

## ORGANIZATION OF ACCOUNTING IN THE INTERNATIONAL TOURISM ACTIVITY

MIHAELA DUMITRU<sup>1</sup>, MARCELA BENGESCU<sup>1</sup>

<sup>1</sup> *University of Pitești, Pitești, Romania,*

*e-mail: contabweb@yahoo.com, m\_bengescu@yahoo.com*

**Abstract:** *The purpose of this paper is to highlight certain peculiar aspects concerning the organization of accounting in the international tourism activity. On the other hand we sought to highlight to importance of the international tourism activity in tourism activity provision at international level*

**Key words:** *international tourism activity, tourism entity, tourism service provision, accounting operation, tourism documentation*

### INTRODUCTION

Tourism, as an activity, is nowadays a component of the set of activities carried out at the level of an economy, of a society in general.

The activities carried out nowadays in the society are continuously developing and as such, it is necessary to develop tourism activities. The place and role of tourism in the modern society led to the development of a multitude of forms it can take and implicitly to profound systems, mechanisms, connections and implications.

Consequently, we find, in the specialised literature, various classifications of the forms of tourism provided, depending on the criteria used for grouping them as homogeneously as possible [5]. Thus, depending on tourists' place of origin, two distinctive forms stand out [1]:

- Domestic tourism performed by the population of a country within the national borders;
- International tourism resulting from people's travels outside their country of residence. International tourism is subdivided in outbound tourism (outgoing), sending tourists abroad, or passive, related to the domestic tourists' travels abroad and inbound tourism (incoming) – receiving tourists, or active – including tourists arriving from other countries to spend their holidays in the receiving country.

In the UN Conference on International Travel and Tourism (Rome, 1963) the international visitor was defined for the first time as being “any person travelling in a country other than their country of resident for any other reason than the exercise of an activity remunerated in the visited country”. There are two criteria used to distinguish between visitors and other international visitors:

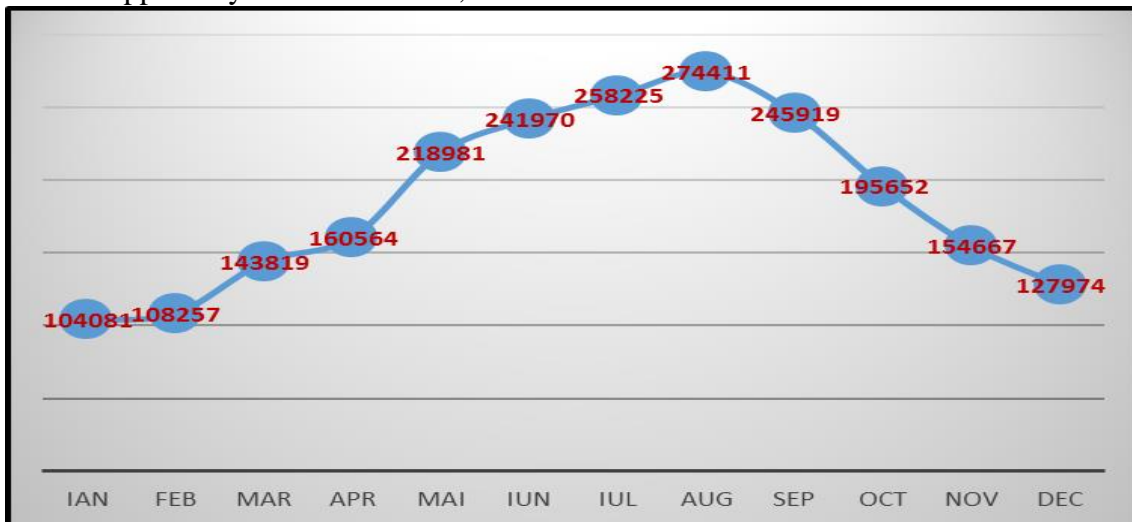
- The country of residence;
- The reason for the trip

In 1983, OMT adopted a clear differentiation between excursionists and international tourists: **the international tourist** is deemed to be a temporary visitor staying for at least 24 hours in a foreign country and whose reasons for travelling may be: leisure, business, a mission, his family, while **international excursionists** are deemed to be cruise passengers, same-day visitors, or same-day crews. Thus, **international (outbound) tourism** comprises the activities of resident visitors outside the country of reference, in order to meet reasons and consumptions specifically covered by production activities generating incomes in the destination country [4].

**MATERIALS AND METHODS**

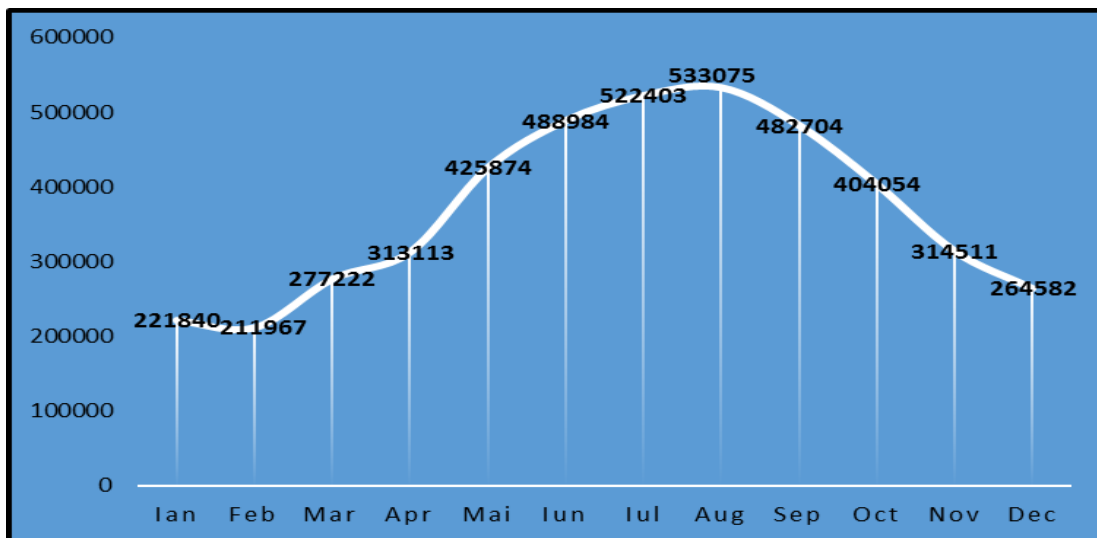
The main indicators for the quantification of the tourist traffic comprise and render, synthetically, mathematically, information on various aspects of the tourism activity, which is information is useful for measuring the phenomenon and its effects, for anticipating its evolutionary trends ad for substantiating the tourism development policy [5].

The exercise of international tourism depends on the number of tourist reception structures and the number of places representing the existing accommodation capacity. We will analyse below in charts **foreign tourist arrivals in the main tourist reception structures with tourist accommodation and overnight stay functions cu**. According to the data supplied by INSSE for 2015, the situation is as follows in terms of evolution:



Source: National Institute of Statistics

**Figure 1. Foreign tourist arrivals in the main tourist reception structures with tourist accommodation functions**

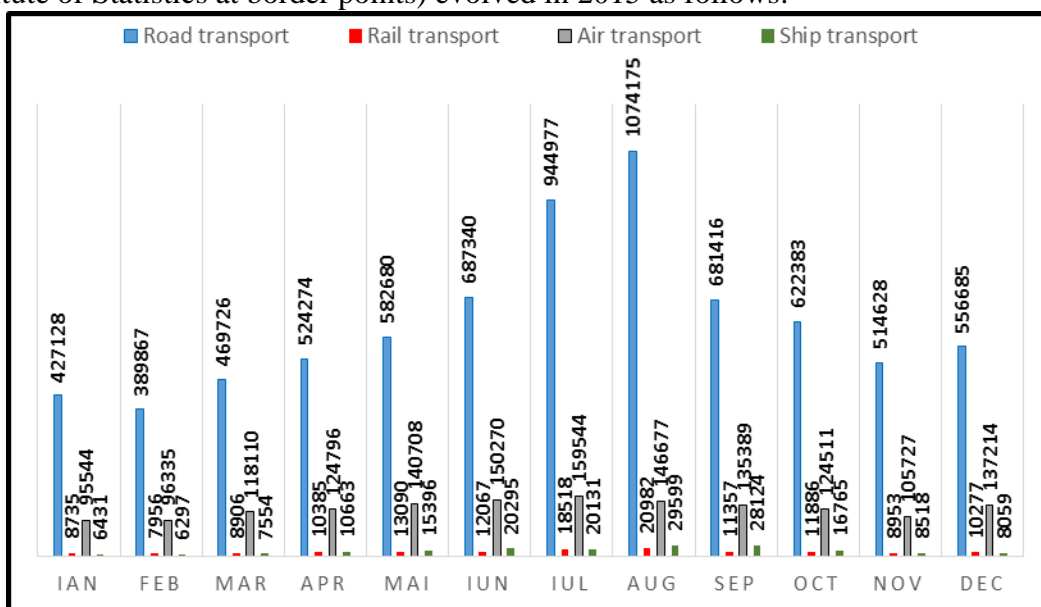


Source: National Institute of Statistics

**Figure 2. Foreign tourist overnight stays in the main tourist reception structures with tourist accommodation functions**

Both inbound tourism and outbound tourism take place by various means of transport. These means are grouped according to the scientific research as follows: road transport, rail transport, air transport, ship transport.

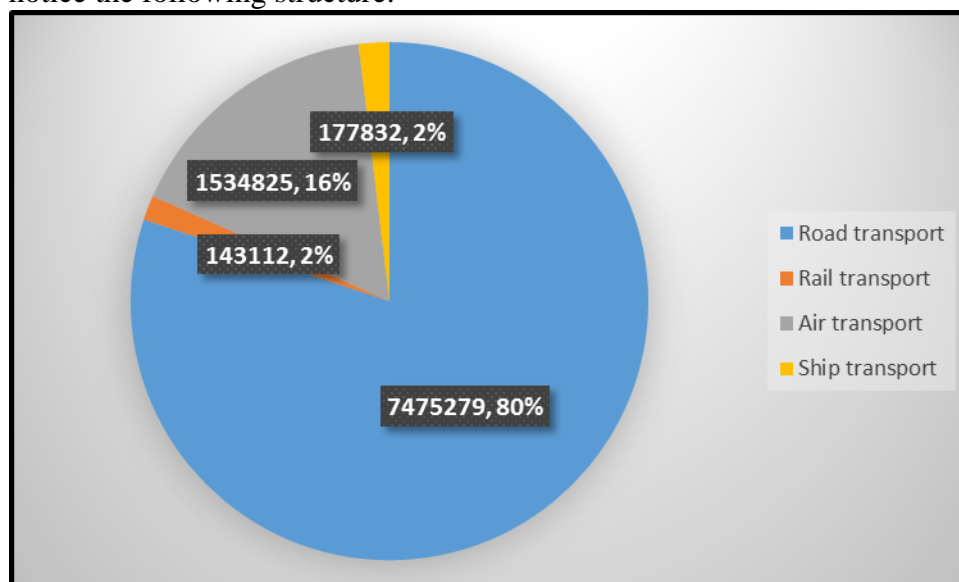
Foreign visitors' arrivals in Romania (according to the data issued by the National Institute of Statistics at border points) evolved in 2015 as follows:



Source: National Institute of Statistics

**Figure 3. Foreign visitors' arrivals in Romania (transport means)**

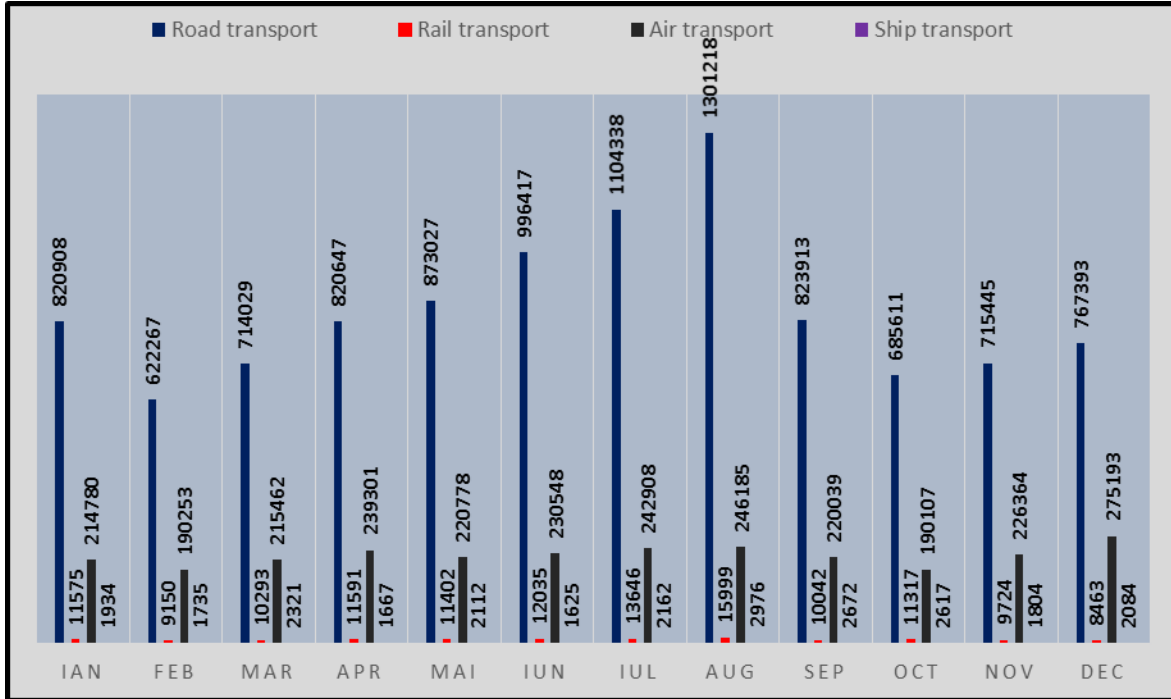
Analyzing foreign visitors' arrivals in Romania in terms of means of transport used we will notice the following structure:



Source: National Institute of Statistics

**Figure 4. Foreign visitors' arrivals in Romania (transport means – structure)**

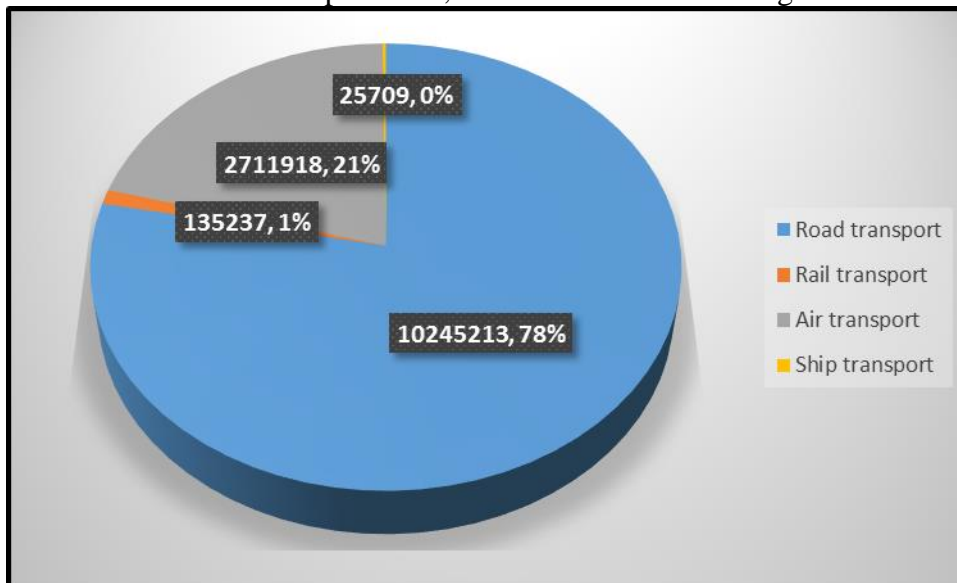
On the other hand there are Romanian visitors' departures abroad. We will present them below according to the means of transport used. The data used are issued by the National Institute of Statistics and refer to information received at border points in 2015 as follows:



Source: National Institute of Statistics

**Figure 5. Romanian visitors' departures abroad (means of transport)**

By subsequently analysing Romanian visitors' departures abroad from the perspective of the means of transport used, we will find the following structure:



Source: National Institute of Statistics

**Figure 6. Romanian visitors' departures abroad (means of transport – structure)**

As we can see from the data supplied, both in the case of foreign visitors' arrivals in Romania as well as in the case of Romanian visitors' departures abroad, in relation to the means of transport used, road transport has the largest share followed by air transport.

## RESULTS AND DISCUSSIONS

The provision of international tourism services implies highlighting a set of operations determining the efficiency of the business carried out by the tourism unit in question. All operations are reflected in the specific accounting documentation, and the

services provided are settled by using payment instruments known in the financial and accounting practice.

Each travel agent is entrusted a tourism action, for which he/she receives a mandate for the expenses required to carry out the activity. In the international tourism **charts on the excursions abroad, travel passports and the expenses deduction sheet for the excursion are used**. For the preparation of the tourism actions for excursions it is necessary to prepare the excursion schedule, to set prices, to launch orders to service providers, to sell excursions, to prepare the travel file and to assign the guide accompanying the group of tourists. *The excursion schedule* is prepared by the travel agent based on the plan of tourism actions and includes: the excursion period, itinerary, price, etc.

*The price of the excursion* is set by the travel agent of the organizing unit and includes expenses generated by the respective action and the earning due to the tourism unit. The travel agent issues the **excursion ticket** to the tourists, which allows for collection the equivalent value of the tourism action from the tourists. Based on the excursion tickets, the *“List of receipts and refunds”* is prepared for each excursion. The prepared lists are summarised in *“The summary of the receipts and refunds for domestic excursions”*. *The travel file of the excursion* includes the documentation received by the guide from the travel agent and which he/she files in at the end of the travel action and gives to the agency together with *expenses deduction sheet of the voyage* and the *guide’s report* [3].

The travel agent checks the *“expenses deduction sheet”* and ascertains the differences between the effective expenses and the pre-calculated ones, settling them as follows [1]:

- Overruns due to objective causes are borne by the organizing travel unit;
- Overruns due to subjective causes are borne by the person who ordered or settled services at a higher value;
- Savings representing services not provided are returned to tourists;
- Savings made for services provided increase the profit margin of the organizing travel unit.

The current recording of the specific representative operations concerning the outbound tourism activity is performed as follows:

- **The travel agency sells travel service packages based on a contract concluded with accommodation units abroad, in which the agency is a broker.**
- Issuing the invoice to the client:
  - 4111 “Clients” = %*
  - 401 “Suppliers”*
  - 704 “Incomes from services provided”*
  - 4427 “VAT collected”*
- Collecting the equivalent value of the invoice:
  - 5311 “Cash in RON” = 4111 “Clients”*
- Paying the equivalent value of the tickets to the accommodation unit:
  - 401 “Suppliers” = 5121 “Accounts in banks in RON”*

In our case, due to the position of broker, the VAT tax base does not include the amounts paid by the taxable person on behalf and for the account of another person and which is subsequently settled to it, or the amounts collected by a taxable person on behalf and for the account of another person.

- **The agency sells the service packages on its own behalf, for outbound stays. The price also includes the agency fee (including VAT).**
- Recording of the invoice for travel service packages:
  - 4111** “Clients” = %
  - 704** “Incomes from works performed and services provided”
  - 4427** “VAT collected”
- Collecting the equivalent value of the invoice:
  - 5121** “Accounts in banks in RON” = **4111** “Clients”
- Recording the equivalent value of the accommodation and transport services, etc.:
  - % = **401** “Suppliers”
  - 628** “Other expenses related to services provided by third parties”
  - 4426** “Deductible VAT”

In this case, the agency cannot be a broker, and therefore the taxation base will be the profit margin, more specifically, the difference between the total amount paid by the tourist and the costs of the travel agency, and will also include the tax for the delivery of goods and provision of services for the direct benefit of the tourist, if the deliveries of goods and provisions of services are made by other taxable persons.

## CONCLUSIONS

As it can be noticed within this study, tourism is a phenomenon whose presence is increasing on the background of the development of the modern society. The need to spend the spare time, to get cultivated, etc., are only a few of the motivations contributing to the generation and enrichment of the tourism phenomenon.

An increasing number of countries are capitalising the possibilities and perspectives of this activity, turning it into an important resource in the provision of a well-balanced service provision system and of a positive image abroad.

The improvement of the outbound tourism activity depends on the possibilities of improving the set of services offered in such a way as to meet the client’s demand as much as possible.

Under such circumstances, the place and role of accounting is highlighted. Its adaptation to the requirements of the new systems in the society generates the possibility to ensure the efficiency at the level of the branch specialising in tourism and also at the level of the national economy as a whole.

## REFERENCES

1. **DUMITRANA M., JALBĂ L., DUȚĂ O.**, 2008, Contabilitate în comerț și turism (*Accounting in Commerce and Tourism*), University Publishing House, Bucharest;
2. **DUMITRU M.**, 2015, Accounting organization in the domestic tourism activity, *Lucrări științifice. Management agricol (Scientific Papers, Agricultural Management)*, Series I, Vol XVII (3), Agroprint Publishing House, Timișoara;
3. **GLĂVAN V., NICULA V., COPETCHI M.**, 2011, Agenția de turism (*The Travel Agency*), ProUniversitaria Publishing House, Bucharest;
4. **JUGĂNARU I. D.**, 2010, Turism internațional (*Outbound Tourism*) – course notes, Ovidius University, Constanța
5. **MINCIU R.**, 2005, Economia Turismului (*Economy of Tourism*), 3<sup>rd</sup> Edition reviewed and supplemented, Uranus Publishing House, Bucharest
6. \*\*\* - **www.insse.ro.**