

ACCOUNTING TREATMENTS USED FOR ACCOUNTING SERVICES PROVIDERS

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Abstract

The theme of our research is the ways of keeping accounting entities that are the object of the provision of services in the accounting profession. This paper aims to achieve a parallel between the ways of organizing financial records - accounting provided by freelancers and companies with activity in the financial - accounting. The first step in our scientific research is to establish objectives chosen area of scientific knowledge. Our scientific approach seeks to explain through a thorough and detailed approach as different sides (conceptual and practical) looking projections of accounting issues related to regulatory developments and practices in the field. This paper addresses various concepts, accounting treatments, and books and accounting documents used both freelancers in providing accounting services and legal persons authorized accounting profession.

In terms of methodology and research perspective, the whole scientific approach combined with quantitative and qualitative research theoretical perspective (descriptive-conceptual) with practice perspective (empirical) analyzing the main contributions of various authors (Romanian and foreign) to knowledge in the field. Following the survey believe that the amendments to the national legislation will support entities providing accounting services, by cutting red tape on Administrative Burdens, and consequently will increase profitability and increase service quality.

Keywords: *accounting treatments, forms financial – accounting, freelancers, legal.*

JEL Classification: *M40, M41, M49*

1. Introduction

Professions should be defined as being independent, non-commercial, "away from speculative, being established order, bodies, companies, components and structures and disciplinary self-acknowledged social norms promoting their missions execution are given the responsibility, but also the rules of ethics and professional conduct." .

In accordance with Directive 2005/36/EC of the European and of the Council of 7 September 2005 on the recognition of professional qualifications, professions are defined as "practiced on the basis of relevant professional qualifications in a personal, on his own responsibility and independent professional point of view, providing intellectual and conceptual services in the interest of the client and the public". Profession in the Member States, may be subject to specific legal constraints based on national legislation and regulations established independently by professional representative bodies, which guarantees and enhances their professionalism, quality of service and confidentiality of client relationships

2. Organization of services financiar - accounting provided by freelancers

Professions, in this case accounting professionals – freelancers its accounting records in simple entry under order no. 1040/2004. Taxpayers who receive income from the accounting profession are obliged to issue invoices to be drawn up according to the order on browsing or using some form no. 2226/2006 financial - accounting. Regulations on lead single entry accounting are optional for taxpayers who meet the following conditions:

- only income from independent activities under the Convention / civil contract to which the payer has calculated, withheld and paid tax prepayments representing the rate of 10% on gross income;

- can fulfill their reporting obligations directly on documents issued by the payer.

Documents underlying accounting records in simple entry can acquire the status of documentary evidence only where they provide all information required by law. Documents from the purchase of goods from individuals can be recorded in the accounts of the simple only in cases where proof of entry into heritage goods. Any operation economic - financial records at the time they are in a document highlighting the underlying bookkeeping simple, thus acquiring the status of document. Supporting documents outlined in simple bookkeeping binding people have drawn.

Simple bookkeeping is taken with the following accounting records: ledger journal of receipts and payments and ledger inventory. Accounting records are used in strict accordance with their intended use and presented in an orderly and thus completed to allow, at any time, identification and control opera economic transactions - financial transactions.

The journal of receipts and payments and inventory ledger have registration scheme to local tax authorities. They are numbered, filed and before submitting their initial the territorial fiscal bodies in order of their registration. The journal of receipts and payments serves chronological recording of all monies received and paid both in cash and bank accounts. The amounts recorded in the journal of receipts and payments are annual totals. The difference between cash receipts and payments is availability.

Inventory ledger serves as a registration document property items inventoried. Economic elements highlighted in input value accounting, namely the acquisition value of production or market price, as applicable. If alienation assets, is necessary to evaluate their market prices or determined by technical expertise of specialists in assessing members of a professional body recognized nationally and internationally.

Keep records of fixed assets using asset Sheet. Transactions in foreign currency accounting outlined in national currency using the exchange rate at the date of transaction (receipt, payment), which means currency market exchange rate communicated by the National Bank of Romania, the last Previous banking day operation available information at the time of transaction. Amounts relating to operations in foreign currency in domestic currency can be found in the journal of receipts and payments.

Revenues and expenses for tax purposes take coins with various operations and the various operations of the Journal. Evidence of VAT to supplies of goods and services were taken with Sales Journal, according to the Tax Code. VAT records of purchases of goods and services are taken with purchase journal, according to the Tax Code.

People who lead simple bookkeeping are required to keep their accounting books and archive documents that were the basis for highlighting the simple bookkeeping. Retention period ledger receipts and payments and inventory ledger is 10 years. Supporting documents used by persons who simple bookkeeping is kept for a period of five years, unless the law provides otherwise. Supporting documents showing the origin of goods lifespan over 5 years, maintained for the period of use of the goods.

Single entry accounting income is taken depending on the nature of the activity, the types of income:

- commercial revenues;
- income from liberal professions;
- income from intellectual property rights;
- other income for which no obligation highlighting according to the Tax Code.

For each type of income is drawn sheet for various operations which record in chronological order all the documents related to taxable income. For taxable income in kind shall be made a separate "Data for various operations." Constitute gross income, income earned in a calendar year, regardless of the period during which benefits were made, including the proceeds received in advance. Totals sheets for various operations completed taxable income is recorded in the Journal diverse operations. Total revenues Journal on various operations are annual gross income of the taxpayer. The Journal on the various operations used to determine annual gross income is recorded revenues equivalent in lei and foreign currency revenue in nature. For taxpayers who receive income in RON, in one activity, total revenue is reflected in the sheet for various operations on the row "Total", Journal compilation no longer needed on various operations.

Single entry bookkeeping expenses take distinct depending on the nature of the activity, the types of expenses:

- expenses incurred in the direct interest of business;
- sponsorship expenses, patronage, and private scholarships, made under the law;
- entertainment expenses;
- tax depreciation expenses;
- other deductible expenses, as established by tax laws in force.

For every kind of spending is will be drawn up to operate various tions and their total will be recorded in the Journal diverse operations expenses. Taxpayers may prepare a single sheet diverse operation covering all expenses whose deductibility is limited. For each kind of expense deductible taxpayers prepare one sheet for various operations. For depreciation expense sheet will be prepared for various operations. For each limited deductible expense, all the sheet for various operations are tax deductible under the Code and is recorded in the Journal diverse operations expenses. Allowed to deduct expenses incurred in the work in order to achieve revenue, supported by documents which are included in the costs of the financial year in which they were paid.

Professional accountants - freelancers (taxpayers) who are registered / unregistered for VAT will determine income and expenses as follows:

I. If the taxpayers are not registered for VAT

If freelancers are not registered as VAT payers are considering two factors: income and expense:

a) revenues include amounts received representing the invoice;

b) expenses include:

- amounts paid to suppliers registered for VAT representing the purchased goods / services of the invoice amount including VAT;

- amounts paid to suppliers not registered as VAT payers representing the purchased goods / services supplied to the invoice value;

II. Where taxpayers registered for VAT

If freelancers are registered as VAT payers are considering two factors: income and expense:

a) revenues include amounts received representing the VAT invoice;

b) expenses include:

- amounts paid to suppliers registered for VAT representing the purchased goods / services supplied to the invoice value excluding VAT;

- amounts paid to suppliers not registered as VAT payers representing the purchased goods / services supplied to the invoice value.

Registers and forms financial - accounting used by accounting professionals - freelancers single entry accounting management are shown in Figure no. 1:



Source: own projection

Figure no.1 Registers and Forms Financial – Accounting

Of these registers, register - log of receipts and payments and register stock they NAFA registration regime. Based on these documents and records shall determine taxable income and obligations to the state budget.

3. Aspects of the organization keeping in companies with activity in the accounting profession

Companies with activity in the accounting profession have held the accounts in accordance with Law No.82/1991 - Accounting Law, as amended and supplemented, Order 3055/2009 for the approval of accounting

regulations compliant with European directives and Order 2239/2011 for approval of simplified accounting system. In our scientific approach to track the organization of companies providing bookkeeping accounting services, we considered it useful to group companies in several categories:

- companies applying system simplified accounting;
- companies applying accounting regulations compliant with European directives:
 - companies applying accounting regulations in accordance with Directive IV of the European Economic Community.
 - companies applying accounting regulations in accordance with the Seventh Directive of the European Economic Community.

Companies applying system simplified accounting

Order no. 2239 in June 2011 approved the simplified accounting system which can choose to exercise economic entities Financial previous meeting two conditions:

- net turnover of less than the equivalent in RON of level 35,000 euro . Turnover represents the sum of net income from the supply of goods and services and other operating income, excluding trade discounts to customers and VAT and other taxes directly related to turnover
- total assets less than the level echivelentul RON 35,000. Total assets include fixed assets, current assets and prepaid expenses.

Newly created economic entities in the first year Financial may elect to apply simplified accounting system or choose to accounting regulations compliant with European directives approved by Order no. 3055/2009, as amended and supplemented. Economic entities by applying simplified accounting system using simplified accounting regulations simplified chart of accounts, accounting principles, rules of recognition, measurement and disclosure of assets, accounting treatment, rules on the approval, signature and simplified financial statements, the format and content of simplified financial and content and accounts function. Simplified annual financial statements must be accompanied by a written statement of the entity's management accountability for their preparation in accordance with the simplified accounting system.

The annual financial statements were simplified in structure:

- simplified balance;
- simplified profit and loss account. bilanț simplificat;
- cont de profit și pierdere simplificat.

By Order no.52/2012, the two components of simplified financial statements shall add two situations with a standardized format of content and form, namely: Facts and situation of fixed assets.

The informative data provided information on the result; payments outstanding for the current activity and distinct for the investment holding; average number of employees both current year and the previous year; payments of interest, dividends and royalties; meal tickets; expenditures for research - development, previous year and current year expenses renovation, other information the previous year and the current year; expenditure information with collaborators, previous year and current year.

The situation of fixed assets taxpayers must disclose the gross values, opening balance, increases, reductions and final balance of fixed assets, tangible and financial depreciation on tangible and intangible assets and impairment adjustments of intangible assets, tangible and financial.

Organization and management accounting by entities that apply simplified accounting system shall be based on contracts / civil agreements concluded under the Civil Code with individuals who have higher economic education. By approving the simplified accounting, accounts transposed general chart of accounts prescribed by accounting regulations compliant with European directives, approved by Order no. 3055/2009, using degree accounts and synthetic abrogându the following accounts:

- 104 - Share premium;
- 105 - Reserves from revaluation;
- 1065 - Reserves representing surplus from revaluation reserves;
- 109 - Shares;
- 141 - Gains related to the sale or cancellation of equity instruments;
- 149 - Losses related to the issuance, redemption, sale, transfer charge or cancellation of equity instruments;
- 169 - Premium on redemption of bonds;
- 2075 - Fund trading negative;
- 451 - Transactions between related parties;
- 453 - Settlements of participating interests;
- 7815 - Income from fund trading negative.

Companies applying accounting regulations in accordance with Directive IV of the European Economic Community conforme cu Directiva a IV-a a Comunităților Economice Europene

Economic entities that prepare individual financial statements according to accounting regulations in accordance with Directive IV of the European Economic Community or prepare and submit annual financial statements, annual financial statements be simplified. In accordance with commercial entities OMPF no.3055/2009 activity in the accounting profession at the balance sheet exceed the limits of two of the three criteria of size, namely:

- total assets: 3,650,000 euros ;
- net turnover: EUR 7,300,000;
- the average number of employees during the financial year: 50

prepare annual financial statements which are made up of:

- balance;
- profit and loss account;
- statement of changes in equity;
- cash flow statement;
- notes to the annual financial statements.

This set of financial statements consists of five components is also known as the annual financial statements developed. In the event that these entities do not exceed two size criteria at the balance sheet drawn up simplified annual financial statements including:

- balance tert shortened;
- account of profit and loss;
- notes to the annual financial statements simplified.

Optionally, they can prepare a cash flow statement and / or statement of changes in equity. Entities that have issued financial statements will prepare simplified financial statements developed only if two consecutive financial years exceed the limits of two of the three criteria of size, ie entities that exceed the limits of two of the three criteria and prepared annual financial statements developed will prepare simplified financial statements only if the two consecutive financial years shall not exceed the limits of two of the three criteria of size. Thus, annual financial statements, compliance with the criteria prescribed by the regulations largest accounting is performed at year end based on the indicators determine your financial statements of the financial year preceding the reporting and indicators determined on the basis of accounting and trial balance at the end of the current financial year concluded, using the exchange rate published by Bank of Romania National as of the date of conclusion of the financial year.

Companies applying accounting regulations in accordance with Directive VII of the European Economic Community

The consolidated financial statements are prepared by Parent - forms part of a group of companies which fulfill the following conditions (Order no. 3055/2009, art.11, alin.2):

- holds the majority of voting rights of the shareholders or associates of another entity, hereinafter filial A;
- a shareholder or member of an entity and the majority of board members, directors, ie members of the directorate and supervisory board of the entity (subsidiary) who have held office during the year financially in the previous financial year and up to when the consolidated annual financial statements have been appointed solely as a result of the exercise of its voting rights;
- a shareholder or member of a subsidiary and has only control over majority of voting rights of the shareholders or associates of that subsidiary, as a result of an agreement with other shareholders or members;
- a shareholder or member of a subsidiary and has the right to exercise a dominant influence over the subsidiary under a contract with the entity or of a provision in its memorandum or status, if applicable law permits such contracts or subsidiary clauses ;
- the parent company has the power to exercise, or actually exercises, dominant influence or control over a subsidiary;
- a shareholder or member of a subsidiary and has the right to appoint or remove a majority of board members, directors, ie members of the directorate and supervisory board of the subsidiary;
- parent and subsidiary are managed on a unified basis by the parent.

Parent - may be exempted from preparing consolidated financial statements if the preparation situațiilor balance Tulu consolidated companies to be consolidated do not together exceed the limits of two of the three size criteria:

- total assets - 17.52 million euro
- net turnover • - 35,040,000 euros

- Average number of employees - 250.

This exemption shall apply if any of consolidated subsidiaries have securities traded on a regulated market.

The consolidated financial statements are an integral whole and include:

- balance tert consolidated;
- consolidated profit and loss account;
- notes to the consolidated financial statements

In our opinion the economic entities providing accounting services, regardless of size criteria they meet and placing them in one category or another, organize and manage their accounts, both the analytic and the synthetic, the same rules, principles and accounting treatments. As shown in the chapter, differences appear only in the format, structure and presentation of annual financial statements.

Considered useful to present the main accounting treatment company trading SC ALPHA SRL, whose main activity is the provision of accounting services, shown in Table no.1.

Accounting treatments

Table no.1

No.	Description	Active	Passive	Amounts - lei
1	Subscribing to the economic entity: - a building – 200.000 lei - a car – 10.000 lei - cash – 3.000 lei - in account – 7.000 lei	456	1011	220.000
2	Bringing goods and payment amounts	% 212 213 531 521	456	220.000 200.000 10.000 3.000 7.000
3	Purchase of office supplies: 1,000 lei, VAT - 24%	% 302 (604) 4426	401	1.240 1.000 240
4	Payment provider supplies	401	512	1.240
5	Consumption supplies	602	302	1.240
6	Purchase of 3 computers worth 2,000 lei each, VAT - 24%	% 214 4426	404	7.440 6.000 1.440
7	Payment by money order supplier	404	512	7.440
8	Record gross salary fund worth 10,000 lei	641	421	10.000
9	It records the employer's contributions	645	% 4311 4371 4313 438	2.651 2.080 50 520 1
10	It records the depreciation of tangible	681	281	940
11	The recorded value accounting services rendered in the amount of 40,000 lei	411	704	40.000

12	It receives the services rendered	512	411	40.000
13	Tax on buildings is recorded in the amount of 200 lei	635	446	200
14	Payment of tax on buildings	446	512	200
15	It records the salary deductions and payment of wages on the card	421	% 4312 4372 4374 444	2.930 1.050 50 550 1.280
		421	512	7.070
16	Clearance of expenditure and revenue	121	% 602 641 645 635 681	15.031 1.240 10.000 2.651 200 940
		704	121	40.000

Directive 34/2013 of the European Committee and the Council on the annual financial statements, consolidated financial statements and related reports of certain types of companies amending Directive 2006/43/EC and repealing Directives 78/660/EEC and 83/349/EEC.

The amendments made by Directive 34/2013 of the EU on financial reporting leads to reducing the administrative burden for economic entities and predilection for SMEs. "Europe 2020" for smart, sustainable and inclusive is the priority reduce burden, promoting the internationalization of SMEs and improving the business environment, in particular for the SMEs. In this area, the European Council had concerns constants actually pursuing cutting red tape and improving the regulatory framework for SMEs and therefore productivity growth in these entities at national and EU-wide.

Regulations of Directive 34/2013 of the European Union will be discussed by the professional bodies and government institutions in our country, and we believe that by adapting to the actual conditions of our country will change and complement national accounting.

We believe that the amendments to the national legislation will support entities providing accounting services, by cutting red tape on Administrative Burdens, and consequently will increase profitability and increase service quality.

4. Conclusion

Globalization Economic A can be considered as the stage reached by the real and long-term internationalization of the economy, manifested by its components, including our research interest especially accounting globalization.

Globalization accounting accounting system aims at transforming a business model and financial , to inform more accurate and faster accounting information users, especially those who have financed a business, namely investors, shareholders and creditors. International Accounting Standards are undoubtedly the result of globalization. Proving this claim based on the role of globalization in contemporary society. Facilitate communication - basic channel - which expands and globalization move out so the yard accounting ', and it was forced to take the step towards internationalization. Our view is that the role of accounting should be carefully reconsidered in the light of international accounting harmonization process and in terms of advantages and disadvantages that might have globalization and financial reporting to be given a deeper role anchored social reality of the globalized world.

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