

FORMATION AND DISCLOSURE OF THE METHODOLOGICAL ASPECTS OF ACCOUNTING POLICY

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The author considers the methodical aspect of accounting policy that is one of the important components of organizing accounting at the enterprise.

Accounting policy is one of the main documents that establishes rules for the organization of business and tax accounting.

Formation of accounting policies of each organization must proceed from the requirements of their consistency, compliance with modern regulatory framework and timely notification of external users of accounting information on the changes in accounting policies.

The organization of a rational system of accounting is the most difficult task for companies. Undoubtedly, accounting policy has an important role in this case and we can easily say that its methodical aspect affects the financial accounting.

Methodical aspect of accounting policy determines the methods for valuation of accounting objects, the order of their registration for the formation of financial performance and assessment of the financial condition of the organization. Determining the accounting policies, the organization must disclose the methods of valuation and record keeping which are essential. Essentiality is based on the condition that the user of financial statements without any knowledge of them can not estimate the outcome of the organization or form an idea about the property and financial conditions and cash flow. These methods should be represented in the notes included in the annual financial statements of the organization.

Methodical aspect of the accounting policy is one of the most important components of the accounting organization in business enterprise. Correct system construction of the accounting financial statements determinants depends on this aspect, therefore, its definition is an important moment in the formation of methodical aspects of accounting policy. Economic literature has no concept of the methodical aspect of accounting policies, and therefore we

offer the following definition - it is the choice of the efficient variant from the totality of the methods of record keeping, suitable for any particular organization.

Analyzing the existing RAS 1 / 2008 we should note that enough attention is not paid to the formation and disclosure of the methodical aspect of accounting policy in this act of standards. Clear influence of methodical aspect of accounting policy can be found in paragraphs 4, 7, 13-16, 17, 18 and 24 of RAS 1 / 2008. More detailed disclosure of this aspect can be done under the analysis of other acts of standards. We believe that this fact is the omission of the legislator, and so we propose to make modifications in RAS 1 / 2008. First of all, it is necessary to add the definition of methodical aspect, and secondly, to state the purpose and objectives of the methodical aspect of accounting policy.

The purpose of methodical aspect is the efficient choice of the method of record keeping.

The objectives of methodical aspect:

- ◆ to determine the accounting entity to be recorded in the accounting policy;
- ◆ to select from the available methods the most efficient one for organization;
- ◆ to determine the influence of the chosen method on the accounting financial statements of organization.

Third, it is necessary to change the paragraph 18 in RAS 1 / 2008. We propose to add the income taking into account the amortizable assets which include not only fixed-capital assets, non-material assets but also physical assets acquired for leasing and the rules of formation of the original cost value of enumerated fixed assets.

So on the basis of the foregoing; we propose the following interpretation of paragraph

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18: Methods of income accounting and accounting of depreciation of amortizable assets, valuation of distributed stocks, goods, WIP and final product, the recognition of revenue from the sale of products, goods, works and services, the method of cost accounting, accounting of budget settlements of tax, reserves accounting including doubtful debts and other methods meeting the requirements described in paragraph 17 of these Regulations relate to the methods of accounting record-keeping adopted in the formation of accounting policy and obliged to be disclosed in the financial statements. Thus, the organization must necessarily reflect all of

the above mentioned methods and register them in its own accounting policies.

Thus, in this article we analyzed RAS 1 / 2008 according to the presence of methodical aspect of accounting policy. It is recommended to make modifications in it and to determine its purpose and objectives. We also gave recommendations for the modifications in paragraph 18 of RAS 1 / 2008.

¹ Regulations on accounting "Accounting policy of the company" 1/2008 (approved by the Order of RF Ministry of Finance dated from October the 6th, 2008 № 106n).

² *Kalinina E.* Legal field of forming the accounting policy: http://upo.cba.ru/faq/legal_field.

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