

Liubov Shatskova

Odessa National Polytechnic University, Ukraine

Mykyta Lazeev

Odessa National Polytechnic University, Ukraine

FEATURES OF DOCUMENTARY AND ACCOUNTING SUPPORT FOR PARTICIPATION OF LAND MANAGEMENT ENTERPRISES IN TENDERS

Abstract: In a highly competitive environment, enterprises are forced to be flexible and creative in promoting their products and services in order to attract new customers and orders. This is why it is necessary to pay attention to new promotional methods and new sales techniques which may include tendering. Participation of an enterprise in a tender is an opportunity to increase the client base, contracting with large enterprises, and, of course, providing itself with work for a certain period. Each type of economic activity, in particular land management, has its own specific features which have some influence on the formation of documentary and accounting support for participation in tenders. Due to these conditions, problems of organization and methods of documenting and accounting of transactions with participation of land management enterprises in tenders, and development of reasonable recommendations become particularly relevant. All of this led to the choice of the topic of this scientific paper. The purpose of this scientific paper is to develop recommendations for documentary and accounting support for participation of land management enterprises in tenders. According to the aim of the study, the following tasks are set:

- to determine the essence of land management activities and to identify the main types of land management works and their features that affect the formation of documentary and accounting support for participation in tenders;
- to form a system of documentary and accounting providing of land management activities of the enterprise;
- to provide types of tenders and a list of online tender sites where customers for land management services can be found;
- to develop recommendations for documentary and accounting support for participation of a land management enterprise in tenders.

General scientific and special methods of cognition were used during the research: methods of theoretical generalization – in determining the economic essence of land management activities; classification – in determining the types of land management works; methods of analysis and synthesis – in developing recommendations for documentary and accounting support for participation of land management enterprises in tenders. This scientific paper is devoted to the study of features of documentary and accounting support for participation of land management enterprises in tenders. The scientific paper identifies the nature of land management activities, outlines the main types of land management services and their features that influence the formation of documentary and accounting support for participation in tenders; a system of documentary and accounting support for land management activities

was formed; types of tenders and a list of tender online platforms where you can find customers of land management were provided; the procedure for documenting and conditions for determining the expenses for land management enterprises when participating in tenders were developed; the algorithm for displaying in the accounting of expenses that arise during participation in tenders was developed.

Keywords: land management enterprise, tender, documentation support, accounting support.

1. Introduction

In modern conditions, land management is represented as a complex set of services which uses both the state mechanism of regulation and management of land management services, and the market with the available functions of entrepreneurship, marketing and commerce. In order to ensure the survival and development in the difficult conditions of the industry, the land management system of land management enterprises must be transformed into a competitive one and use market mechanisms that are aimed at enabling the supplier and the customer to find each other. One of the common practices is tendering, which covers a large number of formal procedures and regulations. It is necessary to process a lot of documentation in order to be included in the list of potential suppliers. Also, when preparing a tender proposal, the participant must meet some expenses and make certain payments. Depending on the outcome of the bidding, such as signing of contract or failure of bidding, there are issues of accuracy in accounting for expenses incurred and payments made. Research of scientific and professional literature on documentary and accounting support of land management enterprises, among which the works of such scientists as G. Greshchuk, A. Martina, L.Y. Novakovsky, Tretiak A.M. and others (Hreshchuk 2016; Lazarijeva 2018; Volkov 2001; Tretiak and Kolhanova 2016; Martin and Fenenko 2006; Novakovsky 2013), can be distinguished, showed that they addressed only general aspects of land management. Documentary and accounting support for new promotional and sales methods, including tendering, is completely absent. This determined the direction of this scientific research, the purpose of which is to substantiate the theoretical and methodological foundations of documentary and accounting support of land management activity of an enterprise and to develop recommendations for documentary and accounting support for participation of a land management enterprise in tenders.

2. Explanation of the main material of the research

To determine the features of land management activities that influence the formation of documentary and accounting support for participation in tenders it is necessary, first of all, to determine the essence of the category «land management activity». Turning to official sources, namely to the law of Ukraine «On Land Management» (Verkhovna Rada Ukrayiny 2003), it is determined that the category «land management activity» is interpreted as an activity in the field of land management – scientific, technical, industrial and administrative activity of public authorities, local self-government authorities, legal entities and individuals, which is carried out in land management. In the works of scientists land management is considered from the following positions: as a sphere of practical activity; as a mechanism for implementing the state’s land policy; as an integral part of the social mode of production; as an integral part of the economic mechanism of the country (table 1).

Table 1. Definition of the category «land management activity» depending on its characteristic features

Characteristic	Essence
Sphere of practical activity	System of measures for organization of rational use and protection of land, creation of cultural landscapes
Mechanism of implementation of land policy	Process of technical, economic and legal registration of the granting and seizure of land, the formation of new, ordering of existing and defining the boundaries of special land funds, land tenure and land use, established by law and designed to bring land use in line with new land relations
Part of the public way of production	Socio-economic process of purposeful organization of territory and means of production, inextricably linked to land, which is influenced by changes in productive forces and production relations of a society
Part of the economic mechanism of the country	System of engineering, economic, legal, environmental actions and measures regarding land use regulation on the state territory

Source: the authors’ own development based on (Hreshchuk 2016; Lazarijeva 2018; Volkov 2001).

Despite the large number of views on the essence of the concept of «land management», they can be combined and «land management of the enterprise» can be defined as a complex activity that covers a variety of services that differ in task, content, methods of design (development) and implementation of necessary or expedient changes to a functioning land use system. But neither the Land Code of Ukraine nor the Law of Ukraine «On Land Management» contain legal provisions for the division of land management services into separate types. To summarize, there are two main groups of services provided in the field of land management: exploration services and project services (fig. 1).

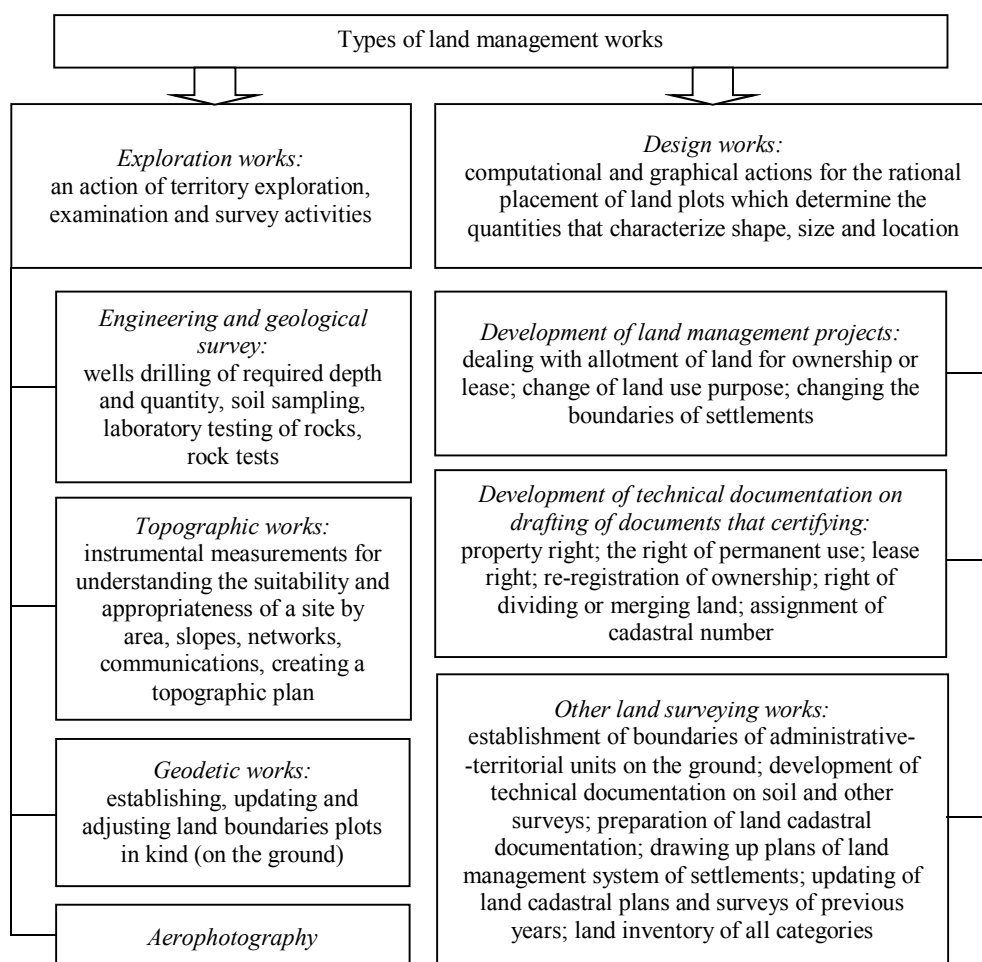


Fig. 1. Types of land management works

Source: the authors' own development based on (Tretiak and Kolhanova 2016; Martin and Fenenko 2006; Novakovsky 2013; Shatskova et al. 2019).

Land management is a type of economic activity the peculiarities of which have a significant impact on the choice of methods, ways and procedures used by enterprises in the management of their activities. Therefore, it is necessary to determine the list of features of land management activities that influence the formation of documentary and accounting support for participation in tenders. These features are:

- requirement for availability of land surveyor/surveyor engineer with higher education and certification who must be responsible for the quality of land

- management. Legal entities must have at least two certified land surveyors as full-time members of their staff (Verkhovna Rada Ukrayiny 2003);
- availability of special equipment;
 - obtaining permission to compile certain types of documentation, coordinate documentation with land management (Verkhovna Rada Ukrayiny 2001);
 - state examination of land management documentation which provides an assessment of compliance with the requirements of the legislation and established standards, norms and rules when making project decisions (Verkhovna Rada Ukrayiny 2016);
 - state registration of land plots and other objects of land management in the State Land Cadastre by the state cadastral registrar (Verkhovna Rada Ukrayiny 2011);
 - environmental impact assessment, which assesses the impact of activities on the safety and human health, flora, fauna, soil, air, water, climate, landscape, natural areas and objects (Verkhovna Rada Ukrayiny 2017).

Let us consider the main tools that are included in the system of documentary and accounting support for land management activities to formulate recommendations for documentary and accounting support for participation in tenders, taking into account the specific features of land management activities: 1) accounting accounts; 2) accounting policy; 3) assessment; 4) documentation; 5) reporting (fig. 2).

The main statements according to methodological recommendations on accounting policies of land management activities of the enterprise are:

- the procedure of work organization of accounting staff and accounting process;
- the procedure of the formation of accounting policies regarding income: the procedure for evaluating the completion of service operations; regarding expenses: the procedure of accounting and distribution of transport and procurement expenses, maintaining a separate subaccount of accounting for transportation and procurement expenses; application of 8 and/or class 9 of the Accounting Account Plan; list and composition of variable and fixed costs, bases of their distribution; list and composition of the articles of calculation of production cost of works;
- additional provisions affecting land management activities.

Reporting	<p><u>Financial:</u></p> <ul style="list-style-type: none"> – f. № 1 Balance statement of financial position – f. № 2 Report on financial results (Statement of comprehensive income) – f. № 3, 3-n Statement of cash flows (by direct and indirect methods) – f. № 4 Statement of changes in equity – f. № 5, 6 Notes to the financial statements <p><u>Tax:</u></p> <ul style="list-style-type: none"> – tax declaration of corporate income tax – tax declaration of value added tax <p>Arbitrary forms: on the need of managers</p>
Documentation	<p><u>The main types of land management documents:</u></p> <ul style="list-style-type: none"> – projects – technical documentation – technical-economic justification – scheme – special thematic map <p><u>Accounting registers:</u></p> <ul style="list-style-type: none"> – Register-order 5, 5A « Cost accounting» – Register-order 6 «Accounting for income and operating results» – General ledger
Estimation	<p><u>Income</u> is recognized when its estimate can be reliably determined, as well as when assets are increasing and liabilities are decreasing</p> <p><u>Costs</u> are recognized as a decrease in assets or an increase in liabilities and can be evaluate reliably</p> <p>by recognizing expenses of the corresponding period simultaneously with recognition of income. Costs that can't be directly attributable to revenue for a particular period of time should be included in the costs of the reporting period in which they were incurred</p>
Accounting Policy	<p><u>Regulations according to methodical recommendations on accounting policies of the enterprise:</u></p> <ul style="list-style-type: none"> – the order of organization of work of accounting staff and accounting process – the procedure for accounting policies for: <ul style="list-style-type: none"> • income: the procedure for evaluating the completion of service operations; • costs: application of 8 and/or class 9 of the Accounting Account Plan; list and composition of variable and fixed costs, bases of their distribution; list and composition of articles of calculation of production cost of works and services – additional provisions affecting land management activities

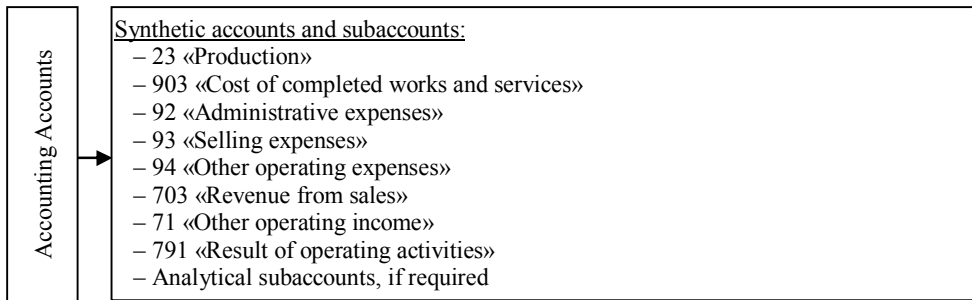


Fig. 2. Instruments of system of documentary and accounting providing of land management activity of an enterprise

Source: the authors' own development.

Valuation as an accounting tool is the determining part of accounting procedures for each accounting entity and a single monetary measure. Revenue is recognized when its estimate can be reliably determined, as well as when assets are increased and liabilities are reduced. Expenses are recognized as a decrease in assets or an increase in liabilities and can be measured reliably by recognizing expenses of the corresponding period simultaneously with recognition of income. Costs that are not directly attributable to revenue for a particular period of time should be included in the costs of the reporting period in which they were incurred (Ministerstvo finansiv Ukrainy 1999a, Ministerstvo finansiv Ukrainy 1999b).

Documentation as an element of accounting method involves continuous and complete registration of economic life facts in primary documents and consolidated accounting registers.

Contract is the basic document that defines the rights and obligations between a customer and a land management enterprise. According to the contract, the land management enterprise undertakes to carry out survey works in compliance with legal requirements, and the customer – to accept and pay for completed work. The technical, economic and other requirements for the job assignment are an integral part of the contract. The stages and terms of the work are determined by parties according to the calendar of works. The total expense of the work is determined in accordance with the protocol of the contract price for the work that is established on the basis of an agreed budget for the execution of works (Kabinet Ministriv Ukrainy 2004). Land management documentation is developed in the form of a scheme, project, work project or technical documentation, the types of which are established by the Law of Ukraine «On Land Management» (Verkhovna Rada Ukrainy 2003). Depending on the types and forms of land use, the content of land use documents may be different.

There are registers for the synthetic and analytical accounting of land management activities: expense accounting using class accounts 9 – Register 5 and expense accounting using class accounts 8 and 9 – Register 5A. Accounting for

income and financial results using Class 7 – Register 6 «Accounting for income and operating results». Indicators of Register 5 (5A) and 6 used in the preparation of the statement of financial results. The following accounts are used in accounting for expenses in Class 9: 23 «Production» contains a reflection of the direct expenses directly related to the execution of orders for land management services; 91 «General production expenses» contains an indication of the indirect expenses associated with the execution of orders for land management services; 92 «General and administrative expenses» contains a reflection of the expenses associated with managing the enterprise; 93 «Sales and delivery expenses» contains a reflection of the expenses associated with the sale of land management services; 94 «Other operating expenses» on which the enterprise keeps records of operating expenses, except from expenses that are reflected in accounts 90, 91, 92, 93. Other operating expenses of the enterprise include expenses such as shortages, losses, forfeits, penalties. Expenses accumulated in accounts 23 are debited to account 903, which is intended to reflect the manufacturing expense of the services provided, administrative expenses, sales expenses and other operating expenses are deducted from the credit of the accounts 903, 92, 93 and 94 in debit account 791 «Financial result» (Ministerstvo finansiv Ukrainy 1999c).

Enterprises whose main activity is land management use subaccount 703 «Revenue from the sale of works and services» to account for the income related to such land activity. Subaccount 703 credit reflects the received (recognized) income from the provision of services, the debit – the amount of indirect taxes, discounts and the amount of write-off of net income in the order of closure for subaccount 791 «Operating results». There may also be other land-related revenue that is accounted for using 71 «Other operating income» (Ministerstvo finansiv Ukrainy 1999c).

The accounting process ends with the preparation of reports on land management activities of the enterprise: financial – f.№ 1 Balance; f.№ 2 Report on financial results; f.№ 3, 3-n Statement of cash flows (by direct and indirect method); f.№ 4 Equity report; f.№ 5, 6 Notes to the financial statements; tax – Corporate income tax return; Value added tax return; arbitrary forms as needed by managers.

Using the considered instruments included in the system of documentary and accounting support of land management activities and taking into account its peculiarities, it is possible to form recommendations for documentary and accounting support for participation in the tender – method of obtaining orders for the provision of services under pre-defined conditions in the tender documentation within the specified time.

Tender, like any method of obtaining orders, has its advantages and disadvantages. The benefits provider are: financial benefit – to open an additional market for services, to increase the flow of funds; savings on marketing, finding new customers and orders; to improve the reputation of the enterprise – bidding on a competitive basis indicates that the enterprise is open, which means that it is more perspective to cooperate with compared to others; find new business partners – the

prospect of finding and establishing long-term relationships with new partners. In practice, in addition to strengths, tenders have weaknesses: «a race to reduce prices»; strict requirements for the correctness of the documentation; not always the fight for a tender is fair. However, despite all the disadvantages of the tender system, it is possible to say that for a supplier interested in reducing staff, material and time expenses, tendering is an effective method of obtaining orders.

The main types of tenders are government and commercial. The method and legislative regulation of state tenders depend on the amount and complexity of the subject of procurement and on the circumstances. Government tenders are sales and purchases conducted by government agencies and state-owned enterprises. They occur on the ProZorro system through accredited platforms. The main differences in the tender procedures are the amount of procurement. The process of state bidding if the amount of purchases of land management services exceeds 200,000 UAH, is regulated by Law of Ukraine № 922 «About public procurement» (Verkhovna Rada Ukrayiny 2015). According to this law, three types of tender procedures are regulated: open tendering, competitive dialogue and negotiation procedure. If the amount of purchases of land management services is up to 50,000 UAH, then such a purchase is not covered by the Law of Ukraine № 922 on the package of documents and timing of the procurement procedure. Since March 19, 2019 it is carried out according to the Instruction № 10, approved by GP «Prozorro» (Verkhovna Rada Ukrayiny 2019). This procurement may also be governed by the decisions and orders of local authorities. From 19 April, 2020 comes into force the Law «№ 114 (SE “Prozorro” 2019), which introduces a new type of procurement – a simplified procurement, the procedure of which extends to the purchase of land management services, the value of which is equal to or exceeds 50,000 UAH and is less than 200,000 UAH, which will be obligatory through Prozorro (fig. 3). Therefore, implementing these changes has reduced the threshold where institutions and organizations whose core activities are wholly or partly funded by the budget are required to seek a land-based service provider through ProZorro accredited platforms.

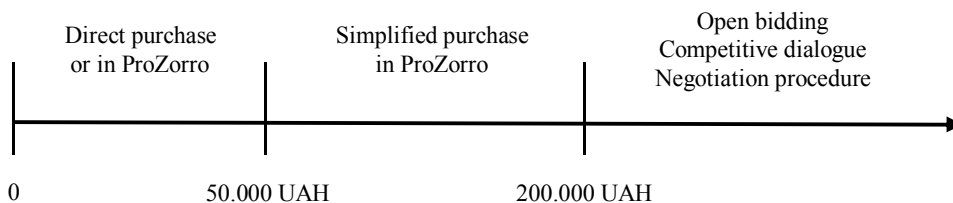


Fig. 3. Thresholds for determining tender procedures in public procurement of land management services

Source: the authors' own development based on (Verkhovna Rada Ukrayiny 2015; Verkhovna Rada Ukrayiny 2019; SE “Prozorro” 2019).

Commercial companies are the organizers of commercial tenders. Commercial tenders are conducted mainly on the same principles as public procurement. The main difference is that the conduct of the latter is clearly regulated by law while commercial tenders are conducted according to their own rules stated by the organizer, i.e. they mainly focus on their internal documents without violating civil, commercial and competition law.

Tender procedures, the main content of which is set out in Annex A, differ in the number and duration of stages. These stages, that are present in all tendering procedures, can be identified as: announcement of purchase; submission of proposals by participants; holding an electronic auction; consideration of compliance with the conditions specified in the announcement of the procurement and the requirements for the subject of procurement, the bid of the tenderer; determining the winner of the procurement; conclusion of the purchase contract; execution of the purchase contract.

The market for electronic tendering systems in Ukraine is only developing as many enterprises are insufficiently informed about the existing capabilities of electronic tendering systems and their functionality. It is often difficult to find and navigate tenders on the Internet and not to miss out those which are the most profitable for a land management enterprise. For the convenience of land management enterprises, table 2 provides a list of tender on-line platforms for land customers to find.

Table 2. List of tender on-line platforms

Name	State tenders	Commercial tenders	Accreditation ProZorro	Additional Services	Address platform
SmartTender.biz	+	+	+	Legal support, MIA help ordering, service infrastructure (Smart-search, «Mirror»)	smarttender.biz
e-tender	+	+	+	Legal support, training, mailing with a selection of interesting lots	e-tender.ua
Tender – online	+	–	+	Legal support, training	tender-online.com.ua
Tenders Allbiz	+	–	+	Legal support, training, bank guarantee online	tenders.all.biz
open-tender	+	–	+	Legal support, free training, obtaining a bank guarantee, call center for suppliers	www.open-tender.com.ua
PlayTender	+	–	+	Extensive list of additional services, module of analytics, ordering help (from MIA and GFS), registration of guarantees	playtender.com.ua
Zakupki.ua	+	–	+	Service «Forecast of competitors»	zakupki.com.ua

Name	State tenders	Commercial tenders	Accreditation ProZorro	Additional Services	Address platform
Zakupki.prom.ua	+	+	+	Training seminars, Forum.Zakupki. Mobile app for vendors	zakupki.prom.ua
Zakupivli24	+	+	+	Legal support	zakupivli24.pb.ua
Procurement Online	+	-	+	Provide qualified advice, conduct free training	www.dzo.com.ua
25/8 Auction	+	-	+	Legal support	25h8.auction
Acceptance Online	+	-	+	Subscription to tenders, individual statistical and analytical reports	accept-online.com.ua
Newtend	+	-	+	Legal support, concierge service	newtend.com
izi.trade	+	-	+	Legal support, concierge-service of registration of guarantees of tender	izi.trade
Ukrainian Universal Exchange	+	-	+	Training seminars, obtaining a bank guarantee, subscribing to tenders	tender.uub.com.ua
Public Bid	+	-	+	Obtaining a bank guarantee	public-bid.com.ua
gov.auction	+	-	+	-	gov.auction

Source: the authors' own development.

On-line platforms may vary by: interface (color, menu placement, etc.); technical support features (some online platforms may only be consulted on technical issues of participation and others on legal or organizational matters); procurement search functionality to participate and get potentially interesting information about the system's new features; detailing instructions for users of the service provider's office. Using a list of on-line tenders will help you choose the one that best meets the needs of the landowner.

Most of the authorized platforms have a system «testing». You can register as a potential vendor on platform and contact support to enable test user mode. In this mode, you can view how the vendor's office looks, how to look for a purchase, submit documentation, where exactly to download it from, etc. This will help you choose the most suitable platform for the provision of land management services.

In test mode you cannot really submit an offer or interfere with any purchase as registration is required. To register in the user's office, you must fill in a form with standard information about the organization (name, address, manager, contacts, etc.). Then you need to be «verified». There are several ways to do this (depending on the platform): enter into a contract with the platform, pay from the user's account 1 UAH or impose a digital signature (digital signature only). After verification, you can propose a bid.

Registration at tender on-line platforms is free of charge. Service providers pay for the submission of tender proposal. The cost of submitting a proposal depends on the expected value of the purchase to which the land management enterprise submits.

In order № 166 (Kabinet Ministriv Ukrayiny 2016) fees tariffs for participation in the state tender (Annex B) are set. In cases where tenders are canceled, the cash security of submitting a proposal will be refunded to the tenderer. Refunds of cash security do not apply where the bidder's proposal has been rejected by the customer.

What should you look for in a land purchase announcement:

- estimated purchase price: the amount for the purchase of work that the customer plans to spend. When submitting your proposal, you cannot bid more than the estimated value. You can get some benefits during the auction by submitting the lowest bid;
- clarification of tender conditions and appeals. Up to a certain date, you can clarify certain procurement information or request a change to the tender documentation. Appeal is only possible for overbought procurement (negotiated procurement procedure, open bidding, competitive dialogue);
- the deadline for proposal of bids and the start of auction;
- cash security: the customer may or may not stipulate with tenderer cash security of the tender proposal and performance obligations under the procurement contract. The customer has the right to demand cash security in the form of a guarantee from a bank, an insurance company or a financial institution. The first cash security is required when submitting a tender proposal, the second is required before signing the procurement contract;
- the place and time of delivery of land management services.

In order to submit a tender proposal it is necessary not only to specify its value but also to attach to it a certain set of documents that the customer needs. Most often among the documents that the customers require are those that are a requirement of art. 16 of the Law of Ukraine № 922 (Verkhovna Rada Ukrayiny 2015) and confirm their qualification to fulfill the terms of the contract, namely:

- certificate on the availability of equipment and material base. For a land management enterprise there will be the necessary technical and technological support for land management works;
- a certificate on the availability of appropriately qualified workers with the necessary knowledge and experience. Land-use documentation developers may be economic entities with at least two certified land-use engineers at their primary place of work;
- a certificate on the existence of a documented experience of performing a similar contract. You should usually provide a reference for the existence of similar contracts with attached copies and feedback or letters of recommendation from the counterparty.

Moreover, the customer may, and in the case of overbought purchases is obliged to, request information about the absence of grounds for rejecting the supplier's proposal. Among the documents requested by the customer are also: Regulations,

the founders' report and/or the order on appointment of the head of the enterprise, EDRPOU help, VAT (single tax payer) help, reporting in STI by form F.1 and F.2 for the last year and the last reporting period, etc.

When submitting a tender, it will be necessary to fill in a numerical field where it is necessary to indicate the price offered to the customer for his land management services. However, as a rule, most of the contracting authorities also require the bidder to submit a price quotation, completed in the form given in the tender documentation, as part of the bid.

The customer usually submits a draft contract that will be signed with the successful tenderer. For confirmation, some customers ask to simply approve the contract (with signatures and seals) and attach a scanned copy to the documentation while others ask for information about agreeing to the terms of the contract with a separate certificate. If the supplier does not agree to any terms of the contract, he may use his right to demand the customer at the stage of clarification/submission of proposals.

The path that a land service provider goes through after winning the auction:

- consideration of the proposal by the customer. At this stage, the client will review all documents submitted as part of his proposal and evaluate their compliance with the requirements of the tender documentation;
- publication of a notice of intent to conclude a contract. If the tender contains all the documents required by the tender documentation of the customer – it accepts the landline service provider's proposal. At this point, the system forms a message of intention to contract with the supplier;
- providing documents to the supplier. After the land management enterprise has been successful in the auction, the customer will require the originals of several certificates from the authorities authorized to issue them. Usually, the customer requires the winner to provide two certificates (originals), namely: certificate of absence/existence of arrears of taxes and fees (obligatory payments), issued by the GFS, in which the land management enterprise is registered; certificate on the absence of conviction for criminal offenses committed for selfish reasons. Usually this certificate is about the head of the enterprise and/or the person who signed the tender proposal (if not signed by the manager, but by another authorized person). This certificate is issued by the authorized body of the MIA.

The list of documents above is not exclusive and the customer may require any other documents and vice versa, or he may not require any of the documents listed above while performing the procurement. In table 3 the procedure for documenting and conditions for determining expenses for the land-carrying enterprise with participation in a tender was developed. Its use will help to propose land management services to companies on tender on-line platforms.

Table 3. The procedure for documenting and conditions for determining expenses for land management enterprise in participation in a tender

Documentation		Conditions
Registration at a tender on-line platform		
Electronic form		Free
Bid of a tender offer		
Electronic form		Expense depends on the expected cost of the purchase, documentation can be performed by the enterprise sales manager. To do this, these responsibilities must be stated in the job description of the employee or you can order the documentation of the tender operations of a third party
Attached documents		
The main documents of a tender proposal	Cover letter of tender, letter of approval no reference for rejection of tender, letter of guarantee for the provision of services or performance of works within the time specified by the customer and the fulfillment of the customer's requirements for the subject of procurement, certificate of liability for reliable information, certificate of authorization, detailed description of services and price lists, information of the participant regarding the application of environmental protection measures	
Other bidding documents	Copies of the charter, the minutes of the founders and/or the order on appointment of the head of the enterprise, EDRPOU certificate, VAT (single tax payer) certificate, reporting in STI in the form F.1 and F.2 for the last year and the last reporting period, etc.	
Information on their compliance with the qualification criteria	Certificate of availability of equipment and material base and accessories: certificate of registration and registration of equipment in the State Geocadastré, copy of the lease for equipment, copy of the calibration certificate, copy of the certificate of verification of the measuring equipment	
	Certificate of availability of appropriately qualified workers with the necessary knowledge and experience and applications: certificate of entry of surveyor engineer in the state register of certified surveyors, certificate of entering the land surveyor in the state register of certified land surveyors, guarantee letters on the absence of the decision of the State Geocadastré to suspend or revoke the qualification certificate of the surveyor and land surveyor, certificate of advanced training of surveyor and land surveyor, copy of the certificate of advanced training of surveyor	
	Certificate of availability of documented experience in executing a similar contract and annex: copies of similar contracts for land management works, reviews	
Bank guarantee (issued by a banking institution)		The service is chargeable
Winning the tender		
Certificate of absence/existence of arrears of taxes and fees (compulsory payments) (issued by the DFS)		Free
Certificate of no conviction for criminal offenses committed with selfish motives (issued by the MIA)		Free

Source: the authors' own development.

Documentation of the tender operations of a third party can be ordered but in order to save expenses it is advisable that the documentation is performed by the sales manager of the land management enterprise, so these responsibilities should be specified in the job description of the employee. Payment for the performance of these duties will be treated as remuneration of the sales personnel and reflected in the invoice 93 «Sales and delivery expenses».

Therefore, there are two types of payments and expenses that a tenderer faces:

- directly related to the preparation for participation in the tender: payment for the submission of the tender proposal, payment for other services of the authorized electronic platform and the expense of preparation of the tender documentation;
- those which have the character of guarantee amounts that ensure that the participant performs specific actions. These payments are carried out on the condition that such requirements are stated by the customer in the notice of purchase. Guarantee payments are refundable to the participant.

There can be two guarantee payments:

- the customer has a right to demand the security of tender proposal from all participants. In other words, providing a financial guarantee for the performance of the participants' obligations to the customer, arising from the submission of the tender offer. Moreover, the amount of collateral in monetary equivalent may not exceed 3% in the case of tendering for the purchase of land management services. Such guarantee payment shall be paid by the tenderer at the same time as the submission of the tender proposal and shall be returned within the time limits specified in art. 24 of Law № 922 (Verkhovna Rada Ukrayiny 2015);
- another guarantee payment can only be made by the participant – the winner of the tender. This payment is intended to ensure the fulfillment of the obligations of the participant to the customer under the purchase contract. Its amount may not exceed 5% of the contract value, and such security is also to be returned after the fulfillment of the obligations by the participant.

Guarantee payments received as a security of tender proposal or as a security of performance of the obligations under the procurement contract, if they are not returned to the tenderer, are subject to transfer to the appropriate budget, and in case of procurement by legal entities, not for budgetary funds – are transferred to the account of such legal entities.

Accounting in the accounting of all expenses associated with the preparatory work for participation in the tender, including payment for electronic platform services, preparation of tender documentation, etc., according to the letter from the MFI dated December 27, 2016 № 31-11420-07-16/37214 (Ministerstvo finansiv Ukrayiny 2016) depends on the results of the tender: if the tenderer is the successful bidder, they are written off to the sales expenses (Dt 93); in the event of losing the tender to other operating expenses (Dt 949).

Considering that the cash for participation in the tender, transferred in accordance with clause 4 of order № 166, in case of its cancellation or failure to recognize it may be returned to the tenderer, it is logical to recognize them as part of the expenses upon completion of tendering. Then, at the time of transfer, such amounts are credited to the account 39 «Prepayed Expenses» and only on the results of the tender write off the expenses.

As regards value added tax, the supply of tender services is subject to VAT on a general basis (Verkhovna Rada Ukrayiny 2010). Accordingly, a participant who purchases such VAT services is entitled to include it in his tax credit. Even in case of a negative result of the auction, no «offsetting» tax liabilities need be charged. After all, the expense orientation of these expenses has not changed, they are still related to business activities.

Usually, the expenses of paying for bank services are administrative expenses 92 «General and administrative expenses». But in this case, since the purpose of the service of a guarantee bank, it is more expedient to write off its expense for the same item of expenses on sale in the account 93 «Selling and delivery expenses», as well as other expenses for participation in a tender. The expenses of paying for the services of a bank when granting and issuing the guarantee are not subject to taxation.

Because guarantee payments are generally refundable to the participant they are not a part of accounting expenses. The transfer of the guarantee amounts to a separate account is recorded by postings Dt 313 «Other national currency bank accounts» and Kt 311 «Current accounts in national currency», and in case of return postings, we close the debt: Dt 311 – Kt 313. If the guarantor satisfies the creditor's claims, he is entitled to a recourse. Therefore, in this case, off-balance sheet account 05 is used for accounting «Guarantees and guarantees provision». Analytical accounting is also maintained for each guarantee provided. The increase in the balance on the account 05 occurs when issuing guarantees, the decrease – in repayment of the debt to which they were granted and in the transfer of liabilities under such guarantees to the balance.

And, of course, there can be no «inbound» VAT when transferring a guarantee payment and language. After all, this payment only ensures the fulfillment of the obligations under the contract and is not a payment for the transaction of supply of services. That is, there is simply no VAT object (Verkhovna Rada Ukrayiny 2010).

Guarantee payment which is not returned to the participant due to default shall be treated as a fine and charged to the accounting expenses for subaccount 948 «Fines, penalties recognized». Conditions of return and non-refund are provided in Annex C.

In fig. 4 an algorithm for displaying of the accounting of expenses that arise in participation in a tender is developed. Its application will help to avoid errors in accounting transactions and financial statements.

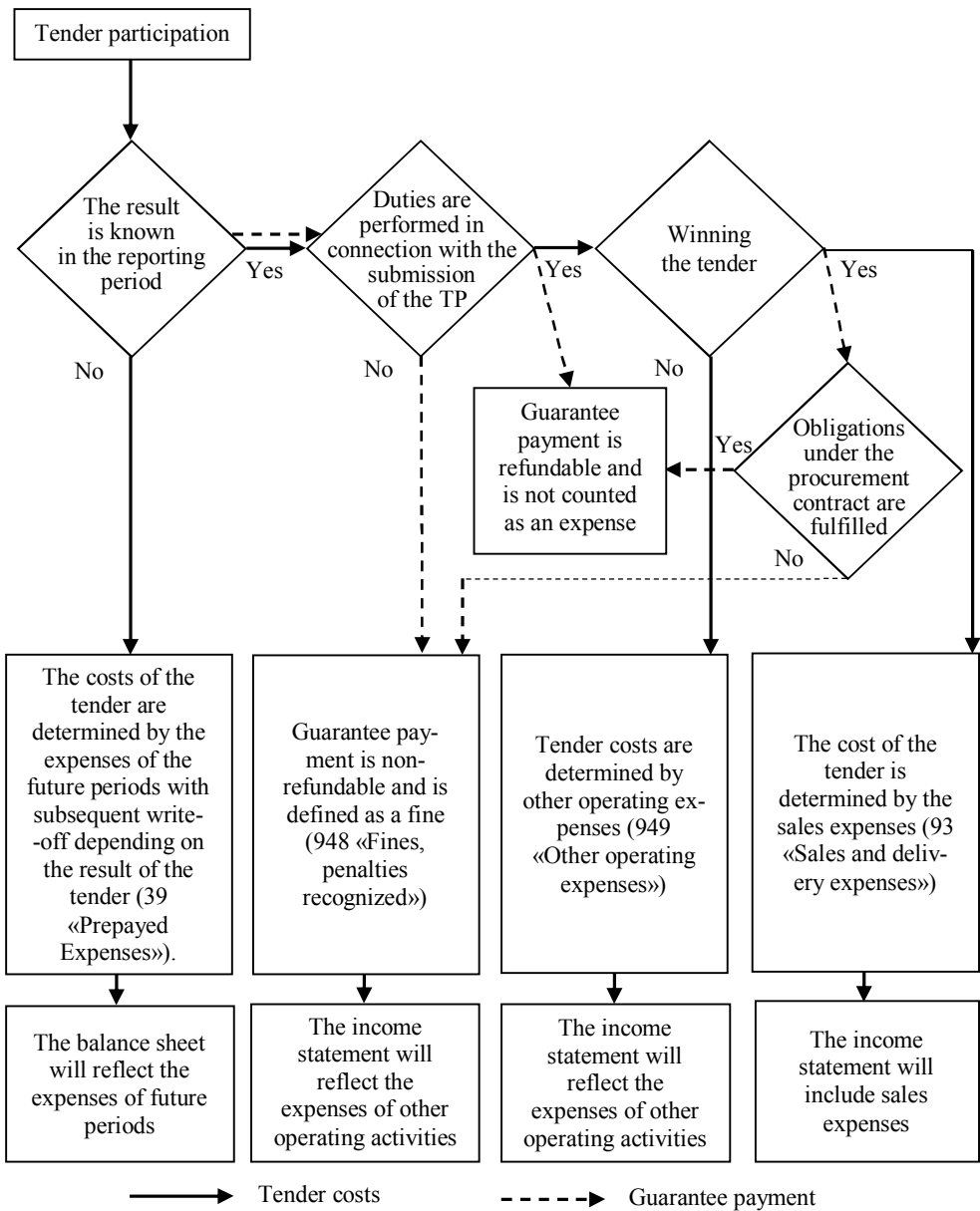


Fig. 4. Algorithm for displaying the expenses of participation in a tender

Source: the authors' own development.

Therefore, accounting for all expenses associated with participation in a tender depends on the results of the tender. In order to avoid unreasonable expenses and to effectively participate in tenders, to win procurement and sign lucrative contracts, steps must be taken to achieve these objectives, which can include the following:

- appointment of a manager responsible for a tender that integrates the responsibilities of professions: lawyer, economist and manager, since the documentation consists of several parts: technical, financial and legal;
- continuous monitoring of publicly available aggregating resources, all published tenders, both public and commercial;
- setting up a tender subscription to get the procurement options for the specified options;
- considered participation in tenders: market analysis, comparison of regions by number of lots and contractors, study of the frequency of participation of competing suppliers and verification of fulfillment by the tenderers of all terms of contracts;
- competitive bid: the bid must be either qualitatively better than its opponents, or comparable in price; competent documentation;
- timeliness of the submission of documents: the system is configured so that if the prices of the bids of the bidders coincide, the last bidder in the auction will be the one who submitted the bid first.

3. Conclusions

In the course of writing this study the nature of land management activities was determined, the main types of land management services and their features influencing the formation of documentary and accounting support for participation in a tender were identified; the types of tenders and the list of tender on-line platforms where you can find customers of land management services were provided. The scientific novelty of the obtained results lies in the development of a system of documentary and accounting support for land management activities and recommendations for documentary and accounting support for participation of land management enterprises in tenders, namely: the procedure for documenting and the conditions for determining the expenses for the land management enterprise in a tender; the algorithm of displaying in the accounting of the expenses incurred in participation in the tender. The practical implementation of the recommended measures should create the necessary conditions for the effective provision of land management services to enterprises on on-line tender platforms. Using the documentary and accounting guidelines for participation in a tender will help the land management enterprise to avoid errors in the accounting operations and financial reporting. The direction of further research will be to develop

a methodology for calculating the maximum acceptable price of a tender proposal for the provision of land management services.

References

- Hreshchuk, G. (2016). Sutnist zemleustroi ta zemlevporiadkuvannia: kontseptualnyi pidkhdid. *Ahrosvit*, 23, 24-27.
- Kabinet Ministriv Ukrainy. (2004). *Postanova Pro zatverdzhennia Typovoho dohoviri pro rozroblennia proektu zemleustroi shchodo vidvedennia zemelnoi dilianky*, 266. Retrieved from: <https://www.kmu.gov.ua/npas/518436>.
- Kabinet Ministriv Ukrainy. (2016). *Postanova Pro zatverdzhennia Poriadku funkcionuvannia elektronnoi systemy zakupivel ta provedennia avtoryzatsii elektronnykh maidanchykyv*, 166. Retrieved from: <https://zakon.rada.gov.ua/laws/show/166-2016>.
- Lazariieva, O.V. (2018). *Orhanizatsiia i upravlinnia zemlevporiadnym vyrobnytstvom: navch. posib. dlia studentiv haluzi znan 19 «Arkhitektura ta budivnytstvo», spetsialnist – 193 «Heodeziia ta zemleustroi»*. Mykolaiv: Petro Mohyla Black Sea National University.
- Martin, A., & Fenenko, V. (2006). Suchasna klasyfikatsiia vydiv robit iz zemleustroi ta otsinky zemel. *Zemlevporiadnyi visnyk*, 4, 13-16.
- Ministerstvo finansiv Ukrainy. (1999a). *Nakaz Pro zatverdzhennia Polozhennia (standart) bukhhalterskoho obliku 16 “Vytraty”*, 318. Retrieved from: <https://zakon.rada.gov.ua/laws/show/z0027-00>.
- Ministerstvo finansiv Ukrainy. (1999b). *Nakaz Pro zatverdzhennia Polozhennia (standart) bukhhalterskoho obliku 15 “Dokhid”*, 290. Retrieved from: <https://zakon.rada.gov.ua/laws/main/z0860-99>.
- Ministerstvo finansiv Ukrainy. (1999c). *Nakaz Pro zatverdzhennia Instruksii po zastosuvanniu Planu rakhunkiv bukhhalterskoho obliku aktyviv, kapitalu, zoboviazan i hospodarskykh operatsii pidpriemstv i orhanizatsii*, 291. Retrieved from: <https://zakon.rada.gov.ua/laws/show/z0893-99/paran>.
- Ministerstvo finansiv Ukrainy. (2016). *Lyst Shchodo obliku vytrat na uchast u tenderi*, 31-11420-07-16/37214. Retrieved from: <http://vobu.ua/ukr/documents/item/lyst-minfinu-ukrainy-vid-271216-r-31-11420-07-16-37214>.
- Novakovsky, L.Y. (2013). Dovidnyk iz zemleustroi obgruntuvannia neobkhdnosti ta problemy stvorennia. *Zemleustrii, kadastr i monitorynh zemel*, 3, 3-9.
- SE “Prozorro”. (2019). *Nakaz Pro zatverdzhennia Instruksii pro poriadok vykorystannia elektronnoi systemy zakupivel u razi zdiisnennia zakupivel, vartist yakykh ye menshoiu za vartist, shcho vstanovlena v abzatsakh druhomu i tretomu chastyny pershoi statii 2 Zakonu Ukrainy “Pro publichni zakupivli”*, 10. Retrieved from: <https://infobox.prozorro.org/news-mert/nakaz-10-vid-19-03-2019>.
- Shatskova, L.P., Pshenychna, T.A., & Lazieiev, M.E. (2019). Vydy zemlevporiadnykh robit ta analiz yikh efektyvnosti. *Infrastruktura rynku*, 38, 413-420.
- Tretiak, A.M., & Kolhanova, I.H. (2016). Rozvytok vydiv ta form zemleustroi v Ukraini, yak instrumentiv udoskonalennia planuvannia zemlekorystuvannia. *Zemleustrii, kadastr i monitorynh zemel*, 1-2, 26-31.
- Verkhovna Rada Ukrainy. (2001). *Zemelnyi kodeks Ukrainy*, 1556-VII. Retrieved from: <https://zakon.rada.gov.ua/laws/show/2768-14>.
- Verkhovna Rada Ukrainy. (2003). *Zakon Ukrainy Pro zemleustrii*, 858-IV. Retrieved from: <http://zakon.rada.gov.ua/laws/show/858-15/>.
- Verkhovna Rada Ukrainy. (2010). *Podatkovi kodeks Ukrainy*, 2755-VI. Retrieved from: <http://zakon4.rada.gov.ua/laws/show/2755-17>.

-
- Verkhovna Rada Ukrainy. (2011). *Zakon Ukrainy Pro Derzhavnyi zemelnyi kadastr*, 3613-VI. Retrieved from: <https://zakon.rada.gov.ua/laws/main/3613-17>.
- Verkhovna Rada Ukrainy. (2015). *Zakon Ukrainy Pro publichni zakupivli*, 922-VIII. Retrieved from: <https://zakon.rada.gov.ua/laws/show/922-19>.
- Verkhovna Rada Ukrainy. (2016). *Zakon Ukrainy Pro derzhavnu ekspertyzu zemlevporiadnoi dokumentatsii*, 1808-IV. Retrieved from: <https://zakon.rada.gov.ua/laws/show/1808-15>.
- Verkhovna Rada Ukrainy. (2017). *Zakon Ukrainy Pro otsinku vplyvu na dovkillia*, 2059-VIII. Retrieved from: <https://zakon.rada.gov.ua/laws/main/2059-19>.
- Verkhovna Rada Ukrainy. (2019). *Zakon Ukrainy Pro vnesennia zmin do Zakonu Ukrainy "Pro publichni zakupivli" ta deiakykh inshykh zakonodavchykh aktiv Ukrainy shchodo vdoskonalennia publichnykh zakupivel*, 114-IX. Retrieved from: <https://zakon.rada.gov.ua/laws/main/114-IX>.
- Volkov, S.N. (2001). *Zemleustroistvo: uchebnyk dlia studentov vysshykh uchebnykh zavedenyi po zemleustroytelnym spetsyalnostiam*. Moscow: Kolos.

Annex A – Tender Procedures

Tender procedures	Content
Simplified purchase	Purchase by the customer of goods, works and services the value of which is equal to or exceeds 50,000 UAH and is less than the value stipulated in clauses 1 and 2 of part one of Article 3 of the Law. Cannot be conducted before/without the announcement of competitive tendering/simplified procurement in the electronic procurement system. One proposal may be submitted. It can be canceled partially (by lot).
Open bidding	It is the main procurement procedure. At least two proposals must be submitted for the procurement procedure.
Competitive dialogue	Can be applied by the customer under the following conditions: the customer cannot determine the required technical, qualitative characteristics of the works or determine the type of services; the subject of procurement are consulting, legal services, development of information systems, software products, research, experimentation or development, implementation of research and construction, construction, requirements for the implementation of which requires negotiation. It is carried out in two stages: in the first stage, it is proposed to submit a tender offer, which provides information on the tenderer's compliance with the qualification criteria, requirements specified by the customer in the tender documentation, and a description of the procurement decision without specifying the price; in the second stage, the bidders must submit the final bids indicating the price.
Negotiated procurement procedure	Used by the customer as an exception according to which the customer enters into a purchase contract with a participant after negotiations with one or more participants. For example: lack of competition; the urgent need for procurement in the face of particular economic or social circumstances; if the tender was canceled twice due to lack of sufficient number of participants.

Annex B – Tariffs for participation in the tender

Purchasing budget	The size of the fee (UAH)
Not more than 20,000 UAH	17
Not more than 50,000 UAH	119
Not more than 200,000 UAH	340
Not more than 1,000,000 UAH	510
More than 1,000,000 UAH	1,700
More than 4,000,000 UAH	3,400

Annex C – Terms of return and non-refund of security

Type of security	Conditions of return of security	Non-Refund Conditions
Securing the tender offer	<ul style="list-style-type: none"> – the expiry of the tender offer specified in the tender documentation – concluding a procurement contract with the successful bidder – withdrawal of a tender offer before the deadline for its submission – the completion of the procurement procedure in the case of failure to conclude a procurement contract with any of the tenderers 	<ul style="list-style-type: none"> – withdrawal of the tender offer by the tenderer after the deadline for its submission, but before the expiry of the period during which tender offers are considered valid – non-signing of the procurement contract by the successful bidder – failure to submit to the winner within a period not exceeding five days from the date of publication on the web-portal of the Authorized body of the intention to conclude the contract, documents – failure of the winner to secure the execution of the procurement contract after receiving the notice of intention to conclude the contract, if the provision of such security is provided by the tender documentation
Ensuring the implementation of the procurement contract	<ul style="list-style-type: none"> – after performance by the contracting party – in case the court finds the results of the procurement procedure or the procurement contract invalid 	<ul style="list-style-type: none"> – non-fulfillment of the procurement contract (quality requirements, deadline)