,000 sum Or (2000 * 475 + 2000 * 440) 1,830,000 sum			

Average-cost AVECO method. This method is based on taking into account the consumption of material resources and the value of materials left unused in the shops at the end of the period in their average values. In this method, the unit cost of materials used in production and available at the end of the period is assumed to be equal to the average value of the total usable materials.

The average cost of the materialis found by dividing the total value of usable materials by their total number. The result is an average value corresponding to one unit of material. Based on this average value, an estimate is made of the value of inventories spent on production and available at the end of the period.

For example:

Date of material receipt	Number, piece	Purchase price of one unit of material, UZS.	Total value, soums
March 2	2000	400	800000
March 15	6000	440	2640000
March 30	2000	475	950000
Total available backup	10,000		4390000
The average cost of one unit of material = 4390000/10000 = 439.00 soums			
Balance at the end of the period, in soums - (6000 * 439.00) = 2634000 soums			
Total cost of available materials 4 390,000 sum. minus: Reserve at the end of the period 2634 000 sum.			

= Included in the cost of the product cost of materials 1 756,000 sum Or (4000 * 439.00) 1,756,000 sum

NIFO (NIFO) method - This is a method based on accounting for the consumption of inventories at planned prices.

For example:

Date of material receipt	Number, piece	Purchase price of one unit of material, UZS.	Total value, soums
March 2	2000	400	800000
March 15	6000	440	2640000
March 30	2000	475	950000
Total available backup	10,000		4390000
The write-off value of one unit of material is 400 soums			
Balance at the end of the period, in soums - (4000 * 440 + 2000 * 475) = 2710000 sum			
Total cost of available materials 4 390,000 sum. minus: Reserve at the end of the period 2710,000 sum. = Included in the cost of the product cost of materials (4000 * 400) 1600,000 sum cost adjustments (2000 * 40.00) 80,000 sum			

It can be seen that the NIFO (NIFO) method is similar in content to the FIFO (FIFO) method. The only difference is in the use of planned prices in the cost of materials, so at the end of the period there is a need to make adjustments to the cost of production for the amount of the difference between the planned and purchase values of materials.

Normative value method - it is a method based on accounting for the consumption of inventories at a fixed normative value. At the end of the period, the amount in these deductions is transferred to the cost of goods sold and finished goods accounts on the basis of reversal or additional entry.

For example:

Date of material	Number,	Purchase price of one unit of	Total value, soums

receipt	piece	material, UZS.	
March 2	2000	400	800000
March 15	6000	440	2640000
March 30	2000	475	950000
Total available backup	10,000		4390000
The write-off normative value of one unit of material is 420 soums			
Balance at the end of the period, in soums - (4000 * 440 + 2000 * 475) = 2710000 sum			
Total cost of available materials 4 390,000 sum. minus: Reserve at the end of the period 2710,000 sum. = Included in the cost of the product cost of materials (4000 * 430) 1720,000 sum cost adjustments 2000 * (400 - 430) + 2000 * (440-430) -40 000 sum			

2. CALCULATION OF DIRECT LABOR COSTS AND THE PROCEDURE FOR INCLUDING THEM IN THE COST OF PRODUCTS (WORKS, SERVICES)

In the management account, labor costs are divided into two groups. These are:
(1) direct labor costs;
(2) indirect labor costs.

Direct labor costs means the accrued fee for the labor expended in the production of a specific product, the performance of work and the provision of a service. An example of this is the wages accrued to those who perform specific work on production lines, assembly lines, which are directly related to production.

Wages accrued to employees that are not directly related to the production of a specific product, the performance of work, or the provision of a service are called indirect wages. From this, the costs are first transferred to the overhead costs of production, and then distributed to the cost of goods (works, services) in a certain order and rate. An example of indirect wage costs is the salary of heads of production shops, foremen, engineers, supervisors, cleaners.

The basis for the calculation of direct and indirect wages are:

* selected forms of remuneration;

* reports, orders, cards, representing the natural quantity (volume) of the product (work performed and services rendered) actually produced;

* documents reflecting the amount of working time actually worked, the time of causal (compulsory) and unreasonable stoppages in production, the number of hours worked in excess of the norm established by labor legislation (tables, orders, order cards, orders, orders, decisions);

* time worked per unit (hours, minutes), time of forced stops, basic and additional rates set for overtime;

* fixed wage rate for one unit of product (work, service);

* normative and actual amount of time spent for one unit of product (work, service);

* the rate set for the standard time spent per unit of product (work, service);

* norms of payment of the reward (amount of the penalty) for overfulfillment of the saved time or planned indicators;

* established procedures and rates for guaranteed wages.

Forms of remuneration. Direct and indirect wages in enterprises are calculated according to one of the following forms:

- temporal form;
- time-honored form;
- functional form;
- job-reward form;
- ishbay - guaranteed form;
- work-differentiated form.

In the temporary form of payment for labor Remuneration for labor is calculated on the basis of the norms established for one-hour, one-day or one-week labor, regardless of the volume of product produced. In this form, wage costs are found by multiplying the amount of time worked by the rate set for a unit of work time (see table below).

Indicators	A clerk	V employee	S employee	D employee
1. Actually processed time, hours	38	36	40	34
2. Set for an hour tariff rate	6000	5000	6500	7600
3. Wages accrued to the employee	228000	180000	270000	258400

A time-rewarding form of remuneration mis a form of time-based payment of labor aimed at increasing the interest of employees. This form provides for the calculation of additional wages to employees on the basis of hourly rates for overfulfillment of various qualitative and quantitative indicators, such as production norms (plans).

In the idle form of remuneration the amount of wages directly depends on the amount of products produced (work performed, services rendered) or the amount of time spent to perform them and the tariff rate set for one unit of product (work, service) or one unit of time spent. Multiply the amount of product (work performed, service rendered) produced in the form of labor costs by the tariff rate set for one unit of product (work, service) or the total amount of time spent on the product (work, service) set by the rate set for one unit of time spent found through.

Example: Suppose the number of products produced by employees in terms of employees, the time spent on them, and the norms of wages paid are as follows.

Indicators	**A clerk**	**V employee**	**S employee**	**D employee**
1. Number of products produced, pcs.				
Detal N	42	120	-	120
Detal K	72	76	-	270
Detal M	92	-	50	-
2. Time limit for one unit of product, minutes				
Detal N - 6				
Detail K - 9				
Detail M - 15				
3. The rate of payment for one minute is 100 soums				

Based on the above, the time spent by employees on production and the wages calculated for it are as follows:

Indicators	**A employee**	**V employee**	**S employee**	**D employee**
1. Time spent on product development, minutes				

Detal N Detal K Detal M	252 648 1380	720 684 -	- - 750	720 2430 -
Total time spent, minutes	2280	1404	750	3150
Total time spent, hours	38	23.4	12.5	52.5
2. A fixed payment rate per unit of time spent	100	100	100	100
3. Wages accrued to the employee	228,000	140 400	75,000	315,000

Unemployment-reward form of remuneration is a form of employment that is aimed at increasing the interest of employees. This form is applied to the hourly rate of 1 hour for the production workers on a part-time basis for various qualitative and quantitative indicators, such as time savings and high productivity, overfulfillment of production norms (plans), non-production of defective products. provides for the calculation of additional fees in the prescribed manner and rates, for example, as a percentage.

Based on the above examples, the time actually worked by the employees, the amount of time required for the work actually done, the time saved, as well as the percentage of overtime pay (say 75%) at the rate of 1 hour for time saved, as well as overtime paid for time saved The fee (reward) is as follows:

Indicators	**A Employee**	**V Employee**	**S Employee**	**D Employee**
1. Actually processed time, hours	38	36	40	34
2. Time spent for the work performed, hours	38	23.4	12.5	52.5
3. Save time, hours	0	0	0	18.5
4.Set for an hour tariff rate, soums	6000	5000	6500	7600
5. The amount of additional wages paid at the hourly rate for the time saved, percent	75	75	75	75

6. Additional salary for time saved, soums (3 * 4 * 5)	0	0	0	105450

A non-guaranteed form of remunerationin respect of unemployed employees, if they do not receive wages in the reporting month, at least in the form of unemployment, through the fault of the enterprise. In such cases, the employee is guaranteed a salary not less than the amount of interest paid (say, 70%) specified in the employment contract in relation to the amount of his temporary salary.

Based on the above examples, the guaranteed wage that should be paid to employees in relation to temporary wages is as follows:

Indicators	**A employee**	**V employee**	**S employee**	**D employee**
1. Wages calculated on a part-time basis, soums	228000	180000	270000	258400
2. Guaranteed salary rate (as a percentage of part-time salary)	70	70	70	70
3. The amount of guaranteed salary, soums	159600	126000	189000	180880
4. Wages in the form of non-working, soums	228000	140400	75000	420450
5. Guaranteed salary, UZS	0	0	189000	0

Unemployment-differentiated form of remuneration is a form aimed at increasing the responsibility and interest of unemployed employees. In this form, wages for non-working employees are calculated on the basis of increments starting from the established minimum amount of product, for example, up to 100 products for 10,000 soums each, for 100 to 150 products, for the next 50 products for 12,000 soums, 150 When produced from 180 units, the salary is 15,000 soums for each of the next 30 products.

Thus, different forms of remuneration and different norms, rates, procedures are applied in management. Each form of remuneration of labor requires the calculation and accounting of different amounts of direct and indirect wages, which are spent on the production of finished goods, works and services, and included in their cost. For example, based on the above examples, labor costs for production workers, which are calculated in different ways and should be reflected in the account, are as follows:

Indicators	**A**	**V**	**S**	**D**

	employee	employee	employee	employee
1. On a part-time basis, UZS	228000	180000	270000	258400
2. According to the working form, UZS	228,000	140 400	75,000	315,000
3. In the form of work-reward, UZS	228000	140400	75000	420450
4. On the non-guaranteed form, UZS	228000	140400	189000	420450

Direct and indirect labor costs included in the cost of products (works, services) are recorded in the relevant analytical accounts in the sections of the centers of responsibility (shops, products, works and services). Based on the data of these analytical accounts, the data on direct and indirect labor costs in enterprises are summarized in the relevant synthetic accounts. For example, direct labor costs are accumulated in the 2010 "Main production" account, indirect labor costs, as well as labor costs for downtime and overtime work are accumulated in the accounts 2310 "Auxiliary production" and 2510 "General production". Accordingly, these costs are included in the cost of finished goods produced, work performed and services rendered.

Lecture 3	MANUFACTURING COSTS ACCOUNTING AND METHODS OF INCLUDING THEM IN THE COST OF PRODUCT (WORK, SERVICE)

LECTURE TECHNOLOGY

<table>
<tr><td>Study hours: 2 hours</td><td>Number of students: 60 ta</td></tr>
<tr><td colspan="2">Form of training: Informative report</td></tr>
<tr><td colspan="2">Lecture plan:
1. The concept of overhead costs and their composition
2. Calculation of production overheads
3. Ways to include overhead costs in the cost of goods (works, services)
4. Methods of distribution of production overheads of service units between the main production units</td></tr>
<tr><td colspan="2">The purpose of the training:to give students an idea of the overhead costs of production, their composition, calculation and methods of inclusion in the cost of products (works, services) and methods of distribution of overhead costs of service units between the main production units.</td></tr>
<tr><td>Pedagogical tasks:
Disclosure of overhead costs of production, their composition, calculation and methods of inclusion in the cost of products (works, services) and the essence of the methods of distribution of overhead production costs of service units between the main production units.</td><td>Learning Outcomes:
Students will learn the essence of production overheads, their composition, calculation and methods of inclusion in the cost of products (works, services), as well as methods of distribution of overhead costs of service units between the main production units.</td></tr>
<tr><td colspan="2">Teaching aids: video projector, electronic board, whiteboard.</td></tr>
<tr><td colspan="2">Teaching methods: Explanation, mental attack.</td></tr>
<tr><td colspan="2">Forms of teaching: Collective work</td></tr>
<tr><td colspan="2">Teaching conditions: Classroom equipped with technical means.</td></tr>
<tr><td colspan="2">Monitoring and evaluation: Oral, test questions and answers.</td></tr>
</table>

1. THE CONCEPT OF MANUFACTURING COSTS AND THEIR COMPOSITION

Production overheads means costs associated with production but not directly attributable to the cost of the actual product. Such costs include:

*****used in productioncosts of various types of energy (electricity, gas, etc.);
*****shown in productiontransportation costs;
*****maintenance and repair costs of fixed assets;
*****depreciation of fixed assets and intangible assets of a production nature;

*****production property insurance costs;
*****heating, lighting and maintenance costs of production facilities;
*****rent for buildings, machinery and equipment used in production, other leased property;
*****wages of employees engaged in production services;
* costs of mining rock, gravel, sand and other non-metallic materials;

*costs of preparation and processing of wood materials;
*repair of special clothes and shoes, sewing costs.
* costs of research and development

*****other production costs.

The overhead costs of production listed above are the costs of general production units of enterprises. The basis for the need to include them in the cost of manufactured products is:

First, they are related to the production activities of the enterprise.

Second, production overheads are an integral part of all production costs of an enterprise.

Third, without them it is impossible to determine all the costs per unit product.

The reason why production overheads cannot be included directly in the cost of a particular product is that they apply to all types of products produced at the enterprise at the same time. Therefore, in order to realistically determine the cost of goods (works, services), it is an objective necessity to allocate overhead costs between products produced in accordance with certain procedures.

2.PRODUCT COSTS ACCOUNT

Calculation of overhead costs of production in accordance with IFRS 21 of the Republic of Uzbekistan 2510 "General production costs"account. Thisthe debit of the account is reflected in connection with the accounts, which indirectly account for production inventories, payroll calculations with employees, etc. Expenses recorded in the accounts of general production costs are debited to the accounts 2010 "Main production", 2310 "Auxiliary production".

Analytical accounting on the accounts of general production costs is carried out on separate divisions of the enterprise and items of expenses.

Linking of invoices for general production costs (2500):

T / r	**The content of economic transactions**	**Linking of accounts**	
		Debit	**Credit**
1	Depreciation of fixed assets of general production importance	2510	0220-0299
2	Depreciation of intangible assets of general production significance	2510	0510-0590
3	Consumption of materials for general production purposes	2510	1010-1090
4	The difference in the cost of materials used for general production purposes was written off	2510	1610
5	The semi-finished products produced in-house were given for general production purposes (testing, experiments)	2510	2110
6	Auxiliary production services were deducted from general production costs	2510	2310
7	Subsequent period costs were deducted from general production costs	2510	3110-3190
8	Self-made products were used for general production needs	2510	2810
9	Services of suppliers for production services	2510	6010

	(energy, water, gas, communications, etc.)		
10	Deduction of the amount of claims previously submitted but not satisfied for general production costs	2510	4860
11	Insurance costs related to overhead costs	2510	6510
12	Costs of a single social payment related to general production	2510	6520
13	Calculation of labor costs of employees engaged in production services	2510	6710
14	Expenditures incurred by divisions, subsidiaries and affiliates of production services	2510	6110, 6120
15	Excess and return of materials previously provided for production maintenance	1010	2510
16	Inclusion of general production costs in the cost of production	2010	2510
17	The cost of maintaining ancillary shops is included in the cost of their work and services	2310	2510
18	Part of the total production cost was added to the cost of repairing defective products	2610	2510
19	Production maintenance costs are included in future expenses	3110-3190	2510
20	Part of the total production costs (idle downtime, etc.) was borne by the responsible persons	4730	2510
21	Part of the total production costs (due to natural disaster, fire, etc.) was written off against the losses	9430, 9720	2510

3.PRODUCTION OF OVERVIEW COSTS

(WORK, SERVICES) METHODS OF INCLUDING IN THE COST OF SERVICES

The inclusion of overhead costs in the cost of goods (works, services) is made in the following sequence.

1. According to the accounting data, the amount of total overhead costs is determined.

2. The base of distribution of overhead costs is determined. The distribution base is a general calculated criterion (criterion) for all types of products (works, services) or a separate criterion (criterion) for each production overhead. The general criteria are usually:

- working hours of production staff (workers)
- operating time of production equipment
- labor costs of key production personnel
- unit of product produced.

The following can also be used as a distribution base for individual production overheads:

Production overhead type	***For distribution base***
Rent	- area of rooms
Production equipment insurance	- Initial cost of equipment
Depreciation	- Initial cost of equipment
Salary of TNB supervisors	- Salaries of key employees
Heating and lighting	-room area

3. The rate of distribution of overhead costs is determined.
This rate is found by dividing the sum of total production costs by the total amount (sum) of the selected general criterion (criterion, indicator, indicator) of the base quality, ie:

$$St = \frac{\text{Total production overhead}}{\text{Distribution database amount}}$$

The distribution rate of overhead costs of production, in turn, can be of two types: (1) General (general factory) and (2) private (inter-shop).

General distribution of production overheads (general plant) rate is used as a whole for the whole enterprise. For example, if in a given reporting period the total overhead costs are 1,000,000,000 soums and the total production time of the main production staff is 100,000 hours, then the production overhead allocation rate averages 1,000 soums / person-hour (1,000,000,000 / 100,000). And it is at this rate that production overheads are distributed among all product types. If the main labor cost for the production of product A is 30,000 man-hours, then the cost of this product includes a total production overhead of 30,000,000 soums (30000 * 1000).

If the production process is carried out through separate departments, then it is expedient to apply a special (inter-departmental) rate of distribution of production overheads.

	A tsex	B tsex	V tsex	Total
Production overhead costs, UZS	25000000	40000000	35000000	100000000
Distribution database (labor hours)	40,000	10,000	50,000	100000
Production master cost distribution rate	625	4000	700	1000

If the main labor cost for the production of product X is 10,000 people / hour in shop A, 5,000 people / hour in shop B, 15,000 people / hour in shop B, then the overhead costs incurred in the cost of this product are 36,750,000 soums (10,000 * 625 + 5000 * 4000 + 15000 * 700) soums)

However, the calculation of production overheads based on their actual amount poses various problems. For example:

• the cost of the order cannot be determined until the end of the reporting period due to the inability to predict production overheads and production volumes;

• the fact that production overheads and production activities fluctuate from month to month leads to many changes in the production overhead cost distribution rate.

Due to the above, in practice, the planned rate of distribution of production overheads during the reporting period is widely used.

The calculation of the planned rate of distribution of production overhead costs includes the following steps:

1. The forecast volume of production overheads is determined.

2. The base of distribution of production overhead costs is selected.

3. The projected rate is determined by dividing the projected production overhead by the amount of the projected distribution base

4. Based on the determined forecast rate of distribution of production overhead costs, these costs are distributed among the types of products.

When allocating production overheads at the planned rate, the difference between the planned overhead and actual overhead costs is determined after determining the actual overhead costs at the end of the reporting month. This difference can be of two types:

1. Overhead costs of production that are not fully distributed;

2. Production overheads distributed in excess.

The write-off of overhead costs that are not fully distributed or distributed in excess can be written off in the following two ways.

1. If the products are sold in full, then the amount of the difference between the planned and actual production overheads is adjusted by debiting or crediting the account "Cost of goods sold".

2. If the products are not sold in full, then the amount of the difference between the planned and actual production overheads is distributed among them in proportion to the share of balances in the accounts "Incomplete production", "Finished goods" and "Cost of goods sold".

Example: the sum of total production overheads is projected at 100,000,000 soums, the amount of labor of key employees in the plan is 100,000 people / hour. In this case, the plan rate of distribution of production overheads is 1000 soums (100000000/100000). In practice, the amount of labor actually amounted to 110,000 man-hours, the actual production overhead costs amounted to 120,000,000 soums, and the production overhead costs incurred to the cost of goods sold at the planned rate amounted to 110,000,000 soums. In this case, the following entries are made in the accounts, which reflect the calculation of production overheads and their distribution.

If the above production costs of 110,000,000 soums are distributed according to the plan rate as follows: 11,000,000 soums or 10% to the account "Incomplete production"), 33,000,000 soums or 30% to the account "Finished goods" and 66,000,000 soums or 60% to the account "Cost of goods sold", in which case the actual and planned production The difference between the amounts of overhead costs (in our example it is distributed in the amount of less than 10 000 000 soums) is reflected in the above accounts as follows:

4. METHODS OF DISTRIBUTION OF SERVICE DEPARTMENTS DEVELOPMENT COSTS BETWEEN MAIN PRODUCTION DEPARTMENTS

Production overheads of service units (e.g., repairs, supplies, etc.) are included in the cost of goods sold by dividing and redistributing those costs between the main production units. Such distribution and redistribution is carried out on the basis of the following methods:

1. The method of direct distribution.

2. Step-by-step distribution method.

Direct distribution method.This method does not take into account the services provided to each other by service units, all costs of these service units are carried directly to the costs of the main production units in proportion to their share in total overhead costs..

For example. For example, the overhead costs of production of the main production shops and service departments of the enterprise, as well as logistics departments, the bases of distribution of these costs are as follows:

	Production departments		Service units		Total costs
	Machine shop	Assembly shop	Technician service (T.X.)	Logistics (MTT)	
The sum of production overheads according to the estimate	40,000,000	20,000,000	60,000,000	11,600,000	131,600,000
Distribution databases of rendered services:					
Technical Services (TX) Planned labor costs (person / hour)	24000	40,000	-	16000	80,000
Share,%	30	50		20	100
Logistics (MTT) Planned working hours (person / hour)	16000	2000	2000	-	100% 20,000
Share,%	80	10	10		100

According to the above data, the overhead costs of service units are distributed among the main production units according to the direct method as follows:

Indicators	**Main production departments**		**Service departments**		**Total costs**
	Machine shop	Assembly shop	Maintenance	Material and technical support	
Pre-Distribution Production Overhead Cost Estimates	40,000,000	20,000,000	60,000,000	11,600,000	131,600,000
Distribution of services provided:					
Technical services					
Taksimot coefficient	3/8 or 37.5%	5/8 or 62.5%	8/8 or 100%		
Distribution sum	22,500,000 (60,000,000 * 37.5%)	37,500,000 (60,000,000 *) 62.5%)	-60,000,000		0
Logistics					
Distribution coefficient	8/9 or 88.9%	1/9 or 11.1%	9/9 or 100%		
Distribution sum	10 311 111 (11600000 * 88.9%)	1,288,889 (11,600,000 * 11.1%		-11 600 000	0
Total costs	**72 811 111**	**58 788889**	**0**	**0**	**131,600,000**

Step-by-step distribution method. This method takes into account the mutual services of service units, all the costs of these service units are carried out step by step in accordance with the share of the main production units in their total overhead costs.. For example, in step 1, the overhead costs of service units are distributed according to the share of distribution between the main production units and service units. In Step 2, the costs allocated to another service unit in Step 1 are redistributed between the main production units according to the distribution shares assigned to them.

Based on the above materials, the overhead costs of service units are distributed among the main production units and service units according to the method of step-by-step distribution as follows:

Indicators	**Service departments**		**Main production departments**		**Total costs**
	Maintenance	Material and technical support	Machine shop	Assembly shop	
Pre-Distribution Production Overhead Cost Estimates	60,000,000	11,600,000	40,000,000	20,000,000	131,600,000
Distribution of services provided:					
Technical services					
Step 1					
TX share TXSummasi		20% 12,000,000	30% 18,000,000 -	50% 30,000,000	100% (60,000,000)
Step 2					
Distribution of costs corresponding to		(23,600,000)	20980400	2619600	(23,600,000)

MMT					
Distribution share			* 88.9%	11.1%	
Total			**78 980 400**	**52 619 600**	**131,600,000**

Lecture 5	METHODS OF DISTRIBUTION OF COMPLEX PRODUCTION COSTS BASIC AND ADDITIONAL PRODUCT TYPES

LECTURE TECHNOLOGY

Study hours: **2 hours**	**Number of students: 6**0 ta
Form of training: Informative report	
Lecture plan: 1. Complex production costs, methods of their distribution between primary and secondary product types 2. Secondary product account	
The purpose of the training: to give students an idea of the complex production costs, the generalization of accounting data on them and the methods of their distribution between the main and additional types of products.	
Pedagogical tasks: to reveal the essence of complex production costs, methods of their distribution between the main and additional product types.	**Learning Outcomes:** Students will learn the essence of complex production costs, methods of distributing them between the main and additional product types.
Teaching aids: video projector, electronic board, whiteboard.	
Teaching methods: Explanation, mental attack.	
Forms of teaching: Collective work	
Teaching conditions: Classroom equipped with technical means.	
Monitoring and evaluation: Oral, test questions and answers.	

1. METHODS OF DISTRIBUTION OF COMPLEX PRODUCTION COSTS BASIC AND ADDITIONAL PRODUCT TYPES

The production process carried out in enterprises is usually of a complex nature, in which different types of products are obtained from the same type of raw materials and supplies used in the process, rather than the same product. Such complex production can be found in all sectors of the economy. Example:

Networks and Enterprises	**Finished product type**
Agricultural processing enterprises	
* milk combines	Milk, cream, butter, cottage cheese

* meat factory — Meat, skin, fat, bone

Chemical industry enterprises

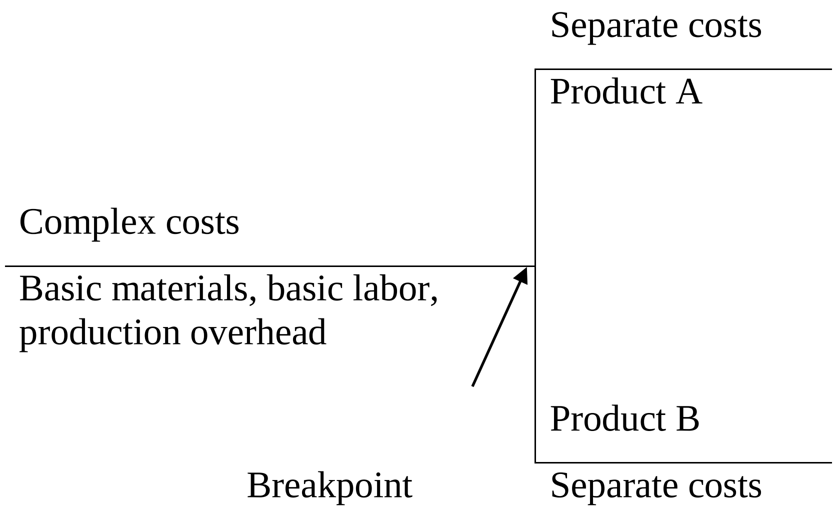
* Organic chemical plant — Ethylene, propylene, benzene

* oil combine — Oil, soap, sesame seeds, glycerin

Products obtained in complex production can be divided into primary and secondary products, by-products, respectively, adjacent and usable waste products. The production of these products is carried out in a complex way, ie in cooperation. Therefore, the production costs incurred by them are called complex production costs.

Separation of products in complex production into primary and secondary products is carried out at a certain point (stage) of the technological process. This point (stage) is called the product separation point. Correspondingly, the distribution of production costs incurred in complex production at the point of separation of products is called the complex production cost distribution.

If the jointly acquired products are considered ready after a certain point (stage) and do not require additional processing, then the total complex costs incurred are distributed among the products obtained at this separation point. If the costs received at the point of separation are subsequently incurred, these costs are considered as separate costs after the point of separation and they apply only to the products separated.



Complex costs are distributed among the products at the point of separation according to one of the following 2 methods:

1. Sales volume based method
2. The method of natural indicators.

Sales volume based method. According to this method, the complex costs are distributed in proportion to their selling value among the jointly produced products at the point of separation. This is based on the approach that products sold at high prices are, in fact, high costs. For example, let's say that the complex costs total 100,000,000 soums.

Suppose the number of products received at the point of separation, the market price, and the market value of the sale are as follows.

Product type	Number of Product, piece	Unit market price of the product at the point of separation, UZS.	Total selling price, UZS	Share in sales,%
Product A	2000	50,000	100 000 00	83.3
Product B	1000	20,000	20,000,00 0	16.7
Total			**120,000,0 00**	**100.0**

Based on the above information the complex costs are distributed between products A and B obtained at the point of separation as follows:

Product type	Share in sales, %	Complex cost distribution	Cost of 1 unit of product	1 unit product sales price	Benefits per 1 unit of product
Product A	83.3	83 300000 (100000000 * 83.3%)	41 650	50,000	8350
Product B	16.7	16 700 000 (100000000 * 16.7%)	16 700	20,000	3300
Total	**100.0**	**100000 000**	x	x	x

2. The method of natural indicators.

According to this method, the complex costs are distributed in proportion to the amount of co-produced products at the point of allocation.For example, let's say that the complex costs total 100,000,000 soums. Suppose the number of products obtained at the point of separation is their share in the total output.

Product	Number of products	Share%
A product	2000	66.7
B product	1000	33.3
Total	3000	100.0

Based on the above information the complex costs are distributed between products A and B obtained at the point of separation as follows:

Product type	Number of products	Share in sales, %	Complex cost distribution	Cost of 1 unit of product	1 unit product sales price	Benefit per 1 unit of product
Product A	2000	66.7	66 666 666 (100000000 * 66.7%)	33 333	50,000	16667
Product B	1000	33.3	33 300 000 (100000000 * 33.3%)	33333	20,000	-13333
Total	**3000**	**100.0**	**100 000 000**	x	x	x

When the natural rate method is used, the average cost per 1 unit of product is the same. The advantage of this method is its simplicity.

If the manufactured products undergo additional processing after the separation point, then the following methods are used in the distribution of complex costs:

1. Net sales method
2. The method of constant share of gross profit.

Net sales method

According to this method, in order to allocate the costs of complex production, the additional costs incurred after the break-even point are determined, so that these costs are compared with the share of net sales value of each product in the net sales value of total products. Example: say, complex costs are 100,000,000 soums, individual costs are 16,000,000 soums for product A, and 14,000,000 soums for product B. The selling price and selling price of the products are as follows:

	Number of products	Selling price of the product, sum	Selling price, sum	Separate expenses, sum	Net sales value	Share in net sales,%
A product	2000	60,000	120000000	16000000	104,000,000	90.43
B product	1000	25,000	25000000	14000000	11,000,000	9.57
Total					**115 000 000**	**100**

Based on the above information the complex costs are distributed between products A and B obtained after the separation point as follows, and their unit cost and profit are as follows:

Product type	Share in net sales, %	Complex cost distribution	Cost of 1 unit of product	1 unit product sales price	Benefits per 1 unit of product
Product A	90.43	90 430 000 (100 000000 * 90.43	45 215	60,000	14785
Product B	9.57	9570 000 (100 000000 * 9.57%)	9570	25,000	15430
Total	**100**	**100000 000**	x	x	x

The method of constant share of gross profit.

For the distribution of complex costs under this method, the level of gross profit from the sale of products, ie the level of profitability, is assumed to be the same. Therefore, to apply this method, the following is calculated:

1. Percentage of gross profit.
2. Cost of goods sold and distribution of complex production costs

Example:

Complex costs, sum.	100,000,000
Separate expenses, sum:	

A product	16,000,000
B product	14,000,000
Total	30,000,000

	Product soni	Selling price, sum.	Selling price, sum.
A product	2000	60,000	120,000,000
B product	1000	25,000	25,000,000
Total			145,000,000

1. Percentage of gross profit.

Selling price, sum.	145,000,000.
Minus complex production costs and separate costs, sum.	130,000,000.
Gross profit, sum.	15,000,000.
Gross profit percentage (1500000/145000000 * 100%)	10,345%

2. Determining the cost of goods sold and allocating the cost of complex production

	A product, sum	B product, sum	Total, sum
Selling value	120 0000 00	25,000,000	145,000,000
Minus Gross profit, 10,345%	12 415 000	2,585,000	15,000,000
Cost of goods sold	107 585 000	22 415 000	130,000,000
Minus Separate costs	16,000,000	14,000,000	30 000 0000
Complex production costs	91 585 000	8 415,000	100,000,000

2. SECONDARY PRODUCT ACCOUNT

In addition to the main product, complex production also includes by-products and waste. This approach is called product and waste by-products. Examples of these are non-fat kunjara, puchok, soapstock, bran, cereals and powder, which are also obtained in oil mills. These related products and wastes will have lower selling values than the main product.

In addition, the approach is also more complicated to determine the difference between product and waste. However, there is a view that the adjacent product is:

a) has a larger market value;

b) in many cases they are the object of future technological processes;

There are two approaches to the calculation of by-products and waste:

Approach 1 is to keep separate accounts for secondary products;

Approach 2 is to reduce their market value to the production cost of the primary product without keeping separate accounts for secondary products.

The second of these approaches is considered more accurate in most cases because it allows a realistic determination of the cost of the main product. In this approach, the income from the secondary product or net income (i.e., the amount after deducting the cost of processing after the point of their separation from the selling price of the secondary product) should be deducted from the cost of the jointly produced or manufactured primary product. In this approach, secondary product accounting is based on the following methods:

1) Based on the method of distributing the net income from sales based on the actual sales of secondary products. In this method, the income from the sale of a secondary product is reflected as income in the credit of the income account at the time of sale.

2) Based on the method of distributing the net income from sales according to whether the secondary products are actually produced. In this method, the income from the sale of a secondary product is reflected in the credit, which reflects the complex costs, ie, it leads to a reduction in costs

For example.

In the production of product A, a secondary product B appears, assuming that the following data were obtained during the reporting period:

Expenses incurred before separation of primary and secondary products, thousand soums	60,000
Developed during: A basic product, pcs V secondary product, pcs	 20,000 4000
Costs incurred on secondary product V after separation (4000 pieces, 100 sums each	4,000,000
Sold during: A basic product, 15,000 pcs V secondary product, 2000 pcs	 5000 sums. 1000 sums

Maintaining the net income from the sale of secondary products on the basis of the method of distribution of secondary products on the basis of actual sales

1. The unit cost of a primary product is determined in such a way that the secondary product is not intended for sale. To do this, all complex costs are transferred to the cost of basic products, ie: 60000000/20000 = 3 000 sums.

2. When compiling the statement of financial performance, the net proceeds from the sale of the secondary product are deducted from the cost of the primary product sold, thus reducing the amount of costs incurred in the production of the primary product.

Net income from the sale of secondary products is found as follows:

2000 * (1000-100) = 1800000

In this case, the indicators of the report on financial results are as follows:

Indicators	Summa
1. Sales volume	15000 * 5000 = 75000000
2. Cost of goods sold	15000 * 3000 - 1800000 = 43200000
3. Gross income	31800000

Maintaining the net income from the sale of secondary products on the basis of the method of distribution of secondary products on the basis of actual production

1. The amount of net income from the sale of secondary products is determined {4000 * (1000-100) = 3600000}.
2. The amount of total complex expenses is reduced to the amount of net income from the sale of secondary products (60000000 - 3600000 = 56400000).
3. The unit cost of the primary product is determined (56400000/20000 = 2820 sum), assuming a net profit from the sale of the next secondary product. The cost of the main product sold at this cost is deducted.

In this case, the indicators of the report on financial results are as follows:

Indicators	Summa
1. Sales volume	15000 * 5000 = 75000000
2. Cost of goods sold	15000 * 2820 = 42300000
3. Gross income	32700000

It can be seen that the above two methods have different effects on the cost of goods sold. The choice of these techniques will usually depend on the commercial situation. If the sale of the secondary product is not guaranteed and the market prices are not stable, then it is advisable not to recognize the income until the secondary product is sold.

Lecture 6	COST AND PRODUCT CALCULATION OF PRODUCTS (WORKS, SERVICES) BY "STANDARD COST" AND "DIRECT COSTING"

LECTURE TECHNOLOGY

Study hours: **2 hours**	**Number of students: 6**0 ta
Form of training: Informative report	
Lecture plan: 1. Cost accounting in the "Standard-cost" method 2. Cost accounting by the method of "direct costing"	
The purpose of the training: To give students an idea of cost accounting in the "Standard-cost" and "Direct-costing" methods.	
Pedagogical tasks: Explain the essence of the cost accounting methods "Standard-cost" and "Direct-costing".	**Learning Outcomes:** Students will learn the essence of the cost accounting methods "Standard-cost" and "Direct-costing".
Teaching aids: video projector, electronic board, whiteboard.	
Teaching methods: Explanation, mental attack.	
Forms of teaching: Collective work	
Teaching conditions: Classroom equipped with technical means.	
Monitoring and evaluation: Oral, test questions and answers.	

1. COST ACCOUNTING "STANDARD-COST"

The main goal of enterprises is to make a profit. These benefits are divided into two types:

1. **Gross profit** - it is found by deducting the selling price of the product (work, service) sold from the net proceeds (income) from sales;
2. **Basic operating benefit or operating benefit** - it is found in addition to gross profit by deducting other operating expenses, ie sales of products (works, services), management and other operating expenses.

The relationship of gross profit and operating profit of enterprises directly to costs included in cost and non-cost includes the widespread use of two systems of these indicators in international accounting practice. These are:

1. Standard-cost system (absorption-cost system).

2. Direct-cost system (verdi-cost system).

Standard-cost system- it is a system of complete distribution of all direct and indirect costs. According to it, all direct and indirect costs of production are included in the cost of goods produced (works, services), and other operating costs (sales, management and other operating costs) are covered by gross profit from operating activities. The second feature of this system is that all costs included in the cost and non-cost are first assessed on the basis of pre-established norms, then at the end of the reporting period these normative costs are compared with actual costs, and thus the difference between standard and actual costs determined. So, the "Standard-cost" system is a set of costs (standards, norms,

Gross profit and operating profit on the "Standard-cost" accounting system are determined in the following order:

№	**Indicators**	**On standard (normative) costs**	**In terms of actual costs**	**Deviations from the standard**
1	Net income			
2	Product cost			
2.1	Direct material costs			
2.2	Direct labor costs			
2.3	Other indirect production costs			
3	Gross profit (1-2)			
4	Other operating expenses			
5	Profit from operating activities (operating profit)			

- Gross sales revenue;

- Standard cost of the product;

- Gross profit (1q - 2q);

- Deviations from standards;

- Real profit (3q - 4q).

Calculations calculated using standards and norms are the basis for operational production and cost management. The degree of deviation of costs from the established standard norms is analyzed to determine the causes of these deviations. This will allow the administration to quickly eliminate shortcomings in production and prevent them in the future.

It should be noted that the "Standard-cost" accounting system is not defined by normative documents in foreign practice, so this system does not have a single way to set standards and maintain accounts, resulting in a variety of basic, current, absolute, approximate and simplified within the enterprise. norms apply.

Quantitative standards are widely used in setting standards, which allow to naturally express the cost of raw materials, labor and services needed to produce a product.

When using the "Standard-cost" accounting system, deviations on the following cost items should be identified and accounted for:

- deviations on direct material costs;
- Direct salary deviations;
- deviations from indirect general production costs;
- deviations on current expenses.

Detection and calculation of deviations on direct material costs

The total amount of deviation from direct material costs is found as the difference between the actual material costs and the amount of standard costs on them, ie:

$$DMx = Sm * Bm - Sx * Bx \quad (1)$$

Here DMx is the difference in the sum of direct material costs; Sm is the normative consumption of materials; Bm is the normative value of one unit of material; Sx is the actual consumption of materials; Bx is the actual value of a unit of material

Therefore, deviations in direct material costs occur due to two factors: (1) deviations in prices; (2) Deviations in the number of materials consumed. The effect of these two factors on the total deviation is determined as follows:

Deviations in material prices	DMb = (Mb- Xb) * Sx (2)
By the number of materials consumed	DMs = (Sm- Sx) * Mb (3)

If the calculations in formulas (2) and (3) are correct, their sum is equal to the sum of the deviations in the total material costs found by formula (1).

Identification and calculation of deviations on direct labor costs

The total deviation of direct labor costs is found as the difference between the actual labor costs and the amount of standard costs on them, namely:

$$DIXx = Vm * Sm - Vx * Sx \quad (4)$$

Here DIX is the difference between the sum of direct labor costs; Vm is the standard time required for a unit of product; Sm is the standard rate of payment for a unit of time; Vx is the actual time spent per unit of product; Sx is the actual rate of payment set for a unit time.

Hence, deviations in direct labor costs occur due to two factors: (1) time deviations per unit of output; (2) Deviations from the fixed payment rate for a unit time. The effect of these two factors on the total deviation is determined as follows:

Deviations in time per unit output	DIXv = (Vm- Vx) * Sm (5)
At a rate set for a unit time	DIXs = (Sm- Sx) * Vx (6)

If the calculations in formulas (5) and (6) are correct, their sum is equal to the sum of the deviations in the total wage expense found under formula (4).

Determining and accounting for deviations in variable overhead costs

The total deviation of variable overhead costs is found as the difference between the actual variable overhead costs and the amount of standard costs over them, namely:

$$DUIChXo' = UIChXo'x - UIChXo'm \quad (7)$$

Where DUIChXo is the total deviation of the variable overhead costs; UIChXox - the sum of the actual variable production costs; UIChHom - The amount calculated at the standard rate of variable overhead costs.

Typically, variable overhead production costs vary depending on changes in the working hours of key production personnel and therefore the overall deviation in variable overhead production costs occurs due to one or two factors following

- Because the actual costs differ from the plan;
- the time spent by the main production workers differs from the established standard time.

Hence, the total deviation in variable overhead costs is based on the following two factors:

- cost deviation;
- deviation in efficiency.

Cost avoidance -this is the difference between the variable overhead production costs in the adjusted estimate for the time actually spent by the key production personnel and the sum of the actual overhead production costs.

Deviation on efficiency - this is the difference between the actual labor and standard labor of key production workers and the sum formed by multiplying the normative rate of variable overhead costs.

Determining and accounting for deviations in fixed overhead costs

The total deviation from fixed production costs is calculated as follows:

$$DDUIChX = TMxch * Sduxbb - DUIChXx \quad (8)$$

Where DDUIChX is the total deviation of fixed production costs; TMxch - output (quantity) of the finished product actually produced; Sduxbb - the rate of distribution of fixed production costs per unit of output; DUIChXx is the actual sum of the fixed overhead production costs.

Hence, fixed total production costs are found by multiplying the actual amount of production by their quantity and the amount (quantity) in the estimate by the normative rate of distribution of fixed overhead production costs per unit of product.

In turn, this deviation occurs under the influence of two factors:

(1) Deviation on efficiency = (Standard time spent on actual output - time actually spent) x Fixed rate of distribution of overhead production costs

(2) Deviation in production capacity = (estimated time for the planned output - the time actually spent on the planned output) x Fixed rate of distribution of fixed overhead costs

Identify and account for deviations in variable and non-variable costs that are not included in cost

These costs are not included in the cost of the product (even when determining the full cost, calculating). Therefore, the amounts of deviations from the norm for these costs are defined as the sum of the difference between the actual costs incurred by their types and the costs specified in the estimate.

Determining and calculating deviations from gross profit

In addition to costs that are included in cost and not included in cost, the company's profit is also affected by the volume of sales and sales prices. Therefore, in addition to determining the deviations in gross profit, the impact of changes in sales and product prices on this dviation is determined on the basis of:

1	Deviations in selling price	- normative unit cost of production; - actual unit cost of production; - volume of products sold.
2	Deviations in sales volume	- sales volume according to the estimate; - actual sales volume; - standard per unit of product benefit
3	Deviations in gross profit	- regulatory benefits; - actual profit.

(1) Deviation in selling price = (Actual selling price - Normative selling price) x is actually the amount of product sold;

(2) Deviation in sales volume = (Actual sales volume - Normative sales volume) x Normative sales price of the product

(3) Deviations in gross profit = Actual profit - normative profit.

According to IFRS 1 "Accounting Policy and Financial Reporting" of the Republic of Uzbekistan, enterprises have the right to evaluate and reflect the objects of accounting at actual and normative cost, to independently determine the forms and methods of accounting. For example, enterprises that create a synthetic account of finished products at the normative cost can use the account 2800 - "Finished goods account" in accordance with the new chart of accounts. This account is intended to summarize information about the products produced during the reporting period and to determine their deviation from the normative (standard) cost of production.

At the end of the reporting month, the actual production cost of products recorded in the account 2010 - "Main production" should be transferred from this account credit to the debit of the account 2810 - "Finished goods in stock" with adjustments. In this case, information about the finished product is formed at two different prices: on debit - the actual cost of production, on credit - the standard cost. At the end of the month, the comparison of debit and credit turnover on the account 2810 "Account of finished products in the warehouse" reveals the deviation of the actual cost of production from the normative cost. The amount of deviation must be deducted from the credit of the account 2810 - "Account of finished products in the warehouse" to the debit of the account 9100 - "Account of the cost of goods sold (works, services)."

In accounting practice, when using the accounts 2800 - "Finished goods account" there is no need to make labor-intensive calculations on deviations from the normative cost of products produced, shipped and sold, because the identified deviations on finished products are immediately 9100- "Sold The cost of goods (works, services) is calculated, but this option allows you to determine the actual cost of goods sold only if the product was produced and sold in the same quarter.

2. COST ACCOUNTING "DIRECT-COSTING" METHOD OF DRIVING

The direct costing accounting system is also a new accounting system of the republic. This system is widely used today in economically developed countries. In Germany and Australia, this method is called “partial cost accounting”. In Britain it is called "marginal cost accounting", in France - "marginal accounting" or "marginal accounting". In Uzbekistan, the concept of "limited, incomplete or reduced cost accounting" is used.

The "direct costing" accounting system requires clarity of direct and indirect costs, basic and additional, fixed and variable costs, and on this basis to address the strategic objectives of management.

The main purpose of the "direct costing" system operating costs are divided into fixed and variable costs depending on changes in production volume.

Initially, the cost would include only variable costs, while fixed costs would be deducted from the entity's financial results. The name Direct-Costing-System is derived from this, and later the Direct-Costing system became an accounting system in which the cost was calculated only in the part of direct variable costs. A number of conventions in this name are derived from this.

In practice, there is an opportunity to use the system of "direct costing" in different variants. In the classic "direct costing" system, which provides for the calculation of direct costs, the calculation of costs is carried out on variable costs. In this case, the process of calculating the cost of rational use of production capacity at full capacity includes all variable costs and part of the total production costs. All this is determined by the utilization factor of production capacity.

In the system of "direct costing" the system of reporting on financial results is presented as follows.

Comparative view of determining the financial results of the enterprise on the systems of "direct costing" and calculation of the total cost of production

№	"Direct costing" according to the system	Summa	№	According to the full cost method	Summa
1.	Proceeds from the sale of goods (goods, works and services)	358357	1.	Proceeds from the sale of goods (goods, works and services)	358357
2.	Variable costs (cost of goods sold (goods, works, services))	288916	2.	The full cost of goods sold	334484
3.	Marginal income (1k - 2k) (gross profit (loss) from the sale of goods (goods, works, services))	69441	3.	Basic (operating) profit (loss)	23873
4.	Fixed costs (current expenses)	45568			
5.	Basic (operating) profit (loss)	23873			

The data in the table show the differences between the "direct costing" accounting system and the total cost of the product, based on the procedure for determining the financial result.

Thus, the "Direct Costing" accounting system has the following features:

- the calculation is primarily aimed at determining the marginal revenue, ie the intermediate financial result;

- accounting for the product only in terms of variable costs and determining the cost of production;

- calculation of fixed costs of the enterprise and their focus on reducing operating profit to determine the final financial result;

- determination of marginal revenue as a basis for the process of rapid price management;

- to determine the relationship and relationship between sales, cost and profit;

- Determining the point of innocence.

The main advantages of the direct costing system are:

- simplification and accuracy in the calculation of the cost of the product (because the cost is planned and taken into account only in terms of variable costs);

- no complex calculations for the conditional distribution of fixed costs between product types (they are not included in the cost of the product and are covered by the financial results);

- the level of profitability (break-even point, sales volume), the ability to determine the lower limit of the price of the product;

- the possibility of a comparative analysis of the level of profitability of different types of products;

- the ability to determine a favorable program for the production and sale of products;

- self-produced products or services and the opportunity to purchase them abroad.

The direct costing system allows managers to focus on changes in marginal revenue at the enterprise level and for various products, so that the difference between the selling price and the amount of variable costs in determining a high-yield product is not hidden by adding fixed costs to the cost of individual products. allows you to quickly grasp the products in response. In the conditions of free market competition, the "Direct Costing" accounting system will become an integral part of the enterprise management system - marketing.

In addition, the "Direct-costing" accounting system helps to quickly establish control over fixed costs, as in the process of controlling the cost of standard (normative) costs ("Direct-costing" system is organized in conjunction with the "Standard-cost" system) or flexible estimates used. As standards are applied in the Direct Costing system, norms are set for variable and fixed costs. It should be noted that in the system of full cost accounting allows to determine one of the undistributed amounts of additional costs:

- If there is an artificial reduction in prices in the competition, fixed costs can not be covered by marginal revenue, ie the company begins to suffer losses.

- Opponents of the "direct costing" system believe that it is difficult to determine the full cost of the product in the system of accounts. Therefore, an additional allocation of conditional-fixed costs is required when it is necessary to determine the full cost of the finished product or work in progress.

- only the cost of production, ie accounting in terms of reduced nomenclature of items does not meet the accounting requirements, as it does not calculate the full cost of the required product.

The next stage of the research is to analyze the feasibility and feasibility of using the direct costing system in the management of enterprises in Uzbekistan.

Prior to independence, calculating the full cost of a product was traditional for Uzbek accounting. The account is aimed at obtaining information about the full cost of the product. In this option, the cost of the product is constant and variable, regardless of whether it is divided into basic and additional, direct and indirect, continuous production and periodic, it includes all the costs of the enterprise. Costs that are not directly attributable to the product are accumulated in the distribution accounts during the reporting period and then transferred to the cost of the product in proportion to the base approved by the accounting policy, but this option does not take into account changes in unit cost.

If an enterprise expands production and sales, the unit cost of production decreases, if an enterprise reduces the volume of production, the cost increases. In this context, the need and expediency of using the system of "direct costing" in Uzbek enterprises remains relevant.

1994 was a turning point in the application of the elements of the "direct costing" system in the practice of the republic. At the same time, enterprises are gradually adopting a method of calculating cost, which is unconventional for Uzbekistan. This method is based on the system of "direct costing".

On the basis of the Resolution of the Cabinet of Ministers of the Republic of Uzbekistan dated March 26, 1994 No 164 "On approval of the Regulations on accounting and reporting in Uzbekistan and improving the system of accounting accounts" several steps were taken to develop accounting. In particular, the Regulation "On the structure of costs of production and sale of goods (works, services) and the formation of financial results" (January 27, 1995) was approved by the Ministry of Finance of the Republic of Uzbekistan and developed with the participation of UN international experts.

After that, the Instruction of the Ministry of Finance of the Republic of Uzbekistan No. 17-02/28 of April 4, 1995 was approved, which stipulates that administrative expenses are called "Current expenses" and are written off to the account "Profit and loss". Of course, this is a historical fact, but it is no exaggeration to say that since then, the concept of "direct costing" system and marginal income has been established in Uzbekistan. In accordance with IFRS 21, this provision provides that additional costs are recorded in the accounting records on the debit of accounts 9000 - "Accounting for income from operating (operating) activities" and on the credit of accounts 9400 - "Current expenses".

9-module.

BUDGETING AND EXPENDITURE CONTROL

Lecture 7. Production safety, security and
identification and assessment of operational leverage
methods

Lecture 8. Management account planning and
application of budgeting methods

Lecture 9. Financial and economic activity of the enterprise
budgets on key indicators
compose

Lecture 10. Price formation management
make a decision

Lecture 7	METHODS OF DETERMINATION AND EVALUATION OF PRODUCTION SAFETY, SAFETY AND OPERATIONAL CORE

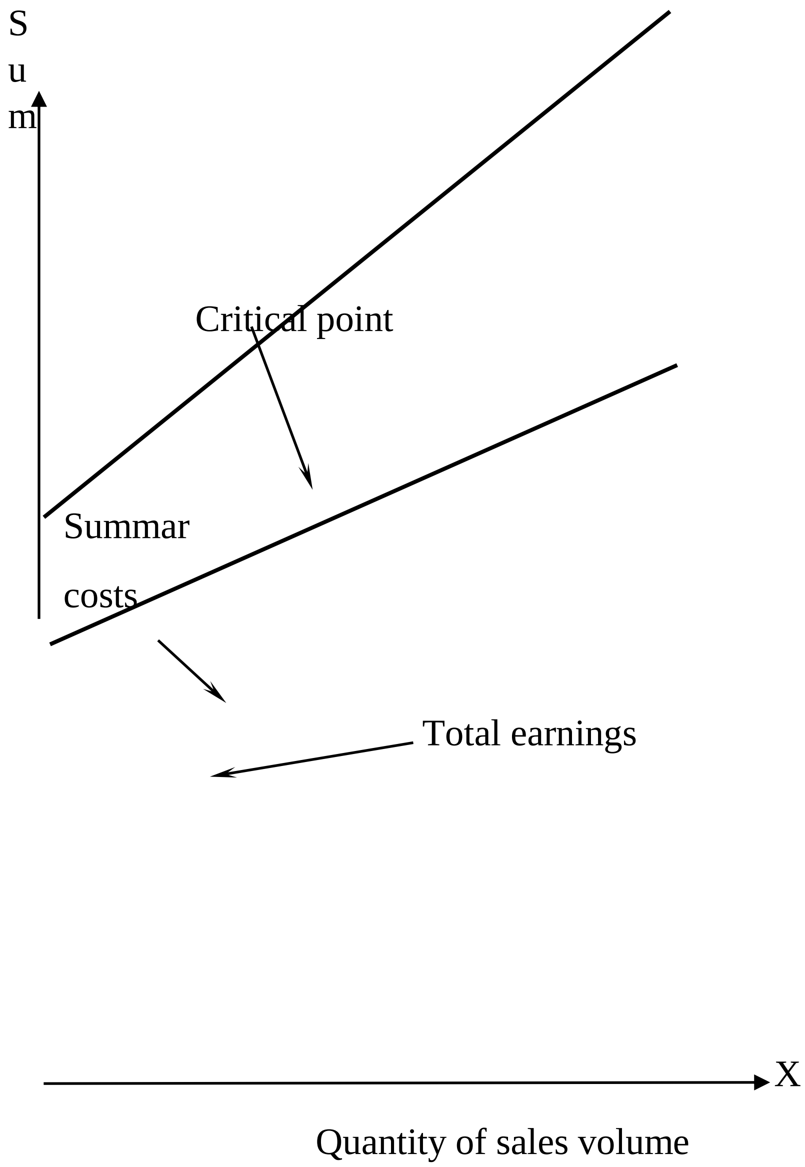
LECTURE TECHNOLOGY

<table>
<tr><td>Study hours: 2 hours</td><td>Number of students: 80 ta</td></tr>
<tr><td colspan="2">Form of training: Informative report</td></tr>
<tr><td colspan="2">Lecture plan:
1. Methods for determining and assessing the safety of production
2. Methods of identification and assessment of industrial safety
3. Methods of identification and assessment of operational leverage</td></tr>
<tr><td colspan="2">The purpose of the training:to give students an understanding of the procedures for identifying and evaluating production safety, security, and operational leverage.</td></tr>
<tr><td>Pedagogical tasks:
disclosure of procedures for identifying and evaluating production safety, security and operational risk.</td><td>Learning Outcomes:
Students will be able to identify and evaluate production safety, security, and operational leverage.</td></tr>
<tr><td colspan="2">Teaching aids: video projector, electronic board, whiteboard.</td></tr>
<tr><td colspan="2">Teaching methods: Explanation, mental attack.</td></tr>
<tr><td colspan="2">Forms of teaching: Collective work</td></tr>
<tr><td colspan="2">Teaching conditions: Classroom equipped with technical means.</td></tr>
<tr><td colspan="2">Monitoring and evaluation: Oral, test questions and answers.</td></tr>
</table>

1. DETERMINATION OF PRODUCTION SAFETY AND ASSESSMENT METHODS

An important factor in the continuous development of enterprises is to obtain income, save costs and make a profit, which ensures its profitability. Achieving such a goal in the management of enterprises requires the correct planning of their income, expenses and profitability, their analysis and constant monitoring.

Their interdependence underlies the planning, analysis and control of revenue, cost and profit indicators. This relationship can be represented graphically as follows.



Rice. 11.1.

The relationship between income, cost and profit can also be expressed by the following formulas:

By total products (works, services)						
Sales revenue	=	Variable costs	+	Permanent costs	+	Benefit
Marginal income	=	Sales revenue	-	Variable costs		
Benefit	=	Marginal income	-	Permanent costs		
Marginal income rate	=	Marginal income	:	Sales revenue		
On a unit product (work, service)						
Selling price	=	Variable costs per 1 unit	+	Fixed costs per 1 unit	+	Benefit per 1 unit
Marginal income per unit	=	Selling price	-	Variable costs per 1 unit		
Benefit per unit	=	Marginal income per unit	-	Fixed costs per 1 unit		
Marginal rate of return per unit	=	Marginal income per unit	:	Selling price		

The analysis of the correlation of the above indicators allows us to determine the volume of production that will allow to cover all variable and fixed costs in the first place in enterprises. Exactly what production volume will be achieved will be the basis for determining the critical point that will ensure that the sums of income and all expenses incurred in the enterprise are equal to each other. The critical point is that its level ensures that the enterprise is at least harmless. Therefore, this point is also called the point of innocence. Once you reach a level above this point, the business will start to benefit.

The break-even point of enterprises can be expressed in terms of quantity and currency.

$$\textbf{\textit{The point of innocence in quantity}} = \frac{\textbf{\textit{Fixed costs}}}{\textbf{\textit{Valuation - Variable costs per unit}}}$$

$$\textbf{\textit{Money is the point of innocence in unity}} = \frac{\textbf{\textit{Fixed costs + Targeted profit * 100\%}}}{\textbf{\textit{Marginal income rate,\%}}}$$

Example1. Let’s say a company makes desks. Variable costs per unit of product are 50,000 soums, annual fixed costs are 200,000,000. The selling price of a unit of product is 90,000 soums. Based on the data in the above formula and example, the break-even point in quantitative units is:

$$Z.n. = \frac{200,000,000}{90,000 - 50,000} = 5000 \text{ dona}$$

Example 2. Suppose a company intends to make a profit of Rs 40,000,000 from the sale of desks, then the point of production and sales to achieve this goal will be in quantitative terms:

1. Marginal rate of return per unit of product

Md% = (90000-50000) / 90000 * 100% = 44.44%

2. Volume of sales in monetary terms

$$\text{Target sales volume.} = \frac{200,000,000 + 40,000,000,000}{90000-50000} = 6000 \text{ pieces}$$

So, in order to make a profit of 40,000,000 rupees, the sales volume must be equal to 6,000 units.

2. METHODS OF DETERMINATION AND EVALUATION OF PRODUCTION SAFETY

Occupational safety or security margin is defined as the excess of the revenue received over the profit at the break-even point. This figure indicates how much an enterprise can reduce its revenue to avoid losses.

The security margin is defined in monetary terms or as a percentage:

$$\textbf{\textit{Currency security margin}} = \textbf{\textit{Gross income}} - \textbf{\textit{Earnings at the break-even point}}$$

$$\textbf{\textit{Security margin,\%}} = \frac{\textbf{\textit{Currency security margin}}}{\textbf{\textit{Gross income}}}$$

Example:

A enterprise data

	sumda	% da
Income	540,000,000	100
Variable costs	300,000,000	55.56
Marginal income	240,000,000	44,44
Fixed costs	200,000,000	
Benefit	40,000,000	

Required: **determination of security margin in monetary terms and percentages**.

Solution:

1. Harmlessness point, sum = 200,000,000 / 0.4444 = 450,045,000 sum

2. Security margin, sum = 540,000,000 u.e. –450 045 000 u.e. = 89 550 000 sum

3. Security margin, in percent = 89,550,000 u.e. / 540,000,000 u.e. = 16.66%

3. METHODS OF DETERMINATION AND EVALUATION OF OPERATING LEVEL

Operational lever - This is an indicator of the expediency of keeping fixed costs at the same level in the enterprise.

Typically, operating leverage is higher in enterprises where the share of fixed costs is higher than the share of variable costs. In enterprises with high operating risk, their profitability will be higher as income changes. That is, a small percentage increase in income leads to a large increase in profits. It is precisely the increase in profits relative to earnings that results in an increase in operating leverage.

Hence, the operating leverage reflects the effect of the percentage change in income on the percentage change in profit.

The level of operational tension is determined as follows:

$$\textbf{\textit{Operational lever level}} = \frac{\textbf{\textit{Marginal income}}}{\textbf{\textit{Benefit}}}$$

For example

Information about company A.

	v u.e.
Income	540,000,000
Variable costs	300,000,000
Marginal income	240,000,000
Fixed costs	200,000,000
Benefit	40,000,000

Operational tension level = 240,000,000 / 40,000,000 = 6

If the company's income increases by 10%, then the company's profit will increase by 60% (6 * 10%) or 24,000,000 sums. (40000000 * 60%)

This can be seen from the following report on the financial results of sales after sales increased by 10%

	Previous Sum	The next amount	Growth rate
Income	540,000,000	594 000 000	1.10
Variable costs	300,000,000	330,000,000	1.10
Marginal income	240,000,000	264 000 000	1.10
Fixed costs	200,000,000	200,000,000	1.0
Benefit	40,000,000	64,000,000	1.60

Lecture 8	**PLANNING AND BUDGETING**

LECTURE TECHNOLOGY

<table>
<tr><td>Study hours: 2 hours</td><td>Number of students: 60</td></tr>
<tr><td colspan="2">Form of training: Informative report</td></tr>
<tr><td colspan="2">Lecture plan:
1. The essence, importance and types of planning
2. The essence, importance and types of budgeting</td></tr>
<tr><td colspan="2">The purpose of the training:to give students an understanding of the nature, importance, and types of planning and budgeting.</td></tr>
<tr><td>Pedagogical tasks:
explain the nature, importance and types of planning and budgeting.</td><td>Learning Outcomes:
Students will learn the essence, importance and types of planning and budgeting
they learn.</td></tr>
<tr><td colspan="2">Teaching aids: video projector, board.</td></tr>
<tr><td colspan="2">Teaching methods: Explanation, mental attack.</td></tr>
<tr><td colspan="2">Forms of teaching: Collective work</td></tr>
<tr><td colspan="2">Training conditions: Audience equipped with technical means.</td></tr>
<tr><td colspan="2">Monitoring and evaluation: Oral, test questions and answers.</td></tr>
</table>

1. NATURE, SIGNIFICANCE AND TYPES OF PLANNING

One of the important functions of management is planning.

Planning means the process of determining the actions to be taken in the future.

Planning in accounting means, first of all, planning of the enterprise budget.

Corporate budget - it is a management support that combines the parameters of its activities for future periods.

Enterprise budget planning - it is a process of preparation of separate budgets on structural divisions or branches of the enterprise.

Budget planning involves the development of plans for future revenues and expenditures, based on its strategy at the enterprise level, and control over the implementation of these plans. Otherwise, budget planning reflects the essence of the internal financial management system of the enterprise.

Classification of plans:

1. *Operational (operational) plans* - these are tactical plans that are directly related to the achievement of the main goal of the enterprise. They are short-term and typically consist of annual and quarterly budgets. Examples of operational plans include a production plan, a logistics plan, a general production plan, and similar plans.

2. Administrative plans - tactical plans aimed at developing and supporting the organizational units of the enterprise. Their main goal is to help each unit ensure the level of planned performance. These plans are short-term plans that can be reviewed and adjusted by the company throughout the year.

3. Strategic plans - it is a long-term master plan for the development of business activities and organizational structure of the enterprise. Master plans are revised only when necessary, for example, when new techniques and technologies are introduced, when the competitive market changes.

2. THE NATURE, IMPORTANCE AND TYPES OF BUDGETING

Budget - is an important tool of the management control system.

***Budget* -**it is a financial document that represents the main indicators (parameters) of financial and economic activity of the enterprise in quantitative and monetary terms.

***Budget* -** this is a forecast of financial transactions that are expected to occur in the future.

All large enterprises, even small ones, create different budgets for themselves, such as revenue, cost, and profit budgets.

A budget is a plan that is made not only in monetary terms but also in other units of measurement.

A budget is a document that represents the sequence and interrelationship of calculations of the parameters for which a specific object is expected to be achieved.

Requirements for the budget: clarity, accuracy, periodicity.

In practice, annual budgets are developed on a quarterly basis, only the 1st quarter budget is disclosed on a monthly basis.

Amendments and changes to the budget may be made during the year.

Budgets can be developed for the whole enterprise, as well as for its components, types of activities.

Budget functions

1. Planning.
2. Coordination.
3. Incentives.
4. Control
5. Evaluation.
6. Training and education of managers.

Types of budget

1. General budget
2. The budget of individual indicators.

Lecture 9	**GENERAL BUDGET AND SEPARATE INDICATORS CREATING BUDGETS ON**

LECTURE TECHNOLOGY

Study hours: **2 hours**	**Number of students:** 60
Form of training: Informative report	

Lecture plan: 1. General budget, its composition and structure sequence 2. Creating budgets for individual indicators
The purpose of the training: to give students an idea of the general budget, its composition and procedures for budgeting on individual indicators.

Pedagogical tasks:	**Learning Outcomes:**
disclosure of the general budget, its composition and procedures for budgeting on individual indicators.	Students will learn the general budget, its composition and procedures for budgeting on individual indicators.

Teaching aids*: video projector, board.*
Teaching methods: Explanation, mental attack.
Forms of teaching: Collective work
Training conditions: ***Audience equipped with technical means.***
Monitoring and evaluation: ***Oral, test questions and answers.***

1. GENERAL BUDGET, ITS COMPOSITION AND STRUCTURE

General budget- This is a plan that integrates the activities of all departments of the enterprise. The general budget consists of two main budgets.

(1) Fast operational budget;
(2) Financial budget.

Fast operational budget. This budget, otherwise known as the current, periodic budget. The operating budget reflects the operations planned to be performed by the departments of the enterprise in the coming year. In the process of its formation, the estimated (forecasted) volume of production and sales of each division of the enterprise is quantified as their income and expenses. The operational budget includes an estimated (forecasted) report on profits and losses. This budget, in turn, includes the following budgets:

* sales budget (revenue budget)
* production budget (details on all major elements of production costs, along with separate budgets)
* Budget of TMZs;
* Business budget;
* Management cost budget.

Financial budget. This budget is a plan that reflects the organization of financial resources of the enterprise in the future. It includes the following budgets:

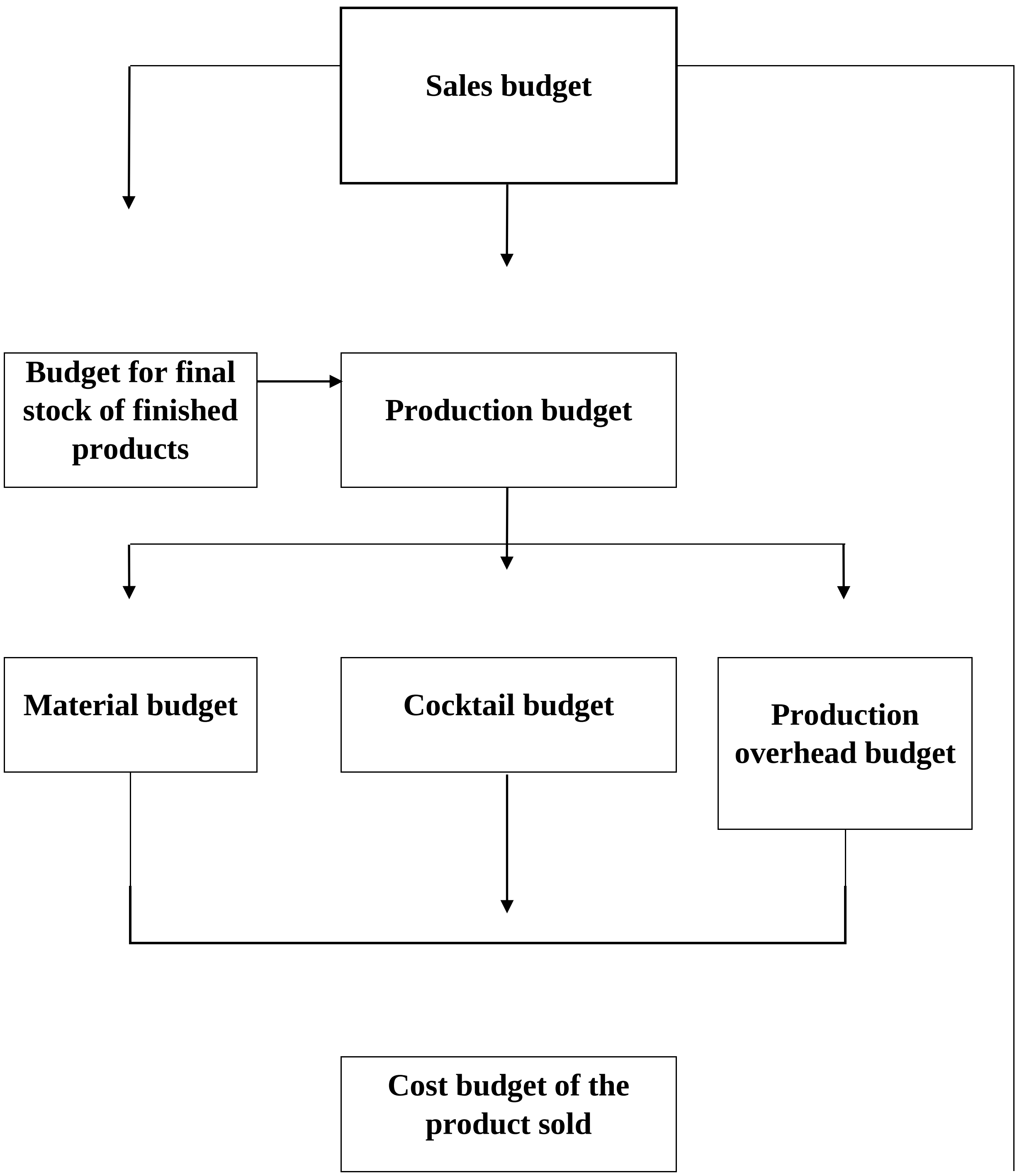
* capital investment budget;

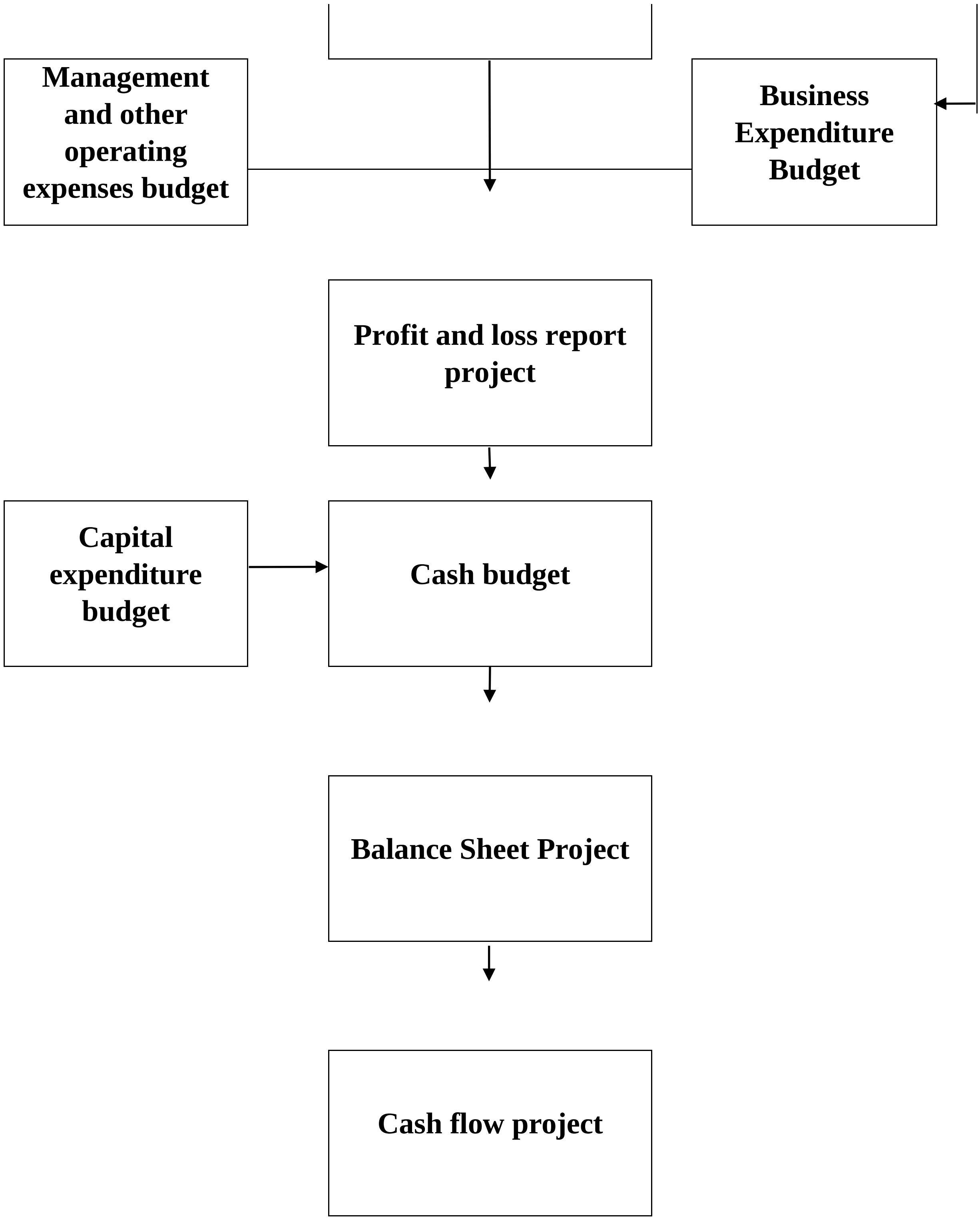
* cash budget;

* budget of financial results;

* balance sheet budget.

Thus, the overall budget and the sequence of its formation can be visually expressed as follows:





Picture. The structure of the general budget and the sequence of its formation

BUDGETS ON SEPARATE PERFORMANCE CONSTRUCTION

A. Sales budget. The first step in creating a master budget is to create a sales budget. This is because all other indicators of the enterprise, including costs and net profit, depend on the sales volume or sales revenue. That is why it is very important to create a proper sales budget. This budget is formed through observations made in enterprises through the planning-economics or marketing department and is determined by the manager. The sales budget is formed depending on the type of activity of the enterprise, ie the types of products (goods, works and services) produced and sold. Sales volume is found by multiplying the quantity of goods (products, works and services) sold by the price for their unit, ie:

Sx = Ts * Bs

Here: Ts - the number of requirements for the product (goods, works, services);

Bs is the selling price of a unit of a product (goods, works, services)

Taking into account the above elements, the sales volume budget is compiled in the form of the following table.

Step 1. Sales volume budget

Product type	Demand number, pcs	Selling price of one piece, thousand rubles	Sales amount, thousand rubles
A	5000	105.0	525000
B	1000	164.0	164000
Total:			**689000**

B. B. Production budget. Once the sales volume is estimated, it is determined how many products are in stock to achieve it, how many products will be available at the end of the reporting period to ensure the safety of the enterprise, and how many more products need to be produced. Based on these elements, the production budget in step 2 is formed in the form of the following table in quantitative units:

Step 2. «Production budget (production program)

Indicators	A product, pcs	B product, pcs
1.Sales plan	5000	1000

*2.Plus*The normative final balance of the finished product	1100	50
3. General demand (1 + 2)	6100	1050
4.Minus The rest of the finished product	100	50
5. Quantity of products (3-4)	6000	1000

Material budget. Once the amount of product to be produced is determined, a budget is drawn up for how much material to purchase and spend for its production. This is called Step 3. In this step, the current balance of raw materials, the rate of material consumption for the production of the product, the amount of materials to be purchased on the basis of the normative balance of materials in the warehouse were determined.

Step 3. "Material budget"

Product type	***Production plan, pcs***	***Materials***			
		M 1		***M 2***	
		Norm, kg / unit.	***Demand, kg***	***Norm, kg / unit***	***Demand, kg***
A	***6000***	***12***	***72000***	***6***	***36000***
B	***1000***	***12***	***12000***	***8***	***8000***
Total demand for production, kg		***84000***		***44000***	
***Plus* Normal balance of materials at the end of the period, kg**		***6000***		***1000***	
General demand for materials, kg		***90,000***		***45000***	
***Minus* Available balance of materials at the beginning of the period, kg**		***5000***		***5000***	
Quantity of materials to be purchased, kg		***85000***		***40,000***	
Purchase price of materials, sum / kg		***1000***		***1500***	
Expenditures on the purchase of materials		***85,000,000***		***60,000,000***	

Working time and cocktail budget. An important type of cost included in the cost of manufactured products is labor costs. These costs are calculated on the basis of the amount of product planned to be produced, the norm of time spent on one unit of product and the wage rate. Based on the above, the budget for working time and labor costs in step 4 is compiled in the form of the following table.

Step 4. "Working time budget"

Product type	Production program, pcs	Labor cost per unit of product, hours	Total labor cost, hours	1 hour cocktail rate, sum / hour	Cocktail expenses
A	6000	14	84000	2000	168,000,000
B	1000	20	20,000	2200	44,000,000
Total:			104000		212,000,000

Production overhead budget. Another important type of cost included in the cost of manufactured products is other production overheads. These types of costs are usually considered fixed (fixed) costs. Production overheads are projected for the next period based on contracts. Based on the above, the production overhead budget in step 5 is compiled in the following table.

Step 5. "Production overhead budget"

Cost items	Summa, ming sumda	
Auxiliary materials	3000,0	
Indirect cocktail khaki	7000,0	
Other payments	25000,0	
Electricity	9000,0	
Various services	24500,0	
Depreciation	25000,0	

Insurance of means of production	4500,0	
Supervisors are paid	20000,0	
Total	**118,000.0**	**118000,0**
Total number of main cocktail hours, hours		**104000**
Overhead production costs per 1 unit of labor		**1,135**

Step 6. The unit cost budget of the finished product and its residual at the end of the period.

Cost items	A product	B product	
Basic materials:			
- M 1	12 * 1000 = 12000	12 * 1000 = 12000	
- M 2	6 * 1500 = 9000	8 * 1500 = 12000	
Cocktail expenses	14 * 2000 = 28000	20 * 2200 = 44000	
Ustama IChX	14 * 1135 = 15890	20 * 1135 = 22700	
Cost of 1 unit of product	64890	90700	
TM balance at the end of the period, pcs	1100	50	
TM reserve cost at the end of the period	71 379 000	4,535,000	

Step 7. "Cost budget for sales"

Cost items	Summa, in sum
Basic materials:	
- We are at the beginning of the period	12,500,000

- purchase	145,000,000
- materials for total use	157,500,000
- We are at the end of the period	7,500,000
- Materials submitted for production	150,000,000
Cocktail expenses	212,000,000
Overhead costs	118,000,000
Cost of manufactured TM	480,000,000
TM balance per period	14 480 000
Total for sale TM	494 480 000
TM balance at the end of the period	75 914 000
Cost of TM sold	418 566 000

Step 8. «Business and management budget»

Commercial expenses:

Commission expenses	20,000,000	
Advertising	3,000,000	
Sales of sales staff	20,000,000	
Transportation costs	5,000,000	
Packing costs	10,000,000	
Total:	49,000,000	49,000,000

Management costs:

Salary	21,000,000
Other expenses	5,000,000
Total:	26,000,000

In total:	75,000,000

Step 9 "Profit budget	
Net income	689 000 000
Cost of goods sold	418 566 000
Gross profit	270 434 000
Operating expenses	75,000,000
Operational benefits	195 434 000

2. Net profit budget		
	Source of information	Summa
Sales volume	Step 1	689000
Cost of sales	Step 7	418566
Gross profit		270434
Commercial and administrative expenses	Step 8	75000
Operational benefits	Step 9	195434
Interest expenses		15000
Tax profit		180434
Income tax		18034
Net profit		162400

Cash flow budget.

AVS Company Cash flow budget for 2016 (thousand rubles)					
	Quarters				Total
	1	2	3	4	
General balance	10,000				
Revenue from customers					
a) Total funds prior to additional funding					
Payments (deductible):					
Materials					
Other current expenses					
Salary					
Income tax					
Purchase of fixed assets					
b) Total payment					
The minimum balance in the plan					
Aggregate demand for cash					
Deductible: the demand for all cash out of total cash flow					
Funding:					
debt (per quarter)					
Debt repayment (at the end of the quarter)					
Interest payments					
c) The overall outcome of the funding					

d) Balance of funds (a + s-b)					

Balance projects

BALANCE OF AVS as of 1.01.2017		
ASSETS		
Current assets:		
Cash (cash)		
Accounts receivable		
Basic materials		
Finished product		
Locality		
Buildings and equipment		
Accumulated wear and tear		
Total assets		
SOURCES OF ORGANIZATIONAL ASSETS		
Accounts payable:		
Lenders		
Debts to the budget		
Share capital:		
Charter capital		
Retained earnings		

Lecture 10

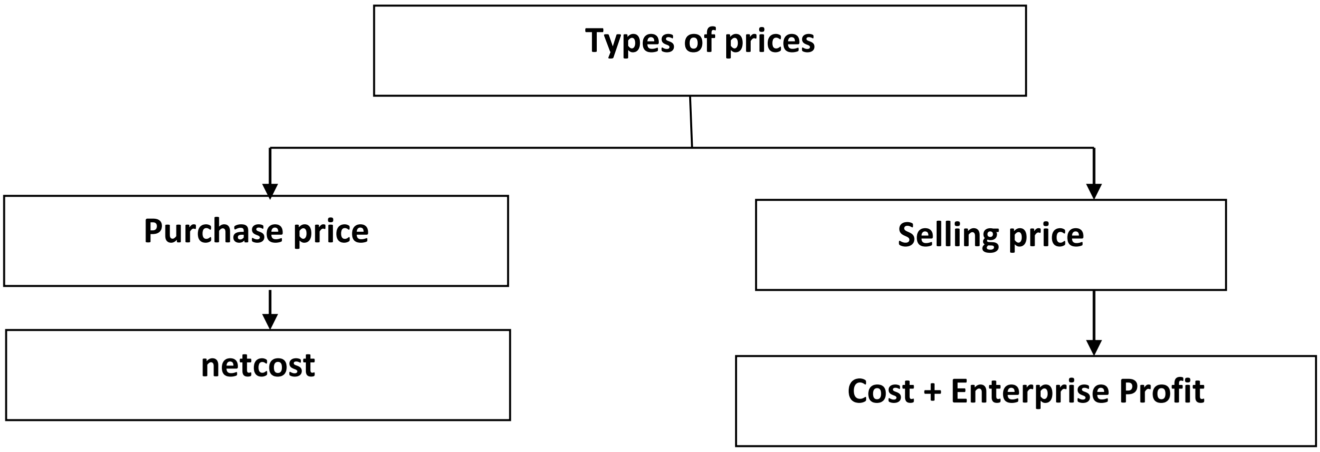
DECISION ON PRICE FORMATION

LECTURE TECHNOLOGY

Study hours: **2 hours**	**Number of students:** 60
Form of training: Informative report	
Lecture plan: 1. The concept of evaluation, its types and components 2. Methods of determining the price	
The purpose of the training: to give students an idea of the assessment, its types, composition and methods of determining the assessment.	
Pedagogical tasks: disclosure of the price, its types, composition and methods of determining the price.	**Learning Outcomes:** Students will learn about assessment, its types, composition and methods of determining assessment.
Teaching aids*: video projector, board.*	
Teaching methods: Explanation, mental attack.	
Forms of teaching: Collective work	
Training conditions: ***Audience equipped with technical means.***	
Monitoring and evaluation: ***Oral, test questions and answers.***	

1. THE CONCEPT OF PRICE, ITS TYPES AND COMPOSITION ELEMENTS

PRICE - that is, the value of an item expressed in monetary terms



In determining buy and sell prices, marketers take 4 Rs into account

1. Product -Product

2. Tsena (Price) -Price

3. Promotion - sale of Facebook products

4. Place (Place) - Joy

The price of a product or service depends on supply and demand.

Demand and supply are influenced by 3 factors:

- **Customers**

The buyer is interested in the low price. The seller is interested in selling at a higher price. But the high price moves the buyer. Therefore, it is beneficial for the seller to sell the product at a lower price, which will attract the buyer, as this will increase both sales and net profit.

- **Competition**

The company needs to assess the price that its competitors are burning and the possibility of deducting its price from its costs.

- Costs

Costs are a key factor in determining pricing. Because if the price does not cover the cost, the goal of making a profit in the business cannot be achieved.

2. PRICE DETERMINATION METHODS

3 approaches are very important in pricing policy.

1. Get the cream
2. Entering the market
3. Product life (initial state, growth, peak, fall)

Pricing methods:

1. Establish pricing based on cost accounting for variable costs
2. Set a price based on full accounting of all costs
3. Setting the price using the "cost plus" method
4. Setting prices based on targeted accounting of costs
5. Setting the price at the break-even point
6. Pricing based on product life cycle
7. Pricing based on profitability.

1. Accounting for variable costs

method of setting the price based on

This method of valuation is based on the division of enterprise costs into fixed and variable costs, as well as a marginal approach. The company's main focus in pricing is to fully cover variable costs, as well as to cover fixed costs and profit from the margin received.

For example

The company produces 1 product and the costs are as follows (for 1 unit):

Basic materials	6
The main cocktail	4
Variable Overhead Production Cost (UIChX)	3
Permanent UIChX (for 10,000 units account)	7
Variable commercial and management costs	2
Permanent commercial and administrative expenses (per 10,000 units.)	3
Total costs	25
Hence the variable costs	
Basic materials	6
The main cocktail	4
Variable Overhead Production Cost (UIChX)	3
Variable commercial and management costs	2
Total	15

The company sets the selling price per unit of product on the basis of variable costs and 100% premium (profit margin).

Variable costs	15
Profit (profit) 100%	15
Selling price	30

In this valuation method, the entity's profit and loss statement is projected as follows.

Sale (10,000 units x 30 shs)	300,000
Variable costs (10,000 units x 15 shs.)	150,000
Marginal income	150,000
Fixed costs (10,000 units x 10sh.b.)	100,000
Benefit	50,000

2. On the basis of full accounting of all costs

set the price

This method of valuation is not based on the division of enterprise costs into variable and variable costs, nor the marginal approach. The main focus of the enterprise in determining the price is to fully cover all costs, as well as to burn the normal profit on these costs.

For example

The company produces 1 product and the costs are as follows (for 1 unit):

Basic materials	6
The main cocktail	4
Variable Overhead Production Cost (UIChX)	3
Permanent UIChX (for 10,000 units account)	7
Variable commercial and management costs	2
Permanent commercial and administrative expenses (per 10,000 units.)	3
Total costs	25

The company determines the selling price per unit of product on the basis of total costs and a 20% premium (profit margin).

Total costs	25
Profit (profit) 20%	5
Selling price	30

In this valuation method, the entity's profit and loss statement is projected as follows.

Sale (10,000 units x 30 shs)	300,000
Cost of sales (10,000 units x 20 shs.)	200,000

Gross profit	100,000
Sales and management costs (10,000 units x 5sq.m.)	50,000
Benefit	50,000

3. The method of setting prices by the method of "costs plus"

In this method of pricing, the main focus is on the full recovery of all costs, as well as the determination of profits at different levels depending on demand.

4. The method of setting prices on the basis of targeted accounting of costs

In this method of pricing, the focus is on the full recovery of target costs, as well as profit, based on market prices.

Example:

The company has a market price of $ 23. plans to produce and sell 10,000 units of the product. The premium rate is 15% of total costs. Sales and management costs total $ 50,000 per year

Sale (10,000 pcs. X 23 TL)	230,000
Minus premium (230,000 - (230,000 / 1.15)	30,000
Sales and management costs	50,000
Targeted production costs - total	150,000
Target costs for 1 unit of product (150,000 USD / 10,000 units)	15

Let's say the production is $ 300,000. requires investment, the company plans to make a 15% return on investment. To achieve this goal, the target cost for 1 unit of product will be as follows:

Sale (10,000 pcs. X 23 TL)	230,000
Minus premium (300,000 shs x 15%)	45,000
Sales and management costs	50,000
Targeted production costs total	135,000
Target costs for 1 unit of product (135 000 shs ../ 10 000 pcs.)	13.5

5. The method of setting the price on the break-even point

This method of pricing is based on the fact that the market price is equal to at least fixed and variable costs.

6. Pricing based on profitability.

This method of pricing is based on achieving a certain level of profitability of the market price. Using this method, the planned level of profitability is determined as follows:

$$\text{Additional interest} = \frac{\text{Planned profit + Non-production costs}}{\text{Production volume. x 1 unit max. Developer. cost.}}$$

For example.

The company has 2 mln. sh.b. plans to invest in the amount of. Sales quantity is 50 thousand units, production cost is 30 units for 1 unit product. b. planned. Sales and management expenses - 700,000 shs. The company has set a return on investment of 25%.

$$\text{Ustama foizi} = \frac{(25\% * 2000000) +700000}{50000 * 30} = 80\%$$

For 1 unit.

Production costs	30 sh..b.
Ustama 80%	24 u.e.

MODULE 10.

ACCOUNTING FOR FINISHED PRODUCTS AND ITS SALES

Lecture 11. Accounting for the finished product and its sales

Lecture 11	**ACCOUNTING FOR FINISHED PRODUCTS AND ITS SALES**

LECTURE TECHNOLOGY

Study hours: **2 hours**	**Number of students:** 60
Form of training: Informative report	
Lecture plan: 1. Documentation and accounting of finished goods receipts 2. Documentation and accounting of finished product sales	
The purpose of the training:to give students an idea of how to document and record the income and sales of finished products.	
Pedagogical tasks: documenting the receipt and sale of finished products and disclosing the procedures reflected in the account.	**Pedagogical tasks:** learn the procedures for documenting and accounting for the receipt and sale of finished products
Teaching aids*: video projector, board.*	
Teaching methods: Explanation, mental attack.	
Forms of teaching: Collective work	
Training conditions: ***Audience equipped with technical means.***	
Monitoring and evaluation: ***Oral, test questions and answers.***	

1. DOCUMENTATION AND ACCOUNTING OF FINANCIAL INCOME

Finished products are received in the warehouse of the enterprise mainly from production units (shops). Receipt is made on the basis of naklodnoys, acts, invoices, zabor sheets. For the quantitative and summary accounting of the received finished products, cards are opened for each of them or a general warehouse ledger is kept. Receipts and warehouse accounting registers are the basis for synthetic and analytical accounting of finished goods receipts.

BHMS No. 21 provides for the following accounting system for accounting for finished products:

- **2810** "Finished products in stock"
- **2820** "Finished products at the exhibition"
- **2830** "Finished products submitted to the Commission"

These accounts are active accounts, the debit of which reflects the balance of finished goods, an increase in receipts, and the credit - a decrease.

All finished products received in the warehouse of the enterprise are reflected in the debit of the account 2810 "Finished goods in the warehouse" and in the credit of the accounts indicating the origin of other finished products, including:

- **Credit** 2010 "Main production" - the cost of finished products from the main production;
- **Credit** 2310 "Auxiliary production" - the cost of finished products from auxiliary production;
- **Credit** 1010 "Materials" - the cost of materials included in the finished product;
- **Credit** 2810,2820,2830 - to the internal exchange of finished products
- **Credit** 9390 "Other operating income" - the amount of excess identified in the inventory, etc.

Analytical accounting of finished products is carried out by materially responsible persons, by types of products.

2. DOCUMENTATION AND ACCOUNTING OF SALE OF FINISHED PRODUCTS

Finished products are mainly sold to buyers for non-cash money under contracts with them. Finished products can also be sold for cash and plastic cards through the company's branded store.

The sale of finished products for cash is reflected in the accounting as follows:

1. VAT on the value of the finished product on the invoices provided to customers at the selling price you have

Debit 4010 "Accounts receivable from buyers and customers"

Credit 9010 "Income from the sale of finished products"

2. The amount of VAT corresponding to the finished product sold

Debit 4010 "Accounts receivable from buyers and customers"

Credit 6410 "Debts on payments to the budget"

3. When making payments on finished products sold to customers:

- To the amount of advance received

Debit 5010 “Cashier”, 5110 “Current account”, 5210 “Currency account”

Credit 6310 "Advances received from buyers and customers"

- The amount of the advance received is closed after the product is sold

Debit 6310 "Advances received from buyers and customers"

Credit 4010 Accounts receivable from buyers and customers ”

- Recent receivables

Debit 5010 “Cashier”, 5110 “Current account”, 5210 “Currency account”

Credit 4010 Accounts receivable from buyers and customers ”

The sale of finished products for cash is reflected in the accounting as follows:

1. When they are transferred to the firm shop of the enterprise

Debit 2840 "Finished goods in stores"

Credit 2810 "Finished products in the warehouse"

2. VAT on the value of the finished product sold to buyers in cash at the selling price you have

Debit 5010 "Cashier"

Credit 9010 "Income from the sale of finished products"

3. The amount of VAT corresponding to the finished products sold

Debit 5010 "Cashier"

Credit 6410 "Debts on payments to the budget"

Sales of finished products on plastic cards through the company's stores are reflected in the accounting as follows:

1. VAT on the value of the finished product sold to buyers at the selling price you have

Debit 5510 "Cash flow from plastic cards"

Credit 9010 "Income from the sale of finished products"

2. The amount of VAT corresponding to the finished product sold
Debit 5510 "Cash flow from plastic cards"
Credit 6410 "Debts on payments to the budget"

3. When funds are transferred from a special account to a current account:

Debit5110 "Account"
Credit 5510 "Cash flow from plastic cards"
and invoices from customers ”

Finished goods are considered sold if they are given to employees other than buyers for wages, even if they are used for economic needs, if they are invested in another enterprise as a cost of the enterprise. In such cases, instead of accounts 4010,5010,5510 in the above-mentioned records, accounts such as 0600 "Financial investments", "1000" Materials ", 6700" Employee payroll ", 9430" Other operating expenses "are debited.

The credit of the account 2810 "Finished goods in the warehouse" also reflects other costs of stocks of finished products, including:

- *When they are recycled into primary and auxiliary production*

Debit 2010 “Main production”, 2310 “Auxiliary production”
Credit 2810 "Finished products in the warehouse"

- *When marriage is recognized as a product*

Debit 2600 "Defects in production"
Credit 2810 "Finished products in the warehouse"

- *When deficiencies are identified*

Debit 5910 "Deficits and losses due to the destruction of wealth"
Credit 2810 "Finished products in the warehouse"

- *When given to showrooms*

Debit 2820 "Finished products at the exhibition"
Credit2810 "Finished products in the warehouse"

- *When submitted to the Commission*

Debit 2830 "Finished goods submitted to the Commission"
Creditt2810 «Finished goods in stock»

The actual amount of finished goods sold cannot be determined on each invoice. Therefore, in order to find the cost of goods sold, a balance sheet is created at the end of the reporting period on the status and movement of finished products. This balance is formed as follows.

Balance on the finished product

Indicators	**In terms of cost**	**At the selling price**	**The difference (+, -)**
1. Balance at the beginning of the period	2000000	2580000	258000
2. Product from production	10,000,000	13400000	3400000
3. Revaluation amount		500000	500000
4. Total finished product for sale (1 + 2 + 3)	12000000	14158000	2158000
5. The cost per 1 soum of product	X	0.8475	
6. Finished product sold	*9322500*	11000000	1677500
7. Residue at the end of the period	2677500	3158000	480500

To find the cost of goods sold, information about their condition and movement in the balance sheet is shown in separate columns in the actual cost of production and sales prices. The average cost per 1 soum of finished product is determined by dividing the total cost of finished products for sale by the selling price of total products for sale (excluding VAT). The average cost found is multiplied by the value of the finished goods sold (excluding VAT), the amount obtained represents the total cost of goods sold. In the above conditional example, the average cost per 1 soum of finished product was 0.85 soums. The total cost of the finished product sold is 9322500 soums (11000000 x 0.85). At the end of the reporting period, the following accounting entry is made for this amount:

Debit 9110 "Cost of finished goods sold"

Credit 2810 "Finished products in the warehouse"

5. To earn profit from the sale of finished products, the income reflected in account 9010 is transferred to the credit of account 10 9910 "Final financial result", the cost of sales reflected in account 9110 is transferred to the debit of account № 9910 "Final financial result", between credit and debit transactions of the last account the positive difference (without other entries) represents the profit from the sale. In the above conditional example, the profit from sales was 1677500 soums.

MODULE 11.

PRIVATE CAPITAL ACCOUNT

Lecture 12. Authorized capital account

Lecture 13. Added and reserve capital account

Lecture 14. Retained earnings (uncovered) damage) account

Lecture 15. Account of purchased private shares

Lecture 16. Targeted receipts and future payments reserve account for

Lecture 12	STATUTORY CAPITAL ACCOUNT

LECTURE TECHNOLOGY

Study hours: **2 hours**	**Number of students:** 60
Form of training: Informative report	
Lecture plan: 1. The concept of equity and the functions of its calculation 2. Formation of charter capital in enterprises of various forms of ownership and accounting for changes in it	
The purpose of the training:to give students an idea of the charter capital, the features of its formation in enterprises of various forms of ownership, as well as the calculation of changes in it.	
Pedagogical tasks: disclosure of the authorized capital, the features of its formation in enterprises of various forms of ownership, as well as the procedures for accounting for changes in it.	**Learning Outcomes:** Students will learn the charter capital, the features of its formation in enterprises of various forms of ownership, as well as the procedures for accounting for changes in it.
Teaching aids*: video projector, board.*	
Teaching methods: Explanation, mental attack.	
Forms of teaching: Collective work	
Training conditions: ***Audience equipped with technical means.***	
Monitoring and evaluation: ***Oral, test questions and answers.***	

1. THE CONCEPT OF STATUTE CAPITAL AND THE FUNCTIONS OF ITS ACCOUNTING

An important type of private capital of enterprises is the charter capital.

Charter capitalmeans the sum of funds contributed to it by the founders of the enterprise, as well as the sum of the nominal value of the issued shares. The characteristics of the authorized capital include:

- The amount of authorized capital is determined in accordance with the charter of the enterprise and the memorandum of association and is relatively permanent. Change of its initial amount is carried out only by re-transfer of the charter of the enterprise from the state account;
- The actual formation of the charter capital is limited over time. In accordance with the laws of the Republic of Uzbekistan, the deadline for the formation of the authorized capital of enterprises is one calendar year from the date of establishment. Enterprises that do not form their authorized capital within this period will lose their legal status and be liquidated.
- Authorized capital depends on the organizational and legal forms of enterprises and forms of ownership. In state-owned enterprises, the charter capital consists of a set of properties attached to it by the state. In enterprises established on the basis of private and collective partnership property, the charter capital consists of shares and contributions of the founders. The charter capital of joint-stock companies consists of the sum of the nominal value of ordinary and preferred shares issued.
- The founders' contributions to the charter capital may include long-term and short-term assets, ie fixed assets, intangible assets, capital and financial investments, inventories and cash.
- The shares of the founders in the charter capital are the basis for the distribution of the net profit of the enterprise in the share method, and the number of shares is the basis for the distribution of the net profit for each of them. Net profit is not distributed in state-owned enterprises and is aimed at increasing the amount of authorized capital.

The main tasks of charter capital accounting are:

- Reflection of the authorized capital on the date of establishment of enterprises;
- Establish control over the timely submission of shares by the founders;
- Timely and accurate accounting of changes in the authorized capital;
- Accurate accounting of differences between exchange rates on investments made in foreign currency by foreign investors;
- Accurate calculation of dividends and their contributions with the founders;

• Accurate presentation of information on the authorized capital in the financial statements, etc.

2. FORMATION OF PRIVATE CAPITAL IN ENTERPRISES OF DIFFERENT PROPERTY AND CALCULATION OF CHANGES IN IT

In accordance with IFRS 21, the charter capital is accounted for in the following accounts:

- **8300** "Charter capital" - in state enterprises;
- **8310** "Ordinary shares", 8320 "Preferred shares" - in joint-stock companies
- **8330** "Shares and contributions" - in private and collective partnerships (private trade and production companies, limited liability companies, joint ventures, foreign companies, subsidiaries, affiliates).

All of these accounts are passive accounts, the credit of which reflects the formation and increase of the authorized capital, and the debit - its decrease.

The charter capital is formed on the date of establishment of the enterprise, ie the date of state registration, and it is reflected in the accounting records with the following entry:

Debit 4610 "Debts of founders on shares in the charter capital"

Credit 8300 "Authorized capital", 8310 "Ordinary shares", 8320 "Preference shares", 8330 "Shares and contributions".

In joint-stock companies established on the basis of state-owned enterprises, the difference between the existing charter capital and the new charter capital is called goodwill and is treated as an intangible asset and is reflected as follows:

Debit 0480 Goodwill

Credit 8310 «Ordinary shares», 8320 «Preference shares»

In subsequent periods, the increase in the authorized capital of enterprises is due to the expansion of the number of founders or increase in the shares of previous founders, and in joint-stock companies the issuance of new shares or increase in the nominal value of previous shares. The increase in the authorized capital in such ways is also taken into account in the first entry above. The increase in the authorized capital of state-owned enterprises at the expense of net profit for the reporting year is reflected in the following notation:

Debit 8710 “Retained earnings (uncovered losses) for the reporting year”

1. THE CONCEPT OF STATUTE CAPITAL AND THE FUNCTIONS OF ITS ACCOUNTING

An important type of private capital of enterprises is the charter capital.

Charter capitalmeans the sum of funds contributed to it by the founders of the enterprise, as well as the sum of the nominal value of the issued shares. The characteristics of the authorized capital include:

- The amount of authorized capital is determined in accordance with the charter of the enterprise and the memorandum of association and is relatively permanent. Change of its initial amount is carried out only by re-transfer of the charter of the enterprise from the state account;
- The actual formation of the charter capital is limited over time. In accordance with the laws of the Republic of Uzbekistan, the deadline for the formation of the authorized capital of enterprises is one calendar year from the date of establishment. Enterprises that do not form their authorized capital within this period will lose their legal status and be liquidated.
- Authorized capital depends on the organizational and legal forms of enterprises and forms of ownership. In state-owned enterprises, the charter capital consists of a set of properties attached to it by the state. In enterprises established on the basis of private and collective partnership property, the charter capital consists of shares and contributions of the founders. The charter capital of joint-stock companies consists of the sum of the nominal value of ordinary and preferred shares issued.
- The founders' contributions to the charter capital may include long-term and short-term assets, ie fixed assets, intangible assets, capital and financial investments, inventories and cash.
- The shares of the founders in the charter capital are the basis for the distribution of the net profit of the enterprise in the share method, and the number of shares is the basis for the distribution of the net profit for each of them. Net profit is not distributed in state-owned enterprises and is aimed at increasing the amount of authorized capital.

The main tasks of charter capital accounting are:

- Reflection of the authorized capital on the date of establishment of enterprises;
- Establish control over the timely submission of shares by the founders;
- Timely and accurate accounting of changes in the authorized capital;
- Accurate accounting of differences between exchange rates on foreign currency investments by foreign investors;
- Accurate calculation of dividends and their contributions to the founders;
- Accurate presentation of information on the authorized capital in the financial statements, etc.

2. FORMATION OF PRIVATE CAPITAL IN ENTERPRISES OF DIFFERENT PROPERTY AND CALCULATION OF CHANGES IN IT

In accordance with IFRS 21, the charter capital is accounted for in the following accounts:

- **8300** "Charter capital" - in state enterprises;
- **8310** "Ordinary shares", 8320 "Preferred shares" - in joint-stock companies
- **8330** "Shares and contributions" - in private and collective partnerships (private trade and production companies, limited liability companies, joint ventures, foreign companies, subsidiaries, affiliates).

All of these accounts are passive accounts, the credit of which reflects the formation and increase of the authorized capital, and the debit - its decrease.

The charter capital is formed on the date of establishment of the enterprise, ie the date of state registration, and it is reflected in the accounting records with the following entry:

Debit 4610 "Debts of founders on shares in the charter capital"

Credit 8300 "Authorized capital", 8310 "Ordinary shares", 8320 "Preference shares", 8330 "Shares and contributions".

In joint-stock companies established on the basis of state-owned enterprises, the difference between the existing charter capital and the new charter capital is called goodwill and is treated as an intangible asset and is reflected as follows:

Debit 0480 Goodwill

Credit 8310 "Ordinary shares", 8320 "Preference shares"

In subsequent periods, the increase in the authorized capital of enterprises is due to the expansion of the number of founders or increase in the shares of previous founders, and in joint-stock companies the issuance of new shares or increase in the nominal value of previous shares. The increase in the authorized capital in such a way is also taken into account in the first entry above. The increase in the authorized capital of state-owned enterprises at the expense of net profit for the reporting year is reflected in the following notation:

Debit 8710 “Retained earnings (uncovered losses) for the reporting year”

Credit 8300 "Charter capital"

The decrease in the authorized capital is due to the reduction of the shares of the founders in the partnership companies or their exclusion from the list of founders, and in the joint-stock companies the reduction of the nominal value of the existing shares or the reduction of the number of shares. The amount of charter capital in state-owned enterprises is reduced to the uncovered losses for the reporting year.

The decrease in the authorized capital is reflected in the account with the following entries:

- When the contributions of the founders are reduced or some founders leave the ranks of the founders with their contributions:

Debit 8330 «Shares and fees».

Credit 6620 "Debt to outgoing founders for their contributions"

- When the nominal value of shares is reduced or the number of shares is reduced:

Debit 8310 "Ordinary shares", 8320 "Preference shares"

Credit 6620 "Debt to outgoing founders for their contributions"

- When the loss of the reporting year in state-owned enterprises

Debit 8300 "Charter capital"

Credit 8710 "Retained earnings (uncovered losses) for the reporting year"

Analytical accounting of the authorized capital is carried out by the founders and shareholders of the enterprise.

Report 13	ADDITIONAL AND RESERVE CAPITAL ACCOUNT

LECTURE TECHNOLOGY

Study time: 2 hours	**Number of students:** 60 ta
Form of training: Informative report	
Lecture plan: 1. Added capital account 2. Reserve capital account	
The purpose of the training: to give students an idea of the added and reserve capital account.	
Pedagogical tasks: Disclosure of procedures for accounting for added and reserve capital.	**Learning Outcomes:** Students will learn the procedures for accounting for added and reserve capital.
O'qpush tools: *video projector, board.*	
Teaching methods: *Explanation, mental attack.*	
Forms of training: Collective work	
O'qpush conditions: *Technician tools with provided audience.*	
Monitoring and bahtake: *Oral, test question-answers.*	

1. ADDED CAPITAL ACCOUNT

Additional capital, which is an integral part of private capital, can occur in two cases:

- when the shares of the enterprise are sold at a value higher than the par value.
- when there is a difference between the exchange rates during the period of formation of the authorized capital.

In the first case the difference between the sale of shares of the enterprise and the nominal value is called the issue income. This income constitutes the added capital and is reflected in the credit of the special account 8410 "Emission income" in correspondence with the debit of cash accounts (5010,5110, etc.). Emission income is not included in the taxable income of enterprises. In the future, the issue proceeds will be used to cover losses from the sale of shares below par value, as well as losses from the liquidation of purchased private shares. These operations are reflected in the debit of the account 8410 "Issue income", as well as in the credit of the accounts 8610 "Ordinary private shares purchased", 8620 "Preferential private shares purchased".

Example 1. For example, a joint-stock company sold 10,000 ordinary shares worth 5,000 soums each for 6,000 soums to a total of 60,000,000 soums. This operation is reflected in the accounting as follows:

1. To the nominal value of ordinary shares sold (5000 * 10000 = 50000000):

Debit 5010,5110 Credit 4610 - 50 000 000 soums;

2. For the part of ordinary shares sold in excess of the nominal value [(6000-5000) * 10000 = 10 000 000]

Debit 5010,5110 Credit 8410 - 10 000 000 soums.

After this operation, 10,000 thousand soums will be reflected in the added capital item of the balance sheet of the enterprise.

Example 2. In the future, let's say that the company sold 20,000 of its additional ordinary shares (par value of 5,000 soums each) for 4,000 soums. This operation is reflected in the accounting as follows:

1. The selling price of ordinary shares sold (4000 * 20000 = 80000000):

Debit 5010,5110 Credit 4610 - 80,000,000 soums;

2. To the part of ordinary shares sold below the nominal value [(5000-4000) * 20000 = 20 000 000]

Debit 8410 Credit 4610 - 10,000,000 soums;

Debit 9690 Credit 4610 - 10,000,000 soums;

After this operation, the amount will not be included in the added capital item of the balance sheet of the enterprise, as the issue income of 10,000,000 soums will be used to cover the loss of 10,000,000 soums from the sale of shares below par value. Additional losses from selling shares below par value (in our case it is 10 000 000 soums) is reflected in the account as follows:

1. Closing the amount of expenses related to financial activities:

Debit 9910 Credit 9690 - 10,000,000 soums;

2. To cover the amount of damage to financial results:

Debit 8710 Credit 9910 - 10,000,000 soums;

After this operation, the retained earnings item of the balance sheet of the enterprise is reflected in the amount less than 10,000,000 soums.

The second case, usually in enterprises with a share of foreign investors in the charter capital. In accordance with the charter and the memorandum of association, the contribution of a foreign investor to the charter capital of the enterprise is assessed at the official exchange rate on the date of state registration of the enterprise. Therefore, the positive and negative differences between the exchange rates incurred by the foreign investor at the time of his actual contribution do not apply to the authorized capital and are recorded in a separate account 8420 "Differences in the formation of the authorized capital" of these enterprises. The positive difference between the exchange rates is, on the one hand, added to the value of long-term and short-term assets (fixed assets, intangible assets, TMB, cash) contributed by the investor (ie 0110-0190, 0410-0490, 1010-1090,2810, 2910-2990,5010,5110,5210,5210 and other accounts are debited), on the other hand, are recognized as added capital and are reflected in the credit of account 8420

"Differences between exchange rates in the formation of authorized capital". Like emission income, this added capital generated by positive exchange rate differences is not included in taxable income, it is only added to retained earnings at the liquidation of the enterprise and distributed among the founders. If there is a negative difference between the exchange rates, then this difference is reflected in the debit of the account 8420 "Differences between the formation of the authorized capital" and the credit of the account 4610 "Debts of the founders on the contributions to the authorized capital." The resulting negative difference between the courses is carried to the detriment of the enterprise and is offset by its profit from general economic activities. This loss is reflected in the credit of account 8420 "Exchange differences between the formation of the authorized capital" and in the debit of account 9620 "Losses incurred in exchange rates."

Example 1. For example, a foreign investor's share in the charter capital is $ 100,000, and the official exchange rate of the Central Bank on the date of state registration is $ 1 = 3,000 soums. After 2 months, the foreign investor paid his deposit in full in foreign currency, as of that date the official exchange rate of the Central Bank is 1 US dollar = 3020 soums.

On the day of state registration of the enterprise, the contribution of a foreign investor to the charter capital is recorded as follows:

Debit 4610 Credit 8330 - 3000 000 000 soums (100000 * 3000).

The date on which the foreign investor actually contributed to the charter capital shall be recorded as follows:

1. To the amount of funds received on the foreign currency account:

Debit 5210 Credit 4610 - 3000 000 000 soums (100000 * 3000).

2. To the sum of the positive difference between the exchange rates:

Debit 5210 Credit 8420 - 2,000,000 soums (100,000 * 20).

After this operation, 2,000,000 soums will be reflected in the added capital item of the balance sheet of the enterprise with foreign investment.

For example.2. Suppose a foreign investor's share in the charter capital is $ 100,000, the official exchange rate of the Central Bank on the date of state registration is $ 1 = 3,000 soums. After 2 months, the foreign investor paid his deposit in full in foreign currency with fixed assets, as of that date the official exchange rate of the Central Bank is 1 US dollar = 2950 soums.

On the day of state registration of the enterprise, the contribution of a foreign investor to the charter capital is recorded as follows:

Debit 4610 Credit 8330 - 3000 000 000 soums (100000 * 3000).

The date on which the foreign investor actually contributed to the charter capital shall be recorded as follows:

1. The amount of fixed assets received (say, a machine):

Debit 0130 Credit 4610 - 2,950,000,000 soums (100,000 * 2,950).

2. The sum of the negative difference between the exchange rates:

Debit 8420 Credit 4610 - 5,000,000 soums (100,000 * 50).

3. To write off the amount of the resulting negative exchange rate difference:

Debit 9620 Credit 8420 - 5,000,000 soums (100,000 * 50).

2. RESERVE CAPITAL ACCOUNT

Reserve capital- it is a type of private capital of the enterprise, formed for different purposes and for different sources. This capital is formed mainly from the following sources:

- in exchange for new value arising from the revaluation of existing property;
- at the expense of net profit of the enterprise;
- in exchange for the property received on the condition of non-return.

Reserve capital account arising from the revaluation of property. To the "Regulations on the procedure for carrying out annual revaluation of fixed assets as of January 1", approved by the Ministry of Finance of the Republic of Uzbekistan[1] and in accordance with the amendments made to it. Enterprises revalue their fixed assets, unfinished construction projects as of January 1 of each year based on market prices or on the basis of coefficients set by the Ministry of Economy[2]. In revaluation, the previous initial value and accumulated depreciation of property, plant and equipment can be changed to increase or decrease based on real market prices. If the changes are on the growth side, a positive difference between them will lead to the formation of reserve capital. In accordance with IFRS 21, the provision for revalued capital is reflected in the credit of the special account 8510 "Adjustments for revaluation of property" and the debit of the corresponding fixed assets account (0110-0190). The change in the aggregate depreciation of fixed assets is reflected in the debit of the account 8510 "Adjustments for revaluation of property" and the credit of the corresponding depreciation of fixed assets (0210-0290). The positive difference between the amounts of credit turnover and debit turnover of the account 8510 "Adjustments for revaluation of property" is reflected in the balance sheet as a special reserve capital arising from the revaluation. If, as a result of the revaluation, the debit turnover of this account is greater than the credit turnover, then the enterprise has suffered a revaluation and is reflected in the debit of the account 9430 "Other operating expenses" and the credit of the account 8510 "Revaluation of property". Reserve capital created as a result of revaluation of property is distributed in accordance with the shares of the founders at the liquidation of the enterprise, which is credited to the debit account 8510 "Adjustments for revaluation of property" and credit 6620 "Debt to retired founders for their contributions."

For example. For example, as of January 1, the initial cost of the enterprise building is 100,000,000 soums, the total depreciation is 60,000,000 soums, and the residual value is 40,000,000 soums. The company revalued the revaluation at a coefficient of 1.05 set by the Ministry of Economy. The results of the reassessment are as follows:

Indicators	Amount before revaluation	Revaluation coefficient	Amount after revaluation	The result of the revaluation
Initial value	100,000,000	1.05	105 000 000	+5 000 000
Accumulated wear and tear	60,000,000	1.05	63,000,000	+3 000 000

[1] Registered by Uz.Av on December 4, 2002, № 1192
[2] Microfirms and small businesses are revalued every 3 years

Residual value	40,000,000	1.05	42,000,000	2,000,000

According to the above calculations, the reserve capital formed as a result of revaluation is reflected in the accounting records with the following entries:

1. The amount of reserve capital arising from the revaluation of the initial cost of the building:

Debit 0120 Credit 8510 - 5,000,000 soums.

2. Reduction of the amount of reserve capital as a result of revaluation of the building obsolescence:

Debit 8510 Credit 0220 - 3,000,000 soums.

After this operation, 2,000,000 soums (500,000,000-3,000,000) will be reflected in the reserve capital item of the enterprise's balance sheet.

The amount of reserve capital created as a result of the revaluation of the property is subsequently reduced by the following entries when the property is sold or written off and, accordingly, included in other taxable operating income of the enterprise:

Debit 8510 Credit 9210 - 2,000,000 soums.

Debit 9210 Credit 9310 - 2,000,000 soums.

Reserve capital account arising from the net profit of the enterprise. In accordance with the laws and constituent documents of the Republic of Uzbekistan, enterprises can form reserve capital in return for their net profit. Allocations to reserve capital are reflected in the debit 8710 "Retained earnings (uncovered loss) for the reporting period" and credit 8520 "Reserve capital". The formed reserve capital is used in enterprises for various purposes, including the payment of dividends on preferred shares in joint stock companies, to cover losses incurred in the reporting year, and for other purposes. The use of reserve capital is reflected in the debit of account 8520 "Reserve capital" and in the credit of accounts 6610 "Paid dividends", 8710 "Retained earnings (uncovered loss) for the reporting period" and others.

Reserve capital account arising from property received on a non-refundable basis. The reserve capital created in this way is reflected in the credit of the account 8530 "Property received free of charge" and in the debit of the accounts reflecting the received property (0110-0190,0710-0720,0610, 0800, 1000, 5810). In accordance with the Tax Code, property received free of charge is not subject to income tax if it is carried out in the enterprises of one system in the form of transfer from balance sheet to balance sheet by the decision of the higher organization. Property received free of charge in other business entities is included in their gross income and taxed.

Analytical accounting of reserve capital accounts is carried out depending on its types and sources of formation.

Lecture 14	NON-DISTRIBUTED BENEFITS

LECTURE TECHNOLOGY

<table>
<tr><td>Study time: 2 hours</td><td>Number of students: 60 ta</td></tr>
<tr><td colspan="2">Form of training: Informative report</td></tr>
<tr><td colspan="2">Lecture plan:
1. Types of retained earnings (uncovered losses) and the functions of their calculation
2. The order of accounting and reporting of retained earnings (uncovered losses)</td></tr>
<tr><td colspan="2">The purpose of the training: to give students an idea of retained earnings (uncovered losses), its types, the functions of the account, as well as the procedures for accounting and reporting of retained earnings (uncovered losses).</td></tr>
<tr><td>Pedagogical tasks:
disclosure of retained earnings (uncovered losses), its types, accounting functions, as well as the procedures for recording and reporting retained earnings (uncovered losses).</td><td>Learning Outcomes:
Students learn about retained earnings (uncovered losses), its types, the functions of the account, as well as the procedures for reflecting retained earnings (uncovered losses) in the calculation and reporting.</td></tr>
<tr><td colspan="2">Teaching aids: video projector, board.</td></tr>
<tr><td colspan="2">Teaching methods: Explanation, mental attack.</td></tr>
<tr><td colspan="2">Forms of teaching: Collective work</td></tr>
<tr><td colspan="2">Teaching conditions: Classroom equipped with technical means.</td></tr>
<tr><td colspan="2">Monitoring and evaluation: Oral, test questions and answers.</td></tr>
</table>

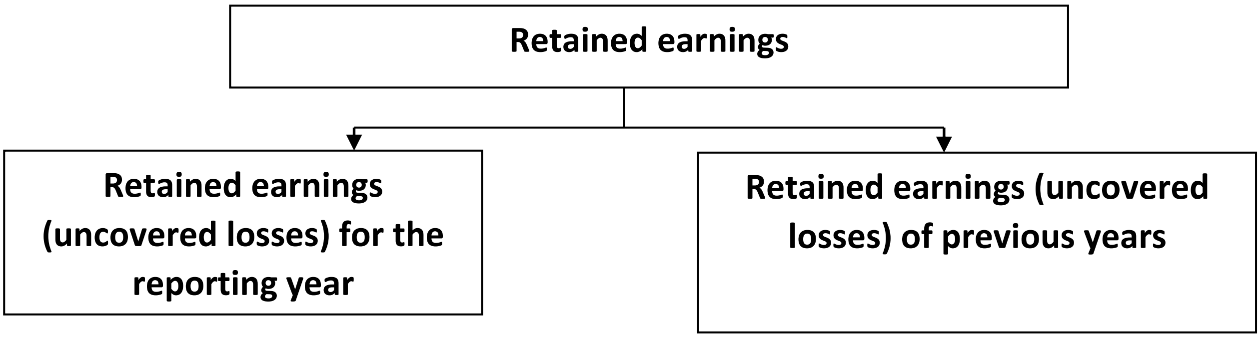
1. TYPES OF NON-DISTRIBUTED BENEFITS AND LEVELS OF ACCOUNTING

An important element of the private capital of enterprises is retained earnings (uncovered losses).

Retained earnings - it is the profit of the enterprise that is accumulated during the period of operation and left unallocated (unused). An increase in retained earnings leads to an increase in the company's equity.

Uncovered damage - it is the loss that the enterprise has accumulated over the period of its existence and has not been written off. An increase in uncovered losses leads to a decrease in the equity of the enterprise.

Retained earnings (uncovered losses) are divided into two types (see figure below).



Retained earnings (uncovered losses) for the reporting yearnet profit (uncovered loss) achieved in the reporting year. This indicator is reflected in the last line of the "Statement of Financial Performance". The amount indicated in this line must be equal to the last balance of account 8710 "Retained earnings (uncovered loss) for the reporting year."

Retained earnings (uncovered losses) of previous yearsmeans the sum of the amounts of net profit (uncovered loss) achieved in previous years and the reporting year. This indicator is reflected in the line (item) of retained earnings "Undistributed profit (loss)" of Section 1 of the Liabilities "Balance Sheet". The amount at the beginning of the year indicated in this line of the balance sheet means the amount of retained earnings (uncovered losses) of previous periods, and the amount at the end of reporting periods (quarter, year) means the amount of total retained earnings (uncovered losses) at the end of the reporting period.

Hence, the total retained earnings (uncovered losses) of previous years at the end of the reporting period are found as follows.

Retained earnings (uncovered losses) of previous years
=
Retained earnings (uncovered losses) at the beginning of the year
+
Retained earnings (loss) for the reporting year
-
Used portion of retained earnings in the reporting year (covered portion of retained earnings)

The main tasks of accounting for retained earnings (uncovered losses) are:

- realistic reflection of retained earnings (uncovered losses) in the accounts and reports on the beginning and last days of the reporting period;
- correct calculation of retained earnings (uncovered losses) for the reporting period, its real reflection in the accounts and reports;
- correct calculation of the use of retained earnings of previous years and the reporting period (write-off of uncovered losses), their real reflection in the accounts and reports;

2. PROCEDURE FOR RETURN OF NON-DISTRIBUTED BENEFITS IN THE ACCOUNTING AND REPORTING

1. Accounting for the formation and use of retained earnings (uncovered losses) in previous years. The occurrence of retained earnings (uncovered losses) in previous years is first reflected in the account with the following entry.

1. Benefits

Debit 8710 Credit 8720

2.Zarar

Debit 8720 Credit 8710

3. Use of profits from previous years

Debit 8720

Credit 6610 - when calculating dividends

8520 - allocation to reserve capital

8330 - to increase the authorized capital

8710 - When the loss for the reporting year is recovered

6410,6520 - Additional tax for previous periods

and the amounts of payments

4. Compensation for losses of previous years

Debit Credit

8720 8710 - At the expense of profit for the reporting year

8520 - at the expense of reserve capital

8330 - at the expense of the charter capital

8800 - at the expense of the target income (subsidy)

2. Accounting for the formation and use of retained earnings (uncovered losses) in the reporting year. The occurrence of retained earnings (uncovered losses) in the reporting year is reflected in the account for the first time with the following entry.

1. Benefits

Debit 9910 Credit 8710

2.Zarar

Debit 8710 Credit 9910

3. Use of profit for the reporting year

Debit 8710

Credit 6610 - when calculating dividends

8520 - allocation to reserve capital

8330 - to increase the authorized capital

8720 - When the damage of previous years is covered

6410,6520 - Additional tax for previous periods

and the amounts of payments

4. Reimbursement of losses for the reporting year

Debit Credit

8720 8710 - At the expense of profit for the reporting year

8520 - at the expense of reserve capital

8330 - at the expense of the charter capital

8800 - at the expense of the target income (subsidy)

Lecture 15	**ACCOUNT OF PRIVATE SHARES PURCHASED**

LECTURE TECHNOLOGY

<table>
<tr><td>Study time: 2 hours</td><td>Number of students: 60 ta</td></tr>
<tr><td colspan="2">Form of training: Informative report</td></tr>
<tr><td colspan="2">Lecture plan:
1. Account for the purchase of private shares
2. Accounting for the sale of purchased private shares and other expenses</td></tr>
<tr><td colspan="2">The purpose of the training: to give students an idea of the procedures for purchasing, reselling and other expenses of private shares in the accounting and reporting.</td></tr>
<tr><td>Pedagogical tasks:
disclosure of procedures for the purchase, resale and other expenses of private shares in the accounts and reports.</td><td>Learning Outcomes:
Students will learn how to purchase private shares, resell them, and reflect other expenses in the accounts and reports.</td></tr>
<tr><td colspan="2">Teaching aids: video projector, board.</td></tr>
<tr><td colspan="2">Teaching methods: Explanation, mental attack.</td></tr>
<tr><td colspan="2">Forms of teaching: Collective work</td></tr>
<tr><td colspan="2">Teaching conditions: Classroom equipped with technical means.</td></tr>
<tr><td colspan="2">Monitoring and evaluation: Oral, test questions and answers.</td></tr>
</table>

1. ACCOUNT FOR PURCHASE OF PRIVATE SHARES

A joint-stock company has the right to reduce the authorized capital by purchasing a part of the shares in order to reduce the total number of shares in accordance with the decision of the general meeting of shareholders, but not less than the minimum amount established by law. The joint-stock company must notify all creditors, and creditors have the right to demand early performance or termination of the company's obligations and compensation for damages.

Suppose Company A sees a repurchase of 20,000 shares at pararor In this case, the following entry is made:

Private shares purchased (20000 x 10000)   200000000
Cash   200000000

2. CALCULATION OF SALE AND OTHER EXPENSES OF PURCHASED PRIVATE SHARES

The acquired shares can then be sold at different prices, including below or above par value, as well as at par value. These operations are reflected in the account as follows:

(a) when the purchased shares are sold at face value:

Cash   *200000000*
Withdrawn capital   200000000

(b) when the purchased shares are sold at prices below the par value, say, when the company "A" sells each of the withdrawn shares with a par value of 10,000 soums for 7,500 soums:

Cash flow (20000 x 75000)   150000000
Retained earnings 50000000
Withdrawn capital   200000000

(v) when the purchased shares are sold at prices higher than the nominal value, say, when Company A sells 20,000 shares with a par value of 10,000 soums each for 15,000 soums:

Cash (20000 x 15000)   300000000
Burned capital   200000000
Additional paid-in capital is 1,000,000

Lecture 16	**TARGET INCOME AND RESERVE ACCOUNT FOR FUTURE PAYMENTS**

LECTURE TECHNOLOGY

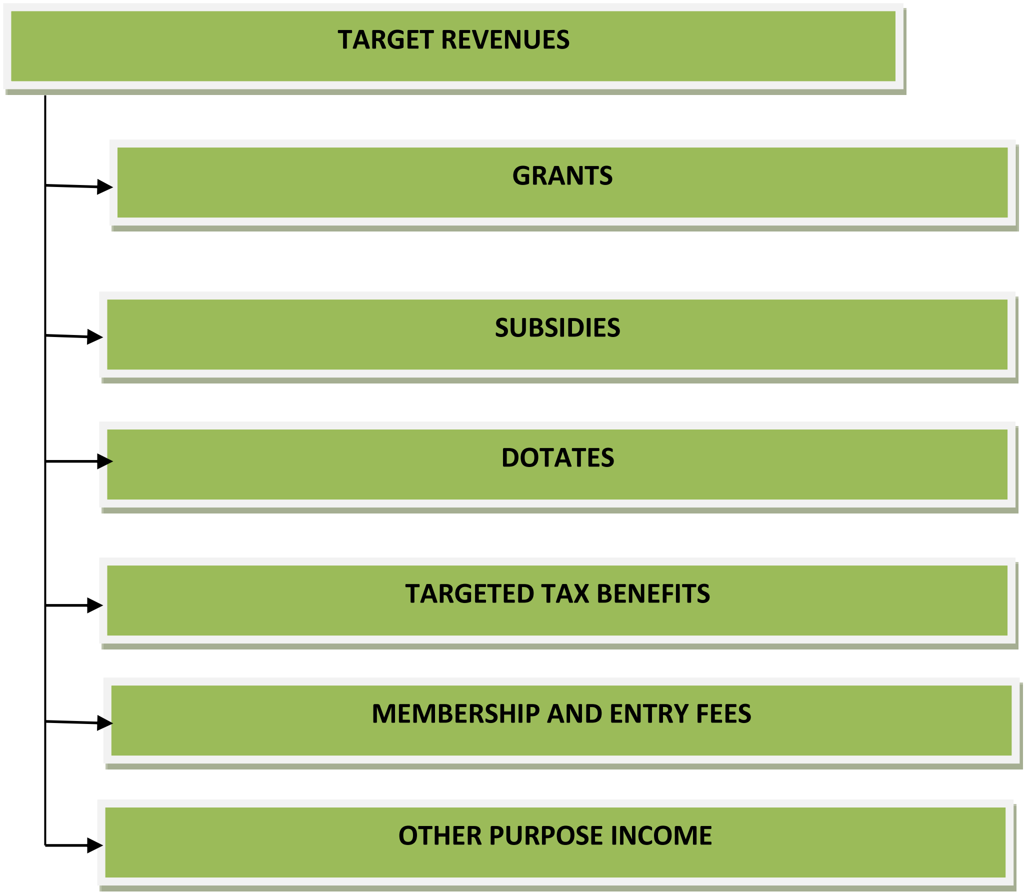
<table>
<tr><td>Study time: 2 hours</td><td>Number of students: 60 ta</td></tr>
<tr><td colspan="2">Form of training: Informative report</td></tr>
<tr><td colspan="2">Lecture plan:
1. Calculation of target revenues
2. Reserve account for future payments</td></tr>
<tr><td colspan="2">The purpose of the training: to give students an idea of the procedures for reflecting the target receipts and reserves for future payments in the accounts and reports.</td></tr>
<tr><td>Pedagogical tasks:
disclosure of procedures for accounting and reporting of target receipts and reserves for future payments.</td><td>Learning Outcomes:
Students will learn how to account for target receipts and reserves for future payments.</td></tr>
<tr><td colspan="2">Teaching aids: video projector, board.</td></tr>
<tr><td colspan="2">Teaching methods: Explanation, mental attack.</td></tr>
<tr><td colspan="2">Forms of teaching: Collective work</td></tr>
<tr><td colspan="2">Teaching conditions: Classroom equipped with technical means.</td></tr>
<tr><td colspan="2">Monitoring and evaluation: Oral, test questions and answers.</td></tr>
</table>

1. TARGET REVENUE ACCOUNT

The private capital of enterprises also includes targeted revenues from various sources.

TARGET REVENUES means a set of funds received by the enterprise (1) from different sources (2) for different purposes (3) under different conditions.

The main types of targeted revenue that meet these three criteria are as follows.



- ***Grants*** **-** it is a set of tangible and intangible funds received from the state, non-governmental, international organizations and funds for specific purposes, provided that they are not returned to the enterprise. These funds should be used only for strict purposes. In accordance with No. 21 BH MS, the calculation of grants is made on the account 8810 "Grants". Receipt and receipt of grants is a debit of accounts (0110-0190, 0410-0490, 0610, 5810, 1010-1090, 2810, 2910-2990, 5010, 5110, 5210, 4890 and other accounts), which are intended to reflect the funds on the credit of this passive account reflected in front of the corresponding h. The use of the received grants is reflected in the debit of the account 8810 "Grants" and in the credit of the expense accounts (2010,2310,2510,9420,9430, etc.) in non-governmental organizations operating on the basis of grants. Grants received by business entities may be added to the charter capital and reserve capital. In this case, the account 8810 "Grants" is debited and the account 8300 "Charter capital", 8530 "Free property" is credited. Analytical calculation of grants is carried out according to their types and purposes.
- ***Subsidies*** **-** it is the amount of assistance provided to the enterprise by the state in cash and tangible assets under certain conditions in order to develop its activities. The calculation of subsidies is based on the special BH MS No. 10 "Accounting for government subsidies and the description of state aid", as well as No. 21 BH MS. Receipts of subsidies received in accordance with these regulations h 4890 and other accounts). The subsidies received can be added to the charter capital and reserve capital. In this case, the account 8820 "Subsidies" will be debited and the account 8300 "Charter capital", 8530 "Free property" will be credited.
- ***Membership Fees*** **-** this is the amount of membership fees determined in accordance with the founding documents of the company. In accordance with BH MS No. 21, the calculation of membership fees is reflected in the credit of the account 8830 "Membership fees" and in the debit of cash accounts (5010,5110,5210). The collected membership fees are used to develop the activities of the society. The membership fees collected when the company is liquidated will be used to cover its debts.
- ***Tax benefits for targeted use*** **-** it is a set of funds collected as a result of exemption of the enterprise from taxes for the performance of targeted tasks under state law. These target receipts are accounted for in accordance with the Special Regulation, as well as in the account 8840 "Targeted use tax benefits" in accordance with BH MS No. 21. Business entities with these benefits calculate taxes on the basis of the Tax Code and their instructions. When the amount of tax assessed H is left at the disposal of the enterprise, the following entry is made:

Debit 6410 "Debt on payments to the budget (by type)"

Credit 8840 “Tax benefits for targeted use”

If the tax credit is granted for a certain period, after the expiration of this period, and in other cases at the end of the reporting year, the tax credit for the intended use is added to the reserve capital of the enterprise and recorded as follows:

Debit 8840 “Tax benefits for targeted use”

Credit 8530 “Free Property”

Analytical calculation of target revenues received as tax benefits is carried out by types of tax payments.

- ***Other target revenues-*** it is a set of funds received for various purposes from various legal entities and individuals. These include, for example, parental fees for kindergarten, funds from other businesses, and so on. In accordance with BH MS No. 21, the account of other target receipts is reflected in the credit of the account 8890 "Other target receipts" and in the debit of cash accounts. The debit of this account reflects the use of target receipts, for example, when part of the costs of service farms is covered by these target receipts, the account 8890 "Other target receipts" is debited and the account 2710 "Service farms" is credited. Other unused target receipts are transferred to the reserve capital or other income of enterprises, ie:

Debit 8890 “Other target receipts”

Credit 8530 “Free property”, 9390 “Other operating income”

The analytical calculation of other target receipts is based on their types and sources.

9.5 Calculation of reserves for expected expenses and payments

Businesses may set aside a provision for their expected expenses and payments in the near future, for example for current and capital repairs, for calculating employee leave h h, and so on. The main purpose of establishing such a reserve is to distribute the expected costs and payments evenly over the months of the reporting year. The criteria and procedure for organizing the reserve should be defined in the accounting policy of the enterprise. The established reserve is carried to the expenses of the enterprise and is reflected in the following accounting entry:

Debit 2010,2310,2510,2710,9420,9430 (expense accounts)

Credit 8910 "Reserves for expected expenses and payments"

The use of the reserve is reflected in the debit of the account 8910 "Reserves for expected expenses and payments" and in the credits of the accounts (1010-1090, 6710,6520,6890,2310,2510,2710, etc.), which reflect the expenses incurred. The amount of unused reserves can be transferred to the next year in accordance with the accounting policy, as well as to reduce costs or lead to the income of the enterprise, ie:

Debit 8910 "Reserves for expected expenses and payments"

Credit 2010,2310,2510,2710,9420,9430, 9390

Analytical calculation of reserves is carried out by their types.

MODULE 12.

FINANCIAL RESULTS ACCOUNTING

Report 17. Indicators of financial results composition and their formation

Report 18. Corporate income statement

Report 19. The main activities of enterprises expense account

Report 20. Non - core maintenance of businesses expense account

Report 21. Taxes on profits and net profit for the reporting year account

Lecture 17	FINANCIAL RESULTS INDICATORS COMPOSITION AND THEIR FORMATION

LECTURE TECHNOLOGY

Study time: 2 hours	**Number of students:** 60 ta
Form of training: Informative report	
Lecture plan: 1. The concept of financial results and the tasks of their calculation 2. Profit indicators and the order of their formation	
The purpose of the training: to give students an understanding of Financial Results and the functions of their accounting, as well as an understanding of profitability indicators and the procedure for their formation.	
Pedagogical tasks: Explain the concept of financial results and the functions of their calculation, as well as profitability indicators and procedures for their formation.	**Learning Outcomes:** Students gain an understanding of financial results and the functions of their accounting, as well as profitability indicators and procedures for their formation they learn.
Teaching aids: video projector, board.	
Teaching methods: Explanation, mental attack.	
Forms of teaching: Collective work	
Teaching conditions: Classroom equipped with technical means.	
Monitoring and evaluation: Oral, test questions and answers.	

1. THE CONCEPT OF FINANCIAL RESULTS AND THE FUNCTIONS OF THEIR ACCOUNTING

Indicators of the final financial results of enterprises in the Republic of Uzbekistan, their formation and accounting in the "Regulations on the cost of production and sale of goods (works, services) and the order of formation of financial results", as well as in recent years , 2,3, 21 in BH MS, are described in detail.

Financial results are profit or loss.

In turn, profit and loss is the difference between the income received and the expenses incurred.

The main tasks of accounting for income of the enterprise are:

- Recognition and measurement of income in accordance with the principle of calculation of income from the time of their occurrence;
- Proper grouping and recording of income in the relevant accounts;
- Correctly determine the relationship of income to taxes;
- Accurately reflect income in the financial statements, etc.

The main tasks of accounting for enterprise expenses are:

- accounting for costs in accordance with the criteria that reveal their substance;
- correct classification and grouping of enterprise costs;
- correct, timely and appropriate initial documentation of business expenses;
- Ensuring the consistency of data and accounting data on enterprise costs;
- inclusion of future and deferred costs in the correct and timely cost of sales, current expenses and expenses related to financial activities;
- ensure accurate and timely accounting of costs associated with work in progress, their re-registration (inventory) in a timely manner and their inclusion in the cost of sales;
- to find the causes and culprits of irrational costs that lead to an increase in sales costs, current expenses, constant monitoring of the activities of persons responsible for preventing such costs;
- control over the efficient use of available resources and tools;
- correct formation of expenses as an object of the tax base;
- recognition of expenses in accordance with the principle of calculation h from the time of their occurrence and reflected in the relevant accounts;
- accurate reflection of expenses in the financial statements, etc.

2. BENEFIT INDICATORS AND THE PROCEDURE FOR THEIR FORMATION

In accordance with these regulations, the profit (loss), which represents the final financial results of enterprises, is characterized by the following indicators.

1. *Profit or loss from sales* (PS) or (LS)

Ps (Ls) = NI –Ts, respectively
Ps = if Ni> Cs, Ls = agar Ni <Cs
Here: Ni - net income, Cs - cost of sales

***2. Profit or loss from operating activities* (Poa) or (Loa)**

Poa (Loa) = Ps (Ls) –Ps + Ooi
Here: Dx- period costs; Bod is other operating income from operating activities.

3. Profit or loss from general economic activity (Fux) or (Zux)

Pga (Lga) = Poa (Loa) + Pfa - Lfa
Here: Pfa - profit from financial activities;
Lfa - losses from financial activities

4. Profit or loss before tax (Pbt) or (Lbt)

Pbt (Lbt) = Pga (Lga) Poa (Loa)

Here: Ep - extraordinary profit; El is emergency losses

1. *Net profit or net uncovered losses (*Np) or (Ul)

Np (Ul) = Pbt (Lbt) –It - Aj
Where: Ds - income taxes (income tax, infrastructure development tax, single tax);
Op - other deductions from profits

Lecture 18	ENTERPRISE INCOME ACCOUNT

LECTURE TECHNOLOGY

Study time: 2 hours	**Number of students:** 60 ta
Form of training: Informative report	
Lecture plan: 1. Types, essence of enterprise income and tasks of their calculation 2. Calculation of sales revenue 3. Accounting for other income from operating activities 4. Accounting for income from financial activities 5. Calculation of extraordinary profit 6. Calculation of deferred income	
The purpose of the training: to give students an idea of income and an understanding of how they keep records.	
Pedagogical tasks: understanding of income and disclosure of accounting procedures.	**Learning Outcomes:** Students gain an understanding of income and keep an account of it they learn.
Teaching aids: video projector, board.	
Teaching methods: Explanation, mental attack.	
Forms of teaching: Collective work	
Teaching conditions: Classroom equipped with technical means.	
Monitoring and evaluation: Oral, test questions and answers.	

1. TYPES, ESSENCE OF ENTERPRISE INCOME AND THE FUNCTIONS OF THEIR ACCOUNT

An important indicator of financial and economic activity of enterprises is income. The essence, classification and description of this indicator, its recognition, the system of accounts and accounting records on them are described in detail in the following normative documents adopted in the Republic:

- Tax Code of the Republic of Uzbekistan (Article 16);
- IFRS “Conceptual Framework for the Preparation and Presentation of Financial Statements”
- No. 2 BH MS "Income from operating activities"
- "Regulations on the structure of costs of production and sale of goods (works, services) and the order of formation of financial results."

In accordance with these regulations, income is generally defined as an increase in an entity’s assets or a decrease in its liabilities during the reporting period. All income of enterprises is divided into 13 types in the Tax Code of the Republic of Uzbekistan (Article 16), in No. 2 BH MS these types of income are divided into two major groups, ie income from operating activities and income from non-operating activities (see Figure 1).

Income from operating activitiesincome from operating activities specified in the charter of the enterprise. In accordance with the "Regulations on the structure of costs of production and sale of goods (works, services) and the order of formation of financial results", the income of enterprises from operating activities, in turn, is divided into two groups:

- **Proceeds from sales -** These include proceeds from the sale of goods, goods, works and services (excluding excise, VAT and customs duties on exports).
- **Other income from operating activities -** These include profits from the sale of fixed assets and other assets of the enterprise, penalties, canceled debts, gratuitous assets, inventory surpluses, income from revaluation of TMBs, etc.

Income from non-core activities income from activities that are not directly related to the main activity. Such income is divided into income from financial activities and extraordinary income in accordance with the Statute.

Income from financial activitiesincome from securities, foreign exchange transactions, loans and borrowings. These include royalties, dividends and interest, income in the form of positive exchange rate differences, and more.

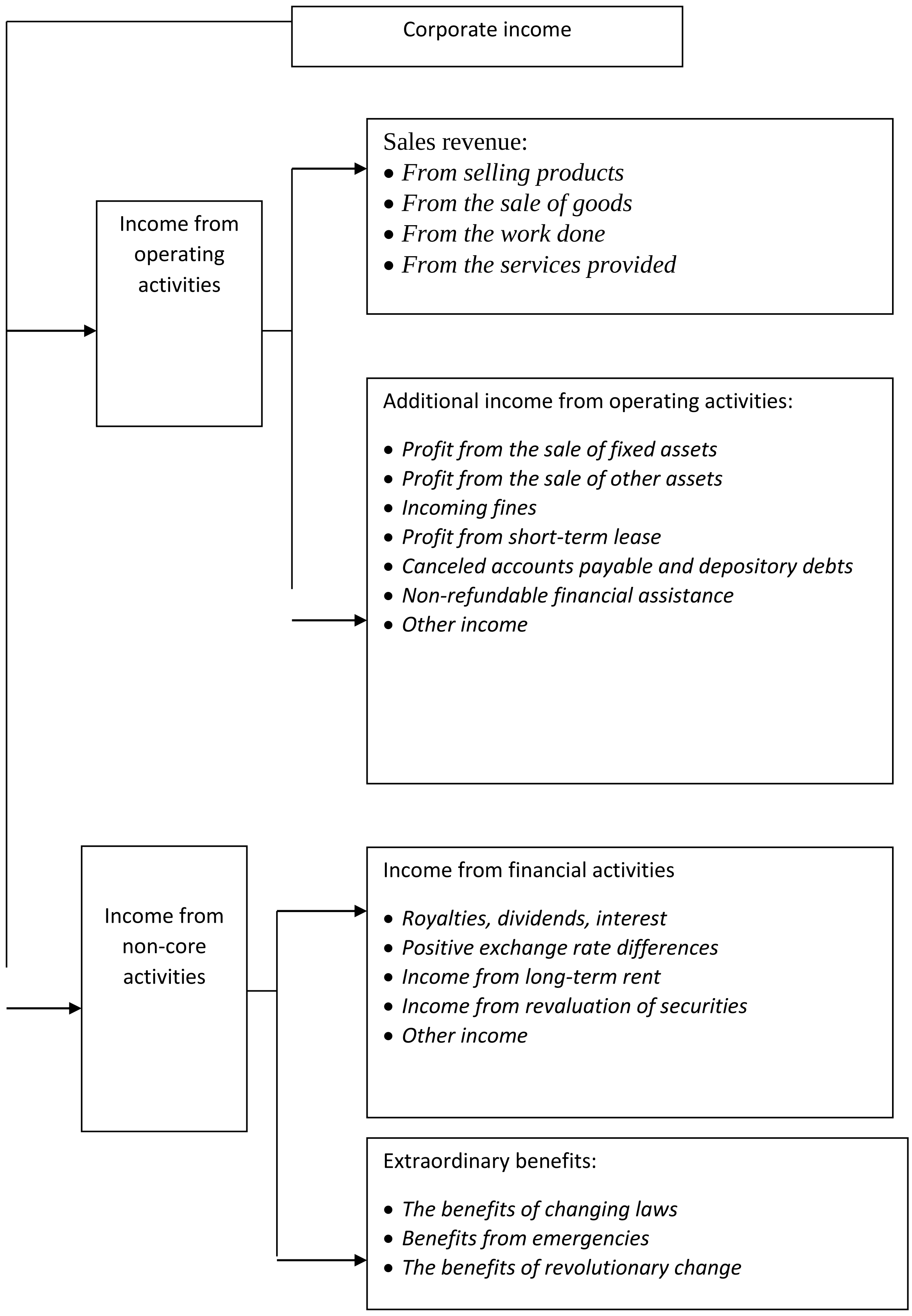


Figure 1. **Classification of corporate income**

Extraordinary incomeincome from unforeseen coincidences and events that do not occur on a regular basis. These include revenues from changes in state laws, natural disasters, and revolutionary changes.

The main tasks of accounting for income of the enterprise are:

- Recognition and measurement of income in accordance with the principle of calculation of income from the time of their occurrence;
- Proper grouping and recording of income in the relevant accounts;
- Correctly determine the relationship of income to taxes;
- Accurately reflect income in the financial statements, etc.

2. ACCOUNTING OF INCOME FROM SALES

Revenue from sales in accordance with IFRS 21 is recorded in the following accounts:

- **9010 "Income from the sale of finished products"** - This passive and temporary account is used by enterprises to account for income from the sale of their products. The income received on the credit of the account is accumulated during the year, with different accounts debited depending on the method of selling the product. For example, 5010 "Cash" account when the product is sold for cash, and 4010 "Accounts receivable from customers", 4110 "Accounts receivable from special divisions", 4120 "Accounts receivable from subsidiaries and affiliates" and other receivables when the product is sold for cash debit accounts are debited. During the year, the account 9010 "Income from the sale of finished products" has only a credit balance, which reflects the amount of income received since the beginning of the year.
- **9020 "Income from the sale of goods"**- This passive and temporary account is mainly used in wholesale and retail trade, as well as in enterprises selling goods purchased by other industry entities through the company's stores. Income from the sale of goods on credit of the account is accumulated throughout the year, depending on the method of sale of goods 5010 "Cash" account, 4010 "Accounts receivable from customers", 4110 "Accounts receivable from special units", 4120 "Accounts receivable from subsidiaries and affiliates" and other accounts receivable are debited. During the year, the account 9020 "Income from the sale of goods" has only a credit balance, and this balance shows the amount of income received since the beginning of the year.
- **9030 "Income from work performed and services" -** this passive and temporary account is mainly used in construction companies and service enterprises, as well as in other types of enterprises that provide work and services in addition to their main activities. Proceeds from the sale of work and services performed on credit of the account are accumulated throughout the year on the basis of documents certifying them. Depending on the method of sale of works and services, accounts 5010 "Cashier", 4010 "Accounts receivable from customers", 4110 "Accounts receivable from special units", 4120 "Accounts receivable from subsidiaries and affiliates" and other accounts receivable are debited. During the year, the account 9030 "Income from the sale of work performed and services" has only a credit balance, which reflects the amount of income received since the beginning of the year.

Sold products, goods, works and services can be returned to the enterprise for various reasons. In this case, the value of returned products, goods, works and services is reflected in the debit of the account 9040 "Return of goods sold", which is specially counterproductive, respectively, 5010 "Cashier", 4010 "Accounts receivable from customers", 4110 "Accounts receivable from special units" , 4120 “Accounts receivable from subsidiaries and affiliates" and other accounts receivable. The amount accumulated on the debit of the account 9040 "Return of goods sold", respectively 9010 "Income from the sale of finished goods", 9020 "Income from the sale of goods", 9030 "Income from work performed and services rendered" is debited to the account and on this basis this account is closed. Adjustments are also made to the invoices reflecting the cost of sales of returned products, goods, works and services and the amount of VAT received from the sale.

In the sale of products, goods, works and services, buyers and customers may also be given different amounts of discounts depending on the terms of the contract. The amount of such discounts is reflected in the debit of the account 9050 "Discounts to buyers and customers", which is specially counterproductive, respectively 4010 "Accounts receivable from customers", 4110 "Accounts receivable from special units", 4120 "Accounts receivable from subsidiaries and affiliates" and other accounts receivable are credited.

The amount accumulated on the debit of the account 9050 "Discounts to buyers and customers" is transferred to the debit of the accounts 9010 "Income from the sale of finished goods", 9020 "Income from the sale of goods", 9030 "Income from work performed and services" and on this basis this account is closed . The amount of discounts on the sale of products, goods, works and services reduces the amount of income from sales.

Analytical accounting of corporate income is carried out on the segments required for the sale of products, goods, works and services and other management.

3. ACCOUNTING OF ADDITIONAL INCOME FROM MAIN ACTIVITY

Additional income from operating activities in accordance with BH MS 21 is accounted for in the following accounts:

- **9310 "Profit from the expenditure of fixed assets"** - In this passive and temporary account, enterprises use to account for the profit from the sale of their fixed assets and other expenses. The profit received on the account credit is accumulated during the year. This profit consists of the amount remaining after deducting from the sale (transfer) value of fixed assets their residual value and the amount of VAT received from the sale. For example, a computer with a starting value of 1,500,000 soums and a total depreciation of 1,300,000 soums was sold for 320,000 soums. The amount of VAT received from the sale in this case is 20,000 sums ((320000 - 200,000) * 20/120), and the amount of profit from the sale is 100,000 sums (320000-200000-20000). The amount of this profit is reflected in the debit account 9210 "Expenditure on fixed assets" and credit 9310 in the account "Profit from the expenditure of fixed assets".

At the end of the year, the amount accumulated on the credit of this account 9310 will be debited to it and credited to the account 9900 "Final financial result", and on this basis it will be closed.

- **9320 "Profit from the loss of other assets"** - in this passive and temporary account, enterprises use their various other assets, such as materials, inventory, intangible assets and other assets, to account for profits from sales and other expenses. The profit received on the account credit is accumulated during the year. This profit consists of the amount remaining from the sale (transfer) value of other assets after deducting their cost (residual value) and the amount of VAT received from the sale.

For example, let's say that a material with a cost of 50,000 soums was sold for 72,000 soums. The amount of VAT received from the sale in this case is 12,000 sums (72000 * 20/120), and the amount of profit from the sale is 10,000 sums (72000-50000-12000). Profit from the sale (transfer) of intangible assets is found in the same way as the sale of property, plant and equipment. The amount of profit from the loss of other assets is reflected in the debit account 9220 "Expense of other assets" and credit 9320 in the account "Profit from the loss of other assets". At the end of the year, the amount accumulated on the credit of account 9320 is credited to its debit and credited to the account 9900 "Final financial result", and on this basis it is closed.

- **9330 "Fines, penalties and fines"** - The credit of this liability and temporary account reflects the amount of income (profit) received as a result of violation of the terms of various business agreements, as well as compensation for these losses. In this case, the accounts reflecting the receipt, withholding or calculation of fines, respectively, are debited, for example, 5010 "Cashier", 5110 "Current account", 5210 "Currency account", 6710 "Employee payroll", 4860 “Invoices for Claims” and other accounts. At the end of the year, the amount accumulated on the credit of account 9330 is credited to its debit and credited to the account 9900 "Final financial result", and on this basis it is closed.
- **9340 "Benefits of previous years" -** the credit of this liability and temporary account reflects the profit of previous years determined in the reporting year. Such benefits include, for example, the amount of receivables written off or written off earlier, the reduction of overstated expenses, and so on. Accordingly, the accounts showing the recovery of profits from previous years are debited, for example, 5010 "Cashier", 5110 "H current account", 5210 "Currency account", 4000 "Withdrawable accounts" and other accounts. At the end of the year, the amount accumulated on the credit of account 9340 is debited to it and credited to the account 9900 "Final financial result", and on this basis it is closed.
- **9350 “Income from short-term rent”** - The amount of income from short-term lease is reflected in the credit of this liability and temporary account in correspondence with the account 4820 "Short-term lease payments". At the end of the year, the amount accumulated on the credit of account 9350 is credited to its debit and credited to the account 9900 "Final financial result", and on this basis it is closed.
- **9360 "Income from the write-off of accounts payable and depository"** - On the credit of this passive and temporary account, the income from the transfer of uncollected debts in favor of the enterprise in a timely manner (more than 3 years) is reflected in correspondence with the accounts reflecting accounts payable (6010,6110, 6710,6720, 6910-6990, etc.) . At the end of the year, the amount accumulated on the credit of account 9360 is credited to its debit and credited to the account 9900 "Final financial result", and on this basis it is closed.
- **9370 "Income from service farms" -**The credit of this passive and temporary account reflects the income received from farms serving the main activity (health department, barber shop, library, kindergarten and other institutions, sanatoriums, kitchens, hotels, sports complexes, etc.). In this case, accounts that reflect the income received or accrued, for example, 5010 "Cash", 5110 "Accounts receivable", 4890 "Debts of other

debtors" and other accounts are debited. At the end of the year, the amount accumulated on the credit of account 9370 is debited to it and credited to the account 9900 "Final financial result" and on this basis it is closed.

- **9380 "Non-refundable financial assistance" -** The amount of financial assistance received from various legal entities and individuals on a non-refundable basis is reflected in the credit of this liability and temporary account. Accounts reflecting the type of assistance received, such as 5010 "Cashier", 5110 "Account", 5210 "Currency account" are debited. At the end of the year, the amount accumulated on the credit of account 9380 is debited to it and credited to the account 9900 "Final financial result" and on this basis it is closed
    - 9390 "Other operating income" - the credit of this liability and temporary account reflects other operating income that is not transferred to the above accounts, for example, surpluses identified in the inventory, various coverage amounts, etc. Accounts reflecting TMZ and cash (0100,1000,2800,2900,5000, etc.) are debited accordingly. At the end of the year, the amount accumulated on the credit of account 9390 is debited to it and credited to the account 9900 "Final financial result", and on this basis it is closed.

Analytical accounting of additional income of enterprises from operating activities is carried out by their types and other segments required for management.

4. ACCOUNTING OF INCOME FROM FINANCIAL ACTIVITY

Income from financial activities in accordance with BH MS No. 21 is recorded in the following accounts:

- **9510** "Income in the form of royalties"
- **9520** "Income in the form of dividends"
- **9530** "Interest income"
- **9540** "Exchange income from exchange rate differences"
- **9550** "Income from long-term rent"
- **9560** "Income from revaluation of securities"
- **9590** "Other income from financial activities"

The names of these passive and temporary accounts are reflected in the credit in accordance with the principle of calculation of the above-mentioned types of income.

Income in the form of royaltiesincome from the lease and joint use of intangible assets of enterprises, such as computer software, licenses, etc. The calculation of these incomes is reflected in the debit of the account 4850 "Receivable royalties" and in the credit of the account 9510 "Income in the form of royalties". At the end of the year, the amount accumulated on the credit of account 9510 is credited to its debit and credited to the account 9900 "Final financial result", and on this basis it is closed.

Dividends - accrued income for financial investments in these shares. The basis for the calculation of this income is the written notice of the joint-stock company on the calculation of dividends h. This notice shall reflect the total amount of accrued dividends, the amount of dividends withheld and the amount of dividends payable. If the notice states that the dividend tax has not been withheld, then the company that received the dividend must pay this tax. Accrued dividend income is reflected in the debit of the account 4840 "Dividends received" and in the credit of the account 9520 "Income in the form of dividends". At the end of the year, the amount accumulated on the credit of account 9520 is debited to it and credited to the account 9900 "Final financial result", and on this basis it is closed.

Earnings in the form of interest means interest accrued on loans and credits to other legal entities. The amount of this interest is calculated on the basis of concluded contracts h. Accrued interest income is reflected in the debit of the account 4830 "Interest received" and in the credit of the account 9530 "Interest income". At the end of the year, the amount accumulated on the credit of account 9530 is debited to it and credited to the account 9900 "Final financial result", and on this basis it is closed.

Income from exchange rate differences the positive exchange rate differences on foreign currency held in the foreign currency account of the enterprise and the receivables in foreign currency. At the end of each month, this income includes 5210 "Domestic currency accounts", 5220 "Foreign currency accounts", 4000 "Receivable accounts", 4300 "Accounts payable to suppliers and contractors" and other accounts receivable in foreign currency h is calculated on the basis of exchange rates announced by the Central Bank of the Republic of Uzbekistan. The calculated positive exchange rate differences are reflected in the debit of the above accounts and in the credit of the account 9540 "Income from exchange rate differences". At the end of the year, the amount accumulated on the credit of account 9540 is debited to it and credited to the account 9900 "Final financial result", and on this basis it is closed.

Income from long-term rent income from the lease of property for a period of more than one year. The amount of this income is calculated on the basis of a lease agreement. The amount of accrued income is reflected in the debit of the account 4830 "Interest received", 6230 "Other deferred income" and the credit of the account 9550 "Income from long-term lease". At the end of the year, the amount accumulated on the credit of account 9550 is credited to its debit and to the credit of account 9900 "Final financial result" and on this basis it is closed.

Gains from revaluation of securities means the income generated by increasing the value of long-term and short-term investments. Such income is calculated on the basis of revaluation certificates. The amount of accrued income is reflected in the debit of 0600 "Long-term investment accounts", 5800 "Short-term investment accounts" and the credit of account 9560 "Income from revaluation of securities". At the end of the year, the amount accumulated on the credit of account 9560 is debited to its account and credited to the account 9900 "Final financial result", and on this basis it is closed.

Analytical accounting of income from financial activities of enterprises is carried out by their types and other segments required for management.

5. EMERGENCY INCOME ACCOUNT

In accordance with BH MS No. 21, the account of extraordinary income is credited to the account 9710 "Extraordinary profit". Accounts (0100, 0400, 0700, 1000, 2900 and other accounts) indicating the type of extraordinary profit received or calculated are debited. At the end of the year, the amount accumulated on the credit of account 9710 is debited to its account and credited to the account 9900 "Final financial result" and on this basis it is closed.

6. ACCOUNTING OF EXTENDED INCOME

Some business entities receive in advance cash from their customers for future deliveries of goods and products, as well as work performed and services provided. For example, companies that produce newspapers, magazines, and periodicals charge customers for these publishing products during their pre-subscription period. Aeroflot, rail and intercity bus companies can pre-sell tickets and charge customers in advance. Although the process of acquiring ownership of an asset has taken place in such entities, the proceeds cannot be recognized as income. Because, in which case there would be no actual delivery of the publishing products to their owners, as well as no services to passengers on pre-purchased tickets. This means that in such cases, there is no cash flow as income, but there are certain obligations to customers for future delivery or service. It is these types of obligations that require their recognition, measurement and reflection in accounting practice and practice.

In the former Soviet system of accounting, cash flows (income) of the above content were recognized as future income and reflected in the balance sheet as one of the elements of private capital of enterprises. In the practice and practice of international accounting, the procedure is to call these liabilities deferred income and reflect them in the balance sheet as a type of liability. In accordance with IFRS No. 21 "Plan of financial and economic activities of business entities and the guidelines for its application", which came into force in the country in early 2002, the concept of "Deferred income" instead of the previously called "Deferred income" , respectively, the use of the following accounts designed to reflect them:

6210 "Deferred income in the form of discounts";
6220 "Deferred income in the form of bonuses";
6230 “Other deferred income”;
7210 "Long-term deferred income in the form of discounts";
7220 "Long-term deferred income in the form of bonuses";
7230 “Other long-term deferred income”;

6210 "Deferred income in the form of discounts" The current account of the enterprise's long-term deferred income on the discount (discount) of bonds distributed to income during the maturity period is reflected in the account. This account is used only by the buyer of the bonds. When bonds are purchased at a discount, the amount of the discount is credited to the account 6210 "Deferred income in the form of discounts (discounts)", and the amount paid is reflected in the credit of cash accounts and debits of short-term investment accounts or long-term investment accounts. When transferring the current part of the discount (discount) of bonds to income, the account 9530 "Income in the form of interest" is credited and the account 6210 "Deferred income in the form of discounts (rebates)" is debited.

Analytical account 6210 "Deferred income in the form of discounts" is maintained separately for each type of bond and maturity.

Account 6220 "Deferred income in the form of bonuses (bonuses)" reflects the current portion of long-term deferred income of the enterprise on bonds (bonuses) distributed to income during the maturity period. This account is used only by bond sellers. When bonds are sold with a premium, the amount of the premium (premium) is transferred to the account 6220 "Deferred income in the form of premiums (premiums)" and the nominal value of the bond is credited to the account 6830 "Paid bonds" (short-term) or 7830 "Paid bonds" (long-term). reflected in connection with the accounting accounts.

Analytical account 6220 "Deferred income in the form of bonuses (premiums)" is maintained separately for each type of bond and maturity.

6230 “Other deferred income” the account reflects income received (accrued) as a deposit during the reporting period, but related to subsequent periods. In case of receipt of funds for undelivered finished goods, goods, work performed and services not provided, the account 6230 "Other overdue income" is credited in connection with the cash accounts. Revenues for the next reporting period are recognized as income from the sale of finished goods, goods, works and services and are debited to account 6230 "Other overdue income" 9010 "Revenue from sales of finished goods", 9020 "Revenue from sale of goods" and 9030 "Performance of goods and services" Income from presentation ”is deducted from the account.

Analytical account 6230 "Other overdue income" is maintained separately for each type of income.

7210 "Long-term deferred income in the form of discounts"the account reflects the long-term deferred income of the enterprise on the discount (discount) of bonds distributed to income during the maturity period. This account applies only to bond buyers. When bonds are purchased at a discount, the discount amount is reflected in the account 7210 "Long-term deferred income in the form of discounts (rebates)" and the amount paid is linked to the long-term investment account on the credit side of the cash account. When discounts on bonds are transferred to the current part, account 7210 "Long-term deferred income in the form of discounts" is debited and account 6210 "Deferred income in the form of discounts" is credited.

Analytical account 7210 "Long-term overdue income in the form of discounts" is maintained separately for each type of bond and maturity.

7220 "Long-term deferred income in the form of bonuses"the account reflects the long-term deferred income of the enterprise on the premium (premium) of bonds distributed to income during the maturity period. This account is used only by bond sellers. When bonds are sold with a premium, the account 7220 "Long-term deferred income in the form of bonuses (premiums)" and the account 7830 "Paid bonds" are credited in connection with cash accounts. When bonuses (bonuses) are transferred to the current part, account 7220 "Long-term deferred income in the form of bonuses (bonuses)" is debited and account 6220 "Deferred income in the form of bonuses (bonuses)" is credited.

Analytical account 7220 "Long-term overdue income in the form of bonuses (premiums)" is maintained separately for each bond type and maturity.

7230 “Other long-term deferred income”The account is designed to reflect information about the liabilities of the enterprise related to the receipt of funds for goods, works and services and the difference between the terms of delivery of goods, performance of works and provision of services. The amount of income for the next period is credited to the account 7230 "Other long-term deferred income" in connection with cash accounts, and the debit reflects the amount of the current part of income transferred to the account 6230 "Other deferred income".

Analytical account 7230 "Other long-term deferred income" is maintained separately for each type of income.

Lecture 19

COST ACCOUNTING FOR THE MAIN ACTIVITIES OF ENTERPRISES

LECTURE TECHNOLOGY

<table>
<tr><td>Study time: 2 hours</td><td>Number of students: 60 ta</td></tr>
<tr><td colspan="2">Form of training: Informative report</td></tr>
<tr><td colspan="2">Lecture plan:
1. Types, essence of enterprise expenses and tasks of their calculation
2. Calculation of sales cost
3. Calculation of current expenses</td></tr>
<tr><td colspan="2">The purpose of the training: to give students an idea of expenses and an understanding of how they are accounted for.</td></tr>
<tr><td>Pedagogical tasks:
understanding of costs and disclosure of accounting procedures.</td><td>Learning Outcomes:
Students understand the costs and keep an account of them
they learn.</td></tr>
<tr><td colspan="2">Teaching aids: video projector, board.</td></tr>
<tr><td colspan="2">Teaching methods: Explanation, mental attack.</td></tr>
<tr><td colspan="2">Forms of teaching: Collective work</td></tr>
<tr><td colspan="2">Teaching conditions: Classroom equipped with technical means.</td></tr>
<tr><td colspan="2">Monitoring and evaluation: Oral, test questions and answers.</td></tr>
</table>

1. TYPES, ESSENCE OF ENTERPRISE COSTS AND THE FUNCTIONS OF THEIR ACCOUNT

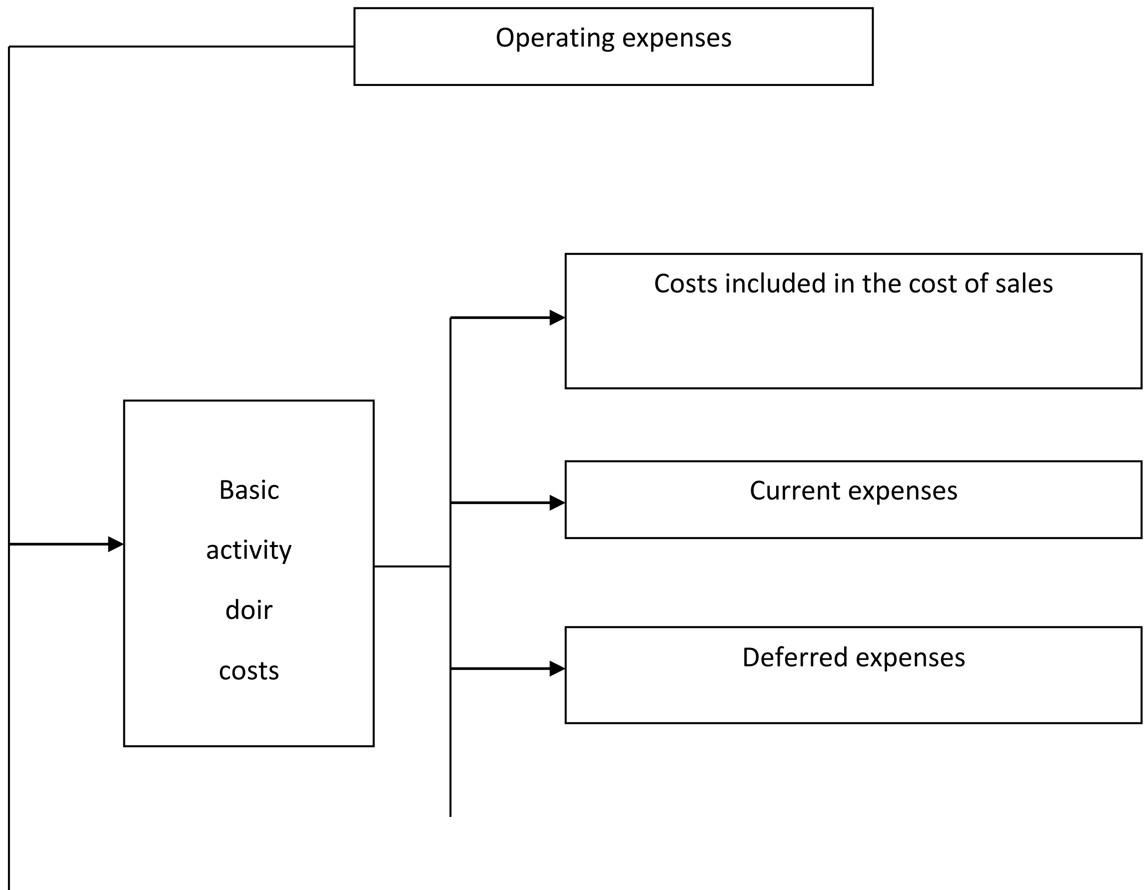
An important indicator of financial and economic activity of enterprises is the cost. The essence, classification and description of this indicator, recognition, system of accounts and accounting records on them are given in the normative documents at the end of this chapter, including "Regulations on the structure of costs of production and sale of goods (works, services) and the order of financial results Is described in detail in

Expenditure in accordance with these normative documents means, in general, a decrease in the assets of the enterprise or an increase in its liabilities during the reporting period. All expenses of enterprises are divided into two groups and six subgroups in accordance with the BH MS adopted in the country and the "Regulations on the structure of costs of production and sale of goods (works, services) and the order of formation of financial results" and its amendments and additions (See Figure 1).

Operating expenses Expenses related to the main activity specified in the charter of the enterprise. In accordance with the "Regulations on the costs of production and sale of goods (works, services) and the formation of financial results" and BH MS No. 21, the costs associated with the main activities of enterprises, in turn, are divided into four subgroups:

- **Costs included in the cost of sales -** These include costs included in the cost of goods sold, goods, works and services.
- **Current expenses -** These include expenses for the sale of products (goods, works and services), administrative and other operational activities of the enterprise. These costs occur in a particular h reporting period, so they are also called h reporting period expenses.
- **Deferred expenses -** this is the cost of the entity's future operating activities, but incurred during the reporting period. Such costs include prepaid rents, prepaid services and other prepaid payments.
- **Deferred expenses -** These include expenses related to the future main activities of the enterprise, but extended for a period of one year or more.

Costs of non-core activities Expenses related to activities that are not directly related to the main activity. Such expenses are divided into expenses related to financial activities and extraordinary losses in accordance with the Regulations.



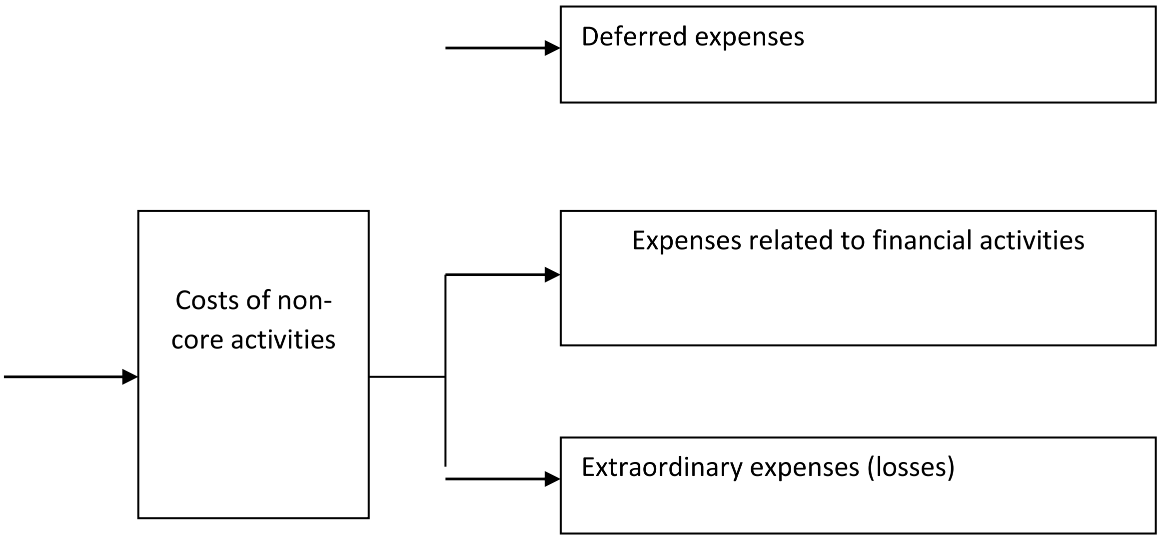


Figure 1. **Classification of enterprise costs**

Expenses related to financial activities Expenses related to issuance and placement of securities, foreign exchange transactions, obtaining loans and borrowings, long-term leases and other financial activities. These include costs in the form of interest, negative exchange rate differences, and so on.

Emergency costsdamage caused by unforeseen coincidences and events that do not occur on a permanent basis. These include changes in state laws, natural disasters, and damage caused by revolutionary changes.

The main functions of accounting for enterprise expenses include:

- accounting for costs in accordance with the criteria that reveal their substance;
- correct classification and grouping of enterprise costs;
- correct, timely and appropriate documentation of enterprise costs;
- ensuring full consistency of reporting data and accounting data on enterprise costs;
- inclusion of future and deferred costs in the correct and timely cost of sales, current expenses and expenses related to financial activities;
- ensure accurate and timely accounting of costs associated with work in progress, their re-registration (inventory) in a timely manner and their correct inclusion in the cost of sales;
- to find the causes and culprits of irrational costs that lead to an increase in sales costs, current expenses, constant monitoring of the activities of persons responsible for preventing such costs;
- control over the efficient use of available resources and tools;
- correct formation of expenses as an object of the tax base;
- recognition of expenses in accordance with the principle of calculation h from the time of their occurrence and reflected in the relevant accounts;
- accurate reflection of expenses in the financial statements, etc.

2. CALCULATION OF SALES COST

In accordance with No. 21 BH MS, the calculation of sales cost h is made in the following accounts, depending on the type of sale:

9110 "Cost of finished goods sold" -The debit of this asset, temporary (transit) account reflects the cost of finished goods sold during the year. At the same time, 2,800 "Finished goods accounts" will be credited. At the end of the year, the amount accumulated in the debit of account 9110 is credited to it and debited to account 9900 "Final financial result", and on this basis it is closed.

9120 "Cost of goods sold" -This asset, temporary (transit) account is widely used mainly in enterprises operating on a continuous basis of TMBs, including wholesale trade enterprises, the debit of which reflects the cost of goods sold during the year. At the same time, 2,900 "Commodity Accounts" accounts will be credited. At the end of the year, the amount accumulated in the debit of account 9120 is credited to it and debited to account 9900 "Final financial result", and on this basis it is closed.

9130 "Cost of work performed and services" -This asset, temporary (transit) account is used mainly in construction companies, service enterprises, as well as enterprises engaged in various activities, the debit of which reflects the cost of work performed and services delivered to customers during the year. In this case, the accounts 2010 "Main production", 2310 "Auxiliary production", 2710 "Service farms" will be credited. At the end of the year, the amount accumulated in the debit of account 9130 is credited to it and debited to account 9900 "Final financial result", and on this basis it is closed.

9140 "Purchase of TMB on a periodic basis" -This asset, temporary (transit) account is used mainly in enterprises operating on a periodic basis of TMBs, including retail and catering enterprises, the debit of which reflects the cost of goods received from suppliers during the year. In this case, the account 6010 "Accounts payable to suppliers and contractors" will be credited. At the end of the year, the amount accumulated in the debit of account 9140 is credited to it and debited to account 9900 "Final financial result", and on this basis it is closed.

- **9150 "Adjustments for TMB on a periodic basis" -**this asset, temporary (transit) account is mainly used in enterprises operating on a periodic basis of TMBs, including retail and catering enterprises. An inventory is made at the end of the period to find the cost of goods sold at periodic enterprises. The actual condition of the TMBs identified as a result of the inventory is compared with their condition at the beginning of the period, resulting in the amount of change (decrease or increase) in the condition of the TMBs. The amount of the difference determined represents the amount of the adjustment on the account. If the adjustment is to be made on the downward side, the difference is credited to the debit of account 9150 "Periodic adjustments on TMB", if the adjustment is to be made on the side of increase, then the difference is credited to this account. In this case, the accounts of TMBs (1000,1100,2000,2800, 2900) is credited (decreased) and debited (increased), respectively. At the end of the year, the amount accumulated in the account 9150 is closed to the debit (increase) or credit (decrease) of the account 9900 "Final financial result", respectively.

3. CALCULATION OF CURRENT EXPENSES

In accordance with No. 21 BH MS, the calculation of current expenses is made in the following accounts:

- 9410 "Selling expenses" - the costs of the sale of the asset, the debit of the temporary (transit) account during the year (advertising costs, salaries of employees associated with the sale, social insurance contributions, depreciation costs, transportation and other similar sales costs) reflected. The specific types and structure of costs reflected in this account are described in detail in the section "Sales costs" of the "Regulations on the costs of production and sale of goods (works, services) and the formation of financial results." The specific types of expenses are reflected in the debit of this account and in the credit of the accounts representing these expenses (5110,5010,6710,6520,6990 and other accounts).
- 9420 "Administrative expenses" - the costs of management (salaries, social security contributions, depreciation, travel expenses, telephone and other similar management expenses) during the year on the debit of this asset, temporary (transit) account reflected. The specific types and structure of costs reflected in this account are described in detail in the section "Administrative and management costs" of the "Regulations on the cost of production and sale of goods (works, services) and the formation of financial results." The specific types of expenses are reflected in the debit of this account and in the credit of the accounts representing these expenses (0200,0500,1000,5110,5010,6710,6520,6990 and other accounts).
- **9430 "Other operating expenses" -**Debit of this asset, temporary (transit) account during the year. , losses from the sale and transfer of property and other similar operating expenses). The specific types and structure of costs reflected in this account are described in detail in the section "Other operating costs" of the "Regulations on the costs of production and sale of goods (works, services) and the formation of financial results." The specific types of expenses are reflected in the debit of this account and in the credit of the accounts representing these expenses (1000,5110,5010, 6400,6710,6520,6990,9210,9220 and other accounts).
- **9440 "Expenses for the reporting period deductible from the tax base in the future" -**the debit of this asset, temporary (transit) account reflects the periodic expenses incurred during the year to develop the future activities of the enterprise (expenditures on the development of new production and new technologies, improvement of management systems and other similar operating expenses). The specific types and structure of expenses reflected in this account are given in detail in Annex 2 to the Regulation on the costs of production and sale of goods (works, services) and the formation of financial results, "Expenses for the reporting period deductible from the tax base." Expenses of this type of period are deducted from the tax base on a regular basis over the next 10 years in accordance with the tax legislation. The exact types of expenses are debited to this account and credited to the accounts representing these expenses (1000,5110, 5010,6010,6710,6520,6990 and other accounts). At the end of the year, the amount accumulated in the debit of account 9440 is credited to it and debited to account 9900 "Final financial result", and on this basis it is closed. Information on changes in expenses for the reporting period deductible from the tax base shall be reflected in the account 012 "Future expenses deductible from the tax base for the reporting period" within the period specified in the report.

Lecture 20	EXPENSES OF NON-MAIN ACTIVITIES OF ENTERPRISES AND ACCOUNTING OF EXPENSES FOR THE NEXT PERIOD AND PERIOD

Lecture plan: 1. Accounting for expenses related to financial activities 2. Calculation of emergency losses 3. Calculation of expenses for the next period 4. Calculation of deferred expenses	
The purpose of the training: to give students an idea of the procedure for accounting for expenses for non-core activities and expenses for the next period and extended period.	
Pedagogical tasks: disclosure of non-core operating expenses and procedures for accounting for future periods and deferred expenses.	**Learning Outcomes:** Students will learn how to keep track of expenses related to non-core activities and expenses for the next period and extended period.
Teaching aids: video projector, board.	
Teaching methods: Explanation, mental attack.	
Forms of teaching: Collective work	
Teaching conditions: Classroom equipped with technical means.	
Monitoring and evaluation: Oral, test questions and answers.	

1. ACCOUNTING FOR FINANCIAL ACTIVITIES

In accordance with BH MS No. 21, the calculation of expenses for financial activities of enterprises is made in the following accounts:

- 9610 "Interest expenses" - the debit of this asset, temporary (transit) account reflects the accrued expenses on loans and borrowings received during the year, as well as payments for long-term leases. The exact types of expenses are reflected in the debit of this account and in the credit of the account 6920 "Accrued interest". At the end of the year, the amount accumulated in the debit of account 9610 is credited to it and debited to account 9900 "Final financial result", and on this basis it is closed.

- 9620 "Losses from exchange rate differences" - the debit of this asset, temporary (transit) account reflects the losses from exchange rate differences on transactions on accounts representing foreign exchange items of the balance sheet during the year. The specific types of expenses are reflected in the debit of this account and in the credit of the accounts representing these losses (4010,4310,5020,5210,5220,6010,6310 and other accounts). At the end of the year, the amount accumulated in the debit of account 9620 is credited to it and debited to account 9900 "Final financial result", and on this basis it is closed.
- **9630 "Costs of issuance and placement of securities" -**The debit of this asset, temporary (transit) account reflects the costs associated with the issuance and placement of shares and other securities during the year. The specific types of expenses are reflected in the debit of this account and in the credit of the accounts representing these expenses (1000,5110,5010, 6710,6520,6990 and other accounts). At the end of the year, the amount accumulated in the debit of account 9630 is credited to it and debited to account 9900 "Final financial result" and on this basis it is closed.
- **9690 "Other expenses on financial activity" -** The debit of this asset, temporary (transit) account reflects other expenses of the enterprise on financial activities during the year, for example, losses from revaluation of financial investments and other expenses. accounts). At the end of the year, the amount accumulated in the debit of account 9690 is credited to it and debited to account 9900 "Final financial result", and on this basis it is closed.

2. EMERGENCY DAMAGE ACCOUNT

In accordance with BH MS No. 21, the account of emergency losses is debited to the account 9720 "Emergency losses". In this case, the accounts showing the losses from emergencies, for example, 0100, 0400, 0700, 1000, 2900 and other accounts are credited. At the end of the year, the amount accumulated in the debit of account 9720 is credited to it and debited to account 9900 "Final financial result", and on this basis it is closed.

3. CALCULATION OF NEXT PERIOD EXPENSES

In accordance with IFRS 21, future expenses of enterprises are accounted for in the following accounts:

- 3110 “Prepaid rents” means that the debit of this asset, permanent account, reflects prepaid rents for future periods during the reporting period. Accounts 5010,5020,5110,5210,5220 will be credited according to the form of payment. The amount of rent reflected and accumulated in the debit of account 3110 is recorded at the same time during the reporting period on the credit of this account and on the debit of the expense account of the enterprise (0800,2010,2310,2510,9410,9420). The balance h at the end of the reporting period h of this account represents the amount of rent payable for the next period.
- 3120 “Payment for prepaid services” - the debit of this active, permanent account reflects the fee for services for which prepaid payments were made during the

year, for example, subscription fees, insurance premiums, etc. Accounts 5010,5020,5110,5210,5220 will be credited according to the form of payment. The amount of service fees reflected and accumulated in the debit of account 3120 is credited to this account and debited to the expense account of the enterprise (0800,2010,2310,2510,9410,9420) at the same time during the reporting period. The remaining balance of this account at the end of the reporting period represents the amount of service fees for the next period.

- **3190 "Other prepaid expenses" -**the debit of this asset, the permanent account, reflects the expenses incurred for future work and services during the reporting period. The specific types of expenses are reflected in the debit of this account and in the credit of the accounts representing these expenses (1000,2800,5010, 5110,5120,5210,5220,6010, 6710,6520,6990 and other accounts). Work that is expected to be performed in the future may be recognized as an expense or an asset at the end of the reporting period. Recognized prepayments are recorded as debits to accounts 0400 "Intangible Assets Accounts", 2800 "Accounts for Finished Goods" and other assets, and credited to account 3190. Non-asset prepayments are made to expenses for the reporting period (0800,2010,2310,2510,9410,9420).

Analytical calculation of expenses for the next period is carried out in each account by cost items and cost objects (directions).

4. ACCOUNTING FOR EXTENDED EXPENSES

In accordance with BH MS No. 21, deferred costs of enterprises are mainly divided into three types:

- **Deferred income tax expense.** These costs arise as a result of the pre-calculation of income (profit) tax, which is additionally calculated during the reporting period in exchange for temporary differences. Income (profit) tax on temporary differences can be calculated in advance for several years or for the following year. Such a tax is called a deferred income (profit) tax on temporary differences. Pre-calculated income (profit) tax leads to an increase in the debt of the enterprise to the budget during the reporting period. Pre-accrued income (profit) tax for a period of more than one year shall be debited to account 0950 "Deferred income (profit) tax on temporary differences" and credited to account 6410 "Debts on payments to the budget". Pre-accrued income (profit) tax for a period of up to one year is debited to account 3210 "Deferred income (profit) tax on temporary differences" and credited to account 6410 "Debts on payments to the budget". At the end of each year, the amount of long-term deferred income (profit) tax for the next current year shall be transferred from account 0950 to debit of account 3210 "Deferred income (profit) tax on temporary differences". The amount of deferred income (profit) tax is carried out to reduce the debt to the budget in the period of maturity. Such reduction is credited to the debit of account 6410 "Debts on payments to the budget" and to the credit of account 3210 "Deferred income (profit) tax on temporary differences".
- **Deferred expenses on discounts.**Such costs are incurred by enterprises that issue bonds and sell them at prices below face value. The amount of the discount provided to enterprises that sell bonds at prices below par value for more than one year

and less is reflected in accounts 0960 "Long-term overdue expenses on discounts" and 3220 "Deferred expenses on discounts (rebates)", respectively. Accounts 7830 "Long-term payable bonds" and 6830 "Short-term payable bonds" will be credited, respectively. At the end of each year, the amount of the long-overdue discount (rebates) for the next current year is transferred from account 0960 to debit of account 3220. When the bonds are due, The amount of the discount given to the buyer is transferred from account 3220 to the expenses related to the financial activities of the reporting year, ie to the account 9610 "Expenses in the form of interest". The balances of accounts 0960 and 3220 at the end of the period represent the amount of deferred expenses that will be incurred in future financial expenses.

- **Other deferred expenses.**These costs include overdue costs that are not included in the above group, such as costs of preparation for pre-season work in seasonal enterprises. The part of this type of expenses for a period of more than one year is recorded in the accounts 0990 "Other long-term extended expenses" and the part for a period of up to one year 3290 "Other extended expenses". At the end of each year, the amount of long-term deferred expenses for the following current year is debited from account 0990 to account 3290. At the end of the write-off period, the deferred expenses reflected in account 3290 are transferred to the accounts reflecting the expenses of the current year (2010,2310,2510,9410,9420, etc.).

Analytical accounting of deferred expenses is carried out by their types, reporting periods and write-off periods.

Lecture 21	**INCOME TAXES AND NET PROFIT FOR THE REPORTING YEAR ACCOUNT**

LECTURE TECHNOLOGY

Study time: 2 hours	**Number of students:** 60 ta
Form of training: Informative report	
Lecture plan: 1. Income tax calculation and calculation 2. Calculation and calculation of infrastructure development and beautification tax 3. Calculation and calculation of the single tax payment 4.Calculation of net profit for the reporting year	
The purpose of the training: to give students an idea of income taxes and the procedure for accounting for net profit for the reporting year.	
Pedagogical tasks: disclosure of income taxes and	**Learning Outcomes:** Students will learn how to keep income

procedures for accounting for net profit for the reporting year.	taxes and net profit for the reporting year.
Teaching aids: video projector, board.	
Teaching methods: Explanation, mental attack.	
Forms of teaching: Collective work	
Teaching conditions: Classroom equipped with technical means.	
Monitoring and evaluation: Oral, test questions and answers.	

1. INCOME TAX ACCOUNTING AND ACCOUNTING

In addition to the above indicators of profit (loss) in accordance with the "Regulations on the cost of production and sale of goods (works, services) and the formation of financial results", two other indicators of profit are calculated for tax purposes:

- **Taxable income (Ti)**

$$\mathbf{Ti = Pbt\ (Lbt) + Ctb + Tbe - Tbd - D - I}$$

Here: Stx - costs that are added back to the tax base;
Sbx - expenses that are not deductible from the tax base during the reporting period, but will be deductible in the future;
Schx - expenses deductible from the tax base for the reporting period;
D - dividends received;
F- interest received

- **Taxable Profit (Stf) -** this is the amount of profit that remains after deducting expenses that are deductible as a benefit for the calculation of profit (income) tax on taxable income, ie:

$$\mathbf{Stf = Std - I}$$

Here: I - Expenses deductible from taxable income as a benefit.

Costs re-added to the tax base In accordance with the "Regulations on the costs of production and sale of goods (works, services) and the formation of financial results" costs (for example, losses in overproduction, excessive advertising and authority costs, financial assistance and compensation, mobile costs, losses on fixed assets and other assets of the enterprise, the amount of sponsorship, etc.). A complete list of such costs is provided in Annex 1 to the Regulations. According to the tax legislation, enterprises independently calculate the costs that are re-added to the tax base in accordance with the procedure set out in the Regulations,

Expenses that are not deductible from the tax base during the reporting period, but are deductible in the future, are those expenses that are reflected in account 9430 “Future deductible expenses” (see page 202). These costs are shown in a separate line (line 030) of the income (income) tax calculation.

Expenses deductible from the tax base Expenses that were not deducted from the tax base in the previous reporting year in accordance with Annex 2 to the Regulations, but are deductible from the tax base within 10 years from the next reporting period. According to the tax legislation, enterprises must independently calculate the expenses deductible from the tax base using a special calculation in accordance with the procedure set out in the Regulations and confirm with a certificate, indicate their amount in a separate line (line 040) of income (income) tax calculation.

Dividends and interest received are deductible in the calculation of income (income) tax due to the fact that they are subject to a separate 10% dividend tax in accordance with the Tax Code. Therefore, their amounts are shown in a separate line (line 060) of the income (income) tax calculation. Information on the collection of dividend tax on these income must be confirmed by references from the legal entities that issued them.

Income tax benefits The types of expenses deductible from the amount of taxable income, as defined in the Tax Code.

Income tax (It) the amount is found by multiplying the amount of taxable profit (Stf) of the enterprise by the tax rate (Sm) and dividing by 100%, ie:

$$\mathbf{Nf = Stf * Sm: 100\%}$$

Income tax calculation

Income tax calculation Indicators	*Summa, ming sumda*
Profit before tax	1,432,643.1
Expenses included in the tax base	800 537.4
Dividend	39418.2
Taxable profit	2193762,3
Privileges	43 875.2
Tax calculation database	2149887,1
Tax rate	7.50%
Tax amount	**161 242**

According to BH MS No. 21, the use of profit for the reporting year is reflected in the 9800 "Profit Accounts for Taxes and Payments" (in the corresponding accounts). In particular, the income tax assessed in the reporting year is recorded as follows:

Debit 9810 Credit 6410

The debit of this asset account reflects the taxes levied on profit (income) during the year, including profit (income) tax, infrastructure development tax, single tax, single tax on gross income. At the same time, 6,400 "Accounts receivable accounts for payments to the budget" (corresponding accounts) representing debts to the budget on these taxes will be credited.

2. INFRASTRUCTURE DEVELOPMENT AND IMPROVEMENT TAX CALCULATION AND ACCOUNTING

Infrastructure Development Tax (IDT) To find the amount, the amount of profit tax (Nf) is deducted from the amount of pre-tax profit (Sft), the amount found is multiplied by this tax rate (Sm) and divided by 100%, ie:

IDT = (Sft –Nf) * Sm: 100%

Infrastructure Development Tax Calculation

Indicators	*Summa, ming sumda*
Net profit before tax	1 271 401
Privileges	
Tax calculation database	1 271 401
Tax rate	8
Tax amount	**101 712**

According to BH MS No. 21, the infrastructure development tax assessed in the reporting year is recorded as follows:

Debit 9820 Credit 6410

3. SINGLE TAX PAYMENT ACCOUNT AND ACCOUNT

Single tax calculation

Income tax calculation Indicators	***Summa, ming sumda***
NET INCOME	1,084,789,000
Other income from operating activities	6 265 548
Income from financial activities	0
Total gross revenue	1 091 054 548
Privileges	0
Tax calculation database	1091 054 548
Tax rate	5%
Tax amount	**54 552 727**

According to BH MS No. 21, the infrastructure development tax assessed in the reporting year is recorded as follows:

Debit 9810 Credit 6410

4.NETWORK NET WEIGHT ACCOUNT

In accordance with IFRS 21, pre-tax profit (loss) for the reporting year is calculated by reflecting all income and expenses in account 9900 "Final financial result" and comparing the amount of debit and credit turnover of this account. In particular, the amount accumulated on the credit of all accounts reflecting income (9010-9030, 9310-9390, 9510-9590, 9710) at the end of the year to the credit of account 9900, all accounts reflecting expenses (9110-9130,9410-9430,9610-9690 , The amount accumulated in the debit of 9720) is transferred to the credit of account 9900 at the end of the year, ie:

Debit 9010-9030,9310-9390,9510-9590, 9710 Credit 9900

Debit 9900 Credit 9110-9190,9410-9430,9610-9690,9720

If the credit turnover of the account 9900 is greater than the debit turnover, it is considered that the enterprise has a pre-tax profit in the reporting year, if the debit turnover is greater than the credit turnover, then the enterprise has a pre-tax loss.

201 of Samarkanddonmahsulotlari JSC6 years
on financial results
report

№	Indicators	In the report	Debit	Credit
1	**Net income**	**64 447 687**	**9010**	**9910**
2	Tannarx	55 177 635	9910	9110
3	**Gross profit**	**9 270 052**		
4	**Current expenses**	**7 167 846**		
5	*Sales costs*	*549 702*	*9910*	*9410*
6	*Administrative expenses*	*1 928 781*	*9910*	*9420*
7	*Other operating expenses*	*4 689 363*	*9910*	*9430*
8	Other income	180 311	9300	9910
9	**Basic business benefits**	**2 282 517**		
10	**Income from financial activities**	**20 238**		
11	*Income in the form of interest*	*3 177*	*9510*	*9910*
12	*Earnings from exchange rate differences*	*17 061*	*9540*	*9910*
13	*Other income from financial activities*			*0*
14	**Expenses on financial activities**	**1 738 331**		
15	*Expenses in the form of interest*	*1 738 331*	*9910*	*9610*
16	*Exchange rate losses*			*0*
17	**Profit before income tax**	**564 424**		
18	Income tax	160 577	9910	9810
19	Infrastructure tax	32 054	9910	9820
20	**Net profit**	**371 793**		

MODULE 13.

PREPARATION AND SUBMISSION OF REPORTS

Report 22. Creating a balance sheet

Report 23. About financial results compile a report

Report 24. Cash flow statement compose

Report 25. Private equity report compose

Report 26. Explanation of financial statements letter, applications and comments

Report 27. Tax and statistical reports

Report 22	CREATING AN ACCOUNTING BALANCE

LECTURE TECHNOLOGY

Study time: 2 hours	**Number of students:** 60 ta
Form of training: Informative report	
Lecture plan: 1. Conceptual bases of preparation and presentation of the balance sheet (the purpose, terms, formats, methods of preparation and presentation) 2. The cycle of compiling the balance sheet 3. Rules of replenishment of balance sheet items	
The purpose of the training: to give students an idea of the formats, methods and procedures for compiling the balance sheet.	
Pedagogical tasks: disclosure of formats, methods and procedures for compiling the balance sheet.	**Learning Outcomes:** Formats, methods of compiling students' balance sheets and they learn.
Teaching aids: video projector, board.	
Teaching methods: Explanation, mental attack.	
Forms of teaching: Collective work	
Teaching conditions: Classroom equipped with technical means.	
Monitoring and evaluation: Oral, test questions and answers.	

1. CONCEPTUAL FUNDAMENTALS OF CREATION AND PRESENTATION OF ACCOUNTING BALANCE (PURPOSE, TERMS, FORMS, METHODS OF COMPOSITION AND PRESENTATION)

The final stage of the accounting process in business entities is the preparation and submission of financial statements.

This process is regulated in the Republic of Uzbekistan by the following normative documents

1. Law on Accounting, 13.04.2016, ZRU-404, Articles 22-27;
2. "Forms of financial reporting and rules for their completion", approved by the order of the Ministry of Finance of the Republic of Uzbekistan from December 27, 2002 of No. 140 and registered by the Ministry of Justice of the Republic of Uzbekistan from January 24, 2003 of No. 1209;
3. "Regulations on deadlines for submission of quarterly and annual financial statements", approved by the order of the Ministry of Finance of June 15, 2000 No. 47;
4. IFRS No. 15 "Balance Sheet"
5. IFRS 3 “Statement of Financial Performance”.
6. BHMS 9 “Cash Flow Statement.

Form 1 of financial reporting in the Republic of Uzbekistan is called "Balance Sheet". In international doctrine, Form 1 of financial reporting is called differently. For example, "Balance sheet", "Statement of financial position". Regardless of the name, the main purpose of the balance sheet or balance sheet is to provide information about the financial position of enterprises and the sources of their formation on a particular date, the financial position on that date.

The importance of the balance sheet is highlighted in the following.

1. On the basis of the balance is determined the amount of capital of the enterprise, the share of the enterprise and creditors in this amount.

2. The level of return on assets of the enterprise is assessed on the basis of the balance sheet.

3. The liquidity, financial dependence, flexibility of the enterprise is assessed.

4. The level of risk of the enterprise is determined.

5. The future cash inflows of the enterprise are determined.

However, the balance sheet has certain limitations in the provision of information.

first, the balance sheet does not indicate how depreciation of property, plant and equipment and intangible assets is calculated;

second, the balance sheet does not indicate whether fixed assets and intangible assets are in working condition or not;

third, the reporting balance sheet does not provide information on how the value of inventories is determined, where they are at the reporting date;

fourth, the balance sheet does not show the real useful lives of tangible and intangible assets;

fifth, the balance sheet does not reflect the intellectual and other qualities of the people working in the enterprise, the knowledge and business acumen of the manager, the scientific potential and practical experience of accountants;

sixth, it is not possible to determine the probability of receipt of existing receivables from the balance sheet;

seventh, receivables and payables do not mean that debts are conditional or unconditional;

secondly, the balance sheet does not indicate the maturity of loans and borrowings;

ninth, the balance sheet cannot determine the shares of each founder in the charter capital, added and reserve capital, retained earnings;

tenth, it is not possible to know from the balance sheet how many shares were issued at face value, how many were issued at lower and higher values, and at what rate the discount and premium on bonds were calculated.

There are two different formats of balance sheet reporting used in international practice and the balance sheet used in our country. These are:

1. Horizontal (account format).
2. Vertical (report format).

Horizontal format. In this method, the balance consists of a two-sided table, the left side of which is called 'Active' and the right side is called 'Passive'. On the asset side of the balance sheet are the elements (substances) that represent the assets of the enterprise, and on the liabilities side are the sources of their formation. The main advantage of this format is that it is easy to read visually. The main drawback is that it creates certain difficulties in compiling on modern computers, and because it consists of a large number of pages, visual reading causes some inconvenience.

Vertical format. In this method, the balance elements are placed vertically. In this case, first the assets, then the sources of assets are placed. This method is currently the most widely used both in international practice and in our republic.

The balance, which can be created in both horizontal and vertical formats, consists of 3 parts:

1- **Qname - title qname -** the name of the enterprise, higher organization, ministry, organizational status, network, territory, tax codes, address and other details.
2- **Qism - subject qname -** in this case, the amounts of assets first, then liabilities are expressed in thousand units at the beginning and end of the period.
3- **Qname - clearance qname -** the manager and the chief accountant shall put the FISH, signatures and seal of the enterprise

The following are abbreviated examples of the balance sheet report used in international practice and the subject part of the vertical and horizontal formats of the balance sheet used in our country.

Balance sheet - vertical format
(In the Republic of Uzbekistan)

№	Name of the article	Per reporting period	At the end of the reporting period
A K T I V			
	Section 1. Long-term assets		
1	Basic tools		
2	Intangible assets		
3	Financial investments		
4	Capital investment		
	Total Part 1		
	Section 2. Current assets		
5	Materials		
6	Incomplete production		
7	Finished products		
8	Deferred expenses		
9	Receivable bills		
10	Cash on hand		
	Total Part 2		
	BALANCE		
	Section 1. Sources of own funds		
11	Charter capital		
12	Reserve capital		
13	Retained earnings		
	Total for Section 1		
	Section 2. Liabilities		
14	Debts to suppliers		
15	Deferred liabilities		
16	Debts to the budget		
17	Debts to trust funds		
18	Debts to the founders		
19	Wage arrears		
20	Bank loans		
21	Other payables		
	Total for Section 2		
	BALANCE		

Balance sheet - vertical format
(in international practice)

№	Name of the article	1.01. 201_ y.	31.12. 201_ y.
A K T I V			
	Section 1. Current assets		
1	Cash		

2	Receivable bills		
3	Finished products		
4	Materials		
5	Incomplete production		
6	Deferred expenses		
	Total Part 1		
	Section 2. Long-term assets		
1	Financial investments		
2	Capital investment		
7	Basic tools		
8	Intangible assets		
	Total Part 2		
	BALANCE		
P A S S I V			
	Section 1. Liabilities		
1	Debts to suppliers		
2	Deferred liabilities		
3	Debts to the budget		
4	Debts to insurance and state trust funds		
5	Debts to the founders		
6	Wage arrears		
7	Bank loans		
8	Other payables		
	Total for Section 1		
	Section 2. Private capital		
1	Share capital		
2	Reserve capital		
3	Retained earnings		
	Total for Section 2		
	BALANCE		

Balance sheet - horizontal format
(In the Republic of Uzbekistan)

ACTIVE				PASSIVE			
Article name	**Modda satri**	**The beginning of the period**	**End of period**	**Article name**	**Modda satri**	**The beginning of the period**	**End of period**
Section 1. Long-term assets				**Section 1. Sources of own funds**			
Total Part 1				**Total Part 1**			
Section 2. Current assets				**Section 2. Liabilities**			

Total Part 2				**Total Part 2**			
Balance				**Balance**			

Balance sheet - horizontal format
(in international practice)

ACTIVE				**PASSIVE**			
Article name	**Modda satri**	**1.01. 201_ y**	**31.12. 201_ y.**	**Article name**	**Modda satri**	**1.01. 201_ y**	**31.12. 201_ y.**
Section 1. Current assets				**Section 1. Liabilities**			
Total Part 1				**Total Part 1**			
Section 2. Long-term assets				**Section 2. Private capital**			
Total Part 2				**Total Part 2**			
Balance				**Balance**			

Minister of Finance of the Republic of Uzbekistan
Order No. 140 of December 27, 2002
Appendix 1, 2003 by AV AV of the Republic of Uzbekistan.
Registered on January 24, N 1209

Appendix N 1 k Order of the Minister
Finans from December 27, 2002 N 140,
zaregistrirovannomu MYu
January 24, 2003 N 1209

ACCOUNTING BALANCE - Figure 1
To ______________20___

ACCOUNTING BALANCE - form N 1
on _____________ 20 ___ years

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Figure 1 on BHUT
Form N 1 by OKUD

Enterprise, organization Introduction, organization ___________________________________	According to KTUT by OKPO	
Type of activity Type of activity ____	IAccording to FUT by OKED	
Organizational and legal form Organizational and legal form ____________________________	According to THShT by KOPF	
Form of ownership Form of ownership _______________________________________	According to MSHT by KFS	
Ministry, office, etc. Ministries, departments and others ____________________________	According to DBIBT by SOOGU	
Taxpayer identification number Identifikatsionnyy nomer nalogoplatelshchika ________________	STIR INN	
Hudud Territory ____	MHOBT SOATO	
Address Address ____	Date of shipment Data vysylki	
Unit of measurement, thousand soums Edinitsa izmereniya, tys. sum.	Date of receipt Receipt data	
	Deadline for submission Terms of representation	

Name of indicators **Naimenovanie pokazatelya**	Satr code Code str.	Per reporting period At the beginning of the reporting period	At the end of the reporting period At the end of the reporting period
1	**2**	**3**	**4**
Active			
I. Long-term assets **I. Long-term assets**			
Basic tools: **Main means:**			
Initial (reset) value (0100, 0300) Pervonachalnaya (vosstanovitelnaya) stoimost (0100, 0300)	010		

Depreciation amount (0200) Depreciation amount (0200)	011		
balance value (lines 010 - 011) Ostatochnaya (balansovaya) stoimost (str. 010-011)	012		
Intangible assets: **Intangible assets:**			
Starting value (0400) Pervonachalnaya stoimost (0400)	020		
Depreciation amount (0500) Amortization amount (0500)	021		
Balance sheet value (lines 020 - 021) Ostatochnaya (balansovaya) stoimost (str. 020-021)	022		
Long-term investments, total (line.040 + 050 + 060 + 070 + 080), including: **Dolgosrochnye investments,** vsego (str.040 + 050 + 060 + 070 + 080), v tom chisle:	030		
Securities (0610) Tsennye bumagi (0610)	040		
Investments in subsidiaries (0620) Investitsii in dochernie xozyaystvennые obshchestva (0620)	050		
Investments in affiliated companies (0630) Investitsii in zavisimye xozyaystvennые obshchestva (0630)	060		
Investments in enterprises with foreign capital (0640) Investments in enterprises with foreign capital (0640)	070		
Other long-term investments (0690) Prochie dolgosrochnye investitsii (0690)	080		
Installed equipment (0700) Oborudovanie k ustanovke (0700)	090		
Capital Investments (0800) Capital investments (0800)	100		
Long-term receivables (0910, 0920, 0930, 0940) Dolgosrochnaya debitorskaya zadoljennost (0910, 0920, 0930, 0940)	110		
Long-term overdue expenses (0950, 0960, 0990) Dolgosrochnые otsrochennые rasxody (0950, 0960, 0990)	120		
Total for section I. (satr. 012 + 022 + 030 + 090 + 100 + 110 + 120) **Itogo on section I** (p. 012 + 022 + 030 + 090 + 100 + 110 + 120)	130		
II. Current assets **II. Tekushchie assets**			
Inventories, total (line.150 + 160 + 170 + 180), including: **Commodity stocks,** vsego (str.150 + 160 + 170 + 180), in tom chisle:	140		
Production reserves (1000, 1100, 1500, 1600) Production stocks (1000, 1100, 1500, 1600)	150		
Incomplete production (2000, 2100, 2300, 2700) Nezavershennoe production (2000, 2100, 2300, 2700)	160		
Finished product (2800) Ready products (2800)	170		
Goods (difference from 2900 to 2980) Commodity (2900 for minus 2980)	180		
Deferred expenses (3100)	190		

Expenses for future periods (3100)			
Deferred expenses (3200) Expenditures (3200)	200		
Accounts receivable, total (satr.220 + 240 + 250 + 260 + 270 + 280 + 290 + 300 + 310) **Debitory,** vsego (str.220 + 240 + 250 + 260 + 270 + 280 + 290 + 300 + 310)	210		
of which: expired * iz nee: prosrochennaya *	211		
Debt of buyers and customers (difference of 4000 to 4900) Debt of buyers and customers (4000 for minus 4900)	220		
Debt of separated divisions (4110) Zadoljennost obosoblennyx podrazdeleniy (4110)	230		
Debt of subsidiaries and affiliates (4120) Zadoljennost dochernix i zavisimyx xozyaystvennyx obshchestv (4120)	240		
Paints given to employees (4200) Advance, paid staff (4200)	250		
Paints for suppliers and contractors (4300) Advance, issued to suppliers and subcontractors (4300)	260		
Payments on taxes and other obligatory payments to the budget (4400) Avansovye plateji po nalogam i drugim obyazatelnym platejam v byudjet (4400)	270		
Targeted payments to state trust funds and insurance (4500) Advance payments in state tselevye funds and insurance (4500)	280		
Debt of founders on shares in the charter capital (4600) Debt of individuals on deposits in the authorized capital (4600)	290		
Debts of employees on other operations (4700) Personnel responsibility for past operations (4700)	300		
Other receivables (4800) Prochie debitorskie zadoljennosti (4800)	310		
Cash, total (satr.330 + 340 + 350 + 360), including: **Money,** all (str.330 + 340 + 350 + 360), in that number:	320		
Cash on hand (5000) Money in cash (5000)	330		
Cash on hand (5100) Denejnye sredstva na raschetnom schete (5100)	340		
Cash in foreign currency (5200) Money in foreign currency (5200)	350		
Other cash and cash equivalents (5500, 5600, 5700) Other cash and equivalents (5500, 5600, 5700)	360		
Short-term investments (5800) Short-term investments (5800)	370		
Other current assets (5900) Other current assets (5900)	380		
Total for Section II (satr.140 + 190 + 200 + 210 + 320 + 370 + 380) **Itogo on section II** (p. 140 + 190 + 200 + 210 + 320 + 370 + 380)	390		
Total on balance sheet assets (satr.130 + 390) **Everything on the balance sheet** (pp.130 + pp.390)	400		

Name of indicators **Naimenovanie pokazatelya**	Satr code Code	per reporting period	at the end of the reporting period

	str.	At the beginning of the reporting period	At the end of the reporting period
1	**2**	**3**	**4**
Passive			
I. Sources of own funds **I. Istochniki sobstvennyx sredstv**			
Authorized capital (8300) Authorized capital (8300)	410		
Added capital (8400) Added capital (8400)	420		
Reserve capital (8500) Reserve capital (8500)	430		
Private shares purchased (8600) Vykuplennые sobstvennые aktsii (8600)	440		
Retained earnings (uncovered losses) (8700) Neraspredelennaya pribyl (nepokrytyy ubytok) (8700)	450		
Target Revenues (8800) Tselevye postupleniya (8800)	460		
Reserves for future expenses and payments (8900) Reserves predstoyashchix raskhodov i platejey (8900)	470		
Total for section I. (satr.410 + 420 + 430-440 + 450 + 460 + 470) **Itogo on section I** (str.410 + 420 + 430-440 + 450 + 460 + 470)	480		
II. Liabilities **II. Obyazatelstva**			
Long-term liabilities, total (line 500 + 520 + 530 + 540 + 550 + 560 + 570 + 580 + 590) **Dolgosrochnые obyazatelstva**, all (str.500 + 520 + 530 + 540 + 550 + 560 + 570 + 580 + 590)	490		
including: long-term accounts payable (line 500 + 520 + 540 + 560 + 590) in that number: long-term credit debt (str.500 + 520 + 540 + 560 + 590)	491		
Long-term debt to suppliers and contractors (7000) Dolgosrochnaya zadoljennost postavshchikam i podryadchikam (7000)	500		
Long-term debt to separated units (7110) Dolgosrochnaya zadoljennost obosoblennym podrazdeleniyam (7110)	510		
Long-term debt to subsidiaries and affiliates (7120) Dolgosrochnaya zadoljennost dochernim i zavisimym xozyaystvennым obshchestvam (7120)	520		
Long-term deferred income (7210, 7220, 7230) Dolgosrochnye otsrochennые doxody (7210, 7220, 7230)	530		
Long-term deferred liabilities for taxes and other mandatory payments (7240) Dolgosrochnые otsrochennые obyazatelstva po nalogam i drugim obyazatelnym platejam (7240)	540		
Other long-term deferred liabilities (7250, 7290) Prochie dolgosrochnые otsrochennые obyazatelstva (7250, 7290)	550		
Paints from buyers and customers (7300) Advances received by buyers and customers (7300)	560		
Long-term bank loans (7810) Dolgosrochnye bankovskie kredity (7810)	570		
Long-term loans (7820, 7830, 7840)	580		

Long-term loans (7820, 7830, 7840)			
Other long-term payables (7900) Prochie dolgosrochnye kreditorskie zadoljennosti (7900)	590		
Current liabilities, total (satr.610 + 630 + 640 + 650 + 660 + 670 + 680 + 690 + 700 + + 710 + 720 + 730 + 740 + 750 + 760) **Tekushchie obyazatelstva,** vsego (str.610 + 630 + 640 + 650 + 660 + 670 + 680 + 690 + 700 + + 710 + 720 + 730 + 740 + 750 + 760)	600		
including: current accounts payable (line 610 + 630 + 650 + 670 + 680 + 690 + 700 + 710 + 720 + 760) in that number: current credit debt (str.610 + 630 + 650 + 670 + 680 + 690 + 700 + 710 + 720 + 760)	601		
of which: overdue current accounts payable * из нее: prosrochennaya tekushchaya kreditorskaya zadoljennost *	602		
Debt to suppliers and contractors (6000) Zadoljennost postavshchikam i podryadchikam (6000)	610		
Debt to separated divisions (6110) Zadoljennost obosoblennym podrazdeleniyam (6110)	620		
Debt to subsidiaries and affiliates (6120) Zadoljennost dochernim i zavisimym xozyaystvennым obshchestvam (6120)	630		
Deferred income (6210, 6220, 6230) Otsrochennye doxody (6210, 6220, 6230)	640		
Deferred liabilities for taxes and other mandatory payments (6240) Otsrochennыe obyazatelstva po nalogam i drugim obyazatelnym platejam (6240)	650		
Other overdue liabilities (6250, 6290) Prochie otsrochennыe obyazatelstva (6250, 6290)	660		
Obtained paintings (6300) Received advance (6300)	670		
Debt on payments to the budget (6400) Zadoljennost per platejam v byudjet (6400)	680		
Insurance debt (6510) Prolonged insurance (6510)	690		
Debt on payments to target state funds (6520) Zadoljennost po platejam v gosudarstvennыe tselevye fondy (6520)	700		
Debts to the founders (6600) Zadoljennost uchreditelyam (6600)	710		
Wage arrears (6700) Long-term payment for labor (6700)	720		
Short-term bank loans (6810) Short-term bank loans (6810)	730		
Short-term loans (6820, 6830, 6840) Short-term loans (6820, 6830, 6840)	740		
Current part of long-term liabilities (6950) Tekushchaya chast dolgosrochnyx obyazatelstv (6950)	750		
Other accounts payable (6900 except 6950) Other credit obligations (6900 chrome 6950)	760		
Total for Section II (satr.490 + 600) **Itogo on section II** (pp.490 + 600)	770		
Total on balance sheet liabilities (satr.480 + 770)	780		

All liabilities on the balance sheet (pp.480 + 770)			

IN OUTSIDE BALANCE
VALUES TO BE ACCOUNTED
INFORMATION ABOUT

REFERENCE ABOUT NALICHII TsENNOSTEY,
UChITYVAEMYX NA ZABALANSOVYX
SChETAX

Name of indicators **Naimenovanie pokazatelya**	Satr code Code str.	Per reporting period At the beginning of the reporting period	At the end of the reporting period At the end of the reporting period
Operating leased fixed assets (001) Fixed assets received on operative lease (001)	790		
Inventories accepted for safekeeping (002) Tovarno-materialnые tsennosti, prinyatye na otvetstvennoe xranenie (002)	800		
Materials accepted for processing (003) Materials, prinyatye in pererabotku (003)	810		
Goods accepted by the Commission (004) Commodity, accepted by the commission (004)	820		
Equipment accepted for installation (005) Oborudovanie, prinyatoe dlya montaja (005)	830		
Strict reporting forms (006) Blanki strogoy otchetnosti (006)	840		
Write-off debt of insolvent debtors (007) Spisannaya v ubytok zadoljennost neplatejesposobnyx debitorov (007)	850		
Provision of liabilities and payments received (008) Obespechenie obyazatelstv i platejey - poluchennыe (008)	860		
Provision of liabilities and payments (009) Obespechenie obyazatelstv i platejey - vydannыe (009)	870		
Property, plant and equipment provided under a finance lease (010) Fixed assets, sdannye on dogovoru finansovoy arendy (010)	880		
Property received under the loan agreement (011) Imushchestvo, poluchennoe po dogovoru ssudy (011)	890		
Expenses to be deducted from the tax base in future periods (012) Expenditures, excluding nalogooblagaemoy base sleduyushchix periods (012)	900		
Temporary tax benefits (by type) (013) Vremennye nalogovye lgoty (po vidam) (013)	910		
Inventory and farm equipment in use (014) Inventory and household prinadlejnosti v ekspluatatsii (014)	920		

* In case of overdue receivables and payables, their decryption is provided in accordance with the Annex to the Balance Sheet

* Pri nalichii prosrochennoy debitorskoy i kreditorskoy zadoljennosti ix rasshifrovka privoditsya soglasno prilojeniyu k Buxgalterskomu balansu

Leader
Head ____________________________

Chief Accountant
Chief Accountant ________________________

To the balance sheet
APPENDIX

PRILOJENIE
k Buxgalterskomu balansu

DEADLY RECEIVABILITY AND CREDIT
DEBT DISCLOSURE
20___ years to ____________

DISCLAIMER
PROSROCHENNOY DEBITORSKOY AND KREDITORSKOY
ZADOLJENNOSTI po sostoyaniyu _____________ 20___ g.

N	Expired indebtedness having debtor and creditors list Perechen debitors i creditors, on kotorym imeetsya prosrochennaya longevity	Duration past total debt Obshchaya prosro-chennaya zadoljen-nost	Occurred for reasons unrelated to the organization overdue debts Prosrochennaya zadoljennost, obrazovavshayasya on prichinam, ne zavisyashchim ot organizatsiy				
			total vsego	including / v tom chisle:			
				government decisions basically advance payment full-may sent (received) products term on past debts prosrochennaya zadoljen-nost for productions, otgrujennoy (poluchennoy) without prepayment on resheniyam Pravitelstva	state resources and funds in view of shipping retained raw items and materials on conducted down payments summasi summa perechislennyx avansovyx platejey, po kotorym predusmotrena otgruzka syrya and materials from gosudarstvennyx resources i funds	government decisions on delayed blood debts zadoljen-nost, otsrochen-naya po resheniyam authorities	to the legislation appropriate on claims in court see or economic court by from creditors charge decision on arrears summasi summa zadoljennosti, on kotoroy v sootvetstvii s zakonodatelstvom idet process sudebnogo razbiratelstva on predъyavlennym iskam ili vyneseno reshenie xozyaystvennogo suda o vzyskanii s creditor
1	2	3	4	5	6	7	8
DEBT ACCOUNTS							
1.	**Accounts receivable with overdue debt, total Debitory, by which imeetsya prosrochennay**						

	a zadoljennost, vsego						
2.	**Overdue debts within the republic, total Prosrochennaya zadoljennost vnutri respubliki, vsego**						
2.1.	including on behalf of debtors v tom chisle po naimenovaniyam debitorov						
2.2.	**Internal office overdue debts, total Vnutrivedomstvennaya prosrochennaya zadoljennost, vsego**						
2.2.1.	including on behalf of debtors v tom chisle po naimenovaniyam debitorov						
3.	**Overdue debts outside the republic, total Prosrochennaya zadoljennost za predelami respubliki, vsego**						
3.1.	including on behalf of debtors v tom chisle po naimenovaniyam debitorov						
DEADLY CREDIT DEBT PROSROCHENNAYA KREDITORSKAYA ZADOLJENNOST							
4.	**He had overdue debt** creditors, total **Creditors, by whom imeetsya prosrochennaya zadoljennost, vsego**				x		
5.	**Overdue debts within the republic, total Prosrochennaya zadoljennost**				x		

	na territorii respubliki, vsego						
5.1.	including on behalf of creditors v tom chisle po naimenovaniyam kreditorov				x		
5.2.	**Internal office overdue debts, total** **Vnutrivedomstvennaya prosrochennaya zadoljennost, vsego**				x		
5.2.1.	including on behalf of creditors v tom chisle po naimenovaniyam kreditorov				x		
6.	**erdue debts outside the republic, total** **Prosrochennaya zadoljennost za predelami respubliki, vsego**				x		
6.1.	including on behalf of creditors v tom chisle po naimenovaniyam kreditorov				x		

Deadlines for preparation and submission of balance sheet:
* quarter - until the 25th day of the month following the quarter;
* annual - until February 15 of the following year.

XIIKs must submit their annual reports by March 15. Small businesses compile and present their balance sheets only at the end of the year.

2. ACCOUNTING CYCLE

. To compile the balance sheet, the following work must be done after the end of the current period:

- All synthetic accounts opened in the general ledger are closed, i.e. the amounts of their debit and credit transactions are summed and the last balances are found;
- General balance of synthetic accounts opened in the general ledger, debit turnover, credit turnover and aggregate data of analytical accounts (journal-orders, accounts, memorial-orders, cards, etc.) opened for them (general balance, debit turnover, credit turnover, respectively), the last residue). The absence of such an indication indicates that errors were made in the accounting of business transactions. To ensure consistency, the entries in the accounts should be re-examined according to the analytical accounts, and the status of the mutual settlements should be documented with comparative acts to achieve clarity where appropriate.
- In order to ensure the accuracy and reliability of the accounting data on the accounts reflecting all tangible assets, their condition at the end of the period is inventoried. This is especially true of cash, inventories, as well as accounts. Two to three months before the end of the reporting period, post-inventory information on inventories, such as property, plant and equipment, intangible assets, work in progress, will be reviewed on a case-by-case basis.
- A general account of synthetic accounts opened in the general ledger is created, which checks the presence of three pairs of equivalences (equal debit and credit balances, debit and credit turnover, as well as debit and credit final balances, respectively, on active and passive accounts).

After the above work is carried out, it is transferred directly to the relevant items of the balance sheet in accordance with the Rules on the basis of the latest balance sheet data. In the context of computerized accounting, the balance sheet is automatically formed on the basis of the data of the accounts. To do this, the computer memory must contain a classifier of the relationship between the accounts and balance items, as well as algorithms and software for the formation of balance items on the basis of such relationships.

Compilation of the balance sheet is carried out by filling in the details provided in its approved form, as well as by writing the balance of the accounts at the end of the period in the amount of one thousand soums against each of its items. A line is placed in front of the non-existent substances. The amounts of the balance sheet items are grouped into two sections, and within the sections, separately into groups, and they are shown in separate rows of the balance sheet. The sums summed up for the two sections are added together in the last line of the balance sheet, which is called the “balance sheet currency” and represents the total amount of all assets and all liabilities of the enterprise.

At the end of the balance sheet in the form of a separate table provides information on the availability of values recorded in off-balance sheet accounts at the beginning and end of the period.

3. RULES FOR FILLING ACCOUNTING BALANCE ITEMS

Lines of the balance sheet are filled in accordance with the Rules in the following order:

Satr code	The name of the line	The order of filling in the line
	ACTIVE	
	I LONG-TERM ASSETS	
010	The initial (recovery) value of fixed assets	The final debit balances of accounts 0110-0190 and 0310 intended for the account of fixed assets are summed up and the total amount found is reflected
011	The sum of the accumulated depreciation of fixed assets	The final credit balances of accounts 0210-0299 intended for the depreciation of fixed assets are summed up and the total amount found is reflected
012	Residual (balance) value of fixed assets	It is found by subtracting the sum of line 010 from the sum of line 011
020	The initial (replacement) value of an intangible asset	The last debit balance of accounts 0410-0490 for intangible assets is summed up and the total amount found is reflected.
021	Accumulated depreciation of intangible assets	The final credit balances of accounts 0510-0590 intended for the depreciation of intangible assets h are summed up and the total amount found is reflected
022	Residual value of intangible assets	It is found by subtracting the sum of line 020 from the sum of line 020
030	Long-term investments, total	040,050,060,070,080 is found by adding the sums of the rows
040	Precious paper	The amount of debit balance of the account 0610, intended for the account of investments in securities, is reflected.
050	Investments in subsidiaries	The amount of debit balance of account 0620, intended for the calculation of investments in subsidiaries, is reflected.
060	Investments in affiliated	0630 - the amount of debit balance of the

	companies	account for the calculation of investments in affiliated companies h is reflected
070	Investments in enterprises with foreign capital	The amount of debit balance of the account 0640, intended for the account of investments in enterprises with foreign capital, is reflected.
080	Other long-term investments	The amount of debit balance of account 0690 intended for the calculation of other long-term investments h is reflected
090	Uninstalled equipment	Displays the aggregate index of the amounts of debit balances of accounts 0710 and 0720 intended for the calculation of non-installed equipment h
100	Capital inflows	The aggregate index of the debit balances of the accounts 0810-0890 intended for the calculation of capital inflows h is displayed
110	Long-term receivables	The aggregate index of debit balances of accounts 0910-0940 intended for the account of long-term (more than one year) receivables is reflected
111	Hence: expired	For information, the part of long-term receivables reflected in the accounts 0910-0940 not received more than 90 days after the deadline is
120	Long-term overdue costs	The total index of debit balances of accounts 0950-0990 intended for the calculation of long-term overdue expenses (income tax, discounts and rebates, as well as other deferred expenses) is indicated.
130	***Total for Section 1***	***The sum index of the sums of lines 012,022,030,090,100,110,120 is displayed***
	II CURRENT ASSETS	
140	Inventories, total	**Line 150,160,170,180 shows the sum index of the sums**
150	Production stocks	The sum index of debit balances of accounts 1000,1100,1500,1600 intended for the calculation of materials and other production stocks h is displayed.
160	Incomplete production	The total index of debit balances of accounts 2000,2100,2300,2700, intended to reflect the calculation of main and

		auxiliary production costs, is shown.
170	Ready mah sulot	The total index of debit balances of accounts 2810-2890 intended for the account of finished goods is shown
180	Goods	The aggregate index of the debit balances of the accounts 2910-2990 intended for the calculation of goods h is shown.
190	Deferred expenses	Indicates the total index of debit balances of accounts 3110-3190 intended for the calculation of expenses for the next period (rent, services, subscriptions and other similar expenses for the next period) h
200	Deferred expenses	The aggregate index of the amounts of debit balances of accounts 3210-3290, intended for the calculation of the current part of long-term overdue expenses (income tax, discounts and rebates, as well as other deferred expenses)
210	Accounts receivable, total	**220,230,240,240,250,260,270,280,290,300,310- The sum index of the sum of lines is displayed**
211	Hence: expired	The information shows the overdue part of receivables (the part that has not been paid for more than 90 days)
220	Debt of customers and buyers	The amount remaining after deducting the amount of credit balance of account 4900 intended for the calculation of doubtful reserves from the amount of debit balance of account 4000, intended to reflect the accounts received from buyers and customers
230	Debt of divisions allocated to Allah	Indicate the amount of debit balance of account 4110, which is intended to reflect the debts of individual divisions (branches, representative offices) of the enterprise
240	Debt of subsidiaries and affiliates	The amount of debit balance of account 4120, intended to reflect the debts of subsidiaries and affiliates, is indicated.
250	Paints given to employees	The total index of the amounts of debit balances of accounts 4210-4290, intended for the calculation of salaries, business trips, dues issued to employees for

		general purposes, is shown to employees.
260	Paints issued to suppliers and contractors	The aggregate index of debit balances of accounts 4310-4390 for the calculation of transfers to suppliers and contractors is indicated.
270	Payments to the budget on taxes and levies	The budget shall indicate the amount of debit balance of account 4410 intended for the calculation of taxes and levies.
280	Targeted payments to target state savings banks and water companies	The aggregate index of the amounts of debit balances of accounts 4510-4530, intended for the calculation of accruals on the target state savings banks and water companies, is indicated.
290	Debt of founders on shares in the charter capital	Indicate the amount of debit balance of account 4610, intended for the calculation of debts on shares in the charter capital of the founders
300	Debts of employees on other operations	The aggregate index of the amounts of debit balances of accounts 4710-4790, intended for the calculation of debts of employees on other operations (loans and borrowings, deficits and other operations)
310	Other receivables	This line shows the aggregate index of debit balances of accounts 4810-4890, which are intended to reflect other receivables (interest, dividends, royalties, rent payments, penalties, etc.) that are not included in the above lines
320	Cash, total	
330	Cash on hand	The sum of debit balances of accounts 5010 and 5020 intended for calculation of national and foreign currencies at the cash desk is displayed.
340	H Cash on hand	Indicates the amount of debit balance of account 5110 intended for the account h of funds in the settlement account h
350	Cash in foreign currency	The aggregate index of the amounts of debit balances of accounts 5210 and 5220, intended for the reflection of funds in foreign currency in the national currency at the official exchange rates
360	Other cash and cash equivalents	This line shows the total index of cash and cash equivalents balances at the end of the period reflected in the accounts

		5500,5600,5700
370	Short-term investments	The total index of debit balances of accounts 5810-5830 intended for the calculation of short-term investments h is shown.
380	Other current assets	Indicates the amount of debit balance of account 5900, intended for the calculation of shortfalls, thefts, losses from inventories
390	***Total for Section II***	***The sum index of the sums of lines 140,190,200,210,320,370,380 is displayed***
400	**Total on balance sheet assets**	**Line 130 and 390 show the sum index of the sum**
	PASSIVE	
	1. SOURCE OF OWN FUNDS	
410	Charter capital	The amount of the credit balance of account 8300 intended for the calculation of the authorized capital h is indicated
420	Added capital	Indicate the amount of credit balance of account 8400 intended for the calculation of added capital h
430	Reserve capital	The amount of credit balance of account 8500 intended for the calculation of reserve capital h is indicated
440	Purchased private shares	The amount of the debit balance of the account 8600 intended for the account of purchased private shares h is indicated in negative form
450	Retained earnings	The aggregate index of the balances of accounts 8710 and 8720 intended for the calculation of retained earnings (uncovered losses) h is shown. If this sum now constitutes a loss, then the amount in front of it is indicated by a negative sign
460	Targeted revenues	Indicates the amount of credit balance of account 8800 intended for the calculation of target receipts h
470	Reserves for future expenses and payments	Indicates the amount of credit balance of account 8900, which reflects the reserves for future expenses and payments
480	***Total for Section 1***	***The sum index of the sums of rows 410,420,430,440,450,460,470 is***

		displayed
	II OBLIGATIONS	
490	**Long-term liabilities, total**	**The sum index of the sum of lines 500,510,520,530,540,550,560,570,580,590 is displayed**
491	Including: long-term payables	The sum index of the lines 500,520,540,560,590 is displayed
492	Of which: overdue long-term payables	Displayed as information
500	Long-term debt to suppliers and contractors	The credit balance of account 7000 for long-term debt to suppliers and contractors is indicated.
510	Long-term debt to detached units	The credit balance of account 7110 intended for the calculation of long-term debts is indicated in the allocated divisions.
520	Long-term debt to subsidiaries and affiliates	Indicate the amount of credit balance of account 7120 for the calculation of long-term loans to subsidiaries and affiliates
530	Long-term deferred income	The aggregate index of the amounts of credit balances of accounts 7210,7230,7230 intended for the calculation of long-term overdue income h is shown.
540	Long-term deferred liabilities for taxes and mandatory payments	Indicate the amount of credit balance of account 7240 intended for the calculation of long-term deferred liabilities for taxes and mandatory payments h
550	Other long-term deferred liabilities	Indicate the aggregate index of the amount of credit balances of accounts 7250,7290 intended for the calculation of other long-term overdue liabilities h
560	Paints from buyers and customers	Indicates the amount of credit balance of account 7300 intended for the calculation of bills received from buyers and customers h
570	Long-term bank loans	Indicate the amount of the loan balance of account 7810 intended for the calculation of long-term bank loans h
580	Long-term debts	The total index of credit balances of accounts 7820,7830,7840 intended for the calculation of long-term debts h is shown.
590	Other long-term payables	Indicate the amount of credit balance of account 7900 intended for the calculation

		of other long-term accounts payable h
600	Current liabilities, total	**The total index of the sum of lines 610,620,630,640,650,660,670,680,690,700,710,720,730,740,750,760 is displayed**
601	Including current accounts payable	The total index of the sum of lines 610,630,650,670,680,690,700,710,720,760 is displayed
602	Of which: overdue current accounts payable	Displayed as information
610	Debt to suppliers and contractors	The credit balance of account 6000 intended for the calculation of debts to suppliers and contractors is indicated.
620	Debt to allocated units	The credit balance of the account 6110 intended for the calculation of debts to the allocated divisions is indicated.
630	Debt to subsidiaries and affiliates	Indicate the amount of credit balance of account 6120 intended for the calculation of debts to subsidiaries and affiliates
640	Deferred income	The total index of the credit balances of accounts 6210,6220,6230 intended for the calculation of overdue income h is shown.
650	Deferred liabilities for taxes and mandatory payments	Indicate the amount of credit balance of account 6240 intended for the calculation of overdue liabilities for taxes and mandatory payments h
660	Other deferred liabilities	Indicates the sum of the balances of credit balances of accounts 6250,6290 intended for the calculation of other overdue liabilities h
670	The resulting dyes	The amount of credit balance of the account 6300 intended for the calculation of the received bills h is indicated
680	Debt on payments to the budget	Indicate the amount of credit balance of account 6400 intended for the calculation of debts on payments to the budget
690	Debt on water averages	The credit balance of account 6510, intended for the calculation of debt on water, is indicated
700	Debt on payments to target state savings banks	Indicate the amount of credit balance of account 6520 intended for the calculation of debts on payments to the target state savings funds
710	Debts to founders	Indicate the amount of credit balance of

		account 6600 intended for the calculation of debts to the founders h
720	Debt to pay meh natga h aq	The aggregate index of the amounts of credit balances of accounts 6710 and 6720 intended for the calculation of labor arrears is shown.
730	Short-term bank loans	Indicate the amount of credit balance of account 6810 intended for the calculation of short-term bank loans h
740	Short-term debt	The total index of credit balances of accounts 6820,6830,6840 intended for the calculation of short-term loans h is shown.
750	The current part of long-term liabilities	The current part of long-term liabilities indicates the amount of credit balance of account 6950 intended for the calculation of h
760	Other payables	Other accounts payable 6910,6920,6930,6940,6960, Indicates the total index of credit balances of accounts 6970,6980,6990 (excluding account 6950)
770	***Total for Section II***	***Line 490 and 600 show the sum index of the sum***
780	**Total on the liabilities of the balance sheet**	**Lines 480 and 770 show the sum index of the sum**
790	Short-term leased fixed assets	Indicates the value of fixed assets leased for a period of 1 year in the income of the off-balance sheet account 001
800	Inventories accepted for safekeeping	Indicate the amount of inventory accepted for safekeeping, which is recorded in the income of the account off-balance sheet 002
810	Materials accepted for processing	003 - the value of materials received for processing is recorded in the income of the off-balance sheet account
820	Goods accepted by the Commission	The value of commission goods recorded in the income of the account off-balance sheet 004 is indicated
830	Equipment accepted for installation	The value of the equipment received for installation is indicated in the income of the account off-balance sheet 005
840	Strict h report forms	Indicates the value of the forms for which a strict h report is written on the income

		of the account off-balance sheet 006
850	Debt written off by insolvent debtors to the loss h	007 shows the amount of insolvent receivables written off to the account off-balance sheet
860	Provision of liabilities and payments received	Off-balance sheet 008 shows the amount of received liabilities and collateral for payments
870	Provision of obligations and payments	Off-balance sheet 009 shall indicate the amount of collateral for the transferred obligations and payments recorded in the account
880	Fixed assets provided under a long-term lease	Off-balance sheet 010 shows the value of property, plant and equipment transferred under a long-term lease
890	Property acquired under a loan agreement	In addition to the balance sheet 011, the value of the property received under the loan agreement is reflected in the account
900	Expenses deducted from the taxable base in future periods	Indicate the amount of expenses to be deducted from the tax base in future periods reflected in the off-balance sheet account 012
910	Temporary tax breaks	The amount of temporary tax benefits reflected in the off-balance sheet account 013 is indicated
920	Inventory and farm equipment in use	Off-balance sheet 014 shows the value of inventories and utilities reflected in the invoice

Report 23	PREPARATION OF FINANCIAL RESULTS REPORT

LECTURE TECHNOLOGY

Study time: 2 hours	**Number of students:** 60 ta
Form of training: Informative report	
Lecture plan: 1. Conceptual basis for preparation and submission of the report on financial results (purpose, terms, formats, methods of preparation and presentation) 2. Rules for filling in the items of the report on financial results	
The purpose of the training: provide students with an understanding of the formats, methods, and procedures for reporting financial results.	
Pedagogical tasks: Disclosure of formats, methods and procedures for preparing financial statements.	**Learning Outcomes:** Students will learn the formats, methods, and procedures for preparing a Financial Results Report.
Teaching aids: video projector, board.	
Teaching methods: Explanation, mental attack.	
Forms of teaching: Collective work	
Teaching conditions: Classroom equipped with technical means.	
Monitoring and evaluation: Oral, test questions and answers.	

1. CONCEPTUAL FUNDAMENTALS OF PREPARATION AND SUBMISSION OF FINANCIAL RESULTS (PURPOSE, TERMS, FORMS, METHODS OF DRAWING AND PRESENTATION)

One of the most important forms of financial reporting provided for in international and national accounting systems is the Profit and Loss Statement. This report is also called by various other names. In a 1996 New York City survey, 298 of the 600 companies recommended calling the report a "profit statement," 127 a "profit statement," and 167 a "transaction result report." In the former USSR, this form of accounting was also called the Profit and Loss Statement. In our country, this form of financial reporting is called "Report on financial results".

Regardless of the different names, the main purpose of this report is to provide information on the final results of financial and economic activities of enterprises for a given period. This report reflects in monetary terms the information about all the income received by the enterprise during the reporting period, expenses incurred, tax payments and net profit earned in the end. It is these indicators that are key elements of the report. These indicators, which are important elements of the report, are used as the most important source in determining the profitability, investment value, solvency, financial condition of enterprises. Using this report, investors and lenders forecast their cash inflows and outflows for future periods, they also determine their payback periods and assess the risks involved. All of this suggests that the Profit and Loss Statement is one of the most important reporting forms.

The most important and final indicator of the profit and loss statement is net profit.

Net profit usually means the profit remaining after deducting all expenses and taxes from all the income of the enterprise.

In international practice, net profit is determined on the basis of two methods. These are:

1. A change in capital or a method of supporting capital.
2. Operation method.

The "Change in Capital" or "Capital Support" method of determining net profit. This method was recommended by the American scientist Hicks. Therefore, in the literature, this method is also called the "Hicks method".

According to this method, the net profit of the enterprise is found on the basis of the following algorithm.

$$\mathbf{Sf = SA2 - SA1 + Itd \pm UK}$$

Here:

SA2- the amount of net assets at the end of the period;

SA1- the amount of net assets at the beginning of the period;

Itd - used part of retained earnings in the reporting year (accrued dividends, additional accrued taxes, fees, etc. for previous periods);

UK- changes in the authorized capital (increase, decrease) in the reporting year.

According to the Hicks method, the retained earnings of an enterprise are calculated as follows.

For example. For example, the company's net assets are 400 million soums at the beginning of the year, 500 million soums at the end of the year, dividends accrued (paid) during the year 80 million soums, additional taxes 10 million soums, additional contributions to investors' charter capital 50 million soums.

Retained earnings calculation for the reporting period

(According to the Hicks method)

№	Indicators	Sum, mln. sum
1.	Net asset amount at the end of the year (**SA2))**	500
2	Net asset amount per year (**SA1))**	400
3.	Change in net assets, (+, -) (1 row-2 rows)	100
4	Used portion of net profit (accrued dividends, additional accrued taxes, fees, etc.) (Itf)	90
5	Changes in the authorized capital (+↓ **UK) (- ↑ UK)**	50
6	Net profit for the reporting period (3 + 4 ± 5)	140

It can be seen that the “Change in Capital” or “Capital Support” method of determining net profit is based on the change in net assets in the Balance Sheet, as well as the “Profit and Loss Statement” and the “Profit for the Reporting Period”. is a method of expressing dependence. The existence of such a link also directly indicates that the reporting forms mentioned above are properly structured. This is the main advantage of the Hicks method for determining net profit, as well as its importance. However, this method does not appear to reflect the interdependence of information on income, expenses and taxes, which play a key role in finding net profit. However, the amount of net profit is directly attributable to the income received, expenditures are directly related to expenses incurred and taxes accrued (paid). These are the shortcomings of the Hicks method.

Operational method for determining net profit. This method, in contrast to the "Hicks method", is based on information about the use of income, expenses, taxes, profits of the reporting year in the calculation of net profit. Under this method, the retained earnings of the enterprise for the reporting period are found as follows:

$$\mathbf{Sf = D - ST - DX - BD + MFd - Mfx + Fd - Fz - Fs - Fi}$$

Here:

D - income from sales (net income); ST - cost of sales; DX - current expenses; BD - other income from operating activities; MFd - income from financial activities; MFx - financial expenses; Fd - extraordinary income; Fz - emergency losses; Fs - profit taxes (income tax and landscaping tax), Fi - the part of profit for the reporting year used for various purposes (accrued dividends, additional accrued taxes for previous periods, payments, etc.).

The amount of net profit of the enterprise in the reporting year can be calculated on the basis of the operating method in the following form.

Calculation of net profit for the reporting period

(by operating method)

№	Indicators	Sum, Mln.som
1.	Total income (net income)	2500
2	Cost of sales	1700
3.	Gross profit from sales (1-2)	800
4	Current expenses	500

5	Other income from operating activities	50
6	Profit from operating activities (3-4 + 5)	350
7	Income from financial activities	20
8	Expenses related to financial activities	60
9	Profit from general economic activity (6 + 7-8)	310
10	Extraordinary benefits	-
11	Emergency damages	-
12	Profit before tax (9 + 10-11)	310
13	Income tax	60
14	Landscaping tax	20
15	Used portion of profit for the reporting year	90
16	**Net profit (12-13-14)**	**140**

The advantage of the operating method is that in the calculation of the amount of net profit of the enterprise, all income, expenses, tax payments and the part of profit used in the reporting year, which directly affects it, are clearly visible. Therefore, both internationally and in our country, the operational method of determining net profit is widely used.

The Profit and Loss Statement consists of four sections according to its internal structure. These are:

Section 1. Operating department:

A. Proceeds from sales.

B. Sales cost.

V. Sales costs.

G. Administrative and other operating expenses.

D. The end result of operational activities.

Section 2. Non-operational section:

A. Income from non-core activities.

B. Other expenses related to non-core activities.

Section 3. Department of Income Tax Payments

Section 4. Net profit per share

The placement of the "Report on Financial Results" indicators used in our country is generally similar to the above procedure. The difference is that the last section of the current report reflects only the total amount of net profit (loss), which does not include the indicator "net profit per share".

Both the Profit and Loss Statement used in international practice and the Statement of Financial Performance used in our country have certain information restrictions. Their basics include the following.

1. These reporting forms do not provide a qualitative assessment of the profits made by enterprises. The quality of profit is usually measured by the amount of net profit earned per share, not by the amount of net profit paid per share. Because the report does not have comparable data on the amount of net profit per share with similar companies, users are not able to assess the quality of this indicator.

2. The net profit of an enterprise is usually the result of all its activities. The amount of net profit shown in the report does not indicate which activity it

received the most. This, accordingly, poses certain difficulties in budgeting future revenues.

3. These reporting forms also do not qualitatively assess the costs incurred by enterprises. The quality of costs is usually understood as their expediency, efficiency. Consequently, determining such a quality indicator for each activity is more beneficial than comparing it with similar companies. However, the information currently provided in the reporting forms does not allow the assessment of these quality aspects for each activity and for the enterprise as a whole.

4. The "Profit and Loss Statement" used in international practice and the "Report on Financial Results" used in our country do not provide complete information on the structure of income and expenses for this or that activity. To obtain such information, it is necessary to create special tables-decodings.

5. These reporting forms do not provide for a separate line of tax deductions for permanent and temporary differences (i.e., irrational expenses) that are re-added to the corporate income tax base. This, accordingly, does not allow for direct control over the correct calculation of income taxes on the report.

3.2. BENEFITS AND LOSSES REPORT FORMATS, THEIR STRUCTURE AND METHODS OF COMPLETION

In international and national practice, various formats of "Profit and Loss Statement" are used. These formats differ from each other in their shape, compositional indicators, their filling.

In international practice, two different formats of profit and loss statement are widely used:

1. A format based on the nature of costs.
2. Format based on cost functions.

A format based on the nature of costs. In this format, enterprise costs are shown according to their nature. The nature of costs is generally understood to be divided into material, labor and financial, paid and non-paid, direct and indirect costs.

Material costs - it is the cost of raw materials and supplies used in production.

Labor costs - This is the amount of wages accrued for the work of employees of the enterprise and a single social payment (mandatory deductions) calculated in accordance with them.

Financial expenses - These are banking services, interest payments on loans and borrowings, insurance of property and other economic risks, payments from business relationships, etc.

Depreciation expense - these are non-cash costs accrued on long-term fixed assets and intangible assets.

Other expenses - These are other indirect costs of the enterprise for production and non-production activities.

The Profit and Loss Statement is completed in the following format according to the cost nature format.

Profit and loss statement
(by cost format)

Indicators	Private amount	Total summa
1. Operating income		
2. Non-core operating income		
3. Material costs		
4. Salary and insurance costs		
5. Insurance costs		
6. Depreciation costs		
7. Other expenses		
8. Total costs		
9. Benefits		
10. Net profit per 1 ordinary share in circulation		

Format based on cost functions. In this format, enterprise costs are shown according to their functions. Cost functions are generally understood to refer to the functions of enterprises related to production, sales, management and other activities. In particular, all production costs related to the part of sales of goods sold, work performed and services rendered are shown in this format of the report in the indicator "Sales cost". Costs of sales of products (works, services) are shown in the line "Sales costs", management costs "Management costs", and costs of other activities in the line "Other costs".

Profit and Loss Statement is completed in the following format according to the format of the cost functions.

Profit and loss statement
(by cost function format)

Indicators	Income	Cost
1. Operating income		x
2. Cost of sales	X	
3. Gross profit		
4. Other operating income		x
5. Sales costs	X	
6. Management costs	X	
7. Other expenses	X	
8. Taxes	X	
9. Net profit (loss)		
10. Net profit per 1 ordinary share in circulation		x

The “Statement of Financial Performance” applicable in the Republic of Uzbekistan corresponds to the format of cost functions in terms of its content and structure.

Report on financial results
(In the Republic of Uzbekistan)

№	Indicators	Income	Cost
1.	Total income (net income)		X

2	Cost of sales	X	
3.	Gross profit from sales (1-2)		
4	Current expenses	X	
5	Other income from operating activities		X
6	Profit from operating activities (3-4 + 5)		
7	Income from financial activities		X
8	Expenses related to financial activities	X	
9	Profit from general economic activity (6 + 7-8)		
10	Extraordinary benefits		X
11	Emergency damages	X	
12	Profit before tax (9 + 10-11)		
13	Income tax	X	
14	Landscaping tax	X	
15	Net profit (12-13-14)		

In international practice, the Profit and Loss Statement reflects the net profit of enterprises, taking into account the ongoing financial activities and the final financial results of the activities to be terminated in the near future. In this case, the profit (loss) from ongoing activities and the profit (loss) for activities that will be terminated in the near future are shown in separate rows.

In international practice, the indicator of "profit per share" is used as an important indicator of business performance. The basis for the calculation of this indicator is:

1. Net profit.
2. Dividends on preferred shares.
3. The average number of ordinary shares in circulation.

Based on these elements, the profit per ordinary share (F1a) is found as follows:

$$\mathbf{F1a} = \frac{\mathbf{Sf - Dia}}{\mathbf{Ao}}$$

Here: Sf- net profit; Dia- - the amount of dividends per share of preferred shares; Ao- the number of ordinary shares outstanding.

Example: Net profit of the enterprise is 150 million soums. Dividends on preferred shares are 50 million soums, the number of outstanding shares is 100,000, and the profit per share is 1,000 soums.

2. RULES FOR COMPLETING ACCOUNTS FOR FINANCIAL RESULTS

The basis for the report on financial results is the data of all income and expenses of the enterprise, temporary (transit) accounts intended for the use of profits. As a rule, separate lines of the report are formed in the following order.

Satr code	Line name	The order of filling in the line
010	Net income from the sale of goods (goods, works and services)	The amounts of credit turnover of accounts 9010,9020,9030, intended for the calculation of net income from the sale of

		goods (goods, works and services), the sum of the returned goods (goods, works, services), the amount of discounts (9040 and 9050- debit turnover of accounts) is found by multiplication and shown in the income column
020	Cost of goods sold (goods, works and services)	The amount of debit turnover of accounts 9110,9120,9130,9140,9150, intended for the calculation of the cost of goods sold (goods, works and services), is shown in the column of expenses of the aggregate index
030	**Gross profit (loss) from the sale of goods (goods, works and services)**	**The difference between the sums of lines 010 and 020 is recorded. A positive difference indicates the profit received and it is recorded in the income column. The negative difference represents the loss from the sale and it is recorded in the cost column**
040	**Current expenses, total**	**The sum of lines 050,060,070,080 is displayed as a sum index**
	Including:	
050	Sales costs	The amount of debit turnover of account 9410 intended for the calculation of sales costs h is indicated in the expense column
060	Administrative expenses	The debit turnover of account 9420 intended for the calculation of administrative expenses h is indicated in the expense column
070	Other operating expenses	The amount of debit turnover of account 9430 intended for the calculation of other operating expenses h is shown in the expense column
080	H expenses for the reporting period to be deducted from the taxable	The debit turnover of account 9440 intended for the calculation

	base in the future	of expenses for the reporting period h, which will be deducted from the tax base in the future, is shown in the expense column
090	Other income from operating activities	The total turnover of accounts 9310 - 9390 intended for the calculation of other income h of the main activity is shown in the income column of the aggregate index
100	**Profit (loss) of the main activity**	**030 lines - 040 lines + 090 lines. The amount of profit is shown in the income column and the amount of loss is shown in the expense column**
110	**Income from financial activities, total**	**The sum index of the sums of lines 120,130,140,150,160**
	Including:	
120	Income in the form of dividends	The amount of credit turnover of account 9520 intended for the calculation of income in the form of dividends h is recorded in the income column
130	Earnings in the form of interest	The amount of credit turnover of account 9530 for the calculation of interest income h is recorded in the income column
140	Income from long-term lease	The amount of credit turnover of account 9550 intended for the calculation of income from long-term lease is recorded in the income column
150	Earnings from exchange rate differences	The amount of credit turnover of account 9540 intended for the calculation of income from exchange rate differences is recorded in the income column
160	Other income from financial activities	The total turnover of accounts 9510,9560,9590, intended for the calculation of other income from financial activities, is recorded in the income column of the aggregate index
170	**Expenses on financial activities**	**The sum index of the sums of**

		rows 180,190,200,210 is recorded in the expense column
	Including:	
180	Expenses in the form of interest	The debit turnover of account 9610 for the calculation of interest expenses h is recorded in the expense column
190	Interest expenses on long-term lease (financial leasing)	Debit turnover of account 9610 intended for calculation of interest expenses on long-term lease (financial leasing) is recorded in the expense column
200	Losses from exchange rate differences	The debit turnover of account 9620 intended for the calculation of losses from the exchange rate difference h is recorded in the expense column
210	Other expenses on financial activities	Debit turnover of accounts 9630,9690 intended for calculation of other expenses on financial activity is recorded in the column of expenses of the aggregate index
220	**Profit (loss) of general economic activity**	**100 lines + 110 lines - 170 lines. The amount of profit is shown in the income column and the amount of loss is shown in the expense column**
230	Extraordinary gains and losses	The amount of credit turnover of the account 9710 intended for the calculation of extraordinary profit is recorded in the income column and the amount of debit turnover of the account 9720 intended for the calculation of extraordinary losses is recorded in the column of expenses
240	**Profit (loss) before income tax**	**220-row (+ -) 230-row. The amount of profit is shown in the income column and the amount of loss is shown in the expense column**
250	Income tax i	The amount of debit turnover of

		account 9810 intended for the calculation of income (profit) tax i profit is recorded in the expense column
260	Taxes and levies other than profit	Debit turnover amounts of accounts 9820,9830 intended for calculation of taxes and levies other than profit are recorded in the expense column
270	**H Net profit (loss) for the reporting period**	**240-line - 250-line - 260-line. The amount of profit is shown in the income column and the amount of loss is shown in the expense column**

A separate section of the report on financial results is called "Information on payments to the budget." This reference consists of four columns, columns 1 and 2 indicate the name and line number of tax payments, column 3 shows the amount of payments on the account, and column 4 - the amount of taxes actually paid. Each line of the reference shows the amounts calculated for certain types of tax payments and actually paid to the budget.

Report 24	CASH FLOW REPORTING

LECTURE TECHNOLOGY

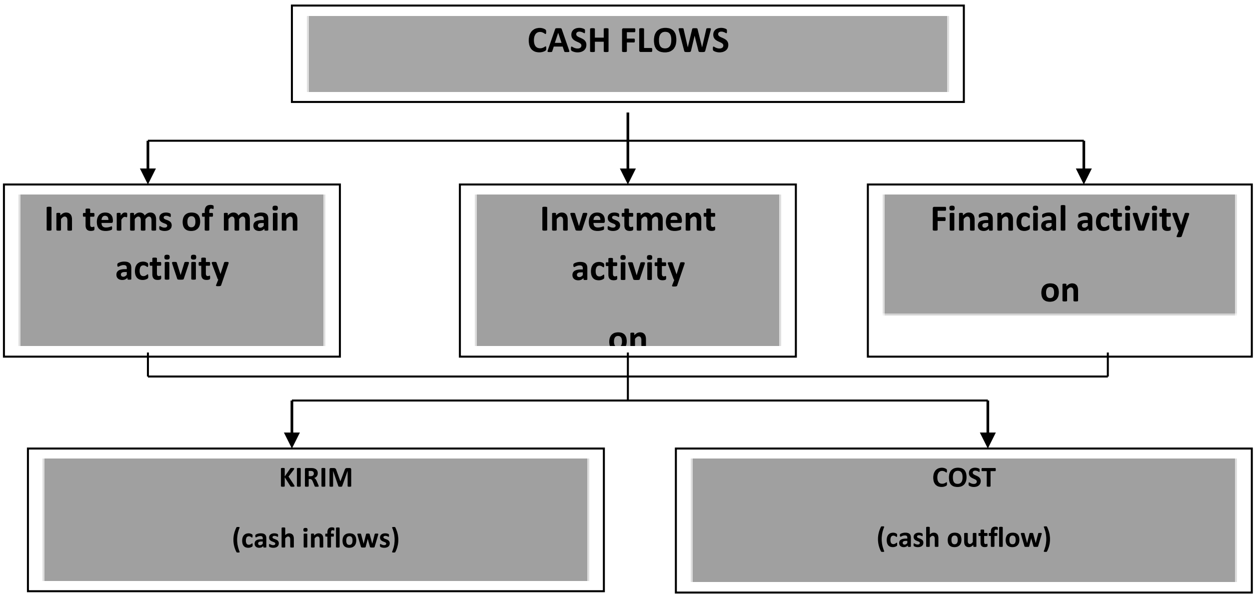
Study time: 2 hours	**Number of students:** 60 ta
Form of training: Informative report	
Lecture plan: 1. Conceptual basis for preparation and submission of cash flow statement (purpose, deadlines, formats, methods of preparation and submission) 2. Rules for filling out cash flow statement items	
The purpose of the training: give students an understanding of the formats, methods, and procedures for compiling a cash flow statement.	
Pedagogical tasks: **Cash flows** disclose the formats, methods and procedures for compiling the report.	**Learning Outcomes:** Students will learn the formats, methods, and procedures for compiling a Cash Flow Statement.
O'qpush tools: *video projector, board.*	
Teaching methods: *Explanation, mental attack.*	
Forms of training: Collective work	
O'qpush conditions: Technician *tools with provided audience.*	
Monitoring and bahtake: Oral, *test question-answers.*	

1. **CASH FLOWS** CONCEPTUAL FUNDAMENTALS OF COMPILATION AND SUBMISSION OF THE REPORT (PURPOSE, TERMS, FORMS, METHODS OF COMPILATION AND PRESENTATION)

Another important form of financial reporting is the Cash Flow Statement. In international doctrine, this report is called the Cash Flow Statement.

Regardless of the name, the main purpose of this report is to reflect the aggregate information about the cash flows of the enterprise during the reporting period, ie their income and expenditure, as well as the situation at the beginning and end of the period.

In this report, which is used in international practice and in our country, the indicators reflecting cash flows are aimed at grouping information on cash flows of enterprises directly by type of activity. Thus, in accordance with IFRS 7 Cash Flow Statement and IFRS 9 Cash Flow Statement, cash flows from enterprises are grouped into the following types of activities:



The report reflects information on cash inflows and outflows for each type of activity, their sources and directions of origin. In particular, the main sources of cash inflows for certain types of activities and the main directions of cash outflows are given in the following tables.

CASH FLOWS FOR MAIN ACTIVITIES

INCOME (+)	EXPENSE (-)
1.Money from the sale of TMBs Receipts	1. Payments to suppliers
2. Royalties, royalties, brokerage fees and other receipts	2. Salaries paid to employees and they payments on behalf of
3. Received from the insurance company Receipts	3. Paid taxes and mandatory deductions
4. Money returned from suppliers	4. Payments to insurance companies

5. Refunded taxes	5. Advances received from customers return

CASH FLOWS ON INVESTMENT ACTIVITIES

INCOME (+)	EXPENSE (-)
1. Fixed assets, intangible assets, financial investments, unfinished capital construction facilities proceeds from sales	1. Fixed assets, intangible assets, purchase of equipment and capital construction, reconstruction, modernization and funds spent on expansion
2. Valuable purchased by others papers, as the cost of the facility contribution to other persons proceeds from the sale of loans granted	2. Money spent on financial investment funds (cost of establishment, valuable purchase of papers, temporary credit and lending)
3.Included financial investments return	
4. Dividends received	

CASH FLOWS FOR FINANCIAL ACTIVITIES

INCOME (+)	EXPENSE (-)
1. Issued securities (shares, bonds, etc.) cash receipts	1. Issued securities (shares, bonds, etc.) amounts return and repurchase them spent money
2. Loans and borrowings received	2. Loans and borrowings received return
	3. Dividends and interest paid
	4. Financial lease payment

The presentation of cash inflows and outflows by type of activity allows you to determine which type of activity brings the most cash to the enterprise, as well as which of them spends more or less money.

The importance of the report is that its separate lines reflect the net increase or decrease in cash flows for each type of activity, as well as the amount of non-cash transactions.

Net growth for each type of activity is the excess of cash inflows over those activities over cash outflows **(K> Ch), net decrease** that is, the excess of money expenditure over cash income (K <Ch).

When it comes to free transactions operations that do not result in cash inflows and outflows but affect the income or expenses of the enterprise. Examples of cashless transactions for specific activities are given in the table below.

FREE OPERATIONS	
In terms of main activity	* depreciation allowances; * barter
On investment activities	* repayment of debt with another asset * loan repayment;
On financial activities	* write-off of the difference (discount or premium)

	between the purchase of securities and the face value

The cash flow statement used in international practice and in our country, like other forms of financial reporting, has certain information restrictions. In particular, it is not possible to determine whether the cash received from the buyers reflected in this report is a direct proceeds from the sale or a receipt from them. Similarly, it is not possible to directly determine from the report whether the money paid to suppliers, employees and the budget is a debt or a debt paid to them. Such information restrictions also apply to paid relationships with other debtors and creditors.

As a series of information constraints in the report, it can also be said that it does not reflect information on the free cash flow of enterprises. Typically, free cash is money that is the result of economic relationships between entities that remain at their disposal as a private asset once all of its payment obligations have been fully satisfied and can be disposed of at will for future critical activities and purposes. funds.

These and other information constraints indicate the need to further improve the cash flow statement, including the need to align the cash inflows and outflows of enterprises, including free cash flow, with the objectives of proper budgeting and control.

4.2. METHODS OF COMPLETING CASH REPORT

In accordance with IFRS 7 Cash Flow Statement and IFRS 9 Cash Flow Statement, which are used in international practice, the cash flow statement of enterprises can be prepared directly and indirectly.

A direct way to compile a cash flow statement

Characteristic features of this method include:

> cash inflows and outflows are reflected in separate sections of the report for each type of activity, as well as the amount of net increase or net decrease for each of them (in the columns allocated for income and expenditure, respectively);

> In determining cash inflows and outflows, cash means cash on hand, in bank deposit accounts and in transit;

> cash flows do not include internal exchanges that occur between cash accounts;

> cash flows include cash inflows and outflows;

> a separate line of the report indicates the amount of net change (increase or decrease) in the reporting period for all activities;

> Cash balance at the end of the reporting period is found by adjusting (adding or subtracting) the balance at the beginning of the reporting period to the amount of net change.

The sections of the cash flow statement for specific activities are completed based on the following procedures.

ON MAIN ACTIVITY

First, changes (increases or decreases) in the balance sheet items during the reporting period (beginning and end of the period) are determined to find the amounts of cash inflows and outflows from operating activities.

Secondly, in the calculation of cash flows from operating (operating) activities, their income and expenditure are inextricably linked with the indicators of the "Statement of Financial Performance", such as net income, cost, current expenses, tax payments. In particular, cash inflows are associated with net income, while cash outflows are linked to items in the report such as cost, current expenses, and tax payments. The calculation of cash flows is based on the above indicators of the statement of financial performance, and these indicators are adjusted for the amount of changes in the balance sheet item at the end and beginning of the reporting period, which affects them. These adjustments are made as follows:

1. The amount of cash receipts (Pk) from customers The amount of sales revenue (Sd) shown in the statement of financial performance is adjusted for the increase or decrease in receivables (Dq) on the balance sheet of the enterprise at the beginning and end of the period, including an increase in receivables (+ Dq) reduces cash receipts, while a decrease in receivables (-Dq) increases cash flow, ie:

Cash receipts from customers **(Pk) =**	**Sales revenue (Sd)**	**+ Decrease in receivables (-Dq)** **- Increase in receivables (+ Dq)**

For example, let's say the amount of sales revenue (Sd) in the reporting year amounted to 500,000 thousand soums, receivables on the balance sheet at the beginning of the year amounted to 10,000 thousand soums, and at the end of the year - 20,000 thousand soums. In that case, the cash receipts (Pk) from the buyers amounted to 490,000 thousand soums (500,000 - 1,000), if the receivables at the end of the year amounted to 5,000 thousand soums, then the cash receipts from the buyers (Pk) amounted to 505,000 thousand soums (500000 + 5000).

2. Finding the amount of money transferred to suppliers (Pcht) Sales cost (St) of the financial results report is based on the increase or decrease in inventories (Tz) of the balance sheet of the enterprise at the beginning and end of the period, as well as increase or decrease in accounts payable, including the increase in inventories (+ Tz). An increase in expenditures, a decrease in inventories (-Tz) leads to a decrease in cash outflows, an increase in accounts payable to suppliers (+ Kq) leads to a decrease in cash outflows, while a decrease in accounts payable (-Kq) leads to an increase in cash outflows, ie:

Funds paid to suppliers = **(Pcht)**	**Cost of sales** **(St)**	**+ Increase in inventories (+ Tz)** **- Decrease in inventories (-Tz)**	**+ Decrease in accounts payable (-Kq)** **- Increase in accounts payable (+ Kq)**

For example,Suppose that the cost of sales amounted to 400,000 thousand soums, inventories amounted to 60,000 thousand soums at the beginning of the reporting period, 55,000 thousand soums at the end of the reporting period, debts to suppliers amounted to 20,000 thousand soums at the beginning of the reporting period, 10,000,000 soums at the end of the reporting period. In this example, the amount transferred to suppliers is 405,000 thousand sums (400,000-5,000 + 10,000) according to the financial results report and balance sheet data.

3. Find the amount of cash outflows for operating expenses (Ptox) is based on current expenses (Dx) and the amount found is adjusted for changes in the amounts of future expenses (Kdx) and liabilities (M) at the beginning and end of the balance sheet, as well as depreciation and other non-cash expenses (Apx) reflected in the statement of financial performance.) are deducted, including an increase in future expenses (+ Kdx) to increase cash outflows, a decrease in future expenses (-Kdx) to a decrease in cash outflows, an increase in accrued liabilities (+ M) to a decrease in cash outflows, and a decrease in accrued liabilities (-M). which leads to an increase in monetary expenditure, i.e.:

Cash on operating expenses = payments (Ptox)	**Period costs + (Dx)**	**+ Increase in future expenses (+ Kdx)** **- Kelgusi reduction in operating expenses (-Kdx)**	**+ Decrease in obligations (-M)** **- Increase in obligations (+ M)**	- Depreciation and other non-cash expenses (Apx)

For example,Suppose that current expenses amounted to 50,000 thousand soums, expenses for the next period amounted to 6,000 thousand soums per reporting period, 5,000 thousand soums at the end of the reporting period, accrued liabilities amounted to 2,000,000 soums per reporting period, 1,000,000 soums at the end of the reporting period, and depreciation amounted to 3,000,000 soums. In this example, the amount of cash payments for operating expenses is 47,000 thousand soums (50000-1000 + 1000 - 3000) according to the financial results report and balance sheet data.

4. Find the amount of cash payments (Pchs) on taxes on the profit (income) of the enterprise The amounts of profit (income) and other income taxes (infrastructure development tax, single tax, gross income tax) indicated in the statement of financial performance (Sf) are taken as a basis for this amount changes, including a decrease in the amount of tax arrears (-Qs) leads to an increase in cash outflows, and an increase in the amount of debt (+ Qs) leads to a decrease in cash outflows, ie:

Cash payments on income taxes = (Pchs)	**Income taxes (Sf)**	**+ Decrease in tax arrears (-Qs)** **- Increase in tax arrears (+ Qs)**

For example,Suppose that taxes on profit (income) according to the report on financial results amounted to 3,000 thousand soums, the amount of debt on these taxes amounted to 600 thousand soums at the beginning of the reporting period, 500 thousand soums at the end of the reporting period. In this example, the amount of cash outflow from income (income) taxes is 3,100,000 (3,000 + 100) according to the financial results report and balance sheet data.

ON INVESTMENT ACTIVITY

First, cash inflows from investing interest are determined as follows.

Cash receipts in the form of dividends (Dk) =	**Dividend income (Dd)**	**+ Decrease in dividend receivables (-Dq) - Increase in dividend receivables (+ Dq)**

Secondly, cash receipts from the sale of long-term assets and the return on investment are determined directly on the basis of the amounts of entries in the debit of cash accounts.

Third, the acquisition of long-term assets and cash outflows for investments are determined on the basis of the amounts of entries in the cash account credit.

ON FINANCIAL ACTIVITIES

First, cash outflows of interest and dividends paid are determined as follows.

Cash outflow in the form of interest and dividends (FDch) =	**Interest and dividend expenses (FDch)**	**+ Decrease in accounts payable on interest and dividends (-Kq) - Increase in accounts payable on interest and dividends (+ Kq)**

Secondly, cash receipts from financing activities are determined on the basis of the amounts of loans and borrowings received, reflected in the debit of direct cash accounts, records representing the proceeds from the issuance of securities.

Third, Cash outflows from financing activities are determined on the basis of the amounts of loans and borrowings received, reflected in the credit of direct cash accounts, records representing the return on the value of securities.

The direct cash flow statement is prepared in the form and content given below.

CASH FLOW REPORT

(direct method)

In a thousand rubles

Types of activities	Income (+)	Expenses (-)
Main activities:		
Revenue from customers	400000	
Payments to suppliers		300000
Paid operating expenses		50,000
Income and payment of income tax		35000
Net increase or decrease in total core activity	**65000**	
Investment activities:		
Sale and purchase of financial investments	14500	
Interest and dividends received	6000	

Purchase and sale of long-term assets		21500
Net increase or decrease in total investment activity		**1000**
Financial activities:		
Loans and credits	60,000	40,000
Interest paid		12500
Issuance and purchase of shares	40,000	
Dividends paid		10,000
Net increase or decrease in total financial activity	**37500**	
Total net increase or decrease during the reporting period		
Cash at the beginning of the reporting period	**15000**	
Cash at the end of the reporting period	**116500**	

An indirect way of compiling a cash flow statement

In this method, as in the direct (direct) method, the statement of financial performance is used as a basis for calculating cash flows, but unlike the previous method, adjustments are made not for each item in the report, but for its most recent indicator, net profit. In particular, to find the amount of cash flows (income and expenses), the amount of net profit reflected in the statement of financial performance is adjusted as follows:

Net profit

It is added

- Depreciation of fixed assets
- Depreciation on intangible assets and overdue expenses
- Depreciation of bond discount
- Increase in deferred income tax liabilities
- Losses from investments in shares
- Losses from the sale of fixed assets
- Losses from the write-off of assets
- Decrease in receivables
- Decrease in TMZs
- Reduction of prepaid expenses
- Increase in payable bills
- Accrued liabilities Reproduction

Divided

- Depreciation of bonds
- Reduction of deferred income tax liabilities
- Return on investment in shares
- Profit from the sale of fixed assets
- Increase in receivables
- Increase in TMZs
- Increase in prepaid expenses
- Decrease in payable bills
- Decrease in accrued liabilities

Indirectly, the cash flow statement is prepared in the form and content given below.

CASH FLOW REPORT
(indirect method)

Types of activities	Income (+)	Expenses (-)
Main activities:		
Net profit	**25,000**	
+ Depreciation accrued during the reporting period	35000	
+ loss from the sale of long-term assets		
- Profit from the sale of long-term assets		
+ loss from the sale of investments		
- Profit from the sale of investments		
+ expenses in the form of interest		
- income in the form of interest and dividends		
- increase in receivables		
+ Decrease in receivables	-19500	
+ increase in the number of dyes obtained		
- reduction of the obtained dyes	-15000	
+ Decrease in TMZ	10,000	
- Increase in TMZs		
+ increase in payable accounts	16200	
- reduction of payable bills		
+ reduction in future expenses		
- increase in expenses for the next period	1500	
+ increase in accrued liabilities	7500	
-reduction of accrued liabilities		
+ increase in income tax arrears	4300	
- reduction of income tax debt		
Net increase or decrease in total core activity	**65000**	
Investment activities:		
Sale and purchase of financial investments	14500	
Interest and dividends received	6000	
Purchase and sale of long-term assets		21500
Net increase or decrease in total investment activity		**1000**
Financial activities:		
Loans and borrowings	60,000	40,000
Interest paid		12500
Issuance and purchase of shares	40,000	
Dividends paid		10,000
Net increase or decrease in total financial activity	**37500**	
Total net increase or decrease during the reporting period		
Cash at the beginning of the reporting period	**15000**	
Cash at the end of the reporting period	**116500**	

Report 25	PREPARATION OF PRIVATE CAPITAL REPORT

LECTURE TECHNOLOGY

Study time: 2 hours	**Number of students:** 60 ta
Form of training: Informative report	
Lecture plan: 1. Conceptual basis for preparation and submission of the report on private capital (purpose, terms, formats, methods of preparation and submission) 2. Rules for filling in the items of the report on private capital	
The purpose of the training: to give students an idea of the formats, methods and procedures for preparing a report on private capital.	
Pedagogical tasks: **Private capital** disclose the formats, methods and procedures for compiling the report.	**Learning Outcomes:** Students will learn the formats, methods, and procedures for preparing a Private Equity Report.
O'qpush tools*:* *video projector, board.*	
Teaching methods: *Explanation, mental attack.*	
Forms of training: Collective work	
O'qpush conditions: Technician *tools with provided audience.*	
Monitoring and bahtake: Oral, *test question-answers.*	

2. **PRIVATE CAPITAL** CONCEPTUAL FUNDAMENTALS OF COMPILATION AND SUBMISSION OF THE REPORT (PURPOSE, TERMS, FORMS, METHODS OF COMPILATION AND PRESENTATION)

Another important form of financial reporting is the Private Equity Report. In international doctrine, this report is called the Private Equity Change Report.

Regardless of the name, the main purpose of this report is to reflect the aggregate information about changes in the elements of private capital in the enterprise during the reporting period, ie their increase and decrease, as well as the situation at the beginning and end of the period.

This report, which is used in international practice and in our country, summarizes the status of private capital at the beginning of the period and the changes in them (increase and decrease) on their types.

AJ "SAMARKAND DRUGS"

Private equity report
As of December 31st

					Ming sum
Show	**Note**	**Charter capital**	**Reserve capital**	**Retained earnings**	**Total**
Balance as of 01.01.2015		**2,270,570.00**	**567 693.00**	**1,118,828.00**	**3 957 091.00**
2015 profit				1,113,324.00	**1,113,324.00**
Increase in authorized capital at the expense of retained earnings	4.2	732 830.00		-732 830.00	**0.00**
Increase in reserve capital due to revaluation	4.1		180 976.00		**180 976.00**
Decrease in reserve capital at the expense of revaluation	**4.1**		-4 773.00		**-4 773.00**
Allocation of profits to reserve capital	4.1		64 460.00	-64 460.00	**0.00**
Dividends declared for 2015	4.3			-276 313.00	**-276 313.00**
Use of profits for other purposes	4.3			-28 416.00	**-28 416.00**
31.12.2015 to the balance		**3 003 400.00**	**808 356.00**	**1 130 133.00**	**4 941 889.00**

Report 26	PREPARATION OF EXPLANATIONS, APPENDIXES AND COMMENTS TO THE FINANCIAL REPORT

LECTURE TECHNOLOGY

Study time: 2 hours	**Number of students:** 60 ta
Form of training: Informative report	
Lecture plan: **1. Additional comments on the balance sheet are required information to be made and ways to disclose their essence** **2. The procedure for disclosing important items in the statement of financial performance and the disclosure of information that requires explanation**	
The purpose of the training: provide students with an understanding of the Balance Sheet and Financial Results Disclosure of important items in the Profit and Loss Statement and the procedure for reflecting information that requires interpretation.	
Pedagogical tasks: Balance Sheet and Financial Results Disclosure of important items in the Profit and Loss Statement and disclosures of formats, methods and procedures for the disclosure of information that requires interpretation.	**Learning Outcomes:** Students will learn the formats, methods, and procedures for disclosing important items in the Balance Sheet and Financial Results Profit and Loss Statement and displaying information that requires interpretation.
O'qpush tools: *video projector, board.*	
Teaching methods: *Explanation, mental attack.*	
Forms of training: Collective work	
O'qpush conditions: Technician *tools with provided audience.*	
Monitoring and bahtake: Oral, *test question-answers.*	

1. ACCOUNTING BALANCE REQUIRED ADDITIONAL COMMENTS INFORMATION AND METHODS OF DISCLOSURE

Both the balance sheet used in international practice and the balance sheet used in our country contain information that requires some explanation. Such data are divided into four groups:

1. Valued liabilities and contingent liabilities.
2. Accounting policy of the enterprise.
3. Some economic situations.
4. Events after the balance sheet date.

Valued liabilities- it is an obligation that is confirmed with or without future arrival. The assessed liability is the result of past events that result in the loss of future economic benefits. It should also be measured reliably.

Conditional obligation- it is a measurable, undocumented, estimated liability for transactions that have not yet taken place. Such liabilities are not reflected in the balance sheet.

Accounting policy - is a set of procedures for interpreting the amounts reflected in individual items of the balance sheet.

Specific economic situations- the circumstances that explain and express the period for which these obligations belong and why. For example, an explanation that the amount of accrued dividends has been paid or that tax benefits have been granted or delayed.

Events after the balance sheet date - these are events that occur from January 1 of the following year until the balance sheet announcement date. The date of publication of the balance sheet means its submission to the relevant authorities (state tax administration).

Events after the balance sheet date are divided into two types according to their reflection:

1. Events included in the balance sheet.
2. Cases not included in the balance sheet.

Events included in the balance sheet By the nature of the content means the facts relating to the previous reporting period, which are the result of the processes carried out, as well as about which the document relating to the date of publication of the balance sheet after 1 date. For example, the report of the bankruptcy of some debtors of the enterprise at the end of the reporting year, the writs of execution of the court on some claims related to the previous year, and so on. Events of this content and nature should be included and explained in the report for the previous reporting period.

Events not included in the balance sheet By the nature of the content, the facts that do not relate to the previous reporting period, but are in fact the result of processes that took place from the 1st of the following year to the date of publication of the balance sheet, as well as documented facts. For example, a fire that occurred after 1 date, a flood, a theft committed, and so on. Events of such content and nature should not be included in the report for the previous reporting period, nor should they be commented on.

The information to be provided in addition to the balance sheet shall be disclosed in the following ways: (1) explanatory note; (2) comment; (3) details (decryption); (4) contour substances.

Explanatory note substantiation of the amounts reported in some items of the balance sheet, for example, how TMZs are valued.

Note- for comments only. For example, the number of private shares purchased.

Details (decryption),usually the disclosure of amounts included in a particular item in the balance sheet. Details are usually in tabular form. For example, the amounts of receivables and payables on the balance sheet are presented in tabular form by date of occurrence of the enterprise.

Contour substances - Explain that this applies to items that lead to a reduction in the amount reflected in the main accounts.

In international practice, the following information is disclosed in the appendices to the balance sheet:

1. The number of shares allowed to be issued.
2. Issued shares.
3. Total number of shares sold.
4. Nominal value of the share.
5. Number of shares outstanding.
6. The number of shares included in the dividend calculation register.
7. The amount of dividends allocated to shares.
8. Number of shares issued to subsidiaries, affiliates.
9. Number of shares reserved under contracts, etc.

2. PROCEDURE FOR DISCLOSURE OF IMPORTANT ITEMS OF THE REPORT ON FINANCIAL RESULTS AND REFLECTION OF INFORMATION REQUIRING AN EXPLANATION

The "Profit and Loss Statement" used in international practice and the "Report on Financial Results" used in our country contain some information that requires some explanation. Such information includes:

1. Losses incurred to bring the value of TMZ to their net selling value.
2. Losses on the write-off of fixed assets and intangible assets.
3. Income and expenses from the revaluation of receivables and payables.
4. Income and expenses from the outflow of investments.
5. The financial result of the liquidated activity and its impact on income tax.
6. The impact of litigation on financial performance.
7. Extraordinary gains and losses.

The “Profit and Loss Statement” used in international practice and the “Statement of Financial Performance” used in our country require disclosure on the basis of the following methods: (1) explanatory note; (2) comment; (3) details (decryption).

Explanatory note - justification of the amounts reported in some items of the income statement, for example, the liquidated activity, its financial result, the impact on total net profit and profit per share.

Note- for comments only. For example, extraordinary gains and losses, additional issuance of shares, bonds, the results of their revaluation.

Details (decryption),usually the disclosure of amounts included in a particular item in the income statement. Details are usually in tabular form. For example, the total amounts of income and expenses from non-core activities, sales, management and other operating expenses reported in the income statement are presented in the table by their items in the income and expense groups.

Report 27	COMPILATION OF TAX AND STATISTICAL REPORT

LECTURE TECHNOLOGY

Study time: 2 hours	**Number of students:** 60 ta
Form of training: Informative report	
Lecture plan: 1. Conceptual bases of preparation and submission of tax reporting (purpose, terms, formats, methods of preparation and submission) 2. Conceptual bases of preparation and submission of statistical reports (purpose, terms, formats, methods of preparation and submission)	
The purpose of the training: to give students an idea of the formats, methods and procedures for compiling tax and statistical reports.	
Pedagogical tasks: **Cash flows** disclose the formats, methods and procedures for compiling the report.	**Learning Outcomes:** Students will learn the formats, methods, and procedures for compiling a Cash Flow Statement.
O'qpush tools: *video projector, board.*	
Teaching methods: *Explanation, mental attack.*	
Forms of training: Collective work	
O'qpush conditions: Technician *tools with provided audience.*	
Monitoring and bahtake: Oral, *test question-answers.*	

3. **CASH FLOWS** CONCEPTUAL FUNDAMENTALS OF COMPILATION AND SUBMISSION OF THE REPORT (PURPOSE, TERMS, FORMS, METHODS OF COMPILATION AND PRESENTATION)

Another important form of financial reporting is the Cash Flow Statement. In international doctrine, this report is called the Cash Flow Statement.

Regardless of the name, the main purpose of this report is to reflect the aggregate information about the cash flows of the enterprise during the reporting period, ie their income and expenditure, as well as the situation at the beginning and end of the period.

In this report, which is used in international practice and in our country, the indicators reflecting cash flows are aimed at grouping information on cash flows of enterprises directly by type of activity. Thus, in accordance with IFRS 7 Cash Flow Statement and IFRS 9 Cash Flow Statement, cash flows from enterprises are grouped into the following types of activities: