

FROM THE HISTORY OF THE DEVELOPMENT OF ACCOUNTING

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Abstract: *In article on base of the study to scientific activity known scientist Luka Pacholi are analysed history and stages of the formation of the accounting, is researched Influence of his (its) works on shaping modern accounting.*

Keywords: *accounting, system of the account, double-sided record, debt, decimal of the numeral, history source, greater of the numeral, balance, debit, credit, written literature, merchant, trade, proportion, disquisition, system approach, accounting balance.*

In history, accounting and writing appeared almost simultaneously. The earliest written sources date back to 6600 BC. At that time, writing was widespread in Ancient Egypt and Ancient Rome, where life itself required the wide spread of calculation. The development of arithmetic, in turn, led to the development of writing and mathematics, which are an integral part of the civilization of human society. It is known from written sources that in 4000 B.C., Egyptian farmers paid the tax for land and the use of Nile River water to irrigate it with grain and sesame seeds.

Tax collectors displayed the record of tax collection in hieroglyphs on the walls of peasants' houses. Archaeologists believe that Mesopotamia's clay tablets indicate the first principles of arithmetic.

The development of the accounting system dates back to 2000 BC in China, and elements of double-sided writing also existed in Ancient Rome. According to scientists, the concept of "amortization" was also known to the Romans at that time. Accounting was also widely used in the Islamic world. Verse 282 of Surah Al-Baqara, written 1435 years ago, says: "Write it down when you make a loan for a certain period of time. Let a writer among you write with justice. No writer should refuse to write as God has revealed. " [1]

It is necessary to document and write down this verse when we make a loan. This writer is actually an accountant. There is also a reference to the accountant's fairness: "Let a scribe among you write with justice."

In accounting, there is also talk about the absolute refusal of the accountant to add or subtract. "Let no writer refuse to write as Allah has revealed."

In Al-Khwarizmi's book *On Indian Arithmetic*, numbers played an important role in the history of accounting. The numbers of the decimal system discovered in India (0, 1, 2, 3, 4, 5, 6, 7, 8, 9) were first described by Khwarizmi in Arabic.

Before the spread of this number system, Roman numerals were used, which were rather crude and awkward. The discovery of the decimal system was a real revolution in the number system. Historical sources indicate that writing the largest numbers using the so-called Arabic numerals 0, 1, 2,

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3, 4, 5, 6, 7, 8, 9, and using zero, and specifying locations, came to Europe from the Arabs in the 10th and 11th centuries.

In the Middle Ages, there was a continuous development in the theory of double-entry accounting. As a result, it was formed by the end of the 15th century. It was from this time that "balance", "calculation", "debit", "credit" and other concepts began to be used in accounting. At that time, the first printed written source on accounting in Italy appeared. In this regard, two main periods are defined in the history of accounting: the period before written literature and the period after. The first period is defined by the absence of written literature, while the second period is defined by the presence of literature.

A printed book on accounting was written in Venice in 1494 by Luca Pacoli. He was born in 1445 in the town of Bargo San Sepolcro in the family of Bartolomeo. There were three sons in the family, one of whom was named Luka.

As a child, Luca helped a merchant named Folco de Belfolci. Luca's upbringing and education was greatly influenced by his uncle Benedetto. Luca Pacoli studied in the workshop of artist and scientist Francesca until the age of 19, then he worked as an accountant in Venice for a wealthy merchant named Antonio de Rempiazi.

In 1470, Luca arrives in Rome and settles in the house of the architect and scientist Leon Battista Alberti. Thus Luca Pacoli met the second great man in his life. Conversations with that person and joint activities have a great impact on the spiritual world of mathematicians and accountants. By 1472, 27-year-old Luca Pacoli is a professor at the University of Perugia is invited to the position. At the university, he gave lectures on geometry and algebra and received great attention. Luca Pacoli is a scientist who has achieved few great achievements in the fields of philosophy, thermology, and mathematics. He writes an encyclopedia on mathematics.

In 1493, he completed the book he had written during the 13th Pil. In 1494, Luca Pacoli's big book "Arithmetic, sum of geometry, doctrine of proportions and proportions" was published. The book consists of two parts, the first part covers arithmetic and algebra, and the second part covers geometry. The large published work of Luca Pacoli undoubtedly increased his fame. In 1496, the Department of Mathematics was opened at the University of Milan, and Luca Pacoli was invited to it. He meets Leonardo da Vinci, the third great man, in Milan and works together. In 1499, after the French army occupied Milan, Leonardo da Vinci and Luca Pacoli went to Florence. Here the Poles of the two friends are separated. 1501 Pili Luca Pacoli comes from Florence to Bologna to head the mathematics department of the oldest university in Europe. Four years later, in 1505, Luca Pacoli came to Florence and lived in a monastery.

He spends all his free time on his work called "Divine Proportion". At the age of 63, Luca Pacoli began to write his work "On Quantitative Forces". In the preface of the unpublished manuscript, Luca Pacoli, who is quite self-conscious, writes, "The last days of my life are approaching." In 1510, Luca Pacoli said goodbye to Venice for life and settled in the monastery of San Sepolcro in his hometown.

He bequeathed his property to his three nephews and one nephew's wife (daughter-in-law) and spent the rest of his life in a monastery.

Luca Pacoli's "Treatise on Accounts and Records" consists of 36 chapters, and he explains each chapter with examples. In this book, he explained the binary notation method for various operations. A double entry system is a method of recording financial transactions that requires two entries for each transaction. In this case, the principle of equality of accounting is preserved.

Luca Pacoli's book attracted the attention of major merchants and prominent law enforcement officers of the time. The significance of this book was that it was the first to use a systematic approach



to accounting, and it also defined the balance sheet, showing the accounting tasks, the requirements for the merchant and the accountant, the basic accounting procedure, and the laws.

Thus, Luca Pacoli's "Treatise on Accounts and Records" has not lost its relevance even today, but on the contrary, its contribution to the developing economic science is incomparable. For example, Article 6 of the Law of the Republic of Uzbekistan dated 30.08.1996 No. 2734 "On Accounting" entitled "Main Rules of Accounting" states "Maintaining accounting in double-entry bookkeeping".

Luca Pacoli's contributions to the science of accounting are immeasurable and include:

- was the first to use a systematic approach to accounting;
- was the first to determine the requirements for accounting, traders and accountants;
- first of all, what is the accounting balance and its essence was defined;
- explained the rules for reflecting economic transactions in accounting;
- discovered the method of double-sided recording of various operations in accounting;
- introduced the terms used in accounting, debit, credit, vedomost and several others, and defined them.

Thus, the period of development of calculation in the form of written literature begins in 1494. But this book was only the first among major accounting works. Because in Florentine trading and banking companies double-sided writing was used long before the publication of the tract. In the 14th century, almost all accounting methods known in accounting were used in the accounting of these companies, and accounting reports were drawn up. They performed tasks such as determining financial results, which were considered difficult for accounting, and even determining them by activity.

At that time, a statue was erected in honor of the accountant. Currently, this statue is kept in the Louvre Museum in Paris. It is a bridge connecting the period from the Middle Ages to the literary period in Europe, and it is a treatise by Luca Pacoli. The "Venetian method" of the treatise was an extremely simplified version of double-sided writing. This was a big step forward, especially for companies in countries that did not know systematic accounting at all. The "Venetian method" of accounting is the cornerstone of the development of accounting in the world, "Treatise on Accounts and Records" became the unwritten standard for explaining the curriculum. Thus, accounting in enterprise management since the 15th century accounting begins to play a big role, because it forms information about the financial and economic activity of the enterprise. The word "bookkeeper" appeared in Germany on February 13, 1498, that is, 4 years after the publication of the work of Luca Pacoli, by order of the Roman emperor Maximilian I.

In Russia, in 1721, by order of Peter I, the German Zimmerman was appointed chief accountant for the first time. The stage of development of accounting after the period of stagnation of the Middle Ages corresponds to the end of the 19th and 20th centuries.

The growth of industrial production, the creation of shareholder capital, the increase of capital investments, especially the development of the economy in the United States and England, created the need to identify and classify accounting and financial results. For example, the increase in capital investments enabled the use of the concept of "amortization".

The need for management information on production and sales costs has crossed the costing question.

The separation of owner and manager functions led to a change in accounting duties. That is, he demanded that the report be submitted not only to the manager, but also to investors, creditors and state authorities. Thus, with the beginning of the industrial revolution, the accounting profession began to take shape. If according to the directory of 1773 there were only 7 accountants in Edinburgh, then by the end of the 19th century, the "Society of Accountants" was established here and it worked



actively. In 1880, Queen Victoria approved the establishment of the Institute of Professional Accountants in England and Scotland.

Since then, the activity of professional accountants has been recognized at the state level.

The history of the development of accounting in Uzbekistan begins with a large-scale economic reform under the leadership of the President of the Republic of Uzbekistan, Islam Karimov, after gaining independence. Accounting reforms are a logical continuation of economic reforms.

Accounting reforms are a logical continuation of economic reforms. In the process of accounting reform, a number of regulatory documents were adopted, which brought accounting and reporting to the level of compliance with global requirements.

First, the regulation "On the structure of expenses" was adopted. This regulation was developed in May 1995, with appropriate changes, by the Cabinet of Ministers of the Republic of Uzbekistan dated February 5, 1999 54 was implemented with the Decision no. On August 30, 1996, the Law of the Republic of Uzbekistan No. 279-1 "On Accounting" was issued, and it clarified all issues related to accounting in the market economy.

On April 13, 2016, AMENDMENTS AND ADDITIONS WERE INTRODUCED TO THE LAW OF THE REPUBLIC OF UZBEKISTAN "ON ACCOUNTING" National accounting standards have been introduced since 1998 to bring financial accounting and reporting to the level of international requirements.

A committee on national accounting standards was established under the Ministry of Finance to reform accounting and prepare new national accounting standards in Uzbekistan. So far, 24 National Accounting Standards have been developed and put into practice by this committee.

The committee forms uniform basic requirements for the quality, reliability, completeness and timeliness of accounting and reporting; constantly examines existing standards to meet economic reality and international requirements and prepares new standards.

Currently, the Conceptual framework and 22 national accounting standards are in practice in the Republic of Uzbekistan.

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