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Nazimgul Berdimurat
PhD Student, Turar Ryskulov New University of Economics,
Almaty, Kazakhstan
55 Jandosov Str., Almaty, 050035, Kazakhstan
cip@kuef.kz

Cost accounting in the horse breeding industry of Kazakhstan improving due to international standards

Abstract
Purpose. There is the need for cost accounting improvement in the horse breeding pasture with accounting groups division. The classification of horse pastures development for cost accounting and yield on cost center with the appointment of a responsible person for costs should be considered. The document on the posting of mare's milk is aimed to be formed.
Results. Taking into consideration the existing shortcomings in cost accounting and reporting of horse breeding, the improvement of cost accounting for cost centers and responsibility centers has been proposed. In order to form the organization of management accounting techniques, there has been developed and proposed by the author the original document to integrate reusable mares milking, which is called «Journal of milk yield accounting». In order to implement cost accounting by cost centers and by current outlays, the methodology has been also developed for the responsibility centers and cost centers and a «ledger book» on mare's milking has been offered.
Conclusion. Improvements of cost accounting methods must be used in decision-making management for the development of industries. All of the above is necessary for fair costs and production costs calculation. We offer the primary document and journal of work that create opportunities to reflect the costs of current outlays according to the type of work and to make managerial decisions in costs optimization.
Keywords: Productive Pasture Breeding; Cost Management; Cost Optimization Method; International Financial Report Standards
JEL Classification: Q10, Q11, Q16

Бердимурат Назимгуль
аспирантка, Новый экономический университет имени Турара Рыскулова,
Алматы, Казахстан
Совершенствование учета затрат в отрасли коневодства Казахстана в соответствии с международными стандартами
В статье показано, что в условиях существенного увеличения спроса на экологически чистую продукцию как внутри страны, так и за рубежом, повышается значение продукции коневодства, в частности молока кобыл и верблюдиц, которое является лечебным, диетическим и здоровым. Таким образом, пастбищное продуктивное коневодство – это конкурентоспособная отрасль животноводства.
Вместе с тем, автором выявлены существующие недостатки в учете затрат и отчетности по коневодству в Республике Казахстан и раскрыта необходимость их совершенствования на основе действующих международных стандартов. Исходя из этого, предлагается новая методика организации учета затрат в отрасли – по центрам затрат и центрам ответственности.
Внедрение данной методики позволит повысить достоверность затрат и себестоимости продукции в отрасли, а также эффективность управленческих решений, направленных на ее дальнейшее конкурентоспособное развитие.
Ключевые слова: коневодство; управление затратами; управление расходами; методика оптимизации затрат; международные стандарты учета.

Бердімурат Назімгуль
аспірантка, Новий економічний університет імені Турара Рискулова,
Алмати, Казахстан
Удосконалення обліку витрат у галузі конярства Казахстану відповідно до міжнародних стандартів
У статті показано, що в умовах значного збільшення попиту на екологічно чисту продукцію як усередині країни, так і за кордоном, підвищується значення продукції конярства, зокрема молока кобил і верблюдиць, яке є лікувальним, дієтичним і здоровим. Таким чином, пасовищне продуктивне конярство – це конкурентоспроможна галузь тваринництва.
Разом із тим, автором виявлені існуючі недоліки в обліку витрат і звітності в конярстві Республіки Казахстан і розкрито необхідність їх вдосконалення на основі чинних міжнародних стандартів. Виходячи з цього, пропонується нова методика організації обліку витрат у галузі – за центрами витрат і центрами відповідальності.
Впровадження даної методики дозволить підвищити достовірність витрат і собівартості продукції в галузі, а також ефективність управлінських рішень, спрямованих на її подальший конкурентоспроможний розвиток.
Ключові слова: конярство; управління витратами; методика оптимізації витрат; міжнародні стандарти обліку.

Introduction. Cobb animals grazing, such as horse breeding, camel, karakul sheep branch, sheep (wool – merino's branch) in Kazakhstan is a native-traditional industry of grazing animals and in particular herd horse breeding. These animals are environmentally friendly. They get their food all year round. In the summer, mares and camel are milked. Mare's milk and camel's milk are eco-products, and they have healing properties.

In 1979, the healing properties of mare's milk and camel milk were proved in the treatment of patients with chronic diseases of the digestive system (Methodical recommendations, 1979). Within a month, the use of mare's milk and camel milk cure duodenal ulcer disease and even Bodkin's disease. The mare's milk is used in the feeding of newborns, if young mother's breast milk was gone. There is albumin component in mare's milk, which was once considered to exist only in breast milk (Order of Minister for finance of the Republic of Kazakhstan, June 21, 2007).

Demand on above said products is very large. Productive breeding is profitable industry today in animals grazing. However, sport horses breeding can bring big profits, too.

In this regard, horse products as medicinal and dietary product are environmentally friendly, healthy, pure product, so, it

may be sold abroad in European countries. In particular, in France, Belgium and Germany horse products are used as a therapeutic product in diet curing.

In today's business strategy, it is necessary for farmers in Kazakhstan to work on development of breeding qualities of horses (productive, sports etc.), growth of horses stock, but, for this purpose, we need the investments. Income from investments is not long to wait. The sale of camel's milk and mare's milk (not to mention the delicacies) can give high returns. We have carried out an estimate of production, and through its realization (in particular, kumiss), farmers earn a good income.

The role and place of the horse and camel industry, and the whole animal breeding as native industry of Kazakh people in Kazakhstan is very important. Prospects for the development have special urgency, as Kazakhstan is still an agrarian country.

In Kazakhstan's economy the share of GDP of livestock breeding takes from 3.5 to 4%.

Prospects of the industry depend on the amount of land area, the availability of pasture, which allows increasing the number of «productive horses» and production of environmentally friendly products, as well as dietetic and medical products. It is of great value to attract foreign investment to grow not only «productive horses» and sport horses (Lugovskoy, Akhalteke, Arabian breed). In the post-soviet period, Kazakhstan sold the breeding and sport horses abroad in Western countries (Belgium, France, and Germany) and received a lot of revenue from it. The main goal for today is growing of productive horses and sport horses that have a positive impact on economic growth of Kazakhstan.

Analyzing research and publications of the last decades on the issue of accounting and improvement costs, we should conclude that scientists, nutritionists, for example, T. Sharmanov, R. Kadyrov and others in the seventies of the last century noted medical properties of mare's milk, kumiss, shubat and horse delicacies.

Studies of Western economists and scientists, such as R. Vander Vila (1997) and K. Druri (1998), show the improvement of cost accounting in general. They do not address the livestock industry.

Russian economists N. G. Chumachenko (1971), V. E. Lastovetsky (1988) and Kazakh ones V. K. Radostovets (1987), S. S. Satybaldin (1980), K. T. Taygashinova (2002) touched upon the problems of cost accounting of the centers of economic liability of costs in the industry.

We offer the primary document and journal of work that create opportunities to reflect the costs of current outlays, according to the type of work, and to make managerial decisions in costs optimization.

Foreign scientists in this direction, in particular, R. Vander Ville (1997) believes that it must be «responsibility cost center with the appointment of responsible person for carrying out costs» (V. Paliya & R. Vander Ville, 1997).

The scholar K. Druri (1998) states that «responsibility center can be defined as a segment (part), a manager of which is individually responsible for its work» (K. Druri, 1998).

Another scholar N. G. Chumachenko (1971) revealed after an internship in the United States in the seventies of the last century the distinction of the «center of economic responsibility» and «center of expenses (costs)» (N. G. Chumachenko, 1971).

The author S. S. Satybaldin (1980) described that the experience of the United States, cost centers are «... keeping production costs for shops or products...» (S. S. Satubaldin, 1980).

Later, V. E. Lastovetsky (1988) offered the «… organization of cost accounting on current outlays by type of work with the appointment of a responsible person» (V. E. Lastovetskiy, 1988).

K. T. Taigashinova (2002) reveals «the problems of cost accounting by the responsibility centers. The scientists have offered detailing of cost accounting through opening an analytical account to reflect the accounting types of operations (in the shop, plant) within the brigade» (K. T. Taygashinova, 2002).

All of the above outlined controversy of scientists did not disclose the features of the agrarian sector's technology. Our research is conducted in agriculture, in livestock industry. Unfortunately, the publications in this industry of cost accounting on current outlays are not so many.

Purpose of the article is cost accounting improvement in the horse breeding pasture with accounting groups division. The classification of horse pastures development for cost accounting and yield on cost center with the appointment of a responsible person for costs should be considered. The document on the posting of mare's milk is aimed to be formed.

Results

Firstly, it is necessary to specify the direction of manufacturing industry «Productive horse breeding», «Stud horse breeding», «Sport horse breeding» and «Working horses» in order to account the reliability of the horse's movement organization.

Secondly, to reflect the costs and charges of production costs for the projects of cost accounting on current outlays, grazing horse breeding industry should be divided into: productive horse breeding; livestock horse breeding; sport horse breeding; working horses.

Thirdly, the improvement of accounting on production accountability unit of accounting, with specific technology groups of productive horses will allow differentiating clearly accessory costs, to a certain stage of production (see Figure).

Based on the above, the separate accounting of production cost is mandatory for cost accounting. This kind of detailing in the context of technology groups will help to organize the accounting of production costs, according to «work performed» of technological period and places of productive horses' detention.

Allocation in accounting to «working horses» will be considered as working riding horses' product firstly, the spent-days of horses in cattle grazing (for grazing horses themselves, sheep, cattle).

The work of harness horses-workers is calculated by the transported goods every day. This is working horses that are assigned to the dining room or a bakery, a field camp, on the farm. Depreciation will be charged on working horses; horse-day will be calculated. If you receive a litter, then obtained foals are subjected to calculation.

Division into classification groups of horses will create a possibility of a standard cost.

During the formation of the cost on current outlays, in the context of teams on a dairy farm, should be organized the cost accounting «Dairy mares». Costs of holding the latter are as follows: foals feeding from birth to the age of one month, one month at the time of weaning (up to 8 months).

On a horse breeding dairy farm for each technology group as objects of cost accounting is necessary to provide the following accounting group: «Dairy mares», «Foals to months of age», «Foals up to 8 months to weaning» (to a year).

Technology of dairy farm mares' keeping has its own characteristics that must be taken into account in the cost accounting. Mares will be posed for milking a month after birth (parturition). During this month, the foal sucks milk of mares and do not consume food. In the expenses account for production there is no differentiation in the allocation of costs for each technology period, although the offspring of foals in the post-soviet period are not weighed. Under present conditions in our opinion, foals should be weighed up to 1 month to determine the live weight of the past month (N. Berdimurat, 2006).

The scholar V. K. Radostovets (1987) writes: «In the dairy horse breeding at stable the cost of the main product kumiss will be determined by the amount of the costs of mares maintaining» ... (V. K., Radostoves, 1987). We get milk from mares' milking. Kumiss we get just after 24 hours of exposure processing and maturation whipping in «kumiss shop» (this is the industrial production).

In this regard, mare is the products of industrial processing in our opinion.

The primary accounting document for posting of cows' milk on a dairy farm is unacceptable for horse breeding, because it underestimates reusable mares' milking indicators. The absence of the original document does not provide accounting of

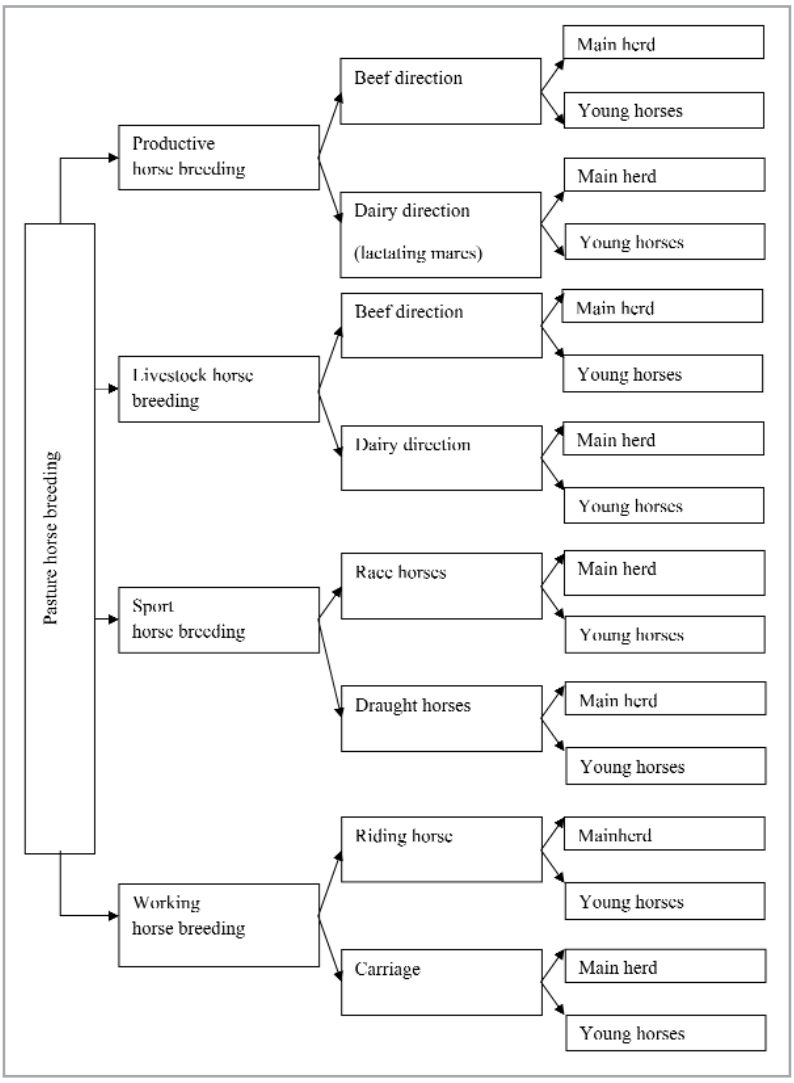

Figure: **Classification of grazing horse in modern conditions**
Source: Compiled by author, has the novelty for the accounting organization

the amount of milk exit of each milker's milk yield from each mare. Thus, it is impossible to determine the amount of milk per day.

Moreover, the primary account has a special place in accounting income.

The principle of accounting itself is based on primary documents. The basis of the accounting process in the horse breeding of dairy direction and yet reliable indicator is the posting of mare's milk. To solve the problem of the reliability of the posting of mare's milk, it is necessary to develop a primary document for accounting, disclose information technology milking of mares on jobs output. We have developed a primary document (layout), which reflects the reusable milking in Diary of Milk Yield Records (Table 1). The Magazine of Account of Works on Milking of Mares is presented in Table 2.

In our studies, were conducted 5 milkings from 8.30 to 14.30 every 1.5 hours on the farming. Load of milkmaids is 10 mares per milkmaid in case if it is a hand milking. There were 30 milking mares (N. Berdimurat, 2006, p. 250).

It is possible to carry out the daily operational control of the plan of milk production. In this regard, we have developed a «ledger book» in the Table 2 on horse breeding dairy farm by periods of milking mares on current outlays. A ledger book on a horse dairy farm is the main accounting records, which will capture the ongoing work between milking. A ledger book on milking mares provides the methodology of cost accounting on current outlays (CO). A ledger book will provide an opportunity to monitor the productivity of mares for each day, as well as periods of milking. Such information will help to identify reserves for reducing the cost of milk, increasing the productivity of mares. At the same time, clearly can be seen the actual performance of a horse dairy farm by the type of work, to the cost. As a result, it will be possible to compare the actual output of products

Table1: **Diary of Milk Yield Records**

Year	Month	Day	Farm	Separation	Mil horse farm	Magazine of account of milk yield	Operation	Recipient	Sender
2014	may	03	Sunkar	-		№15	01	02	03

Supposed productivity 1 goal. from 0,800 gram for one milking of kg*.

** From all population, there is a norm of exit for milk, kg 115. for a day (5 milking) there are 30 heads.*

The last name is the name, patronymic milkmaids, masters machine milking of mares	Table number	Mares		Milked milk on milking (for a day), kg							Signature of milker's mares	Milked for a day in total	Limit of milk outcome from every milker in a day	Percent of adiposeness of milk	Note	
		Total	From the milked	11	12	13	14	15	16	17					It is sent in a kumiss workshop	It is realized to child's suckling kitchen
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17
Ametov A.O.	111	10	10	8	7,5	7,3	7,8	7,5	-	-		38,1	35	+3,1	38,1	
Ibracva O.	112	10	09	7	6,5	6,2	7	6,8	-	-		33,5	35	-1,5	33,5	
Totikov I.	113	10	10	7,5	7,2	7,0	7,5	7,3	-	-		36,5	35	+1,5	36,5	
Total		30	29	22,5	21,2	20,5	22,3	21,6				108,1	105	+3,1	108,1	

Total a day *amount of the milked milk of mares*
Manager by a farm _____ Brigadier _____
Note: Made for further consideration, as this document is a novelty

Source: Proposed by the Author

Table2: **The Magazine of Account of Works on Milking of Mares**

Types of works	Time of implementation of works, hour		Number of mares on milking, goal.			Volume of executed works by milkers, persons of hour			It is exhaust m/hrs by herdsmen			It is got milk of kg		
Night Pasturing of mares by herdsmen	beginning	finish	plan	fact	rejection	plan	fact	rejection	plan	fact	rejection	plan	fact	rejection
Subchase of milk herd from the night pasturing and spacing of foals before milking														
Preparation of hall and equipment to milking	5,30	6,00				40	42	+2	12	11	1			
First milking, received milk, l	8,30	9,20	30	29	-1							21,0	22,5	+1,5
Work of milkmaids in a milking hall	9,20	9.40												
Second milking, received milk,	10,00	10,50	30	29	-1	40	42	+2				21,0	21,2	+0,2
Work of milkmaids in a milking hall	10,50	11,10												
Feeding of Mares and watering, work of milkmaids in a milking hall.	11,00	11,30												
Third milking, received milk, l	11,30	12,20	30	29	-1	40	42	+2				21,0	20,5	-0,5
Feeding of mares on a farm, in a pound and cleaning up of milking hall	12,20	12,30												
Fourth milking, received milk, l	13,00	13,50	30	29	-1	40	42	+2				21,0	22,3	+1,3
Cleaning up of milking hall, washing of inventory	13,50	14,20												
Fifth milking, received milk,	14.30	15.20	30	29	-1	40	42	+2				21,0	21,6	+0,6
Feeding of Mares and watering, work of milkmaids in a milking hall.	15.20	19.00												
Feeding of mares on a farm, in a pound, night pasturing	19,00	5,30												
Total for a day on a brigade			30	29	-1	200	210		12	24		105	108,1	+3,1
Population of mares														
Date of execution														

Note: Brigadier of suckling farm at a good feed base can possibly lead to five milking, bringing down an interval between milking to one and a half an hour. A registration list is made for consideration and is a novelty.

Source: Proposed by the Author

per day. Ledger book provides the necessary daily economic information on management of mares' milk production, while accounting records will be «operational records» on «current outlays». This account book for the head of the farm allows him controlling the milk yield for each milking per day; it helps to study the productivity of mares with a view to improving, as our goal is to make fuller use of operational accounting yield, identifying cases of losses for the day. Operational accounting creates a potential for production increasing, the efficiency of the sector improvement on current outlays.

Conclusion. Technique of the organization of daily accounting and control will provide an opportunity to develop the industry; more accurately evaluate the performance of a dairy farm or team. Better organization of production will create conditions for a successful solution to the problem of cost accounting improving and calculation of production costs on current outlays. The practical application of our proposed «ledger book» on milking mares on the type in horse breeding, in milk production, maintenance and feeding of foals etc. Individual positions allow determining the efficiency of mares, and thus, identify the ways to improve the economic efficiency of each production object.

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