

INFLUENCE OF THE OTHER INCOMES AND EXPENSES ON FINANCIAL RESULTS

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In a modern, quickly changing market situation, management of the enterprise constantly needs to carry out the analysis of activity of the organization for adoption of administrative decisions. Operational and reliable information is necessary for the analysis and decision-making on its income and expenses. Each organization at the same time with the income and expenses on usual kinds of activity makes operations which belong to the other income and expenses. Therefore the accountant quite often should reflect this type of income and expenses in the work. Correctness of formation of financial activity result of the enterprise depends on how correctly and in due time will be the other income and expenses are reflected in accounting. Therefore, relevance of a subject of the accounting of the other income and expenses is that the other income and expenses influence reliable formation of financial results of activity of the enterprise.

Besides, relevance of the chosen subject is connected with that, as a rule, at the enterprises isn't paid now sufficient attention to the analysis and internal control of the other income and expenses. At many enterprises the other income and expenses have difficult structure and considerable specific weight that emphasizes importance of their research. Requirements of the modern market lead to increase of requirement for objective economic information on the reached results of activity of any organizations for the purpose of identification of the "bottlenecks" constraining their development, and to definition of opportunities of improvement of financial results which act as the most important form of manifestation of business activity of the subject of business.

The most important role of the income and expenses is defined by need of their correct reflection and calculation. Successful economic activity of the organization will depend on how the financial result of the organization is authentically defined. This is value of the accounting of financial results which in turn depend on the correct definition and reflection of all income and organization expenses including the other consists in it.

The main objectives of accounting of the other income and expenses are:

- formation of full and reliable information about structure and the sizes of the other income and expenses which influence financial result of activity of the organization. This task it is possible to call the main as according to accounting the analysis of economic activity of the organization where the financial result is generally analyzed becomes. On the basis of the made analysis the head makes the administrative decision which is directed on improvement or expansion of activity of the organization. All income and expenses information can be represented both internal, and to external users: to investors, suppliers, buyers, creditors, to tax and financial bodies, banks both other interested organizations and persons;
- ensuring control of existence and property movement, use of material, labor and financial resources according to the approved norms and standard estimates. Control of observance of norms and the standards established by the legislation, has to be carried out with special care as excess expenses influence the size of other expenses, and at the end on financial result. They shouldn't reduce taxable base in order to avoid the conflicts to tax inspection. Control of responsible persons and the workers holding senior positions is also necessary to exclude plunders, abuses, the thefts having negative impact on size of an other expenses;

- timely, full and reliable reflection of the other income and expenses on accounts and in accounting registers as on the basis of these data the reporting, both for external, and for internal users is formed;
- timely providing the reporting about the other income and expenses and their influence on end financial result;
- prevention of the negative phenomena in economic and financial activity, identification and mobilization of intraeconomic reserves for increase in a revenues and profitability.

The purpose of management of flows of the income and expenses in activity of the commercial organization consists in ensuring growth of profitability of activity on the basis of the primary growth of the corresponding indicators of profit. Only in this case prerequisites for increase of business activity of the organization will be created, and the increase in net profit will promote replenishment of the saved-up part of own capital of the organization that, in turn, predetermines stability of its financial state.

Achievement of this purpose is impossible without careful accounting of the other income and the expenses which value consists in formation of an objective assessment of their dynamics and structure, and also in identification of internal reserves of increase in the income and cuts in expenditure.

The income of the organization is the increase of economic benefits as a result of receipt of assets (money, other property) and (or) the repayment of obligations leading to increase in the capital of this organization, except for a contribution of participants admits.

Expenses of the organization is the reduction of economic benefits as a result of leaving of assets and (or) the emergence of obligations leading to reduction of the capital of this organization, except for reduction of deposits according to the decision of participants (owners of property) admits.

The given definitions of the income and expenses of the organization contain in subitem 2 of the Order of the Ministry of Finance of the Russian Federation of 06.05.1999 No. 33n "About the adoption of Situation on accounting "Organization expenses" PBU 10/99" (an edition of 27.04.2012) and the Order of the Ministry of Finance of the Russian Federation of 06.05.1999 No. 32n "About the adoption of the Accounting regulation "Organization Income" of PBU 9/99" (an edition of 27.04.2012).

These Provisions establish rules of formation in accounting of information on expenses of the commercial organizations which are legal entities by the legislation of the Russian Federation, except for credit and insurance companies.

Criteria of recognition of the income and expenses are identical, we will consider on the example of expenses.

According to item 11 PBU 10/99 "Organization expenses" an other expenses are:

- the expenses connected with granting for a payment in temporary use (temporary possession and using) organization assets;
- the expenses connected with granting for a payment of the rights, arising from patents for inventions, industrial samples and other types of intellectual property;
- the expenses connected with participation in authorized capitals of other organizations;
- the expenses connected with sale, leaving and other write-off of fixed assets and other assets, other than money (except foreign currency), goods, production;
- the percent paid by the organization for granting by her in using of money (the credits, loans);
- the expenses connected with fee, rendered by the credit organizations;

- contributions to the estimated reserves created according to rules of accounting (reserves on doubtful debts, under depreciation of investments in securities, etc.), and also the reserves created in connection with recognition of the conditional facts of economic activity;
- penalties, penalty fee, penalties for violation of conditions of contracts;
- compensation of the losses caused by the organization;
- the losses of last years recognized in reporting year;
- the sums of receivables on which expired the term of limitation period, other debts, unreal for collecting;
- exchange differences;
- sum of a markdown of assets;
- transfer of means (contributions, payments, etc.), connected with charity, expenses on implementation of sporting events, rest, entertainments, actions of cultural and educational character and other similar actions;
- other expenses.

Other expenses are also the expenses arising as consequences of force majeure of economic activity (natural disaster, a fire, accident, property nationalization, etc.).

Thus, the income of the organization is subdivided into the income on usual kinds of activity and the other income. Organization expenses also are subdivided into expenses on usual kinds of activity and other expenses. The accountant needs correctly to be able to classify the yielded types revenues and expenses as accounting of the income and expenses on usual kinds of activity and the other income of expenses is conducted on different accounts of accounting. Besides, the other income and expenses have to be economically proved, supported by primary registration documents, and have to be reflected in that reporting period in which they occurred.