

ORGANISATION OF THE INVENTORY ACCOUNTING PROCESS AND WAYS TO IMPROVE IT

The aim of this study was to investigate the organization of the inventory accounting process and ways to improve it.

For the effective functioning of any business entity, it is necessary to increase the share of inventories that will be used for the successful operation of enterprises. One of the important conditions for the efficient production process of any enterprise is the availability and proper use of inventories. Inventories occupy a significant place in the structure of expenses of enterprises, affect the determination of the results of the enterprise's activities and participate in the presentation of information about its financial condition.

It should be noted that the main regulatory document on inventory accounting is NP(S)BU 9 "Inventories", which states that inventories are assets that :

- are in the process of production for the purpose of further sale of the product of production;
- are held for consumption in the course of production, performance of works and services, as well as management of the enterprise;
- held for further sale (distribution, transfer) in the ordinary course of business [1].

Inventories are an element of current assets that are used during one operating cycle (usually 12 months). Therefore, constant control and improvement of the accounting process at each stage of inventory accounting is a prerequisite for the formation of reliable information on the receipt, use, movement, compliance with the norms and established limits at the enterprise.

In accordance with NAS 9, inventories are valued upon receipt at cost, which is determined depending on the method of their receipt (in-house production, contribution to the charter capital, free-of-charge receipt, acquisition in exchange for similar inventories).

Accordingly, in accordance with NP(S)BU 9, the carrying amount of inventories upon disposal is assessed using the following methods: selling price, first-in, first-out (FIFO) cost, identified cost of the relevant unit of production, standard costs, weighted average cost [1].

Having identified and studied the features of the three methods, it can be noted that the advantage of the FIFO method is the priority of valuation of those inventories that were first received by the enterprise. The identified unit cost method is best used when the amount of inventory is small, because the valuation is performed on a unit-by-unit basis. The weighted average cost method involves the assessment of the total cost of inventories, so it is more appropriate to use it when there are large quantities of inventories [3, c.4].

Also, the main areas of improvement of the production process can be:

- improvement of inventory accounting documentation, their definition and classification;
- improvement of control over the movement of production stocks;
- development of a system for automation of accounting and analytical procedures in the management of production stocks [4, c.897].

The main ways to improve the accounting of production stocks can be:

- timely and thorough inventory;
- modernisation of warehouse accounting cards;
- simplification of the procedure for processing posting transactions;
- construction of modern warehouses equipped with special accessories [2, c. 6].

The organisation of warehouse accounting is also an important element of the accounting process for production stocks. Warehouse accounting is the transport and storage of production stocks.

To improve such accounting when inventories arrive at the warehouse, it is necessary to keep batch accounting, where the movement of inventories is carried out in a linear manner [4, c.898].

The process of disposing of inventory is quite complex due to the large amount of documentation. Therefore, issuing documents centrally through automation will greatly facilitate work and save time [3, c.6].

Thus, optimisation of methods for assessing the disposal of inventories, improvement of automation processes of inventory accounting at the enterprise, ensuring the quality of warehouse accounting will contribute to improving the efficiency of the system of accounting for the use and storage of inventories at the enterprise.

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