Intangible Assets and Accounting Establishment in an Accounting Policy

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A B S T R A C T

This article examines scientific, theoretical and practical proposals for developing accounting policies in accordance with international standards in the accounting of intangible assets in budget organizations.

R T I C L E I N F O

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Today, the development of international relations requires the development of accounting system for large inflows of foreign investment into the economy of the Republic of Uzbekistan. The growing number of users of accounting, the deepening of integration processes, the establishment of joint ventures, investments in global financial centers, the need for free movement of labor and foreign exchange transactions between countries, the need to adapt the accounting system to world standards.

As developed market relations impose new requirements on accounting and business entities (by industry) cannot cover accounting on the basis of a single method and form the government also cannot write a separate accounting system for each enterprise. Because such a system is not suitable for the production and financial activities of each business entity. The accounting system chosen by the entity should be provided with the information required to perform the tasks assigned to it.

Therefore, in a competitive market system, businesses (by industry) have had a significant impact on the organization of accounting. Today, the role of accounting plays an important role in the privatization of state-owned enterprises, their conversion into various forms of ownership, their management, control over their activities, the implementation of certain measures by management.

This means that accounting information must be independent, objective, understandable to internal and external users, which requires an in-depth study of laws and regulations, an impartial approach to the assessment of economic activity. In order to obtain such information, we consider it expedient for the head of the farm to: form an internal system of accounting and reporting; permanent control over business operations; have complete and reliable information; control the storage of accounting documents; prepare the final financial statements in accordance with international standards, timely preparation of financial statements, etc.

In this regard, the current legislation provides independence for entities (by industry) to develop rules and principles of accounting. The essence of such accounting is that each entity independently develops an accounting system to achieve the intended purpose in production (work and services) and financial activities, based on the general rules of accounting established by the state.

Of course, the scientific and methodological works of these scientists has both theoretical and practical significance. However, in the scientific articles, textbooks and manuals of these economists, the issues of formulating accounting policies have been done mainly on the example of small and large enterprises. Also, the ongoing debate among scientists in the field on this issue indicates that these problems have not yet been fully resolved.

In this regard, the formation of accounting policies in budget organizations is one of the most pressing issues today. The above-mentioned views and comments highlight the need for scientific research on this topic.

Scientific abstraction, targeted development, dialectical research, monographic observation, induction and deduction, systematic and comparative analysis, expert evaluation, and economic statistical methods are used in the article.

The development of each entity's own accounting system is characterized by the concept of "accounting policy" in the

economic literature and regulations .

It is explained by the correct formulation of accounting policies, regardless of the organizational and legal form of the business entity (by industry) and the form of ownership. At the same time, first of all, legal and normative documents defining the rules of development and formation of the accounting policy of economic entities (by industries) in the Republic are used.

In particular, the accounting policy provides for the use of accounting records and forms for the circulation and registration of documents of business entities (by industry), the criteria for recognizing assets, how to evaluate them, the most convenient and effective method of depreciation, provide detailed information on how the inventory system is set up, as well as set out other rules.

In accounting policies, a single approach to recognizing business assets, liabilities and business transactions is important for accounting entities. An accounting policy is necessary to compare the financial performance of accounting entities in the financial statements presented for different years. Regarding its importance, the legislation establishes such an order that the accounting policy is approved by the head of the business entity (by industry) with the relevant organizational and command documents - orders, decrees, etc.

Therefore, today, based on the nature of the industry, in general, we consider it appropriate to approve the following in the set of accounting policies: - the plan of working accounts in accounting; - Forms of primary accounting documents used in the registration of business transactions, for which the standard forms are not provided; - form of documents for internal accounting; - procedure and terms of inventory; - criteria for the assessment of property and liabilities, the importance of reflecting financial and economic transactions and indicators; - The rules of document flow and processing of accounting data; - the order of control of economic operations; - other necessary rules and norms for the organization of accounting.

The accounting policy is effective from January 1 of the year following the year of issue of the organizational-command document. In them, the correct organization of the accounting of economic assets and liabilities depends on the accounting policy, which takes into account the impact on the final financial result. Because the correct formation of the cost of goods (works and services) depends on the issues reflected in the accounting policy. At the same time, depreciation costs have a significant share in the cost of goods (works and services). Especially in intangible assets.

Therefore, the use of intangible assets has a modernized look today and is widely implemented in practice. As a result, the cost of goods (works and services) is recognized as a cost in depreciation, and the correctness of accounting and reporting is one of the most pressing issues today.

Today, not only in the economic literature but also in the normative documents, that is, there are different views and approaches on the concept of intangible assets by industry professionals .

In the economic literature, too, we see that the views expressed by economists are approached precisely on the basis of the nature of the field.

In our opinion, the accounting policy should fully disclose the criteria for recognition of intangible assets, their useful lives (for individual groups) and the methods of calculating depreciation, their revaluation and inventory.

In Accounting Policy No. 7 Intangible assets are recognized in accordance with paragraphs 5 to 8 of NFRS. Intangible assets are items of property, plant and equipment that are held for a long period of time by an entity for the use of assets in the production of goods (works or services) or for the sale of goods or for administrative or other functions.

When accepting assets as intangible assets in the accounting, it is expedient to simultaneously meet the following conditions: - not having a material structure (form); -useful life of more than 12 months or use during a normal operating cycle if it exceeds 12 months.

In this case, the value of the asset is at least fifty times the

amount of the minimum wage per unit (the limit can be set independently);

- the farm does not intend to resell this asset;
- reliability, i.e. the presence of duly executed documents (patents, certificates, other security documents, patents, trademark waiver (purchase) agreement) confirming the existence of an asset in the farm and the exclusive right to it;
- the possibility of identification, which means that it is separable, i.e. it can be separated from the farm and sold, transferred, leased, exchanged separately or in conjunction with related assets, contracts or obligations (other than goodwill) or contractual and other legal rights. an intangible asset is deemed to be identifiable regardless of whether the rights are transferred to another or separated from the farm or separated from other rights and obligations.

In recognizing an intangible asset, the time limit required to prepare the asset for use and to recognize it as qualified should be determined independently. This is done in order to include in the cost of Intangible assets the costs of borrowings that are received directly for the acquisition or arrangement of the qualifying asset and have a place in that period. The accounting policy must specify a specific period.

Recognition of an intangible asset in IFRS 38 requires an entity to demonstrate that the item satisfies: (a) the definition of an intangible asset; (b) recognition criteria. This requirement applies to the cost of acquiring or creating an intangible asset and the cost of adding, replacing or servicing the part. This Standard shall recognize an intangible asset only if: (a) it is probable

that future economic benefits associated with the intangible asset will flow to the entity; (b) it is recognized that the cost of the asset can be measured reliably.

Using reasonable and assumptive assumptions that reflect management's best estimate of the set of economic conditions that will exist during the useful life of the asset, the entity should assess the probability of future economic benefits expected.

The accounting for an intangible asset is based on its useful life. An intangible asset with a useful life is amortized, an intangible asset with an indefinite useful life is not depreciated.

Thus, the calculation of amortization of intangible assets in business entities is carried out on the basis of the cost of goods (works and services) on the basis of the norms established by the tax legislation, the amortization account.

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