

METHODOLOGICAL BASIS FOR ACCOUNTING COSTS IN THE ENTERPRISES

DSc, Professor Kalonov Mukhiddin Bahritdinovich

Institute of professional training and retraining of motor transport personnel

***Annotation:** The article studies the methodological bases of cost accounting in product costs at the enterprises and draws relevant conclusions within the topic.*

***Keywords:** Cost, Income, Calculations, Bookkeeping, Accounting, Transports, Services*

Introduction. A number of efforts have been made in the Republic of Uzbekistan to develop transport services in recent years. The latest adopted, improved transportation system, creation of competitive environment and favorable conditions for carriers of all forms of ownership, as well as further increase of the transport and transit potential of the republic, as well as the President of the Republic of Uzbekistan March 6, 2019 Decree of the President of the Republic of Uzbekistan No. PP-4230 "On the measures of radical improvement of the system"

On the basis of this Decree, a number of tasks have been set before the development of the transport system. Among the tasks mentioned was the development of transport and logistics sector, along with the improvement of the quality of services and reduction of their prime cost.

In addition, one of the topical issues of today is the increase of profitability in the transport sector, optimization of their revenues and expenses. Especially in recent years, when urban passenger transport has not significantly increased transportation costs, increased wages, fuel costs and spare parts, we can see how difficult it is to generate revenue in this area. In this case, it is necessary to keep records of the income and expenses of the motor transport enterprises, develop specific measures on the basis of regular analysis and ensure the profitability of the enterprises. If the high cost of income is maintained for many years, it will eventually have a negative impact on both the state and society, and this shows the relevance of the topic.

Literature Review. Urazov (2011) cites the lack of unfinished business in automobile transport as a characteristic of the work done by road transport. He noted that in accordance with the procedures adopted in the Republic, the costs of transport assistance should be recognized and reflected on such principles as the calculation method, as well as the relevance and importance of income and expenses of the reporting periods.

Research has been done by a number of scientists in the grouping of costs in automotive companies. In particular, Kudelskaya and Belozertsev (2017) found that the costs of car transport were constant and variable costs.

Kalinina (2013) also emphasizes the allocation of fixed and variable costs to the purposes of the cost of automobile transports by detailing the composition of these costs, as opposed to the authors' group above. That is, the constant costs of road transport include the costs associated with running the enterprise and the depreciation expense not related to the kilometer traveled.

Efimenko (2003) divides the costs of automobile transport companies into variable and contingent fixed costs.

Likhachev (2017) estimates that transportation costs in motor transport enterprises are conditionally constant and variable costs.

Likhachev (2017) includes fixed costs that do not depend on the distance traveled by road transport. These costs include the depreciation of the rolling stock and the travel costs, regardless of the distance traveled by the depreciation rate. The author contends that the driver's salary and the associated social costs can also be included in the fixed costs.

Beloborodova (1989) argues that the object of cost accounting is the place of their origin (enterprise, production department, department, etc.), and the object of calculation is the type of product separately received.

Khasanov (2003) "In our view, the main principle of cost centers separation is that it is difficult to achieve the uniformity of equipment and operations used in shops. Large workshops of modern enterprises are not limited to the single purpose of spending."

According to Kadarkhonov (1993), "The source of the costs is the shops, places, departments, brigades, etc. in the enterprise. The cost center is called the primary production and service units. Responsibility centers are meant to control planned and regulatory costs, provide cost-sharing on behalf of the whole community and, in particular, interest in cost reduction and grouping production costs by economic units and responsible persons".

According to Bezrukihnhig (1974), the places of origin of costs are the production shops, departments and so on.

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Analysis and discussion of results. Costs and period expenses included in the prime cost of products (works, services) in accordance with the Regulation “On the structure of expenditures for production and sale of products (works, services) and financial results” approved by the Resolution of the Cabinet of Ministers of February 5, 1999 № 54 The list appears on the undertaking during the production and sale of products (works, services) to determine the profitability and market competitiveness of the business entity All incurred expenses are set for the purpose of forming complete and accurate accounting information and accurate determination of the tax base.

Costs of production costs are directly and indirectly classified by major groups such as material, labor and other costs.

Requirement to include in the cost of production the direct and indirect material costs, direct and indirect labor costs, other direct and indirect costs, directly related to the production technology and the organization of the product available.

Costs of production costs are grouped by their economic content by the following elements:

- production costs (less the cost of reimbursement);
- labor costs of production nature;
- social insurance deductions related to production;
- depreciation of fixed assets and intangible assets;
- other production costs.

The Regulation states that the following items are included in the structure of labor costs:

- productive wages for actual work, including incentive payments provided for by the regulations on remuneration of the business entity, calculated based on the prices and tariffs and salaries paid in accordance with the forms and systems of remuneration received by the business entity;

- overpayment rates and occupations for professionalism and coaching.

- Compensation payments related to working hours and working conditions, including:

- Payment for days off (overtime work hours) paid to employees in connection with overtime work, overtime, and in other cases specified by the legislation.

- overtime payment:

- remuneration of labor of employees who are not in the staff of the undertaking, in case of settlement by employees of the undertaking itself, including the contract for civil works.

- other types of payments included into the labor costs of employees participating in the production process in accordance with the established procedure.

The depreciation of property, plant and equipment and intangible assets is also an expense item. The cost of depreciation of fixed assets and intangible assets includes:

- amount of depreciation deductions received for fixed assets, including financial lease (leasing), calculated in accordance with the accounting legislation.

- intangible assets of production value (other than goodwill (firm's value)), the amount of depreciation charges calculated in accordance with the accounting legislation. The depreciation rate for intangible assets (excluding goodwill (firm price), for which it is not possible to determine useful lives, is set for five years but no longer than the economic entity's life).

Apart from the above, there are other costs of production, including the costs of servicing the production process. If necessary, business entities of certain sectors may, with the permission of the Ministry of Finance of the Republic of Uzbekistan, create reserves for complete remediation activities. Allocations for these inventories are recorded in the item "Other production costs" and are calculated based on the estimated cost and periodic repairs of each item of property and equipment. The reserve allocation rate will be revised at the end of each reporting year and, if necessary, the amount of deductions for the new financial year may be increased or reduced. If the overhaul amount exceeds the actual cost of repairing the facility, an adjustment should be made to the excess; If the actual costs exceed the inventory, the excess amount is reflected in the item "Other costs of production".

Our research has shown that the main costs of service costs in road transport companies are the following:

- labor costs (drivers' salaries);
- salaries to other employees associated with the provision of services, deductions to the single social payment;
- fuel (oil products, natural gas);
- lubricants;
- cost of spare parts;
- depreciation of the rolling stock;
- costs of repairing the existing content.
- organizational costs.

If the costs of the first and second groups are directly related to the cost of labor, we can see that the cost of fuel and lubricants, spare parts and depreciation, as we have already mentioned, is in the current figures (see Table 1).

Table 1

The cost structure of the transport costs of the enterprises of road transport*

Харажатлар қисмлари		Transportation of goods	Passenger transportation
		%	%
1) Labor Welfare Fund		20,2	18,2
including			
drivers' wages		7,9	5,8
wages paid to other service personnel		12,3	12,4
2) Single social payment		5,1	4,6
3) Car fuel, including		36,7	33,7
petroleum products		22,9	22,2

* The Uzbek Agency for Automobile and River Transport calculates the average of the author based on the data for 2011-2018

natural gas		13,8	11,5
4) Lubricants		0,9	0,9
5) Car Parts		16,3	19,6
6) Depreciation on moving content		4,5	5,1
7) Cost of repairing on-site content		16,3	17,9
TOTAL		100	100

As can be seen from the table, the cost of services in motor transport enterprises accounted for the bulk of fuel and lubricants, which accounted for 33-37% in freight and passenger transportation.

In general, the main costs involved are not only the proper operation of the accounting system but also the financial performance of the motor transport enterprises.

Based on the foregoing, it can be concluded that cost accounting should be regulated by reflecting accounting policies. In addition, document circulation in automobile transport enterprises should also be reflected in accounting policy. In particular, in addition to the accounting documents approved by the current legislation, documents confirming the performance of work by the transport company, documents related to the regulation of inputs and outputs of fuel and lubricants should be developed and approved by the industry.

As mentioned above, cost-based costs are also included in the total cost, including depreciation expense. Therefore, proper and efficient accounting for these costs will reduce costs and increase profits. According to the Tax Code of the Republic of Uzbekistan (2019), the depreciation rate for fixed assets is set, and the right to set norms other than those contained in the Code is granted to the business entity. At the same time, the economic entity may determine the useful life of the fixed asset and the depreciation rate without leaving the legislation in the accounting policy. Therefore, it is necessary to clearly define the methods of depreciation of fixed assets used in the motor transport enterprises for the purpose of cost optimization, cost reduction, efficient use of fixed assets and clear depreciation methods.

In carrying out its activities, automobile companies seek not only to sell their services at reasonable prices, but also to reduce the cost of production and sales in transport services. If the first source of income growth is largely dependent on external conditions, the second source will depend on the enterprise itself, or, more precisely, on the effectiveness of the service delivery process and on the level of sales of transport services.

Proper cost management methods are developed based on the specific technological features of a particular network. In addition, there is a peculiarity of the cost structure of the types of freight and passenger transportation of motor transport.

Grouping by expenditure is a commonly accepted method that combines two classifications: on the cost element and on the cost items.

The economic cost element is a group of expenditures with the same economic value. Economic cost grouping has the same structure for all sectors at the national level. Currently, the theoretical and legal framework for the grouping of production costs by economic elements is approved by the Resolution of the Cabinet of Ministers of the Republic of Uzbekistan № 54 dated February 5, 1999 "Structure of expenses for production and sale of products (works, services) and financial results". In the transport system of Uzbekistan, the costs are grouped in accordance with these Regulations, which

are classified as costs of production and expenses not included in the prime cost of the products.

Production costs include labor costs and social insurance, depreciation of fixed assets and intangible assets, and other production costs[†].²

Costs that are not included in the cost of the product coin are called "Period costs" and include sales, administrative and other operational costs.

Production costs are theoretically divided into direct and indirect costs. The main part of the cost of production is direct costs. In the case of direct cost accounting in automotive transport Enterprises, their scientifically based classification is of great importance.

The division of costs into conditionally-constant and conditionally-variable types, which are calculated by economic elements, is used in the calculation of the savings achieved under the influence of technical and economic factors. Such calculations are performed to determine the cost of the services in the future plan on the basis of the existing actual cost. The use of these calculations is not always advisable, because it allows to determine the increase in costs (almost impossible situation) only in the fate in which the conditional-constant costs directly proportional to the increase in the volume of services rendered.

Taking into account the opinions of the above scientists and researchers, as well as the peculiarities of automobile enterprises of the Republic, in our opinion, it is desirable to divide the costs into conditional permanent and variable costs. Constant costs include costs that do not directly depend on the distance traveled by the content in the service or the work performed. These include the following expenses that do not depend on the distance traveled or the work performed: depreciation of the content in the movement, travel expenses, license and other fees, wages and compensatory payments, including the salaries of drivers and conductors.

Variable costs include costs that vary depending on the distance traveled by the car or the work performed. Such costs include the costs of fuel, lubricants, repair and maintenance of the structure in the movement, depreciation costs calculated on the composition of the structure in the movement established by the depreciation norm, depending on the distance traveled by the vehicle.

In our opinion, any cost can also be changed on certain terms. That is, the costs incurred will vary depending on the increase in the type of Service. For example, the cost of wages of an employee engaged in refueling on cars is included in fixed costs. Because it is understood that it does not depend on the performance of the content in the movement. However, the increase in the number of cars leads to an increase in the additional worker yollash and the cost to him. Therefore, in our opinion, costs are constantly changing when some kind of condition is accepted.

Achieving consistency between maximal profits and highest costs in each sector is essential for overall efficiency. Resource allocation efficiency is achieved when competition is equal to the market value of maximum costs as a result of competition. The concept of proper cost-sharing allows any society to increase its output. In case of equality of the market with the highest costs, the product is produced with the lowest gross costs.

How to use cost calculation, how to allocate additional costs is a commercial secret of the enterprise and is decided by the enterprise itself.

In determining the cost of the product and estimating the benefits from all costs, it is first necessary to determine the direct costs of the services. These costs form the basis of direct transport services. That is, the direct costs are directly attributable to the cost of the

[†] Regulations on structure of expenses for production and sale of products (works, services) and procedure for formation of financial results

services provided by the motor transport enterprises. As a result, improper grouping or incorrect accounting can lead to negative financial consequences. In the transport companies, the correct amount of costs does not depend on the volume of services provided and can only be reduced by reducing the amount of traffic. For example, the amount of fuel spent on motor vehicles or tire exhaust depends on the road that goes through more than the amount of work done.

The representatives of the authors of the idea of the development of costs are the scholars of the Anglo-American School, who lived in the first half of the 20th century. They have determined that calculations can be made as follows:

- for centers of responsibility - for control of technological methods, processes and activities of the persons involved in them;
- for products (full cost) - to calculate prices;
- by product (partial cost) - to control the use of idle production facilities.

In this regard, production costs (costs) are one of the main management accounting items. They are grouped by type, location and sources of costs.

German economist Dietrich Berner describes this method of cost accounting as follows: "Direct-costing is a system of cost accounting that results in the division of total costs of the enterprise into constant and variable costs. Only the last group of expenditures, that is, direct costs and variable indirect costs, are involved in the calculation of product cost. This relates mainly to the assessment of stocks of semi-finished products and finished goods in the final annual balance sheet, as well as inventories of products sold during the reporting period. Fixed costs are included in profit or loss.

The advantage of this system lies in the planning of incomplete, limited cost estimates on the part of computing facilities. Cost is a constant cost (they do not depend on the volume of production, but also when the output is zero) and variable costs (depending on the amount of production, costs of raw materials, workers' wages, etc.) depending on the volume of production). Cost can only be calculated based on the costs associated with the production of this product (works, services) (even if they are indirect). However, although different costs are included in the cost of the object in different ways, the general approach for this approach is that other costs, which are part of the current cost in economic terms, are not covered by financial results.

The main advantage of the Compensation Summary system is that it can make various operational decisions based on the information it receives. This concerns, first of all, the possibility of an effective pricing policy. Traditional methods of pricing based on a full cost calculation do not ensure that an enterprise's market pricing policy is always effective.

From the foregoing, we can conclude that the advantage of the system is that it has a positive effect on road transport.

Conclusion and Suggestions. Generally, the main purpose of cost accounting by the place of origin is to manage them properly and keep records. Cost management, in our opinion, is the application of procedures, requirements, norms and methods that arise from the knowledge of efficient saving of enterprise resources and maximizing their profits.

One of the main objectives of cost management is to make efficient use of modern methods by controlling, evaluating, grouping and maintaining proper accounting. Of course, the methods of their evaluation and grouping in effective cost management depend on the accounting policies of each economic entity and the nature of production technology.

The main purpose of calculating the cost of transportation services is to timely and fully determine the actual costs and to ensure control over the use of labor, material and

other resources. In addition, any business seeks to sell its goods at the best price to maximize profits.

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