

# ACCOUNTING MODEL OF FORMATION OF FINANCIAL RESULTS OF ACTIVITY OF ENTERPRISES IN CONDITIONS OF INTEGRATION PROCESSES IN UKRAINE

**Gudz N.V.**

Candidate of Economic Sciences, Associate Professor,  
Ternopil National Economic University

The problem of choosing the method of calculation of financial results at domestic enterprises in the conditions of European integration processes in Ukraine is investigated; critical analysis of the definition of financial results in accordance with European legislation; the structure of the Profit and Loss Statement in accordance with the EU Directive is disclosed; made suggestions on improving the format of the Financial Results Report in force in Ukraine in the article.

In 2013, the European Parliament and the Council of the EU adopted the Directive on Annual Financial Statements, Consolidated Financial Statements and Related Reporting of Certain Types of Undertakings, which establishes new terms for the compilation, presentation and disclosure of financial statements, consolidated financial statements, as well as a new recognition and measurement procedure certain types of assets and liabilities, income and expenses.

Based on the vector chosen in Ukraine for the development of the state and, accordingly, the construction of the accounting system assumes that:

– IFRS reporting companies will be governed by the provisions of IFRS as stipulated by Regulation (EC) No 1606/2002 of the European Parliament and of the Council of the European Union of 19 July 2002;

– the rest of the enterprises will apply national accounting standards (standards), brought in compliance with EU Directive No. 2013/34 / EC after the adoption of the amendments to the Law.

In such circumstances, it is important to bring EU companies in line with the EU Directive, the practice of forming in the reporting countries of the European Union the main indicator of the activities of enterprises – the financial result (profit or loss).

The Fourth EU Directive establishes two formats of the profit and loss account: 1. By nature of costs. 2. By function of expenses. Taking into account that the reporting, prepared in accordance with the national accounting standards of Ukraine, takes into account the minimum disclosure requirements set out in the EU Directive 34/2013, therefore only minor adjustments can be made in the form of adding the minimum notes to the annual financial statements in the framework of implementation requirements of EU Directive 34/2013.

For the application of a report format based on the “nature of costs” in Ukraine, new forms of the statement of financial results should be approved, specifying the items of expenditure for the elements. Cost items must be sufficiently specified; at the same time enterprises should have the right to add those types of expenses that correspond to the specifics of their activity.

Although the calculation of the financial performance by the cost function method based on the concept of sales is economically feasible compared to the methodology for calculating it based on the indicator of output, but in our opinion, it is necessary, in our opinion, to seek maximum maximization of its analytical capabilities, increasing the reliability of the analysis.

Proceeding from this, the article proposes in the “Report on financial results” to submit also the indicator of the cost of production (gross production), calculated on the basis of data on the quantitative changes in the balance of finished products and selling prices. This allows to further determine

the indicator that has important economic content – gross value added, to track its distribution; it is possible to analyze the ratio of the sum of net income from sales of products, the values of total operating costs, administrative costs with the cost of products.