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THEORETICAL ASPECTS OF INVESTMENT ACCOUNTING AND ANALYSIS

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To determine the content of accounting investment activities, systematize the requirements for the implementation of accounting, control, analytical and other management functions, it is necessary to disclose the content of such terms as investments, investment activity, investment process, to establish the types of investments based on their classification.

Let us dwell on the concept of investment. A review of the special literature revealed the ambiguity of the term “investment”, which is interpreted from the position:

- assets - invested property (table 1);
- the cost of acquisition and restoration of assets.

The term “investments” in dictionaries [1, 2] is defined in accordance with the terminology introduced by normative acts, which has become widespread among Russian scientists. Investments are considered as property, property rights invested in order to generate income and positive social effect, the composition of the invested property is specified. In other sources [3,4] investments are presented in the form of assets used for the purpose of extracting incomes (economic benefits), capital gains, but the composition of assets is not specified. In the specialized terminological dictionary [5], investments are determined by the movement of funds, their growth and use for extracting income or capital gains. And also, by investments, we mean the totality of costs realized in the form of investing capital in organizations of industry, construction, agriculture and other sectors of the economy.

The source of investment is the newly created, or so-called, saved part of the net income. Entrepreneurs mobilize it at the expense of their own income (ie, self-financing) in the capital market. The source of investment in the renewal of fixed capital is the profit remaining at the disposal of organizations [6].

The definitions given in table 1 are united by the representation of investments in the quality of property, as well as the focus of investments on receiving income, increasing capital, and achieving economic and social effect. The sphere of use of the invested property is considered entrepreneurial activity.

Table 2 summarizes the presented definitions of investments in terms of the cost of acquiring and recovering assets. At the same time, investment costs, as they arise and document, are to be reflected as a non-current asset in the balance sheet, and not as expenses of the current period in the income statement.

Table 1 - Definition of investment as the composition of the invested property

Determine	Source	Remark
Investments - all types of property (except for goods intended for personal consumption), including financial leasing items from the moment a leasing contract is entered into, as well as the rights to them, invested by the investor in the authorized capital of a legal entity or an increase in fixed assets used for business activities, for the implementation of a public-private partnership project	Law of the Republic of Kazakhstan dated January 8, 2003 No. 373-II "On Investments" (with changes and additions as of 01/12/2018)	Investments are considered as property, property rights invested in order to generate income and positive social effect.
From a financial point of view - investments - any types of assets included in production and business activities with the aim of subsequent extraction of income, benefits	Juha V.M.	Investments are considered as assets used for the purpose of extracting income (economic benefits), capital gains; the composition of the assets does not specify
Investments are assets that bring economic benefits in the form of interest, dividends, royalties and rent, as well as in the form of an increase in the cost of capital	Paly V.F.	
Note: Compiled on the basis of sources [7], [8], [9].		

In the above definitions, emphasis is placed on long-term production investments (investments in the acquisition, construction and manufacture of new, reconstruction and technical re-equipment of existing facilities), the results of which are not intended for sale. Some authors, for example, Babaev Yu.A. investments are investments in "any types of non-current assets, including financial investments in securities, authorized capital of other organizations, etc." [12].

Table 2 - Definition of investment as the cost of acquisition and restoration of assets

Determine	Source	Remark
Investments - a set of costs realized in the form of long-term capital investments in industry, agriculture, transport and other industries	Big accounting dictionary	There is a long-term investment; attention is paid to their sectoral structure
From an economic point of view - investment - the cost of creating (acquiring), expanding, reconstructing and re-equipping fixed capital, as well as caused changes in the size and composition of working capital	Juha V.M.	The focus is on production (real) investments.

Investments - the cost of production and the accumulation of the means of production and the increase in the material stocks of capital in the economy	Kamaev V.D.	The definition is given from the standpoint macroeconomic systems
Long-term investments - the cost of creating, increasing the size, as well as the acquisition of non-current durable assets (more than 1 year) not intended for sale, except for long-term financial investments in government securities, securities and authorized capital of other organizations	Kondrakov N.P.	There is a long-term investment; investment results are not for sale; non-current assets excluded financial investments
Note: compiled from sources [1], [8], [10], [11].		

In the economic literature there are various approaches to the classification of investments. Most often, investment objects are accepted as the basis for the classification of investments and the types of investments that are similar to those indicated above are highlighted. For example, the German professor Weinrich G. highlighted:

- investments in property (material investments) - in buildings, structures, equipment, stocks of materials;
- intangible investments - in training, research and development;
- financial investments - in the acquisition of shares, bonds and other securities [12].

In general, the above classification corresponds to the investment division presented above for investment objects. In the special literature [13] there is a division of investments into two groups:

- real investments - in the creation and development of tangible assets;
- financial investments - in various financial instruments, mainly in securities.

Each type of investment combines a set of their types. Thus, investments in the acquisition, construction and manufacture of new, modernization, and reconstruction of existing fixed assets are related to material investments. Intangible investments include investments in the acquisition and creation of intangible assets, the implementation of research, development and technological works. Thus, having considered the theoretical features of investments, we will consider the features of accounting for investments.

Accounting for investments is carried out in accordance with sections 13, 14, 15 NSFS. Investments - cash and other long-term investments (target bank deposits, shares, shares and other securities, technologies, equipment, licenses, including trademarks, loans, any other property or property and intellectual rights) in objects of business and other activities for profit (income).

The source of investment is the newly created value (profit) remaining at the disposal of enterprises. Investment in securities classified:

1) in terms of tenure:

short-term financial investments (up to one year);

long-term financial investments (over one year);

2) by appointment:

financial - investments in securities (promissory notes, deposit and savings certificates, etc.) Maturity period is less than one year);

real - investments in the company's fixed capital and in the growth of inventories;

3) according to the ownership of the rights, securities are distinguished:

bearer - not registered in the name of the holder;

nominal - written out in the name of a certain person;

order - written in the name of the first acquirer or by his order, that is, the rights specified in them can be transferred depending on the transfer signature made on paper;
 endorsement - is responsible for the existence and exercise of the right;

4) regarding income received:

debt securities - the issuer's obligation to pay interest and repay the principal amount of the debt in accordance with the agreed schedule (bonds, promissory notes);

investment security - the right of the owner to a part of the issuer's assets (all types of shares);

5) by the nature of the issuer:

government (debt obligations of the Government and the National Bank);

municipal (debt obligations of local, executive bodies);

corporate (issued by the entity in accordance with the current legislation in order to form authorized capital or raise funds for financial and economic activities);

6) depending on transactions:

equity securities (stocks, bonds) - are traded on stock exchanges;

trading securities - are commercially oriented (settlements on trading operations and servicing the process of moving goods);

7) by negotiability in the market:

marketable securities (convertible);

non-marketable securities (non-negotiable) - do not have a secondary circulation (shares of closed joint-stock companies);

8) at the place of operation:

money market securities - a part of the financed market that sells and purchases short-term securities;

capital securities - with a life of more than one year (debt and investment securities).

It is possible to classify securities by other characteristics (main and auxiliary, documentary and non-documentary, etc.).

Short-term financial investments are recorded at current value, at the lowest estimate of purchase and current values.

Income from disposal of financial investments - the difference between the income from the sale and book value, minus expenses (broker or dealer services).

Table 3 - Accounting methods for financial investments

Long-term	Short-term
1. By purchase value. 2. At cost, taking into account the revaluation. Revaluation: if the fair value is greater than the purchase price: Dt Investments Kt Capital on revaluation of investments Markdown: if the fair value is less than the purchase price: Dt Capital on revaluation of investments (not distributed profit) Kt Investments	1. At fair value (traditional): - if the investment is not the main type of activity, then the cost is determined at the reporting date - if the investment is the main activity, then the cost is determined periodically: Dt KFI 10 000 (acquisition cost) Kt Cash 10 000 - if the acquisition cost is less than the fair value (12 000): Dt KFI 2 000 Kt. Income adjustment 2 000 - if the acquisition cost is greater than the fair value (7,000): DT Expenses for adjustment 3 000 Kt KFI 3 000

<p>3. At the lowest estimate of the purchase and fair market value, determined on the basis of the total portfolio:</p> <ul style="list-style-type: none"> - if the purchase price is less than the fair value, then no adjustment is made - if the purchase price is greater than the fair value, then the adjustment is as follows: <p style="margin-left: 40px;">DT Expenses for adjustment Kt Investments</p>	<p>2. At the lowest estimate of the purchase and fair value, the lowest estimate is determined on the basis of:</p> <ul style="list-style-type: none"> - total portfolio as a whole - based on portfolio by type of investment - for each investment separately. <p style="margin-left: 40px;">If the purchase price is less than the fair, no adjustment is made.</p> <p style="margin-left: 40px;">If the purchase price is greater than the fair value, then the adjustment is as follows:</p> <p style="margin-left: 40px;">DT Expenses for adjustment Kt KFI</p>
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Accounting of financial investments is conducted on active accounts of subsection 1100 "Short-term financial investments" and 2000 "Long-term financial investments". The debit of these accounts records balances of financial investments at the beginning and end of the month, operations to increase the investment; loan account - operations to reduce financial investments. Subsection 1100 "Short-term financial investments" is intended for the accounting of short-term financial investments, subsection 2000 "Long-term financial investments" - for accounting for long-term financial assets, other than investments accounted for using the equity method, and long-term receivables.

To account for loans provided by the organization:

- up to one year, account 1110 "Short-term loans granted" is applied,
- over one year - 2010 "Long-term loans granted".

To account for financial assets acquired in order to profit from short-term price fluctuations, account 1120 "Short-term financial assets held for trading" is used.

To account for short-term and long-term financial assets with fixed payments and fixed maturity, which the organization is firmly committed and able to own before maturity, except loans and receivables provided by the organization - 1130 "Short-term investments held to maturity", 2020 "Long-term investments held to maturity. "

To account for long-term and short-term financial investments that are not accounted for as: loans provided by the organization; investments held to maturity - 2030 "Long-term financial investments available for sale", as well as financial assets held for trading - 1140 "Short-term financial investments available-for-sale".

To account for other short-term and long-term financial investments (investments in subsidiaries accounted for at cost, investments in jointly controlled entities accounted for by proportional consolidation) not specified in the previous categories -1150 "Other short-term financial investments", 2040 "Other long-term financial assets ".

Investment accounting data is used for the operational management of the organization and their structural units, for the preparation of financial statements.

List of used sources

1. Economics of industry markets. 3rd edition. Study guide - Juha V.M., Kuritsyn A.V., Shtapova I.S.
2. Law of the Republic of Kazakhstan of January 8, 2003 No. 373-II "On Investments" (with amendments and additions as of December 1, 2015)
3. International Accounting Standards and Financial Reporting - V.F. Paly
4. Accounting Financial Accounting - Babaev Yuri Agivovich Petrov Alexander Mikhailovich Makarova Larisa Grigorevna