

Improvement of Information Support for the Internal Monitoring of Payments with Counterparties

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Abstract: In financial and economic activities, economic entities are faced with the problem of untimely performance of obligations to counterparties which is accompanied by an increase in overdue debts which have a negative impact on the financial position of the entity. The reason for this is the non-fulfillment of contractual terms between counterparties. The article examines the positions of economists and clarifies the essence of the concept of “Internal control”. The stages of internal control of settlements with counterparties have been systematized, the estimation of the state of accounts receivable and accounts payable was made. The organization of internal control of settlements with counterparties in agricultural enterprises of the region has been studied. The discount rate for receivables should be set taking into account the risks that the seller may incur by providing a loan to his buyer. The discounting rate of accounts payable should be equal to the rate at which the organization could receive a loan from the seller. Calculations are made of the present value of the counterparty’s debts, the amounts of lost profits from the delay in receivables and the additional expense on accounts payable at the rate of deposit of Public Joint Stock Company “Sberbank of Russia”. Recommendations on reflection of results of revaluation of debts of economic entities in registers and accounts of accounting are developed. The studies were based on systemic, monographic, computationally constructive and other methods of investigation.

Key words: Internal control, counterparties, discounting of debts, buyer, monographic, constructive

INTRODUCTION

In the process of financial and economic activity, commercial organizations regularly enter into mutual relations with each other and as a result of joint operations between counterparties, debts arise. In connection with the constantly changing conditions of the country’s economy, inflation which is caused by the devaluation of monetary resources, there is an increasing need to assess the assets and liabilities of organizations and determine their real value. The same amount of receivables and payables differs in different periods of time with different solvency.

The purpose of the research is to clarify the conceptual apparatus associated with the organization of settlements with counterparties, perform calculations of the discounted value of counterparty debts and develop recommendations on the reflection of their results in registers and on book keeping accounts.

In the current economic literature, discussions are actively held on the monitoring and organization of

internal control of settlements with counterparties, including the formation of timely and reliable information on the state of receivables and payables of economic entities.

At the same time among scholars of economics there is still no unity of opinion on the definition of the essence of the concept of “Internal control”.

So, Klychova *et al.* (2010), Kazantseva (2017) and Shevyakova (2017) define internal control as an independent control, regulated by local documents, carried out by the organization’s services in order to increase the efficiency of its activities.

Kotlyachkov and Fazulyanova (2014) define the essence of internal control as the collection and evaluation of data on the object of control, focused on the creation of management decisions that managers need to ensure the operational work of the organization.

Scuotto define the essence of internal control as a guarantee of the effective functioning of the economic entity by ensuring timely, accurate and complete

reflection of transactions in accounting, the correct execution of documents at all stages of the accounting process (Scuotto *et al.*, 2017).

Wang and Li (2017) argues that internal control provides on an ongoing basis control actions which consists of procedures conducted by the personnel of the economic entity.

Weber and Schaffer (2011) basing on the continuity of the activities of organizations, consider control only as part of risk management and interpret in the context of warning of possible consequences in the event of unforeseen situations.

Reichmann (2001) and Ravindran *et al.* (2015) note that for internal control an integrated system of information collection and processing is needed that allows comparing the information received for making managerial decisions and also, prevent and identify negative trends in the financial performance of the organization.

The above researchers consider the organization of internal control in various aspects for some it is a process for others it is a system, therefore, these definitions do not fully describe the essence of the concept of “Internal control” which should contain the basis of its purpose.

The internal control is a continuous cycle of management of economic activity of the agricultural organizations which is directed on maintenance of timeliness, reliability and accuracy of the facts reflection of an economic life in system of book keeping and the reporting for acceptance of administrative decisions.

MATERIALS AND METHODS

Based on the study of economic literature, researchers have systematized the stages of implementing internal control of settlements with counterparties (Table 1).

Application of the proposed stages of internal control will allow agricultural organizations to promptly trace all transactions with counterparties from the beginning of the conclusion of the contract to the completion of settlement transactions while simultaneously monitoring the accuracy and timeliness of reflecting the facts of economic life in the accounting registers.

In the organization of internal control it is especially, important to present the design of this management tool, under which it is reasonable to understand the documented standard for its implementation such a document should to be created for each economic subject by the specifics of its activity.

Tchaikovskaya considers the standard as an addition to the accounting policy of the organization which makes it possible to manage business processes with high competition with counterparties (Chaykovskaya, 2015).

Standards are certain conditions for creating internal control that can be applied to all organizations in view of their activities. It is used as recommendations in the formation of a package of documents for the internal control system for a certain section of accounting or for the creation of guidelines.

Table 1: Stages of implementation of settlements internal control with counterparties in agricultural organizations

Aim and tasks (1)	Internal control actions (2)	Result (3)
1st stage preparatory Revealing of the insolvent counterparty Prevention of unjustified receivables	Analysis of the financial condition of the counterparty	Decision on the need to conclude a transaction with a counterparty
2nd stage conclusion of the contract Conclusion and agreement of the contract terms with the counterparty	Evaluation of indicators:determination of the terms and procedure for the supply (sale) of goods of the works performed, services rendered	The legal basis of the settlement system of an organization with a counterparty
3rd stage financial and economic Fulfillment of the contract. Collection of information on the basis facts of economic life	Timely and accurate reflection of primary documents confirming settlement transactions with counterparties Use of automated settlement systems	Reflection of operations in accounting and specialized programs
4th stage accounting Compliance with legislation, accounting policies and local documents of the organization	Reflection on the accounts of the debts appearance, as well as their grouping in the context of each counterparty on the basis of justifying documents Formation of information on the availability and dynamics of changes in debts	Reflection of settlement transactions in accounting documents
5th stage internal control Identification of the distortions causes in information about settlement transactions	Checking of compliance with the rules, regulations and requirements of legislation to commit facts of economic life control over the implementation of the payment process, checking the correctness of reflecting data on settlements with counterparties	Ensuring the reliability of financial information on settlements with counterparties in the financial statements
6th stage reflection of the stages in the local documents of the organization Documentation	Introduction of information of the results obtained during the activities of the organization	Collection of information

Alborov *et al.* (2010) when organizing internal control, propose to develop procedures, providing them with the appropriate features to accurately and correctly process information at all stages of the organization's work from the moment the departments responsible for the progress of the audit are appointed, until final results are obtained.

Yakovenko and Kuz'mishkina (2011) identify procedures for computer processing of information which includes logical and arithmetical verification of data, allows to use directories, creates conditions for the introduction of rules and data recovery.

The use of information technologies makes it possible to shorten the time when making managerial decisions, to improve the efficiency of calculating management and to study a large amount of information on each counterparty.

In the Russian Federation, legislation and regulations have not established any restrictions on the procedure, methods, procedures for the implementation of these internal controls.

Morozova notes that there are several levels of regulation of internal control. The legislative level where the obligation to organize and perform control actions in any sphere is established.

The branch level defines subordinate regulatory acts of the executive bodies specifying the areas (objects) of internal control that determine the system or individual elements of the internal control system.

A local level, regulatory documents are developed and approved by the economic entity itself, carry out internal control tasks, its organizational structure and requirements for the implementation of monitoring activities (Morozova, 2014).

Therefore, organizations, relying on experience and their qualified accounting staff can independently develop certain rules for the organization and formation of internal control in general and for individual areas of accounting. The system of internal control is an individual set of elements for the full monitoring of financial and economic activities.

It is advisable to present the mechanism of interaction of internal control services as a single whole. Each service performs the functions assigned to it.

The accounting service carries out timely and correct management of accounting, tax and management accounting.

The internal audit service provides verification and monitoring of the committed facts of economic life (in the organization as a whole or at the objects of accounting).

Risk management service analyzes and regulates potential factors of probability directly or indirectly affecting the functioning of the organization.

The planning and economic service calculates and evaluates the indicators of financial and economic activity, compares the information obtained, provides the results of the organization's work.

The legal service controls the relevance of the Russian Federation legislation, its compliance in accordance with legal (Galimova, 2017)

Significant moment in the accounting of settlements with counterparties is their assessment of the reflection of debts in the balance of the organization, since, any business entity is at risk and requires the reliability of its counterparties, solvency and financial stability.

One of the fundamental principles of International Financial Reporting Standards 13 (Khoruzhiy *et al.*, 2016) in assessing the assets and liabilities of an entity is the principle of fair value.

Mueller *et al.* (2003) and Revilla and Knoppen (2015) indicate that fair value leads to market prices that are unstable and in no way interconnected with the rules of economic accounting. Fair value is an economic category aimed at finding a value that will be fair for each financial asset and liability separately. At the same time, fair value carries only the recommendatory nature of the establishment of the various approaches, methods and methods of evaluation according to the relevant features.

According to Sheshukova and Ponomareva (2011) if it is not possible to determine the fair value at market prices, discounting with a rate of interest for similar instruments should be used.

Definition of the essence of the "Discounting" concept is given in the methodological recommendations for assessing the effectiveness of investment projects as bringing different-time values of cash flows to their value at a certain point in time.

Specifying this definition, Khoruzhiy *et al.* (2016), Lomtadze (2015), Prudnikov (2009), Kuvaldina and Lapin (2015) note that discounting is the definition at the current time of the amount of money that will be received at some point in the future.

Determining the advantages of using the discount Orlova (2008) and Karzaeva (2015) emphasize the ability of this approach to measure risk and quantify risk payment.

The above position of economists is reduced to the use of discounting as a mechanism for adjusting the current value of the assets of enterprises in order to obtain it after some time. We consider it as an adjustment of the value of assets and liabilities to the current moment that occurred at the time of the preparation of contracts between counterparties.

At the same time, the question of determining the discount rate remains ambiguous, since, the chosen interest rate should be justified by suitable criteria. In order to harmonize Russian Accounting Standards and International Financial Reporting Standards, it is necessary to determine the discount rate for economic entities at the legislative level, to create a system for determining the rates for various sectors of the economy and their specific activities. This may include: the level of inflation, bank credit, deposit rates, key rates of the Central Bank of Russia, etc.

Dalvi and Kant (2016), Breton and Marzouk (2018) note that the same amount of debt at different times differs in different solvency. When calculating the discounted value in the balance sheet, the amount of assets and liabilities becomes smaller and in order not to underestimate the value, it will be more advantageous to increase the present value, i.e., current value including overdue payments.

The discount rate for receivables should be set taking into account the risks that the seller may incur by providing a loan to his buyer. The discounting rate of accounts payable should be equal to the rate at which the organization could receive a loan from the seller.

RESULTS AND DISCUSSION

In the modern economy, special attention is paid to the analysis of factors that affect the financial condition of an economic entity, one of which is the estimation of accounts receivable and payable. Therefore, it is expedient for the enterprises, first of all, to carry out a diagnosis of the status of debts of counterparties to reveal the dynamics and size of debts, the reasons for their occurrence and growth.

Consider the analysis of the debts state of agricultural organizations, performed on the materials of the Republic of Bashkortostan (Table 2).

Compiled according to the data of consolidated annual reports of agricultural organizations of the Republic of Bashkortostan.

According to Table 2, it can be concluded that in 2016, compared to 2014, agricultural organizations in the region there was an increase in the amount of accounts payable by 46.1% and the amount of accounts receivable increased 2.2 times. It should be noted that the amount of overdue accounts payable increased by 27.2% while the amount of overdue accounts receivable decreased by 27.7%. At the same time, the ratio of creditor and receivable ratio is significantly reduced.

The analysis of the turnover of receivables and payables in agricultural organizations of the Republic of Bashkortostan is shown in Table 3.

Table 2: Assessment of the debts state in agricultural organizations in the Republic of Bashkortostan (million rub.)*

Types of debts	2014 years	2015 years	2016 years	2014 and 2016 year (%)
Accounts payable	50126.8	61639.9	73231.7	146.1
including overdue debts	443.4	493.1	563.9	127.2
Receivables	8236.0	15358.8	18575.9	225.5
Including overdue debts	232.7	217.1	168.1	72.30
Ratio of payables and receivables, times	6.1	4.0	3.9	-

*Compiled according to the data of consolidated annual reports of agricultural organizations of the Republic of Bashkortostan

Compiled according to the data of consolidated annual reports of agricultural organizations of the Republic of Bashkortostan.

According to Table 3, it is evident that for the analyzed period there was an increase in the period of turnover of accounts receivable by 56 days which indicates that payment of buyers and customers and other debtors for obligations to agricultural organizations is not timely. The period of turnover of accounts payable increased by 107 days which indicates a deterioration in the calculations of agricultural organizations for their obligations to suppliers and contractors and other creditors.

Analysis of the composition of accounts receivable and payable in the basic agricultural organizations of the Republic of Bashkortostan is presented in Table 4.

From the data of Table 4, it can be seen that in the basic research agricultural organizations in 2016, compared to 2014, there was an increase in accounts receivable. In the State Unitary Agricultural Enterprise state farm "Alekseevsky" by 75.6%, including debt of other debtors -2.5 times.

In Federal State Unitary Enterprise Experimental Farm "Milovsky" of Bashkir State Agrarian University by 21.8%, including debt of customers and customers by 33.7%.

In the Federal State Unitary Enterprise Experimental and Production Farm "Ufimskoe" of Bashkir Scientific Research Institute of Agriculture, on the contrary, accounts receivable decreased by 15.3% while the debt of customers and customers increased by 30.4%.

Growth of accounts payable occurred at Federal State Unitary Enterprise Experimental Farm "Milovsky" of Bashkir State Agrarian University by 95.3%. The increase in debt to suppliers in the State Unitary Agricultural Enterprise state farm "Alekseevsky" was 37.3%.

An assessment of organization status of counterparties settlements internal control in the basic surveyed organizations of the region, performed on the basis of the questionnaire is presented in Table 5.

Table 3: Analysis of the turnover of receivables and payables in agricultural organizations of the Republic of Bashkortostan*

Indicators	2014 years	2015 years	2016 years	Year 2014 and 2016
Proceeds from sales of products (mln. rub.)	41580.20	42826.90	49986.00	+8405.8
Average annual balance of receivables (mln. rub.)	7870.30	11973.00	16967.30	+9097.0
Accounts receivable turnover ratio	5.30	3.60	2.90	-2.4
Period of accounts receivable turnover (days)	68.00	100.00	124.00	+56
Average annual balance of accounts payable (mln. rub.)	43744.00	55978.80	67435.80	+23691.5
Accounts payable turnover ratio	0.95	0.76	0.74	-0.21
Period of accounts payable turnover (days)	379.00	473.00	486.00	+107

*Compiled according to the data of consolidated annual reports of agricultural organizations of the Republic of Bashkortostan

Table 4: Composition of accounts receivable and payable in agricultural organizations of the Republic of Bashkortostan (thous.rub)

Organizations	2014 years	2015 year	2016 year	2016 and 2014 year (%)
State Unitary Agricultural Enterprise state farm "Alekseevsky"				
Receivables	36073	51472	64349	175.6
Including buyers and customers	20617	11513	25456	123.4
Other debtors	15456	39959	38893	2.5 times
Accounts payable	136127	112726	161259	118.4
Including suppliers and contractors	23198	7367	31865	137.3
Other creditors	91212	79965	75174	82.4
Federal State Unitary Enterprise Experimental Farm "Milovsky"				
Of the Bashkir State Agrarian University				
Receivables	2730	3123	3327	121.8
Including buyers and customers	610	594	816	133.7
Other debtors	2120	2529	2511	118.4
Accounts payable	12821	20471	25041	195.3
Including suppliers and contractors	3761	6480	7467	198.5
Other creditors	4822	9384	12003	2.5 times
Federal State Unitary Enterprise Experimental and Production Farm				
Ufinskoe of the Bashkir Scientific Research Institute of Agriculture				
Receivables	1987	1975	1682	84.6
Including buyers and customers	427	816	557	130.4
Other debtors	1560	1159	1125	72.1
Accounts payable	9235	9960	9679	104.8
Including suppliers and contractors	1198	2259	1153	96.2
Other creditors	7942	7476	7916	99.6

Table 5: Assessment of the organization state of counterparties settlements internal control in the basic surveyed agricultural organizations of the region

Factors	Results
Full list of provided documentation for accounting settlements with counterparties	A complete list is provided but there is a possibility of the absence of some documentation
Using a selective and continuous method of verification	No verification methods
Checking the existence of contracts for accounting settlements with counterparties	This check is carried out
Insufficiency of detailed accounting of settlements with counterparties	Detailing the account exists partially
Verification of all business transactions in accounting for settlements with counterparties	The inspection is carried out partially
Checking the balances of accounts of settlements with counterparties	Full inspection is carried out
Checking the qualification of the accounting officer for accounting settlements with counterparties	Further training of employees of the accounting department takes place if necessary
Compliance with the procedure for recording the amount of receivables (payables) in the financial statements	Total reflection
Control over the created reserve for doubtful debt of receivables	Absent
Frequency of receiving funds from buyers and customers	Regularly but there are delays in calculations
Completeness of analytical accounting for accounting settlements with counterparties	Incomplete
Checking the correctness of drafting contracts with counterparties	Full inspection is carried out
The possibility of using other methods of testing	Exist
Change in accounting policy for settlements accounting with counterparties	Subject to change
The possibility of preparing the general population used in the audit of the accounting of payments with buyers and customers (suppliers and contractors)	Exist
The complexity of processing information on accounting for settlements with debtors and creditors	There is a difficulty in processing information
Frequency of transactions with accounting for buyers and customers (suppliers and contractors)	Operations are conducted regularly

According to the results of the survey, it can be concluded that in the basic agricultural enterprises studied the organization of internal control accounting does not contradict the legislation of the Russian

Federation, at the same time they do not monitor the debts of contractors, the qualitative composition of accounts receivable and accounts payable is not evaluated.

The methodology for calculating the accrued value of debts is advisable to establish at the time of drawing up the contract between counterparties and to reflect it in a separate paragraph.

Calculations of the accrued cost of accounts receivable are made by the formula:

$$rHC\text{Д}3 = [TC\text{Д}3 \times (1 + r \times t)] \quad (1)$$

Where:

HCД³ = The increased cost of accounts receivable (rub.)

TS dz = Current value of accounts receivable (rub.)

r = Interest rate of the deposit (%)

t = Period of overdue debt (months)

Calculation of the amount of lost profits from the delay in accounts receivable at the rate of deposit of Public Joint Stock Company "Sberbank of Russia" made on the basis of Federal State Unitary Enterprise Experimental Farm "Milovsky" of the Bashkir State Agrarian University, is presented in Table 6.

According to Table 6, it is evident that for 12 months of the reporting year the amount of lost profit is 28.5 thous.rub. or 6.49% of the principal amount of accounts receivable. Since, deposit rates for the analyzed period remained unchanged, the value of the sums lost profits by months characterizes its amount for the period of delay with an accrual outcome.

When writing off bad debts, the amount of lost profits amounts to an additional loss and is reflected in the accounting record: Account credit 62 "Settlements with buyers and customers" subaccount "Loss of profits on accounts receivable" and Debit account 91 "Other income and expenses" sub-account "Expense from writing off the lost benefits on accounts receivable".

The reflection of the lost profits amount on accounts receivable in accounting is presented in Table 7. The amount of overdue payables in the organization under investigation for the year under review was 438.5 thousand rub. and the amount of the additional loss for the same deposit of Public Joint Stock Company "Sberbank of Russia" is 28.4 thousand rub. When making settlements with suppliers and contractors, the amount of additional expense is reflected in the accounting entry: Credit account 60 "Settlements with suppliers and contractors" sub-account "Additional expense on accounts payable" and debit account 91 "Other income and expenses" sub-account "Additional expense on accounts payable".

When writing off unclaimed accounts payable, the amount of additional income is reflected in the accounting entry: Debit account 60 "Settlements with suppliers and contractors" sub-account "Additional income on accounts payable" and credit account 91 "Other income and expenses" sub-account "Additional income on accounts payable". The amount of additional expenditure on accounts payable in accounting is shown in Table 8.

Table 6: Calculation of the amount of lost profits from the delay of accounts receivable at the rate of deposit Public Joint Stock Company "Sberbank of Russia" in the Federal State Unitary Enterprise Experimental Farm "Milovsky" of the Bashkir State Agrarian University for 2017

Months	Amount (thous.rub.)	Overdue debt period t (months)	Interest rate of the deposit (%)	Coefficient of calculation of the accrued value	Increased cost of debt (thous.rub.)	Amount of profits loss (thous.rub.)
January	444.8	1	6.49	1.0054	447.2	2.40
February	444.8	2	6.49	1.0108	449.6	4.80
March	444.8	3	6.49	1.0162	452.0	7.20
April	444.8	4	6.49	1.0216	454.4	9.60
May	444.8	5	6.49	1.0270	456.8	12.3
June	444.8	6	6.49	1.0324	458.9	14.1
July	444.8	7	6.49	1.0378	461.6	16.8
August	444.8	8	6.49	1.0432	464.0	19.2
September	444.8	9	6.49	1.0486	466.1	21.3
October	444.8	10	6.49	1.0540	468.8	24.0
November	444.8	11	6.49	1.0594	471.2	26.4
December	444.8	12	6.49	1.0649	473.3	28.5

Table 7: The register of accounting for settlement transactions for the loss of profits on accounts receivable

Facts of economic life	Accounts		Amount (thous.rub.)	Primary documents
	Debit	Credit		
Operations in settlements with buyers and customers				
The main amount of revenue for sold products is reflected	62/principal debt	90/receipts	444.8	Contract, consignment note, payment order
Income from the lost profit is reflected	62/lost profits amount	91/lost profits amount	28.50	Accounting reference-calculation
Cash inflow from the principal amount of revenue is reflected	51	62/principal debt	444.8	Payment claim
Cash inflow from loss of profit is reflected	51	62/lost profits amount	28.50	Payment claim
The reflection the result of the sale on financial results	90/revenue from sales	99/profit	444.8	Accounting information
The reflection of additional income from loss of profit for financial results	91/lost profits amount	99/profit from loss of profit	28.50	Accounting information

Table 7: Continue

Facts of economic life	Accounts		Amount (thous.rub.)	Primary documents
	Debit	Credit		
Transactions in debt write-offs				
The principal amount of the debt was written off	91/other expenses	62/principal debt	444.8	Accounting information
The amount of lost profits in other expenses is reflected	91/loss on write-off of lost profits	62/lost profits amount	28.50	Accounting reference-calculation
The reflection of principal debt amount on financial results	99/loss on principal write-off	91/other expenses	444.8	Accounting information
The reflection of lost profits amount on financial results	99/loss on disposal of lost profits	91/loss on write-off of lost profits	28.50	Accounting information

Table 8: The register of accounting transactions for the accounting of additional expenditure on accounts payable

Facts of economic life	Account		Amount (thous.rub.)	Primary documents
	Debit	Credit		
1	2	3	4	5
Operations in settlements with suppliers and contractors				
The principal amount of debt to suppliers for the delivered inventory is reflected	10	60/principal debt	438.5	Contract, invoice, payment order
The amount of debt from the additional expense is reflected	91/additional expense	60/additional expense	28.40	Accounting reference-calculation
Repayment of principal payments to suppliers is reflected	60/principal debt	51	438.5	Payment claim
The payment to suppliers for the amount of additional expense is reflected	60/additional expense	51	28.40	Payment claim
Reflection of additional expense in financial results	99/loss on additional expense	91/additional expense	28.40	Accounting information
Transactions in debt write-offs				
The principal amount of debt in other income is reflected	60/principal debt	91/Other income	438.5	Accounting information
The amount of debt from additional expense in other income is reflected	60/additional	91/income from write-off of additional expense	28.40	Accounting information
Reflection of income from principal amount write-off for financial results	91/Other income	99/profit from write-off of the principal debt	438.5	Accounting information
Reflection of income from write-off of the additional expense amount for financial results	91/income from write-off of additional expense	99/profit from write-off of the principal debt		Accounting information

Thus, discounting of counterparties debts and reflecting its results in the accounting system will reduce the level of risk of financial losses and distortions in the financial statements of enterprises.

CONCLUSION

Unlike the position of economists, we consider the use of discounting as a mechanism for adjusting the value of assets and liabilities to the current moment that occurred at the time of the preparation of contracts between counterparties. The discount rate for receivables should be set taking into account the risks that the seller may incur by providing a loan to his buyer.

The discounting rate of accounts payable should be equal to the rate at which the organization could receive a loan from the seller. As a result of discounting of accounts receivable, the amount of lost profit from its delay is formed and for accounts payable the amount of additional expense to be reimbursed by counterparties.

In order to reflect the results of discounting settlements with counterparties, we developed registers

for the reflection of settlement transactions for the accounting of lost profits for accounts receivable and additional expenses for accounts payable and proposed additional sub-accounts in the system of the working chart of accounts for their accounting.

In-depth studies and approbation of their results are carried out in the current practice of accounting for settlements with counterparties in the State Unitary Agricultural Enterprise state farm “Alekseevsky”, the Federal State Unitary Enterprise Experimental Farm “Milovsky” of the Bashkir State Agrarian University, the Federal State Unitary Enterprise Experimental and Production Farm Ufinskoe of Bashkir Scientific Research Institute of Agriculture and Municipal Unitary Agricultural Enterprise “Iskra” of the Iglinsky District of the Republic of Bashkortostan.

RECOMMENDATIONS

We have developed recommendations to improve the information support for the organization of internal control of settlements with counterparties. They increase

the reliability of their reflection in the accounting registers and reduce the level of risk of financial losses and distortions in the financial statements of enterprises.

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