

## Фінанси, облік, аудит та оподаткування Finance, accounting, audit and taxation

[DOI: 10.26565/2786-4995-2023-1-02](https://doi.org/10.26565/2786-4995-2023-1-02)

УДК 657.1

**Anzhela Grylitska**

*PhD in Economics,*

*Associate Professor, Associate Professor of the Department of Accounting and Finance,  
Cherkasy State Business College, Chornovola 243, Cherkasy, 18028, Ukraine;*

*e-mail: [viola-albina@ukr.net](mailto:viola-albina@ukr.net);*

*ORCID ID: 0000-0001-6793-2142*

### FEATURES OF THE ORGANIZATIONAL STRUCTURE OF THE ACCOUNTING OF NON-CURRENT TANGIBLE ASSETS AND DIRECTIONS FOR THEIR IMPROVEMENT

**Abstract.** This article substantiates the theoretical provisions of the accounting of non-current material assets and offers practical recommendations for improving the methodology of the organization of the accounting of the studied assets. The issue of ensuring uniform approaches to determining the economic essence of non-current tangible assets is considered. Reasoned classification and determined methodical basis of accounting. The recognition and evaluation process of non-current tangible assets is analyzed, a comparative description of the accounting of non-current assets according to the National accounting regulations (standards) and International accounting standards is provided.

Methodological principles of accounting of non-current material assets at the enterprise were studied. The peculiarities of the formation of reporting information on the accounting of non-current material assets at the enterprise are determined. Modern war-pandemic and other crisis conditions of the functioning of enterprises require optimal use of non-current material assets of the enterprise.

Studies of problematic accounting issues of non-current material assets have been conducted, ways of solving them have been developed to improve the management of such assets. Conceptual principles of financial accounting of non-current tangible assets are considered. The procedure for the assessment of non-current tangible assets and the organizational support of accounting in terms of the elements of the accounting policy regarding non-current tangible assets in terms of its components are considered. The problems of the main issues of accounting (financial) accounting in relation to non-current material assets are defined and proposals are formulated to improve the organizational structure of the accounting of non-current material assets.

**Keywords:** *non-current material assets, efficiency of use, fixed assets, depreciation, accounting.*

**JEL Classification:** M 41.

**Bibl.:** 13

**Introduction.** Effective management of non-current material assets involves rational organization of their accounting. The construction of accounting should ensure the accounting of objects of non-current material assets during the entire period of their long-term use (exploitation). The organization of accounting for non-current material assets of a production enterprise is a very complex and time-consuming process. It begins with the documentation of operations on the movement of objects of non-current tangible assets, continues with the compilation of registers of analytical and synthetic accounting, and ends with the filling of appropriate forms of financial reporting.

**Analysis of research and formulation of the objective.** The definition of the term "non-current assets" has been defined by various scientists. Some propose to rename the term "non-current assets" to "main assets" or "long-term assets", which will allow to adjust the formation of the essence of non-current assets (V.E. Vankevich, L.L. Goretska, M.V. Pivtorak). L.G. Lovinska suggests replacing the term "non-current assets" in accounting practice with the more appropriate term "long-term assets" due to the impracticality of using the former [1, p. 146]. M.V. Pivtorak proposes to call these assets the main ones, which will correspond to the classical principle of dividing capital into main and circulating capital. The author emphasizes that land is the only non-negotiable asset [2, p. 6].

The results of the study. At the moment of acceptance of the object of fixed assets on the balance sheet of the enterprise, it is assigned the corresponding inventory number, which is marked on it by applying a notch with paint. This is done for the purpose of organizing analytical accounting and ensures control over the preservation of fixed assets. The inventory number is applied regardless of the location of the fixed assets: in operation, in stock or in conservation.

The concept of "non-current assets" was formed along with the development of economic science and accounting, and that is why most scientific works and regulatory documents provide economic and accounting categories that denote the concept of non-current assets.

Definition of the term "non-current assets" by various scientists, grouped by us in table 1.

*Table 1*

*Interpretation of the definition of "non-current assets"*

Author	Definition
Banera N., Gelei L., Pylypenko S., Moroz V. [3, p. 198]	Non-current assets are all non-current assets, which include fixed assets, intangible assets, long-term financial investments, capital investments, long-term biological assets, deferred tax assets, long-term receivables, other non-current assets, goodwill.
Hudz N.V. [4, p. 67]	Non-current assets are tangible, intangible and financial resources intended for realization or use during a period longer than 12 months or an operating cycle.
Dyba V.M. [5, p. 146]	Non-current assets - a set of property values of the enterprise, which repeatedly participate in the process of economic activity and which transfer their value to products in parts.
Zagorodnii A. G., Vozniuk G. L. [6, p. 319]	Non-current assets are a set of property values of an enterprise that repeatedly participate in the process of its economic activity.
Mocherny S. V. [7, p. 555]	Non-current assets are tangible, intangible and financial resources, the useful life of which exceeds a calendar year (or operating cycle).
Sheludko V. M. [8, p. 98]	Non-current assets are the property of the enterprise, which is intended for long-term use in the process of financial and economic activity.

The interpretations of the definition of "non-current assets" given in Table 1 lead us to the conclusion that all the definitions proposed by scientists are contradictory. A number of authors consider non-current assets to be tangible, intangible and financial resources, while the rest are property values.

We have not found an unambiguous and generally accepted interpretation of the content of the "non-current assets" category. Today, despite the existence of a significant number of studies

and scientific works, there is simply no single definition of the concept of "non-current assets". The evolution of views in economic theory can serve as an explanation for the presence of a large number of approaches to the definition of this category.

Some scientists suggest renaming the term "non-current assets" to "main assets" or "long-term assets", which will allow to correct the formation of the essence of non-current assets (V.E. Vankevich, L.L. Goretska, M.V. Pivtorak). L.G. Lovinska suggests replacing the term "non-current assets" in accounting practice with the more appropriate term "long-term assets" due to the impracticality of using the former [0, p. 146]. M.V. Pivtorak proposes to call these assets the main ones, which will correspond to the classical principle of dividing capital into main and circulating capital. The author emphasizes that land is the only asset that is not negotiable [10, p. 6].

From the point of view of the economic process in which non-current tangible assets participate repeatedly and transfer their value to products (services) in parts, they are often also called fixed assets or long-term assets.

Practice has determined that non-current assets include property values with a useful life of more than one year.

Among all the company's assets, non-current assets are the least mobile part of them, they are illiquid and non-maneuverable. Without significant losses, non-current assets can be turned into "live money" only after the end of long periods of time (from six months and above). It is much more difficult to sell fundamental property values adapted to a certain type of business on the market than current assets (liquid products and stocks).

It is worth noting that most of the constructions of production and other equipment are, as a rule, highly specialized and are rarely sold on the open market in Ukraine, with the exception of sales as part of an existing business. In Ukraine, the market for the sale of similar fixed assets is not active, and therefore is not able to ensure the receipt of funds in the event of a deterioration in the company's solvency.

Despite this, non-current assets are more resistant to inflationary processes, can provide additional income from renting them out, retain their appearance, are subject to revaluation, so they do not lose their value.

It is worth noting, regarding the terminology:

- non-current assets - used exclusively in Ukrainian and post-Soviet accounting;
- long-term assets (eng. - long-term assets) - used in Western countries;
- non-current assets (eng. - non-current assets) - used in International Financial Reporting

Standards.

Over a long period of time, world practice has developed a variety of types of non-current material assets. When considering these types, first of all, we use the signs of qualification of non-current material assets.

During the entire period of stay of the object of fixed assets at this enterprise, its inventory number is stored with it, which is noted in all primary documents and accounting registers. An object of fixed assets may be removed from the enterprise, and its number will not be assigned to a new object for another 5 years.

The enterprise has defined the following organizational principles for keeping records of fixed assets:

1. The composition of fixed assets includes tangible assets that the company holds for the purpose of using them in the process of production or supply of goods, provision of services, leasing to other persons or for the implementation of administrative and social functions, the expected useful life of which is more than one year (or operating cycle, if it will be longer than one year). In 2020, the value criterion for recognizing fixed assets was increased to 20,000 hryvnias.

2. The initial cost of fixed assets increases by the amount of costs associated with the improvement of the object, which leads to an increase in the future economic benefits originally expected from the use of the object.

3. Classify fixed assets in accordance with Art. 5 [11] by the following groups:

- houses and buildings;
- Machines and equipment;
- vehicles;
- other fixed assets.

4. Depreciation of fixed assets should be calculated using the straight-line method.

Depreciation of fixed assets begins from the moment these assets are ready for operation.

The average terms of amortization represent the estimated terms of useful use of assets:

- houses - 15-20 years;
- machines and equipment - 5-10 years;
- vehicles - 5 years;
- other fixed assets - 2-5 years.

Construction in progress and equipment not installed are not depreciated.

The useful life and depreciation method are analyzed at the end of each financial year.

5. The liquidation value of fixed assets is not established and for the purpose of calculating depreciation it is equal to 0.

6. Capitalized costs include basic costs for modernization and replacement of parts of assets that increase their useful life or improve their ability to generate income. Expenditures for repair and maintenance of fixed assets that do not meet the above capitalization criteria are charged to profit or loss in the period in which they are incurred.

7. The company accounts for intangible assets in accordance with the requirements of IAS 38 "Intangible Assets" [12].

8. Intangible assets are initially valued at cost.

The cost of an intangible asset is considered to be the amount of cash paid or their equivalents or the fair value of another form of compensation provided to receive the asset at the time of its acquisition.

The cost of a separately purchased intangible asset consists of:

- purchase price;
- expenses that are directly related to bringing the intangible asset to the condition necessary for operation in a way, for example:
  - expenses for payments to employees, which arise directly from bringing the asset to working condition;
  - fees to specialists paid directly as a result of bringing the asset to working condition;
  - costs for checking the appropriate functioning of an intangible asset.
  - other expenses, business trips, intermediary services, losses on the conclusion of the contract, which are directly related to the acquisition of the relevant object of intangible assets and are necessary (those that cannot be avoided) within the framework of the acquisition of the object of intangible assets.

9. After initial recognition, intangible assets are recorded at cost less accumulated amortization and accumulated impairment losses.

10. Intangible assets are amortized during the useful life using the straight-line method.

The average terms of depreciation, which represent the estimated terms of useful use of assets, are given below:

- patents and trademarks - 5-20 years;
- software - 1-10 years;
- rights to industrial property objects - 1-5 years;
- other intangible assets - 1-5 years.

11. In its activities, the enterprise may carry out the development of new medicines (other products).

The main asset in the 1C:Enterprise 8.3 program is an object put into operation. During the registration of the commissioning operation, all the parameters of the accounting of fixed assets are determined. The list of fixed assets and other non-current assets is stored in the "Fixed Assets" directory, and all accounting parameters are automatically recorded in the information registers by the system.

When purchasing an object of fixed assets through trade organizations or directly from the manufacturer, on the basis of the received invoice, the accounting department of the enterprise draws up an Act of acceptance and transfer (internal movement) of fixed assets in the 1st copy [13].

Basic information about fixed assets and intangible assets is not stored in the directory, but in information registers. This information is entered by the accountant in the form of a commissioning document, and accounting registers are automatically filled in when documents are processed. Analytical accounting of non-current material assets is carried out by the materially responsible persons and divisions under which these assets are fixed.

However, the company mainly consists of one accounting department and several production units located in the same city, but at different addresses, so primary paper documentation of operations related to the movement of non-current assets cannot be dispensed with, especially internal movement, repairs (current and modernization), write-off (liquidation) of fixed assets. These operations with fixed assets are carried out directly at the places where these fixed assets are fixed [14].

Acceptance, transfer, write-off (liquidation) of fixed assets at the enterprise are carried out, as a rule, by a permanent commission appointed by order of the director of the enterprise from among specialists (chief engineer, mechanic).

In the case of internal movement of the object of fixed assets, the Act of acceptance-transfer (internal movement) of fixed assets is drawn up in 2 copies - the first copy with the signatures of responsible employees of the transferring and receiving divisions is intended for the accounting department, and the second - remains in the division that transferred object).

Analytical accounting of non-current assets of production divisions of the enterprise is kept in inventory cards, which are filled out for each classification type of fixed assets, for example: for buildings, for equipment, vehicles. The name of the object, model, type, brand (if available), the location (of operation) of this fixed asset is indicated in the cards, the inventory and factory number are recorded, the document on the commissioning of the fixed asset and its initial cost are indicated, an account for making depreciation deductions and other required details.

Depreciation policy is an integral component of the accounting policy of every enterprise, it contains a set of management methods, the procedure for accrual, accounting and use of depreciation deductions. When recording a fixed asset object in the "Fixed Assets" directory, the accountant indicates the accounting account of fixed assets and the depreciation account, the materially responsible person, the method of depreciation and the period of useful use of the fixed asset. To calculate the depreciation of fixed assets in the program 1C:Enterprise 8.3, the document "Calculation of depreciation" is assigned.

It should be noted that account 13 "Depreciation (depreciation) of non-current assets" exists for the operation of amortization, which is maintained under the sub-account "Non-current assets". When registering the commissioning operation, the account of the facility and depreciation is selected. In 1C:Enterprise 8.3, this is recorded in the information reference register. The depreciation calculation method is specified for each fixed asset, and depending on the selected accounting account, the set of possible depreciation calculation methods changes.

When calculating depreciation in the 1C:Enterprise 8.3 program, there are some inconveniences, which are that in order to automatically calculate the amount of depreciation of fixed assets that are on the company's records, the accountant needs to perform the "month closing" operation at the end of each month.

For the revaluation of fixed assets and intangible assets, the document "Revaluation of

Assets" from the Journal of Documents is used. To carry out the revaluation, the revaluation coefficients are entered for each inventory number, after which the calculation is carried out, but it should be borne in mind that if it is necessary to change the residual value, either the book value or depreciation must be changed. As a result of using this document, the book value of fixed assets, intangible assets and their depreciation is reassessed.

Information about the write-off and sale of fixed assets is entered into the program using the "Liquidation of Assets" document. When creating a document, first of all, you need to indicate the reason for the disposal of the object: write-off or sale. On the basis of the entered data, after the document is executed, the 1C:Enterprise 8.3 program will create the appropriate postings on the accounting accounts and display the transaction in the appropriate amounts.

Standard and regulated reports are used to obtain analytical and summary data, as well as the formation of financial and tax reporting based on the information entered in the 1C:Enterprise 8.3 program.

The use of accounting programs for recording the process of exploitation of non-current assets not only allows you to receive operational and high-quality information, but also contributes to the improvement of the organization of work at the enterprise, the facilitation of record-keeping and the growth of the productivity of the accounting staff.

**Conclusion:** Therefore, we consider it expedient to offer an alternative approach of recording the facts of economic life about the objects of fixed assets in the accounting documents, which are formed by the program 1C: Enterprise 8.3 at the enterprise:

1) develop a system of electronic document circulation, when developing take into account the relationship between the accounting department of the enterprise and the production divisions, to which separate objects of fixed assets are fixed, and which are located at different addresses, but also in the same city;

2) rationalize spending time on processing, supplementing and storing primary documentation regarding the availability and movement of fixed assets;

3) ensure a minimum gap in time between the implementation of an economic transaction and the receipt of reporting information for making a balanced management decision regarding the effective operation of fixed assets by the enterprise;

4) to optimize the forms of primary documentation used to register the movement of fixed assets, since the current forms obtained in the process of printing electronic documents duplicate each other. Introduce an improved form into the standard configuration of 1C: Enterprise 8.3, which will combine the Act of acceptance and transfer, the Act of write-off and the inventory card of fixed assets into one document. This will contribute to reducing the labor intensity of accounting work and reducing document flow. The informativeness and visibility of the primary document will increase and contribute to strengthening control over the availability and movement of fixed assets.

5) optimize the calculation of depreciation in the 1C program: Enterprise 8.3. Calculate depreciation monthly at a time clearly regulated by the program, and not wait for the chief accountant of the enterprise to carry out the operation "Closing of the month". This will contribute to the complete automation of the accounting of non-current material assets of the enterprise.

6) delegate to a clearly defined official the duties of conducting an internal check of the state of non-current assets, the correctness of their accounting and the display of accounting data in management, financial, statistical, tax reports, and the evaluation of the effectiveness of their operation. We consider it expedient to appoint an accounting accountant for accounting of fixed assets as such a person.

#### Список використаної літератури

1. Лишилєнко О. В. Бухгалтерський облік: підручник для ВНЗ. К.: ЦУЛ, 2015. 528 с.
2. Півторак М.В. Облік основних засобів у рибному господарстві: автореф. дис. ... канд. екон. наук: спец. 08.00.09 «Бухгалтерський облік, аналіз та аудит» / М.В. Півторак. - К.: ННЦ «Інститут аграрної економіки» УААН, 2006. 19 с.
3. Банера Н. та ін. Облік і аудит: навчальний посібник / заг. ред. О. Скаско. Львів: Растр-7, 2017. 504 с

4. Гудзь Н. Бухгалтерський облік : навчальний посібник / ред. П. Денчук, Р. Романів. Київ, 2016. 424 с.
5. Диба В. М. Облік та аналіз необоротних активів : монографія / В. М. Диба. - Київ : КНЕУ, 2008. - 288 с
6. Загородній А.Г. Вознюк Г.Л. Фінансово-економічний словник. Київ: Знання, 2007. 1072 с.
7. Мочерний С. В. Економічна енциклопедія / С. В. Мочерний. - К.: Видавничий центр «Академія», 2000. Т. 1. С. 848.
8. Шелудько В. Фінансовий менеджмент: підручник. Київ, 2013. 375 с.
9. Ловінська Л.Г. Оцінка в бухгалтерському обліку : монографія. – Київ : КНЕУ, 2006. 256 с.
10. Національне положення (стандарт) бухгалтерського обліку 7 «Основні засоби» від 27.04.2000р. № 92. URL: <https://zakon.rada.gov.ua> (дата звернення: 04.01.2023)
11. Міжнародний стандарт бухгалтерського обліку 16 «Основні засоби». URL: <http://www.minfin.gov.ua>
12. Methodology of complex analysis of tangible fixed assets. *Entrepreneurship and sustainability issues*. 2020. Vol. 7, Number 2 (December), pp. 1341-1352. Available at: [Accessed 04.01.2023].
13. Zinkeviciene, D. and Vaisnoraitė, G. Factors affecting the choice of tangible fixed asset accounting methods: theoretical approach. *European Scientific Journal*, June special edition. 2014. vol. 1, pp. 198-208.

*Стаття надійшла до редакції 10.01.2023*

*Статтю рекомендовано до друку 02.02.2023*

#### References

1. Lishilenko, O. V. (2015). *Buhgalterskij oblik: pidruchnik dlya VNZ [Accounting: a textbook for universities]*. Kyiv: CUL [in Ukrainian].
2. Pivtorak, M.V. (2006). *Oblik osnovnih zasobiv u ribnomu gospodarstvi [Accounting of fixed assets in fisheries]*. (Extended abstract of candidate's thesis). Kyiv: NNC «Institut agrarnoyi ekonomiki» UAAN [in Ukrainian].
3. Banera, N. ta in. (2017). *Oblik i audit: navchalnij posibnik [Accounting and auditing: a study guide]*. (Ed) Skasko O. Lviv: Rastr-7 [in Ukrainian].
4. Gudz, N. (2016). *Buhgalterskij oblik: navchalnij posibnik [Accounting: study guide]*. (Ed) Denchuk P, Romaniv R. Kiyiv [in Ukrainian].
5. Diba, V. M. (2008). *Oblik ta analiz neoborotnih aktiviv: monogr. [Accounting and analysis of non-current assets: a monograph]*. Kyiv.: KNEU [in Ukrainian].
6. Zagorodnij, A.G. Voznyuk, G.L. (2007). *Finansovo-ekonomichnij slovník [Financial and economic dictionary]*. Kiyiv: Znannya [in Ukrainian].
7. Mochernij, S. V. (2000). *Ekonomichna encyklopediya [Economic encyclopedia]*. Kyiv: Vidavnichij centr «Akademiya», volume 1 [in Ukrainian].
8. Sheludko, V. (2013). *Finansovij menedzhment: pidruchnik [Financial management: a textbook]*. Kyiv [in Ukrainian].
9. Lovinska, L.G. (2006). *Ocinka v buhgalterskomu obliku: monografiya [Assessment in accounting: a monograph]* Kyiv: KNEU [in Ukrainian].
10. Nacionalne polozhennya (standart) buhgalterskogo obliku 7 «Osnovni zasobi» vid (2000). № 92. Retrieved from: <https://zakon.rada.gov.ua> [in Ukrainian].
11. Mizhnarodnij standart buhgalterskogo obliku 16 «Osnovni zasobi» [National regulation (standard) of accounting 7 "Fixed assets"] Retrieved from <http://www.minfin.gov.ua> [in Ukrainian].
12. Tamulevičienė, D., Mackevičius, J. (2020). Methodology of complex analysis of tangible fixed assets. *Journal of Entrepreneurship and Sustainability Issues*, 7(2),1341-1352 [in English].
13. Zinkeviciene, D., Vaisnoraitė, G., (2014). Factors affecting the choice of tangible fixed asset accounting methods: theoretical approach. *European Scientific Journal*, June special edition, 1, 98-208 [in English].

*The article was received by the editors 10.01.2023*

*The article is recommended for printing 02.02.2023*

**Анжела Гриліцька**

*кандидат економічних наук, доцент,  
доцент кафедри обліку та фінансів*

*Черкаський державний бізнес-коледж кандидат економічних наук,  
Чорновола 243, м. Черкаси, 18028, Україна; 18028,  
e-mail: viola-albina@ukr.net; ORCID ID: 0000-0001-6793-2142*

### **ОСОБЛИВОСТІ ОРГАНІЗАЦІЙНОЇ ПОБУДОВИ ОБЛІКУ НЕОБОРОТНИХ МАТЕРІАЛЬНИХ АКТИВІВ ТА НАПРЯМИ ЇХ УДОСКОНАЛЕННЯ**

**Анотація.** У даній статті обґрунтовано теоретичні положення обліку необоротних матеріальних активів та запропоновано практичні рекомендації з удосконалення методики організації обліку досліджуваних активів. Розглянуті питання забезпечення єдиних підходів до визначення економічної сутності необоротних матеріальних активів. Обґрунтована класифікація та визначена методична база обліку. Проаналізовано визнання та процес оцінки необоротних матеріальних активів, надана порівняльна характеристика обліку необоротних активів за Національними положення (стандартами) бухгалтерського обліку та Міжнародними стандартами бухгалтерського обліку. Досліджені методичні засади обліку необоротних матеріальних активів на підприємстві. Визначені особливості формування звітної інформації з обліку необоротних матеріальних активів на підприємстві. Сучасні воєнно-пандемічні та інші кризові умови функціонування підприємств потребують оптимального використання необоротних матеріальних активів підприємства. Проведені дослідження проблемних питань обліку необоротних матеріальних активів, розроблені шляхи їх вирішення для покращення управління такими активами. Розглянуті концептуальні засади фінансового обліку необоротних матеріальних активів. Розглянуто порядок оцінки необоротних матеріальних активів та організаційне забезпечення бухгалтерського обліку в частині елементів облікової політики щодо необоротних матеріальних активів у розрізі її складових. Визначена проблематика основних питань бухгалтерського (фінансового) обліку щодо необоротних матеріальних активів та сформульовані пропозиції по удосконаленню організаційної побудови обліку необоротних матеріальних активів.

**Ключові слова:** *необоротні матеріальні активи, ефективність використання, основні засоби, амортизація, облік.*

Бібл.: 13