

FORMATION OF INFORMATION STREAMS IN THE ADMINISTRATIVE ACCOUNTING FOR ANALYSIS OF THE BALANCED SCORECARD

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Keywords: “Balanced Scorecard” (BSC, the balanced system of indicators (SSP)); quality of the information; information streams; classification of the information; financial aspect of the SSP; the accounting (financial) reporting; the accounting administrative account; the accounting financial account; forms of the accounting (financial) reporting.

There are opened contents and features of formation of the information for the analysis of financial aspects of the balanced system of indicators(SSP), the indicators of the SSP based on the data of the accounting (financial) reporting are offered.

Reliability of the analysis of indicators of the balanced system directly depends on completeness and quality of the used information. The information base that provides it should cover all sides of activity of the organization and the factors connected to its sectorial belonging, environmental conditions, firstly including relations with clients and suppliers, financial strategy of owners, and training and development of the personnel. Ignoring these factors leads to a mistaken estimation of the current situation in the organizations and to doubtful forecast of its further development, and restriction of the information narrows opportunities of the SSP and, mainly, its productivity as leaves

outside of consideration essentially important for the objective analysis aspects of activity of the organization.

At formation of information streams for the analysis of the SSP it is necessary to take into account the various purposes of its leading and a hierarchy level of the organization which the analyzed system of the balanced indicators concerns to since it will determine substantially both used receptions of the analysis, and volume of the involved information.

Structuring the information streams that provide the SSP, we can mark out the following classification attributes and for presentation to represent them in figure (see figure):

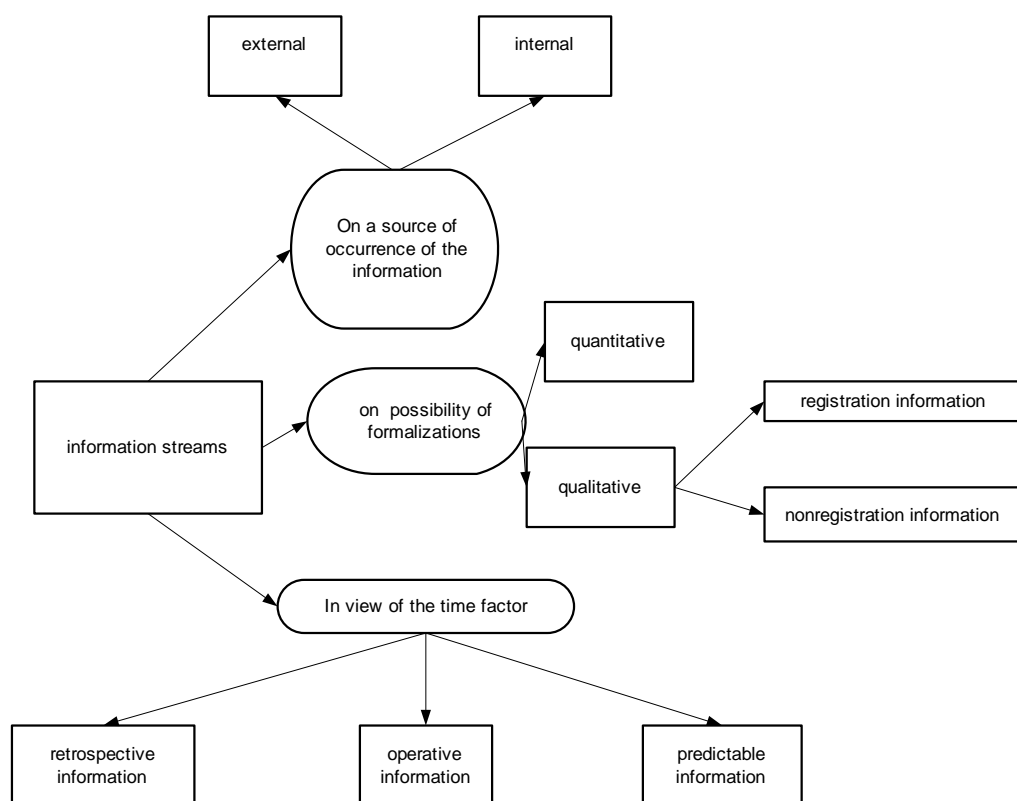


Fig. Classification of information streams

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- ◆ on a source of occurrence of the information streams are subdivided on external and internal;

- ◆ on possibility of formalizations streams are subdivided into the quantitative and qualitative information;

- ◆ In view of the time factor streams are classified on the retrospective information, the operative information and predictable information.

External information streams should include data on the state monetary, tax, credit and currency policy. This information should replenish with the data on tendencies of development of branch which includes the organization, and also with forecasts of its future development. For example, the motor industry depends on recessions and rises in economy and is characterized as cyclic, therefore data on sensitivity of sector to changes have determining value at formation of information streams in management.

Let's consider more detailed classification of information streams on a source of occurrence of the information and we pay the greater attention to internal streams since such information is necessary for formation and the analysis of financial aspect of the SSP. Speaking about internal information streams, it is necessary to note, that great value in maintenance of the SSP has the information about registered in constituent documents and the charter kinds of activity of the organization since it is necessary at the analysis of financial results, has profitability of activity of the organization, classification of kinds of its incomes and costs. The major financial decisions connected with increase or reduction of the authorized capital, distribution of the profit and formation of funds and reserves, also are determined by constituent documents of the enterprise.

Necessary element of a supply with information of the analysis of the SSP is the normative-planned information which use will allow to make the analysis of the basic financial indicators on their conformity of the chosen financial strategy, and also to use it for formation of indicators of the financial plan for the subsequent periods. Involving the normative-planned data generated earlier at the enterprise, during the analysis the basic indicators of the financial plan and specify internal specifications develop. The normative material contains in industrial passports, price lists, directories, and pass-

ports of the equipment concern to the technical information, drawings, specifications.

In our opinion the great value for formation and the analysis of the SSP is represented the registration of facts of organizations to which the data of accounting and the reporting, the operative account and the reporting, the statistical account and the reporting and the selective registration facts concern. In the greater measure the supply with information of financial aspect of the SSP is carried out by means of use of the accounting (financial) reporting or in a wider plan - the data of accounting.

The important source of the information for the analysis of the SSP is a data of the statistical account and the reporting which can be used for revealing tendencies of behavior of the basic indicators of the SSP, and also a degree of their uncertainty and risk. For example, data on dynamics of a sales volume are a basis for all system predictable analysis.

The information that is necessary for management by monetary streams and containing last data on presence and movement of money resources, a condition of accounts receivable include the data of the operative account. These data are used for carrying out of the operative analysis of indicators of the SSP.

The selective registration data are necessary at carrying out of the profound analysis of separate aspects of the current and future financial condition of the organization. Such information is submitted by the data incidental sorting, supervision, thematic checks.

The data of accounting share on streams of the information of the financial and administrative account. The data of the financial account are necessary for a supply with information in the greater measure of the financial block of the balanced system of indicators. The information including the data of the financial account, makes a basis of the given aspect and is a source of formation of groups of the indicators describing a financial condition of the organization.

Each form of the accounting (financial) reporting has independent semantic and information loading, all of them should be used for maintenance with details the balanced system of indicators so that to give to the user the reliable and authentic financial information (see table).

Information streams of the data of the administrative account also form a base for finan-

Use of the accounting (financial) reporting for formation and the analysis of indicators of the SSP

Form of the accounting reporting	Contained information	For formation and analysis of what indicators of the SSP can be used
Accounting balance	In accounting balance contains the information on property, obligations and the capital of the enterprise for concrete date	For estimation of indicators of the sum of the economic means which are taking place at the order of the organization, a share of the basic means in actives, and also liquidity of the organization, ability and timeliness of repayment of obligations and possible sources of their repayment and financial stability
Report on profits and losses	Information of the report on profits and losses allows to make representation about ability of the enterprise to dispose of the resources and to provide profitable activity in long-term prospect	On the basis of the information received from the report on profits and losses, it is obviously possible to calculate and analyze the indicators testifying to profitable (unprofitable) functioning of the organization: the receipt, the cost price of the sold goods, total profit, net profit, and also operational and out realization incomes and charges of the organization
Report on changes of the capital	The report on changes of the capital has an object to give the information on sources of formation of own capital for the accounting period and the reasons of its change	The indicators basing the data of this report, ability of the enterprise to self-financing and increase the capital allows to characterize, and also structure of the capital and its change. The parameter of a share of own capital in formation of actives is especially important
Report on movement of money resources	The report on movement of money resources is intended for an estimation of ability of the enterprise to provide excess of receipts of money resources over payments	Key parameter is the result of change of money resources from operational activity as it characterizes stability of additional inflow of money resources on the enterprise is. Also the information necessary for formation of the indicators testifying to a direction an expenditure of money resources and a share of separate articles in total amount of charges is useful
Appendices to accounting balance	Appendices to accounting balance for which the tabulated form is stipulated, contain minimally necessary data on a condition accounts receivable and bill payable, property, sources of financing of long-term investments and financial investments, decoding of separate articles of profits and losses and other information	The information contained in the appendix to accounting balance, can serve as addition to already designated indicators, and also gives the valuable data in the administrative account about movement of extra means, non-material actives and the basic means, and also the amortization charged on them

cial indicators of the balanced system and are a basis of all administrative decisions and is especial decisions in the field of formation and use of financial results, planning and budgetary regulation of the basic financial indicators. The information base of the administrative account should contain the following data: the generated strategy, the purposes of development of the organization and a way of their achievement; all necessary data for effective work of each structural division and each employee, using in the activity the balanced system of indicators; the information on system of gathering, the analysis and consolidation of the financial and not financial information; the data on multi-

stage system of mutual relations and superordinate between structural divisions and employees; the information on the internal monitoring system, managements of expenses and budgeting; The data for carrying out of an authentic estimation of investment projects and innovations; the detailed data on all business - processes of the organization and economic operations.

For a high-grade supply with information of the analysis of the SSP the data of the administrative account can be generated in a section of the following mainframes: on aspects of the balanced system of indicators; on fields of activity and geographical segments of commod-

ity markets; by kinds of production; by kinds of resources (material, labour, financial); on the centers of the responsibility; on the centers of expenses; on the centers of the profit.

The system of the administrative account should be useful to managers of all levels, on its should be easily track sequence of acceptance of administrative decisions, also in its mechanisms of the control and the reporting should be determined precisely, thus clearness and in definition of tasks for structural divisions and the responsibility for them is required. Therefore very important there is a creation of the reliable monitoring system behind achievement of indicators of the balanced system and an establishment of the personal responsibility of managers of divisions for performance of these indicators.

For the analysis of the SSP it is necessary, that the data of the administrative account had the following features: periodicity, i.e. formation of the information is carried out periodically and according to needs for its for preparation and a substantiation of decisions; the account of the information is carried out by the rules which are established by the organization and taking into account specificity of its activity; the basic attention is given the account of expenses and results, and also on revealing of rejections from an optimum level of use of resources; use as actual, and predictable values of analyzed indicators; the information carries as probable, and subjective character; natural values of analyzed indicators are used.

In the administrative account for unification of the primary information use the qualifiers, allowing determining and describing objects of the account. As an example we allocate the following qualifiers in the administrative account: kinds of actives, kinds of obligations, kinds of made production (works and services), the centers of the financial responsibility, kinds of expenses and incomes (on CFO), articles of accounting of the cost price, the basic and auxiliary business - processes, projects.

Gathering and registration of the primary information is carried out in the administrative plan of accounts which is made on the basis of the International standards of financial reporting (MSFO). Collected primary information should be submitted in convenient for the person accepting administrative decisions. For managers of

different levels of hierarchy of the organization the form of representation of the information can be various: it can be aggregated, structured and detailed. It is necessary to note, that more detailed information in analytical cuts is necessary for heads of structural divisions, the top management of the organization (financial, to the sales manager, etc.) totals are necessary only. By development of the balanced system of indicators it is necessary to determine what supply with information of indicators and on what organizational it should be carried out by the administrative account. Therefore there is a necessity of creation of standard forms both primary, and accounting documents with all following requirements to the administrative reporting.

Also it is necessary to determine the rules of gathering, registration, storage and representation of all administrative information. It is necessary to note, that intrafirm standards of activity of the organization (for example, at the enterprise Position under the administrative account and the reporting can be developed) should determine and the system of document circulation including: qualifiers of all documents on types and kinds; albums of the unified forms of documents for each division and a workplace of the organization (primary and reports); cards of formation of documents in the organization and its divisions; the register of administrative reports; the rules of input of the information in system of the account.

Construction of system of document circulation causes necessity of a designation of points of the internal control (i.e. the place and time of the control is determined, and its results are made out as the document), administrative decisions convenient for acceptance.

The role of development of computer systems, information technologies and perfection of systems of the administrative control consists in development of convenient and not too difficult procedures of an estimation of activity of the organization. Ways of processing of the information should provide its documenting, an opportunity of check and finishing up to data of interested persons. As marks D.G.Bazhutkin in article marks that modern information technologies allow to use huge data files in a mode of real time¹, therefore the accounting financial and administrative information becomes rather accessible economic resource.

By development of the balanced system of indicators it is necessary to take into account already possessed experience gathering of the information and to analyze existing information systems. It is especially useful at the initial stage of works when managers of the organization yet quite clearly imagine a format and the content of developed SSP. However even at this stage it is necessary to find practical decisions for the problems connected to techniques of carrying out of estimation and the responsibility for its results: how often it is need to carry out, what control procedures to use, who will be responsible for its carrying out, etc.

In the conclusion we note, that the integral condition of successful development of the organization is continuous increase of management efficiency, duly definition of the purposes of activity and the indicators describing a degree of their achievement. In this connection becomes necessary duly transformations to the administrative activity, including methods and technologies of planning, the account, the control, the analysis of a financial condition of the organization.

1. *Bazhutkin D.G.* Information as an Economic Resource // the Bulletin of the Samara State Economic University. 2007. № 5 (31) with 22.