



METHODOLOGY FOR ASSESSING THE VALUE OF SHARES BASED ON THE METHOD OF NET ASSETS

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Annotation: *In this example, all the coefficients shown are very similar. Sometimes they differ greatly, even in the same industry, because one or more coefficients have been distorted for some reason. For example, a company's market price could be unusually high due to bidding speculation, or its current year's profit could be unusually low due to one-time restructuring costs. In general, it is better to exclude any P/E coefficient that seems significantly different from others from further calculations. It is also necessary to carefully study the list of activities of those listed companies that we have selected for comparison.*

Keywords: *stock exchange, repayment, conceptual rules*

The fact is that large listed companies are often characterized by some diversification. For example, despite the fact that Tesco is considered a British supermarket chain, about a third of its revenue is earned abroad, and, in addition, the share of clothing, electrical goods and financial services in the company's sales structure is rapidly growing. Therefore, using Tesco as a model for a chain of conventional grocery stores should be approached with caution so that too many distortions do not creep into the P/E ratio. In this case, for the purposes of our example, we will assume that any misstatements are not significant. There are many reasons why you have to worry about valuing businesses – for example, buying and selling companies, getting listed on the stock exchange, calculating inheritance tax or capital gains tax, etc. As a rule, the main difficulties with valuation relate only to companies whose shares are not traded on the stock exchange, since you can always view stock quotes for listed companies. However, even listed companies can pose valuation challenges, for example, when trying to predict the impact of a company

takeover on the stock price. When acquiring a company, what its new owners claim depends on their ownership interest.: Majority shareholders are entitled to their share of the profits and, since they can vote for the liquidation of the company, their share of the company's net assets. minority shareholders have the rights to dividends (the amount of which is determined by the majority shareholders), and the rights to a share of net assets if the majority shareholders decide to liquidate the company. Thus, since minority shareholders have few rights and no control, a 20% stake in a company should be less than 20% of its total value. Conversely, 80% of the shares should be worth more than 80% of the total value of the company. Majority shareholders pay a so-called control premium. There are three main approaches to evaluating a stock: based on asset value, based on income, based on cash flows.

Under this approach, the company's equity is estimated as the value of its net assets. At the same time, there are three common ways to evaluate net assets: by book value, by net realisable value, and by replacement cost. The book value method is useless in practice. The book value of non-current assets is determined based on the costs of previous years (in fact, non-refundable) and relatively arbitrarily determined depreciation. These amounts are unlikely to be useful to the buyer (or seller). The book value of net current assets (other than cash) may also be inappropriate, as inventories and accounts receivable may require adjustments. Net realisable value of assets less liabilities. This amount represents the balance owed to shareholders after the sale of all assets and repayment of all liabilities. However, if the company assessed in this way is successful, then shareholders reasonably expect to receive more than the net realizable value of the company's net assets. After all, successful businesses are more than the sum of their net tangible assets: they have intangible assets such as goodwill, know-how, brands, and customer lists, none of which are likely to be reflected in the net realisable value of assets less liabilities. Therefore, the net realisable value represents an assessment of an enterprise under the least favorable set of circumstances, since the sale of tangible assets of an enterprise is one of the last options for their use, which should be resorted to only as

a last resort. Therefore, for shareholders selling their shares, the net sale amount represents the lower threshold of the amount they can receive, but, as a rule, they hope to receive more. Replacement cost. This method also has little practical value. When using it, an attempt is made to determine how much it would cost to create an enterprise business if it had to start from scratch now. The value of a successful enterprise, determined using replacement cost, is likely to be lower than its true value, unless adjusted for the value of goodwill and other intangible assets such as brands. In addition, it is quite difficult to estimate the replacement cost of various assets with different service life. Thus, of these three valuation methods, only the net realisable value valuation will be the most useful, since it shows sellers the lowest possible value they should agree to when selling their stake.

At the time of payment of dividends, dividends are paid first on preferred shares, and then on ordinary shares. In the presence of a sufficient amount of profit to pay strictly defined dividends on preferred shares, the society has no right to refuse to pay dividends to the holders of the shares in question. In the event of a public refusal, shareholders can claim the payment of dividends through the court. If the society does not have a sufficient amount of profit or has worked at a loss, dividends on preferred shares can be paid only at the expense of the reserve fund of the society established for this purpose and within the framework of this fund. The dividend, which the owner or his legal legal heir or heir did not claim within the specified period for the claim, remains at the disposal of the society by the decision of the general meeting of shareholders. The exchange of dividends received by non-resident shareholders of the Republic of Uzbekistan for freely convertible currency is carried out in the manner prescribed by law. A certificate from the Register of shareholders, approved by the issuer, and the amount of dividends paid and the date on which they were written, issued by the accounting department of the shareholders ' society, will become the basis for exchange.

According to the dividend-based stock valuation model, the market value of a stock is determined by the discounted value of future dividends. The list of exam formulas contains the corresponding formula:

$$P_0 = \frac{D_0(1 + g)}{(r_e - g)}$$

business valuations 2 where: P_0 = stock price now (at time 0) excluding dividends; g = the future annual growth rate of dividends, starting from time 1; D_0 = dividends now (at time 0); r_e = rate of return required by shareholders. If you use this method to estimate the stock price, you need to determine three parameters: D_0 , r_e , and g .

Listed companies are a preferred investment destination, precisely because their shares are listed on the stock exchange. Shares of listed companies are easy to sell on the market, while unquoted shares are much more difficult to sell because it can take a lot of effort to find a buyer and negotiate a price. Minority shareholders of non-listed companies may find themselves trapped in their investments altogether: they do not have voting rights, and for this reason it will be very difficult for them to sell their shares.

The conceptual rules system was created in the United States, Canada, and Australia in the 1980s by the Financial Accounting Standards Committee and the International Accounting Standards Committee. In the system of rules of the international standard of financial statements (IFRS), the functions, specificity and limits of which are recorded are allocated to the financial account and record. The accounting system of conceptual rules determines whether it is acceptable to prepare existing practice systems with advanced new practices. The system of conceptual rules includes 32 restrictions by accounting work. This includes the objects of preparation of financial statements, the quality of the report, the elements of the financial statement and management work. Management work covers the recognition of products, the measurement of values in the report, the presentation of

financial statements and the preparation of the report of the enterprise. It further expresses the rules, principles and limitations mentioned in each section above.

The superiority of the content over the form – if information in accounting documents and financial statements reliably reflects the content of transactions and events, it is necessary that such information is taken into account and presented in accordance with its essence and economic reality, and not only with its legal form. Bias of indicators-in order for financial information to be useful and meaningful, information from one reporting period must be comparable to that from another reporting period. Users should be aware of the accounting policy that the business entity uses in the preparation of financial statements, all changes in this policy and the results of such changes. Neutrality in financial reporting – information provided in a financial report must be independent of assumptions in order to be reliable. The correspondence of expenses with income in the reporting period – the correspondence of expenses with income in the reporting period means that only those expenses that underlie the receipt of income in this reporting period are reflected in this period. If it is difficult to establish a direct link between income and expenses, expenses are distributed between several reporting periods according to any distribution system. This applies, for example, to depreciation costs, which are distributed over several years.

To evaluate an operating enterprise using the net asset method, an appraiser draws up an estimated (economic) balance sheet based on the last one before the date of the company's balance sheet assessment. In the economic balance sheet, all assets, including unaccounted for (for example, goodwill) in the balance sheet, and the company's liabilities are accounted for at market value.

The article is devoted to the study of changes as an integral property of being, characteristic of systems of various types and order. Based on the analysis of various approaches to the definition of the term "change" using the method of morphological analysis, the key characteristics of this phenomenon have been identified. In order to understand the essence and diversity of changes, they were classified according

to a number of criteria: type, type, source, nature of occurrence, scale, duration of occurrence, degree of predictability, consequences, dynamics, specificity, degree of control, pattern of transformations, depth of transformations.

The value of the valuation object using the cash flow discounting method (hereinafter referred to as DDP) is determined by summing the current values of the cash flows expected from the valuation object during the forecast period and the current value of the valuation object at the end of the forecast period, given at the valuation date at the discount rate. The formula for calculating the current value of the valuation object using the DDP method, assuming cash flows at the end of each year of the forecast period, has the form:

$$PV = \sum_{i=1}^n \frac{CF_i}{(1+D)^i} + \frac{FV}{(1+D)^n}$$

PV - current value; i is the year number of the forecast period.; n is the last year of the forecast period.; CF_i - cash flow of the first year of the forecast period; D - discount rate; FV is the value of the valuation object at the end of the forecast period. Assuming that cash flows arrive in the middle of the year (if they arrive evenly throughout the year), instead of i, the exponent i is 0.5, and instead of n, respectively, n is 0.5.

In addition to the regular assessment of the net asset value, the IFa management company carries out additional assessments in cases of circumstances, as a result of which there is reason to believe that the net asset value per paid share of the IFa has increased or decreased by 10 percent or more since the last assessment. In addition, the IFa Supervisory Board has the right at any time, at its sole discretion, to require the management company to conduct an additional assessment of the net asset value if they have sufficient grounds to believe that a revaluation is necessary in the interests of the IFa shareholders. The results of such an assessment are

communicated by the management company to the Supervisory Board and shareholders of the IFa within 3 days from the date of its implementation. If the net asset value per share decreases by 50 percent or more, the management company, together with the IFa Supervisory Board, is required to convene a general meeting of shareholders.

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