



MODERN ASPECTS OF ECONOMIC AND SOCIAL SUSTAINABLE DEVELOPMENT

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METHODS OF MAKING FINANCIAL INVESTMENTS IN JOINT-STOCK COMPANIES

Jumamurodov To'libay Eldashbaevich

** Ministry of Defense of the Republic of Uzbekistan*

Head of the Chief Accountant-Finance Department of the Central Military Clinical Hospital.



Annotation. Under the conditions of economic liberalization, enterprises have the task of using all their assets effectively. This applies to financial investments, i.e. to the funds that enterprises put into other enterprises for the purpose of increasing their capacity and, in return, for the purpose of receiving material benefit (earnings).

Key word: financial investments, Value method, non-cash or other assets .

Effective use of financial investments means obtaining material benefits (profits) from them at least in the amounts (levels) specified in investment contracts. It is understood to receive material benefit (profit) from investments at least in the amounts (level) specified in the investment contracts. The material benefit (amount of income) received from investments depends on many factors. Among these factors, investment methods are of particular importance.

According to the method of entry, financial investments are divided into financial investments entered by the value method and financial investments entered by the contribution method. How do these two methods differ from each other?

Value method. This method is based on the principle of not affecting the initial current purchase or investment value of the financial investments made in the form of dividends. Dividends calculated for investments are recognized separately as income of the investor and included in the profit of the enterprise. At the same time, the investor has receivables for dividends until they are received, and this debt is closed when they are received in the form of cash and non-cash or other assets.

So, the characteristic features of the value method are as follows:

- 1.the current value of the investment will remain unchanged for future years;
- 2.investments whose current value remains unchanged will also be a source of profit in the form of dividends in the future;
- 3.An investor can have significant influence over the investee by virtue of his investment, but he is never considered to be in control of it.

Participatory method. This method is based on the principle of initial purchase or transfer of financial investment. In this case, the profit received is strictly proportional to the share in the total capital of the investment made before the time of its arrival. The amount of the calculated profit is simultaneously multiplied by the current value of the investment made in it. Later, the capitalization of the increased amount of the investment made for the reporting period in exchange for the amount

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of the calculated profit of the actually received amount of the profit does not create a receivable for the profit received from the investment.

So, the following can be included in the characteristic features of the contributory participation method:

1.the current value of the investor's investment is always increased by the amount of the fixed contribution to the net profit of the company receiving the investment, that is, the amount of the calculated profit is immediately capitalized;

2.in fact, the profit received is not recognized as a dividend, but may lead to a reduction in the value of the investment;

3.investments whose current value has changed will become a source of additional profit in the future and a means of increasing the value of the investments made in return;

4.An investor can exercise significant influence over an investee, but never control it.

There are no specific limitations in the application of the above methods of investment. They can be widely used in making investments in all types of economic entities, including small businesses and enterprises engaged in entrepreneurial activities.

Funding of capital investments.

Funding of state capital investments:

title lists approved by the Cabinet of Ministers of Uzbekistan for the construction of new enterprises and other production facilities and expansion of existing ones at the expense of customers' own funds and budget funds, at the expense of customers' own funds for other production constructions;

In case of lack of own funds, capital investments are provided with funds at the expense of bank loans for the types of expenses mentioned above.

Ministries, offices and subordinate organizations that perform management tasks in the provision of funds for state-centralized capital investments and keeping accounts in construction shall submit to banks the annual plans of capital construction, plans for providing capital investments with funds, and the title lists of the beginning constructions for the entire period of construction, subordinate enterprises, associations, organizations and they submit their delivery plans to the institutions within the specified deadlines.

It is forbidden to carry out work in constructions that are not included in the plans and are not accepted for financing by banks.

It should be noted that in financing plans, the amount of financing for the construction of objects is determined by taking into account the amount indicated at the end of the total estimate of the construction cost:

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1. Taking into account the realization, the returned sums are 15% of the estimated value of temporary buildings and structures, regardless of the period of construction of the material and details obtained during the demolition of temporary buildings and structures;

the material and details obtained during the dismantling of the building and constructions to be demolished and relocated are in the amount determined by the calculation;

furniture, equipment and inventory purchased for equipping the residences and service rooms of foreign chef assemblers;

additional materials (stone, gravel, coal, wood, etc.) to obtain the base. If these materials cannot be used or sold, their value is not included in the return amount.

2. The balance value of the equipment being dismantled in some workshops of the operating enterprise and transferred to the newly built workshop, the equipment that has been relocated in the workshop due to repair (without taking into account wear and tear), as well as the value of other equipment that customers have in the line "Equipment value that does not require capital investment", in which the project confirms when determining the stage and technical-economic indicators of the construction, it is carried out taking into account the full cost of the specified equipment. After the amount to be confirmed on the title page of the total calculation estimate, the inscription "In addition, the cost of equipment that does not require capital investment" is placed;

3. Information on effective participation in the construction of common or basic facilities;

4. The difference between the estimated cost and use value of the objects to be moved (under construction) and the balance value of the used objects (including depreciation) (the total is shown as the share of the owner of the building and structure that is being demolished after the end of the calculation).

5. In the final information on the distribution of the total estimated value of the construction of micro-district or residential complex and community buildings, according to the directions of capital investments, if this construction includes buildings and structures built in addition to, built next to, or standing separately, if their construction is carried out in different directions (commercial and general catering, household services, communal enterprises, etc.).

Capital investments and financing operations

The 16th magazine is considered in the order:

0700 "Equipment to be installed", 0800 "Capital investments" accounts. In this case, even if the department of capital construction or the directorate of the enterprise under construction carries out the construction assembly only by the contract method, the 10th journal order is maintained on accounts 0700, 0800.

Associations and enterprises that transfer their funds to financing of capital investments, as well as ministries and other management bodies that contribute their funds centrally, must provide accounting information on the volume of amounts transferred (accumulated) to financing of capital investments to bank institutions that have accounts that record their funds.



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Table 1 shows the order of accounting of enterprises and construction organizations to include their own funds in financing capital investments.

Table 1

The procedure of operations on the inclusion of own funds in the financing of capital investments

| No | Operations | Correspondence | | |
|----|---|----------------|----------------|--------|
| | | debit | credit | amount |
| 1. | Paid contractors' bills for construction and installation work and other expenses | 6010 (7010) | 5110 (6010) | 380000 |
| 2. | When the bank reserves the remaining funds of the customer due to the failure of the contractor to fulfill the quarterly work plan. | 5510 | 5110 | 5000 |
| 3. | The contractor was given an advance to cover the costs of the turnkey residential house. | 6310 | 5110 | 10000 |
| 4. | The following bills were paid: for the equipment requiring installation of the project institute for the assigned works; of the transport organization for bringing the equipment, for the arrival of the transport | 6010 | 5110 | 500000 |
| 5. | A letter of credit is opened for settlement with goods suppliers. | 5510 | 5110 | 500000 |
| 6. | The short-term loan was paid off | 6810 | 5110 | 60000 |

Banks provide short-term loans to entities to pay for:

for the installation of domestically produced technological and energy equipment of production facilities on the basis of a list of names until the deadline for its delivery, and the granting of loans will continue even after that.

interest is charged annually for the use of loans;

imported equipment: before the deadline for delivery of the planned installation for completeness, but not more than one year: for scattered equipment, as well as for cable products: wire and cable



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before the deadline for delivery of the plan for installation of this equipment, but not more than 6 months. After that, lending will continue.

Based on the regulations on bank loans for other equipment and other documents of the Cabinet of Ministers.

It is prohibited to conclude contracts for the supply of domestically produced and imported equipment for constructions not included in the capital construction plan to the heads of the customer (buyer) enterprise, association, organization.

Banks can foreclose on loans for non-compliance with the terms of the equipment and for the employee who has been laid off to pay for the equipment.

Transactions related to lending are reflected in the accounts of builders in the following order.

In the builder's account, entries on the provision of funds for capital investments to the long-term loan account are written in the general order according to the use of these funds in the funding account.

In this case, long-term credit funds used for financing capital investments are reflected in the accounts and reports in the following order:

When taking long-term loans:

debit 5110 "Account" account

credit 7810 "Long-term bank loans".

Transactions related to the payment of long-term loans are reflected in the accounts of operating enterprises and organizations in the following order:

loan 7810 "Long-term bank loans".

debit 5110 "Account" account.

Short-term loans received by construction organizations are reflected in the account of capital investments in the usual manner under the credit of account 6810-"Short-term loans of the Bank".

Accounting for repayment of loans is reflected by the following entry:

6810 Debit of the "Bank's short-term loans" account

5110 Credit of the "Account" account.

Funds received from customers for payment are directly used to pay off the debt on the above-mentioned types of loans, at the same time, the amount of these loans is reduced according to the due obligations.



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Table 2

Correspondence of accounting accounts for capital investment financing, credit provision and settlements with product suppliers and contractors

| No | Operations | account debit | account credit |
|----|---|--------------------|--------------------|
| 1. | Payment to accounts of product suppliers and transport organizations; From the capital investment funding account. | 6010 (7010) | 5110 (6010) |
| 2. | Payment of a short-term bank loan to the contractor to pay for the equipment to be installed. | 6810 | 5110 |
| 3. | Payment of costs related to allocation and relocation of land due to construction (except for construction work related to relocation), maintenance of monitoring directorate and other construction costs. | 6010 (7010) | 5110 (6010) |
| 4. | Payment of the customer's invoices for completed technological stages and completed technological stages and complex of works for the work performed by the contracting organizations on the entire facility. | 6010 (7010) | 5110 (6010) |
| 5. | Payment of other expenses provided for in the contract price by the customer to the monthly invoices of the contracting organizations | 6010 (7010) | 5110 (6010) |
| 6. | Advance payment to contracting organizations for the volume and costs of the construction and installation works performed during the construction of objects "step-by-step". | 6310 | 5110 |
| 7. | Payment of the value of accepted objects being built as "Tappatakt". | 6010 | 6310 |
| 8. | The increased amount of the value of construction and assembly works received in the current year from the contracting organizations for the objects launched before the reporting year | 6010 | 6310 |



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| 9. | The value of buildings and structures purchased from the state, community organizations at the expense of capital construction funds. | 0810 | 5110 |
| 10. | Amount of revaluation of equipment and inventory due to changes in prices and tariffs due to government orders and directives. | 0710 | 8510 |
| 11. | The main additional cost of goods acquired free of charge or free of charge, including the value of materials obtained as a result of the demolition of objects that have been discontinued and are allowed to be written off. | 1010 1090 | 2310 2710 |

Analytical account of unfinished construction is kept in report 18 "Accounting of capital investment costs". It is opened for a quarter, half a year, and in cases where the number of transactions is small, for a year. In order to be able to create an accounting and statistical report based on analytical accounting data, it should be organized on the basis of accounts, each of which is allocated one (or more) page of the ledger.

Accounts 0810, 0820 are kept in the cross-section of the technological structure of costs for each construction object. In this case, the way to account for equipment by large facilities or shops. They are allocated separately in the cumulative estimates of the construction cost.

Other capital works and expenses - if there are separate estimates for the management of the enterprise under construction and the like, are taken into account by type.