

Y. Slyvka

*Candidate of Economic Sciences,
Associate Professor at the Department of Accounting,
Auditing and Finance,
Carpathian Institute of Entrepreneurship*

THE ROLE OF ACCOUNTING FOR SETTLEMENTS WITH BUYERS AND CUSTOMERS IN THE PREVENTION OF DEVELOPMENT OF SHADOW ECONOMY OF UKRAINE

Sustainability in economy is an important component of the national security of Ukraine. Corruption schemes of tax avoidance come into conflict with national interests in the redistribution of income and property, causing postponement of the consequences of violation of economic laws. The current situation excludes the possibility of forecasting economic development and taking effective management decisions at both the state level and the level of separate individual business entities.

Settlements with buyers and customers are the decisive factor in compliance with current legislation or decision-making concerning the shadowing of the related transactions that led to the creation of the object of sale and the formation of counterparty's funds for purchasing it.

The purpose of the study lies in the outlining the preconditions of shadow economy and searching for methods of legalization of business transactions in the part of accounting for transactions with settlements with buyers and customers in order to prevent shadowing of business transactions.

Shadow economy is an objective phenomenon that complements the economic system of each country. The millennial history of the existence of the so-called city-states confirms the inevitability of presence of the shadow economy. However, the positive effect is possible only by recognition of the objectivity of business transactions and expansion of current legislation aimed at their legalization.

The inefficiency of modern methods of fighting with the shadow economy is conditioned by the fact that these methods are focused on the consequences, while the causes of shadow business activity remain unchanged, and business entities create new fraud schemes of liability avoidance.

The key factors of emergence and development of the shadow economy of Ukraine are as follows: 1) business transactions that are not foreseen by current legislation, but contribute to the economic development; 2) the probability of company's bankruptcy, which can be avoided by tax evasion of business transactions.

The solution of the current situation can be possible only due to the active position of both consumers and businesses, and their awareness of economic laws, and possibility to withstand the asymmetric information. In conditions of the rejection of shadow economic activity, the data of accounting for settlements with buyers and customers will increase the information reliability, and awareness of economic laws of the market will allow users of financial statements to take effective tactical and strategic decisions.