FEATURES OF EQUITY CAPITAL GROUPING AND ORGANIZATION OF EQUITY ACCOUNTS AT FOOD INDUSTRY ENTERPRISES

Abstract: In this scientific article, it has been studied the features of equity capital in the food industry enterprises, and developed proposals for making amendments and additions to existing normative documents using the existing normative documents for the identification of private equity and scientific research of economics scientists.

Key words: source of own funds, equity capital, authorized capital, added capital, reserve capital, retained earnings, target income, reserves for future costs and payments.

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Introduction

From the first years of independence, our economy has been developing thanks to the chosen path of progress. Over the past 26 years, a new stage of development has begun as a result of reforms in all sectors and areas of the economy.

In recent years, the main directions of the development of our independent sovereign state on the basis of a new model, new style and trends have been identified. The adoption of the "Strategy of Actions on five priority areas of the Development of the Republic of Uzbekistan in 2017-2021" by the initiative of the President of the Republic of Uzbekistan Sh.M.Mirziyoev started a new stage of the country's development. As defined in the adopted Action Strategy "Priority directions of development and liberalization of the economy" in the direction of "further modernization and diversification of the industry by transferring it to a qualitatively new level, aimed at accelerating the development of high-tech manufacturing industries, primarily in the production of finished products with high added value deep processing of local raw materials "further development of this area can be achieved through the implementation of priority tasks.

Especially, the food industry is of particular importance in the industry, and as a result of the development of this industry, the demand of the population for high-quality consumer goods is fully satisfied and the provision of high-quality food is achieved.

At the same time, as noted by the President in his appeal to the Parliament, "We all understand that any reform and change can not be achieved without stable economics. We have begun extensive work over this past year. But we still have a lot of tasks to strengthen our national economy and bring our country to the list of developed countries." [5].

Indeed, the implementation of reforms in the field of economic development is one of the most pressing issues of today. At this stage of development, we believe it is necessary to pay special attention to the development of accounting, which is an important part of the economy.

Despite the fact that over the years of independence, studies have been conducted on the development of accounting and its facilities, in the context of the modernization of the economy, no specific studies have been carried out to improve the accounting of equity capital in the food industry, especially in fat-and-oil production enterprises. Therefore, we believe that scientific research on the improvement of equity capital in oil and fat
production enterprises is one of the most actual problems.

Currently, equity capital plays an important role in the effective organization of the activities of economic entities (joint stock companies, organizations with limited liability, small business, family businesses, farms), operating in our country.

Because the equity capital is composed of the sum of the funds formed by the entity as a result of its creation and activity.

The results of the study show that in determining the structure of equity capital, the existing legal framework and ideas of economists are contradictory, and we can see that there are different views of entities on the structure of equity capital.

In particular, Article 19 of the Law of the Republic of Uzbekistan "On Accounting" (new addition) states: "Equity capital consists of the authorized capital, added, reserve capital and undistributed profits." At the same time, the National Accounting Standard No. 14 "Report on Equity capital" states: "The report should disclose information on equity capital and its components, authorized capital, equity, reserve capital, retained earnings (permanent losses), information on own shares and other elements of equity capital"[4]. It should be noted that in these normative documents, there are two types of situations when determining the structure of equity capital of entities.

It can also be seen that during the years of independence, well-known economists of the country had different views in determining the structure of equity capital. Thus, according to the economist K. Urazov, "equity capital consists of: authorized capital, reserve capital and targeted earnings"[10].

In his scientific works, A.Kh. Ibragimov proposes "The difference between the assets and liabilities of the equity capital business entity. Equity capital may increase or decrease depending on the production and payment to the owner of the property, additional investments and the results of other activities. Equity capital consists of three parts: authorized capital; added capital; reserve capital" [8].

As N. Jurayev and others noted that "the main source of the enterprise's own capital formation is its authorized capital, which is a set of funds invested by its owners to the enterprise. The procedure for the formation of authorized capital is regulated by law and constituent documents. In particular, the authorized capital of state-owned enterprises reflects the funds allocated by the state for the operation of the enterprise upon commissioning of the enterprise" [9].

A.Karimov and others point out that "newly established enterprises in the conditions of market economy independently form their own financial and material resources. These resources are usually created by the founders of the business as a contribution to their authorized charter capital. The functions of accounting for capital, reserves and undistributed profits in enterprises of all forms of ownership are as follows:

- control over the formation and use of the authorized capital;
- collection of information on the founders of the enterprise, the stages of capital formation and types of shares;
- Ensuring receipt of information on drawing up a report on the status and movement of authorized capital;
- timely reflection of operations related to the addition of capital and reserve capital in the account;
- timely accounting and control of the formation and distribution of the net profit of the enterprise" [7].

Part 4 of the National Accounting Standard 21 is called Private capital, in which the structure of equity capital and accounts for their accounting are given. (Figure 1).

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**Figure 1. Classification of accounts accounted for equity capital by the entities.**
Impact Factor:

ISRA (India) = 4.971  SIS (USA) = 0.912  ICV (Poland) = 6.630
ISI (Dubai, UAE) = 0.829  PHHH (Russia) = 0.126  PIF (India) = 1.940
GIF (Australia) = 0.564  ESJI (KZ) = 8.716  IBI (India) = 4.260
JIF = 1.500  SJIF (Morocco) = 5.667  OAJI (USA) = 0.350

Studies have shown that in determining the structure of equity capital in business entities there are different views in the regulatory documents and different points of view of economists. This creates a number of inconsistent cases of accounting for equity capital and the associated economic relations.

It is well known that equity capital plays an important role in the effective organization and financing of the activities of entities. Therefore, it is desirable to clearly define the structure of equity capital of entities. Only then can the economic relations associated with them be achieved.

Table 1. Classification of the equity capital in the business entities

| Indicators                      | Sources |
|---------------------------------|---------|
|                                 | Law "On accounting" | NAS 14 | NAS 21 | K.B. Urazov | A.K. Ibragimov | I. Yu. Jurayev | A.A. Karimov |
| Authorized capital              | +       | +       | +       | +           | +            | +             | +            |
| Added capital                   | +       | +       | +       | +           | +            | +             | +            |
| Reserve capital                 | +       | +       | +       | +           | +            | +             | +            |
| Purchased own shares            | +       | -       |         |             |             |               |             |
| Undistributed (saved) profit    | +       | +       | +       |             |             |               |             |
| Targeted earnings               | +       | +       |         |             |             |               |             |
| Reserve of future costs and payments | +        | +       |       |             |             |               |             |

Based on the table above, we believe that it equity capital should include authorized capital, added capital, reserve capital, undistributed profit, targeted earnings and future costs and payments reserves. and the first paragraph of Article 19 of the Law of the Republic of Uzbekistan "On Accounting" in the new edition is to be defined in the following wording: "Equity capital consists of authorized capital, added, reserve capital, undistributed profits, targeted earnings and future costs and payments reserves".

Also, we propose to add the following paragraphs to Article 19 of this Law, Paragraph 6 "Targeted earnings contain information on the status and movement of target financing, as well as the receipt and expenditure of membership fees and other non-repayable funds intended for the implementation of targeted action", Paragraph 7 "Refers to the status and behavior of the Reserve Sums set forth in the prescribed manner for future expenditures and payments".

Accounting for the centers of responsibility from the standpoint of economic analysis can be called the most convenient, since it has sufficiently detailed data in order to conduct a factor analysis on the basis of the places of occurrence of income and losses, as well as specific reasons. The accounting of activity on divisions on the principles of the centers of responsibility will allow to reveal the end result and to estimate efficiency of each of them, to eliminate negative results in their activity [6].

Studies show that such a definition of the structure of equity capital is important for maintaining accountability and the correct formation of sources of own resources of entities.

The existing normative documents stipulate that the newly established business entities independently formulate their financial and material resources. Such resources are usually created by the founders of the entity as a contribution to their authorized capital. As a result of this activity, other items of private capital will be formed, and calculations related to the structure of equity capital determined by us will be made.

1 Developed by the author as a result of research.
### Impact Factor:

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| ISRA (India) | 4.971 |
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