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IMPROVEMENT OF ACCOUNTING ENTERPRISE ACTIVITIES

Annotation. *This article reveals the mechanism of synthetic cost accounting of the enterprise. The content of accounting accounts is reflected in detail, which reflects administrative costs, expenses and sales, other operating expenses. Taking into account the existing proposals of scientists, recommendations for improving their accounting are highlighted.*

Keywords: *administrative expenses, costs and sales, other operating expenses.*

The current business environment requires companies to pursue a flexible policy of activity and to respond to any changes in their activities in a transparent manner. One of the important issues of effective management of the enterprise is the system of cost accounting and cost control. The value of costs is the main reserve for increasing the profit of the enterprise. Depending on the accounting system, the costs can have a profitable character, and in addition. Therefore, the issue of improving the cost management from operational activities does not lose its relevance.

Costs are a decrease in economic value in the reporting period in the form of withdrawal or use of assets or increase in the number of obligations, resulting in a reduction in equity capital of the company (except for the distribution of capital among the participants (shareholders) or its withdrawal) under the condition that these costs can be credibly evaluated.

Costs are recognized in the accounting when there is a probability of a decrease in future economic benefits associated with a decrease in assets or an increase in liabilities, which can be predictably determined [1, p. 15]. Costs are recognized taking into account the principle of adequacy. They are included in the Statement of financial results in the period in which the income was recognized and for which the expenses themselves were incurred.

The issue of transparency and accuracy of economic information about the cost of operating activities of enterprises, which are formed in the accounting system for the preparation of financial statements, not fully resolved, which negatively affects the status of the company's reliable and stable business entity.

Reforming and harmonization of the domestic accounting system in Ukraine requires the implementation of new and improvement of existing tools for their reflection in the accounting.

As we know, the current Chart of Accounts for Accounting of Assets, Capital, Liabilities and Business Operations of Enterprises and Organizations for the accounting of operating expenses includes the accounts of the 9th class "Operating Expenses":

- 1) 90 "Realization Costs";
- 2) 92 "Administrative and managerial costs";
- 3) 93 "Costs of sales";
- 4) 94 "Other operational expenses" [2].

On account 90 "Realization value", manufacturing enterprises display and accumulate information about production value (without general corporate value, The production enterprises reflect and accumulate information about the production output (without total administrative costs) of the sold finished products (works, services), and the trade – the output of the sold goods.

Account 92 "Administrative Expenses" contains general and administrative expenses related to the management and maintenance of the company.

Administrative expenses include:

1) general business costs associated with the service and management of the enterprise, general corporate costs;

2) Costs of serving and looking after the management of the company and other general corporate staff

3) costs for the upkeep of fixed assets and other material noncurrent assets of the general contractor;

4) fees for professional services (legal, auditing, property appraisal, etc.); communication costs (postage, telegraph, phone, telex, fax, etc.); amortization of intangible assets of general use

5) expenses for the settlement of disputes with judicial authorities, taxes, duties and other mandatory payments stipulated by the law;

6) Payment for cash and settlement services and other bank services as well as costs related to purchase and sale of foreign currency;

7) other expenses of general business purpose [3].

Account 93 "Costs of sale" is used to record the costs associated with the sale (realization, sale) of products, goods, works and services.

Costs of sales include:

1) costs associated with the sale of products, costs of repairing tare, costs of packing materials for packing finished products in warehouses;

2) payment of labor and commission wages to the sellers, employees of departments and sales agents who support sales;

3) Expenses for advertising and market research (marketing), expenses for recruitment of sales personnel, expenses for pre-sale preparation of goods;

4) the cost of maintenance of fixed assets and other material noncurrent assets associated with the sale of products;

5) expenses for insurance and transportation of finished products, transportation and shipping services, and other services related to transportation of products according to the terms and conditions of the supply contract;

6) the cost of warranty maintenance and repair costs, the cost of insurance designed for further sale of finished products (goods) that are stored in the warehouse of the company;

7) the cost of transportation of finished products (goods) between warehouses of divisions of the company and other costs associated with the sale of products, goods, works and services [3].

On account 94 "Other operational expenses" the expenses that appear as a result of operations that ensure the performance of the main activity or are the result of their performance are accounted for [4].

They include:

1) the costs of the first-time recognition and changes in the value of the assets, which are listed at fair value, the cost of research and development;

2) the expenses for purchase and sale of foreign currency;

3) value of sold production stock, which for accounting purposes is composed of its book value and costs related to its sale;

4) The amount of bad debit receivables and deductions to the reserve for extraordinary debts, losses due to operational exchange rate differences (i.e. due to changes in the currency exchange rate for operations, assets and obligations related to the operational activities of the company);

5) losses from depletion of inventories, inventory loss and losses from depreciation; recognized fines, penalties, forfeits; expenses for maintenance of social and cultural facilities and housing and communal services;

6) other costs of operational activities.

Many domestic scientists focus their attention on the certain alignment of information that is reflected in the accounting of administrative costs, sales costs and other operational costs of the enterprise. This situation is explained by the fact that in some enterprises there are cases of attributing a significant part of administrative costs and a certain part of the costs on sale to the composition of other operating costs. The feasibility of this operation raises doubts [5, p. 41]. Such circumstances cause significant confusion of information about costs, especially for external users.

Among the shortcomings of the organization of non-commodity cost accounting is the reflection of various economic nature of costs in the accounting on the accounts 92 "Administrative Costs", 93 "Costs of Sales", 94 "Other Costs of Operating Activities" as related sub-functions for the purposes of management accounting, Presence of a significant number of sub-accounts without their further analytical grouping by cost type, which complicates the perception of information about the indicated costs when making management decisions.

To improve the organization of non-production operational costs management, the Order on the company's accounting policy should specify transactional costs as a separate object of accounting. This will allow arranging information on non-production operating costs for management purposes and developing or improving the working plan of the company's expenses by introducing a clear system of cost grouping in the breakdown of the corresponding items [1, p. 17].

The presence in the structure of administrative costs of different nature and economic essence of general business costs, which are used to service and manage the company, It makes it necessary to organize a separate accounting of them using sub-accounts under account 92 "Administrative costs".

On the basis of the study of the evolution of business concepts that were formed under the influence of market development, we can conclude that the activities of the company, associated with marketing, sales and advertising, has its own functional features and is independent of one another, which is why the name of the synthetic account 93 "Costs of Sales, Marketing and Advertising" and sub-accounts specified in its composition are more informative.

During the research the system of administrative and marketing costs accounting was developed, which is detailed in table 1.

This data is necessary for the analysis of administrative costs and costs for sales in accordance with the calculations, cost estimates, during the forecasting period, etc. Rational organization of analytical accounting of administrative costs and costs for sale in general are important for determining their level, control and analysis, as well as the overall representation of financial results of activity of the company.

As for account 94 "Other expenses of operating activities," we suggest that you rename sub-account 949 "Other expenses of operating activities" to sub-account 949 "Other expenses of operating activities for their activities" because, according to the current legislation, the name of this account matches the name of sub-account 949 "Other operating expenses", which does not comply with the basic approach in the accounting for the recognition of operations and sub-accounts as detailed specification of them [1].

Table 1

**Use of the accounting and sub-accounts
Accounting for expenses of the company's activity**

Naming of the services and subcontracts	Recommended subcontracts	Designation of subcontracts
92 "Administrative costs"	92.1 "Costs to pay for the work of the management apparatus".	accounting in accordance with the nomenclature of positions, the salary of the head of the company, his deputies, chief engineer, employees of economic and accounting services, secretaries

	92.2 "Charges for social services"	accounting of social contributions from accrued wages of the employees of the management office
	92.3 "Deployment and redeployment"	accounting of expenses for the recruitment of management personnel, the amount of remuneration in case of relocation of these employees and members of their families
92.4 "Other administrative expenses"	office, postal and telegraph expenses; cost of blanks for planning, accounting and reporting documents; expenses for maintenance of administrative buildings (heating, lighting, water supply, amortization and repair of buildings)	
93.1 "Costs of procuring goods"	accounting of amounts payable under the contract to the supplier (seller) for the contractual purchase price of goods on the basis of indirect payments, other costs for procurement of goods	
93.2 "Transport and procurement costs"	accounting of expenses for the labor for preparation of goods, for transportation of goods to the place of their use, for car transportation, for wrecking and unloading works	
93.3 "Costs of bringing goods to a condition fit for realization"	accounting for the costs of wages of packers and social measures, for packaging materials, for increasing the quality and technical characteristics of goods, other direct costs for the preparation of goods for realization	

Source: organized by information [2].

Thus, it was suggested:

- to control administrative expenses use sub-accounts 92.1 "Management Staff Labor Costs", 92.2 "Charges for Social Services", 92.3 "Deployment and Displacement".
- to control costs for sale, use sub-accounts 93.1 "Costs of goods procurement", 93.2 "Transport and storage costs", 93.3 "Costs of bringing the goods to a condition suitable for their realization".

Therefore, for effective grouping of other costs of operational activities it is necessary to clearly identify the operations of a certain type of activity in the context of their accounting reflection and the impact of their results on the financial results of the company.

This will enable operational management of costs of the company, reducing their size and improving financial results.

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