



MODERN ASPECTS OF ECONOMIC AND SOCIAL SUSTAINABLE DEVELOPMENT

Vol. 12 (2023): Special Issue

INTERNATIONAL E-CONFERENCE-15th September

INTANGIBLE ASSETS AND THEIR CHARACTERISTICS

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Annotation. In this thesis, intangible assets and their specific characteristics are studied and proposals are developed.

Key word: intangible assets, book value of an intangible asset, cost of an intangible asset, amortization, initial cost value, depreciable value of an intangible asset.



At a time when the scientific and technical potential of the countries of the world is developing at a high pace, the level of introduction of intangible assets, which are considered as a component of this scientific and technical potential, into the field of production and services is increasing. One of the important indicators for evaluating innovative activity in countries is the ratio of funds spent on innovation to the value of the country's gross domestic product. In 2021, the value of intangible assets of all companies will reach 74 trillion dollars: among high- and middle-income countries, the majority of enterprises that actively use intangible assets are located in the United States and China, respectively. According to the report of the McKinsey Global Institute on the introduction of innovations at the end of 2017, "the ratio of spending on innovations to GDP is 2.2% in Russia, 12.7% in China, 21.7% in the USA, "Economics and Society" No. 5(108)-2 2023 www.iupr.ru among 381 developing countries, it was 3.3 percent in India and 2.8 percent in Brazil. 75 This figure is 0.2 percent in Uzbekistan. Switzerland, USA, and Israel are leading in this field. Intangible assets are of particular importance on the basis of high value-added product production and service provision.

The main 4 directions of purchase of intangible assets according to BHXS No. 38 are listed:

1. Purchase separately;
2. Purchasing as part of business management;
3. Purchase of assets through exchange;
4. Intangible assets created within the organization itself.

Purchased intangible assets are valued at initial cost. The initial value includes:

- (a) the purchase price, plus the amount of import duties and non-reimbursable taxes, excluding trade discounts and rebates;
- (b) all direct costs associated with preparing the asset for its intended use

Expenses that are not included in the initial cost of an intangible asset:

- ❖ expenses related to the demonstration of new products or services (including the costs of advertising and conducting events related to their demonstration);

6	ISSN 2319-2836 (online), With support APJMMR https://www.gejournal.net/index.php/APJMMR
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- ❖ costs associated with doing business in a new location or with a new class of customers (including costs associated with training employees);
- ❖ administrative and other overhead costs;
- ❖ expenses incurred when the asset is usable as intended by management, but not put to use; and
- ❖ initial operational losses, for example, operational losses incurred during the formation of market demand for the production carried out using this asset

Depreciation is a systematic distribution of the depreciable value of an intangible asset over its useful life.

To determine the depreciable value, it is determined by subtracting the closing value from the initial cost of the intangible asset:

$$\text{Depreciable Value} = \text{Beginning Cost} - \text{Ending Cost.}$$

Amortization begins when an intangible asset is ready for use. Amortization of intangible assets is suspended on the earlier of two dates:

The carrying amount of an intangible asset is the amount at which the asset would be recognized in the statement of financial position after deducting any accumulated amortization and/or accumulated impairment losses.

The cost of an intangible asset is the cash and/or cash equivalents or other consideration given in exchange for the acquisition or construction of the asset, or, as appropriate, other National Accounting Standards (NASs) such as In accordance with the specific requirements of National Accounting Standards (NAS) 2 "Share-based payment", the initial recognition value of this asset is calculated.

The depreciable amount of an intangible asset is the asset's cost less amortized cost or some other value instead of cost.

Based on the above, intangible assets have their own characteristics, and the purchase and creation of these types of assets and the calculation of depreciation for them are different from other types of assets.

In the company's accounting policy, recording of economic processes related to intangible assets, i.e. flows such as purchase, creation, depreciation calculation, makes it possible to keep the accounting of intangible assets correctly and accurately.

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