

49. The need for financial and accounting outsourcing

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Introduction. Simplifying and standardizing financial and accounting processes is a key characteristic of well-run companies, and by instilling good financial and accounting processes these companies can achieve a variety of good outcomes. By simplifying their financial and accounting processes, companies have found they can reduce the cycle it takes to close books, and they can develop better benchmark and baseline financial processes to help them meet regulatory requirements.

Resources and methods. Analytical methods based on the study of how to improve the internal audit activity are used. Scientific works of domestic and foreign scholars in the

field of outsourcing by K.Mautts, R.Adams, D.Robertson, F.F.Butynets, M.V.Kuzhelnyy, N.I.Dorosh, and others have become the basis of this work.

Results. Outsourcing (Eng. outsourcing - external source) is the transfer of some production functions of the organization to perform at another company, specializing in the relevant field. In contrast to the services and support with a one-time or sporadic and limited the beginning and end, accounting outsourcing is usually passed to the function of professional support uninterrupted performance of some systems or infrastructure of the organization.

Accounting outsourcing is one of the variants of providing the record-keeping at the enterprise for which the head of the enterprise carries the complete responsibility, in accordance with the legislation of Ukraine. In this embodiment, in order to ensure the accounting for its business and provide the necessary accounting and budgetary funds are used by a specialized company. The forms of collaboration can be very various, beginning from forming of a “zero accounting” and up to the regular collaboration on a daily basis. Theoretically and practically, the accounting company can fully perform all functions of accounting company up to the execution of bank payments and primary documents counterparts. However, this does not exclude the possibility of construction a fairly complex and flexible business processes using the external companies and their employees to achieve the maximum efficiency [2].

Conclusions. For small businesses, the question of why they might outsource accounting functions often has to do with limited resources. Rather than employing a full-time staff to handle such functions as managing the accounts receivable and payable, processing payroll, or calculating and paying federal and other applicable taxes, the small business owner may choose to engage the services of a reliable accounting firm. As a result, the business will have fewer salaries to cover and less benefits to pay, and does not have to be concerned about absenteeism that could delay posting payments or getting a payroll out in a timely manner.

References

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2. Kovalyov A. V. Theoretical Basis of Outsourcing. - Економічний вісник Донбасу № 4 (34), 2013. - с.146-149.