

University of Security Management in Košice

**Olena Podolianchuk
Nataliia Gudzenko
Yana Ishchenko
Natalia Koval
Maryna Pravdiuk**

**ACCOUNTING FOR THE ACTIVITY OF BUSINESS
STRUCTURES IN MODERN ECONOMIC
CONDITIONS AND EUROPEAN INTEGRATION
PROCESSES**

Collective monograph

Košice – 2022

UDC 657.471:334.722-044.247(02.064)

Authors: Olena Podolianchuk (Preface, Section 5), Nataliia Gudzenko (Section 3), Yana Ishchenko (Section 1), Natalia Koval (Section 2), Maryna Pravdiuk (Section 4).

Recommended for publication by the Editorial Board of the University of Security Management in Košice (No. 05 of 27 September 2022)

Reviewers:

Igor Britchenko – Doctor of Economics, Professor, University of Security Management in Košice, Slovakia

Maria Borowska – prof. dr hab., State Vocational Academy School Memorial of Prof. Stanisław Tarnowski in Tarnobrzeg, Poland

Maksym Bezpartocnyi – Doctor of Economics, Professor, Lviv Polytechnic National University, Ukraine

O-17 Accounting for the activity of business structures in modern economic conditions and european integration processes: collective monograph / Olena Podolianchuk, Nataliia Gudzenko, Yana Ishchenko, Natalia Koval, Maryna Pravdiuk. Košice: Vysoká škola bezpečnostného manažérstva v Košiciach, 2022. – 217 p.

In this monograph, the authors summarized and supplemented the results of many scientific justifications and developments. Considerable attention is paid to the study of accounting and taxation issues in the context of modern trends in the development of society and the economy; application of new methods of information processing and analysis, its understanding and interpretation; possibilities of convergence of national accounting and control models in the conditions of globalization of economic processes and European integration.

The materials of the monograph reflect the results of research carried out as part of the research work “Modern trends, innovations and prospects for the development of accounting and taxation of enterprises, organizations, institutions” (state registration number: 0118U100367).

© Collective of Authors

© Vysoká škola bezpečnostného manažérstva v Košiciach, 2022

UDC 657.471:334.722-044.247(02.064)

ISBN 978-80-8185-050-9

CONTENTS

PREFACE	4
Section 1. FINANCIAL ACCOUNTING IN THE MANAGEMENT SYSTEM OF BUSINESS ENTITIES UNDER THE CONDITIONS OF THE INTEGRATION OF UKRAINE INTO THE EUROPEAN UNION	6
1.1. Basics of building the national accounting system of Ukraine in modern conditions	6
1.2. Accounting of specific economic transactions caused by military actions on the territory of Ukraine	17
1.3. Organic production in Ukraine as a key factor of food and environmental security in Europe: informational aspect	43
CONCLUSIONS TO CHAPTER 1	53
SECTION 2. THEORETICAL AND PRACTICAL ASPECTS OF ACCOUNTING AND TAXATION OF FARMS: IN TODAY'S CONDITIONS	61
2.1. Features of creation, functioning and state of activity of farms of Ukraine	61
2.2. Peculiarities of accounting organization in farms	76
2.3. Features of taxation of farms	88
CONCLUSIONS TO CHAPTER 2	98
SECTION 3. ACCOUNTING SUPPORT AND ANALYTICAL SUPPORT FOR MANAGING THE PRODUCTION OF ORGANIC PRODUCTS IN THE CONDITIONS OF EUROPEAN INTEGRATION	105
3.1. Analysis of the domestic market of organic products and prospects for its development in the conditions of European integration	105
3.2. Accounting and analytical support for organic production management	120
CONCLUSIONS TO CHAPTER 3	129
SECTION 4. ACCOUNTING FOR INNOVATIVE AND INVESTMENT ACTIVITIES OF BUSINESS STRUCTURES	133
4.1. Innovative and investment development of business structures	133
4.2. Analysis and evaluation of factors influencing the innovative activity of agricultural enterprises	148
4.3. Conceptual approaches to the improvement of accounting and analytical support for the management of innovative development of enterprises	160
CONCLUSIONS TO CHAPTER 4	166
SECTION 5. STATUS, PROBLEMS AND DIRECTIONS OF IMPROVING THE ACCOUNTING OF SMALL BUSINESS ENTITIES IN THE AGRARIAN SPHERE	172
5.1. The essence of small business and its role in the economy of the state	172
5.2. The state of accounting of small business entities in the agrarian sphere	187
5.3. Outsourcing in the accounting system of small agrarian business enterprises	198
CONCLUSIONS TO CHAPTER 5	209

CHAPTER 4⁴

ACCOUNTING FOR INNOVATIVE AND INVESTMENT ACTIVITIES OF BUSINESS STRUCTURES

4.1. Innovative and investment development of business structures

To organize means to arrange something around a certain system-forming factor with the help of a certain means. In order to organize an effective business and ensure its development, such key factors-imperatives in the modern globalized economy, in our opinion, are innovations, and the means are strategies.

However, Ukrainian enterprises, unfortunately, do not include scientific discoveries and technical inventions (both their own and borrowed) in their business models (as ways of obtaining profit from the chosen type of activity). That is, domestic enterprises lack the direction of business development in an innovative way.

Such an imperative direction, in our opinion, should be embedded in the strategy, or more precisely, in the strategic set of the enterprise, since the enterprise implements and adheres to not just one, but a whole series of strategies: general, business, business processes (functional), operational, resource .

In order to increase the profitability of their business, enterprises must ensure the effective use of their limited resources, guided by an innovation strategy that will indicate the main directions and the level of offering innovations in the company's business areas, in relation to business processes that are the forming links of the value chain of these business areas, and in relation to their individual operational components. These directions and levels of offering innovations should be determined according to the criterion of their return according to the level of growth of production and sales volumes, profits, market share, etc., since the profitability of business and enterprises depends on ensuring effective using investments in accordance with the most rational strategy chosen development, which is the strategy of innovative development (Aaker, 2007).

Organizations around the world continue to invest significantly in new technologies. Done right, such investments have the potential to

⁴ Pravdiuk M.V.

fundamentally change the way a company does business and the ways it incentivizes employees to deliver value. Companies need to think differently about change, namely investing in technology and getting the most out of that investment. Technology implementation projects are large-scale, complex, and usually involve several territorial structures and groups of employees. They require smart, accurate change management.

Successful implementation of the project is considered to ensure the availability of management capabilities, relationships and structures necessary for its implementation and use, and the change in tactics and activities takes place in accordance with the specific needs of the organization and stakeholders.

The role of innovations in modern conditions has a tendency to increase, which is a prerequisite for the activation of innovative activities of business structures by methods of increasing production efficiency, developing an effective marketing policy, increasing the innovative potential of enterprises, carrying out promising scientific and research developments and implementing innovative programs.

In the works of M. Porter, innovation is characterized as the result of special efforts, which allows enterprises to achieve significant advantages, for the maintenance of which it is necessary to implement further constant improvements (Porter, 2005). This approach expands the understanding of the essence of innovation from the point of view of the importance of innovative development as a leading factor in the growth of competitiveness both at the level of individual enterprises and as a result of the active implementation of technical and technological updating – comprehensive modernization of the country's industry.

The processes of innovative activity and their implementation are inextricably linked with investments and investing in innovative development, since investments are a resource necessary for the creation and implementation of innovations.

In order to survive and develop in today's global competitive environment, business structures now need to provide innovative development. By quickly adapting to the requirements of the external environment, i.e. ensuring innovative development, business structures can remain competitive and occupy a worthy place in the domestic and world markets (Kovtunenکو, Kotsaga, 2020).

The basis of small entrepreneurship as a fundamental basis of the constitutional system is the constitutional right of citizens to entrepreneurial activity.

According to Article 42 of the Constitution of Ukraine, everyone has the right to entrepreneurial activity, which is not prohibited by law. Performing its social function, small and medium-sized businesses in the country today cover almost 9.8 million Ukrainians, which means that every second able-bodied person works in the field of small and medium-sized businesses, and every fourth is a private entrepreneur (On licensing of certain types of economic activity: Law of Ukraine, 2007).

The primary task of any management activity is to clarify the essence of the object of management, that is, the concept of "business". It is worth noting that today the concept of "business" is debatable and insufficiently defined.

One of the reasons for such a situation is the absence of a legislative interpretation of the concept of "business", instead, the regulatory base defines the concepts of "economic activity" and "entrepreneurship" that are close in content.

According to the Economic Code of Ukraine, economic activity is the activity of economic entities in the sphere of public production, aimed at the manufacture and sale of products, the performance of works or the provision of services of a valuable nature, which have a price determination (Article 3, Part 1). (Economic Code of Ukraine, 2003) Economic activity, which is carried out to achieve economic and social results and with the aim of obtaining profit, is entrepreneurship, and the subjects of entrepreneurship are entrepreneurs (Article 3, Part 2).

Art. 42 of the Economic Code states that business management, entrepreneurship is an independent, proactive, systematic, at one's own risk economic activity, carried out by business entities (entrepreneurs) with the aim of achieving economic and social results and making a profit (Economic Code of Ukraine, 2003).

As for business, in the scientific literature it is quite often possible to find the identification of the mentioned concept with entrepreneurship. Instead, a more detailed study made it possible to identify 5 main approaches to the relationship between these concepts:

– business and entrepreneurship are identical concepts, that is, in this case, business is interpreted on the basis of the definition of entrepreneurship;

– business is a broader concept than entrepreneurship.

Proponents of this approach rely on the English-language origin of the concept of “business”, which is translated as business, activity, that is, it has not only an economic color;

– business is a broader concept than entrepreneurship, as the latter includes only the legal component of business.

In domestic realities, the notions of “illegal business” and “shadow business” are common; instead, entrepreneurship includes only legal and registered activities;

– entrepreneurship is innovative in nature.

According to this approach, entrepreneurship is characterized by an innovative approach, the search for new ways and means of solving existing problems, and the introduction of new and radically new ideas into activities. In turn, business is aimed at using and scaling ideas that already exist in order to make a profit:

– business is a broader concept because, in addition to business activity itself, it includes a system of business communications with stakeholders (interested persons).

Taking into account the fact that business is always connected with people (first of all, consumers), within the framework of this textbook we will follow the latter approach.

Therefore, business is the entrepreneurial activity of economic subjects, as well as the system of their business relations with the components of the external environment.

Therefore, we believe that business is a somewhat broader concept than entrepreneurial activity, because it includes a system of business communications with objects of the external environment (suppliers, consumers, the state, etc.) (Orlova, 2017).

Every business begins with the creation of a business structure. A characteristic feature of the modern stage of functioning and development of various economic systems is the activation of integration processes both at the international level and at the level of individual countries and regions. Currently, there are many forms and types of associations that technologically connect various business entities. Integration processes, on the one hand, consolidate business

structures, and on the other hand, in the absence of scientifically based methodological provisions, reduce their stability and competitiveness.

At the moment, we see significant changes in the tax legislation of the European Union and the member countries of the Organization for Economic Cooperation and Development (OECD). In connection with these changes, many existing business structures are subject to changes and restructuring, there are additional costs for creating legal entities (maintenance of offices, employees and other costs), which require detailed planning and analysis of business efficiency at the time of creating a new business structures.

In today's conditions, the term "business structure" is gaining special relevance. Since there is practically no legal definition of the concept of "business structure" and justification of the economic mechanism of the functioning of business structures in the domestic legislation, the use of this term with different content can be observed in scientific sources.

First, the identification of the concepts of "business structure" and "business network" ("entrepreneurial network") was revealed. In the Ukrainian legislation, there is no interpretation of these concepts, and foreign sources distinguish each of them and put a different meaning.

Scientists S.L. Schultz, L.Z. Keith equates the concept of "business structure" with the concepts of "business network" and "entrepreneurial network" and notes that "...a business network (entrepreneurial network, business structure) is an association of business entities – or multi-profile specialization, characterized by the commonality of financial and economic interests of the participants, the activity of which is determined by the concentration of capital, the localization of the efforts of each link in a certain segment of development, the coordination of the levers of the internal financial and economic mechanism in order to achieve the defined goals, the commonality of interests of the owners of capital". The authors also point out that "...the network form, like any other form of organization of economic activity, has its advantages and disadvantages" (Schultz, Keith, 2013)

O.O. Kavun notes that the business network is a new complex form of organization of interaction between business entities, which involves combining their resources and business activity in order to create additional competitive advantages in the market due to the

implementation of management decisions in the form of certain projects. The author emphasizes that the network is a form of organization that indicates a type of structure. (Watermelon, 2014)

For modern business structures with long-term orientations for the future, it is necessary to optimize resource management, taking into account the possibilities of ensuring the investment attractiveness of the enterprise. Despite the global patterns of market changes occurring in the business environment, the law of “multiplicity of causes and effects” is becoming more and more important, the “effect of strategic drift”, competition, etc. is increasing. The corresponding trend should be reflected in a systematic approach to the management of the company’s activities, taking into account the mental features of the development of domestic business.

That is, the key factor in achieving entrepreneurial success, in modern business conditions, is orientation towards a change in the management paradigm, which should be based on the principles of the knowledge economy, where the company’s ability to generate, create and implement product-technological and organizational-management innovations in symbiosis with the abilities of the company’s employees is polarized form a new product and take responsibility for their implementation. The new management paradigm requires a fundamental update of management methods and principles: construction of a new functional matrix, formation of effective mechanisms for activation of personnel behavior. In this regard, the principles of new management should be: diversity, initiative, adaptability, flexible distribution of power, internal motivation, etc. (Shvydanenko, Teplyuk, 2018).

According to V.V. Tretyak, the main elements of the national innovation system are: science (the system of generation and dissemination of knowledge), the innovative sector of production, education focused on the training of highly qualified specialists, innovative infrastructure, mechanisms for supporting innovative activities. In other words, the national innovation system involves a set of interrelated organizations that directly carry out the production and commercial implementation of scientific knowledge and technologies, as well as a complex of legal, financial and social institutions that ensure the functioning of innovative structures. (Tretyak, 2010)

Enterprises operate in certain micro- and macro-environmental conditions, which exert a significant influence on their innovative behavior. An important element for the analysis and assessment of innovative activity of enterprises is the identification of factors, reasons and prerequisites of innovative activity that determine its nature or certain features. (Sobolyeva, 2013)

The innovative activity of the organization reflects the latter's receptiveness to innovations and its ability to use available resources, evaluate the intensity of the innovation process and its rationality, and also possesses well-founded organizational and managerial methods of implementing innovative activities. Disclosure and identification of factors affecting innovatively active enterprises allow to determine what prevents the introduction of innovation, to identify the area in which programs for the support and development of this activity at enterprises are needed. Retrospective analysis of the activity of innovation-active enterprises makes it possible to claim that they are more flexible compared to organizations engaged in the development and implementation of innovations. This is due to the fact that modern technologies do not stand still, they are in continuous motion.

Thus, according to A. Cherep and S. Markov, qualitative and quantitative economic growth cannot occur without an innovative direction of investment. The economic efficiency of innovative projects is the ratio of the level of their financial return to the initial investment, and almost every innovative project can be considered innovative, since its main goal is profit. Therefore, investments are capital investments that are aimed at obtaining profit, but the investments themselves are made in something new, new production, or a new product and its implementation. At the same time, innovations represent a certain novelty, an update that has gone beyond the purely theoretical concept of knowledge and has industrial implementation and practical implementation (Cherep, Markova, 2010).

The production potential determines the perspective and horizon of the enterprise's industrial development. The majority of Ukrainian companies with an outdated material and technical base do not have the opportunity to implement innovative processes, update fixed assets, improve the process, increase production capacity, and all this due to the lack of sufficient funds. The consequence of these

circumstances is the low quality of their products and a decrease in demand for them. Therefore, it should be noted that companies that do not have the opportunity to update the process are inefficient, often the growth rate of costs exceeds the growth rate of income. The market value of such enterprises can be significantly reduced in a short period of time. Thus, modern domestic enterprises have a low susceptibility to all types of innovations (product, technological, organizational and marketing (Ermolina, 2015).

In connection with increased competition, innovations increasingly depend on a variety of specialized innovation resources and capabilities. Even the most innovative firms cannot rely solely on internal innovation resources for the innovation process, and therefore need external innovation resources in the form of ideas, information, knowledge and/or technology to develop innovation. To analyze the determinants of innovative behavior of firms, it is necessary to research a theoretical base capable of covering all the complexity, multidimensionality and interaction of factors governing decisions about the implementation or non-introduction of innovations, as well as the choice of an innovation strategy.

The reform and development of the domestic economy largely depends on solving the problems of foreign economic relations, which play a significant role in the national economy, significantly affect the rates of economic growth, the creation of a competitive market environment, and the success of the transformation process in Ukraine.

The activity of each business structure in modern economic conditions is the subject of attention of a wide range of participants in market relations who are interested in the results of its functioning. Therefore, the formation and development of the domestic economy depends on solving the problem of foreign economic relations, since they play a significant role in the national economy and significantly affect the rate of economic growth in Ukraine.

The effectiveness of the functioning of the business structure is largely determined by the state of its fixed assets, which characterize the production capabilities of the economic sectors, determine the pace and scale of its development.

An important effective way to maintain and strengthen the competitive position of the enterprise is the introduction of

investments both at the level of the industry strategy of its development and at the level of key internal business processes. The term “investment” comes from the Latin word “investio”, which means “to invest”, and the literal translation from English (investment) and German (investition) means capital investments or investments.

In many definitions, the category “investment” is considered as a synthetic one, which combines the main elements: savings, funds, property or values, processes of spending, obtaining profit, income, effect. At the same time, the determining factor of such unity is the return on the investments made, the achievement of the set investment goal. That is, investment is a systemic concept that forms the regularities of functioning and self-regulation of investment activities. In support of this, O. Mertens notes that the concept of “investment” is quite broad, and therefore it cannot be given an unambiguous and comprehensive definition as an economic category. (Mertens, 1997)

Investments are one of the main drivers of modern business, a powerful source of profit and a means of implementing innovative business ideas. However, one can talk about investment risks for a long time and a lot, especially when it comes to venture investments. According to statistics, nine out of ten startups do not survive. Losses under such circumstances mostly fall on the shoulders of investors. On the other hand, when it comes to investing in a ready-made business, rather than a startup, both the investor and the customer are already at risk.

Investment risks include bad faith of parties, for example, unfair distribution of profits, unilateral violation of trade secrets and use of confidential information in one’s own interests, etc.

Transformational processes in the economy of Ukraine, the formation of market structures cause a change in the principles of organization and operation of investment processes in the regions of the country. The deepening of interregional disparities in the levels of provision of territories with investment resources requires the study of regional features and factors of creating a favorable investment climate, the assessment of existing trends and the implementation of predictive predictions of its transformation.

The state plays a significant role in the processes of investment support for innovative activities, since it is the state policy in this area that depends on the formation of the legal basis for the implementation

of innovative and investment activities and the stimulation and increase in the efficiency of innovative and investment processes for the support of industrial development.

It should be noted that investment support for the innovative development of industry in the context of the transition to a new digital economy and the global trends of the transition to the Fourth Industrial Revolution is aimed at the implementation of certain tasks related to the peculiarities of the development of industry in new economic, technical, technological and social realities (Kyrychenko, 2021).

Increasing the volume of investments is a necessary condition for structural restructuring and economic growth of both the country and the region. Availability of a sufficient volume of investments in vital areas is a guarantee of effective development and increase of investment attractiveness at various territorial levels. Since regions are the basic component of the state, it is important to pay special attention to the stimulation of increasing their investment attractiveness.

The formation of a favorable investment climate for the innovative development of industry requires the development of innovative infrastructure: innovation centers, technology parks, business incubators, innovation cooperation centers, and others. The creation and stimulation of the activities of venture investment funds will enable the investment process to be provided with new non-state sources of investment based on the accumulation of resources of private individuals and businesses, directing them to the financing of innovative activities and the implementation of innovative investment projects.

At the macroeconomic level, the substantiation of innovative development directions is carried out by state administration bodies. In Ukraine, the implementation of innovative activities is regulated by several normative acts, in particular the laws “On scientific and scientific and technical activities”, “On state regulation of activities in the field of technology transfer”, “On priority directions of innovative activities in Ukraine”, “On special regime of innovative activities of technological parks”, “On innovative activity”. These regulatory acts do not define the economic development of an enterprise or business structures, but an innovative type of development is defined, which is characterized by shifting the emphasis to the use of fundamentally new

progressive technologies, the transition to the production of high-tech products,

Analyzing the norms of the accounting legislation in force in Ukraine, in particular the Regulations (standards) of accounting, it can be noted that their norms do not regulate the specifics of the formation of information regarding the components of the innovation process, i.e. to date there is a lack of a single system of registers and accounts for displaying expenses, income and the results of innovative activities. It should be noted that the Regulations (standards) of accounting do not regulate the specifics of the display of information on costs for the development of new types of products. There is an opinion of scientists that, based on this, it is advisable for every enterprise that is engaged in such developments to form, taking into account the requirements of the norms of the legislation in force in Ukraine, its own approach and reflect its features in the order on accounting policy (Hurina, 2015).

The Law of Ukraine “On Accounting and Financial Reporting in Ukraine” defines the legal basis of regulation, organization, accounting and financial reporting in Ukraine. According to Part 1 of Art. 2 of the Law of Ukraine, its norms apply to all legal entities created in accordance with the legislation of Ukraine, regardless of their organizational and legal form and form of ownership, as well as to representative offices of foreign business entities that are required to keep accounting records and provide financial reporting.

Accounting principles are the same for all types of activities. They are regulated by the Law of Ukraine “On Accounting and Financial Reporting in Ukraine”, which provides for the organization of accounting and information work at the enterprise taking into account its main principles: prudence; full coverage; autonomy; sequence; continuity; accrual and matching of income and expenses; the predominance of essence over form; historical (actual) cost price; a single money meter; periodicity.

Most of these principles are directly related to the investment and innovation sphere. However, some of them are extremely important, while others have a lesser impact on investment processes. For example, the principle of substance over form is very important when recognizing investment property objects in accounting, since individual objects of long-term use can be accounted for as non-

current assets (if they are used for their intended purpose). At the same time, they can be counted as ordinary goods (those intended for sale).

The clear periodization of investment projects is important in the investment field, since the implementation of most projects is a long-term process. The principle of prudence is no less important for investment activity, because significant amounts of financial resources are withdrawn from circulation or attracted from outside to make investments, the process is long-term with a high degree of risk.

At the same time, in the field of investment, the principle of historical cost is less implemented.

This is due to the long duration of the investment cycle, the need to carry out a revaluation on the balance sheet date. In this way, the valuation of many investment assets is based on fair value, cost with impairment, amortized cost, equity method. (Gurina, 2015)

It should be noted that the legal framework should provide state support for the venture investment system, including by introducing appropriate changes and additions to tax, customs and banking legislation, creating appropriate legal mechanisms for the development of the secondary stock market, in particular, stock exchange trading of securities of venture enterprises, electronic trading systems, etc. The state and local authorities may provide additional benefits to enterprises operating in such areas. The main task of venture business should be the establishment of connections between research institutes, educational institutions and enterprises and stimulation of financing of scientific research and applied development.

Venture capital is associated with innovation. It is a critical factor in the innovation process. The capital of the venture investment fund is the most risky, which distinguishes it from other types of capital. He does not return the funds invested in him by the investor and does not pay interest on them. Significant risks of venture investing are also due to the specificity of the investment object, in particular, small and newly created enterprises are characterized by their non-publicity in the initial stages of business development. (Bachevska, 2014)

Accounting accounts accumulate information about expenses incurred in the course of venture investment activities, by their places of occurrence, centers of responsibility and sources of financing. (Sazonov, Danilov, Egorov, 2014)

The management of modern enterprises develops under the influence of global processes of forming a sustainable world capable of integrating economic, social and environmental dimensions.

Corresponding transformations are also taking place in the provision of the management system, in particular, in accounting. Demands from global society create requirements for the preparation of new reporting data formats for various stakeholder groups, including financial and non-financial indicators. At the same time, the range of regulatory documents in terms of requirements for the preparation of reporting data by enterprises is expanding, and contradictions and unresolved issues in them are increasing.

The orientation of global business to the principles of sustainable development shifts the reporting vector of companies and the role of the professional accounting community, as a result of which accounting is considered as a separate economic institution that is accountable to global society. Accordingly, accounting and reporting specialists should be involved in the preparation of reporting data in terms of: implemented changes in industrial production, introduced innovations, developed infrastructure, following the principles of responsible consumption of resources in the process of producing public goods, transition to renewable energy sources. The field of accounting cannot remain aloof from achieving the global goals of quality education and gender equality, creating a partnership for the sustainable development of humanity.

Today, any enterprise cannot function effectively without a clear organization of accounting. In turn, the accounting of venture capital investments in the activity of an innovative enterprise should be an information system, i.e. a set of interrelated elements characterizing the methods and methods of obtaining and transforming information about the financial condition and the efficiency of the use of capital investments of venture capital investors, necessary for making thorough and timely management decisions regarding ways of use and the need for additional involvement of venture capital investors' resources.

Accounting for venture financing should fully provide the necessary information to interested users.

However, there remains a whole series of unsolved problems in the accounting methodology of risky innovation projects of venture

enterprises regarding the separation of the main accounting objects, the systematic accounting of costs, revenues and financial results from the implementation and implementation of these projects at the venture enterprise for the possibility of conducting an analysis of the effectiveness of the implementation of risky innovation projects.

The basis for transformations in the accounting system should be a fundamental change in the thinking of business owners, managers and all involved professionals, including company accountants, with the following principles embedded in it:

- understanding of the high responsibility and accountability of business to society;
- openness of business, availability of information on indicators of its influence on the surrounding world, readiness for public disclosure of data on the real state of business and its dynamics;
- use of reporting formats that meet the modern demands of stakeholders;
- strategic orientation in business management, orientation of company accounting and reporting to strategic management, appropriate expansion of the role of management accounting specialists;
- taking into account the system of indicators of environmental risks and possible man-made threats due to the activity of the economic entity, their reflection in reporting;
- constant analysis of the external environment and its impact on business dynamics, assessment of the impact of business on the surrounding world;
- willingness to take measures to restore the state of the environment, if it has deteriorated as a result of the activity of the economic entity;
- increasing the degree of self-regulation of the accounting and reporting process at the company level, strengthening the role of accountants in the management of business entities, as the main suppliers of new format reporting information;
- wide implementation of information and communication technologies in the field of accounting and reporting of companies, expansion of access to them;
- the need for a qualitative update of the accounting methodology, which would provide a methodical basis for the implementation of the

principles of sustainable development and balanced management of the global economy.

The formation of the accounting system of innovative activity involves the use of all elements of the accounting method (documentation, evaluation, calculation, accounting accounts, reporting) for accounting objects. The peculiarities of the accounting of innovative activities are differences in the display of costs, which is the basis of management accounting.

Among the reasons for the need to keep accounting records of innovative activities, the following should be singled out:

- the accounting should reflect operations related to the innovative activity of the business entity and their impact on the financial result;
- external and internal users need to have information about the innovative activity of the enterprise in order to make decisions;
- the enterprise can have competitive advantages if it can prove that its products (goods, works, services) are better. (Sazonov, Danilov, Egorov, 2014)

Thus, the accounting of innovative activity can become a means of achieving sustainable development of enterprises.

The restructuring of the accounting system of companies in response to global challenges should be based on a clear methodical combination of all its subsystems, in particular, financial, tax and statistical as part of financial indicators, as well as management, strategic management and statistical as part of non-financial indicators. The accounting methodology should be developed and updated, and the principles of duality should be supplemented with analytical techniques for processing financial and non-financial data that reveal internal processes and external factors and influences. The specified changes should ensure the creation of not only legally adopted reporting formats at the exit from the accounting system, but also new ones that meet the modern demands of stakeholders, taking into account financial and non-financial parameters of activity.

Innovative development of enterprises, among other things, involves the introduction of a progressive type of management, which is implemented with the help of strategic planning processes of innovative development, the components of which are strategy and tactics. The tactics of innovative development of the enterprise are insufficiently researched in literary sources and in many cases equated

to short-term strategy. However, tactics are a logical continuation of the company's strategy and a means of its implementation, developed for short-term periods of up to one year. Management methods, various methods of managerial influence, which are used as tactical approaches, ensure the implementation of strategic goals based on the use of the company's resources, its knowledge, skills, and information.

4.2. Analysis and evaluation of factors influencing the innovative activity of agricultural enterprises

The efficiency of the functioning of enterprises depends on the rational use of resources, the reduction of production costs, which ensures the growth of profit and competitiveness of the business entity, as well as its economic development. As world experience shows, innovations are the main factor in the development of enterprises and the entire economic system, as they contribute to the creation of new equipment and technology, knowledge-intensive products, and influence the reduction of resource costs. This factor of development is very important for the industrial sector of the economy of Ukraine, as it is characterized by the presence of a physically and morally outdated material and technical base, a high level of resource-intensive production, which determines the low competitiveness of domestic enterprises.

The main criteria for evaluating the economic efficiency of production and resource intensity are the indicators of profitability, productivity and capital equipment of labor, operating costs and cost of production. The application of the specified indicators is necessary for the justification and optimization of management decisions. On their basis, firstly, the level of expenditure of various types of resources for the production of products, as well as the general economic performance of the enterprise, is evaluated. Secondly, with their help, it becomes possible to evaluate and substantiate the best options for economic decisions regarding the progressive renewal of the technical and technological base and the introduction of innovations that directly affect the saving of resources, significantly increase the level of return on capital, labor productivity and the profit of the enterprise due to the minimization of costs and maximization economic efficiency (Yudina, 2015)

To assess the impact of the introduced innovations on the production process, such factors as costs by areas of innovative activity are used, namely: the level of total costs for innovative activity; the level of innovation costs for the introduction of new machines, equipment, installations, other types of fixed assets; the level of innovation costs for the introduction of new technologies; the level of research and development costs.

The application of the specified factors in the research is due to the fact that they directly reflect the innovation policy of the enterprise, characterize its innovation capabilities based on the achievements of scientific and technical progress, determine the industry of production, ensure the controllability of innovation costs on the part of the enterprise, have a simple quantitative measurement and an information base (Yudina, 2015).

In today's conditions of globalization and deep transformational shifts, the development of science and innovation is one of the main trends of the world economy.

Innovations embodied in new scientific knowledge, products or services, technologies, skills, production organization are the main factors of competitiveness of enterprises and economic development of the country. In general, it can be argued that the driving force behind the innovative development of the country's economy is the active and purposeful intervention of the state to support and stimulate the creation of innovations and their implementation in economic activity by economic entities.

We should agree with the opinion of H. V. Strokovich that "thanks to the changes being made at the enterprise, its certain development is taking place. Many factors affect the development of the enterprise. The quality of its functioning has a direct influence on the development of the enterprise, because it determines certain of its properties, which allow it, under the conditions of reaching a consensus, to satisfy existing and potential needs arising both in the external environment and in the internal environment throughout the entire life cycle of the enterprise". (Strokovich, 2013)

At the same time, H. V. Strokovich proves that "the higher the quality of functioning, the better the possibilities of progressive development. All business entities strive for an increase in the quality of functioning, that is, for the transition of the enterprise from one

level to another, higher one, which is characterized by transformation to a new stage of the life cycle and is accompanied by progressive development”.

Therefore, the long-term effectiveness of the functioning of agricultural enterprises depends to a large extent on its adaptive capabilities, that is, the speed of the enterprise’s response to changes that occur both in the external and internal environment during operation at all stages of the enterprise’s life cycle. The basis of adaptability is constant innovation processes, the targeted action of which ensures the introduction of innovations in all spheres of the enterprise. That is, adaptability is a characteristic reaction of an enterprise to changes in the external environment, and innovativeness is the basis of such a reaction (Dedeeva, Lapaeva, 2015)

The key to the successful and efficient functioning of an agricultural enterprise aimed at carrying out innovative activities is a rational management system that requires proper information support. In the information system for the management of innovative activities, an important place is occupied by accounting and analytical support, the purpose of which is to provide internal and external users with complete, timely and reliable information for a detailed study of the facts of the financial, economic and innovative activities of the enterprise and a comprehensive assessment of its further development.

Accounting and analytical support for managing the activities of an agricultural enterprise, as a basic information support tool for making management decisions, represents a set of methods and means, with the help of which the formation of information is carried out. The system of management goals reflects industry specifics, specifics of activity, scope and level of diversification of production and economic activity of an agricultural enterprise. Effectively organized accounting and analytical support helps to increase the effectiveness of innovative activities. However, traditional financial accounting and reporting do not meet the demands of the management process, as they form exclusively financial information that does not reflect the specifics of innovative activity. Hence, there is a need to provide the management system with reliable and relevant data on innovation activity, which must be formed in the system of both financial and management accounting and tax accounting.

Accounting and analytical support allows you to effectively implement the main functions of management – accounting and reporting, control and regulation, analysis and planning, which represent a process of continuous, interconnected actions that form a closed cycle of management.

The conceptual model of accounting and analytical support for the management of innovative activities of an agricultural enterprise is an abstract model that provides for the process of formalization of the structure, basic elements of the concept, their properties and cause-and-effect relationships inherent in the system and essential for achieving the set goal. The construction of a conceptual model of accounting and analytical support for the management of innovative activities should be formed on the basis of compliance with certain principles: scientificity, systematicity, complexity, integrity, adaptability to the external environment.

Investigating the management of the innovative activity of the agricultural enterprise as a whole system, its important components that take into account the legally established accounting procedure, carrying out economic analysis using certain methods and techniques on the basis of accounting information. The property of the entire system of accounting and analytical support for the management of innovative activity as a whole is the principle of emergency. That is, the presence of special properties that are not inherent in subsystems or the sum of elements that are not connected by system-forming connections.

Accounting includes financial, tax and management accounting. This subsystem contains information on innovation costs, revenues and results of implementation of innovation activities; registration of business transactions; display on the accounting registers and reporting forms of the enterprise.

The accounting process involves the collection of necessary information in the context of the specified activity for keeping various types of accounting carried out at the enterprise, as well as the processing of information based on a combination of financial and non-financial indicators in the enterprise's reporting.

The economic analysis is aimed at assessing the impact of external and internal factors on the level of innovation costs, evaluating the effectiveness of innovation projects and finding possible reserves for

improving the efficiency of innovation activities due to the optimization of innovation costs.

The controlling subsystem should provide information on the degree of implementation of programs related to the management of innovative activities; to carry out constant control over the results of the innovative activity of the enterprise, to compare the achieved results with the planned ones, as well as to carry out control over the correction of the innovative goals and directions of the innovative development of the enterprise.

Each subsystem is an independent system with its own ordered and coordinated connections between elements that have their own structure and organization, the activity of which involves compliance with established specific principles.

At the same time, achieving a synergistic effect from the management of the innovative activity of an agricultural enterprise is possible only through the interaction of accounting, analysis and control subsystems (through information flows in the process of forming, processing and transmitting information) and the integration of these subsystems taking into account the emergent properties of information flows:

1) the accounting policy should contain information on the choice of accounting for business operations and items of assets, capital and liabilities related to the implementation of innovative activities;

2) accounting registers must be adapted to the accounting of economic transactions related to innovative activities;

3) subjects of innovative activity must accurately and reliably reflect in external and internal reporting all economic operations carried out at the enterprise, while:

3.1) financial statements must contain separate items of income and expenses related to the innovative activity of the enterprise;

3.2) statistical reporting must contain elements with information on the implementation of innovative activities of the enterprise for the purpose of analysis at the micro, meso, and macro levels;

4) to provide users with information about the current and prospective state in the process of implementing innovative activities, the dynamics of development and the financial state of the enterprise;

5) identify the influence of individual factors on the formation and use of the innovative potential of the enterprise;

6) to ensure internal control over the innovative activities of the enterprise;

7) to form an information base for making management decisions in the process of implementing innovative activities.

Since the priority role in the management system of the innovative activity of agricultural enterprises remains for the accounting information system, the author believes that the accounting process of managing the innovative activity of agricultural enterprises should be considered as a means of obtaining information for analysis, planning and organization, as well as control and regulation of the innovative activity of the business subject

The enterprise's accounting policy serves as the fundamental basis for ensuring quality accounting information in the innovation management system. In this case, the selection of the optimal elements of the accounting policy, which would correspond to the specifics of the economic activity of the enterprise, the latest factors of economic development and reformatting of the global environment, plays an important role. The importance of the accounting policy in ensuring the quality of accounting information is also caused by the fact that the adopted accounting policy has an impact and is implemented through all objects of the organization of accounting documents.

Modern approaches to accounting for innovative activity at agricultural enterprises require its complex organization. This is due to the fact that individual components of accounting cannot solve the problem of improving the management system of innovative activities at agricultural enterprises.

Effectively organized accounting of innovative activity in agricultural enterprises will lead to changes in the working plan of accounts, accounting policy, document flow schedule of agricultural enterprises. The main goal of this process is to obtain more complete and reliable information about costs, revenues and results of innovative activities, which serves to make timely and rational management decisions.

The innovative process is a special object of accounting, as it has such features as the uncertainty of the results, a significant impact on economic activity in the medium and long term horizon, which makes it necessary to form a special accounting and analytical support system for making appropriate management decisions.

In practice, the vast majority of enterprises use the following synthetic accounting accounts to account for innovation costs:

- 15 “Capital investments”;
- 23 “Production”;
- 39 “Expenses of future periods”;
- 91 “General production costs”;
- 94 “Other costs of operating activities”.

Correspondence of accounts for accounting for innovative costs at the enterprise, depending on the use of the corresponding accounts, is summarized in Table 4.1.

Table 4.1

Correspondence of invoices for the accounting of innovative costs

The content of the business transaction	Correspondence of accounts	
	Dt	Kt
1	2	3
<i>Capital expenditure accounting operations in case of creation of new types of intangible assets</i>		
The costs for the formation of the original are reflected the value of the innovative object of intangible assets	154	13, 20, 22, 372, 65, 661, 631, 685
An innovative facility has been put into operation intangible assets	12	154
<i>Capital expenditure accounting operations in case of creation of new types of fixed assets</i>		
The costs for the formation of the original are reflected the cost of the innovative object of fixed assets	152	13, 20, 22, 372, 65, 661, 631, 685
An innovative facility has been put into operation fixed assets	10	152
<i>Cost accounting operations for innovation creation new types of products (goods, works, services)</i>		
Costs associated with preparation and development of new production products (goods, works, services)	23	(13, 20, 22, 372, 65, 661, 631, 685
expenses for research and development of innovative products are reflected as part of other expenses operational activity	941	13, 20, 22, 372, 65, 661, 631, 685
costs associated with are included in the cost price preparation and development of production of new products (goods, works, services)	90	23
expenses for research and development of innovative products (goods, works, services)	79	941

Continuation of table 4.1

1	2	3
<i>Innovation cost accounting operations using an account 39 "Expenses of future periods"</i>		
Production costs for innovative products are displayed processes at the time of their occurrence	39	13, 20, 22, 372, 65, 661, 631, 685
Partial write-off of future production costs periods for current expenses	23	39
<i>Cost accounting operations for innovations using an account 91 "General production costs"</i>		
expenses for improving technology and organization of production	91	13, 20, 22, 372, 65, 661, 631, 685
The write-off of costs to the cost price is reflected products (goods, works, services)	23	91
Included in the cost price of undistributed products part of innovation costs	90	91

Source: created by the author on the basis of studied sources

However, taking into account the peculiarities of the introduction of innovations at agricultural enterprises and their types, the process of creating accounting and analytical support involves making changes to the working plan of accounts. The author believes that it is advisable to keep an analytical account of the costs of innovative activities of agricultural enterprises depending on the types of innovations implemented, namely: biological, chemical, technical, technological, economic, management, marketing or social innovations.

For the needs of detailing the information provision of innovative activities of agricultural enterprises, as a special object of accounting, we suggest using an analytical account in the following form: code "Name of the account" / code "Type" / code "Direction".

Table 4.2 summarizes and structures the account options that can be used by agricultural enterprises to display innovation costs depending on the types of innovations.

Therefore, the facts of innovative activity enter the accounting subsystem by documenting using the methods of registration, grouping, accumulation, generalization and systematization. On the basis of methodological techniques (documentation, evaluation, grouping, display on accounts and double entry, accounting registers) and accounting principles, financial statements of the enterprise are

formed, which is a source of information about its work for stakeholders.

Table 4.2

Supplement to the work plan of accounts of innovative activity of agricultural enterprises

Accounting accounts	View	Direction
1	2	3
16 "Long-term biological assets" 21 "Current biological assets"	Biological	- new varieties and hybrids of agricultural plants; - new breeds, types of animals and birds;
23 "Production" 15 "Capital investments"		- creation of sustainable plants and animals to diseases and pests, adverse environmental factors
23 "Production"	Chemical	- new fertilizers and their systems; - new plant protection products;
10 "Fixed assets" 11 "Other noncurrent tangible assets"	Technical	- use of new types of equipment and equipment
12 "Intangible assets"	Technology group	- new technologies for processing agricultural crops; - new technologies in animal husbandry; - scientifically determined systems of agriculture and animal husbandry;
		- new resource-saving technologies production and storage of agricultural products; - greening of agriculture.
92 "Administrative expenses"	Economical	- new forms of organization, planning and management; - new forms and mechanisms of innovative development of the enterprise
	Innovations in management	- new forms of organization and motivation labor; - new methods of effective personnel management

Continuation of table 4.2

1	2	3
93 "Sales costs"	Marketing	<ul style="list-style-type: none">- access to new market segments;- improvement of product quality and diversification;- new product distribution channels.
949 "Other operating expenses"	Social	<ul style="list-style-type: none">- formation of a system of scientific and technical personnel character;- improvement of working conditions.

Source: created by the author on the basis of studied sources

It is worth noting that the analysis of the content of the financial statements regarding the display of costs, revenues and results of innovative activities revealed that there are no separate sections and lines for displaying such data.

That is why, depending on the accounting display of the facts of innovation activity, information about income, innovation costs and financial results from the implementation of innovations is summarized in the composition of various accounting objects, which are then reflected on the corresponding articles and lines in the financial statements.

First, if the innovation process of the enterprise is limited only to conducting research and development without further continuation of the innovation process (the innovation process ended at the stage of obtaining the results of research and development), then it is advisable to accumulate all costs associated with their implementation as part of the total costs of research and development. In this case, account 91 "General production overheads" and account 941 "Expenses for research and development" can be used to display innovation costs, their display will be presented in f. No. 2 "Report on financial results (Report on total income)" as part of other operating expenses (section 2180 "Other operating expenses").

Secondly, if the innovative process of the enterprise ends with the production and, subsequently, the sale of innovative products, when reflecting in the accounting the costs associated with the production and sale of such products, it is appropriate to use the standard method of accounting for costs in the production and sale of finished products.

This type of accounting has the character of capital expenditures, while account 15 “Capital investments” should be used. In f. No. 1 “Balance (Report on financial condition)” these sums will be reflected on the following lines: r. 1000 “Intangible assets” – as part of the value of intangible assets; p. 1005 “Unfinished capital investments” – as part of unfinished capital investments; p. 1010 “Fixed assets” – as part of the cost of fixed assets.

Thirdly, in the event that, in accordance with the project documentation, advance payment is made in advance for all stages of the innovation process, the result of which should be the receipt of innovative products, it is advisable to use an account that aggregates information about costs of future periods, namely account 39 “Expenses of future periods”. Innovative expenses as part of the expenses of future periods are presented in f. No. 1 “Balance Sheet (Report on Financial Status)” (R. 1170 “Expenses of Future Periods”).

As mentioned earlier, “the implementation of innovative activity is a complex process, it has certain stages of life cycles, and this process also functions in a relationship with the investment, operational and financial activities of the enterprise”. Therefore, form No. 3 “Cash Flow Statement” discloses information on cash receipts and expenditures as a result of innovative activities, and therefore the following sections are devoted: section I.

Movement of funds as a result of operational activities; section II. Movement of funds as a result of investment activity; section III. Movement of funds as a result of financial activities. V.V. Hyk notes that “Notes to the annual financial statements (Form No. 5) is the most voluminous of the reporting documents, therefore it is expedient to display information on the costs of innovative activity and the results of its implementation, which will enable a wide and accessible presentation to external users they need data on the introduction of innovations at the enterprise”. In the Notes to the annual financial statements, information on the implementation of innovative activities can be presented in the following sections: 1. Intangible assets; 2. Fixed assets; 3. Capital investments; 4. Financial investments; 5. Income and expenses; 13. Use of depreciation deductions.

The most complete, timely and reliable display of information on the costs and results of innovative activity in the reporting forms will contribute to the dissemination of information about the activity of an

innovatively active enterprise among interested parties. Which, in turn, will help attract investments and increase the competitive advantages of the enterprise.

Management accounting is the basis for regulating business processes at an innovative and active enterprise, hence the form of management reporting the company necessary to create according to the production structure and needs manager device

Exactly ago, the process of management accounting at these enterprises involves the grouping of costs of innovative activity by projects, processes, stages or the place of their creation. A comprehensive system of accounting and analysis of the innovative activity of the enterprise allows effective selection of strategic programs and projects and ensures the appropriate level and timeliness of management decisions on the development of innovations in the economic activity of the enterprise. Thus, for the effective organization of accounting and analytical support for the management of innovative activities, it is necessary to take into account all factors affecting the activity of an agricultural enterprise.

The conceptual model of accounting and analytical support for the management of innovative activities of agricultural enterprises at all its levels, starting from the theoretical and methodological foundations to the practical organization of accounting and analytical support for the management of innovative activities of agricultural enterprises, involves constant work on creating the capabilities of agricultural enterprises for the adaptability of the organization of accounting and analytical support to the changing external environment and rapid innovative development of the world economy. The formation of timely, reliable, complete, understandable and high-quality information will make it possible to satisfy the informational needs of the management to the fullest extent, being a guarantee of making timely, rational and high-quality management decisions. As a result of the conducted research, a low level of information provision of innovative activity was established, which does not meet the needs of management and analysis. At the same time, the management of innovative activities is a new subsystem of the management of an agricultural enterprise, which, accordingly, requires proper accounting and analytical support, in order to obtain more complete and reliable information about the income, costs and results of innovative

activities, which serves to make timely and rational management decisions.

It is worth noting that effectively organized accounting of innovative activities in agricultural enterprises will lead to changes in the working plan of accounts, accounting policy, document flow schedule of agricultural enterprises. For the needs of detailing the information provision of innovative activity of agricultural enterprises, as a special object of accounting, analytical accounting of costs for innovative activity should be carried out depending on the types of innovations implemented, namely: biological, chemical, technical, technological, economic, innovations in management, marketing or social. The application of the proposed conceptual principles for the formation of accounting and analytical support in the management system of innovative activities of agricultural enterprises is based on taking into account the multidirectional and emergent nature of information flows that arise during the implementation of innovative projects.

4.3. Conceptual approaches to the improvement of accounting and analytical support for the management of innovative development of enterprises

Kaletnik H.M. emphasizes that reforming the economy of Ukraine requires a transition from predominantly administrative to economic methods of management at all levels and activation of the human factor. Social and psychological methods of management – methods and techniques of managerial influence based on the use of objective scientific provisions of social development and psychology can become important factors in increasing the efficiency of managerial activities, provided they are used skillfully. These management methods are aimed at harmonizing social relations in the team by meeting the social needs of employees – personality development, social protection, etc. (Kaletnik, Mazur, Kubay, 2011).

The transition to the investment-innovation model of Ukraine's development requires the solution of many problems, including the search for adequate financial and economic methods for improving the use of highly qualified labor force, in particular administrative personnel (Karlin, Borysyuk, 2010).

Tax policy does not stimulate the population to work hard and save, and enterprises to invest. If you compare the level and amount of taxes in Ukraine and developed countries, it is obvious that the level of tax burden on the economy “goes off the scale” for the maximum, that is, it is about 50% or more of GDP. (Savitska S., Pravdiuk M., Dolzhenko I., Banera N., Samchyk M, 2022). At the current stage, Ukraine is in a state of war, which requires rapid restructuring of the economy and corresponding state policy. An important role in the system of financial activity of the state in the conditions of martial law is assigned to the activity of the administration in the field of taxation, because taxes must remain the source of the formation of the revenue part of the budgets. At the same time, the state faces the need to reduce the tax burden on individuals and legal entities. Finding and creating effective legal mechanisms that will support production and entrepreneurship is the main task of the domestic legislator at today’s stage. Such measures are support and stimulation of taxpayers.

The specificity of Ukrainian enterprises implementing innovative management remains the lack of experience and management skills in the conditions of real market relations, which differ in complexity, instability, unpredictability and novelty. Therefore, in these conditions, managers of enterprises need to be able to more accurately assess the state of the external environment, form long-term goals, correctly develop and implement their strategies, predict the actions of competitors and adequately respond to them. This can be done by improving and developing a more complex and detailed management system, fluently using modern tools of innovative management.

One of the reasons for insufficient development of innovative management in agricultural enterprises is detachment from the real state of affairs both in the internal environment of the enterprise and in interaction with external factors. This requires the formation of a system of accounting and analytical support for the management of innovative development, which will allow linking the factors of the internal and external environment with the processes of strategic management. The effectiveness of management of innovative development of agricultural enterprises is largely determined by the quality of information, including accounting and analytical support of such management. The effectiveness of innovative management is directly influenced by the level of adequacy of the system of

information, analytical, methodical and instrumental support for management,

First of all, it is necessary to create a single system of accounting and analytical support that would integrate information at all levels. At the current stage of the development of market relations, information has become one of the factors of production along with means of production, labor resources and land. Despite the gradual improvement of production processes (improvement of the level of technical and technical equipment of industries, increase of professionalism of personnel, etc.), the problem of information provision of enterprises remains relevant and requires additional study. Accounting and analytical support for the management of agricultural enterprises is formed under the influence of factors that complicate and prevent the creation of an effective information system for the development of strategic management decisions. Such factors include:

- administrative levers of influence, with the help of which the state tries to regulate the agricultural market, which in turn nullifies the clear economic laws of the functioning of agricultural enterprises and complicates the formation and implementation of their development strategy;

- lack of complete and reliable information about the external environment of the functioning of agricultural enterprises.

This is due to the difficulty of obtaining accurate data about the business environment, as well as large flows of information from which it is necessary to separate the information that management needs to form effective management decisions regarding the strategic development of the enterprise; - unformed requirements and uniform approaches to obtaining information of a strategic nature. The information that is formed with the help of the accounting system at the enterprise is mostly retrospective, and today's realities require changing the vector of development and creating a new formation of accounting and analytical support, oriented to the future.

For this, it is important to establish the generation of information flows taking into account market requirements and the need to reduce the aggressive influence of the external competitive environment, which will ensure effective management of the strategic development of agricultural enterprises. The theoretical and methodological

construction of accounting and analytical support for the innovative development of the enterprise consists of a set of elements that are subject to transformation in connection with the change in the value of information in modern conditions.

Pravdiuk M.V. emphasizes that transaction costs as a specific type of costs of business entities are scattered among the costs of the enterprise and are outside the boundaries of purposeful managerial influence, and this requires rational management methods and cost analysis (Pravdiuk, 2016).

The purpose of forming a new theoretical and methodological construction of accounting and analytical support is to create an information space for the enterprise management system as the basis of its strategic development. Taking into account the challenges of the external environment, it is necessary to expand and supplement the paradigm of accounting and analytical support for enterprise management in order to meet its information needs.

The need for a new paradigm is emphasized by well-known Ukrainian scientists, in particular V.M. Zhuk points to the formation of the accounting paradigm of the economy of harmonious development (Zhuk, 2009); A.A. Pylypenko as accounting and analytical support of the management system and decision-making process (Pylypenko, 2007); R.F. Brukhanskyi as the improvement of the accounting display of the marketing external environment, enterprise personnel, innovative, ecological and social activities of the system in the development part (Brukhanskyi, 2014). The new paradigm of accounting and analytical support does not yet have clear features, because it is at the stage of formation. The effectiveness of the enterprise's activity depends decisively on the observance of the paradigm of accounting and analytical management of its strategic development, which is based on the integration into a single dynamic system of elements that complement each other. Such a system is constantly developing through self-organization and contains an aspect of multi-modality.

Adherence to the paradigm of accounting and analytical management of the enterprise's innovative development involves: 1. Analysis of the retrospective, current state and development trends of the enterprise's activity as a starting point for innovative measures. 2. Compilation of a set of forecasts (forecasts of factors of the external

environment and enterprise activity; optimistic, most likely and pessimistic versions of forecasts, etc.). 3. Analytical justification of the strategy of innovative development of the enterprise. 4. Accounting and analytical support for the development of tactical and operational plans and measures for the implementation of an innovative development strategy by establishing key objects of accounting and analysis and forming a system of evaluation indicators. 5. Recording and displaying in the accounting registers of economic transactions and summarizing in the reports the parameters of the activities carried out, their assessment and final control. Accounting data are used in analytical justifications in subsequent strategic cycles. At the same time, the effectiveness of strategic development is determined on the basis of accounting data, which, in turn, is subjected to detailed analysis to obtain information that will be used for corrective actions or development of future development strategies. Account information is also used to carry out current, intermediate and final control, which accompanies the implementation of the development strategy and establishes compliance of its parameters with target guidelines. Subjected to detailed analysis to obtain information that will be used for corrective actions or development of future development strategies.

The creation of a conceptual model of accounting and analytical support for the management of innovative development of enterprises is a process of formalizing the components of the concept and establishing cause-and-effect relationships between them that correspond to the algorithm of the process of achieving the goal, taking into account the specifics of the industry. The conceptual model of accounting and analytical support for the management of innovative development of enterprises is a complex structure that includes basic elements (purpose, subjects, object, subject, task, principles), subsystems (management functions, justification and management decision-making, development and implementation of development strategies), tools (financial, managerial, strategic types of accounting and managerial, financial, strategic analysis).

All types of analysis should also have a strategic direction, that is, the obtained analytical data should be directed to the development of enterprise development strategies and the evaluation of the effectiveness of their implementation. Taking into account the

influence of the peculiarities of agriculture on the formation of an accounting and analytical system allows for a comprehensive assessment of economic and social results, the development of quantitative and qualitative indicators of efficiency, which should be interconnected with the indicators used to manage innovative development.

The system of accounting and analytical support should generate the most relevant data useful for strategic management, that is, it is a universal resource capable of ensuring the production of a strategic management decision based on an information system of high quality and reliability. One of the features of this model is providing a universal character to the system of accounting and analytical support, which is aimed at solving both the entire set of strategic problems and tasks of a tactical and operational nature. The result of strategic management is the provision of positive results for the entire set of enterprise strategies. The result of the management of innovative development is the achievement of qualitative transformations of the economic entity, taking into account the planned parameters of strategic effectiveness.

That is, strategic management and management of strategic development are, respectively, general and partial. Therefore, an innovatively oriented system of accounting and analytical support should satisfy both the general needs of innovative management and the specific (concrete) needs of managing innovative development. Thus, innovative development is one of the priorities of strategic management and the main result of strategic development management.

Therefore, improving the concept of accounting and analytical support for the management of the innovative development of enterprises involves obtaining the effect of information synergy from the integration of accounting and analysis, which, in turn, is aimed at the implementation of unifying processes regarding: determination of the combined impact of factors of the external and internal environment on the prospects of the enterprise; ensuring the connection between opportunities, goals, management influences of a strategic nature, measures and development programs, performance parameters; unifying the efforts of all divisions of the enterprise, orienting them to the priority areas of innovative development;

formation of the communicative field of interaction of all stakeholders of the enterprise.

CONCLUSIONS TO CHAPTER 4

The restructuring of the accounting system of companies in response to global challenges should be based on a clear methodical combination of all its subsystems, in particular, financial, tax and statistical as part of financial indicators, as well as management, strategic management and statistical as part of non-financial indicators. The accounting methodology should be developed and updated, and the principles of duality should be supplemented with analytical techniques for processing financial and non-financial data that reveal internal processes and external factors and influences. The specified changes should ensure the creation of not only legally adopted reporting formats at the exit from the accounting system, but also new ones that meet the modern demands of stakeholders, taking into account financial and non-financial parameters of activity.

Effectively organized accounting of innovative activities in agricultural enterprises will lead to changes in the working plan of accounts, accounting policy, document flow schedule of agricultural enterprises. For the needs of detailed information provision of innovative activities of agricultural enterprises, as a special object of accounting, analytical accounting of costs for innovative activities should be carried out depending on the types of innovations implemented, namely: biological, chemical, technical, technological, economic, innovations in management, marketing or social. The application of the proposed conceptual principles for the formation of accounting and analytical support in the management system of innovative activities of agricultural enterprises is based on taking into account the multidirectional and emergent nature of information flows that arise during the implementation of innovative projects.

References

- Aaker, D. A. Business strategy: from studying the market environment to developing win-win solutions. M.: Eksmo, 2007, 457 p.
- Porter, M. Competition. Moscow: Williams, 2005, 608 p.

Kovtunenکو K. V., Kotsaga A. O. Innovative development of business structures: essence, interpretation, theories and approaches to definition. *Business Inform.* 2020. No. 5. P. 43-55. DOI: <https://doi.org/10.32983/2222-4459-2020-5-43-55>.

Britchenko I. The Influence of migration on the financial circulation in the economy of Ukraine/Lysiuk Oleksandra, Britchenko Igor//VUZF review. – VUZF, Sofia (Bulgaria). – No. 5(4). - 2020. - P. 9 - 14. DOI: <https://doi.org/10.38188/2534-9228.20.4.02> ISSN 2534-9228 <http://papersvuzf.net/index.php/VUZF/issue/archive>

On licensing of certain types of economic activity: Law of Ukraine dated 04.27.2007 No. 994-V. URL: <http://portal.rada.gov.ua>.

LOŠONCZI, Peter. Public wi-fi networks in the global environment and their security. In *Globalization and its socio-economic consequences (Part V. : Digital Single Market)*. Žilina : University of Žilina, 2018. ISBN 978-80-8154-249-7. ISSN 2454-0943, p. 2206-2213

Economic Code of Ukraine: Code of Ukraine No. 436-IV dated 16.01.2003 with changes and additions URL: <https://zakon.rada.gov.ua/laws/show/436-15>.

Britchenko Igor. Reputation risks, value of losses and financial sustainability of commercial banks / Kunitsyna N., Britchenko I., Kunitsyn I. // *Entrepreneurship and Sustainability Issues*. 5(4): 943-955. [https://doi.org/10.9770/jesi.2018.5.4\(17\)](https://doi.org/10.9770/jesi.2018.5.4(17)) ISSN 2345-0282

Orlova, K.E. Theoretical principles of business management. *Global and national economic problems*. 2017. No. 17. P. 392-396. URL: <http://global-national.in.ua/issue-17-2017>.

Schultz S.L., Keith, L.Z. Network business structures: conceptualization of concepts and principles of functioning. *Regional economy*. 2013. No. 2. P. 15-24.

Брітченко І.Г., Момот О.М. Особливості використання скорингових систем у банківському кредитуванні фізичних осіб// Збірник наукових праць КНЕУ «Фінанси облік і аудит». – Вип. 17. – 2011 – К: КНЕУ. – С. 31-37. (ISSN 2310-9734)

Gorbachevska, O.V. Development of integrated business structures in the economic system of Ukraine. *Current problems of the economy*. 2014. No. 5 (155). P.166-170.

Shvydanenko, G., Tepluk, S. Besarab, S. Development of innovative business in the conditions of the formation of the

knowledge economy. *Investments: practice and experience*. 2018. No. 11. P. 43-48

Брітченко І.Г., Перепелиця Р.К. Оцінка кредитоспроможності емітента корпоративних облігацій // Вісник НБУ. – № 11 (117). – 2005. – С. 32–37.

Tretyak V.V. National innovation system as the basis of an innovative economy URL: <http://dspace.nbu.gov.ua/bitstream/handle/123456789/45477/23> (access date: 04.08.2022).

Soboleva, O.N. Management of innovative and scientific and technical processes: monograph. Kirov: VyatGU, 2013, 84 p.

4. BALUEVA Olga - SYVOLAP Larysa - PRYIMUK Olga - LOŠONCZI Peter - BRITCHENKO Igor - POPOVA Yuliia. Ensuring Innovative Development of the Marine Transport Management System in the Context of the Formation Of the Global Digital Economy. In : AD ALTA: Journal of Interdisciplinary Research. Vol. 12, Issue 1, Special Issue XXV. Hradec Králové, Czech Republic: Academic Association MAGNANIMITAS, 2022. Pages: 88 – 92. ISSN 1804-7890, ISSN 2464-6733

Cherep, A.V. Theoretical aspects of the formation of innovation and investment activity. *Innovative economy*. 2010. No. 17. P. 154-158.

Ermolina, L.V. Methodological foundations for ensuring the strategic efficiency of the development of an industrial enterprise (on the example of aviation industry enterprises): dis.cand. economy Sciences: 08.00.05 / Samara State University of Economics. Samara, 2015, 157 p.

Mertens, A.V. *Investments: A course of lectures on modern financial theory*. K.: Investment agency, 1997, 416 p.

Kirichenko, O.S. Investment support for innovative development of Ukrainian industry. Diss Doctor of Economics. Sciences of the Higher Education Institution “KROC University of Economics and Law”, Kyiv, 2021, 465 p.

KOVÁČOVÁ, Lucia - KAVAN, Štěpán - MESÁROŠ, Marián - LOŠONCZI, Peter. Education and training of crisis management and civil protection workers in the Slovak Republic. In: SGEM 2018 conference proceedings (5.4. Ecology, economics, education and legislation: environmental legislation, multilateral relations and

funding opportunities). Sofia: STEF92 Technology, 2018. ISSN 1314-2704, ISBN 978-619-7408-49-2. Vol. 18. p. 59-66.

Gurina N.V. Problems of the organization of cost accounting of innovative activity and ways to solve them. *Economic sciences. Series: Accounting and finance*. 2015. Issue 12(2). P. 48-54. URL: [http://nbuv.gov.ua/UJRN/ecnof_2015_12\(2\)_8](http://nbuv.gov.ua/UJRN/ecnof_2015_12(2)_8) (access date: 04.08.2022).

Bachevska, I.P. Venture companies and funds in Ukraine. *Scientific intelligence on state and municipal administration*. 2014. Issue 2. P. 185-202. URL: http://nbuv.gov.ua/UJRN/Nrzd_2014_2_26 (access date: 04.08.2022)

Sazonov, R.V., Danilov, E.Yu., Egorov, E.O. Problems of organization of cost accounting of innovative activities and ways to solve them. *Economic sciences. Series: Accounting and finance*. 2014. Issue 11(2). P. 316-322. URL: [http://nbuv.gov.ua/UJRN/ecnof_2014_11\(2\)_45](http://nbuv.gov.ua/UJRN/ecnof_2014_11(2)_45) (access date: 04.08.2022)

Yudina, O. Assessment of the impact of innovations on the preservation of enterprise resources. *Bulletin of Dnipropetrovsk University. Series: Management of innovations*. 2015. Issue 5 P. 108-117.

LEVCHENKO, Iaroslava - LOŠONCZI, Peter - BRITCHENKO, Igor - VAZOV, Radostin - ZAIATS, Olga - VOLODAVCHYK, Viktoriia - HUMENIUK, Iryna - SHUMILO, Oleksii. Development of a Method for Targeted Financing of Economy Sectors Through Capital Investment In: The Innovative Development (2021) Eastern-European Journal of Enterprise Technologies, 5 (13-113), p. 6-13. DOI: 10.15587/1729-4061.2021.243235. ISSN: 1729-3774

Strokovych, H.V. Approach to the interpretation of enterprise development from the standpoint of quality. *Business Inform*. 2013. No. 9. P. 242-246.

Брітченко І.Г. Маркетинг у банках: навч. посіб. / Брітченко І.Г., Белявцев М.І., Тягунова Н.М. – Полтава: РВЦ ПУСКУ, 2008. – 345 с.

Dedeeva, S.A., Lapaeva, O. F. Innovations as the main factor in the development of agriculture in the region in terms of import substitution. *Bulletin of the Orenburg State University*. 2015. No. 8 (183). P. 29-33.

Брітченко І.Г., Князевич А.О. Контролінг: навч. посіб. // І.Г. Брітченко, А.О. Князевич. – Рівне: Волинські обереги, 2015. – 280 с.

Kaletnik, H.M., Mazur, A.H., Kubai, O.H. State regulation of the economy: Study guide. K.: “Hi-Tech Press”, 2011, 428 p.

Karlin, M.I., Borysiuk, O.V. Possibilities of using personnel leasing and outsourcing in Ukraine. *Demography and social economy*. 2010. T. 1, Issue 4. P. 96-102.

Savitska, S., Pravdiuk, M., Dolzhenko, I., Banera, N., Samchyk, M. Tax systems of Ukraine and EU countries during the COVID-19 pandemic: current status and prospects. *Independent Journal of Management & Production*. 2022. Vol. 13 (3). P. 145-160.

Кужелєв М.О., Брітченко І.Г. Корпоративний контроль інсайдерської ренти // Науковий вісник ПУЕТ - № 1 (56) / 2014 – Полтава: ПУЕТ, 2014. – С. 281 – 285.

Pravdiuk, M. Tax incentives in legal regulation. *Knowledge, Education, Law, Management*. 2022. No. 2 (46). P. 151-157.

Pravdiuk, M.V., Pravdiuk, N.L. Quality of accounting information: essence and assessment method. *Accounting and finance*. 2016. No. 2. P. 57-64.

Брітченко И.Г. Бизнес в Украине: Социально-экономические процессы ориентированные на внешнеэкономические связи / Брітченко И.Г., Саенко В.Г. // Науковий вісник УжНУ. Серія: Міжнародні економічні відносини та світове господарство – № 10 Ч. 1. – Ужгород: УжНУ, 2016. – С. 64-70.

Zhuk, V.M. The accounting paradigm of the economy of harmonious development. *Coll. of science works Lutsk*. LNTU, 2009. Issue 6 (24). P. 171-182.

Britchenko Igor. Central banks as leaders in ensuring financial stability / Viktoriia Biloshapka, Igor Britchenko, Iryna Okhrymenko // *Advances in Social Science, Education and Humanities Research*. – Atlantis Press: Proceedings of the 3rd International Conference on Social, Economic and Academic Leadership (ICSEAL 2019). - Volume 318, May 2019. – P. 173-181. (<https://www.atlantispress.com/proceedings/icseal-19/125909033>) ISBN 978-94-6252-729-4, ISSN 2352-5398

Pylypenko, A.A. Organization of accounting and analytical support for strategic development of the enterprise. Scientific edition. Kharkiv. Khneu, 2007, 276 p.

Britchenko I. Development of methodology of alternative rationale for financial ensuring of bridges building / Britchenko Igor, Maksym Bezpartochnyi, Yaroslava Levchenko // VUZF review. – VUZF, Sofia (Bulgaria). – № 5(1). – 2020. – P. 43-49. ISSN 2534-9228 <https://papersvuzf.net/index.php/VUZF/issue/view/14>

Brukhanskyi, R.F. Accounting and analysis in the system of strategic management of agrarian entrepreneurship: monograph. Ternopil TNEU, 2014, 384 p.