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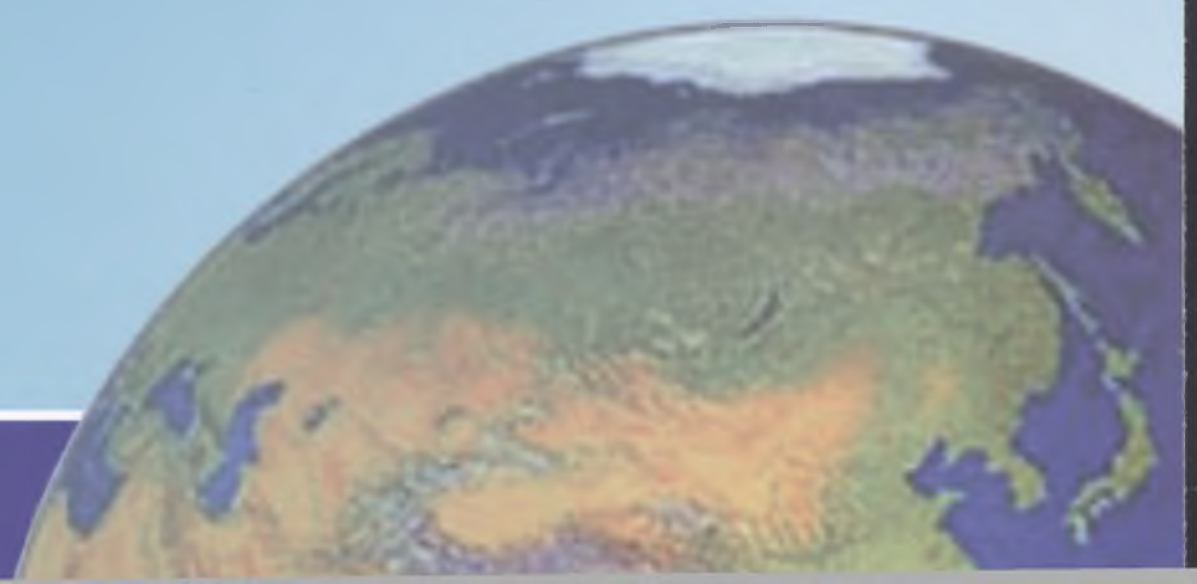

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Cost management in industrial poultry farming: experience of Kazakhstan

Introduction

Industrial poultry farming plays an important role in ensuring food security at country level. Its intensive development allows to increase production in short terms and to provide rational protein balance in food of the population.

In recent years the positive tendency of growth of per capita consumption of poultry meat and eggs in Kazakhstan remains (Table 1).

Table 1 – **Consumption of poultry meat and eggs by the population**
On average per capita per annum

	2009	2010	2011	2012	2013
Poultry meat, kg	9.1	10.6	13.4	14.9	15.1
Eggs, pieces	128.8	129.9	150.0	155.8	157.9

Source: Committee on Statistics of Ministry of National Economy of the Republic of Kazakhstan [1]

Without consumption in catering establishments

Meantime, reduction of import is partially compensated by increase in domestic production and its market share (Table 2).

Domestic production of poultry meat in 2013, compared to 2009, increased by 1.7 times, exceeding growth of import by 10.38% for the period. The output of eggs in 2013 increased by 17.83 %, import reduced almost by 3.7 times.

Today, according to the data of the Union of Poultry Breeders of Kazakhstan, there are 56 enterprises of industrial poultry farming in the republic, out of them 31 are specialized in production of eggs and 15 are specialized in production of poultry meat, and, besides, there are 11 breeding farms. The enterprises specialized in production of eggs more rapidly overcame the difficulties of the transition period and at present stage they practically reached the level of 1990 in terms of production output, having completely solved the problem of the domestic market self-sufficiency in terms of eggs and products made of eggs. In general, the population is provided with eggs for 98-100% while domestic poultry farms satisfy the demand for poultry meat only for 50% [2].

Table 2 – **Production and import of poultry meat and eggs**

	2009	2010	2011	2012	2013	2013/ 200 *100, %
Poultry meat and edible offal, tons						
Production	79.478.1	102.979.3	101.975.3	123.056.8	135.795.8	170.
Import	109 041.7	128 817.3	159 235.2	203 725.0		160.
Eggs and products made of eggs, one million pieces						
Production	3 306.4	3 720.4	3 718.5	3 673.4	3 896.0	117.
Import	462.0	234.2	300.5	128.2	123.6	26.
Source: Committee on Statistics of Ministry of National Economy of the Republic of Kazakhstan						

The government of Kazakhstan renders full financial support to the industrial poultry farming allocating subsidies within the framework of the state program "Subsidizing of improvement of efficiency and quality of animal husbandry production", and also providing tax privileges. Subsidies are meant to reduce cost of compound forage used for feeding poultry, they are used for the purpose of stimulation of production and realization of meat of broilers, increase of animals' productivity, improvement of quality and competitiveness of animal husbandry production. Payment of subsidies to domestic agricultural producers is made for the actual quantity of poultry of slaughter weight realized at domestic market (including own processing shops). The sums of corporate income tax, value added tax, social tax, land tax, payment for use of plots of land, property tax, vehicles tax, which are subject to payment to the budget, are calculated in a generally established order, and are liable to sever percent reduction.

For example, normative standard for subsidy per one kilogram of realized o production (poultry) was set in 2013 at the le of 70 Kazakh tenge (70/152.13=0.46$), wh the cost of 1 kg of finished goods on JSC U Kamenogorsk Poultry Farm made 297 Kaza tenge (297/152.13=1.95$). Here and further the text the average annual US dollar exchan rate made 152.13 Kazakh tenge according the results of 2013 [3]. Subsidies were used partial reduction of the cost of combined fora used for feeding broilers up to 45%. Subsidi were recognized as a part of income (Table

The income from the discount on V equals to a seventy percent discount offer by tax legislation of Kazakhstan on VAT to t companies applying special tax regime to leg entities specialized in agricultural producti and rural consumers' cooperatives.

Table 3 – **Other operating profit (net) of JSC Ust-Kamenogorsk Poultry Farm, $**

	2013	2012
Received state subsidies	8.002	7.110
Income from the discount on VAT	1.305	1.353
Source: JSC Ust-Kamenogorsk Poultry Farm [4]		

Nevertheless, despite subsidies, tariffs and preferential VAT, in retail trade imported meat of chickens is always cheaper than domestic production. According to the FAO report, the sizes of subsidies in some cases exceed half of the import price of frozen chicken meat. Local production still remains noncompetitive in comparison with production of Russia, Ukraine, the USA, Turkey and Brazil, and this is the reason of considerable import [5].

Not incidentally Ust-Kamenogorsk Poultry Farm which owns 25-30% of the domestic market of poultry meat set resources effectiveness as a priority for 2013. Within this priority, they identified a number of target indicators, such as decrease in energy resources (electric power, heat power, water consumption) and decrease in cost of finished goods. Priority for 2014 is "The System of Business Management" which, in their opinion, will allow to improve manageability of business and requirements to personnel, to reduce production cost, to control enterprise's profit and loss, business processes, the major target indicators and indicators of efficiency [4].

In compliance with the research conducted by Market and Sociological Research Agency [6] , cost of compound forage exceeds 65% in cost of eggs and dietary meat. The balanced feeding of poultry has to provide output of 290- 310 eggs per year and live weight of young growth of more than 2 kg in 7 weeks on the condition that compound feed consumption equals to 140 g per 1 egg and 2 kg per 1 kg of additional weight respectively. For variety of reasons, purchased and own compound forage does not provide minimization of poultry farming production cost in case of the maximal output. So, live weight of a broiler prior to slaughter is 1.2-1.8 kg at consumption of 2.7-4.3 kg of compound feed per 1 kg of additional weight. Due to a number of reasons, own and bought combined forage does not ensure minimization of poultry farming production costs at maximal output. So, live weight of broilers prior to slaughtering makes 1.2-1.8 kg at 2.7-4.3 kg of combined forage consumed per 1 kg of weight gain. Insufficient balance and homogeneity of compound forage meant for feeding of poultry lead to loss of 20% of gross gathering of eggs and to decrease to 30-35% of meat output. Compound forage for poultry contains up to 70-80% of raw grain. As to production costs, cost of feeding makes 65% in structure of live poultry cost, and wheat share in the usual diet of broilers makes 50-60%.

For example, on Ust-Kamenogorsk Poultry Farm grain components, including corn, wheat, barley and wheat middlings, form the basis of feed mix. Sunflower meal in poultry diet makes 8-15%, millcake – 5-15%, soy meal– 15-30% [4].

Thus, market and competition require constant monitoring of a product cost, and the important point is obtaining of reliable information about objects accounted for optimal management over the activities of an enterprise. Poultry farming needs it more than other branches of agriculture, since high cost of forage and its considerable specific weight in the structure of expenses, compared to other branches of animal husbandry (83%), leads to high cost of poultry farming production. Filling of the market with inexpensive imports prevents an increase in prices for domestic production. In this regard there is a question of effective management of costs, need for comparable costs of production and processing of poultry farming production and gained revenues. One of the approaches to the problem solution lies in cost management by means of alternative allocation of overheads in the structure of manufacturing cost of poultry farming. Different cost information is required for profit management and decision-making but most companies use a single database and extract different costs for different purposes. Some firms use a single overhead rate (i.e. blanket or plant-wide) for the organization as a whole. A blanket overhead rate can only be justified if all products consume departmental overheads in approximately the same proportions.

1. Literature review

In economic literature much attention is paid to features of cost accounting and cost calculation which are typical of industrial poultry farming.

When introducing accounting on poultry farms, it is necessary to consider that it has to be organized in the way allowing to allocate expenses for each technological group of poultry [7]. For accounting purposes all costs of an enterprise are divided into direct and indirect costs, concrete list of them is made by each enterprise independently [8].

It is recommended to consider direct costs and production output in poultry farming in terms of eggs, breaking down such technological groups, as growing stock (parental herd), uterine herd of layers (laying hens, cocks), industrial herd of layers, herd replacements (industrial herd) [9].

In Russia cost accounting in the area of poultry farming keeps to analytical type of accounting and standard nomenclature of items meant for cattle breeding. It is expedient to differentiate between the most widespread types of costs and expenses: material (forage, fuel, etc.), remuneration of lab our, deductions for social needs, maintenance of fixed assets, losses (murrain of poultry), other expenses, manufacturing overheads, general running costs, administrative costs [7, c.71].

Specific character of cattle breeding enterprises is self-production. It means that the considerable part of finished goods (growing stock, manure, forage) is not subject to realization, it remains on the farm [10].

Production cost is calculated taking into account the peculiarities of poultry farming area. Prime cost of one thousand eggs is calculated based on the expenses needed for subsistence of an adult herd of poultry producing eggs, writing off the difference between the balance cost of the adult poultry sold or slaughtered for meat after culling, and revenue. Sideline products like down, feathers, dung, meat of the laying hens' cocks slaughtered at daily age are estimated based on the prices of possible sale or use [11].

Complex nature of product processing, year-round and steady production in poultry farming, in contrast to other branches of agriculture, and also duration of a biological period needed for cultivation of poultry (about 18 months) lead to the necessity of continuous cost accounting and cost calculations of meat and eggs made every ten days and on a monthly basis [12].

Planned calculations of a cost begin with development or specification of the available flow charts, taking into account improvement of technology and organization of production, possibilities of use of new machines, etc. Thus, technically reasonable consumption rates of material resources, electric power and fuel, standards of output and service, and other normative standards are applied [13].

The live weight of poultry and grown-up stock is calculated based on data related to the cost of poultry at the beginning of the period, bought poultry and costs of its subsistence in the accounting period. For determining of a manufacturing cost of one center of the live weight gain, it is necessary to add the cost of daily poultry to the cost of growing stock daily subsistence and subtract the cost of by-products [14].

When calculating a manufacturing cost of live weight gain, murrain of poultry and forced butchering of growing and grown-up stock are not deducted from cultivated production. Losses from murrain of poultry include the cost of agricultural production shown as item "Losses from rejects, murrain of stock". The size of these losses consists of the cost of the lost poultry, and also remuneration of lab our of people involved into registration, burial and transportation of the lost poultry; the costs of special clothes and special footwear for the workers disposing the lost poultry, the costs of veterinary conclusion and burial of the lost poultry [15].

Manufacturing cost of one thousand heads of daily poultry is determined based on the sum of expenses made by incubation shop with regard to the production of the financial

year, subtracting the cost of sideline products (ovules; eggs withdrawn after the second candling; meat of slaughtered daily cockerels meant for feeding of animals) [16].

Under poultry farms there are slaughter shops where objects of calculation are meat of hens, meat of chickens, down and feather production, wastes and tankage. Cost of separate types of production is determined taking into account general expenses of the slaughter shop, including raw materials cost by purchase prices and quantities of comparable production [17].

On poultry farms with cultivation of hens on an industrial basis, cost accounting is kept with a breakdown of technological groups on the basis of a flow chart. The flow chart provides exact coherence of work performed by the shops meant for parental herd delivering incubatory eggs, incubations, cultivation of broilers, growing of replacements, slaughter of poultry and processing of poultry carcasses (meat production). Shops are located in the way allowing to provide threading or flowing of the technological process. The flow chart is developed for a year or longer term, taking into account zoological and veterinary standards for maintenance of an adult bird and cultivation of young growth. It provides for movement of a livestock, its number considering age of poultry, transfer to slaughter, production output, calendar dates of works, duration of each process. The flow chart is made out in the form of a table with indication of the movement of parties of adult poultry or broilers by dates. Normative standards are drawn up for developing of flow charts for each process and age group of poultry. Modern poultry farms widely practice repeated use within a year of the method of gathering of identical by quantity parties of hens into a parental herd. Thus, the flow chart allows to calculate the cost of products of poultry farming, based on the database of separate accounting of costs of keeping adult herd and growing poultry and taking into account technology of their cultivation [18].

According to the flow chart for accounting costs, the following analytical accounts are opened:

Parental herd (the production purpose is to receive breeding eggs and by-products, such as dung, down, commodity eggs);

Incubation shop (the production purpose is to receive daily young growth and by-products, such as candling of eggs, slaughtered daily cockerels for feeding purposes, addled eggs;

Cultivation of young growth (the production purpose is to receive live weight gain and by-products, such dung, feather, eggs from young growth). In poultry farming specialized in production of eggs cost accounting is made with a breakdown by technological groups: 1-60 days, 61-150 days, 150-180 days, and in poultry farming specialized in production of meat they differentiate between the following technological groups: 1-180 days, 180-210 days;

Industrial herd of laying hens (the production purpose is to receive food eggs and by-products such as dung, feather, down, beaten eggs).

Thus, the objects of costing in poultry farming specialized in parental herds are breeding eggs, in case of incubation shops daily young growth is accounted, in poultry farming specialized in cultivation of young growth gain in live weight and live weight of young growth are liable to accounting, as to industrial herd of laying hens, the object of accounting is food egg.

Summarizing the problem, we can agree that efficient cost management depends on effective decision-making process and during this process managers should take into consideration the characteristics of their industry and their rivals when making business decisions related to such ratios and measures as liquidity, revenue costs per employee [19].

2. Experience of organizing cost accounting on Alel Agro Poultry Farm

JSC Alel Agro is the large Kazakh company of vertically integrated character with a full cycle of production in Almaty region. It was set up in 1998 by merging assets of four broiler poultry farms specialized in keeping parental herds, industrial layers, meat processing plant and an incubator. The product range is represented by commodity and breeding eggs, poultry meat, breeding hens, egg powder, products made of eggs.

The present practice of cost accounting in Allele Agro is determined by existence of specific features characterizing this company:

- complete production cycle for all types of products includes several stages (similar for all types of products);
- relatively wide nomenclature of products;
- production of eggs has signs of mass production, and production of poultry meat belongs to serial type;
- per unit accounting of finished goods (1 kg of meat, 1 egg);
- no work in progress.

Production in JSC Allel Agro consists of the following two processes which are taken into account when calculation of costs of two main types of production is made:

- production of poultry meat: zone of young growth cultivation; industrial zone; slaughter shop;
- production of eggs: reproduction of breeding poultry; zone of young growth cultivation; industrial zone; sorting shop.

The structural divisions (poultry farms, combined forage plant, a warehouse and various shops) which serve at the same time as centers of responsibility, since their heads bear responsibility for their divisions' performance, are considered to be objects of cost accounting. In order to calculate cost of production, each month the incurred expenses are categorized by types of activities and products made. Objects of costing are two types of products: meat and eggs.

For accounting purposes, on Allel Agro Poultry Farm the costs of the main and auxiliary production are grouped in the following order:

- material inputs: breeding daily chickens; forage; costs of inoculations and analyses;
- labour cost of production workers: main salary; additional salary; deductions from salaries;
- manufacturing overheads.

Manufacturing overheads are grouped as follows: costs of electric power and fuel; utility costs; technical crew services; incubator; veterinary service; depreciation and amortization, etc.

Other overheads are shown in accounting as the account including costs of measurement assurance of equipment; ensuring fire prevention and watchman services; creation of normal working conditions and occupational safety; certification, product examination and testing, and also costs of development of technical documentation; production losses and other expenses.

In Allel Agro accounting of production costs and calculation of product cost is made by the process-by-process method which is based on semi-finished method. Calculation of manufacturing cost is made on the basis of actual expenses. For control of expenses, they undertake planned accounting of product cost on the basis of which at the end of the accounting period they compare it with the actual cost.

The system of summing up production costs by items of expenditure and their specification by objects of accounting is organized in the semi-finished way. The movement of production from one stage to another stage is considered in terms of quantity, and calculation of product cost is made for each process. Cost of finished goods is determined by summing up prime costs of all consecutive stages of production with adjustment made with regard to the sums of expenses of previous stages. In book keeping, synthetic accounts allow to trace the movement of finished goods estimated on the last day of every month.

Sequence of product cost accounting on Allel Agro Poultry Farm includes the following stages:

- within a month on the debit part of production accounts, in compliance with open sub-accounts, all direct costs related to all types of production are accumulated in accordance with different production processes;
- they calculate costs of products of auxiliary production and manufacturing overheads, as well as allocation of overhead costs by activities and types of production;
- the actual production cost of conditional production is estimated.

Two-tier procedure is used for allocation of manufacturing overhead costs by different types of production. At the first stage overhead costs are allocated by activities, at the second stage by certain production processes. Overhead costs are allocated by activities, based on the share of direct production costs. Plant-wide (blanket) overhead rate in the company as a whole is determined according to the following formula:

$$\text{Rate of overheads allocation} = \frac{\text{Sum of overhead costs}}{\text{Sum of direct costs}} \quad (1)$$

The sum of overhead costs by activities is defined as the sum of direct costs by each activity multiplied by the rate of overheads allocation. The same single blanket coefficient is applied for allocation of overhead costs by different production processes. Similar to activities, the sum of overhead costs by production processes is determined as the sum of direct costs of each production process multiplied by the rate of overheads allocation.

For determination of manufacturing cost of the unit of conditional production, the total amount of expenses by each activity (direct and overhead) is divided by production volume by each activity. As a result, manufacturing cost of one kg of conditional meat and one conditional egg is calculated.

For example, according to the results of 2013, the single blanket overhead rate in Allel Agro made 0,352555.

$$\text{Rate of overheads allocation} = \frac{\text{Sum of overhead costs}}{\text{Sum of direct costs}} = \frac{4.986.577}{14.144.097} = 0.352555$$

It means that against 1 $ of direct costs there were 35.25 cents of overhead costs. Overheads allocation by activities looks as follows:

1) egg production 0.352555 * 7.236.934 = 2.551.420 $;
2) meat production 0.352555 * 6.907.163 = 2.435.157 $.

The main shortcoming of the existing system of cost accounting in Alel Agro is the accepted way of assigning manufacturing overhead costs to the types of production by means of the single blanket rate – total amount of overheads-to-total amount of direct costs ratio (1). This coefficient doesn't consider peculiarities of consumption of the produce of auxiliary production and types of overhead costs by each main department or process. For example, electricity consumption can be various for meat and egg directions, depending on the flow chart of production. It leads to a certain distortion of the estimated actual cost.

3. Cost management

In our opinion, one of the functions of cost management should be effective allocation of manufacturing overheads between types of production. It is realized through the approach based on choice of adequate allocation base (or cost driver) for each type of auxiliary activities and overhead costs.

Comparison of the existing and offered methods of manufacturing cost calculation is given in Diagram 1.

Calculation of costs of poultry and eggs

The existing technique: one allocation base (the sum of direct costs accumulated by each process) and the single blanket overhead rate in the company

Articles of accounting	Zone of young growth cultivation ($)	Industrial zone ($)	Slaughter shop ($)	Total ($)
Meat production				
Cost of the previous process	0	3,816,568	8,801,122	
Direct costs:				
breeding daily chicken	363,212	0	0	363,212
forage	1,165,610	4,848,570	0	6,014,180
labor costs	47,876	7,013	0	54,889
costs of inoculations	45,609	29,142	0	74,751
Total direct costs	1,622,307	4,884,725	400,131	6,907,163
Overheads	**571,953**	**1,722,137**	**141,067**	**2,435,157**
Total manufacturing cost	3,816,568	8,801,122	9,342,320	9,342,320

$

Articles of accounting	Reproduction of breeding poultry	Zone of young growth cultivation	Industrial zone	Sorting shop	Total
Egg production					
Cost of the previous process	0	288,229	1,169,559	9,541,312	0
Direct costs:					
breeding daily chicken	142,269	0	0	0	142,269
forage	58,949	609,236	6,082,165	0	6,750,351
(labor costs	4,532	6,829	95,804	0	107,165
costs of inoculations	7,349	35,538	11,614	0	54,501
Sorting	0	0	0	182,648	182,648
Total direct costs	213,099	651,604	6,189,583	182,648	7,236,934
Overheads	75,129	229,726	2,182,171	64,394	2,551,420
Total manufacturing cost	288,229	1,169,559	9,541,312	9,788,354	9,788,354

Source: [1]Calculation of costs of poultry and eggs for 2013. Source: (JSC Allel Agro, 2014).
[2] $ 2013 year – 152,13 tenge [2]

The offered technique: a lot of allocation bases and, correspondingly, own overhead allocation rates for each type of overhead costs

Types of overhead costs	**The offered overhead allocation base**
Electric power and fuel	Cost of breeding daily chicken
Utility costs	Cost of breeding daily chicken
Technical crew	Cost of breeding daily chicken
Veterinary service	Cost of inoculations
Miscellaneous	Sum of direct costs
Incubator	Cost of breeding daily chicken
Amortization	Cost of breeding daily chicken

Figure 1 – Comparison of the existing and offered methods of overhead costs allocation in manufacturing cost

The share of overhead costs in the total amount of production costs in Allel Agro in 2013 made 26 % (4.986.577 / 19.130.674). The analysis of the structure of manufacturing overheads shows that the most significant articles are amortization of equipment (45.2%), utility costs (12.5%), electric power and fuel (7.4%), and cost of veterinary service (13.6%) as well (Table 4).

Table 4 – **Structure of manufacturing overheads**

Type of overheads (articles of accounting, indirect costs)	Sum of overhead costs, $	Share in the total amount, %
Electric power and fuel	367.303	7.4
Utility costs	623.979	12.5
Technical crew	235.537	4.7
Veterinary service	679.232	13.6
Incubator	40.545	0.8
Amortization	2.256.028	45.2
Miscellaneous	783.953	15.8
Total overheads	4.986.577	100.0

The existing practice of overhead allocation on the basis of direct costs leads to the situation when profitability of meat and egg directions coincides (Table 5).

The assumption is that volumes of production and realization are equal to each other.

Table 5 – **Profitability of meat and eggs production: the existing practice of overhead allocation on the basis of direct costs, 2013, $**

	Meat direction	Egg direction
1. Revenue	12.084.289	12.661.358
2. Direct costs	6.907.163	7.236.934
3. Indirect costs	2.435.157	2.551.420
4. Total manufacturing cost (item 2 + item 3)	9.342.320	9.788.354
5. Gross profit (item 1- item 4)	2.741.969	2.873.004
6. Profitability of sales (item 5/ item 1*100)	22.6904	22.6911

The analysis of the available information and technological features of keeping poultry allows to choose transfers of breeding daily chicken to young growth cultivation zone as the most adequate allocation base of costs related to amortization, electric power, utilities, incubator, and to take the cost of inoculations as the basis for allocation of expenses incurred by veterinary service. Other articles are allocated, based on the share of direct costs in the total amount.

If the cost of breeding daily chicken is accepted as the base, then allocation rates by activities will be the following:

- meat production 363.212 / (363.212 + 142.269) = 363.212 / 505.481 = 0.719;

- egg production 142.269 / 505.481 = 0.281

If the cost of inoculations is taken as the base, then overhead costs are allocated, using the following ratios:

- meat production

(45.609 + 29.142) / (45.609 + 29.142 + 7.349 + 35.538 + 11.614) = 74.751 / 129.252 = 0.578

- egg production (7.349 + 35.538 + 11.614) / 129.252 = 54.501 / 129.252 = 0.422

If direct costs are accepted as the base, overhead costs will be allocated between activities at the following ratio:

- meat production

6.907.163 / (6.907.163 + 7.236.934) = 6.907.163 / 14.144.097 = 0.488

- egg production 7.236.934 / 14.144.097 = 0.512

The offered technique changes profitability of two types of production as the result of the choice made in favour of more exact allocation base of certain types of overhead costs (Table 6).

Table 6 – **Profitability of meat and eggs production: the offered technique with a set of overhead allocation bases, 2013,** $

	Indirect costs allocation bases	Meat production	Egg production
1. Revenue		12.084.289	12.661.358
2. Direct costs		6.907.163	7.236.934
3. Indirect costs:		3.254.075	1.732.502
Amortization	Cost of breeding daily chicken, $	2.256.028*0.719= 1.622.084	2.256.028*0.281= 633.944
Electric power and fuel		367.303 *0.719= 264.091	367.303 *0.281= 103.212
Utility costs		623.979*0.719=448.641	623.979*0.281=175.338
Incubator		40.545*0.719=29.152	40.545*0.281=11.393
Veterinary service	Cost of inoculations. $	679.232*0.578=392.596	679.232*0.422=286.636
Technical crew	Sum of direct costs, $	235.537*0.488=114.942	235.537*0.512=120.595
Miscellaneous		783.953*0.488=382.569	783.953*0.512= 401.384
4. Total manufacturing cost (item 2+ item 3)		10.161.238	8.969.436
5. Gross profit (item 1- item 4)		1.923.051	3.691.922
6. Profitability of sales (item 5/ item 1*100)		15.9136	29.1590
$ 2013 year – 152,13 tenge Source: (m.vlast.kz)			

Conclusion

Possibilities of maximizing profit are limited to production costs and demand for product. Costs characterize in terms of money the volume of resources used for production and product sales, and transformed into product cost. Expenses are determined by use of resources, reflecting their structure and quantity in the process of manufacturing and selling. In its turn, the achievement of production efficiency demands monitoring of costs and results and that becomes complicated due to limited and expensive resources liable to inflation to the great extent.

Cost management is considered as the process of assessing financial impact of alternative managerial decisions on the efficiency of business activity.

The research shows that one of such alternatives is monitoring of overheads in the cost structure of production of poultry farming enterprise.

When level of specification and overhead allocation bases are changed, as a rule, we have different estimates of profitability of certain production departments or types of production, as a rule, turn out. The higher the share of overhead costs, the bigger are changes that we can expect regarding estimates of the different types of profitability as a result of overheads reallocation. There is no ideal allocation base for overhead costs, but there is more correct allocation base for each enterprise. Potential benefits from more specified overheads allocation should surpass the related expenses.

Incorrect overheads allocation by types of production and departments can bring to:

- inappropriate market demand for prices ratio for certain products;
- unreasonable decrease in output volumes of certain products;
- incorrect assessment of the activities of different departments of the enterprise.

The research confirmed that the choice of overheads allocation bases is determined by the specifics of the enterprise, its sectoral features, and also expenditures ratio in the general cost structure incurred by the enterprise.

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Түйін

Нарық пен бәсеке ұйымның қызметін оңтайлы басқару мақсатында, шығарылатын өнімнің өзіндік құнын қалыптастыруға, сонымен қатар сенімді ақпарат алуға ылғи бақылау жүргізуды талап етеді. Көбінесе, ауыл шаруашылығындағы салалардың ішінде құс шаруашылығына көп шығын кетеді, жемнің жоғары өзіндік құны сонымен қатар, маңызды меншікті салмағы, басқа салалармен салыстырғанда мал шаруашылығы мен құс шаруашылығының өзіндік құнының шығыны жоғары екендігін көрсетеді.

Бұл мақалада кәсіпорын қызметінің шығынды басқару мүмкіндігін, үдерісте қаржы бағасының қаралуы, альтернативті басқарушылық шешіміне тиімді ықпал етуі қаралады. Зерттеу барысы көрсеткендей, бірден-бір баламасы, үстеме шығынның мониторингі құс шығару ұйымы құрылымының өзіндік құны.

Түйінді сөздер: шығындарды басқару, өнеркәсіптік құс шаруашылығы, шығындар есебі, үстеме бағамы бөлу

Аннотация

Рынок и конкуренция требуют постоянного контроля за формированием себестоимости создаваемой продукции, так как возможности максимизации прибыли ограничены затратами на производство (при условии наличия спроса). Промышленное птицеводство не является исключением. Производственный учет показывает, что птицеводство является ресурсоемкой отраслью, что усиливает роль эффективного управления затратами на предприятии. Наша статья исследует влияние способа распределения косвенных затрат на себестоимость и рентабельность продукции. Особенностью косвенных затрат является то, что они не могут быть прямо и непосредственно отнесены на объект учета затрат. Они распределяются на основе какой-либо базы распределения, что приводит иногда к искажению себестоимости продукции. Анализ производственных и технологических особенностей птицеводства позволил нам выявить наиболее адекватную базу распределения для каждого вида НР и на этой основе управлять рентабельностью отдельных видов продукции.

Ключевые слова: управление затратами, промышленное птицеводство, учет затрат, ставка распределения накладных расходов

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