ABSTRACT
An important feature of recent development in Europe and worldwide is a condition - the economy is more advanced in a country the greater is range of logistics performance. With the growth of the economy grows the share of logistics costs and declining share of the cost of processing. Trends of relative growth logistics costs may not yield an absolute increase in business spending on logistics. One means of achieving efficiency gains, cost management is focused on the benefits and their relationship to the actions, activities and processes. The concept that in this respect offers a method of Activity-Based Costing perceived as management techniques for costing. ABC method as fundamentally different view of the behaviour of costs in the business can look for reasons of cost and thereby influence their levels to make better use of resources.

KEYWORDS: Activity based costing, logistics costs, business logistics, cost management

INTRODUCTION
Information is a prerequisite for any business management. Without information management company becomes helpless and unable to do anything. An important point in this regard, so shall managerial accounting, which aims to show management what information is needed, how and where this information can be obtained and how they can be useful for the management of the company proper planning, decision making and control. Information provided by management accounting is often a key factor in the analysis of alternative ways of solving problems.

Management practices and techniques in the world are still developing and changing. Especially in recent years, these methods have changed considerably quality. Organizations are transforming from vertical to horizontal control. Horizontal view mainly focuses on exploring the processes undertaken at various levels of the enterprise. This change in management companies fit new management techniques, equipment and procedures for measuring performance, control costs and improve customer service. Among the techniques and resources mainly include:

- **ABC (Activity Based Costing)**,
- **ABM (Activity Based Management)**,
- **Benchmarking**,
- **Process improvement**,
- **Process reengineering**,
- **TQM (Total Quality Management)**,
- **BSC (Balanced Scorecard)**,
- **Six Sigma**.
1. ABC METHOD IN BUSINESS LOGISTICS

In recent decades, the conditions in the world of business have changed considerably, due to globalisation and the resulting elimination of barriers among different national economies. This has been prompted by significant technological changes, principally in transport, communications, and electronic data handling. Today, companies face more and more intense competition which forces them to adapt to the specific demands of their customers primarily by product diversification and differentiation, flexible delivery dates, and a wide range of distribution channels – as well as by providing special customer services. Due to this development, the need for efficient and effective material flows and their costs management is increasing. [1]

Logistics is becoming more and more recognized as the critical step in the process of meeting the demands of the customer. Moreover, with regard to the importance of customer service in a company's strategy, companies have a growing need to concentrate on logistics costs. As a result of development trends, the scope of these costs has been on the increase. In addition, the proportion of overhead costs including logistic costs, which are by their nature seen mainly as indirect costs, is also rising.

Transparent reporting of logistics costs and the related accounting of their cost drivers present a significant factor for the successful management of material flows and the related logistics activities in production companies. [2]

Logistics systems in many organizations, generally speaking, used the traditional method of cost. This method considers the basic concepts of costs, such as total cost, variable cost, fixed cost, and the corresponding unit costs (average cost, unit variable cost and fixed cost per unit). It also takes into account the marginal costs and other cost items such as sunk costs, direct costs, indirect costs and mixed costs. This traditional costing, generally speaking, is governed by the norms and standards of cost accounting.

Despite the utility of this traditional system, some analysts have found that this method of costing has some inconsistencies that could lead to wrong decisions. The traditional costing determines the direct costs (labour and raw materials), as the quantities used and unit costs of each of these elements. Indirect costs are allocated primarily by the volume of units produced. The latter has been found inconvenient. [4]

Therefore, it has been proposed for several years a new system called “Costing ABC – Activity Based Costing”. This is a management system, and it is based on the allocation of indirect costs to activities related to the units produced. Direct costs are calculated in the same way, since there is no difficulty for their calculation. The ABC Costing includes these elements: Resources needed, such as direct labour, machinery, equipment and energy, among others; the Activities such as production management, operation of machinery and the recruitment of the machinery; and Products (product 1, product 2 and so on).

An important advantage of ABC Costing is that let determine the unnecessary activities, which can be eliminated without affecting the structure of the enterprise, leading to a rationalization of costs. Another significant advantage is that the allocation of indirect costs is more suited to the different units produced, which facilitates cost analysis and decision making.

ABC method can be considered as one of the most modern methods of costing. It is the result of research that was carried out America's top economists in the 80s of the last century. Later, this method implements the world's most successful companies as well as smaller dynamically developing companies. The message ABC method is the fact that for the reasons of cost as the activity and not individual procedures. Addressing the ABC costing method therefore requires knowledge and information on the substance during specific activities, procedures and processes within the company. Concise characterization methods expressed ABC Figure 1 shows the building blocks that ABC method, a combination of terms of cost allocation and process perspective. [6]
View of assignment the costs (ABC)

Process view (ABM)

- Resources
- Assignment of resources costs
- Resource Drivers
- Performance Measurement
- Activities
- Assignment of activities costs
- Activity Cost Drivers
- Cost objects

Why things cost so much

- Process Drivers
- Activities
- Cost objects

Making better decisions

- Costs reducing
- Processes reengineering
- Quality costs
- Continously improving
- Wasting elimination
- Benchmarking

Figure 1 Basic element of ABC method, combination of views of assignment the costs and the proces view (CAM – I model) [6]
2. THE TRADITIONAL COSTING APPROACH AND ABC METHOD CALCULATION

The allocation of costs to products on the basis of the arbitration is lost link between performances and their differing degrees of intensity of resource consumption and business activities. This approach is actually a classic, traditional approach to the calculation. The traditional approach to cost allocation to performances, we can see that the cost information are divided according to the units and performances, in the ABC method according to activities. Indirect costs of performance are actually in direct relation to the process of undergoing a horizontal range of professions. Processes necessary to create specific performance cause the higher costs, which are more complex and numerous. As in traditional tracking costs will strive to establish the relationship between production and consumption of resources by the ABC method are interested in the causal link between the processes and the consumption of resources. Processes produce different costs and individual performances consume these processes. [4]

**Traditional Cost Approach**

[Diagram showing the traditional cost approach]

**ABC Method**

[Diagram showing the ABC method approach]

**Figure 2  Comparison of traditional calculation procedure and calculation method ABC [4]**

Addressing the ABC costing method requires knowledge and understanding of the course material for specific actions, procedures and processes within the company. ABC method is based on the fact that the implementation of the activities consumes resources that give rise to the provision of cost and performance requires the implementation of activities in a changing range. Classification activities between costs and performance demonstrate the resources (materials, labour, etc.). Really consumed by ABC methods aim is to clearly identify and measure the relationship between resources and activities and the cost objects (products, customers, distribution channels, regions and so on.). [5]

3. BENEFITS AND DISADVANTAGES OF THE ABC METHOD IMPLEMENTATION

ABC method, as a relatively new method, is discussed and comparisons knowledge of the application. Opinions on this method are very different. Uncritical and universal adoption of this method means to improve the functioning of the company, to its rejection. In any case, however, should help to answer these important business management issues:
• What are the real costs of the product or activity?
• What business activities do not add value to the product?
• What are the costs generated by these activities?
• Where can a company reduce costs?
• Which products do not profit business?
• How much the company would save by stopping the production of unprofitable products?
• What impact would reduce the selling price to the overall profit of the company?
• How can the product be changed to reduce the cost of production while the remaining value for its customers preserved? [2]

The level and quality of the answers to the questions will eventually be affected by the main benefits and drawbacks ABC method.

The main benefits of ABC method
• ABC method considers the cause of action costs, and not producing, consuming production activities.
• More realistic allocation of overhead costs to calculate unit in enterprises using advanced manufacturing technology due to the high proportion of total overhead costs.
• A larger proportion of overhead costs can be directly attributed to the performance.
• Improvement of the method for assigning costs to perform.
• More precise and more reliable absorption costing.
• ABC method draws attention to the real nature of the costs, help reduce costs.
• expresses the complexity and diversity of modern manufacturing using a variety of cost drivers.
• A study of a long-term indication of variable costs gives a basis for improving the relevant strategic decisions.
• It is flexible, because in addition to the cost of performance and costs attributed to processes, customers, management responsibility and the like.
• Allows you to obtain accurate information about the cost of sub-company activities.
• Increased attention to management of auxiliary and service activities in the company.
• An analysis of the links between business services through activities.
• Observance of cost causation.
• A transparent cost structure: a true picture of the cost and profitability of products, customers and distribution channels.
• For more detailed information for managers in decision making and planning, operations and management of capability instead of resources.
• Transparent structure of the cost price of products in terms of being able to monitor such costs contribute to individual sub-processes in which the product passes to the total cost.
• Detailed breakdown of overhead - unlike traditional rate mode (supply, production, sales, right), sometimes reaching as high as hundreds percent, by using the ABC method can be implemented much more detailed dividing of the overhead. That they know objectively assign only those products to which they belong. Thus, more objective and easier to schedule overhead, resulting in a more accurate calculation.
• High efficiency in businesses with complex processes and producing a variety of products with a high degree of semi-finished goods and work in progress, with a variable volume of production in companies with spare capacity and so on.
• Create the potential for optimization activities – reengineering. [6,7]

The main disadvantages of ABC method
• ABC method establishes a number of cost funds and carriers with cost drivers multiplied the cost data, necessitating a large number of input and output data unduly burdensome administrative apparatus.
CONCLUSION

Costing under sub-activities include not only the modern methods of allocating costs, but is also looking for new business. From this perspective sees business as interconnection activities that are essential to ensure the firm's survival and its functions - to serve customers.

ABC method is an approach to management accounting, which provides businesses distinct advantages. It opens up new possibilities for management, increase its efficiency, a framework for competitive advantage in the market and increase profitability. Provides management with accurate information on long-term strategic decisions about products manufactured and used resources.

ABC method enables to understand the impact of various proposals on the price of products and provide the opportunity at the time of product development targeted to influence the price. It reveals the causes of costs, opening up a wider scope for cost management. It focuses on the understanding of business, accurate tracking of activities and their relationship to costs. Unlike traditional valuation systems to keep track of costs until after they broke, ABC method gives to the management to manage and control costs before they occur.

LITERATURE