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ACCOUNTING AND ANALYTICAL SUPPORT OF MANAGEMENT OF PRODUCTION INVENTORIES OF THE ENTERPRISE IN THE CONDITIONS OF TRANSITION TO IFRS

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The article considers the formation of accounting and analytical support for the management of production stocks of the enterprise in the transition to IFRS. The concept of sustainable accounting and analytical support of inventory management in terms of IFRS is revealed and characterized. It is determined that the accounting and analytical support of inventory management is a system formed from a set of elements: accounting subsystem, control subsystem, analysis subsystem. All three subsystems are interconnected and interdependent with each other to achieve the goal is the formation of timely, reliable, sound, comprehensive accounting, and analytical information on inventories for external and internal users. In the first place, on accounting data, which consists of subsystems of financial and management accounting. Financial accounting is designed to summarize financial data in the form of financial statements to different users. The subsystem of management accounting for inventories is built into the subsystem of financial accounting through the procedures of analytical and operational accounting and generates other types of information for forecasts, estimates, budgets, and more. The main tasks for accounting and analytical support of inventory management at the enterprise are formulated. The measures necessary for the functioning of the mechanism of accounting and analytical support of inventory management in terms of IFRS are substantiated. These include the formation of a working chart of accounts, taking into account the requirements for reporting under IFRS and analytical tasks, management accounting; organization, and optimization of the accounting process so that each of the stages of the functioning of accounting and analytical support for inventories.

ОБЛІКОВО-АНАЛІТИЧНЕ ЗАБЕЗПЕЧЕННЯ УПРАВЛІННЯ ВИРОБНИЧИМИ ЗАПАСАМИ ПІДПРИЄМСТВА В УМОВАХ ПЕРЕХОДУ ДО МСФЗ

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Ключові слова:

запаси, обліково-аналітичне забезпечення, міжнародні стандарти фінансової звітності бухгалтерський облік, контроль, аналіз, зовнішні та внутрішні користувачі.

У статті розглянуто питання формування обліково-аналітичного забезпечення управління виробничими запасами підприємства в умовах переходу до МСФЗ. Розкрито та схарактеризовано поняття сталій обліково-аналітично забезпечення управління виробничими запасами в умовах МСФЗ. Визначено, що обліково-аналітичне забезпечення управління виробничими запасами є системою, що утворюється з сукупності елементів: облікової підсистеми, підсистеми контролю, підсистеми аналізу. Всі три підсистеми перебувають у взаємозв'язках та взаємозалежності один з одним для досягнення мети - формування своєчасної, достовірної, обґрунтованої, комплексної обліково-аналітичної інформації щодо виробничих запасів для зовнішніх та внутрішніх користувачів. Доведено, що система обліково-аналітичного забезпечення управління виробничими запасами базується, у першу чергу, на даних бухгалтерського обліку, який складається з підсистем фінансового та управлінського обліку. Фінансовий облік призначений для узагальнення

фінансових даних у формі фінансових звітів різним користувачам. Підсистема управлінського обліку щодо виробничих запасів вбудована в підсистему фінансового обліку завдяки процедурам аналітичного та оперативного обліку та генерує інші види інформації для здійснення прогнозів, формування кошторисів, бюджетів тощо. Сформульовані основні завдання для обліково-аналітичного забезпечення управління запасами на підприємстві. Обґрунтовано заходи, які необхідні для функціонування механізму обліково-аналітичного забезпечення управління виробничими запасами в умовах МСФЗ. До них відносяться: формування робочий план рахунків з урахуванням вимог до складання звітності за МСФЗ та завдань аналітичного, управлінського обліку; організація та оптимізація облікового процесу таким чином, щоб якісно виконувався кожний з етапів функціонування обліково-аналітичного забезпечення щодо виробничих запасів.

Statement of the problem

In any enterprise, accounting and analytical support, as part of the management system, plays a key role, because of it there is a functional interaction of different structural subdivisions of the economic entity with each other and the principles for making managerial decisions to respond to changes in internal and external environments are formed.

In general, accounting and analytical support, as an economic phenomenon, is a complex set of interconnected and interdependent processes for collecting, registering, formalize, analyse, multilevel (current, final) summary and control of accounting information of the enterprise, followed by analysis of this information by external and internal users.

That is, the accounting subsystem with its subordinate subsystems of the lower order of the objects of accounting, in particular, stocks, is the central link of the accounting and analytical system. It is from the quality of information prepared in this subsystem depends, in the end, the effectiveness and success of the control and analytical subsystems of accounting and analytical support of the enterprise as a whole. Therefore, the issue of building a high-quality, effective system of accounting and analytical support for management decisions is relevant and practically important for any enterprise.

Despite the fact that the accounting and analytical support of the inventory management process is present in any enterprise, but its level does not always meet the necessary requirements. Thus, one of the main factors influencing the modern accounting system in Ukraine is the active transition to international financial reporting standards (hereinafter - IFRS). This transition began in 1999 with the adoption of a new law "On Accounting and Financial Reporting in Ukraine" and low national provisions (standards) of accounting (hereinafter - P (S) BU), among which was PSBO 9 "Inventories" [1]. This standard is essentially identical to the International Accounting Standard 2 Inventories (hereinafter IAS 2) [2], but there are significant differences. Therefore, Ukrainian companies that apply IFRS are forced to carry out additional accounting procedures for the transformation of financial statements.

Reporting prepared in accordance with IFRS, Ukrainian companies can receive two methods: the method of conversion (regular) and the method of transformation of financial statements (periodic). The conversion is that the

accounting is immediately conducted according to international standards in parallel with the accounting according to national standards. Such accounting can be constructed in two ways. According to the first method, accounting according to international and national standards is conducted completely separately from each other. To do this, create two autonomous chart of accounts: the first - on the basis of a standard plan [3], the second - a chart of accounts using international traditions. The company's accounting policy should record the selected accounting procedures and chart of accounts in the case of the conversion method in the preparation of financial statements in accordance with IFRS.

Analysis of recent studies and publications

Considering, the concept of accounting and analytical support, its function was considered in the articles of SP Baranovska [4], TM Bezrodna [5] NV Golyachuk [6], TG Kaminska [7], VS Laziness [8] and others. The works of OG Lyshchenko [9], OV Chuk [10] and others are devoted to the problems of accounting and analytical support of effective inventory management. The mechanism of accounting and analytical support of inventory management of the enterprise is presented in the work of AP Pavlova [11].

Analysis of a wide range of scientific sources, which to a certain extent presented specific aspects of the issues of accounting and analytical support in the management system proves that the author presents a lot of developments and proposals from various scientific positions.

However, despite the significant work of scientists, requires further scientific research on the optimal construction system of accounting and analytical system management of production stocks of the enterprise in the conditions of transition to IFRS.

The aim of the article is to provide a science-based proposal for the construction of an optimal system of accounting and analytical inventories control systems of the enterprise in the conditions of transition to IFRS.

The main material of the research

Registration-analytical control software inventories to be regarded as a system because gnosiologically, the term "system" means not only a plurality of many elements but also unity, which is formed of a plurality of elements (accounting, control, analysis) with each other are in the interconnections and interdependence to achieve the goal

- the formation of timely, accurate, reasonable, comprehensive accounting and analytical information for internal and external users. The combination of a plurality of elements is received in a synergistic effect, since such systems as integrity acquires properties different from the properties of each element individually. A characteristic feature of accounting and analytical software inventories as the control system is its complexity. This property is manifested through interaction information flows, forming a single information unit. We consider it appropriate to introduce a model of accounting and analytical support of the business inventory management represented as the sum of the following components: accounting, analysis and control (Figure 1).

The essence of accounting and analytical support for the enterprise management of production reserves in conditions of transition to IFRS is to combine accounting, control and analytical procedures in a single process to use the results to make effective management decisions taking into account the differences that exist in the P (S) BU 9, "Inventories" and IAS 2 "Inventories". In particular, it [12]:

1) Composition of inventories and expenses that are taken into account in determining the valuation of inventories upon receipt. This is due to the fact that international standards are general in nature. International standards do not regulate the construction

of a chart of accounts for the classification of stocks in accounting. According to IFRS, the detailing of the composition of inventories for specific items in accounting is carried out based on the general classification criteria given in IAS 2 "Inventories" and the professional judgment of the accountant. In most developed countries there is no single chart of accounts, therefore, groups of stocks and their codification in accounting are determined based on economic needs with mandatory disclosure in accounting policies. In Ukraine, the classification of stocks by type is carried out using the groups provided in the chart of accounts.

2) IAS 2 "Inventories" provides for the possibility of creating a reserve for inventory impairment (especially for those that are sold under a firm contract). In P (S) BU 9 "Stocks" the creation of the specified reserve is not provided. IAS 2 Inventories provides for a reversal of impairment losses in the event that the circumstances that led to the write-down of inventories are missing. According to P (C) BU 9 "Inventories", in such a case, previously recognized expenses are not reversed, but are recognized as income.

3) In the context of the transition to IFRS, the accounting policy for inventories should be formed taking into account the requirements of both national and international accounting standards. If there are differences between standards, professional judgment should be used

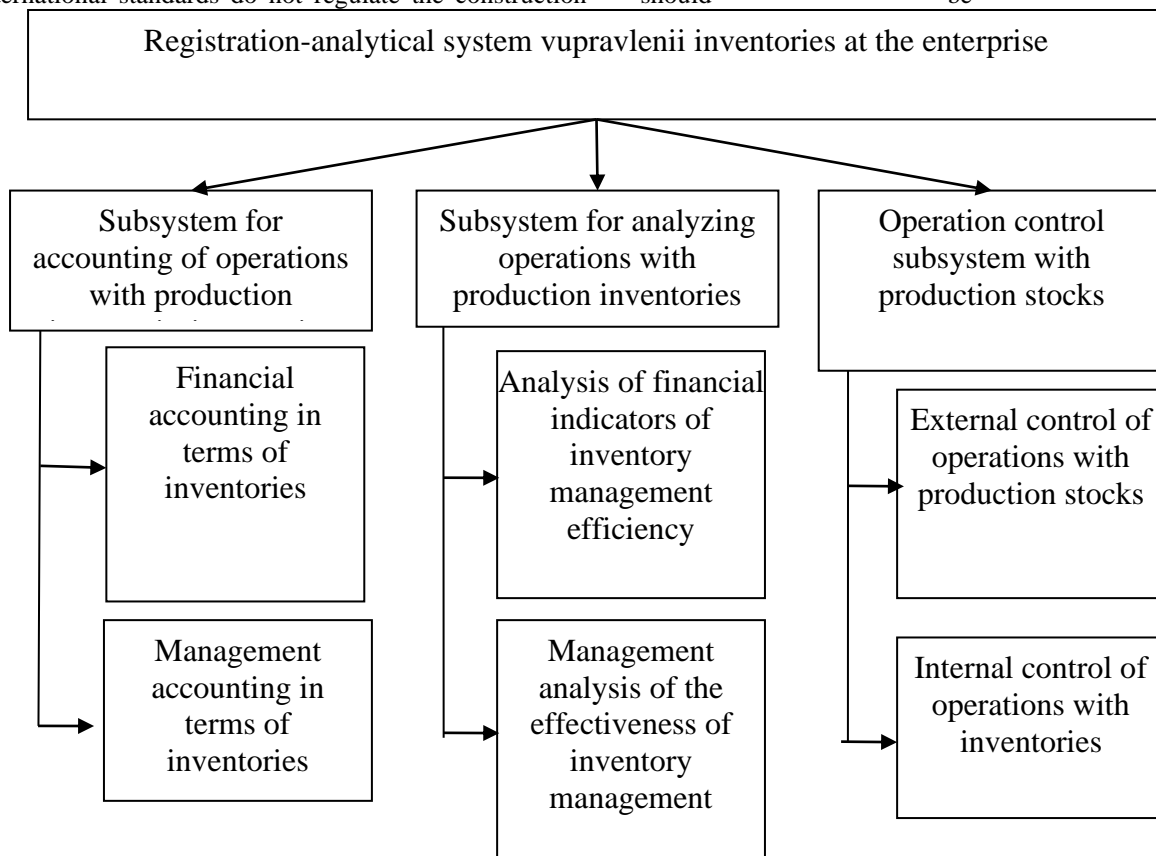


Fig.1 - The structure of the accounting and analytical system inventory management at the enterprise
Note: author's development

As you can see, the system of accounting and analytical support for inventory management is based, first of all, on accounting data. Accounting consists of financial and

management accounting subsystems and acts as one of the main sources of economic information on production

inventories, forms the corresponding accounting information subsystem for management purposes.

Inventory financial accounting is a set of methods, procedures, rules that ensure the preparation and disclosure of information on inventories in accordance with the requirements of regulatory legal acts and accounting standards. Financial accounting is designed to summarize financial data in the form of financial statements to various users. Information about inventories is disclosed in the balance sheet in accordance with the materiality of information about them and in the notes to the annual financial statements. The subsystem of management accounting for production inventories is built into the subsystem of financial accounting due to analytical and operational accounting procedures using a working chart of accounts. Also, the management accounting subsystem generates other types of information of a strategic nature, in particular, for the implementation of forecasts, the formation of estimates.

The accumulation of information in accounting regarding the availability and movement of inventories is carried out using the working chart of accounts.

According to international standards, based on professional judgment, for each type of inventory, classification criteria are determined for which separate accounting accounts are opened. The main classification features are purpose and material form, for example, materials, fuel, semi-finished products, containers, and the like. At the same time, other classification signs are used to display the nature and characteristics of the use of inventories in the economic activity of a particular enterprise, for example, the main and auxiliary materials are distinguished from the importance for production; by origin - primary and secondary, and the like. International standards do not restrict enterprises in the choice of classification signs when building a working chart of accounts [12].

In the context of the transition to IFRS, domestic enterprises can choose the procedure for drawing up a working chart of accounts for accounting for inventories. According to one of the options, the working chart of accounts is drawn up on the basis of the standard [3]. Alternatively, international approaches to the coding of accounts are applied based on the numbers of the financial reporting tapes, according to which production inventories are reflected. Detailing of groups of inventories is carried out using subaccounts of the second, third and further order. The enterprise must fix its choice in the order on accounting policy.

Control over operations with production inventories can be carried out in the form of external and internal monitoring and verification of the conformity of actual data, information reflected in accounting (financial, management), statistical and tax accounting to identify possible deviations. The purpose, objectives, methods of control depend on its type.

Any decision on production stocks must be preceded by analytical calculations. analysis is a tool for cognition of objects and phenomena of the internal and the environment, based on the analysis of the whole into its component parts and their study in interrelation and interdependence.

Analysis is an important element in the production inventory management system. With the help of

analytical methods, it is possible to determine indicators of the effectiveness of inventory management, identify internal reserves and create a basis for improving the production functions of the management system. It is the analysis as a management tool that is the basis for the development and assessment of the implementation of sound management decisions in the context of the transition to IFRS. The analytical function, as accounting and analytical support for inventory management, is implemented in the formation of special arrays of information about the state and movement of the enterprise's inventory.

For the purposes of inventory management, special indicators are used, the main of which are turnover indicators (turnover ratio and turnover period), compliance ratio for a certain type of inventory, the share of slow-moving and stale inventories in the total inventory, the share of TOR per unit (group) of inventories the like.

The content of accounting and analytical support for inventory management is determined by a number of factors, including: technological and sectoral features of the enterprise, the form of organization of accounting, other objective and subjective factors.

Therefore, it is advisable to determine the main tasks for accounting and analytical support of inventory management at the enterprise

- implementation of analytical and synthetic accounting of production stocks, preparation of financial, management, statistical, tax reporting for the formation of an array of accounting data as input information for control and analysis by external and internal users
- exercising control over the use of inventories and reflecting transactions with them in the system of accounting, statistical and tax accounting;
- analysis of the effectiveness of the use of inventories to identify reserves for increasing the overall efficiency and competitiveness of the enterprise.

The stages of the functioning of accounting and analytical support for industrial stocks are as follows:

- identification, accumulation and registration of accounting information on industrial stocks in primary documents;
- generalization of the array of primary accounting information on stocks in the registers of financial and management accounting and current control over the timeliness, completeness and reliability of this information;
- preparation of internal and external reporting of the enterprise and control over the completeness and reliability of the reflection of the relevant information in terms of production stocks
- the implementation of analytical processing of a set of accounting data and the preparation of information for the purposes of inventory management.

The performance of the system of accounting and analytical support depends on the quality implementation of each of the stages.

Conclusions

It is stated that the accounting and analytical support of inventory management is a system formed from a set of elements: an accounting subsystem, a control subsystem, an analysis subsystem. All three subsystems are

interconnected and interdependent with each other to achieve the goal - the formation of timely, reliable, substantiated, comprehensive accounting and analytical information on production inventories for external and internal users.

It has been proven that the system of accounting and analytical support for inventory management is based primarily on accounting data, and consists of financial and management accounting subsystems. Financial accounting is designed to summarize financial data in the form of financial statements to various users. The subsystem of management accounting for production inventories is built into the subsystem of financial accounting due to analytical and operational accounting procedures and generates other types of information for

making forecasts, forming estimates, budgets, and the like.

The measures that are necessary for the functioning of the mechanism of accounting and analytical support of inventory management in the conditions of IFRS have been substantiated. We believe that for this it is advisable:

- to form a working chart of accounts, taking into account the requirements for the preparation of reporting in accordance with IFRS and the tasks of analytical, managerial accounting;
- to organize and optimize the accounting process in such a way that each of the stages of the functioning of the accounting and analytical support for production stocks is carried out with high quality.

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