

Research Journal of Pharmaceutical, Biological and Chemical Sciences

Documentation And Accounting Of Export Overheads.

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ABSTRACT

The article deals with theoretical and practical aspects of documenting and reflecting in the accounting of export overheads, as well as the features of their distribution. The paper considers the composition of documents to be issued when recognizing export overheads and how they are reflected in accounting. On a practical example, the methodology for reflecting overhead costs in accounts and subaccounts of accounting is presented.

Keywords: foreign economic activity, accounting, export of goods, overhead expenses for exports.

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INTRODUCTION

A great importance for ensuring the reliability of accounting information is properly documented and reflected in the accounts of accounting. Quality information is provided by a well-established system of accounting and control in the organization.

Purpose of the study: substantiation of theoretical provisions and development of practical recommendations on the organization of the accounting process in terms of overhead costs for export operations.

The objectives of the study: the definition of the composition of documents used to register transactions for the recognition of export costs; the development of a system of sub-accounts to reflect the overhead costs of exports.

MATERIALS AND METHODS

The study was conducted on the basis of information from the accounting and reporting documentation of agricultural organizations. During the research various methods of cognition, interpretation, systematization and generalization of information were used.

RESULTS AND DISCUSSION

Promotion of export goods or products from the supplier to foreign buyers is accompanied by various costs associated with the execution of the contract. Their payment is imposed by the foreign trade contract either to the seller or to the buyer at the stage of concluding the transaction. To such expenses it is possible to carry:

- payment for transport services;
- payment for loading, unloading and storage of goods;
- The cost of packaging and packaging of finished products or goods;
- costs of goods insurance;
- payment for consulting and intermediary services;
- payment for customs clearance of goods;
- other costs directly related to the sale of export goods or finished products.

All these costs are called overhead costs for exports and are included in sales costs separately from similar expenses for internal operations.

The primary documents for processing export sales are the accounts of transport organizations, accompanied by specifications, bills of lading for water transport, air waybills; cargo customs declarations; contracts on cargo insurance in transit, payment documents on the payment of insurance payments; accounts of various organizations providing separate services for loading and unloading goods in temporary storage areas (ports, warehouses, legal and consulting firms, intermediaries, etc.), acts of work performed.

Transportation costs are accepted for registration on the basis of invoices or reports of forwarders, internal or international shipping documents, acts of work performed, invoices, etc., presented by shipping organizations.

Loading, unloading, storage and transshipment services related to export sales are written off on the basis of documents from outside organizations, as well as acceptance certificates for services rendered or work performed.

Insurance payments on export goods or finished goods may be included by the seller in export sales costs if they are stipulated by the basic terms of supply [7], specified in the foreign trade contract. Restrictions on the amount of payments for property insurance for tax purposes are not provided for (Article 263 of the Tax Code of the Russian Federation) [2].

When exporting goods or finished goods, export duties and fees are paid in the export customs regime, which are levied when exporting goods from the customs territory of the Russian Federation in accordance with the declared regime [8].

In addition, sometimes there is a need to accompany the goods to representatives of the exporter. In this case, the overhead costs for exports include travel expenses directly associated with a specific transaction.

Registration of expenses for overseas business trips is carried out by a standard set of documents: an advance report with the application of travel documents, documents for the payment of hiring of housing and other supporting documents confirming the mission expenses. The advance report must be approved by the head, only in this case the expenses are taken into account.

To reflect the cost of sales, including export overheads, the Chart of Accounts for Financial and Economic Activities provides for account 44 "Sales Costs". This account is active, collectively-distributive, that is, it is designed to collect information on sales costs, and then distribute them between individual export transactions. It seems expedient to keep track of export overheads separately for each foreign trade transaction (contract). This will allow you to control the level of expenses, form a financial result for each export contract, which will allow you to analyze the results of the transaction and use the conclusions made in the analysis to plan further activities in order to improve the profitability of transactions.

Overhead costs for the export of goods should be reflected in the accounting records separately from other similar expenses (sales costs for domestic transactions): for agricultural exporting organizations, accounting policy should provide for account 44 "Sales costs" of a separate sub-account "Export overheads". Accumulated overhead costs for the export of agricultural products are included in the full cost price of the products sold and debited to the debit account 90 "Sales", sub-account 2 "Cost of sales." The write-off is made at the end of the month or at the conclusion of the transaction. The option of writing off expenses should be included in the accounting policy [9].

To account for export customs duties to account 90 "Sales" organizations can open an additional sub-account 90-5 "Export duties". Similarly, sub-accounts can be opened to account for other components of the selling price of the goods or products. This option can be used to reduce the number of postings, since the overhead immediately falls on the account 90 "Sales" mine transit transactions on account 44 "Sales costs."

Consider, for example, the reflection in the accounting of a typical export transaction.

Example.

- The agricultural organization exporting its own products has entered into a foreign trade contract for the sale of finished goods with a contractual value of 50,000 dollars and an actual production cost of 1830 thousand rub. The contract prescribes the basic conditions for the delivery of CIF., Which involves payment by the supplier of delivery and insurance of the goods. The cost of services for the delivery of goods from the warehouse of the seller to the port of departure amounted to 7 thousand rub., And the cost of services for the delivery of it from the port of departure to the port of destination 3 thousand US dollars.
- The customs duty is ad valorem, its rate is 10% of the customs value, converted into rubles at the exchange rate on the date of acceptance of the TBG. The customs duty for customs clearance of cargo amounted to 0.15% of the customs value of cargo in Russian rubles. Cargo insurance is carried out by the supplier in accordance with the basic terms of delivery of CIF, the amount of the contract is 1500 US dollars.
- The accounting policy of the exporting organization provides for the use of the following accounts and sub-accounts:
 - 44 "Sales costs" sub-account 1 - "Overhead expenses for exports in rubles";
 - 44 "Sales costs" sub-account 2 - "Overhead expenses for exports in foreign currency";
 - 76 "Settlements with other debtors and creditors" sub-account 1 - "Settlements with customs authorities";

- 76 "Settlements with other debtors and creditors" sub-account 2 - "Settlements with transport organizations";
- 76 "Settlements with other debtors and creditors" sub-account 3 - "Settlements with insurance organizations".
- The rate of the Central Bank of Russia of the US dollar was:
- on the date of shipment of the product to the buyer and conclusion of the cargo insurance contract - 70 rubles 58 kopecks,
- as of the date of acceptance of the cargo customs declaration for customs clearance and acceptance for recording of transportation expenses in foreign currency - 70 rubles 61 kopecks,
- on the date of payment of contributions of the insurance company and payment of transportation costs in foreign currency - 70 rubles 69 kopecks,
- at the date of settlement with a foreign buyer - 70 rubles 57 kopecks.

Table 1: Journal of business transactions registration

№	Contents of operation	Debit	Credit	Amount (rub)	Amount in currency (\$)	The CBR rate at the date of the transaction
1	Products shipped to a foreign buyer	62	90-1	3529000	50000	70-58
2	The production cost of the shipped products is written off	90-2	43	1830000	-	-
3	The debt to the budget for export customs duty was accrued	44-1	76-1	353050	-	-
4	From the settlement account the export customs duty is transferred to the budget	76-1	51	353050	-	-
5	The debt to the customs authority for collection for customs clearance of cargo	44-1	76-1	5295-75	-	-
6	The debt on customs collection is transferred from the current account	76-1	51	5295-75	-	-
7	Contract with foreign insurance company on cargo insurance concluded	44-2	76-3	105870	1500	70-58
8	The payment of the insurance company in full is transferred	76-3	52	106035	1500	70-69
9	Reflected the negative exchange rate difference between the official exchange rate of the CBRF as of the date of payment of the insurance premium and on the date of its accrual	91-2	76-3	165	-	-
10	The debt to transport organizations for the delivery of the goods was charged: • to the port of departure • to the destination port	44-1 44-2	76-2 76-2	7000 211830	3000	70-61
11	Listed from the current account and the current foreign currency account, the debt to transport organizations: • from the current account	76-2 76-2	51 52	7000 212700	3000	70-69

	• • from the foreign currency account					
12	Reflected the negative exchange rate difference between the official exchange rate of the CBRF as of the date of transfer of the debt and at the date of its occurrence	91-2	76-2	870	-	-
13	At the end of the month, export overheads are written off to the cost of goods sold in rubles and in foreign currency	90-2 90-2	44-1 44-2	365345-75 317700	-	-
14	The financial result from the sale of products is reflected	90-9	99	1015954-25	-	-
15	A payment from a foreign buyer is credited to a foreign exchange account	52	62	3528500	50000	70-57
16	At the same time, the exchange rate difference between the official exchange rate of the Central Bank of the Russian Federation at the date of receipt of payment and the date of shipment of the product to the buyer	91-2	62	500	-	-

CONCLUSION

Reflection on accounts must provide information on the processes of production for export, its sale, the state of settlements with counterparties on transactions, the budget for taxes and fees, the determination of financial results and obtaining information for the preparation of reliable accounting (financial) and other reporting.

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