

ACCOUNTING AND REPORTING OF THE SMALL BUSINESSES

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The world experience proves that the small businesses is a key component for developing a state economy. That is why relationships between small business entities and the state should be based on parity. Government support for small businesses allows not only successful and profitable business activity, but also it creates additional workplaces and increases the solvency of the population.

For the development and sustainable functioning of the small enterprises, we need clear, easy-to-use and understandable accounting schemes to guide sustainable operations. So, it is necessary to form a single accounting information system that includes accounting, tax accounting, operational and technical accounting data which represents objective information.

Currently, the market economy is rapidly developing in this context it is necessary to make timely management decisions, which requires truthful and accurate information that can be obtained with well-established accounting. And small business is also characterized by minimizing management costs, the ability to maintain a simplified tax, financial and statistical accounting system.

Given the importance of these market players for the country's economy, the state has adopted a number of laws aimed at increasing state support by reducing the tax burden, simplifying accounting and reporting financial statements for a small business. This is justified, because experience and some regulatory documents show that there are a number of features in the activity of small, medium and large enterprises.

There are following factors that are reflected in the accounting of a small business:

1. Limited financial resources to attract highly qualified accounting and other professionals (including jurisprudence, marketing, management). However, it is important to understand that the primary accounting is necessary condition in the organization of the enterprise and its foundation documents.
2. The need for a comprehensive knowledge of the legislative framework. To organize even a small business you need comprehensive knowledge of the existing civil, tax, labor, currency, customs, foreign economy legislation. Lack of legal education and knowledge in the organization of workflow is one of the most pressing problems today.
3. 3. A small number of employees. Usually the employee has to spend his working time not only on his special duties and to perform the work, that need knowledge from other industries. Thus, the small business needs universal workers more.
4. Poor protection against tax and other regulatory authorities. The inability to retain highly qualified professionals and the imperfection of the existing judiciary leads to the fact that the reviewing authority can take illegal actions,

forcing overpay the taxes and to take other actions that are not of interest to small business.

5. Not understanding the accounting goals of management. In an organization's management system, the accounting serves as a feedback, that provides information about the course of activity and the consequences of it.

Guidelines provide two options for keeping records: a simple form of accounting and a simplified form of accounting. A simple form of accounting involves the use of the Business Transaction Log. This form of accounting is used by enterprises with little document turnover (number of business transactions).

A simplified form of accounting, recommended for small enterprises with a large volume of workflows (and thus the number of employees and sales), with the production of finished products, the implementation of material-intensive works and services, involves the use of five statements and a balance sheet. Systematization of business operations is essential for accounting of small business.

The variable nature of the funds circulation in the production and financial activities of small enterprises is a dialectical process that determines their dynamic, quantitative and qualitative changes at each time moment.

These changes should be recorded and reflected by each type of accounting and reporting system only through a mechanism that would not only be fast enough for quantitative movements of funds in the course of their circulation, but also adequate for qualitative transformations resulting from production. activities.

The plan of accounting accounts showing the business assets of the enterprises and the sources of their formation exactly meets the following requirements.

Thus, consideration of these factors is a prerequisite when considering the issues of simplifying the accounting procedures of small businesses with the preservation main accounting tasks for the enterprise.

As a conclusion, a competent, clear and thoughtful approach to accounting in organizations that are subjects of a small business can increase the accuracy and efficiency of processing accounting information and, consequently, improve the quality of management decisions.

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