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**THE ECONOMIC ESSENCE OF PROFIT AS AN OBJECT OF ACCOUNTING**

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*Financial results of the company are characterized by the sum of the profit, which is obtained mainly from the sale of products as well as from other activities (sale and other disposals of fixed assets and other assets).*

In a market economy the main aim of any business is to maximize profits. Profit growth provides organizations with the possibility of self-financing and implementation of the expanded reproduction, satisfaction of material and social needs of the owners and the workforce.

The profit organization to fulfill the obligations to the budget and through the accumulation of funds, banks and other organizations.

The main purpose of profit in the current economic conditions - a reflection of the effectiveness of the value of the company. This is due to the fact that the profit margin should be reflected on appropriate personal expenses of the enterprise associated with the production and sale of its products and takes the form of cost, socially necessary costs, indirect expression of which should be the price of the product. The increase in profits in a stable wholesale prices show a decrease in the cost of individual enterprise in the production and sales.

However, despite this, the profit as an economic category is one of the least studied. Evidence of this is the lack of earnings as an economic category in the regulations and the economic literature of the Republic of Belarus and foreign countries, but only indicate the method of calculating the profit.

Since the first mention of the concept of "profit" is associated with the School of Economics of the Physiocrats - F. Quesnay, Turgot J., M. Riviera. Their approach to the sources of profit generation was punctuated by agricultural production, which in their opinion was the only source of the positive value of the amount of profit.

Representatives of classical economics, Adam Smith, D. Ricardo, went deep into the study of the essence of profit, expanding the scope of its review of industrial production, and then the non-productive sphere. According to the ideas of Adam Smith, the profit - it's not just wages for a special kind of labor management, it also includes other items. Following Smith, David Ricardo argued that the rate of return decreases gradually due to increasing wages and increasing difficulty of supply, increasing the population of necessities. Economists of this school was formulated form factor model that profits model of profit as a result of the use of production factors.

English economist Thomas Malthus imagined profits as part of the price. For detection of its value (price) of the goods should be deducted the cost in the production process on labor and capital.

According to the labor theory of value developed by Marx and Engels, the main source of profit is the work of employees of industrial sectors of the economy. This work creates a surplus product and surplus value, and profit at the same time is a converted form of surplus value. However, Marxist philosophy has not received global support and distribution. It is not enough, which explains the current situation in a mixed economy, the subjects of which are enterprises, entrepreneurs and the state.

American economist JA Schumpeter in his book "The Theory of Economic Development" was first developed the theory of profit as a result of the implementation of innovations. JA Shumper regarded profit as income a special factor of production - business, ie, profit - cost expression that creates an entrepreneur [1].

Table 1 – Economic essence of the concept of "profit"

| The name of a literary source / author, year                            | Definition   |
|---|--|
| 1   | 2  |
| Regulatory documents of the Russian Federation, IFRS                    |  |
| IFRS №1   | Profit – total income less expenses, excluding the components of other comprehensive income [2, c. 8]                          |
| The Tax Code of the Russian Federation                                  | Profit – the revenues, reduced by the amount of expenses incurred [3]  |
| Dictionaries and encyclopedias  |  |
| Economy. Dictionaries / I. Osadchaya. 2000                              | Profit – the difference between revenues and expenditures of the enterprise for a certain period [4]                           |
| Modern economic dictionary / B.Raizberg, L. Lozovskiy, E. Starodubtseva | Profit – the excess of the proceeds of sales and goods and services over the cost of production and sale of these products [5] |

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Table 1 Continuation

| 1   | 2   |
|---|---|
| Business. Dictionaries / B. Graham, B. Brayndli, S.Uilyams, I. Osadchaya,1998                                   | Profit – the excess of income over expenses for a certain period of entrepreneurial activity [6]  |
| Economics and Mathematics Dictionary: Dictionary of modern economics / L. Lopatnikov,2003                       | Profit – the difference between the proceeds from the sale of goods and services produced economic entity (for example, the firm, now), and the full costs of their production [7]  |
| Great Encyclopedic Dictionary / A. Prokhorov, 2000  | Profit – a general indicator of the financial results of operations, one of the major economic categories; It represents the excess of the proceeds from the sale of goods over the costs of their production and sales [8]                                       |
| Dictionary /D. Ushakov,1935-1940  | Profit – the amount constituting the difference by which the income exceeds costs [9]   |
| Great Soviet Encyclopedia / A. Prokhorov, 1989  | Profit – economic category, which characterizes the final financial results of the host. activities in the process of expanded reproduction [10]  |
| Great Soviet Encyclopedia / A. Prokhorov, 1989  | Profit – converted form of surplus value, which is embodied gratuitously assigned capitalist unpaid labor of wage workers [10]  |
| Great Soviet Encyclopedia / A. Prokhorov, 1989  | Profit is a specific form of manifestation of the value of the surplus product, which is public property, and expresses the production relations of comradesly cooperation and the socialist mutual assistance of workers [10]                                    |
| Great Soviet Encyclopedia / A. Prokhorov, 1989  | Profit – the difference between the proceeds in wholesale prices predpriyatiyay total cost of sales [10]  |
| Special literature on accounting  |   |
| Basics of audit / R. Alborov, L. Horuzhy, S. Koncevaya, 2001  | Profit – the difference between the cost of goods sold (services), and advanced for its production capital [11, c. 206].  |
| Analysis of economic activity of agricultural enterprises / G. Savitskaya, 2004                                 | Profit – realized portion of net income that is directly obtained economic entities of the capital invested and the risk of doing business [12, c. 243]   |
| Accounting and auditing / T. Sokolchik, V. Gradusova  | Profit – the difference between revenue expenditure [13]  |
| Accounting: simple to the complex / G. Kasyanov, 2008   | Profit – gains less losses [14, c. 576]   |
| Accounting: Tutorial / O. Lewkowicz, I. Burtsev, 2007   | Profit – the final financial results of the organization in the reporting year [15]   |
| Accounting and auditing: Textbooks / N. Satalkin, S. Pakhomov, G.Terekhov, 2008                                 | Profit (loss) is defined as the difference between the proceeds from the sale of goods (works, services) in current prices (without VAT and excise duties, export duties and other deductions provided for by law), and the cost of its production and sales [16] |
| Accounting: the textbook / Y. Sokolov, 2009   | Profit is the flow of funds at the disposal of (economic use) enterprise [17]   |
| Special economic literature   |   |
| Business Economics / T. Jurkova, S. Jurkov  | Profit – understood as the difference between total revenue and internal and external costs [18]  |
| Analysis of the financial statements: a tutorial / N. Seleznev, A. Ionov, 2007                                  | Profit – Net Income businessman on invested capital, which is the difference between total revenue and total expenses in the course of economic activity [19]   |
| Finance companies (enterprises): Textbook for universities /N. Kolchin G. Pole L. Burmistrova, N. Kolchin, 2004 | Profit – is part of the added value, which is derived from the sale of products (goods), works and services [20]  |

Source: own study based on the study of literature.

Thus, at present there are various approaches to determining the gains. Some of them are completely negate each other, the other supplement. However, many modern sources, the authors are inclined to believe that the profits – the difference between revenue from economic activity and expenses for this activity.

Based in table 1 the different approaches definitions of "profit" can be given to economic, legal and accounting economic sense.

Table 2 – Approaches to the essence of the concepts of "profit"

| Approaches | The essence of the approach  | Authors resources  |
|------------|--|--|
| Low        | Profit – the revenues, reduced by the amount of expenses incurred                                      | The Tax Code of the Russian Federation [3]   |
| Economic   | Profit – total revenue minus all costs   | I. Osadchaya [4]; B. Raizberg, L. Lozovskiy, E. Starodubtseva [5]; G. Bets, B. Brayndli, S. Uilyams, I. Osadchaya [6]; L. Lopatnikov [7] A. Prokhorov [8]; D. Ushakova [9]; Prokhorov [10]; T. Jurkova, S. Jurkov [18]; N. Seleznev, A. Ions [19]; N. Kolchin, G. Pole L. Burmistrova, N. Kolchin [20] |
| Account    | Profit – total revenue or gross income from business activities for the deduction of the actual costs. | R. Alborov, L. Horuzhy, S. Koncevaya [11, c. 206]; G. Savitskaya [12, c. 243]; T. Sokolchik, V. Gradusova [13]; / G. Kasyanov [14, c.576]; O. Lewkowicz, I. Burtsev [15]; N. Satalkin, S. Pakhomov, G. Terekhov [16]; Y. Sokolova [17]   |

Source: own study based on the study of economic literature.

Thus, from the above analysis of approaches to the definition of "profit", it can be concluded that the accounting profit differs from the sum of the implicit economic costs. Among these costs are uncompensated costs that were not included in the cost of production, additional premiums to employees, etc. In our opinion, on the basis of the above, profit – the total revenue from business activities for the net value of the actual expenditures incurred during the reporting period.

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**THEORETICAL APPROACHES TO THE STUDY OF THE CONCEPT "PASSENGER TRAFFIC"**

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*This article studied theoretical approaches to the definition of "passenger traffic", developed by the author's interpretation of the concept. The author reveals the basic characteristics of traffic flow and its methods of study.*

In connection with the development of society the issue of transport service (passenger transportation) is a permanent public tasks, solve it once and for all impossible. Only periodically rethinking it through research, can satisfy the needs of the population in this area, that is to perform high-quality and timely delivery to the designated point.

Efficiency and reliability of passenger transport is an important factor in the socio-political and economic stability of the country. Passenger transportation accounts for the bulk of the traveling public, which has a direct impact on the effectiveness of the system of municipal services, enterprises, organizations, institutions and all sectors of the economy and regions of the country [1].

The travel industry – a complex infrastructure system, the results of operation of which may cause significant harm to the subjects of legal relations or, on the contrary, promote them, to have a significant impact on the socio-economic development of cities. Therefore, the system of passenger traffic is of strategic importance. Its normal functioning and development should be given special attention to the authorities of all branches and levels.

A significant contribution to the development problems of formation and development of passenger transport made our scientists: B.G. Horowicz, Y.M. Kossoy, V.A. Gudkov, N.B. Ostrovsky, A.I. Sedov, S.A. Dugin, I.V. Spirin, I.S. Yefremov, V.M. Kobozev, V.A. Yudin, S.A. Waksman, V.M. Kurganov, V.N. Parahina, L.B. Mirotin and others. In their work the general principles of the organization and ensure the efficient operation of motor units performing transportation of passengers.

The successful solution of problems of rational organization of passenger traffic, the effective use of the rolling stock is impossible without the systematic study of the nature of changes in passenger transport network. Passenger traffic transport roar multidimensional phenomenon, requires special consideration the conditions and parameters as generating this phenomenon and its accompanying current and future periods.

In Table, we discussed several approaches to the definition of a passenger.

Table – The approaches to the definition of the concept of "ridership"

| Author (source)         | The essence of the theoretical approach   |
|-------------------------|---|
| 1. O.N. Larin [1]       | Passenger traffic – a movement of passengers on a certain part of the transport network   |
| 2. I.V. Spirin [5]      | Passenger traffic – movement of passengers through a certain place of the transport network   |
| 3. E.M. Oleshchenko [3] | Passenger traffic - movement of passengers at the site of the transport network.  |
| 4. A.B. Mirotin [8]     | Passenger traffic – a gauge transport products, which is determined by the number of passengers carried in one or more directions to various forms of public transport per unit of time – an hour, day, month or year |
| 5. V.A. Gudkov [8]      | Passenger traffic – characteristics of passenger traffic at a single site of the transport network, or between certain points, areas, countries   |
| 6. A. Velmozhin [2]     | Passenger traffic – load transport network on the direction of movement in a certain period of time   |
| 7. A.A. Permovsky [4]   | <i>Passenger traffic</i> – The number of passengers, which is virtually transported by passenger transport for some time (hour, day, month, year) through a section of the transport network                          |
| 8. A.E Gorev [6]        | Passenger traffic is the number of passengers who actually carried in a given time on each stretch of the bus route or to a whole network of bus routes in the same direction   |