DOI: 10.32703/2664-2964-2021-50-96-103

UDC 657:005.9
JEL Classification: *M41*

Hurenko Tamara, Candidate of Economic Sciences, Associate Professor
(Lecturer, Department of Accounting and Taxation, National University of Life and Environmental Sciences of Ukraine)
ORCID ID 0000-0003-2227-1488

RISKS OF ACCOUNTING AND THEIR INFLUENCE ON MANAGEMENT DECISIONS

Depending on the types of risks and their impact on the production and financial activities of the entity, it is important to monitor the external and internal environment, identify new sources of risk, assess the causes that affect their changes, use methods to identify and eliminate risks, develop options of decisions at the stage of management on organizational, legal, economic, financial, environmental and social aspects. Accounting is a system of providing information to management staff on the activities of the enterprise, plays a service function for strategic management and assistance in developing budgets (production budget, supply budget, sales budget, financial budget, etc.). To reduce both economic and accounting risks, it is necessary to compile maps of technological and information flows in the enterprise management system. It is also necessary to take into account the use of diversification as a degree of risk reduction, ie a clear distribution of invested funds between different objects of investment, multi-purpose decisions in terms of risk, take into account the cost and time of occurrence and repayment of risk. their analysis (risk-free, tolerable risk, critical risk and catastrophic risk), development of strategic management. It is important to make decisions in conditions of uncertainty, identify the best alternatives using the decision tree, assess the economic and environmental condition of the enterprise with risk, evaluate different types of work at all stages, optimize production, social, environmental and financial programs with risk . Significant importance is played by risk management and its development and analysis to assess the level of economic security of the enterprise in the event of risk situations. It is important to use diversification as a degree of risk reduction, multi-purpose decision-making in risk conditions, insurance of possible risks and distribution of risks into zones.

Keywords: *accounting, risk, management decisions, accounting risk, social risk, financial risk, risk management.*

Formulation of the problem. Risks in most cases are considered in terms of audit (audit risks), business risks, financial risks, and others. Accounting data have a great influence on making meaningful management decisions, so the risks of accounting must be at one of the highest levels of information flows.

The main problem of business entities is an ignoring the relationship between structural units, between lower levels and senior management, between economic, financial, and accounting departments. The processing of accounting data by the management system does not always meet the purpose of the enterprise, which increases the emergence of various types of risks or the creation of new ones.

Therefore, the main risks allocated in the accounting of cash, fixed assets, inventories, equity capital, receivables and payables.

Analysis of recent research and publications. Problems of revealing the concept of

© Hurenko T.O, 2021

"risk" and ways to reduce them are devoted to the work of such scientists as Grabova P.G., Rudashevsky V.D., Verbytska G.L., Zasadny B.A., Bobrov V.Y., Kaminskaya T.G., Derun I.A. etc. The greatest attention in this works is paid to the general system of risks, the risks of accounting and analytical support for sustainable development of enterprises, the risks that arise with the implementation of international financial reporting standards and more. But having considered the given scientific research we will note that nevertheless it is necessary to pay considerable attention to system of strategic management and an estimation of risks of the accounting system.

The purpose of the article – determining the nature of risks in the accounting system and disclosing their impact on management decisions.

Presentation of the main research material. Such a phenomenon as risk began to be studied by lawyers, statisticians, mathematicians, economists in stages and each accordingly from his point of view. From the moment of conducting economic, financial and investment activities, risks acquire an active status. There are constantly threats, dangers, both internal and external.

Internal causes of risks are the imperfection of the management system, shortcomings in the organization of the accounting system, in the organization of the production process and others. External causes of risks include poor cooperation with counterparties, errors in determining demand, climatic conditions, financial risks, etc.

The concept and awareness of the nature of risk today has no clear understanding. This phenomenon is normal because it is multifaceted and multifunctional. However, it would be positive to reflect this concept in the regulations as an integral part of the enterprise. But it should be noted that in recent years, in the management of risk analysis and assessment are becoming increasingly important and they are given considerable attention. The analysis of a condition of risks gives the chance to combine probabilities of their occurrence and ways of the decision (reduction of risks and reduction of losses of the business entity).

In the legal encyclopedia by Shemshuchenko Yu.S. it is noted that the risk is the danger of unforeseen costs of expected profit, income, property, funds in connection with accidental changes in the conditions of economic activity, adverse circumstances or force majeure; the degree of probability of a certain negative event that may occur at a certain time or under certain circumstances, ie a possible event, the occurrence of which is probable and accidental and causes undesirable consequences for the participant of the responsible legal relationship [6].

Verbytska G.L. offers to generalize approaches to understanding the concept of "risk" and comprehensively reveals its essence as:

risk of losses, the possibility of profits loss;

danger, failure, the existence of an alternative;

overcoming uncertainty in a situation of inevitable choice;

overcoming uncertainty and conflict in a situation of inevitable choice;

a combination of the possibility of achieving both undesirable and particularly favorable deviations from the planned results;

instability, uncertainty in the future [1].

If you consider accounting risks, it is necessary to emphasize on uncertainties. In the account there can be an overestimation of actives and incomes and decrease in an estimation of expenses and obligations. According to Gnylytska L.V., the impact of uncertainty should be considered by the enterprise in recognizing income and expenses, participation in joint activities, valuation of assets and its changes, accounting for financial instruments [2].

Note that risk cannot be constantly considered as a negative phenomenon. Proper assessment, effective analysis, well-formed management system will minimize losses associated with supply, production, sales, and management processes. The main thing is not to bring risks to a critical state and minimize the emergence of new risks.

Nowadays, every accountant, every manager must be a psychologist (when working with clients, personnel, making market research, etc.). In psychology, risk is considered in three interrelated aspects:

a) the degree of expected loss in the event of failure, due to a comprehensive assessment of the probability of failure and the nature of the possible consequences;

b) an action that threatens the subject with loss;

c) the choice between options: safer and more attractive if the result of the latter is problematic and associated with the possibility of adverse consequences [5].

Thus, in our opinion, risk is an action or event that affects the financial performance of economic entities, stimulating in nature to overcome them in a timely manner and create a management service to improve strategic issues.

Despite the large classification of types of risks, we identify the most significant that affect the results of the enterprise (Table 1).

Table 1. **Factors influencing risks on the enterprise**

Types of risks	Factors influencing risks on the enterprise
Personnel (social)	low qualification of employees; disinterest in work, which leads to staff turnover; dissatisfaction of employees with working conditions and its payment, which leads to reduced productivity; the need for continuous training, in connection with the constant changes in the regulatory framework and market needs; lack of motivation of workers from the management; overload of employees (discrepancy between the scope of work defined by the job description, employment contract and the actual scope of work)
Financial	production stop; introduction of new technologies; lack of contractual terms or incorrectness of their design (legal incompetence); inaccuracy in determining the purpose and objectives of the enterprise; inefficient distribution of enterprise profit; lack of investment strategy, market analysis, implementation of logistics system development and management services
Industrial	failures in industry; reduction of planned production volumes; increase in production costs; violation of production technology; inefficient use of enterprise resources; increasing shortages in production; downtime, including due to the fault of employees
Ecological	the influence of natural and climatic conditions on production processes; harmful effects of certain types of production on the environment and human health; imperfection or lack of an internal control system for the use of technical means, the use of technological processes, etc.

Source: created by the author

Zasadnyi B.A. notes the growing role and impact of the accounting system on ensuring business continuity, which is achieved by ensuring economic security in the current and long-term using accounting tools. And thus, the accounting system plays the role of an information center to ensure the economic security of the company with high quality accounting information [4]. But, in our opinion, it is difficult to agree that the application of an individual approach to the development of the accounting system will be effective. It should be noted

that individual approaches can be only in the internal organization of accounting, submission of information, preparation of internal management reports and more.

Reducing the level of risk should not be an end in itself and should be economically feasible, ie the cost of reducing the risk of adverse conditions should be less than the possible losses from such an event.

Therefore, risk management is important in the enterprise. It should include a set of effective solutions to establish the acceptable level of risk of the enterprise operation.

It is possible to determine the main stages of the formation of the identifying the causes of risks process:

1. problem detection and formation of the reason (identification of the person, the analysis of structural divisions, object of research);
2. full description of the problem that arose (factors influencing the increase of risks in the supply, production, sale, management, organization of accounting and analytical system);
3. identification and description of causes;
4. ranking of causes by importance and stages of their reduction;
5. conducting an analysis of how this problem created another problem;
6. search for alternative solutions to repay risks (or reduce them);
7. implementation of decisions in the processes of risk reduction and continuous monitoring.

Table 2. **Degrees and objects of risks**

Degrees of risk	Objects of risk
high	receivables for which the payment period has passed (the emergence of doubtful debts and the growth of bad debts); stocks of unsold finished products for which the expiration date has gone; excess of inventories
average	prepayment (for products, works, services); receivables for which the due date has not come yet; products in the warehouse of the enterprise, ready for sale; costs of work in progress; inventories to be used
low	actual cash on hand at the enterprise; actual cash in bank accounts

Source: systematized by the author

To identify risks, both economic and especially its part, as accounting, it is necessary to consider and improve the data: accounting policy of the enterprise, data of primary documents, accounting records, financial statements, regulations, contracts, management accounting, inventory materials and internal and external inspections, analytical data, information on personnel policy, quality technology, research results (innovations), etc.

It is important to identify factors that affect the level of risk in making management decisions. It is necessary to collect source information to identify most hazards by certain methods (Table 3).

Businesses need to develop information flow maps to analyze the risks they should include:

Stage 1. Production: a forecast to choose the type of product that the company plans to produce; cost planning; production plan; methods of distribution of overhead costs; assessment of inventories at acquisition and their write-off to production; property insurance (assessment of insurance efficiency); analysis of environmental damage (the amount of harmful emissions into the environment).

Table 3. **Methods of collecting primary information to prevent risks**

Methods	**Types of methods for collecting primary information**	**Benefits**
Universal	correspondence mass questionnaire based on a single questionnaire	low complexity; ostentation of results; statistical analysis; simple processing
	selective interviewing of managers at senior and middle level	creation of a structured plan-program; free conversation format; survey of employees of different levels; analysis and comparison of opinions of employees of different structural units and management units
	analysis of quarterly and annual financial statements (possibly monthly according to the Balance Sheet (statement of financial position) and Statement of financial performance (Statement of comprehensive income))	the ability to assess the main indicators of economic activity and the dynamics of their changes; comparability of financial data with analytical periods and data of similar enterprises; detection of negative trends; identification of risk factors in different areas
	analysis of risk indicators of production	assessment of deviations of risk indicators from "critical value"
Specialized	analysis of primary documents of internal management reporting and financial statements of the enterprise	information on all business transactions; the ability to track unforeseen events (time and place of their occurrence); possibility of detailed assessment of production indicators, expenses, incomes and financial results; loss analysis
	complete and sample survey of production units	possibility of definition of efficiency of communications between structural divisions of the enterprise
	analysis of organizational structure	assessment of the effectiveness and compliance of the organizational structure with the goals and objectives of the enterprise
	compilation and analysis of diagrams and maps of technological flows of production processes	reflection of the main elements of the production process; possibility of approximate estimation of the caused losses; analysis of damage assessment by stages of the technological cycle; the possibility of redistribution of resources between parallel branches of the system; determination of measures for compensation of losses
	compilation and analysis of information flow maps in the enterprise management system	identification of internal risk factors; improving the quality of the management system; improving the organization of production; increasing the role of marketing services; analysis of logistics

Source: systematized by the author based on [8]

Stage 2. Procurement (supply): selection of suppliers; determining the terms of the contract; quality assessment of raw materials; assessment when purchasing inventories; choice of methods of stock storage; analysis of accounts payable; hedging scheme (exclusion of the creditor's risk due to insurance secured by the relevant property).

Stage 3. Implementation (sales): analysis of market segments; ways of customer service; analysis of customer orders; information on purchase orders; analysis of the current level of stocks; information on sales and stocks (planning the cost of raw materials); accumulation of information about customer service delays.

Stage 4. Formation and distribution of profit: analysis of channels of its formation in realization of products, works, services; formation of the financial result from the sale of products, works, services by type of activity (operating, financial, investment); analysis of sources of profit distribution (payment of wages, tax calculations, creation of reserve capital, payment of dividends, payment of accounts payable to counterparties, production needs).

Stage 5. Analysis of the results of the enterprise (use of statistical methods, modeling, matrices, dynamics, experiments, management judgments); determination of the optimal size and maximum level of cash balance; decisions made in conditions of uncertainty.

Consider the risks that arise in the assessment and analysis of objects of accounting (Table 4).

Table 4. **Risks of accounting**

Objects of accounting	**Risks**
1	2
Cash	lack of control over cash discipline; increasing the shadowing of cash; untimely return of cash from accountable persons, in accordance with the requirements of the legislation; untimely analysis of bank statements; lack of internal control over the condition and movement of funds
Fixed assets	inaccuracy in determining the valuation of fixed assets at acquisition; conditions of revaluation of fixed assets; lack of analysis of the choice effectiveness of depreciation method in accordance with the groups of fixed assets, intangible assets (determination of efficiency); analysis of repairs by economic and / or contractual methods; assessment of repair work; application of tax differences
Inventories	inaccuracy of valuation in the acquisition and disposal of inventories; unreliability of the choice of distribution method of transport and procurement costs; incorrect transfer of inventories to fixed assets; inaccuracy of inventory planning for production; analysis of inventory reserves; raw material quality assessment;
	waste generation, methods of their utilization
Receivables	lack of a reserve for doubtful debts; lack of analysis and internal control of receivables (balance and repayment); inefficiency of determining the terms of the contract; indication of payment terms; analysis of market segments
Equity	inaccuracy of asset valuation when creating authorized capital; lack of reserve capital; errors in valuation when creating capital in revaluations and additional capital; lack of assessment of the business reputation of the enterprise

End of table 4

Payables	errors in the selection of suppliers (contractors); lack of contracts; lack of the risk assessment of payment for the goods on time; weak analysis of accounts payable

We have previously identified the main causes of accounting risks, which are [3]:

there is incompetence of accounting staff;

inaccuracy in information flows, both from external and internal sources;

speed of changes in the legal framework and untimely adjustments to accounting registers, forms financial and tax reporting;

speed of changes in the legal framework and untimely adjustments to accounting registers, forms of financial and tax reporting;

unadjusted mechanism of settlement operations;

lack of reserve for doubtful debts and reserve capital;

cash settlements and simplification of control over cash discipline;

lack of profit generation and use model, etc.

Conclusions and suggestions. Therefore, after conducting certain research, it is necessary to consider:

correctness of the analysis of finances of the enterprise and expediency of application of all its coefficients;

the use of diversification as a method of risk reduction, ie a clear distribution of invested funds between different objects of capital investment;

making multi-purpose decisions in conditions of risk;

emphasizing the cost and time of occurrence and repayment of risk;

insurance of possible risks;

distribution of risks into zones and their analysis (risk-free, tolerable risk, critical risk and catastrophic risk);

development of strategic management.

Thus, the organization of clear accounting and strategic management systems at the enterprise will be able to provide its development with long-term market success in conditions of increasing competition, dynamism, and uncertainty of the external economic environment.

REFERENCES

1. Verbytska, H.L. (2002), Do vyznachennia poniattia «ryzyk». [Before defining the concept of "risk"]. Ekonomika Ukrainy. № 4. pp. 83 – 87.

2. Hnylytska, L.V. (2014), Informatsiine zabezpechennia ryzykamy pidpryiemnytskoi diialnosti: oblikovyi aspekt. [Information support of business risks: accounting aspect]. Ekonomichni innovatsii. № 57. pp. 88 – 100.

3. Hurenko, T.O. (2019), Ryzyky systemy bukhhalterskoho obliku ta upravlinnia nymy. [Risks of the accounting system and their management]. Bukhhalterskyi oblik, opodatkuvannia ta kontrol v umovakh mizhnarodnoi ekonomichnoi intehratsii: zbirnyk tez dopovidei vseukrainskoi naukovo-praktychnoi konferentsii, 10 zhovtnia 2019 r. / vidp. red. Ye.V. Kaliuha. Kyiv: NUBiP Ukrainy.

4. Zasadnyi, B.A. (2017), Ryzyky systemy bukhhalterskoho obliku v umovakh zastosuvannia MSFZ. [Risks of the accounting system in terms of application of IFRS]. Seriia: Mizhnarodni ekonomichni vidnosyny ta svitove hospodarstvo. Vol. 14. P. 1. pp. 111 – 115.

5. Plysa, V.I. (2005), Strakhuvannia: navch. posib. Kyiv: Karavela, 392 p.

6. Ryzyky v upravlinn. Yurydychna entsyklopediia u 6 t. / red. kol. Yu.S. Shemshuchenko ta in. Kyiv: Ukrainska entsyklopediia im. M.P. Bazhana, 2003. T. 5. 736 p. ISB № 966-7492-05-2, available at: https://www:leksika.com.ua (Accessed 15 October 2021).

7. Sokil, O.H. (2018), Zmist, klasyfikatsiia ta transformatsiia ryzykiv oblikovo-analitychnoho zabezpechennia staloho rozvytku ahrarnykh pidpryiemstv. [Content, classification and transformation of risks of accounting and analytical support for sustainable development of agricultural enterprises]. Mizhnarodnyi haukovo-vyrobnychyi zhurnal «Stalyi rozvytok ekonomiky. № 1 (38). pp. 156 – 165.

8. Upravlinnia ryzykamy ta ekonomichnoiu bezpekoiu: navch.-metod. Posib (2010) / Hudzynskyi O.D., Sudomyr S.M., Hurenko T.O., Haidamak N.V. Kyiv: IPK DSZU, 2010. 237 p.

ЛІТЕРАТУРА

1. Вербицька Г.Л. До визначення поняття «ризик». Економіка України. 2002. № 4. С. 83-87.
2. Гнилицька Л.В. Інформаційне забезпечення ризиками підприємницької діяльності: обліковий аспект. Економічні інновації. 2014. № 57. С. 88-100.
3. Гуренко Т.О. Ризики системи бухгалтерського обліку та управління ними. Бухгалтерський облік, оподаткування та контроль в умовах міжнародної економічної інтеграції: збірник тез доповідей всеукраїнської науково-практичної конференції, 10 жовтня 2019 р. / відп. ред. Є.В. Калюга. Київ: НУБіП України, 2019. С. 28-31.
4. Засадний Б.А. Ризики системи бухгалтерського обліку в умовах застосування МСФЗ. Серія: Міжнародні економічні відносини та світове господарство. № 14. Ч. 1. 2017. С. 111-115.
5. Плиса В.Й. Страхування: навч. посіб. Київ: Каравела, 2005. 392 с.
6. Ризики в управлінн. Юридична енциклопедія у 6 т. / ред. кол. Ю.С. Шемшученко та ін. Київ: Українська енциклопедія ім. М.П. Бажана, 2003. Т. 5. 736 с. ISB № 966-7492-05-2. URL: https://www:leksika.com.ua (дата звернення: 15.10.2021).
7. Сокіл О.Г. Зміст, класифікація та трансформація ризиків обліково-аналітичного забезпечення сталого розвитку аграрних підприємств. Міжнародний гауково-виробничий журнал «Сталий розвиток економіки. № 1 (38). 2018 С. 156-165.
8. Управління ризиками та економічною безпекою: навч.-метод. посіб. / Гудзинський О.Д., Судомир С.М., Гуренко Т.О., Гайдамак Н.В. Київ: ІПК ДСЗУ, 2010. 237 с.

Тамара Гуренко, к.е.н., доцент
(доцент кафедри обліку та оподаткування, Національний університет біоресурсів і природокористування України)

РИЗИКИ БУХГАЛТЕРСЬКОГО ОБЛІКУ ТА ЇХ ВПЛИВ НА ПРИЙНЯТТЯ УПРАВЛІНСЬКИХ РІШЕНЬ

В залежності від видів ризиків та їх впливу на виробничу і фінансову діяльність суб`єкта господарювання важливим є проведення моніторингу зовнішнього і внутрішнього середовища, виявлення нових джерел виникнення ризику, оцінка причин, які впливають на зміни ризиків, застосування ефективних методів виявлення і усунення ризиків, розробка варіантів рішень на стадії управління за організаційними, правовими, економічними, фінансовими, екологічними та соціальними аспектами. Бухгалтерський облік є системою забезпечення інформацією управлінського персоналу про діяльність підприємства, відіграє функцію обслуговування для стратегічного менеджменту та допомоги у розробці бюджетів (бюджет виробництва, бюджет постачання, бюджет реалізації, фінансовий бюджет тощо). Для зменшення як економічних, так і бухгалтерських ризиків необхідно складати карти технологічних та інформаційних потоків в системі управління підприємством. Також необхідно враховувати застосування диверсифікації, як ступеню зниження ризику, тобто чіткий розподіл інвестованих засобів між різними об`єктами вкладення капіталу, прийняття багатоцільових рішень в умовах ризику, враховувати вартість і час виникнення та погашення ризику, здійснювати страхування можливих ризиків, розподіл ризиків на зони та їх аналіз (безризикові, допустимого ризику, критичного ризику та катастрофічного ризику), розвиток стратегічного менеджменту. Важливим є рішення, що приймаються в умовах невизначеності, визначення кращих альтернатив з допомогою дерева рішень, проведення оцінки економіко-екологічного стану підприємства з врахуванням ризику, проведення оцінки різних видів робіт на всіх етапах, оптимізація виробничої, соціальної, екологічної та фінансової програм з врахуванням ризику. Суттєве значення відіграє ризик-менеджмент та його розвиток і аналіз для оцінки рівня економічної безпеки підприємства при виникненні ризикових ситуацій.

Ключові слова: *облік, ризик, управлінські рішення, бухгалтерський ризик, соціальний ризик, фінансовий ризик, управління ризиками.*