

# IMPROVEMENT OF THE METHODOLOGY FOR ACCOUNTING FOR THE COSTS OF MAINTAINING AND OPERATING CONSTRUCTION EQUIPMENT

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The grouping of expenses of construction enterprises according to P (S) A 16 "Expenses", P (S) A 18 "Construction contracts" and Methodical Recommendations № 573 are considered.

The practical activity of construction and mounting organizations is investigated and it is established that the method of accounting for the costs of maintaining and operating construction equipment in these enterprises varies, although, basically, such expenses of the enterprise are considered to be indirect and are accounted as overhead, or they are allocated as a separate article for the calculation of the cost of construction and erection works as a part of total production costs. This is also explained by the fact that P (S) A 16 "Expenses" is a document of a higher normative level in comparison with Methodological Recommendations № 573, so practicing accountants usually take into account its norms in organizing cost accounting. We believe that such a technique leads to an inaccurate definition of the cost of construction and installation work, and as a consequence – a financial result.

It is proposed to account for the costs of maintenance and operation of construction machinery in two directions, in particular, to allocate:

- costs directly related to the operation of construction machinery (direct);
- costs related to the maintenance of construction equipment (indirect, subject to distribution).

At the same time, it is important to establish precisely the nomenclature of direct and indirect items for calculating these costs. Taking into account the influence of certain organizational and technological peculiarities of construction and the current practice of construction enterprises, in the article, the nomenclature of items of expenses on the operation of construction equipment and the nomenclature of items of expenses for the maintenance of construction equipment are given.

The next important step in accounting for the costs of maintaining construction equipment is their allocation to construction sites. The need for their distribution arose in connection with the need to calculate the full cost of the unit of production of the construction industry. In this case, the distribution base should be in direct dependence on the performed construction and installation work.

Three main variants of accounting for the maintenance and operation of construction equipment are proposed:

- 1) within the account 91 "General Production Costs";
- 2) in the account 91 with the allocation of a separate subaccount "Costs for the maintenance and operation of construction machinery and mechanisms";
- 3) the simultaneous use of the subaccount in the account 23 "Costs of operation of construction machines and mechanisms" and sub-account 911 "Costs for the maintenance of construction machinery and mechanisms". Such a method of accounting for these costs does not contradict the current

legislation and allows accumulating during the reporting period the amount of operating costs for construction machinery and mechanisms in accordance with the direction of the use of construction equipment in construction companies, which at the end of the period, after the distribution between construction objects on the basis of calculations of the cost of machine-hour, set forth in DSTU (National Standards of Ukraine), will be credited to the account 23 “Performance

of construction and installation work” and to form the cost of a specific object of construction, one order on providing construction machinery services.

Consequently, the proposed methods of accounting for the maintenance and operation of construction equipment will provide greater justification, clearness and clarity of such a technique, and will allow more objectively taking into account such costs in determining the cost of construction objects.