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CONTENT

ECONOMIC SCIENCES

Fostolovych V. ENVIRONMENTAL MANAGEMENT IN THE STRUCTURE OF AGRICULTURAL ENTERPRISES WITH A POST- INDUSTRIAL MANAGEMENT SYSTEM 3	Kubai O. FORMATION OF COMPETITIVENESS OF SUPPLY CHAINS OF AGRICULTURAL ENTERPRISE46
Kozachenko A. FEATURES OF RECOGNITION AND ACCOUNTING OF NON-CURRENT TANGIBLE ASSETS OF THE ENTERPRISE16	Maiborodiuk K. INNOVATIVE DEVELOPMENT OF AGRICULTURAL ENTERPRISES AS A FACTOR FOR THE DEVELOPMENT OF THE AGRARIAN ECONOMY OF THE UKRAINE.....56
Varchenko O. ECONOMIC ASPECTS OF AGRO-FOOD CHAINS ON THE BIOFUEL MARKET OF UKRAINE25	Pakhucha E., Sievidova I. BUSINESS SOCIAL RESPONSIBILITY AS A COMPONENT OF ECONOMIC SECURITY.....62
Bitarova E., Kasoeva E., Darchieva Z. DEMOGRAPHY IN CRISIS CONDITIONS BASED ON MATERIALS FROM NORTH OSSETIA-ALANIA.....30	Slonov A., Tibilova A., Slonava L. DIFFERENTIATION OF INCOME OF THE POPULATION ON THE EXAMPLE OF SMALL BUSINESSES, FORMED AS A RESULT OF THE PANDEMIC67
Harbar Zh. DEVELOPMENT OF ORGANIZATIONAL AND INFORMATION COMPONENT OF INFRASTRUCTURAL SUPPORT OF FUNCTIONING OF AGRICULTURAL ENTERPRISES IN UKRAINE32	Kantemirova M., Tomaeva E. THE IMPACT OF COVID-19 ON THE DEMOGRAPHIC SITUATION OF DIABETIC PATIENTS (BASED ON THE MATERIALS OF RSO-ALANIA).....70
Gryshkevych O. THE PUBLIC INVESTMENT ADMINISTRATION: COMPONENTS OF DIAGNOSTIC TOOLS.....40	Khamkhoev F. NEURAL NETWORKS IN ECONOMIC ANALYSIS: PROS AND CONS72
Karataeva T., Atakova A., Nalgiyeva Z. METHODOLOGICAL FOUNDATIONS OF A COMPREHENSIVE STUDY OF THE ECONOMIC SECURITY OF THE RUSSIAN FEDERATION.....44	

FEATURES OF RECOGNITION AND ACCOUNTING OF NON-CURRENT TANGIBLE ASSETS OF THE ENTERPRISE**Kozachenko A.***PhD in Economics, Associate Professor of Audit and State Control,
Vinnytsia National Agrarian University, Ukraine***Abstract**

Modern conditions for effective management of the enterprise place increased demands on it in terms of management of non-current assets. This should be due to the fact that the competitiveness of the enterprise, financial stability, tactical and strategic prospects for its development depend on the rational and efficient use of non-current assets and, as a consequence, the ability to achieve a certain volume of activity and profit. Therefore, there is a need to study the state of formation and use of non-current assets of the enterprise, including non-current tangible assets. The article reveals the economic essence of "non-current assets". Their components with the separation of directly non-current tangible assets are considered. Methodical and organizational aspects of accounting for non-current tangible assets are studied.

Keywords: non-current assets, fixed assets, capital investments, long-term biological assets, accounting

Non-current assets - one of the most important components of the property of the enterprise. Analysis of the essence of "non-current assets" as an accounting category, indicates the presence of various scientific positions. First of all, it is worth noting the not so good name of these assets, because they, like current assets, are in circulation. However, the period of circulation of non-current assets significantly exceeds one operating cycle and the order of reflection of these assets in accounting is specific. The value of most components of non-current assets is reimbursed at the time of sale, as net income includes part of their value. Thus, non-current assets are assets that bring the company income for more than one reporting period, and the costs incurred for their acquisition are gradually included in costs over the useful life of such assets.

Recognition of resources as non-current assets is possible if they meet certain criteria. Such criteria are: appearance as a result of past events; the possibility of obtaining future economic benefits associated with the use of assets and the possibility of reliable valuation. Enterprises receive non-current assets through acquisition, creation, etc., ie as a result of past events. This means that the facts of economic activity that are expected in the future do not determine the emergence of assets. Yes, the intention to purchase fixed assets will not lead to the emergence of assets. The belief that non-current assets are a source of economic benefit is due to the assertion that all risks and rewards associated with their use have already passed to the enterprise.

The future economic benefit embodied in the asset means the direct or indirect flow of cash or cash equivalents to the enterprise. In addition, the company has the right to control the receipt of future benefits that are expected from the use of assets. Non-current assets are usually used by the company to produce goods or provide services that can meet the needs of consumers. Because consumers are willing to pay for them, this leads to a direct flow of economic benefits. It should be noted that under certain conditions, non-current assets do not directly lead to economic benefits, but may be necessary to obtain future economic benefits from other assets. An example is the basis of tools purchased for environmental protection or for occupational safety. In addition, the indirect receipt of economic benefits may be associated with the implementation of non-monetary, such as barter transactions, repayment of liabilities with tangible assets, etc. The company may receive economic benefits from the use of assets in different ways, depending on the direction of their receipt. In particular, non-current assets can be used to manufacture products, sell goods, provide services; exchange for other assets. In addition, own assets can be pledged, used to repay debt or distributed among business owners.

The conducted research of the terminological apparatus allows to systematize and single out the main criteria for recognizing an asset as a "non-current asset" (figure 1):

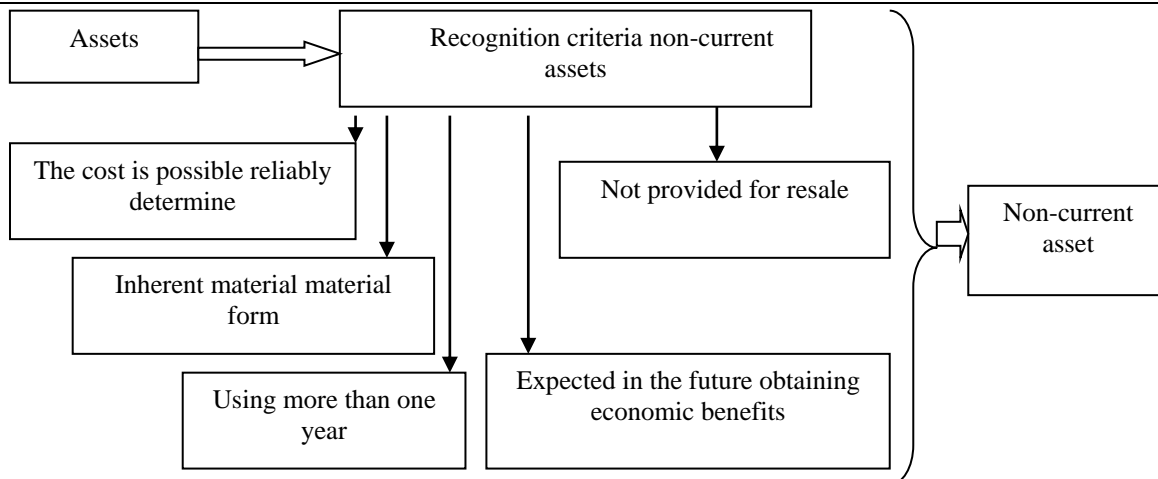


Figure 1. Criteria for recognizing non-current assets

The study of the literature makes it possible to identify the following positive features of the use of non-current assets, namely:

1. they are virtually unaffected by inflation;
2. they have a lower commercial risk of losses in the course of operating activities of the enterprise, ie they are protected from unfair actions of competitors under operating commercial agreements;
3. participating in the production of these assets, allow you to constantly make a profit;
4. they prevent or help to significantly reduce the loss of tangible current assets during storage;
5. allow to significantly increase the volume of operating activities during the period of economic recovery in the commodity market.

However, non-current assets in the process of operating use have a number of disadvantages:

1) subject to physical and moral wear. This is especially true of the active part of the fixed assets of production, and therefore, even if they cease to be used, they lose their value. Physical wear and tear is a process as a result of which elements of non-current assets become technically unsuitable for further use in production. Depreciation causes the depreciation of non-current assets due to the emergence of cheaper or more modern. In this regard, there is a need to form special sources of funds to recover physically and morally worn-out non-current assets;

2) quickly manage these assets, as a rule, because it is impossible to change their structure in a short period of time. Therefore, the deterioration of the commodity market, which causes a decline in production, reduces the efficiency of their use, if the company does not expand the range of products;

3) non-current assets are low liquid assets. This means that their conversion into cash without significant losses takes a long period (six months or more).

Therefore, non-current assets should be understood as a set of property and intangible rights directly involved in the production of goods and services, not intended for resale and the beneficial effect of which is expected to receive a long time (more than one year or operating cycle) .

It is worth noting that scientists suggest the separation of various classification features of non-current assets, but in accounting the most common is the classification by form of operation (by functional types) (figure 2).

We focus on the features of accounting for non-current tangible assets.

Since the effectiveness of accounting for non-current tangible assets depends on the ability to use accounting information in the management system, so this requirement must be taken into account when building an information system "non-current tangible assets" and the formation of its source information.

The purpose of accounting for non-current tangible assets is as follows:

- 1) determining the exact amount of receipt, disposal and transfer of non-current tangible assets;
- 2) timely and correct depreciation;
- 3) determining the result of the sale and liquidation of individual objects;
- 4) calculation of repair costs;
- 5) obtaining data on the movement of non-current tangible assets, initial and residual value and other indicators of their use.

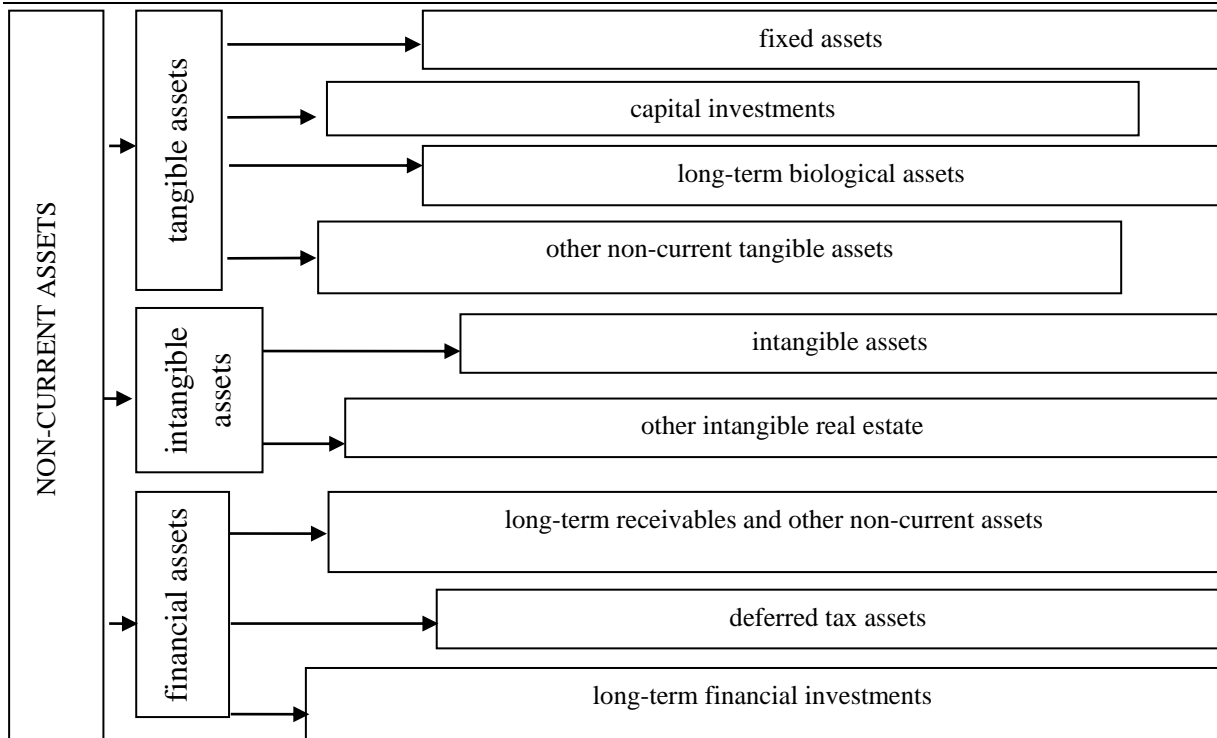


Figure 2. Classification of non-current assets by functional types and their components [1].

The organization of accounting for non-current tangible assets consists of the following interrelated stages:

1) Methodical stage - the choice of a system of certain methods and techniques based on documentation, inventory, use of synthetic and analytical accounts, application of the method of double entry, valuation of assets and liabilities, calculation, balance sheet and reporting;

2) The technical stage is the choice of the form of accounting that best corresponds to the industry and size of the enterprise and is to choose the method of processing accounting data computerized and computerized, developing a list and forms of accounting registers, establishing the order of entries in registers and data transfer in registers;

3) Stage of organization of accounting management - a separate department for accounting of non-current assets is allocated, the rights and responsibilities of employees are defined, as well as relationships with other management units.

As practice shows, non-current assets, including non-current tangible assets can come to the company as a result of:

- capital investments (in the case of: acquisition, construction, manufacture);
- contributions of the founders to the authorized capital of the enterprise;
- free transfer by other farms;
- exchange for other assets.

If non-current assets acquired from suppliers for cash, the costs associated with their acquisition are reflected on the debit of account 15 "Capital investments" [2]. The "Act of acceptance of transfer (internal transfer) of fixed assets" (form № 03-1) is used for registration of enrollment in fixed assets of separate objects, for the account of their commissioning.

When registering the acceptance of fixed assets, the act is drawn up in one copy for each individual object by the admission commission appointed by the management of the enterprise. This Act is the basis for enrollment of the object in the sub-report of the financially responsible person. The act is approved by the head, after which together with the technical documentation is transferred to the accounting department to reflect the data recorded in them on the accounts of synthetic and analytical accounting. Each object of fixed assets is transferred to the material safekeeping of the heads of structural units and their individual employees. This determines the need to keep records of fixed assets at the places of storage and use. To organize accounting and ensure control over the safety of fixed assets, each object according to the serial system is assigned an inventory number, which even after the disposal of fixed assets is not assigned to others [3].

Data on the availability and technical condition of fixed assets are recorded in the "Inventory of fixed assets". Descriptions are made during the annual inventory of fixed assets at the place of their storage, use and materially responsible persons. The form and content of inventory descriptions depend on the means that are accounted for. Analytical accounting of fixed assets is in the Inventory cards (form 03-6).

The card is opened, as a rule, for each inventory object. The form contains data on the technical features of the object, the rate of depreciation. Traditionally, it is kept in one copy by the accounting department, but there is an option to build an account with two copies of these forms: one in the accounting department, the other - in the places of operation of fixed assets "Inventory of fixed assets". Typical form № 03-9 "Inventory list of fixed assets" is used in the places of operation of fixed assets to account for each object for materially responsible persons. The data contained in this form must

be identical to the entries in the inventory cards of fixed assets. Inventory cards are registered in the Description of inventory cards of fixed assets. Inventory cards in the accounting file are arranged by groups of fixed assets with the allocation of a separate group of such objects that are temporarily not in use (overhaul, reconstruction and other improvements and conservation of objects). Before each classification group of fixed assets in the file is placed the Card of the account of the movement of fixed assets. It is filled in at the end of the month according to the inventory cards, which reflect the movement of fixed assets.

The primary accounting of fixed assets at the enterprise covers operations from receipt to the moment of liquidation of objects. Synthetic accounting of fixed assets is on account 10 "Fixed assets".

The debit of this account reflects the receipt of fixed assets and increase their initial value (due to revaluation, improvement, etc.), the credit - their disposal and depreciation. Synthetic accounting does not disclose information about the availability and movement of each object of fixed assets, to obtain the information necessary for the effective use of fixed assets, analytical accounting of fixed assets is organized. Analytical accounting of fixed assets is conducted by their groups and individual objects. A group of fixed assets is a set

of similar characteristics, purpose and conditions of use of fixed assets.

The system of analytical accounting at the enterprise allows to carry out effective control over availability and movement of fixed assets. However, the existing procedure for accounting for transactions with fixed assets at the enterprise does not sufficiently provide information on their implementation of the enterprise management system. Violation of the established requirements for analytical accounting at the enterprise complicates the process of document processing in the accounting department and prevents the receipt of prompt, complete, reliable, unbiased and accurate information about the availability and movement of fixed assets.

The "life cycle" of any object of non-current assets in the enterprise, including fixed assets, includes three main stages: receipt (acquisition; gratuitous receipt; manufacture; receipt of fixed assets through contribution to the authorized capital or exchange); operation (operations on improvement, revaluation, depreciation are carried out); disposal (write-off from the balance sheet as a result of the sale of objects, their free transfer, liquidation).

Fixed assets can come to the company in different ways, namely (figure 3):

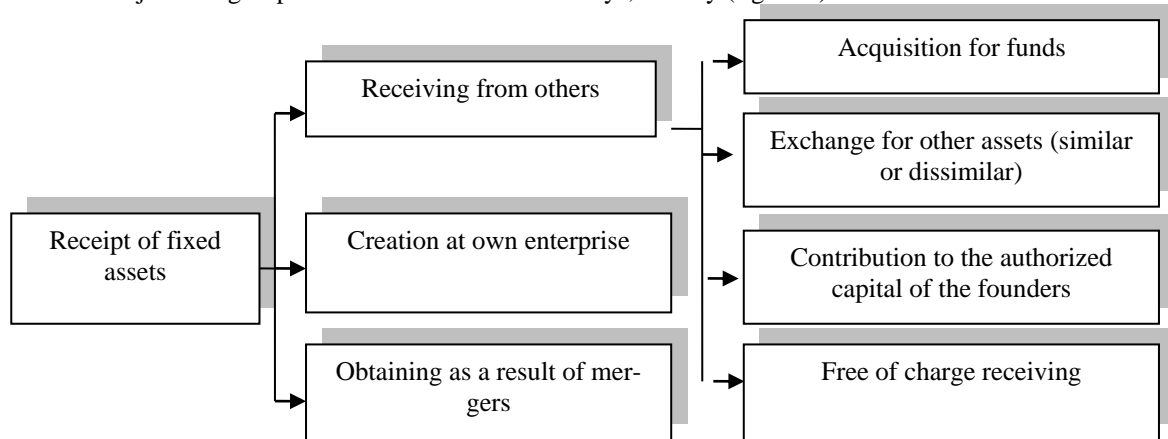


Figure 3. Conditions of receipt of fixed assets

Features of accounting for non-current assets in accordance with the ways of their receipt are summarized in the table. 1:

Table 1

Ways of receipt of fixed assets and their accounting at the enterprises of Ukraine		
No	Ways receipts	How are accounted for
1	2	3
1	Purchase for cash	All costs incurred in the acquisition provided for in paragraph Provisions (standard) of accounting 7 "Fixed assets" are accounted for by debit 152 account "Acquisition (manufacture) of fixed assets", after all the necessary costs incurred and the fixed asset is ready for use , the entire accumulated amount from account 152 is debited to account 10 "Fixed assets" with the corresponding sub-accounts
2	Free of charge receiving	All expenses incurred in the event of gratuitous receipt are accounted for by debiting account 152 "Acquisition (manufacture) of fixed assets" and credit 424 of account "Non-current assets received free of charge". After all necessary expenses have been incurred and the fixed asset is ready for operation, the entire accumulated amount from account 152 is debited to account 10 "Fixed assets" with the corresponding sub-accounts. In the first month of depreciation, the monthly amount of depreciation is written off on the company's income by debiting account 424 and credit 746 "Other income"
3	Making founders to statutory capital	All expenses incurred in the contribution of fixed assets to the authorized capital are accounted for by debiting account 152 "Acquisition (manufacture) of fixed assets"; after all

		necessary expenses are incurred and the fixed asset is ready for operation, the entire accumulated amount from account 152 is debited to account 10 "Fixed funds" with the corresponding sub-accounts. The founder's debt on contributions is closed on credit 46 of account "Unpaid capital".
4	Acquisition fixed assets exchange for others assets	The residual value of fixed assets is written off from the balance sheet of the enterprise on credit 10 account "Fixed assets" with the corresponding sub-accounts to the expense account. Depreciation of the transferred fixed asset is written off against debit 131 "Depreciation of fixed assets".
5	Independent production	All costs incurred in the manufacture provided for in paragraph Provisions (standard) of accounting 7 accounted for by debiting account 152 "Acquisition (manufacture) of fixed assets"; After the production of fixed assets is completed and the object is ready for operation, the entire accumulated amount from 152 accounts is debited to account 10 "Fixed assets" with the corresponding sub-accounts.

To account for all types of fixed assets that came into operation, the accounting department uses the "Inventory card of fixed assets" (form №03-6). The form is filled in one copy on the basis of the "Act of acceptance - transfer (internal transfer) of fixed assets" (form № 03-1), technical and other documentation. The section "Brief individual characteristics of the object" records only the main qualitative and quantitative indicators of the object, as well as the most important extensions, devices and accessories related to it, limited to two or three most important qualitative indicators for the object excluding duplication data available at the enterprise (organization), technical documentation provided object. The provision of fixed assets of the inventory number is usually based on the number of the accounting account and sub-account on which the object is accounted. The technical side of assigning an inventory number to a fixed asset consists in applying paint to the number means or attaching a number token. Along with inventory cards, analytical accounting of fixed assets in enterprises is carried out in the book of fixed assets. In the book of fixed assets registration of fixed assets is carried out in terms of specific divisions of the enterprise (shop №1, shop №2 and others) with their delimitation by accounting and qualification groups (103 - buildings and structures, 104 - machinery and equipment, 105 - vehicles, etc.). Bookmarks are used to delineate the affiliation of inventory cards of fixed assets to a particular unit. With their help, groups of fixed assets are separated from each other in terms of divisions of the enterprise. For the registration of inventory cards of fixed assets is used "Description of inventory cards for accounting of fixed assets" (form № 03-7). The description is made in one copy by the accounting department in order to control the storage of inventory cards. Records are kept in terms of classification groups (types) of fixed assets.

To account for the movement of fixed assets by classification groups in the manual processing of accounting documents at the enterprise used "Card of fixed assets" (form № 03-8), which is filled out on the basis of inventory cards of relevant groups (types) of fixed assets and compared with synthetic accounting for fixed assets. On the basis of the final data of these cards the reporting forms on the movement of fixed assets are filled out. For object-by-object accounting of fixed assets by their location (operation) must be identical to the entries in the inventory cards of fixed assets

kept in the accounting department. At registration of internal transfer of fixed assets the "Act of acceptance-transfer (internal transfer) of fixed assets" is written out in two copies by the employee of department (shop) - the supplier. The first copy with the receipt of the recipient and the giver is sent to the accounting department, and the second - to the department (shop) - to the giver. When transferring fixed assets to another enterprise (lease), the act is drawn up in two copies (for the enterprise that rents and accepts fixed assets). For registration of disposal of fixed assets (except for motor vehicles) with their full or partial write-off is used "Act on the write-off of fixed assets" (form № 03-3). The act is drawn up in two copies by a commission appointed by the head of the enterprise, approved by the head of the enterprise or a person authorized to do so. The first copy of the act is transferred to the accounting department, the second remains with the person responsible for the storage of fixed assets and is the basis for the delivery to the warehouse of spare parts remaining as a result of their write-off, as well as scrap materials.

To prevent premature disposal, ensure the operability and efficiency of use and prevent premature wear and tear, fixed assets are subject to periodic repairs. Acceptance of completed works on repair and improvement of fixed assets (modernization, completion, reconstruction, etc.) is made out by the Act of acceptance-delivery of the repaired, reconstructed and modernized objects.

Due to the physical and moral depreciation of fixed assets, as well as to increase the volume of economic activity of the enterprise carry out current and capital repairs of these non-current assets, their modernization, modification, completion, reconstruction and other improvements. In accounting, measures to improve and repair fixed assets can be reflected in different ways. The primary consideration is whether they will increase the future economic benefits initially expected from the use of the item of property, plant and equipment. That is, if the fixed asset is repaired to maintain the object in working order and obtain the initially determined amount of future economic benefits from its use, the costs incurred for its implementation are included in costs and improvements to fixed assets, which leads to increase the future economic benefits initially expected from the use of this facility. In this regard, in accordance with Provisions (standard) of accounting 7 "Fixed assets", the initial cost of fixed assets

is increased by the amount of costs associated with the improvement of the object [4].

As an economic category, fixed assets are part of fixed production capital, which takes the form of means of labor and gradually, over many production cycles, transfers its value to the manufactured product. Eliminate the negative impact of depreciation of fixed assets on the productivity of their operation, as noted in his work N.V. Potryvaeva, possibly through the introduction of an effective institutional mechanism for their reproduction [5].

After all, it is the continuous renewal of fixed assets in the production process that accelerates the disposal of obsolete means of labor. Examining the process of reproduction of fixed assets, we found that fixed assets are part of the means of production, which is materially reflected in the means of labor, retains its form for a long time, transfers parts of its value to the cost of production and reimbursed only after several production cycles [5].

It should be noted that the cost of reproduction of fixed assets includes not only the cost of repairs, but also other activities carried out to maintain the facility in working order (technical inspection, supervision, maintenance, etc.) and to obtain the initially determined amount of future economic benefits of its use.

So the question is: will the improvements and repairs increase the future economic benefits originally expected from the use of the item of property, plant and equipment? In accordance with the Guidelines for the accounting of fixed assets [6] (hereinafter - Recommendations № 561) the decision on the nature and characteristics of the work carried out by the enterprise is made by the head of the enterprise taking into account the results of the analysis of the existing situation and materiality of such costs.

Replacement of certain important components (parts) of fixed assets (engines, etc.) may be shown, in particular, as replacement of fixed assets, if the useful life of such part differs from the useful life of fixed assets to which this component belongs. In this case, the replacement of such a component is reflected in the capital investment in the acquisition of a new item of property, plant and equipment and the write-off of the replaced one.

It should be noted that Recommendation № 561 also provides that the cost of improving fixed assets to recover future economic benefits expected from their use is recognized as a capital investment, provided that

the carrying amount of the asset does not exceed the amount of its expected return [6]. In addition, the amount of the expected recoverable amount is the higher of the net realizable value or the present value of future net cash flows from the use of property, plant and equipment, including its liquidation value. Therefore, Recommendations № 561 provide in some cases for capital investments to be reflected not only in the implementation of measures aimed at increasing the future economic benefits initially expected from the use of fixed assets, but also in the implementation of measures that result only in the recovery of future economic benefits expected from the use of fixed assets, such assets [6].

The improvement in fixed assets is directly related to certain costs, which are initially accumulated in the debit of sub-accounts 151 "Capital construction", 152 "Acquisition (manufacture) of fixed assets" or 153 "Acquisition (manufacture) of other non-current tangible assets". Once the improvement work is completed, the costs are debited to the relevant sub-accounts in accounts 10 "Fixed assets" or 11 "Other non-current tangible assets".

Note that the improvement of fixed assets is through analytical accounting reflected in the off-balance sheet account 09 "Depreciation deductions", an increase in the balance of which occurs by the amount of accrued depreciation. It should be noted that the reduction of the balance on this account occurs in the case of depreciation on capital investments, in particular in such areas of use as improvement (modernization, modification, completion, equipment, reconstruction, etc.) of fixed assets.

Expenses for the improvement of fixed assets as they are carried out are debited to account 15 "Capital investments" and credit to accounts 13 "Depreciation (amortization) of non-current assets"; 20 "Inventories"; 22 "Low-value perishable items"; 65 "Insurance calculations"; 66 "Payments to employees", etc. (if the work is carried out economically).

Subject to the improvement of the contractor, such costs are credited to account 63 "Settlements with suppliers and contractors".

Repair of fixed assets in the financial crisis is an essential factor in mobilizing funds to maintain the material and technical base of enterprises in working and functional condition. The reflection in the accounting of the costs of repair of fixed assets directly depends on the object of costs (table. 2).

Table 2

Reflection in accounting of repair of fixed assets	
Cost object	Reflection in accounting
1	2
Production products, performance works (services)	Expenses are included in the production cost of products (works, services) as part of other direct costs, reflecting the debit of account 23 "Production"
general production activity	Expenses are included in overhead costs and accounted for by debiting account 91 "Overhead costs"
general economic activity	Expenses are included in administrative expenses and accounted for by debiting account 92 "Administrative expenses"
Sales products (goods, works, services)	Expenses are included in sales expenses and accounted for by debiting account 93 "Sales expenses"
socio-cultural activity	Expenses are included in other operating expenses with their reflection on sub-account 949 "Other operating expenses"

The most popular procedure for adjusting balance sheet assets in accounting is the revaluation of fixed assets. Revaluation of property, plant and equipment is understood as bringing the residual value of property, plant and equipment to fair value or is considered to be an accounting procedure by which the residual value of property, plant and equipment is reconciled with its fair value.

Schematically, the order of reflection of the revaluation of fixed assets in accounting is shown in the figure 4.

An item of property, plant and equipment ceases to be recognized as an asset (derecognised from the balance sheet) if it is disposed of as a result of a sale, liquidation, free transfer, shortage, final deterioration or other reasons for non-compliance with the asset recognition criteria. To determine the unsuitability of fixed assets for use, the possibility of their use by other enterprises, organizations and institutions, inefficiency or inexpediency of their improvement (repair, moderniza-

tion, etc.) and execution of relevant primary documents, the head of the enterprise creates a permanent commission consisting of deputy head, chief engineer, the head of the relevant structural unit, the chief accountant, the person responsible for the safety of the object.

Write-offs are made by the Act on write-off of fixed assets (f. 03-3), which gives the characteristics of the object, the presence of precious materials, technical characteristics and reasons for write-off, the initial cost of the disposal, the amount of depreciation, residual value.

On the basis of the relevant documents (orders, acts, etc.) register the costs of liquidation of the object and revenue in the form of the value of the materials obtained, which according to the invoices must be transferred to the warehouse for safekeeping. Similarly, fill in the Act on the write-off of vehicles (f. №03-4). The accounting department makes a note about the disposal of the object in the inventory card and inventory description of fixed assets at their location.

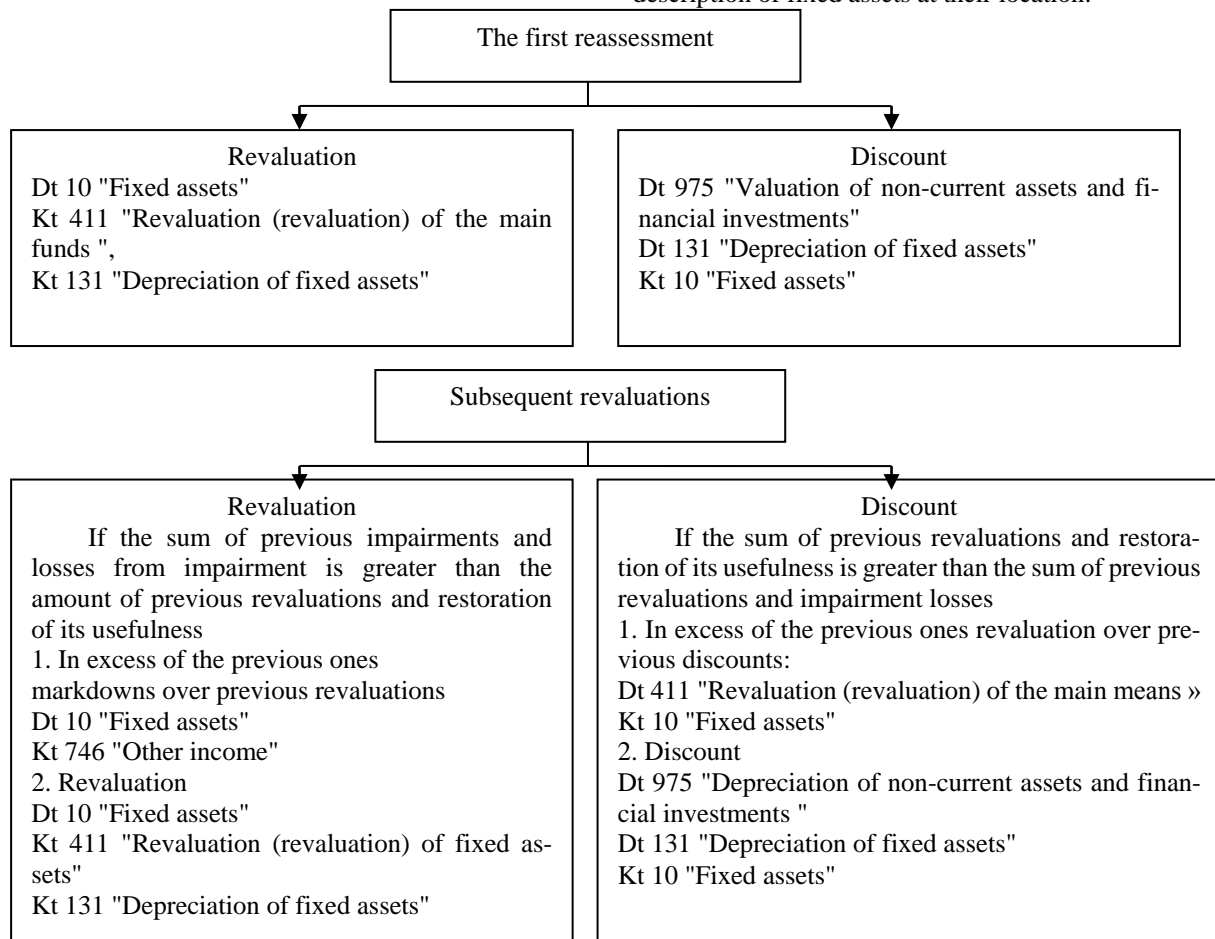


Figure 4. The order of reflection of the revaluation of fixed assets

Registers of analytical accounting of disposed fixed assets are attached to the documents, which for-

malize the facts of disposal of fixed assets. Generalization of information on methods of depreciation of fixed assets is presented in table 3:

Table 3

Methods of depreciation of fixed assets

Depreciation method	Description	Compared with other methods	
		shortcomings	benefits
1	2	3	4
Rectilinear	The amount of depreciation is determined by dividing the depreciable amount by the useful life of the item of property, plant and equipment	Features of moral wear are not considered	Ease of calculation, predictability of the amount of accumulated depreciation
Reduction of residual value	The annual amount of depreciation is defined as the product of the residual value at the beginning of the year and the annual depreciation rate as a percentage	The complexity of the calculation, the liquidation value of fixed assets can not be zero	Rapid accumulation of depreciation in the first periods of use of fixed assets
Accelerate the reduction of residual value	The annual amount of depreciation is defined as the product of the residual value at the beginning of the year and double the depreciation rate	Uneven distribution of depreciation amounts between periods of use	Features of moral wear are considered
Cumulative	The annual amount of depreciation is defined as the product of the depreciable value and the cumulative coefficient	Difficult for practical use	Predictability and planned accumulation of depreciation amounts
Industrial	The monthly amount of depreciation is defined as the product of the actual volume of production and the production rate of depreciation	Unpredictability of depreciation, difficulty in planning	Allows you to determine the specific participation of fixed assets in production and clearly transfer part of their value to the cost of production

Consider accounting for account 11 "Other non-current tangible assets", the purpose of which is to summarize information on the availability and movement

of other non-current tangible assets that are not reflected in the objects of accounting for account 10 "Fixed assets" (figure 5):

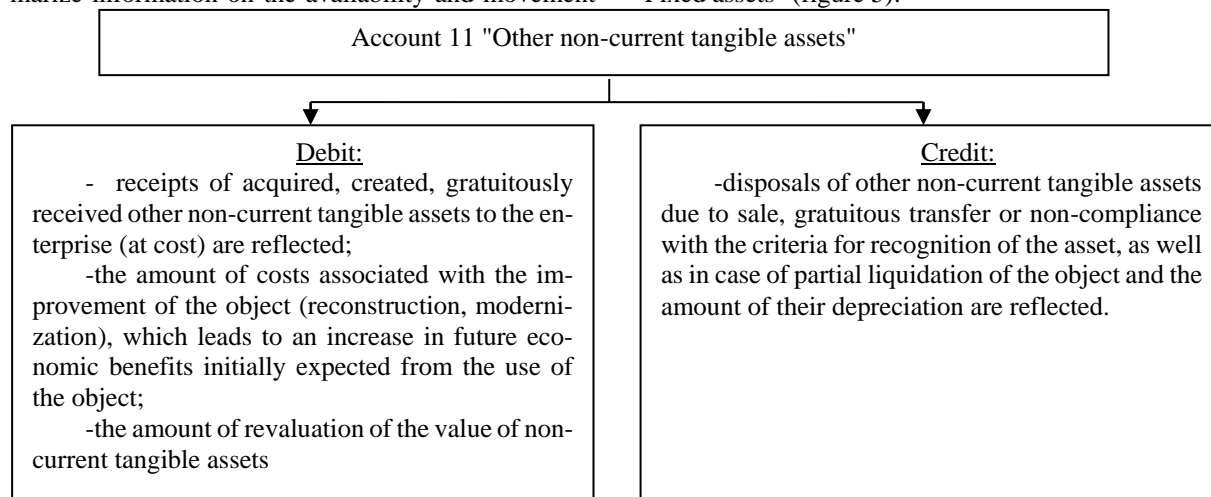


Figure 5. Purpose of account 11 "Other non-current tangible assets"

Table 5 presents account 11 "Other non-current tangible assets", which according to the current chart of accounts has seven sub-accounts, each of which is designed to account for the relevant groups of other non-

current assets, but not all of them are used in enterprises.

Structure of account 11 "Other non-current tangible assets"

Sub-account of synthetic accounting	Type of other non-current tangible assets	Other non-current tangible assets included in the accounting group
1	2	3
111	Library funds	the availability and movement of library funds is recorded
112	Low-value non-current tangible assets	reflects the value of items whose useful life is more than one year, including special tools and special devices, the value of which is repaid by depreciation at the rate set by the company (norm), taking into account the expected method of use of such objects
113	Temporary (untitled) buildings	the account of operational temporary (untitled) constructions is conducted
114	Natural resources	records of the availability and movement of purchased natural resources for subsequent production (oil, gas, etc.)
115	Inventory packaging	inventory and movement of inventory containers are kept. Inventory packaging includes reusable durable packaging, which is not issued as collateral, but is permanently located at the enterprise and is used to store valuables in warehouses or to ensure the processes of production or sale (barrels, vats, tanks, metal boxes, etc.). This reusable packaging is called inventory because it belongs to the inventory items, each of which is assigned an individual inventory number. Inventory containers are taken into account in inventory cards - a separate inventory card is created for each inventory object
116	Rental items	records are kept of the availability and movement of assets intended for rent
117	Other non-current tangible assets	the presence and movement of other non-current tangible assets, which are not reflected in other sub-accounts of account 11 "Other non-current tangible assets"

Analytical accounting of non-current tangible assets is conducted for each object of these assets. For the same groups on separate sub-accounts keep accounting of fixed assets that are not used in production activities, as well as those that under lease agreements of integral property complexes or financial leasing (lease) are credited or credited to the balance sheet of the enterprise

Fixed assets come to the company in the order of capital investments, which are accounted for in account 15 "Capital investments". Accounting of objects in the fixed assets is based on acts in the debit of account 10

"Fixed assets" from the credit of accounts 15, 42 and others.

Long-term biological assets in accounting are a special group of non-current tangible assets of the enterprise that are able to provide agricultural products and (or) additional biological assets of livestock, crop production, and otherwise bring economic benefits for a period exceeding 12 months.

Accounting for long-term biological assets and generalization of information on this type of non-current tangible assets is on account 16 "Long-term biological assets" with the appropriate sub-accounts (table. 6).

Table 6

Structure of account 16 "Long-term biological assets"

Sub-account of synthetic accounting	Type of long-term biological assets	Long-term biological assets included in the accounting group
1	2	3
161	Long-term biological assets of crop production, which are valued at fair value	The presence and movement of long-term biological assets of crop production, which are measured at fair value less costs to sell, are recorded
162	Long-term biological assets of crop production, which are valued at initial value	The availability and movement of long-term biological assets of crop production are recorded, the fair value of which cannot be reliably determined, as a result of which their assessment was made in accordance with Provisions (standard) of accounting 7 "Fixed assets" and Provisions (standard) of accounting 28 "Impairment of assets".
163	Long-term biological livestock assets that are measured at fair value	The availability and movement of long-term biological assets of livestock, which are measured at fair value less costs to sell, are accounted for.
164	Long-term biological assets of livestock, which are valued at cost	The presence and movement of long-term biological assets of livestock are recorded, the fair value of which cannot be reliably determined, as a

		result of which their assessment is carried out in accordance with Provisions (standard) of accounting 7 "Fixed Assets" and 28 "Impairment of Assets"
165	Immature long-term assets measured at fair value	The availability and movement of immature long-term biological assets (excluding animals recorded in account 21 "Current biological assets") are recorded, which are measured at fair value less costs to sell
166	Immature long-term assets measured at cost	Immature long-term biological assets are recorded (except for animals recorded in account 21 "Current biological assets"), the fair value of which cannot be reliably determined, as a result of which they are estimated based on the amount of costs incurred for their breeding

The debit of account 16 "Long-term biological assets" reflects the receipt (availability) of long-term biological assets, and the credit - disposal of long-term biological assets.

Receipt of long-term biological assets to the enterprise occurs under the following conditions: 1) acquisition for a fee from suppliers; 2) gratuitous receipt from legal entities and individuals and receipt as a contribution to the authorized capital; 3) transfer from current biological assets (transfer of animals to the main herd of working and productive livestock).

A decrease in the usefulness of assets leads to a change in their value. Thus, in accordance with Provisions (standard) of accounting 28 Impairment of Assets, an enterprise (at the balance sheet date) assesses whether there is any indication that an asset may be impaired. Namely, such signs are:

1) a decrease in the market value of the asset during the reporting period by significantly more than expected;

2) obsolescence or physical damage to the asset;

3) significant negative changes in the technological, market, economic or legal environment in which the enterprise operates, which occurred during the reporting period or are expected in the near future;

4) other evidence that the asset's performance is or will be worse than expected.

Objects of long-term biological assets are written off from the balance sheet of the enterprise (f.1 Statement of financial position) under the following conditions: 1) sale; 2) gratuitous transfer and transfer as a contribution to the authorized capital to another business entity; 3) loss of productivity of the biological asset (termination of the life process).

According to the study of the concept of non-current assets, we can conclude that this category of accounting is one of the most important in the business of

any business entity, but we can not talk about the unambiguity and simplicity of this concept. According to the results of the study, the article provides the following definition of non-current assets as assets that are a set of property and intangible rights that are directly involved in the production of goods and services, not for resale and beneficial effects that are expected to than for one year or operating cycle).

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ECONOMIC ASPECTS OF AGRO-FOOD CHAINS ON THE BIOFUEL MARKET OF UKRAINE

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Abstract

It is proved that ensuring the competitiveness of the biofuel supply chain is achieved based on improving the efficiency of participants functioning at each level, the formation of appropriate conditions of competition based on entering new marketeers, expanding the capacity of the internal market and its individual segments. The expediency of development of small forms of agrarian business in the field of bioenergy in the country is substantiated leading to growth of economy and, in particular, agrarian branch, creation of new jobs and expansion of tax base.