THE INFLUENCE OF AGRICULTURAL ACTIVITY ON THE STRUCTURE AND CRITERIA OF STOCKS CLASSIFICATION

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Abstract

The literature on specialty and scientific researches in the domain of bookkeeping recommend various criteria of stocks delimitations and component elements of these ones. Although a part of respective criteria are on the basis of organizing of the bookkeeping and providing necessary information for stocks financial administration none of them derives from the specific nature of agricultural activity. The application of classification criteria of the recommended stocks facilitates the synthetic and analytic bookkeeping, practicing of control on respective active circulations, analysis and budgeting of essential activity as well as the evidence of material factors that determine the creations, development, care and protection of biological actives.

Key words: agricultural activity, bookkeeping, control, stocks.

INTRODUCTION

The contents and criteria of the stocks classification are approached indifferent way in economic contemporary literature, being generally determined by the object submitted to the research. At the agricultural enterprises the make-up and delimitation criteria of respective assets are pregnant influenced by the biological progresses within these ones as well as by the combination in certain entities of the commercial activity at the same level with production one.

MATERIALS AND METHODS

The study is based on the existent problems in the domain of financial administration of the stocks at agricultural enterprises. As a methodological base of the researches served the universal cognition method of matter, phenomena, processes as well as other scientific methods according preference to the following methods: monographic, analysis and synthesis, comparison and generalization.

RESULTS AND DISCUSSIONS

The agricultural activity is the transforming process of biological assets in agricultural products and/or supplementary biological assets. This transformation within agricultural enterprises does not proceed accordingly with the nature laws, but under the man guidance and participation representing in fact a conductible transformation. At the same time in the valuation plan the financial administration of agricultural activity is impossible without consumptions of materialized and alive work that embody the contribution of human factor and existent technico-material basis in the transforming oriented process of the biological assets. Moreover, the obtaining of animal and vegetal products is connected both with the land utilization and a great volume of material resources in the composition of which a considerable weight is belonged to the stocks. The stocks make-up of agricultural enterprises is influenced by agricultural peculiarities and namely:

- obtaining of a significant part of stocks (for example, seeds and fodder) directly on the lot, with the possibility of renewal of these ones only a time per year –at the moment of harvesting. This feature has a particular importance for establishing of the directions of later utilization of the given stocks, as a part of them must be reserved in stock for the next production cycle;
- unique obtaining of the agricultural products and supplementary biological assets that increases the localization period of the means in stocks. In such conditions a significant part of material values as for example the seeds, planting material, the forage and organic fertilizer are frequently renewed within economical circuit at the expense of own means. These ones are neither being consumed and nor marketed but they remain in the stocks make-up for the next production cycle generating so the increase of rotation length of the means. With other words the total recuperation for instance, of the seeds will occur only after concluding of the obtaining process of products from these seeds.

In the zootechnical sector the means circuit begins from the moment of forage stocks formation. The materialized means in such stock increase essentially the recuperating length of these ones.

But the given peculiarity has not an universal character. Thus, in the case of cows breeding for milk the essential products are homogeneously obtained during the year without significant seasonal fluctuations but the consumed resources are practically recuperated at the same time with concrete products in the form of milk with a certain content of fat. That is why the cycle length of production in the given subarea is reduced enough, being determined exclusively by the time between the moment of animals nutrition and the moment of products obtaining.

This means that the dayly supported consumptions in the process of horned cattle maintenance for milk is also dayly recovered except the effectuated consumption in the period of seasonal rest. Thus, the length of production cycle in this subarea oscillates from several hours till 2 months.

As a result the length of the means circuit and production cycle in zootechnical sector are being distinguished through the period of assets localization in the stocks of products, money available and material resources with production destination.

Since the period of the means localization in the form of products and money means is insignificant, results that these ones are being materialized, in stocks of materials with production destination.

Starting with those mentioned above one may conclude that the stocks represent both the indispensable element of directed transformation of the plants and animals, and the result of this transformation. A part of stocks (for example, the seeds and planting material) contributes to the formation of carriers biological assets providing the multiple obtaining of the agricultural products.

1. Other types of stocks (for example, forage) have a more various destination and participate both at the creation and next developing of the biological assets;
2. As a result, some stocks of materials are utilized in the agricultural cycle only a single time but other ones do permanently, becoming in fact a condition of a normal proceeding of this one.

Besides in some subareas the stocks capitalized by the biological assets are being recovered with new products, practically, at the same time (for example, with milk) and other times – only at the moment of harvesting that may occur a single time or several times per year. In such cases the stocks are being localized in the form of production during the execution a long period of the year.

On the other hand the transforming of plants and animals themselves generates new stocks which accordingly with the destination and natural form can be placed in the category of products, materials with agricultural destination or animals for growing and fattening.

The composition of the utilized stocks in the basic activity of agricultural producers as well as those obtained of respective activity is determined preponderantly by the biological processes that are proceeded within these ones. The catalogue of the stocks is also influenced by combining in some entities of commercial activities with production one. In this connexion at the majority of agricultural enterprises the stocks reunite the next elements: material, animal for growing and fattening, the production during its execution, products and goods.
One of the existent problems generating uncertainties in the domain of stocks book-keeping consists in that the autochthonous literature of speciality does not recommend specific and univocal criteria of delimitation of these assets for facilitating analytic and synthetic book-keeping application of the control of the circulation of these ones, the forecasting of the necessary volume for the basic activity of the enterprise as well as in a purpose of an efficient financial administration. This gap is also characteristic for the majority of scientific researches. The stocks variety kept by the enterprises imposes the necessity of such a grouping which would provide the management background with useful and exhaustive informations for a successful financial administration of current material values.

Then are exposed the most frequent criteria of the stocks classification approached by the foreign authors [6] with specifying in case of necessity their applicative value. Depending on the taken form the stocks are being divided in material and unmaterial ones. This criterion is at the basis of the stocks book-keeping depending on their material nature. For example the services to be executed have an incorporeal form and represent unfinished production at the end of the financial administration period.

In accordance with their destination they are distinguished stocks for production necessities and destined stocks for sale.

Such stocks delimitation permits to determine more objectively the payment capacity indicators of the enterprise.

As a origin source the stocks are being delimited in bought stocks and obtained ones on the place. The given grouping may be utilized for example to the elaboration of purchases budget, the planning of the pecuniary payment structure etc.

Depending on the phase of exploiting cycle they are distinguished stocks being in supplying stage, stocks being in the production stage and stocks being in the market one. Actually the applying sphere of this criterion of the stocks classification is limited in the methodological plan, as the supplying and market phases are not reflected in distinct account (like they were proceeding for example till 1998 year) but the stocks being in producing phase are being expressed by supported consumptions in the process of utilizing of these ones.

Depending on belonging they are being distinguished own stocks and tertiary ones. The first ones are checked by the enterprises and reflected in the current assets make-up, but the last are received for preserving treating and are recorded in extra balancing accounts.

Depending on the keeping place they are being distinguished stocks being in the enterprise ware house and stocks being for temporary keeping or in custodian at the tertiary. Such a classification is necessary for pointing out of the financial administrators, responsibilities and degree of influence on the stocks integrity. Depending on the forecast peculiarities the stocks are being limited in current stocks, stocks for conditioning and security ones. The given criterion is relevant firstly, for forecasting of the purchase and materials utilization. One must mention that in conditions of the planned economy the volume of the security stocks constituted about 50 % from the current stocks quantum.

But actually such an approach practically is inadmissible as the majority of the agricultural producers are in a hard financial situation and can not direction supplementary means for safety stocks constitution in such commanding proportions.

At the same time one must mention that none of concise examined above criteria does not reflect the stocks origin. For the agricultural producers the criterion of the stocks origin has a major importance, as besides the stocks of industrial origin (mineral fertilizers, means of phytosanitary use etc.) it is also being utilized stocks of biological origin for production necessity (for example, seeds, forage, etc.) that is not characteristic for the majority enterprises from other branches of the national economy.

Each of the mentioned criteria has its role in book-keeping organizing, in effectuating of analysis and basic activity budgeting as well as in providing of the financial administration check. But starting with S.N.C. previsions...
"Stocks of goods and materials" we consider that the most relevant criteria of classification for book-keeping at the agricultural enterprises are criteria of destination, origin and stocks belonging. Namely these three criteria are at the basis of analytic and synthetic book-keeping, exercising of check over respective goods circulation, writing down reports of internal and external use. The criteria of stocks classifying generally or of the component parts of these ones (for example, of materials, animals at their growing and fattening etc.) served as a subject of study both in the autochthonous didactic literature and in scientific researches from their domain, without resulting every time with adequate conclusions. Thus, the authors group under supervising of the professor A. Nederița [5] suggested to classify the materials in raw materials and consumable ones. The raw materials in the opinion of the nominated economists include the goods participating directly to the products manufacturing and they are being integrally or partly recovered in the make-up of these ones either in initial state or in transformed one. In its turn, the consumable materials represent those categories of goods of current assets nature participating directly in the producing process, without recovering themselves as a rule in the material content of the manufactured products. But in our opinion although such a delimitation of the materials has an innovational character and takes into account in a large measure of the technologic process peculiarities it is yet questionable. Only the raw material alike with consumable materials are being integrally consumed, even it is completely being recovered or partly in the new created product. So, the raw materials also should be qualified as consumable materials.

The classifying criteria of materials are also approached in the publications from abroad.

Thus the economists from the Russian Federation: R. Alborov [1], L. Horujii, S. Conteava, A. A. Belov, A. N. Belov [2], Babaev [3] suggested to classify the materials in accordance with on exercised role in the production process in the essential materials form its content or physical mass of the products, but those auxiliary contribute to the rhythmic unfolding of the technologic processes. The assignment of the materials to one or another group is determined by the function exercised by these ones in the process of the products manufacturing. Depending on the origin the nominated authors distinguish the purchased materials and obtained materials on the place.

According to the place in which there are the materials at the given moment the above economists differ the materials present at the depository, the materials under way of supplying and materials being at the tertiaries for processing or keeping. This classifying criterion has a practical importance in the conditions when materials are being kept both at the enterprise and outside. In exchange the materials book-keeping in the supplying phase is doubtful as such data can not be book-kept because of absence of some authentic informations operatively confirmed in explanatory documents.

In accordance with destination the materials can be utilized for the basic activity, auxiliary unities, administrative necessities, goods and products marketing, effectuating of capital and current reparations as well as for assets creating on the long term. But in our vision this criterion of classifying can not influence on the book-keeping methodology and the way of evaluation of the gone out materials as the accommodation of these ones (especially for internal necessities) is effectuated of the basis of certain unique documents, the mode of processing of which does not depend on the goods destination.

After all the criteria of classifying of previous examined materials have a certain cognitive value and can be connected to the informational necessities of the enterprises.

At the same time none of them does not reflect the peculiarities of the agricultural activity and the way of materials utilizing in the process of directed transforming of biological assets in products and/or supplementary biological assets. Thus, it was ascertained for certain that the length of the action of one or other types of materials on the modification of the plants and animals is
not identical. For example the mineral and organic fertilizers differing of the fuel or nutrients besides their current action in the financial administration year also possess a significant postaction contributing to the increase of the agricultural crops productivity during several consecutive years after their incorporation in the soil [4]. But this feature of the fertilizers utilization is actually neglected, and this the assignment of their value in the phytotechnics consumptions is being integrally effectuated and only a single time falsifying by this the cost of obtained products from one or other crop-rotation. Starting with those mentioned above we consider necessary to utilize in book-keeping goals three classifying criteria focused on the peculiarities of their utilization by the agricultural enterprises and namely:

1. Depending on the exercised function in the process of products obtaining and/or supplementary biological assets;
2. Depending on the action length on the consumption biological assets and carrier biological ones;
3. Depending on the necessary quantity for obtaining of programmed volume of products and/or supplementary biological assets.

Depending on the exercised function by materials in the process of products obtaining and/or supplementary biological assets they can be delimitated in:
- basic materials that directly participate to the formation (creating) of the biological assets or contribute to the development, caring and protection of these ones (for example, the seeds, forages, fertilizers, oil products, plants protection means etc.);
- auxiliary materials that do not constitute the existence conditions of the biological assets but provide the normal unfolding of the transforming process of these ones (for example, spare (part) building materials and so on).

At the same time one must mention that the materials delimitation in basic materials and auxiliary ones to a certain extent has a conventional character being influenced by the destination and volume of the utilized respective stocks for obtaining of one or other type of products, by the technologic process peculiarities etc.

Depending on the length of materials action on the biological assets of consumptions and carrier biological ones they may be grouped in:
- materials with current action (for example, seeds, forage etc.);
- materials with long action that surpass a financial administration period (for example, organic and mineral fertilizers, autotyres, accumulators etc.).

Depending on the necessary of materials for obtaining of the programmed volume of products and/or supplementary biological assets one can distinguish: normative stocks; security stocks.

The normative stocks represent the normative quantity of materials that is necessary for forming (creating) and transforming of biological assets (for example, the normative quantity of seeds for sowing of the sugar beet).

The security stocks represent the minimum quantity of materials reserved at the enterprise in order to cover the normative requirements in problematic conditions of providing (for example, the creation of a minimum stock of forages in connection with the forecasting of unfavorable climatic conditions). But the formation of the security stocks conditions the increase of afferent expenses to the respective materials holding. That is why one must maximalize their size as for as one can, starting with the seasonal fluctuations, the length of the phase of production, stability of existent supplying relationships etc.

In our opinion the utilizing of recommended classifying criteria provides the following advantages:
- it is favourable for increasing informational capacities of the book-keeping system and taking correct managerial decisions in order to the forecasting of the materials necessary, writing internal reports etc.;
- facilitates synthetic and analytic book-keeping as well as the elaboration of the stocks catalogue. In this catalogue are being included the names of all types of utilized materials at the enterprise, but to each of the type is assigned a permanent number from...
several figures for its operative identifying. Besides, the respective assets are being delimited in the catalogue in the basic materials and auxiliary ones but within these ones-by groups, subgroups and concrete types. For example, group-fertilizers; subgroup-organic fertilizers; type-dust coop; adequately shows clearly up the agricultural activity peculiarities and materials factors that determine the creation, development and protection of the biological assets.

CONCLUSIONS

1. The stocks represent both indispensable element of directed transformation of the animals and plants, and the result of this transformation. Thus, a part of the stocks contributes to the formation of the carrier biological assets and another part both to the creating and next developing of these ones;
2. The variety of possessed stocks by the agricultural enterprises imposes, the necessity of such a classifying of the given assets that would provide a book-keeping in accordance with the requirements of internal and external utilizes of information. Although the existent stocks classifying criteria in the didactic literature and scientific researches in this area have an applicative value and may be connected to the informational necessities of the entities, these ones do not derive from the peculiarities of agricultural activity as well as from the mode of materials utilizing in the process of directed transformation of the plants and animals;
3. The application of the classifying criteria of recommended stocks facilitates synthetic and analytic book-keeping, the check exercising on the circulation of respective assets, analysis and basic budgeting as well as book-keeping of material factors determining the creation, development, care and protection of the biological assets.

REFERENCES


