

ACCOUNTING FOR RENTED FIXED ASSETS

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ABSTRACT

The article addresses the issues of accounting for leased fixed assets and the relationship between lessors and tenants. The economic nature of leases and lease relations is disclosed.

Keywords: *Rent, rental interest, land rent, property.*

In the new economic conditions, monopoly state property is being replaced by new forms of management and property: rent, cooperative, joint-stock, national enterprise, farming and even private property.

Therefore, the problems of accounting for lease relations are becoming increasingly important. Here we intend to consider the issues of accounting for leased fixed assets and settlements between the subjects of the lease agreement.

In the Fundamentals of Lease Legislation, the following legal definition of the concept of "lease" is given: "Lease is based on an agreement, urgent paid ownership of land, other natural resources, enterprises (associations) and other property complexes, as well as other property necessary for the lessee to independently carry out economic or other activity. " The subjects of the lease (property lease) agreement are the lessor (lender) the lessee (tenant).

The lessor is the owner (possessor) of the leased property or the body (organization) authorized by the owner to lease the property, the Lessee is a legal entity or individual who has assumed the obligation to use the property in accordance with the contract and the purpose of the property, maintain it in good condition and in a timely manner pay rent.

The question arises: what should be understood by property? Neither the Fundamentals of Leasing Legislation, nor the Fundamentals of Civil Legislation, nor the civil codes disclose the content of this concept, which is widely used in regulatory legal acts. Most often it is used in civil law to designate a set of things and material values, money, securities (stocks, bonds, savings and treasury certificates, bills of lading, bills receivable, etc.), owned or in operational management (with the right of ownership, use and disposal) of a legal or natural person. In the literature, you can also find such interpretations of the term "property":

- 1) a set of things and property (material) rights to receive things or other property satisfaction from other persons (what the accountant calls a balance sheet asset);
- 2) a set of things, property rights and obligations, which characterizes the property status of their bearer (in accounting language - the asset and liability of the balance sheet).

According to the legislation, land and other natural resources can be leased; enterprises (associations, organizations, structural units, production, workshops, other divisions as single complexes of production assets; individual buildings, structures, equipment, vehicles, tools, other material values.

But is it reasonable to classify material assets included in the working capital as leased objects? I think not. Some economists rightly believe that working capital cannot be leased. So, A.M.Matlin writes: "Natural questions arise: is it possible to lease stocks if the tenant has to sell them and give money to the lessor for them? This operation is not at all like leasing property for temporary use! The leasing of funds is just as unconvincing. This operation has always been called a loan, credit, but never a lease.

Therefore, I undertake to argue that the entry on working capital recommended in the model lease agreement does not correspond to the economic merits of the case and has no legal force. This means that circulating assets and trade as a type of activity are not subject to lease, although without circulating assets the lessee cannot engage in trade activities. "(1.p. 153-154)

Unfortunately, the economic essence of lease relations is not shown in political economy textbooks, economic encyclopaedias and dictionaries. (2.) The classic analysis of the economic nature of property lease was made by F. Engels in his work "On the housing issue". He explains: "The sale of a commodity, as you know, consists in the fact that the owner gives up its use value and receives its exchange value. In relation to goods with a long period of wear, it appears, therefore, the opportunity to sell their use value in parts, each time for The sale in parts, therefore, realizes the exchange value only gradually; for this refusal to immediately receive back the advanced capital and the profit relying on it, the seller is rewarded with a premium to the price, by calculating interest, the rate of which is determined by no means arbitrarily, but by the laws of political economy. " (3. p. 429-430) A property lease agreement is a commodity transaction formalized by a lease agreement. The rent (rent) includes: 1) land rent (in relation to land, buildings, premises, structures); 2) interest on capital invested in the leased property; 3) repair and insurance costs; 4) annual repayment (depreciation), including profit, as the property becomes unusable. (4.p. 393., 430).

In our conditions of management, the rent consists of depreciation deductions from the value of the leased property, repair costs, if its production by the lease is entrusted to the lessor, payments for compulsory property insurance and rental interest (part of the profit that can be obtained from the use of rented objects). The amount of the rental interest is established by the agreement at a level, as a rule, not lower than the bank interest rate. The rent for land and other natural resources, buildings, premises and structures also includes land rent.

In the literature, there are unsuccessful attempts to reveal the economic meaning of rent. Here is one such example. "According to its political and economic content, rent (3) payment is a special type of rent payments. It arises from the fact that the owner has transferred property to another person." (5, p. 133) Rent (here we mean land) and rent, if we are talking about the lease of land, other natural resources, buildings, premises and structures, although they are interrelated, but not identical. K., Marx in many places in the III volume of "Capital" emphasized the difference between these concepts. The rent paid to the owner of land, natural resources, structures, industrial, commercial, residential and other buildings includes land rent, which is an economic form of the sale of land property, interest on capital invested and other payments listed above. , cars, inventory, tools, for household rental (a type of rental) rent is not included at all.

The current regulatory documents provide for two, so to speak, accounting regimes for the movement of leased property:

1) individual objects - buildings, structures, equipment, vehicles, inventory, tools, etc. ; 2) fixed assets as part of leased complexes - enterprises (associations, their structural units, production facilities, workshops, and other subsections The fixed assets received for lease are prescribed to the tenants to take into account in the first case on the off-balance account "Leased fixed assets", in the second case - when leasing enterprises (associations) or their structural units (subdivisions - on the balance sheet account "Fixed assets" (subaccount "Leased fixed assets), and their depreciation - on the account "Depreciation of fixed assets" (subaccount "Depreciation of leased fixed assets"), thus make inconsistencies in the accounting of leased fixed assets.

In the second case, in accordance with the Instructions, the lessor writes off the fixed assets leased out to him in order to reduce his authorized capital (in terms of the residual value) and depreciation. Their presence

and movement (receipt, liquidation, sale, return to the lessor, gratuitous transfer, sublease), depreciation and depreciation are taken into account only by the leased enterprise and are reflected in its balance sheet. The leased company also maintains analytical accounting of fixed assets. The authors of the Guidelines seem to have very broadly interpreted the legislation on leasing, suggesting that the enterprise, acquiring the status of a lease, thereby becomes the successor of the property rights and obligations of the state enterprise that it has rented. In fact, this is not the case. In the Fundamentals of Legislation, it is not at all about the succession of the leased enterprise of ownership of the leased property. The landlord is the exclusive holder of this right. Under the contract, he transfers the powers to the leased enterprise for temporary possession and use of the property. A lease agreement does not deprive the lessor of the ownership of the property that belongs to him, but is in lease use. It is incongruous to deduct from the authorized capital of the owner, whether it is a state enterprise, to shareholders by a company, a limited liability company or a cooperative, the value of the leased property. After all, the authorized capital (the decisive part of the capital - property) largely characterizes the size of the property owned by the enterprise as property.

The authorized capital in the amount of the residual value of the leased fixed assets by the will of the authors of the Instructions disappears altogether, ceases to be an object of accounting for both the lessor and the leased enterprise, drops out of the balance sheet. According to the instructions, this part of the statutory fund, legally and economically owned by the lessor as the owner of the leased property, is accounted for by leased enterprises on the subaccount (with an absurdly worded name and distorted content) "Fund in leased fixed assets" to the "Special Purpose Funds" account.

It is also illogical that information on the movement and condition of the leased fixed assets is not collected, processed and summarized by the accounting department of the lessor.

However, the accounting procedure regulated by the Instructions has its own reason. It simplifies the accounting procedure as much as possible and reduces the number of records of transactions with leased property in the lessor's accounting department. Yet this advantage is bought at a high price. In the balance sheet of the landlord, not only the property belonging to him will not be reflected, but even the ownership right to it. He, as shown above, does not have comprehensive and timely information about the movement and condition of leased fixed assets. And without it, effective control over their use, over the execution of the contract by the lease enterprise, is unthinkable, the disadvantages of this accounting method are far superior to its only plus.

The owner's control over the use of the property by the leased enterprise in accordance with its purpose, over the maintenance of the facilities in good condition is not even mentioned in the Instructions, meanwhile, the property interests of state enterprises (and they mainly act as lessors) must be protected in every possible way. State property should not be squandered, squandered, or taken apart. It is necessary to legislatively guarantee the protection of the property rights of lessors, since this is not provided for by the Fundamentals of Lease Law.

We must not forget that the tenants can be, in addition to state-owned enterprises, subjects and other forms of ownership - cooperatives, joint ventures, international organizations, foreign legal entities and individuals.

In our opinion, the methodology for accounting for leased fixed assets, as described in the Instructions, can be applied if the lessor and the leased enterprise are subordinate to the same economic entity - an association, organization, trust, firm, etc. The lease agreement should establish the right of the lessor to exercise control over the movement, preservation and use of the fixed assets transferred to the leased enterprise. It seems

economically untenable to state that a part of the rent equal to the rental interest should be recovered from the profit remaining at the disposal of the lessee. Does the purchaser (buyer) isolate from the price the profit received by the manufacturer and seller of the good when buying any commodity (means of production) at a wholesale or retail price? Of course not. The entire rent for the tenant is the same price of the goods, but purchased in parts. The rent must be fully included in the costs of production or circulation of the rental enterprise. By the way, interest paid for short-term bank loans (except for interest on overdue and deferred loans and borrowings received to compensate for the lack of own circulating assets), on promissory notes issued to suppliers and other counterparties, for the provision of commercial credit by counterparties (without issuing promissory notes), etc., borrowing enterprises include in the cost of production (work, services) or circulation of goods. The rental interest, if, of course, proceeding from its true economic nature, is for the tenant nothing more than the cost of funds. production of products or sale of goods.

Another thing is the rental interest for the lessor. The rental interest is the profit (income) received by the lessor for the leased property. The rental interest should be added to the profit of the lessor and taxed on a general basis, and not sent to the fund for the development of production, science and technology.

The rental interest, in our opinion, should be calculated from the residual value of the leased fixed assets at the beginning of each month. Calculating the rental interest based on their average monthly residual value is complex and difficult to implement in practice.

Contradicting the economic essence of the lease is the fact that the lessee, not being the owner of the leased property, nevertheless creates a depreciation fund. Logically, such a fund should be formed by the landlord; he also uses the funds of the fund to finance capital investments or contributes to the state budget.

The redemption of the leased property and its transfer into the ownership of the lessee is carried out in two ways:

- 1) upon the end of the amortization period and the payment of all the rent due from the lessee;
- 2) before the expiration of the amortization period, provided that the lessee has transferred the rental payments to the lessor with the residual value of the property.

Early redemption of property is possible when the tenant has the necessary financial or credit sources for this - a fund for the development of production, science and technology, a special loan from commercial, cooperative and state banks, attracted funds from other enterprises and organizations, contributions of the labour collective to a joint stock fund, depreciation deductions from cost of own fixed assets, proceeds from the sale of property owned by the lessee.

The purchase of leased fixed assets is not a capital investment. Funds from the redemption of the property of a state enterprise are transferred to the appropriate (local, republican) state budget.

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