

## MODERN METHODS OF PRIVATE CAPITAL ACCOUNTING IN THE REPUBLIC OF UZBEKISTAN

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### Annotation

This article presents the theoretical aspects of accounting for business entities in the organization and operation of business entities based on the national accounting system of the Republic of Uzbekistan and their proposals and recommendations for accounting on the basis of international accounting standards.

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In the context of modernization and diversification of the economy, the emergence of new forms of ownership and the establishment of their entrepreneurial activities will create a number of conditions necessary for the effective management of the country's economy. In the context of a market economy, business entities with the status of a legal entity should begin their activities by developing the charter of the enterprise and setting the conditions for the formation of the amount of authorized capital. This, in turn, raises the problem of organizing the accounting of private capital of a business entity and bringing it into line with international accounting standards.

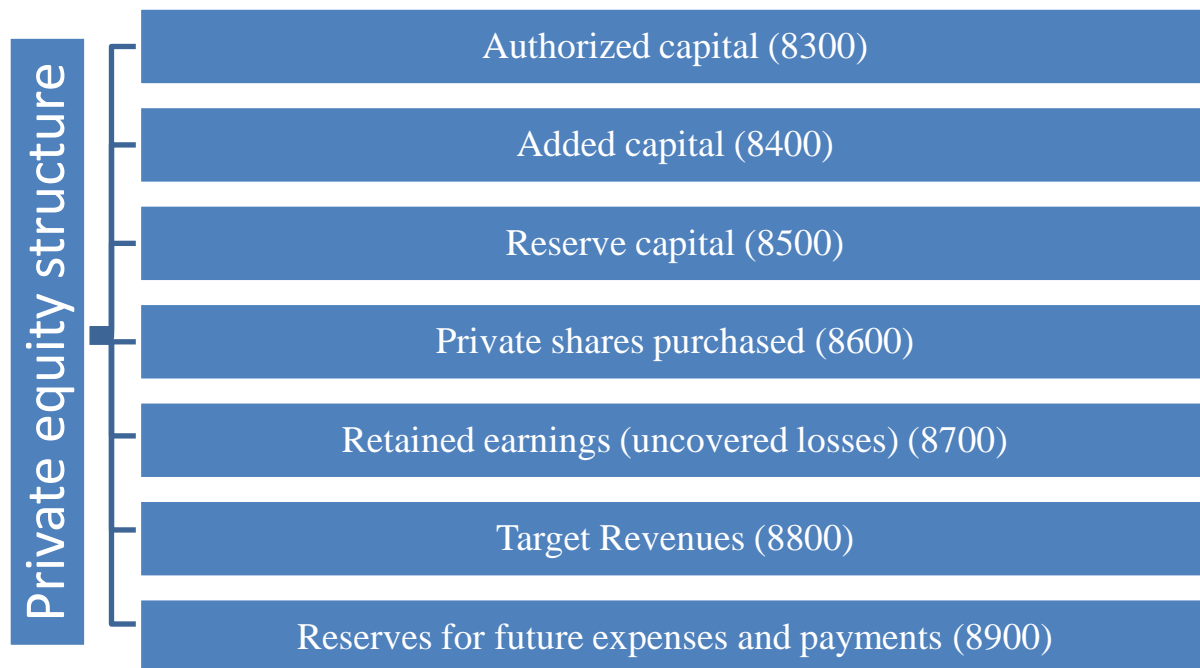
The purpose of private equity accounting is to accurately reflect in the financial statements the information that allows the management and investors to determine the status of net assets and financial performance of the enterprise for the correct management and investment decisions. However, modern economic knowledge does not yet have a generally accepted clear idea of the term capital. There is a notion in all views of capital that it has the potential to generate income. Capital is the value accumulated as a result of the use of production resources in previous reporting periods, with the potential to generate future economic benefits. This view contains sound views that have the potential to reveal the nature of capital. These views are as follows:

- capital is the value;
- it arises as a result of activities carried out in previous reporting periods;
- capital is reflected in production resources that retain the potential for economic benefits.

The views on capital listed above allow us to formulate a definition of private capital. Private capital is a set of values accumulated as a result of the use of production resources in the past, with the possibility of future economic benefits and belonging to the owners.

The remaining elements of private capital are defined in the legislation of the Republic of Uzbekistan

and other normative acts in force in the field of accounting as follows:



**Figure 1.1: The structure of private capital in Uzbekistan according to the National Accounting Exchange Standard No. 21**

Textbooks and manuals of economists of the Republic give the following definitions of charter capital, which is the first element of private capital:

A.A. Karimov, F.R. Islomov. A.Z. According to Avlokulov's textbook "Accounting", "Charter capital is a set of material assets, funds and expenses added (paid) by the founders of the enterprise in accordance with the constituent documents to obtain the rights and benefits and necessary for the economic activity of the enterprise." In making this definition, scholars have taken into account the specifics of the formation of charter capital in joint stock companies. Because the founders have different rights and privileges depending on the types of shares purchased in joint stock companies.

The practical manual for accountants, published by E.F. Gadoev, defines "Charter capital - the shares of the founders in the form of fixed assets, intangible assets, money, property rights, shares and other types of property in the establishment of the enterprise." This definition is intended for practicing accountants and is presented in a simple form in the manual.

Tangible assets, monetary values, securities and intangible assets that can be valued can be paid as a share in the charter capital of the company. The monetary value of the property paid as a share in the charter capital of a business company shall be approved by the decision of the general meeting of founders and adopted unanimously.

In the formation of the authorized capital, it is possible to make payments with different tangible and intangible assets, and their types must be specified in the charter or constituent documents of the enterprise. If the charter stipulates that the authorized capital will be formed only at the expense of cash payments, the participants will not be able to contribute various types of values as a share.

When tangible assets are included in the charter capital, the rights to these assets must be registered and notarized. Examples of such assets are motor vehicles, real estate and other assets. It is necessary to make sure that they are registered with the state when they are received as payment of shares in the authorized capital.

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