

O.U. Kogut*¹, B.B. Bekzatova¹

Al-Farabi Kazakh national university,
Almaty, Kazakhstan

*E-mail: kogut.1974@mail.ru

ORDER OF FORMING OF ACCOUNTING OF THE INCOME AT THE ENTITY AND THE PRINCIPLES OF THEIR CLASSIFICATION

The article considers the peculiarities of the enterprise income and accounting income. Revenue from sales of finished goods and goods purchased and services is determined by the cost of implementation provided for in the agreement (contract) between the parties. In accounting, income is calculated as the difference between income and expenditure determined in accordance with IFRS. Taxable income is the sum of the yield (loss) for the period determined in accordance with the tax laws. The tax regulations differ from the accounting requirements as a result there are differences in the definition of accounting income and taxable income. temporary or permanent differences may arise when the amendments due to changes in accounting policies or correction of fundamental errors made by adjusting the opening balance of retained earnings.

Key words: income and expenses, accounting profit, taxable income, temporary differences.

О.Ю. Когут, Б.Б. Бекзатова

Кәсіпорынның табыс есебінің қалыптастыру тәртібі және олардың жіктеу принциптері

Мақалада ұйымда табыстарды қалыптастыру ерекшеліктері мен олардың есебі қарастырылған. Дайын өнімдер мен тауарларды сатудан және қызметтер көрсетуден алынған табыс екі жақтың арасындағы келісім-шартта (келісімде) қарастырылған сату құны бойынша анықталады. Бухгалтерлік есепте табыс ҚЕХС сәйкес анықталатын табыстар мен шығыстардың арасындағы айырма ретінде есептеледі. Салық салынатын табыс – салық заңдылықтарына сәйкес анықталатын есептік кезеңдегі табыстар (залалдар) сомасы. Салық заңдылықтарының талаптары бухгалтерлік есеп талаптарынан ерекшелінеді, соның нәтижесінде бухгалтерлік табыс пен салық салынатын табысты анықтауда айырмашылықтар пайда болады. Уақытша немесе тұрақты айырмалар есеп саясатына өзгерістер енгізумен байланысты немесе маңызды қателерді түзету кезінде бөлінбеген табыстың бастапқы қалдығына түзетулер жасаған жағдайларда пайда болады.

Түйін сөздер: табыстар мен шығыстар, бухгалтерлік табыс, салық салынатын табыс, уақытша айырмалар.

О.Ю. Когут, Б.Б. Бекзатова

Порядок формирования учета доходов на предприятии и принципы их классификации

В статье рассматриваются особенности формирования доходов на предприятии и учет доходов. Доход от реализации готовой продукции и товаров приобретенных и оказания услуг определяется по стоимости реализации, предусмотренной в договоре (контракте) между его сторонами. В бухгалтерском учете доход рассчитывается как разница между доходами и расходами, определяемыми в соответствии с МСФО. Налогооблагаемый доход – это сумма дохода (убытка) за отчетный период, определяемая в соответствии с налоговым законодательством. Требования налогового законодательства отличаются от требований бухгалтерского учета, в результате чего возникает разницы в определении бухгалтерского дохода и налогооблагаемого дохода. Вре-

менная или постоянная разница может возникать в том случае, когда внесение поправок в связи с изменениями в учетной политике или исправление существенных ошибок осуществляются путем корректировки начального сальдо нераспределенного дохода.

Ключевые слова: доходы и расходы, бухгалтерский доход, налогооблагаемый доход, временные разницы.

Introduction

The income is recognized according to NSFS 2 “Income”. Income gained from the core and not core business of the subject constitutes its comprehensive income [1].

As the income admits under certain conditions: the organization has the right to revenue following from the specific agreement or confirmed to others as appropriate;

the sum of revenue can be determined;

there is a confidence that specific transaction will be resulted by increase in economic benefits of the organization or there is no uncertainty in their obtaining;

the property right (ownerships, uses and orders) to products (goods) passed from the organization to the buyer or work is taken over by the customer, the service is rendered;

expenses which are made or will be made in connection with this transaction, can be determined.

Without obligatory execution of these conditions the income is not acknowledged in the specific accounting period, and is reflected in financial accounting or as receivables (when a money or other property it isn't received), or as an accounts payable (when a money or other property it is received).

Under the phrase «the organization has the right to revenue» is understood availability of legally significant documents in case of observance of requirements of the current legislation. It can be the signed contracts, notices of the broker or the attorney on shipment of goods to the buyer, current licenses, restrictions for maintaining any types of activity, etc.

For recognition in financial accounting of proceeds from sales of products and goods, performance of works and rendering services i.e. when it is clear that the condition for transition of the property right must be obligatory for execution, it is necessary to satisfy all five listed conditions.

For recognition of the income which receipt isn't connected with transition of the property right and (or) in the absence of the expenses connected with their obtaining respectively three or four conditions of recognition should be performed.

The income from regular types of activity (revenue), and other receipts (operational, non-

operating, extraordinary) received can be such income both:

- from provision for a fee in temporary use (temporary ownership and use) of assets (property) of the organization;

- provisions of the rights arising from patents for inventions, industrial designs and other types of intellectual property;

- participations in the authorized capital of other organizations;

- provisions of a money to other organizations for the loan agreement.

Experimental part. Speaking about recognition of the income, it is also necessary to note that along with a short cycle of creation of finished goods, performance of works and rendering services (up to 12 months) there are also such products (work, service) for which the normal operating cycle exceeds 12 months, for example in case of determination of the income in a construction or when carrying out Research and Development. Rules of recognition of such income are provided in NSFS 2.

The organization can reflect in financial accounting proceeds from sales of products (performance of works, rendering services) with a long cycle of production or upon completion of its production, or gradually in process of readiness if based on source accounting documents it is possible to determine size (or percent) readiness of products (works, services).

Results and discussion. If the amount of proceeds from sales of products (performance of work, rendering service) can't be determined (for example, there are no world analogs of products), revenue is accepted to financial accounting in the amount of the expenses recognized in financial accounting on production of these products, accomplishment of this work, rendering this service. And for excellent on nature and conditions of production of products, performance of works and rendering services the organization can apply different methods of a revenue recognition in one accounting period. Information of the chosen method should be reflected in accounting policy of the organization.

The income from sale of finished goods and the goods purchased and rendering services is

determined by cost from the implementation provided in the agreement (contract) between its parties. The income amount following from transactions is measured by the cost received or which is subject to obtaining taking into account discount amounts from the price or sales, and also price reductions (revaluations) approved in the agreement (contract).

The income and expenses caused by the same transactions or events in activities of the subject are recognized at the same time.

If cash receipt is delayed or payment will happen before fixed term, costs of compensation can be less or more, than a nominal cash amount, received or subject to obtaining. The difference between realization value and a nominal payment amount is recognized as the income in a type of percent.

Realization value is understood as the amount which the buyer pays for an asset or cost of its exchange between independent parties, ready to the transaction.

Realization value assumes also that agreement parties take into account the principles of financial accounting, such as: charges, truthful and impartial representation, discretion. The income from sales of goods is recognized in case of observance of the following conditions: the income amount is estimated with bigger degree of reliability, i.e., both parties participating in the transaction know about what amount is requested by the seller and what amount the buyer must pay; there is a probability that the economic benefit connected with the transaction will be received by the subject. It means that the seller is confident that the buyer will pay the amount stipulated in the agreement for the realized goods.

The income from performance of works and rendering services is recognized in a case of observance of requirements to determination of the income from sales of goods and the following conditions:

- the transaction completion stage to a reporting date is determined with bigger degree of reliability;
- the expenses incurred when carrying out the transaction and the expenses necessary for completion of the transaction are estimated with bigger degree of reliability.

The subject makes income assessment with bigger degree of reliability after the agreement with other persons participating in the transaction, in the relation is reached: the rights of each party which are valid claim and concerning rendering and acceptance of services by the parties; expected compensation; methods and conditions of payment.

Income isn't recognized on the basis of the intermediate payments received from the buyer of advance payments.

When the result of the transaction on rendering services can't be estimated with bigger degree of reliability, the income is recognized only in the amount of the made expenses which will be refunded.

When the result of the transaction can't be estimated with bigger degree of reliability and there is a probability that the made costs won't be compensated, the income isn't recognized.

Disclosure of a sign of the income. In case of accounts presentation the subject in the explanatory note should open:

- the accounting policy accepted for recognition of the income including methods of determination of a completion stage of the transaction on rendering services;

- the amount of each significant income type, recognized for the accounting period, including the income resulting from sales of goods, rendering services, percent, a royalty, dividends from them - the income amount, the resulting exchange of goods or services included in each significant income type.

Accounting of the income from the core business is organized on accounts of the subsection 6000 "Income". This group includes the following synthetic passive accounts: accounts 6010, 6020, 6030 of the subsection 6000 "Income from Sales of Products and Rendering Services". Income gained from sales of products, the performed works and services rendered on the party is reflected in these accounts. In the sphere of production of goods, the making products, works and services is applied the account of the entity. During the accounting period on the credit accounts 6010, 6020, 6030 accumulate an income amount, received from sale of finished goods, works and services.

The income amount received from sale of finished goods, works and services at the end of the accounting period is written off into account 5610 "Final profit (a final loss)". At the same time debit account 6010,6020,6030 and credit account 5610.

However not all amounts which arrived in cash desk are the income from sales of goods (services). In cases when is taken advance payment for goods, the amount which arrived via the control cash register is reflected in financial accounting in account 1610 "The short-term advance payments issued". And only after shipment of goods (performance of work or rendering services) this amount is written off into account 6010 "Income from sales of products and rendering services".

Table 1 – Correspondence on accounts of the subsection 6000 “Income from Sales of Products and Rendering Services”

Content of operation	debit	credit
Income from realization of finished goods	1010,1020,1030, 1210,1240,2110,2140	6010
Recognition by the income of the accounting period of the amounts carried to deferred revenues	3520,4420	6010
Closing at the end of the reporting period of account 6010	6010	5610
Return of the unrealized goods which weren't paid by buyers	6020	1210-1240, 2110-2140
Return of the realized goods paid by buyers, completely or in the sum of the advance payments issued by them	6020	1020,1030,3220- 3340,3390
Granting discounts from the price and sales	6030	3320-3340
Closing at the end of the reporting period accounts 6020 and 6030	5610	6020,6030

In financial accounting the income is calculated as a difference between the income and expenses determined according to IFRS.

The taxable income is the income amount (loss) for the accounting period determined according to the tax legislation.

Requirements of the tax legislation differ from requirements of financial accounting therefore there are differences in determination of an accounting income and taxable income.

Example: The legal entity of LLP «Als Computers» during business activity gained income on financial accounting in the amount of 200,0 thousand tenge. Within accounting year this legal entity paid a penalty in the budget in the amount of 20 thousand tenge and carried on results of economic activity an uncovered loss from implementation of securities in the amount of 5 thousand tenge. These costs according to the tax legislation aren't deductible. Therefore, the taxable income will exceed respectively an accounting income on the amount of differences, the representing these costs ($200+20+5=225$).

Differences can be constant or temporary. It depends of the reasons of origins. The origin of a fixed difference consists in that, a part of the income and expense items considered when calculating an accounting income isn't considered when calculating the taxable income. The following types of difference belong to constant differences:

- the penalties which are subject to entering into the budget;
- the expenses which aren't connected with business activity;
- costs for compensation of expenses traveling, representative and similar to them over the

regulations established by the Government of the Republic of Kazakhstan;

- the expenses caused by non-compliance with requirements for environmental protection from pollution and other harmful effects, use of natural resources including emissions (dumpings) of pollutants and placement of waste over the set limits, violation of sanitary standards and rules;
- expenses on insurance payments of accumulative and returnable nature;
- the losses which arose in case of implementation of the buildings used less than 3 years;
- interest payment for the credit over the amounts determined at the rate of the refunding rate established by National Bank of the Republic of Kazakhstan and increased by 50 percent;
- expenses on content of the social sphere over the established standard rates;
- the amounts of contributions to the insurance reserve funds exceeding the regulations established by the legislation of the Republic of Kazakhstan;
- the tax benefits provided to legal entities according to the tax legislation [2].

Types of constant differences aren't limited to the above-stated list.

The origin of a temporary difference (or discrepancies in time) is that a part of the income and expense items considered when calculating an accounting income in one accounting period when calculating the taxable income is considered in other accounting period. Thus, the temporary difference which arose in one accounting period is cancelled in the subsequent accounting periods [3].

Temporary differences appear as the result:

- distinctions in approaches of determination of the moment of recognition of the income and an

expense (in financial accounting on the basis of an accrual basis, in tax accounting - on a cash method);

– distinctions in approaches of determination of the depreciation charges on fixed assets and intangible assets, in connection with:

– application of different methods and regulations of charge of the depreciation charges;

– a discrepancy in case of write-off of a fixed assets in financial accounting and an exception of cost group in tax accounting;

– increase in a cost group balance sheet at an expense amount on repair of fixed assets exceeding the limit of reference of these costs for deductions set in a legislative order;

– distinction in financial and tax accounting of approaches of reference of costs for preparatory work in geology;

c) uncovered losses from implementation of securities. The losses arising in case of implementation of securities according to an accrual basis are recognized in financial accounting at the time of their emergence. In tax accounting the above-stated losses aren't considered in case of determination of the taxable income, and compensated within no more than five years for the income account from the increase in value received in case of implementation of other securities.

d) expenses on repair of fixed assets over the restriction set by the tax legislation;

e) distinctions at the time of recognition of a doubtful debt as an expense.

Doubtful debts arise at the time of sale of goods to the buyer on expenses in which financial accounting are performed through creation on doubtful debts, in a tax accounting are performed by direct write-off on the expiration of two years from the moment of their origin.

The temporary or constant difference can arise in that case when amending in connection with changes in accounting policy or correction of material mistakes is performed by adjustment of an opening balance of a retained income.

Information on the nature and the amount of constant and temporary differences is useful to users

of the financial reporting. However, accounting and a method of reflection in the financial reporting of these differences is various. So, fixed differences are considered in the separate sheets applied in tax accounting and are subject to disclosure in the explanatory note. Temporary differences are considered by determination and reflection in financial accounting of a tax effect from the amounts of these temporary differences.

The tax effect determined from the amounts of temporary differences represents a tax payment which according to the tax legislation is subject to delay or must be paid in advance.

The tax payment for the accounting period is determined on the basis of accounting of a tax effect by method of liabilities.

By a method of liabilities the income tax is considered as the expense incurred by the legal entity during income acquisition and the period in which there was corresponding income is charged in that. The tax effect of temporary differences which arose in the accounting period joins in a tax payment and is reflected on the account "Delayed income tax".

According to a method of liabilities the tax payment for the period includes:

a) the income tax to payment;

b) a tax effect of the temporary differences arising or cancelled in a current period;

c) amendment of a delayed tax on the beginning of the accounting period.

The income tax to payment is considered according to the tax legislation [2].

The tax effect of temporary differences is determined from the total amount of temporary differences by the tax rate operating in a current period. In case of changes of a rate of a tax on a future period for calculation of a tax effect use the tax rate established for the next accounting period. The amendment of a delayed tax represents the amount-based difference received as a result of adjustment.

The financial result (profit or loss) of managing of the commercial organization develops of a financial result from the transactions which are a subject of its core business and other activities.

Table 2 – Basic classification of financial results

End financial result of activity of the organization	
Profit from usual kinds of activity	Loss from usual kinds of activity
Current tax loss	Current income tax

The profit (loss) from regular types of activity is estimated as a difference between the income (minus the value added tax, excises and similar obligatory payments) and expenses from these types of activity. Respectively the difference of excess of the income over expenses is determined as profit, and a difference of excess of expenses over the income - as a loss.

From other activities it is necessary to understand result on all transactions of the organization other than transactions on regular types of activity, i.e. on those transactions which aren't economic transactions as a financial result.

The algorithm of calculation of a resulting financial result in the profit and loss statement allocates the following characterizing it elements:

- gross profit;
- profit/loss from sales;
- in the most various directions.

Also as in financial accounting, forming of information of financial results is reflected in the profit and loss statement.

Conclusion. According to NSFS 2 the profit and loss statement must include all income and expense items, recognized for the accounting period.

NSFS 2 orders other order of representation in the following cases:

1) influences of adjustments of mistakes and changes in accounting policy are represented as adjustment of last periods, but not as the income or expenses in the period of their origin;

2) in case of a property increase in value from revaluation some profits and losses resulting from the translation of financial statements of foreign activities according to section 30 NSFS 2 and some changes in fair value of hedge tools are reflected directly in the equity in case of their origin, but not in the form of profits or losses.

Final indicator of the income is the net income which is determined by the amount of the income from regular activities and emergency situations.

The size of a net income can be determined also by comparison of debit and credit turnovers by account 5610 "Final profit (a final loss)" which to be transferred to account 5510 "Retained earnings (uncovered loss) of accounting year". In this case it is necessary to compare these accounts 5610 "Final profit (a final loss)" of the Ledger with the magazine order №14 on the credit of this account, to check correctness of emergence and use of a net income of the entity.

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