

Annotation

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Ways of improving production process accounting in horticulture

The article highlights the problem of production process accounting resulting in horticulture and related to specific technological factors, also organizational and production features of fruit and berry production.

Studies of the production accounting features in rural-type commercial enterprises of Cherkassy region pointed out that almost all of them use only one self-named subsidiary account for horticulture as a part of crop production costs.

As fruit and berry producers are endowed with the right to choose how to develop their own production accounting system, calculation methods, ways of production and valuation of assets, in case of the actual accounting costs of biological transformation in horticulture it is appropriate to provide separate positions for future expenditures' reserve funds. This is due to the loss of fair value and the formation of provisions for financing liquidating works in future.

Also, the necessity of a separate account as an expense in the biological converting of groups of expenses on the maintenance of the biological productivity of plants is substantiated. It is proposed to take into account such costs as deferred costs and partially include them in the production cost price of horticulture in the following production cycles.

For the financial reporting, there is a need in the formation of information cost elements. However, large-sized agricultural enterprises do not use a separate class of the Chart of Accounts 8 "Expenses on elements" and just include all the costs to the account "Production" and 9-class account "Activity costs". Therefore, the regrouping of expenses on elements is usually carried out in a non-systematic way. For horticultural farming enterprises, registered as small businesses, accounting is simplified. Therefore, all production costs are taken into account immediately in accounts for the cost elements (material expenses, labor costs, deductions for social activities, depreciation and other operating expenses) followed by their writing off for the decrease in financial results.

It is proved that even for non-specialized farms it is advisable to establish the point of distribution of production and other expenses for the quality maintenance that should be assigned to separate subsidiary accounts followed by write-off to cost of sales, not production costs.

To improve production process accounting in horticulture it is necessary to:

- extend the list of accounts used for production process accounting (accounting for deferred expenses);

- provide new costing items of production costs for the formation of reserves to finance expensive projects;

- calculate the rate of interest for the provision for future financing of works related to the liquidation of plantings;

- record peculiarities of industrial accounting in the Order on accounting policies.

Keywords: *costs, horticulture, biological assets, costs on maintaining the biological productivity, costs on improving the biological assets, deferred expenses, production process accounting.*