EVALUATION AND ACCOUNTING OF MATERIAL WORKING CASH IN AGROCLASTERS AS AN OBJECT OF ACCOUNTING

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ABSTRACT

This article examines the economic nature, types and accounting of working capital in agro-clusters as an object of accounting on the basis of national and international accounting standards, compares and evaluates their differences and conducts accounting on the basis of international standards. aspects are explained.

Keywords: Cluster, agrocluster, working capital, material working capital, value, valuation, accounting, active account, FIFO, LIFO, AVECO.

INTRODUCTION

In recent years, liberalization of foreign trade, tax and financial policies to support the economy, entrepreneurship and ensure the inviolability of private property, the organization of deep processing of agricultural products, food security of the population and the rapid development of the regions effective measures have been taken to ensure development.

At the same time, the most important tasks of the agricultural sector of the country today are: “Specialization of districts for the cultivation of certain types of products. Expand government support for agriculture and introduce new insurance mechanisms. 464,000 hectares of new and decommissioned land will be developed and allocated to clusters on an open basis. Reduction of 200,000 hectares of cotton and grain fields and given it to citizens to long-term lease on an open basis. Growing export-oriented crops and developing fruit and vegetable production, increasing the area of intensive orchards by 3 times and greenhouses by 2 times, and increasing the export potential by another $ 1 billion. Improving the system of science and innovation-based agricultural services.One of the urgent tasks is to provide agro-industrial enterprises with raw materials and increase production by 1.5 times."

To achieve these goals, the State Program for the Implementation of the New Uzbekistan Development Strategy for the Year of "Human Dignity and Active Neighborhood" will increase incomes by at least 25% by 2022 through intensive development of agriculture on a scientific basis. Reducing the cost of production by 30-35%, achieving an average yield of 37 centners of cotton and 70 centers of grain, replacing biologically obsolete varieties with 8 high-yielding, early-maturing, high-fiber and high-quality cotton and expansion of the area of 12 grain varieties;

To establish 110 fruit and vegetable cooperatives and 35 grain clusters in the regions. At the same time, the clusters will increase the volume of production of fruits and vegetables and finished products with high added value, as well as their share in exports by 2 times and creating new jobs by 3 times".

In carrying out these tasks and measures, it is important to increase the efficiency of accounting and control and use of available funds in agro-clusters, in particular, working capital. In the practice of agro-clusters, the majority of current assets are working capital. At the same time, the share of working capital in the cost of production is high, and their effective use in reducing the cost of production leads to a reduction in the cost of production.

The large share of working capital in current assets, their diversity and the seasonal nature of their use make the process of classifying, accounting for and controlling them labor-intensive and complex. In addition, working capital is a relatively highly liquid asset, with clear, timely accounting and effective control over them and their effective use, prevention of inefficient costs, ensuring full safety, quality of audit of working capital, the issues of conducting and providing management with accounting information are of particular importance.

MATERIALS AND METHODS

The normative and legal documents implemented in the country, the scientific work of economists, the area of land attached to the existing agro-clusters, including arable land, crop yields and livestock productivity, statistical data reflecting the gross yield of agro-clusters and materials of scientific research results were used. Observation, grouping, analysis, and other methods were used in research.

ANALYSIS AND RESULTS

Uzbekistan has a new approach to the establishment of agro-clusters, based on the institutional and structural changes in agriculture, which require the continuous improvement of legal,

organizational and economic relations between business entities and the industry, the implementation of the new ways are becoming one of the important tasks of agrarian policy today.

"Agrocluster is the integration of agricultural production, processing and sales processes into a single chain and the use of high-tech innovations, as well as increasing the competitiveness of agricultural products in the domestic and foreign markets, the formation and development of infrastructure in rural areas. It consists of business entities working to increase employment and income, as well as to improve the quality of agricultural products and the environment in the future".

The total number of clusters established in the country is 463, "in the aim of creating a favorable agribusiness environment and value chain including 25 cotton-textile (106 thousand hectares), 80 grain (801 thousand hectares), 13 rice farms (17,000 ha) and 2 drug clusters have been established. As a result, in 2021, 122 cotton-textile, 157 grain-growing, 146 fruit-and-vegetable growing, 29 rice-growing, and 9 medicinal plant clusters operated. As a result of the introduction of science, innovation and advanced technologies in the industry, agro-clusters have grown 3.4 million tons of cotton and about 7.8 million tons of grain. A total of 118 projects worth 8.4 trillion soums were launched by cotton and textile clusters, 42 by grain clusters worth 783.7 billion soums, and 22 by fruit and vegetable clusters worth 328 billion soums. 24,000 new jobs have been created".

Accounting for working capital, which is an important object of accounting, is regulated by the National Accounting Standard (BHMS) No. 4 "Inventories". Inventories are tangible and intangible assets held in the ordinary course of business for the purpose of subsequent sale and available in the production process, as well as in the production of goods, works or services or for administrative and socio-cultural functions. The share of working capital in the cost of goods produced by enterprises, which has a high share in the structure of assets, varies from 45% to 80%, depending on the area of activity of enterprises. In agro-clusters, the share of working capital in the cost of production is 40-60%.

The effective use of working capital in agro-clusters is directly related to the organization of accounting, the main purpose of which is to properly document the movement of current assets in the primary documents and ensure their internal control, as well as to be effective in spending. The formation of the cost of the product on an economic basis as a result of the application of the desired valuation methods.

Warehouses will be set up in agro-clusters to ensure material storage. The head of the enterprise is responsible for the organization of the warehouse and equipping it with appropriate equipment. The warehouse manager is the materially responsible person for the stocks and products stored in the warehouse. The warehouse manager keeps track of the warehouse. According to the document flow schedule, the warehouse manager submits a "Report on the movement of inventories" to the accounting department, accompanied by receipts and disbursements.

The availability and movement of raw materials, materials, fuel, spare parts, components, purchased semi-finished products, structures, details, packaging materials, inventory, farm equipment and similar values belonging to agroclusters which are the generalization of the information is carried out in the synthetic accounts in the accounting plan, consisting of 1000 "Accounts for materials" in the chart of accounts.

Materials are accounted for at the lowest of two prices in the accounts - at actual cost (purchase price or cost of production) or at market price (net realizable value). If necessary (when the range of materials used is large, the movement of materials within the enterprise is intensive, in agricultural production, etc.), the inventory of materials can be kept at book value. The estimated cost includes the plan cost, average purchase price, wholesale price, etc. When accounting for materials at cost, each month, the amount and percentage of the difference between the actual cost and the stated value are calculated.

In the agro-cluster "Kamalak Invest" there are accounting entries on the receipts and disbursements of working capital. The main links to these accounts are:

1. When working capital is earned by transferring money from suppliers:

Debit 1010 - 1090 Credit 6010;

2. When paying for working capital purchased by money transfer from suppliers:

Debit 6010 Credit 5110;

3. Upon receipt of working capital from the liquidation of fixed assets;

Debit 1090 Credit 9210;

4. When working capital is spent on basic production

Debit 2010 Credit 1010-1090;

5. When working capital is spent on ancillary production:

Debit 2010 Credit 1010-1090;

6. When working capital is used for general production needs:

Debit 2510 Credit 1010-1090;

7. When working capital is used for administrative needs:

Debit 9420 Credit 1010-1090;

In accordance with BHMS 4, the value of inventories and inventories that are disposed of (as well as for production) is determined using one of the following methods:

a) at the identified cost of the unit;

b) by weighted average value (AVECO);

d) Initial cost of inventories at the time of acquisition of inventories (FIFO).

In international practice, the LIFO method is also used.

Line 020 of Form 2 of the Financial Statement "Statement of Financial Results" shows "Cost of goods sold (goods, works and services)". the cost of inventories is deducted and the cost of materials under BHMS is found using the FIFO method and the AVECO method.

Only one method of determining the value of each group (type) of working capital during the reporting year. The use of one of the methods of determining the value of a group (type) of inventories is based on the admissibility of the accounting policy sequence.

At the end of the reporting period, the cost of inventories is determined based on the method used to determine the cost of inventories at the time of their disposal.

The method used to determine the value of inventories in the disposal of inventories should be reflected in the entity's accounting policies.

We conduct calculations using the above methods based on data from the “Kamalak Invest” agro-cluster below. The following materials (Table 1.1) were purchased in the agro-cluster during the year:

Table 1.1 Cost of working capital in the agro-cluster "Kamalak Invest"

Date of purchase	Quantity, kg	One unit of material value, soum	Total value, thousand soums
20.09.2021	10000	4500	45000
04.10.2021	17000	4800	81600
26.10.2021	15000	5200	78000
Total	42000	x	204600

As can be seen from Table 1.1 above, in 2021, the Kamalak Invest agro-cluster purchased a total of 204,600,000 soums of working capital.

Table 1.2 Evaluation of materials by the FIFO method

Consumption of materials	Quantity, kg	One unit of material value, soum	Total value, thousand soums
1st party	10000	4500	45000
2nd party	17000	4800	81600
3rd party	10000	5200	52000
Total spent:	28000	x	178600
Balance in the warehouse	14000		26000

When we look at the procedure for evaluating materials by the FIFO method in Table 1.2, we see that in 2021, 178,600,000 soums of working capital were spent, and by the end of the month, 26,000,000 soums worth of goods remained in the agro-cluster warehouse.

Table 1.3 Evaluation of materials by the AVECO method

Consumption of materials	Quantity	One unit of material value, soum	Total value, thousand soums
1st party	10000	4500	45000
2nd party	17000	4800	81600
3rd party	10000	5200	52000
Total spent:	28000	4871,4	136399,2
balance in the warehouse	14000	4871,4	68199,6

When we evaluate the materials in the agro-cluster "Kamalak Invest" by the AVECO method (Table 1.3), it is known that in 2021, 136399.2 thousand soums of working capital were spent, leaving 68199.6 thousand soums in stock.

The average unit cost is determined by the AVECO method as follows:

(204600: 42000) = 4871.4 soums.

Using the above methods, we determine the cost of materials consumed and the costs allocated to inventories at the end of the year:

By FIFO method:	
Revenue from sales	325000
Total material cost	204600
Balance at the end of the reporting period	26000
Cost of materials used	178600
Gross profit	146400

By AVECO method:	
Revenue from sales	325000
Total material cost	204600
Balance at the end of the reporting period	68199,6
Cost of materials used	136399,2
Gross profit	188600,8

From these calculations, it can be seen that the overall benefits of the agrocluster varied when different methods of evaluating materials were used.

It is advisable to use the FIFO method when compiling balances in agro-clusters, as the value of working capital is closer to the current price at the end of the reporting period and more accurately reflect agro-cluster assets.

CONCLUSION AND RECOMMENDATIONS

Based on the above, the following suggestions are made to improve the accounting of working capital in agro-clusters:

-in the process of receiving, storing, transferring to inventory and accounting for finished products, the accounting documents are categorized, and instead of duplicating documents, documents are proposed to ensure the completeness of the information;

-accounting entries for the movement of working capital are made on the basis of applicable regulations. In order to streamline and simplify these records, it is necessary to open a synthetic account in agro-clusters entitled "Transportation and procurement costs" and take into account the costs associated with the purchase and production of all working capital. We offer to write off and make accounting entries (postings) depending on the weight of production costs;

- we propose to use the FIFO method in the assessment of working capital and reflect it in the "Accounting Policy of the enterprise".

In general, we believe that the proposals developed by us to improve the accounting of working capital, if implemented in the practice of agro-clusters, will lead to effective management decisions on them.

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