

development. The paper proposed optimal resource management, based on international practices, technologies, planning for sustainable business and use the mechanism of regulation in the sphere of nature.

Keywords: *sustainable development, mechanism, adjustments, indicators, ecological crisis, ecological system, indicators*

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ACCOUNTING FOR STOCKS: INTERNATIONAL PRACTICE AND DOMESTIC EXPERIENCE

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Abstract. *Reserves are an important accounting and economic category and subject of accounting, occupy an important place in current assets and participate in shaping the final product of the company and included in the value of its equity. The basic condition of economic activity of agricultural enterprises is sufficient and rational use of inventory, from which they operate, ensuring further development of social economic relations.*

The article aims to study the characteristics of accounting reserves in foreign countries and comparisons with Ukrainian practice.

Constant changes current legislation of Ukraine, conditions of capital, increasing demands of users of information, transformation of national accounting in accordance with international standards determine the objective necessity of deepening the study of inventory accounting in agricultural enterprises.

In the article the reserves in foreign accounting practice are examined. Different perspectives on the concept of «reserves» and choice of the assessment method are shown. Comparison of foreign reserves accounting practices with the national experience in Ukraine is carried out.

Keywords: *stocks, accounting, assessment, accounting politics, reporting, stocks management*

Formulation of the problem. Integration into the global economic system has become the reason for the widespread use of accounting information. Formation of a market economy in Ukraine requires fundamental changes in the management and system of accounting methods. Reserves are a significant part of assets, they play a special role being part of the property and having a dominant position in the cost structure of enterprises of various

activity spheres, thus the question about the effectiveness of their accounting is still a problem of today.

Analysis of recent research and publications. The problem of inventories accounting was studied by such scholars as Butynets' F. (Butynets' 2002), Gorets'ka L. (Gorets'ka 2002), Kovenko M. (Kovenko 2007), Rybalko O. (Rybalko 2008), Tkachenko N. (Tkachenko 2004) and others. Most attention is paid to the following issues: inventory evaluation, revenue of reserves, disposals account, write-offs, liquidation. The least attention is paid to the recognition and elimination of stocks, in future these issues will be discussed more, but now the authors are turning to more widely used ones.

Bold unsolved aspects of the problem. Definition of the term «reserves» differs in different countries. Each foreign company has stocks inventory, regardless of the scope of its activities. In the balance sheet they are presented as one article – «Reserves/ Inventories». In international practice, there is no consensus on the interpretation of the terms «current assets», «inventory».

The aim of the article is to study the characteristics of accounting reserves in foreign countries and to compare them with Ukrainian practice.

Basic material research. Inventories – are assets: held for sale in the ordinary course of business activities, are in the process of production for such sale or are in the form of materials or supplies to be consumed in the production process or in services.

The staff of inventories includes tangible assets held for sale or production of goods and services. Since during one year they become cash reserves, they belong to current assets. In foreign companies an account «reserves» is divided into several accounts of the second order, each of which is designed to account for certain type of inventory.

The term «reserves» according to national P(S) A9 «Inventories» (P(S) A9 2009) is – assets, which: 1) are stored for subsequent sale in the ordinary course of business activities; 2) are in the process of production for the purpose of further sales of the product; 3) are held for use in the production, execution phase and services, and enterprise management. Economist Yu. Belyaev [Belyaev 1999] gives the following definition of the inventory: it is subject of labor that in the process of production turns into certain products, or finished products made for personal consumption or industrial use. This definition is incomplete because the stocks according to P(S) A 9 besides subjects of labor and the finished product include stocks that are in the process of production, which is work-in-process and inventories kept for further sale, i.e. goods.

Furthermore, according to this standard inventory includes current biological assets and agricultural products as well, if their assessment is carried out according to P(S) A. This definition is given in the works of Tkachenko N. (Tkachenko 2004). In their works Chebanova V. and Vasilenko Yu. (Chebanova, Vasilenko 2002) pay more attention to the functional side of inventories, in the definition given by them inventories are material resources (capital goods, consumer goods, other assets) necessary for the expanded reproduction and maintenance and service of material production and

satisfaction of needs of the population that are stored in warehouses or other places for their next use.

Scientists call inventories material resources. We believe it impossible to confirm it, because the concept «material resources» is broader than the term «commodity inventories» and «reserves». We can hardly agree as well with the statement that the material resources are capital goods including means of labor and objects of labor (Butynets' 2001) because they include also the capital and current biological assets, and goods of agricultural production do not belong to material resources (Khmelevskiy 2007).

Thus, the broadest term is «reserves» that can be identified with the term «inventories». We consider commodity inventories composed of stocks and productive reserves are part of the inventories. If in P(S) A9 we found a definition not only of the term «reserves», but also «productive reserves», «commodity stocks», «material resources», thus we would find a common approach to these economic categories.

Inventory holdings (IH) in accordance with the principle of cost recovery are to be accounted at their original (historical) cost at the time of purchase. Most companies take for the cost of purchased goods only their net value (i.e. price according to accounts).

International assessment standards provide general concepts used to evaluate the property and reflect it in the financial statements. This means: the market is a system in which goods are transferred from the seller to the buyer through the price mechanism; price is a certain amount of money required, assumed or paid for the goods; the cost is the price paid for that product, or the amount necessary for its production (Ogiychuk 2011).

Scientists pay great attention to the problem of choice of estimation disposal of inventory, as well as their major drawbacks. Golovko N. (Golovko 2004) points out the difficulty of choosing the method of evaluation of inventory disposal as he notices the following disadvantages: FIFO – cost of sales is much lower, that results in obtaining a higher profit, average cost method – it is difficult to track down the average price in the frequent turnover, the method of standard costs – legal costs are regularly checked and changed, the specific identification method – the same products are accounted at different prices – it's not convenient.

Matveyeva M. (Matveyeva 2004) points out the main drawback of the FIFO method, which consists in index excess of gross profit and higher income taxes in the application of this method of assessment and believes that tax policy (which is organized in a way that allows to withdraw part of working capital with part of profits of the enterprise in behalf of state) will be effective when credit policy is such when taxpayers are able to take advantage of low-cost borrowings in case of shortage of their own ones.

Kovalenko G. (Kovalenko 2004) supports this point of view, paying attention to unreasonable overestimation of a profit index while using this method because of increase in the carrying amount of inventories at the end of the reporting quarter compared to the carrying amount at the beginning of the quarter, which leads to a decrease in total costs, and consequently, to an

increase in taxable income. The author considers the disadvantage of the specific identification method to be the complexity of the calculation of the movement of specific items, particularly in extensive nomenclature and a large number of stocks.

Scholars Kovalenko G. (Kovalenko 2004) and Karavan T. (Karavan 2006) emphasize the fact that it was advantageous for the state in tax records to use specific identification method and especially the FIFO method, since under the increase in prices for inventories and profits, more taxes come to the budget. It is these two methods that were allowed and implemented in the tax records. And Karavan T. (Karavan 2006) notes that under the amendments to the Law «Income tax» the following two requirements must be carried out: for all units of taxation of stocks that have the same purpose and the same terms of use only one method of assessment should be applied, it is forbidden to change the evaluation method of disposal of inventories during the tax year for tax purposes. Thus the allowed methods are five.

Some authors support the question about the effectiveness of specific identification method. Kytaichuk T. (Kytaichuk 2007) suggests that the identified cost method should be used according to P(S) A9, and as exceptional means, this method of evaluation can also be allowed in accordance with P(S) A30. The author notes that this will significantly increase the amount of accounting work, because agriculture operates a large number of stocks, but the main requirement of the Accounting Law will be to stick to – historical (actual) cost – Priority assessment of assets, based on the cost of their production and acquisition. Application of this method leads to the fact that similar inventories have to be recorded at different prices, if there are a large number of them in the company, and then the accounting work becomes complicated.

ISAR 2 «Inventories» allows the use of several methods of determining the cost of inventories. Among the most common are:

- a) specific identification method;
- b) average cost method;
- c) method of writing off the first earnings – FIFO (first-in-first-out).

The method of identification requires special coding of each batch of acquired inventories and their individual storage. Cost of inventories sold and their balance at the end of the period is determined by the prices of specific batches, i. e. their actual prices. Specific identification method justifies itself with the organization of the account of valuable goods, the cost of individual units of which is significantly different from the others. Its use is the logical choice to account for real estate, automobiles, jewelry – that are goods of high price and in small quantities.

Average cost method. The average value is determined by dividing the total value of goods for sale to the number of units of goods for sale.

Average cost method is used very widely. It is simple in use and systematic, but it does not reflect the price changes during the reporting period and their trends.

When using the average cost method one should remember that the average price is calculated each time the warehouse receives a new shipment. On disposal of goods the price is determined as an average out price.

FIFO method is widely known and common in international practice. It is based on the assumption that stocks are implemented in the same sequence as acquired: purchased first are sold first.

When using the FIFO method in the Statement about Income and Disbursements cost of goods sold reflects the cost of opening balances and the first revenues, i.e. it is under the influence of prices prevailing at the beginning of the period. Therefore, cost of goods sold indicated in the Statement about Income and Disbursements on the basis of the FIFO method, can fail to meet the cost of goods that are in the company for sale. In the Balance Sheet actual inventory at the end of the period reflects its cost according to the price of recent acquisitions, that is the real value of stocks at the balance sheet date.

Let us consider the peculiarities of stock assessment methods in some countries (Butynets', Gorets'ka 2002).

In Germany, the average cost method and FIFO method are the most common at the moment, but for tax purposes the LIFO method has been adopted since 1990.

In Luxembourg the actual cost, average cost, LIFO and FIFO methods can be used, however, tax authorities might not accept the assessment of the value of inventories and costs, calculated at prices of possible implementation and (or) by the LIFO and FIFO methods that can lead to appearance of deferred liabilities taxes.

In Russia, the assessment is carried out by the cost of each item with the help of LIFO and FIFO methods. Most of Russian companies use the average cost method.

In Portugal: FIFO, LIFO, by weighted, standard and special (market) price, and in some sectors (agriculture, forestry, fisheries) stocks can be evaluated in the following way: the discount price is defined as the selling price excluding certain rate of return. Also, this method can be used in inventories accounting in wholesale trade.

In Spain, stocks are usually assessed with the help of the average cost, FIFO, LIFO, and some other methods. As an exception, they may be estimated in accordance with the total fixed rate if they are constantly being updated and their total value and the structure vary slightly and are not significant for the company. Exceptionally, they may be estimated from the total fixed rate if they are constantly being updated and their total value and the structure vary significantly.

In Switzerland in the consolidated financial statements inventories can be estimated on the basis of actual operating costs, replacement cost or similar cost.

In Italy, for long-term contracts unfinished products are accounted either after contract execution or on the basis of percentage of performance of work.

In the UK using the FIFO method and basic safety method is prohibited. Long-term contracts of the unfinished projects are accounted by means of «performance shares» and «completion of the contract» methods.

In the United States such methods are used:

- FIFO (most common in the United States and some Western countries);
- LIFO (in accounting policy the following must be shown: current reproductive value (price movement) of IH (inventory holdings) calculated by means of LIFO method, at each balance sheet date: the impact on the performance of any batch reduction, which is accounted by using the LIFO method);
- LIFO-dollar (IH cost is figured out on the basis on of the individual price IH units. When using the method IH of the base year is converted into dollars and for IH of the subsequent periods, price indices are used. This base year is taken as 100);
- average cost method;
- retail method (consists in establishing reverse price markups on formed trading batches).

In France, for individual accounts only FIFO and average cost methods are allowed, and in practice the latter is used most often. LIFO method is used to create consolidated reports.

In case of turnout, sale or other disposal under domestic Regulation (standard) 9 «Inventories» (P(S) A in September 2009) assessment is carried out by one of the following methods:

- identified cost of the inventory unit method = specific identification method;
- average cost method;
- the cost of first-time revenue reserves method (FIFO method);
- cost standards method;
- selling price method.

All of the described methods of stocks evaluation meet International accounting standards, but give different results. The choice of inventory evaluation method substantially affects the size of the income tax, as the rating affects the amount of revenue both of the current and the future years. The decrease in profit in the financial statements, in its turn, affects the investment attractiveness of the company. Free moving from one inventory evaluation method to another is not allowed.

Conclusions. Analysis shows that the inventory evaluation under the condition of market economy has become very complicated (Kovenko 2007). Comparison of different inventory evaluation methods at their disposal gives reason to believe that the least risky and easiest to use is the average cost method, but when using it payment system gets complicated and control over the accuracy of cancellation of materials on production costs is weakened.

With relatively stable economic situation choice of inventory evaluation method at their disposal does not play a big role. The choice of the method has a significant influence and has to be taken into account under the

condition of stocks prices changes. In all cases, the faster the received inventories are dispensed into production, the smaller the difference in their assessment of the application of this or that method is. It should be remembered that, drawback may be in any way of stock assessment.

Thus, we believe that in the current economic situation that is constantly changing it is necessary to consider the positive and negative consequences of using of each of inventories evaluation method.

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ОБЛІК ЗАПАСІВ: МІЖНАРОДНА ПРАКТИКА ТА ВІТЧИЗНЯНИЙ ДОСВІД

З. Д. Овчарик

Анотація. *Запаси є важливою обліково-економічною категорією та об'єктом бухгалтерського обліку. Вони займають вагомe місце в оборотних активах та беруть участь у формуванні кінцевого продукту діяльності підприємства й входять до вартості його власного капіталу. Основною умовою здійснення господарської діяльності сільськогосподарських підприємств є достатній обсяг та раціональне використання виробничих запасів, за рахунок яких вони функціонують, забезпечуючи подальший розвиток суспільних економічних відносин.*

Метою статті є дослідження особливостей обліку запасів в зарубіжних країнах та порівняння з українською практикою.

Постійні зміни чинного законодавства України, умов використання капіталу, зростаючі вимоги користувачів інформації, трансформація вітчизняного бухгалтерського обліку відповідно до вимог міжнародних стандартів, зумовлюють об'єктивну необхідність поглиблення дослідження питань обліку виробничих запасів на сільськогосподарських підприємствах.

У статті розглянуто запаси в іноземній практиці бухгалтерського обліку, а також різні точки зору на поняття «запаси» і вибір методу їх оцінки. Здійснено порівняння міжнародної практики бухгалтерського обліку запасів з національним досвідом в Україні.

Ключові слова: *запаси, бухгалтерський облік, оцінка, облікова політика, звітність, управління запасами*

УЧЕТ ЗАПАСОВ: МЕЖДУНАРОДНАЯ ПРАКТИКА И ОТЕЧЕСТВЕННЫЙ ОПЫТ

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Аннотация. *Запасы являются важной учетно-экономической категорией и объектом бухгалтерского учета. Они занимают важное место в оборотных активах и участвуют в формировании конечного продукта деятельности предприятия, входят в стоимость его собственного капитала. Основным условием осуществления хозяйственной деятельности сельскохозяйственных предприятий является достаточный объем и рациональное использование производственных запасов, за счет которых они функционируют, обеспечивая дальнейшее развитие общественных экономических отношений.*

Цель статьи – исследование особенностей учета запасов в зарубежных странах и сравнение с украинской практикой.

Постоянные изменения действующего законодательства Украины, условий использования капитала, растущие требования пользователей информации, трансформация российского бухгалтерского учета в соответствии с требованиями международных стандартов, обуславливают объективную необходимость углубления исследования вопросов учета производственных запасов на сельскохозяйственных предприятиях.

В статье рассмотрены запасы в иностранной практике бухгалтерского учета и различные точки зрения на понятие «запасы» и выбор метода их оценки. Осуществлено сравнение международной практики бухгалтерского учета запасов с национальным опытом в Украине.

Ключевые слова: *запасы, бухгалтерский учет, оценка, учетная политика, отчетность, управление запасами*

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ПУБЛІЧНЕ УПРАВЛІННЯ В СИСТЕМІ РОЗВИТКУ ТЕРИТОРІАЛЬНИХ ГРОМАД

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Анотація. *Дослідження ілюструє підходи до практичної реалізації механізмів публічного адміністрування в умовах глобалізації та децентралізації владних повноважень задля забезпечення засад довгострокового розвитку суспільства. Методологічною базою дослідження стали системно-синергетичний підхід в управлінні, загальна теорія систем та інтерв'ю 200 мешканців сільських і 1000 міських населених пунктів.*

Встановлено, що асиметрії та диспропорції розвитку сільських територій є наслідком відсутності системного підходу в управлінні, недостатнього рівня інфраструктурного забезпечення, низького рівня активності мешканців щодо зміни ситуації та забезпечення відповідальності осіб, що проживають на території, за наслідки своїх дій. Виявлено механізми забезпечення стійкості соціальних систем на основі формування соціально-економічного інтересу учасників суспільних відносин, забезпечення державно-приватного партнерства й становлення світоглядно-інформаційної роботи, що створює засади

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