

DEL CREDERE RECEIVABLES: IMPLEMENTATION OF THE PRINCIPLE OF PRUDENCE OR CONTRIVED PROBLEM?

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The article deals with the problems of reflecting receivables in the financial statements. Given the critical characteristics of scientific views on the assessment of accounting. Benefits and drawbacks of the principle of conservatism and caution in assessing assets are considered. An analysis of the domestic and foreign practice of evaluation of receivable regulations is done. Suggestions on the synchronization of the national and international accounting standards on the subject are made. The effect of provision for doubtful debts in the order of receivable accounts is studied.

Scientists study the issue in different historical periods. The paper demonstrated the need and economic feasibility of an allowance for doubtful accounts. Outlined a negative impact on the financial statements of the lack of provision for doubtful debts in the company. The article is an example of how necessary is the index value of receivables. In particular, the proposals are necessary for the valua-

tion of adjustments for inflation. Advantages and disadvantages of methods for forming a reserve for doubtful debts are considered. Recommendations for the current valuation of adjustments of receivables are given. Formulated directions for the improvement of tax legislation to encourage companies to create a reserve for doubtful debts.

Studies have shown that domestic enterprises violating the order of accounting and rarely make provision for doubtful debts. This situation leads to a distortion of a realistic assessment of receivables and the unreliability of information about assets in the balance sheet (statement of financial position). In the national accounting practice, application procedure should provide discounted receivables to current inflation. Further research should address the structure and content of accounting policies in terms of features of the formation of a reserve for doubtful accounts based on external and internal factors affecting the company.