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Credit cooperation as a priority area of financial support of agricultural enterprises activity

The strategic goal of Ukraine development is to build a strong and modern European democratic country with a strong economy to ensure a decent life for every citizen.

Currently in Ukraine, processes of overcoming structural imbalances of transition period, technological modernization, improvement of fixed assets, forming an effective economic base were put on the brake.

Therefore, it is logical that the financial support of agricultural enterprises was and still is the main theme of Agrarian Policy of Ukraine. Many scholars and practitioners of the country colligate the success of the enterprises and the opportunity to achieve their sustainable development with the determination of optimum amount of financing.

The agricultural sector is an important part of the economy of Ukraine, from the functional state of which directly depend food security and independence of the state, the development of internal and external markets, and therefore – the standard of living.

Available technical equipment of the majority of agricultural production at the beginning of 2014 has a large number of outdated agricultural machinery and industrial equipment.

To ensure standardized indices of machinery and production equipment renewal, according to the technological requirements, the annual renewal volume shall be not less than 7 – 10%. But, despite the positive trends of purchasing prices of agricultural products, with the proceeds annually can be updated only 4-6% of the available technical potential.

The reason for this phenomenon is the disparity in prices for agricultural products and technical equipment (tractors, combines and other agricultural machinery, industrial equipment) which for a long time made it impossible to upgrade tractor fleet and other technical equipment of producers of Cherkasy region.

Every year the number of vehicles and technical equipment in farms of the region decreases because of objective and subjective reasons. As an example, over the past 10 years the number of tractors decreased by 5312 units or 58%, combine harvesters - 960 (62%), forage harvesters - 580 (2 times), potato harvesters - 138 units or in 4 times .

However, the rate of acquisition of new equipment is significantly lower than disposal rates. According to the above-mentioned period was purchased only 1480 tractors, or 20% of the available today, which is 5 times less than the standard, 357 combine harvesters (27%) - 4 times less, 98 forage harvesters (21%) - 5 times less, 12 potato harvesters (8%) - 12 times less than the norm.

This is due to the fact that the financial situation of agriculture enterprises, without further measures of the state, doesn't allow to carry out expanded reproduction of production and providing their own needs in agricultural engineering. Therefore, the need in finding effective ways of financial support of

sustainable development is topical and is now recognized by most scholars and practitioners.

Systemic multivariate approach that enables determination, evaluation and analysis of the various directions of development and optimal models of financial support of agricultural enterprises, based on the characteristics of their functioning are important in conditions of market economy. And limited financial resources encourage to address the issue of strategic ways of development, which is the main purpose of forming the financial mechanism.

Accumulated international and domestic (prerevolutionary and during NEP) experience (Germany, Canada, USA) and the experience of countries with transitional economy (Poland, Romania, Lithuania, Bulgaria) argue that the problem of affordable lending of agricultural enterprises can be successfully solved by means of credit cooperation, including credit unions.

The main advantages of credit unions compared to banks are provision of credit to agricultural enterprises which do not have access to bank loans due to lack of floating charge, accumulated credit history, verification of the effectiveness of operation activity, the complexity of preparing large number of documents required for obtaining a bank loan, duration of the decision about the bank loan, high bank interest on loans, etc.

According to the National Association of Credit Unions of Ukraine (NACUU), currently in Ukraine there are 782 credit unions, which acquired the status of financial institutions and listed in the State Register of Financial Institutions.

The priority directions of the improvement of further development of credit cooperation are: empowering of credit unions according to the lending of agricultural enterprises due to their needs, as well as mortgage lending; revitalization of credit unions in the direction of supporting farms to ensure implementation of national and regional programs of social and economic development of the appropriate territories; determination of the place and role of combined credit unions and cooperative banks in the system of credit cooperation and making appropriate changes to legislation governing their activity.

EFFECTIVE FUNCTIONING OF THE VAT IN UKRAINE

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Formulation of the problem. Today again an ongoing debate as to whether it is advisable to preserve the value added tax (VAT) or replace it with another indirect tax. In particular, critics note the significant abuse of VAT and VAT evasion as well as problems with the administration of the tax.

Given the central role of VAT in the formation of state budget and intention to integration with the EU, where one of the essential prerequisites for membership is the availability of VAT in the tax system, the most appropriate approach, we believe, will improve administration VAT.

Analysis of recent research and publications. According V.Horyna, despite the significant increase in the mobilization of VAT to the budget and increase the share of these revenues in the structure of state level fiscal efficiency of the tax remains insufficient. The reasons for this is the existence of unsolved problems existing mechanism for VAT, which leads to increased its regressive and loss of a significant amount of budget revenues.

Therefore, the priorities of modern fiscal policy in the field of administration of VAT are: making optimal mechanism of return of VAT credit, the elimination of unlawful compensation schemes; clearly define the principles and eligibility criteria, the transition to differential rates of VAT to strengthen its regulatory value and increase fiscal efficiency [1].

The aim - to analyze the effectiveness of the functioning of the VAT in Ukraine, identify gaps and outline ways of improving VAT administration.

The main material. Fiscal efficiency - is the ability to provide tax filling budgets of different levels, and the specific characteristics of its measurement - is the absolute volume and share of income tax revenues and GDP, the level of effective tax rates, productivity, etc. [1].

During 2008 - 2012 p. Absolute amounts of VAT revenue to the budget tended to increase. In 2013 there was a slight decline in revenues from this tax and its share of the income of the state budget and GDP (Table. 1).

Calculated in Table. 2 ratios indicate that despite the increase in absolute amounts of VAT revenue and increase its share in the revenue budget for 2008 - 2012, fiscal tax efficiency remained low. The effective tax rate, calculated as the ratio of revenues from value-added tax to the final consumption expenditure of households was significantly lower than baseline. Factor productivity VAT is calculated as the ratio of effective and basic rates of VAT and shows an annual loss of state from 20 to 60% of their revenues from value added tax.

The magnitude of the coefficient of performance of the VAT affect tax exemptions, exemption, tax evasion, etc.. The smaller the coefficient of performance, the worse the tax system. The ideal value-added tax is considered a coefficient of performance which is 100%, but this situation is possible only provided that the tax base includes all goods and services for final consumption of all goods and services tax base of a single rate of tax and no benefits [2, p. 26].

Low budget is also an indicator of the efficiency of VAT, which reflects the value of VAT revenue as a percentage of GDP to 1% of the standard rate. The higher the score, the better the system works price in the country. This figure in Ukraine for the past sixteen years ranges from 0.24 - 0.50.

The reasons for the lack of fiscal efficiency VAT rooted in shortcomings and unresolved problems of the current mechanism of its administration.

Law of Ukraine "On Amendments to the Tax Code of Ukraine and other legislative acts of Ukraine" from 31.07.2014 №1621-VII amending current procedures VAT and radically changes the drafting of tax bills and their registration in the Unified Register of tax bills, and declaring VAT [3].

This law contains both positive aspects and disadvantages.

By positives include:

- Increase to 1 million. UAH. of 01.01.2015 p. limit the scope of the operations of the supply of goods / services subject to VAT, the last 12 calendar months for compulsory VAT registration;

- Establish minimum base VAT treatment of supplies of goods / services - not less than the purchase price of such goods / services;
- Eligibility for the tax credit on the date of receipt by the taxpayer of goods / services, not the rule of the first event;
- Carrying out automatic VAT reimbursement taxpayers who meet the criteria for automatic compensation.

The main drawback of this mechanism is the complexity and burden of it to taxpayers.

Conclusions and recommendations for further research. Further improvement of the mechanism of VAT, in our opinion, should be solved by reducing the VAT rate reduction of exemptions from this tax, simplifying the administration of the tax system by improving the electronic administration of VAT.

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Mechanism of gaining credits in agricultural enterprises activity

In the system of market economy, current activity of agricultural enterprises is impossible without periodic involvement of various types of loans in various forms connected with the need for continuously playback process with the temporary release of funds in one enterprises and the emergence of the need in them in others.

In the period of interseasonal deadtime and seasonal reduction of production volumes, costs currently are not covered by the proceeds from sales, then banks provide expense storage of future periods of farms with loans to cover seasonal expenses.

To determine the object of financing, conducting planning is advisable. After the conducting credit resources requirement calculations of enterprise, the period of their involvement is determined. A characteristic feature of enterprises lending is the loaning on an individual basis, in other words credit is given for a specified period. Also loans within a predetermined credit limit, from the bank to the borrower, are given for a certain period of time to cover his needs in the short-term costs. This method of lending is called a credit line. When the borrower opens a credit line, the bank undertakes a commitment during lending. Interest rate in this credit line can not be determined in advance. Such obligations are subjected to a extrasystemic accounting. Obligated credit line usually takes the form of a loan agreement under which the bank undertakes in writing to credit the client at his request in accordance with the terms and conditions. The bank can refuse to lending only in cases when it finds real deterioration of the financial condition of the borrower or a breach of the loan agreement. After the opening of this credit line, bank earns commission or from amount of the obligation, or from its part, which isn't used by the borrower.

At present, commercial banks mostly used a method of an individual approach to the client during the issuance of each loan and opening credit line method is practiced in the relationships with borrowers who have a solid reputation. Term

loan is the most common tool used by the bank for financing of agricultural enterprises. In enterprises activity often arise situations where through cash gaps turnover is stopped and blocked the company activity.

In domestic literature you can often find a description of the credit by current account. It is defined as a single account, which accounted all operations of the bank with a specific client, namely receipt and amortization of client's own funds and the issuance and repayment of credit. It should be noted that this outlined mechanism of lending is identical to the overdraft. Studies show that overdraft used the companies involved in the production, processing, wholesale and retail trade of fertilizers, seeds, namely goods which are in constant demand of enterprises. Account crediting through overdraft is carried out in accordance with the emergence of the current needs on request, on turnover. Undoubtedly, there are similarities between the overdraft and credit line. Common in these mechanisms of crediting is that they establish the term of credit use, credit limit, interest rates on loans and fees for opening a limit. However, by a credit line usually the schedule of credit receipt is made, and its infringement relies liability on the client. Overdraft is a "first aid" to his client and bank, and respectively to predict in advance when it will be needed is impossible. Summing up, we believe that the overdraft is the most flexible lending method, although in the domestic practice, providing of unsecured loans is unpopular. In the case of financing of the current activity of agricultural enterprises, commercial banks of Ukraine usually prefer term loan and non-revolving line of credit.

It was found out that the vast majority of domestic agricultural enterprises use term loans up to one year. They are the most profitable for banks because the loan term is 12 months and provide one production cycle (farm can not make more than one credit turnover) and at the same time they minimize the risk of loan default. In addition, during term lending the entire amount of the loan is transferred to a current account of agricultural enterprise by one tranche, a loan repayment is carried out every month in equal parts. However, from the standpoint of

agricultural enterprise, term loan is disadvantageous because it increases the expenditures of an enterprise concerning the loan servicing.

As a result of comparing the main characteristics and types of credit we should admit the advantage of revolving credit line by all the aforementioned features: longer credit period, favorable interest rates, flexibility of usage, low financial costs concerning the servicing, minimal efforts on the arrangement and the optimal schedule for credit repayment.

The fact that credit servicing is a system of measures aimed at meeting the needs of agricultural enterprises in credit resources for a certain period of time was investigated.

The priority directions of development of this system we consider building of credit institutions and credit infrastructure, development of credit cooperation, the use of new, innovative for agricultural enterprises types of credit, bank service improvement, restoration and improvement of public support of agricultural enterprises lending.

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Entities in Ukraine are established and operate under market conditions, focusing on meeting the demand for certain products and services. This economic activity is based on general principles of commercial calculation, the basis of which is self-financing, self-governance, the rule of law, economic responsibility and entrepreneurship. However, it is in the mode of competition - competition for success. This makes it necessary to carry out business activities on the basis of evidence-based planning. Ignoring this condition also leads to an underestimation of current market factors and, as international experience shows, a sharp reduction in profitability and even losses, and ultimately to the collapse of the financial company, or individual commercial projects.

In the planned economy system was gained valuable experience positive: making long-term plans, the use of advanced planning methods, including economic and mathematical methods and models, development of regulatory planning and more. Planning begins with the definition of sales plan sales, rather than from the production program. The decisive factor is the issue of pricing, identify sources of funding to ensure the minimization of cost of capital. In general, the process of planning out the following objectives: financial, cost, social.

Tangible goals define the scope of the company's product, its production specialization is natural and value terms. This planning system is embodied in a food program.

Cost targets - expected financial results (profit, profitability, revenues, expenses, turnover figures and the capital structure, etc.) to achieve a lasting and functional activity of maximizing the price of the company in the current period and in the long run.

Social objectives - benefits for employees. They are expressed in monetary terms (income level co-workers help retirees enterprises, etc.), and not in cash (state

conditions, content of work, use of leisure time, environmental protection, implementation of various social programs, increase qualification of personnel, etc.).

All these objectives form an integrated enterprise planning system in which they are closely intertwined as separate subsystem-oriented developments in current and long-term. Implementation of financial problems leading advocates and defining element of the entire integrated system planning. The above leads to the selection of an independent financial planning - a key subsystem integrated development planning company. His other components (plan sales, production, supply, costs, etc.) shall be subject to and focused on financial results. That is financial planning - not just the final stage of the developed functional plans, and general imperative for businesses, and making the manager to achieve objectives and goals of which are organic integrity. Financial performance Operational planning arising from strategic financial planning sustainable competitiveness and long-term stability. The combination of operational and strategic objectives in financial planning is characterized by a specific level of vyznachalnosti: the smaller the planning period, the more complete and deployed are indicators of financial performance. Communication with the external economic environment and feedback provided by circulating information flows necessary for formation in the middle of managerial influence.

Thus, identification of strategic and operational financial planning predetermined duration is the time factor, but primarily targets content and the overall goal of the company.

An important aspect of financial management of the enterprise is the difference planning and budgeting, which is rarely seen as synonyms. However, in the English economic literature there is a clear separation between the plan and the budget. Pattern is defined broadly and includes a series of activities designed to achieve certain goals. A budget refers to a narrowed, as a technical tool to quantify the action plan, usually in terms of value.

Financial Planning how to control content now includes six sequential phases: formulation of problems; evaluation of performance of alternative solutions to problems; decision-making; implementation of the plan; control.

The first four phases of the financial planning process are heuristic - volitional expression training solutions, and the next two - the implementation of the will (the decision). In accordance with this process farm planning is a set of sequential actions to installing performance of the company and its business units, which, when accompanied by financial and economic potential will lead to the goal. That is the driving factor in the financial planning is to ensure the effective functioning on the basis of coordination of departments and divisions to resolve certain complex tasks; choice alternatives that ensure success in the available resources; modeling vital processes of the enterprise in terms of the variability of the external economic environment; identify risks and ways to reduce their display to a safe level.

One of the most effective forms of coordination plans of interconnected structural units are budgeting. In the system of financial management enterprise budgeting method acting, business management orientation in monetary terms. Coordination function budgeting system financial planning based on achieving value objectives and plans of content as balanced budgets of individual business units with the general plan of the company; local coordination purposes at the time, the horizontal and vertical systems; ensure the conditions of the system to monitor the implementation of the components of the overall plan and their timely adjustment.

That is within the budgeting financial and economic information is accumulated and analyzed by the company as a whole and for centers of responsibility - structural units engaged in operations that may directly affect revenue - cost of them compared with the results achieved within the specified limits. This ensures the subordination of the individual business units total monetary goals. Coordinating influence budgeting in financial planning is ordering interactions in time and space for resources and performers planning, monitoring and regulation of target control parameters based enterprise synchronization comprehensive effort.

Features of the development of agricultural production based on the stepping up of investment activity

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For the effective development of rural economy of Ukraine it is vital to create an active financial market in the country and a complex system of its connection to international financial flows, as well as to increase the level of investment support for agricultural production. The structure and the amount of investment at the level of each business unit are the main factors determining the investment development of the country. The article analyses the characteristics of agricultural production on the basis of increased investment activity and identifies the main sources of investment resources.

Theoretical provisions of the peculiarities and the methodical and practical recommendations for improving the management of the investment process and determine its impact on the economic development of the agricultural sector in the region.

Developed and justified mechanism to assess the impact of agricultural investment policy of the country for the development of the investment process in the region, based on a comprehensive assessment of factors affecting the efficiency of the investment process in the agricultural sector of the region, estimates the aggregate risk investment in regional AIP and evaluation of economic responsibility for social investors and economic outcomes of investment projects in the region.

Ensuring the development of agricultural production based on boosting investment activity has significant differences from other sectors of the economic complex. In most industrial sectors of national economy complex problem of investment activity has two directions of manifestation: the enlarged reproduction of

functioning capital (increase of the mass of the core and the circulating means of production) and improve qualitative parameters tools.

The choice and adjustment of the desired quality characteristics of the means of production are managed. In the same sector in addition to these two directions of investment-innovative activity is preceded by the most important and specific direction to the industry associated with the fact that the main mean of production here is land, biological means of production and a factor that is beyond human control is natural-climatic conditions. Land resource (as capital) is limited, it may not increase arbitrarily. This leads to the specific features of the target or the intensification of agricultural production

Investment intensification in agriculture – the process is more complicated than in other industries and less dependent on the entity. The default development of agricultural production on the basis of the investment model, as already suggested above requires a radical update of technical equipment produced by the industry, that is, tasks that far transcends a particular entity.

Given the substantial loss of production capacity that occurred in the preceding period of economic depression, this task is to implement large-scale measures to replenish the lost and worn equipment manufacturing industry, in conjunction with their modernization and optimization of the structure of the composition by the criterion level of performance and compliance with the modern advanced technologies of production.

Key words: Investment, agricultural production, agricultural sector, economy, agroindustrial complex (AIC)

DIRECTIONS OF STRENGTHENING ECONOMIC SECURITY FUNCTIONING OF AGRICULTURAL ENTERPRISES

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The economic system of Ukraine requires drastic transformations aimed at improving its efficiency. Of particular note in modern conditions require it farms, which, through specific activities are most vulnerable. The negative experience of the global economic crisis showed low level of economic security of agricultural enterprises, which resulted in efficiency of the whole agriculture of Ukraine. Therefore the question of the formation of dominant strengthening the economic security of agricultural enterprises is relevant.

The development of market economy mechanism farms caused the need to find innovative methods, tools and trends to ensure the economic security of the enterprise. Features of agricultural production and the specifics of doing business in Ukraine formed a list of factors that have a significant impact on the economic security of agricultural enterprises in structure occurrence advisable divided into exogenous and endogenous.

The main direction of strengthening the economic security necessary to distinguish ensure an adequate level of funding its industrial and economic activity by improving the company's reputation, optimizing the structure and variety and alternative sources of funding through the agricultural receipts, leasing, venture capital investment, access to IPO and more.

In the context of ensuring economic security requires attention as technical and technological equipment production. The use of modern high-performance engineering and technology oriented towards rational use of resources, ensures the optimization of production, improve product quality, reduce cost and improve the economic security of farmers.

A key challenge in the areas of economic security farms is to provide a high level of competitiveness by enhancing its innovation vector development, quality of government support of the agricultural sector, the adaptation of production in line with European standards.

Note that international economic integration is essential to the economic security of agricultural enterprises, which is to influence the world organizations, through technical and technological, organizational and economic factors on the financial and economic system of the country, which creates conditions for the agricultural sector, aimed at ensuring high level of economic security farms.

Among the organizational factors distinguish the level of administrative, communication, functional structure and information technology. The economic factors it is advisable to include state financial resources, financial stability, production capacity, working capital. Among the technical and technological factors of international integration should be called technical and technological level of production, the level of innovation of production, the size of the subject of integration, the structure of production and organizational level of production.

We consider that to ensure a high level of economic security of agricultural enterprises in the country, the process of international integration should occur in compliance with the key principles, such as legality, adaptability, protection, ensuring a high level of competitiveness of production, innovative direction of development which can realize strategic opportunities farms: favorable climatic conditions and favorable geographic location, high scientific and industrial potential.

Establishment of a mechanism of influence of international economic integration on economic security of agricultural enterprises Ukraine will minimize and neutralize threats, and implement international integration prospects. We believe that the key threats to the economic security of agricultural enterprises in the process of international integration are: high quality standards and product certification and production; tough competitive conditions; high pressure developed countries to the domestic market and so on. Instead, the important prospects acts: the ability to create an effective national agricultural policies that will preserve national interests and strengthen the country's importance in the world; opportunity to strengthen the market position in the world market; expanding financial opportunities; strengthens the competitiveness of agricultural enterprises.

Thus, the main areas for strengthening the economic security of agricultural

enterprises is to monitor the level of economic security, activation state support, strengthening competitiveness, financial independence and stability, improve the financing of businesses, focus on the innovative development of the industry, taking into account the impact of international economic integration and more.

IMPLEMENTATION OF BUDGETING IN THE ENTERPRISE

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One of the most effective directions of strategic management – budgeting is explored in the article. Certainly essence of process of budgeting, his role and place in a management a modern enterprise, him functions in the system of management and basic component parts which are the program of introduction of budgeting. Recommendations for completing the budget expenditures entity.

Keywords: financial management, planning, budgeting, controlling, operating budget

The role of budgeting in business management as an integrated system that combines a clearly structured set of plans, mechanisms for differentiation purposes, powers and responsibilities of the various levels of management, principles of organizational structure, methods of stimulation, analysis and control, nowadays unduly narrowed. Budgeting is used at best to monitor certain indicators of financial and economic activity. That is, budgeting - is not so much a tool as management techniques, Quality management of financial resources in the enterprise.

The purpose of this paper is to present and summarize the main methodological approaches to budgeting and its components as the basic framework for designing integration of budgeting in management.

Budgeting is a continuous process of development, implementation, monitoring and analysis of operating and main (financial) budget that covers all aspects of the budget and allows you to compare the revenues of the costs incurred in the planning period.

Implementation of budgeting in the company will increase the level of financial management through:

- Improve the accuracy of forecasting the financial condition of the company;
- Appropriateness of the use of all resources of the enterprise, reduce raw material costs, overhead, labor,

- Increasing evidence of the needs of the company through the development plans of revenues and expenses;

- Forming a system of budgets, operating interconnected, increasing enterprise performance.

- Improve the use of funds received from different sources.

To develop and implement enterprise budgeting process should be allocated certain functional units that form the basis of the enterprise, and create centers of responsibility. Budgeting is advisable to only specific areas of responsibility centers. It will coordinate and establish communication between departments, which in turn will provide a more effective enterprise.

In the process of budget planning must take into account a large number of parameters and to establish their relationship. This is because it is always changing one parameter leads to a change in all parameters. Therefore, to develop more accurate budgets Multivariate use different software products that simplify the calculations.

Today the need for budgeting is growing because of the additional features that arise in the implementation of this system: coordination and planning the flow of financial resources; improve controls financial resources in terms of income and expenditure of the structural units and the company as a whole; optimize workflow.

Budgeting system provides optimization of financial resources through the ability to define and prevent critical periods of business entities and their possible removal by means of additional cash flows.

Along with the positive aspects of the introduction of budgeting must consider the shortcomings of the system complexity and significant cost implementation of budgeting; reduce work efficiency due to some psychological stress as a result of the system; the need to review all employees with a system of budgeting.

Despite some flaws budgeting system, its professional implementation will allow the company to receive a positive financial result, to obtain reliable information on the cost of resources and lost opportunities.

In developing budgeting, remember that budgets are certain types of projects that primarily depends on the following main components: availability of qualified project manager, project costs and results of the project.

Conclusions and recommendations for further research. Implementation of budgeting in the company ahunok: improving the accuracy of forecasting the financial condition of the company; increasing evidence about the needs of the company through the development of plans for income and expenditure; formation system budgets, operating interconnected, increasing enterprise performance; coordination of production goals with financial resources during the planning period; distribution of functions and powers under planning.

For a real implementation of the principles of budgeting practices in businesses, especially, should be clearly defined list of content and budget, the basic parameters controlling their execution order of recording such information, techniques and methods of economic analysis of all deviations from normal (target) move production and business processes.

DEVELOPMENT FISCAL DECENTRALIZATION IN UKRAINE

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Ukraine's course towards European integration should involve local governments in overcoming a number of problems in the financial support of local communities.

However, the activities carried out in the light of the ratification of the Association Agreement with the EU will not include estimates for local government development in Ukraine. But it is the local government as a form of public authority closest to citizens primarily feel the transformational impact in the area of budget support local communities.

Due to the development in Ukraine of local finances in the 90s of XX century. Ratification of the European Charter and the formation of local governments, we can say that local government - a form of public power, implemented specific subjects - regional groups and formed by them, has a special object - local issues, and is based on the use of a particular type of public property - municipal (municipal).

State transfers to local governments not only function but also the powers of decision in the name of making mandatory, reserving the right to monitor their implementation. But inconsistency geographically concentrated income and expenditure of public sector not only creates a lot of problems of political and social issues, but also on the order reduces the effect of fiscal decentralization as such. The more pronounced this imbalance, the more formal decentralization gives way to the actual centralization of fiscal relations.

From an economic point of view the most interesting financial division of powers between levels of government, which is reflected in the division of fiscal purposes. Function allocation is expressed by residents of the state in providing public services, and through its government decides proportions division of resources for private and public selects and public goods. Distribution function is to regulate the distribution of national income and wealth. Stabilization function of public finances is determined by their impact on macroeconomic balance.

This division of fiscal functions is reflected in the structure of expenditures of state and local budgets Ukraine.

The state budget larger share compared to occupy local spending on defense, public order, security and judicial power state support industries, financial support areas. In the local budgets higher proportion of spending on social and cultural events. This focus on similar expenditures funded budgets of different levels - depending on which service is provided costs territory. For example, in the case of education, high school receives funds from the local budget, and college that trains for many regions - from the state budget.

One of the key problems in the theory and practice of fiscal federalism is to determine the degree of decentralization in the performance of the various levels of government their tasks. Preferably all functions performed by the state (allocation, distribution, stabilization) should be distributed among levels of government with the possibility of achieving Pareto efficiency. In Ukraine can be seen mixed forms of decentralization.

Fiscal decentralization depends on other reforms at most of the administrative-territorial and political reforms that involve changing the system of government in areas and regions and the redistribution of powers among them. Further fiscal decentralization should occur after changes in the administrative-territorial structure, the public administration, social security, taxation system. No changes in these areas will make gains unstable reform, strengthen the trend towards centralization and complicate the relationship between levels of government.

AGRICULTURAL INSURANCE AS A COMPONENT OF FOOD SECURITY

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Agriculture is a risky business and a large shock can devastate lives. By providing claim payments in the worst years, agricultural insurance could complement mitigation and coping mechanisms by both reducing vulnerability and providing a foundation for production-boosting investments in agricultural that could help to lift hundreds of millions out of poverty.

The issues of food security and development of agricultural insurance are studied in the works of many researchers such as O. Goychuk, O. Gudz, Y. Demyanenko, T. Lozunska, A. Polchanov, P. Sabluk, A. Sholoyko, O. Shpuchak and others. However the role of agricultural insurance in providing the food security of the country in the current economic conditions is not enough investigated.

Research purpose is current state value of crop insurance and formulation of recommendations to improve the food security of the state.

One of the most popular agricultural insurance products is a complex crop insurance, which covers different risks (including drought, flooding and others). Adverse weather events such as drought, excessive rains, storms and hurricanes cause heavy losses to farmers.

Agricultural insurance, including livestock, fisheries and forestry, is especially geared to covering losses from adverse weather and similar events beyond the control of farmers. It is one of the most quoted tools for managing risks associated with farming. Many pilot programmes have been developed over the years, targeting especially small-scale farmers in developing countries, but agricultural insurance remains primarily a business which involves developed country farmers. Only a minor percentage of global premiums is paid in the developing world where insurance is mainly available only to larger and wealthier farmers.

Insurance spreads risk across the farming industry or the economy or, in the case of international reinsurance, to the international sphere. Insurance is sold and

bought in a market. The purchasers must perceive that the premiums and expected benefits offer value; the sellers must see opportunity for a positive actuarial outcome, over time, and profit.

Insurance is not the universal solution to the risk and uncertainties that farmers face. It can only address part of the losses resulting from some perils and is not a substitute for good on-farm risk-management techniques, sound production and farm management practices and investments in technology

Experience suggests that sustainable, scaled up agricultural insurance programs should be based on an equal partnership between the public and private sectors. The limited success of recent private sector agricultural insurance pilots can partly be explained by under-developed risk market infrastructure. This has arisen both from a lack of coordinated investments in key public goods, and the absence of institutions with sufficient capacity to ensure that the incentives of market participants are aligned with those of clients. The roles of the public and private sectors can vary from country to country, as premium volumes and policy objectives differ. However, if a country lacks an appropriate risk market infrastructure and associated public goods, agricultural insurance is unlikely to be sustainably scaled up for the benefit of farmers and herders.

ZELISKO I.M. FEATURES OF THE MANAGEMENT OF FINANCIAL RESOURCES OF AGRO-INDUSTRIAL COMPANIES OF UKRAINE

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In the article considers the role and importance of financial resources in the activities of the agro-industrial companies. Represented the essence of the system of financial management agro-industrial companies. Proposed performance indicators of financial resources in the agro-industrial companies.

Financial resources, management of financial resources, agro-industrial companies, agro-industrial production, effectiveness, financial support, the level of profitability, impact of the use of financial resources.

The modern world is the future development trend of agro-industrial production that Ukraine is also important. This is due to many objective and subjective factors: population growth in the world, reducing the area of fertile soil and water resources, improving living standards and quality requirements of food, rising food prices.

Dynamic development of agro-industrial production in Ukraine promote: economic and convenient geographical location and favorable for agriculture natural conditions; significant amounts of arable land; soil fertility; own source of raw materials processing industry; lack of tough competition in the industry; proximity to potential markets and competitive European markets; cheap labor and so on. Agro-industrial companies can be represented as an open system, which comes from the environment financial, material, information, human resources. They are factors external environment, ie input factors. The result of the entry of these factors and their treatment may be some products, services, types of work carried out, finished

products.

Factors macroeconomic environment of the country reflect the overall economic and financial situation and trends inherent in this medium at a time. Among the macroeconomic environment factors include: general economic and financial position, of the natural and climatic conditions of the economic model of financial relations in society, organizational and functional structure of the financial system, financial relations agro-industrial companies with production infrastructure organizations (companies of Transport and Communications); financial relations agro-industrial companies with state income tax, levies, duties, financial institutions; competition in the industry.

In the agricultural and industrial companies engaged in negative impacts transformational economic imbalances, political instability, inadequate budget, tax, pricing, credit policies, inflation, constant changes of the legal framework, significant fluctuations of the national currency and so on. Factors internal environment of agro-industrial companies are: economic and financial relations of its members, structural components, owners, founders, senior management and employees; organizational and legal forms of, the existing system of organization, management and control, presence and exploitation of resources, the existing financial structure of selected accounting policies and the quality of management, tax and accounting, etc. [7].

To ensure the growth performance of agro-industrial companies to combine a set of interests macro and micro levels. For this information used mathematical model "synchronizing unit" ("black box"). For this model characteristic is that the argument can be social and economic factors, and is a function of income growth. This dependence can be represented by the following formula:

$$P = f (X_1, X_2, \dots, X_n) \rightarrow \max,$$

where P - (profit)

X_1, X_2, \dots, X_n are factors that represent public economic interests/

Under the financial resources of agro-industrial companies it is necessary to understand as money and other liquid turnover means, that is accumulated and

advanced from own, loan and attracted sources in economic activity of company for the sake of satisfaction of economic necessities and interests of proprietors, participants or other interested persons. In turn the management of agro-industrial companies financial resources shows a soba the system of economic relations in relation to forming, piling up, distribution and use of financial resources by application of certain forms, methods, levers and instruments, with the aim of increase of positive effectiveness of the use of financial resources and achievement of economic aim of functioning. The primary objective of management of agro-industrial companies financial resources is them steady development and effective management forming and use of financial resources.

The management of financial resources of agro-industrial companies shows the mechanism of adaptation to the economic and financial environment, that sent to forming of the most favorable forms of cooperating with external surroundings.

A decision of problems of provision of financial resources of agro-industrial companies and profitability of their activity is the it is closely constrained with the increase of effectiveness use of financial resources. In this context important is to the choice of directions of the use of them and methodology of estimation of effectiveness, that has too certain features in relation to the production of agrarian goods, foodstuffs and the use of financial resources in agro-industrial companies. There is a question of understanding of efficiency of the use of financial resources.

Most scientists examine efficiency as comparison of the got result from any activity with the born charges. A necessity is the clear understanding, that efficiency in a production - it always relation .

The last years showed that agro-industrial companies are very important for food safety decide in Ukraine, export activity activates in agrarian spheres, food industry. Agro-industrial companies on the essence are the example of adaptation of economic subjects to the changeable environment, that is why for the further increase of results and efficiency of their activity a necessary condition is support of sufficient level of provision of financial resources.

ESSENCE OF FOREIGN EXCHANGE MARKET

O.M. Kalivoshko, PhD

A currency market is an important element in economic politics of the state. The last decades of development of home and world economy were reflected by the huge height of the international moving of capitals and strengthening of role of currency-financial relations. However, a world financial crisis negatively affected international currency relations. Violation of their stability showed up in instability of courses of national currencies of the most world countries. A currency market is the significant constituent of the financial system of the state. Currency market development reflects flexibility of the financial system and speed with that she can adapt to the changes in economic and political life of country to a great extent, and also to the different processes that take place after her limits.

A currency market is the integral constituent of development of modern economic relations, important factor of increase of their efficiency. A currency market is one of key elements of functioning and development of financially-economic activity of subjects of economic activity, he serves all greater part of commodity and monetary flow, replacing traditional commodity-money tie of exchange, many scientific discussions are conducted round this term that is distinguished by the ambiguity and variety of interpretations. It is explained foremost by that a currency market has centuries-old history, when changes were in understanding of not only concept but also his value for an economy. Carrying out the analysis of scientific works, we came to the conclusion, that term a "currency market" can be consider from different directions, however he has specific, only to him inherent in habits that distinguish him among other markets.

In scientific literature there is a generous enough amount determination of term "currency market". In all the analysis of many works shows that is distinguished four basic directions of interpretation of concept of currency market.

First direction. It is the most common, its supporters consider the foreign exchange market for its economic content and believe that a system of economic and institutional relations in the purchase and sale of foreign currency and payment documents in foreign currency.

Second direction. Supporters examine a currency market from the functional point of view and accent attention on that it is a market on that the object of purchase of sale are foreign currency and pay documents shown in foreign currency (copper pins, bills of exchange, translations, letters of credit).

Third direction. Supporters of accenting attention on institutional description of currency market. Exactly from their points of view a currency market is an official center, where the purchase-sale of currency values.

Fourth direction. In his supporters it is possible to take scientists, in essence currency market distinguish his transformation-regulative aspect, i.e. characterize a currency market as some mechanism by means of that the transfer of purchasing power is settled from one country in other, grant or receipt of credits, for international trade operations, minimization of risk possibility in connection with the vibrations of course of exchange.

As we see, interpretation of term "currency market" differ, by both direction and filling of this maintenance, however, on our subjective opinion, none of them fully does not expose his potential and does not answer the necessities of today, therefore on the basis of foregoing, we suggest to consider a currency market: totality of structures, instruments and mechanisms that by means of adjusting of the systems of economic and legal relations provide the observance of equilibrium between demand on currency values and their supply.

THEORETICAL BASIS FINANCIAL MECHANISM OF SOCIAL SECURITY

A Kirichenko, PhD

The article defined "financial mechanism of social insurance" as a set of elements that regulate the formation, distribution, use and reserving funds state insurance funds and other institutions engaged in the provision of social security in order to prevent social risks and social security in the event of the insured event.

Every single element of the financial mechanism of social insurance should be part of a whole. Moreover, each of them must operate relatively independently.

Of the financial mechanism of social insurance includes the following main elements as financial methods, financial instruments, financial instruments, regulatory, information and promotion. In practice, these are widely used financial methods: financial planning, operational management, financial control, financial security and financial regulation. The main financial mechanism under social security are two methods: financial regulation and financial support. Financial regulation is based on the legal regulation of distribution relations in society, that is due to the implementation of the distributed processes in the insurance fund. Financial support is carried out in three forms: self - own revenues cover costs; budget funding - according irrevocable basis by the state or local budgets; lending - a form of financial support, which is the temporary use of borrowed funds on the basis povorotkosti, urgency and payment. Based on these methods performed financial planning, financial operational management, financial control.

Financial methods reflect the influence of money on the processes taking place in the field of social insurance. Their action appears during the formation and use of insurance funds budgets.

Financial methods are using financial leverage. The latter include: the conditions and procedure of financial resources of insurance funds, the principles and conditions of use of financial resources of insurance funds, financial rules and regulations (average and minimum wages, pensions, insurance rates, rules of budget support) financial limits and reserves (limits budget funding, reserve funds of

insurance funds), financial incentives and sanctions (salaries, financial aid, bonuses, pensions, funding training and retraining, fines).

Financial instruments of social insurance - a means used to perform the tasks provided financial policies. The main financial instruments are: social insurance contributions, government contributions to social insurance funds for certain purposes.

An important part of the financial mechanism of social insurance is legal (laws, decrees, regulations, orders), normative (instructions, rules, methodological developments) and informational support (information on cash flow, the taxpayers of recipients and services).

The subjects of social insurance are employees, employers, insurers and the government, and the object - the insured event, the onset of which occurs in the insured's right to receive benefits and social services.

Financing of social security funds through the accumulation of financial resources. They are mandatory social insurance (state) and voluntary social insurance (private). The structure of the first may include: pension fund, social insurance against unemployment, social insurance fund from accidents at work, social insurance fund for temporary disability, medical fund. The second: pension funds, insurance companies, corporate social insurance funds, banks (in terms of accumulation of premiums).

Financial mechanism of social insurance should be considered in the light of the relevant principles and functions that are inherent in the social security system as a whole. We believe that social security is based on the following principles: a fee, solidarity and equivalence refund. In the absence of at least one of them loses insurance system feature. Analyzing interpretation functions that scientists are justified, we can conclude that some functions overlapping, showing no significant differences between them. Therefore, we propose to provide features such social security: organizational (accumulating, redistributive, control) and socioeconomic (protective, economic, demographic).

Thus, the theoretical foundation of the financial mechanism of Social Security and its components will optimize the financing of social insurance, more articulate the problem facing the social sphere, which is an important foundation for solving urgent social problems facing the state and society.

Cabinet of Ministers of Ukraine

National University of Life and Environmental Sciences of Ukraine

***FEATURES ACTIVITIES OF NATIONAL DEPOSITORY SYSTEM OF
UKRAINE***

Fulfilled: Ilona Syomka, 5 th year student

Supervisor: Victoria Kostyuk

The authors elucidate the features of the national depository system of Ukraine and proposals for its improvement.

Key words: depository system, central depository, securities exchange, the exchange contract.

Relevance and problem statement. Structural reforms in the economy of Ukraine require measures aimed at developing the domestic financial market as the most efficient mechanism for the redistribution of financial resources to the real sector. This task depends largely on the infrastructure of the domestic capital market, an element which acts as the national depository system. Problems of improving the system of depository services attach great importance not only in Ukraine but also in the world. Establishment of an independent central securities depository is paramount in the operation of the financial sector.

Analysis of recent publications and research. Principles of organization and mechanisms of regulation of financial market infrastructure are reflected in the works of G. Kalac, A.I. Kireyeva, V.V. Korneev, A.N. Mozgovyi, D.S. Tires, M. Chunk, but systematic research towards developing practical recommendations for the development of the depository system of Ukraine are virtually absent. The Main these questions are the focus of the stock market, resulting in the formation of the depository system of Ukraine is carried out spontaneously, under the influence of vested interests of certain groups.

The purpose of the article. Disclosure of features of the national depository system of Ukraine and proposals for its improvement.

The main material. National Depository of Ukraine was established in 1998 under the law of Ukraine "On the National Depository System and Peculiarities of Electronic Circulation of Securities in Ukraine".

The main missions of the National Depository of Ukraine were:

- custody, data protection over the ownership of securities, providing investors' confidence to implement their ownership of the securities;
- perform clearing and settlement of all transactions with corporate and government securities;
- investment promotion to Ukraine by establishing correspondent accounts with foreign central securities depository [1].

Overall national depository system consists of two levels. Lower level - a custodian who are holders of securities accounts and registers of registered securities.

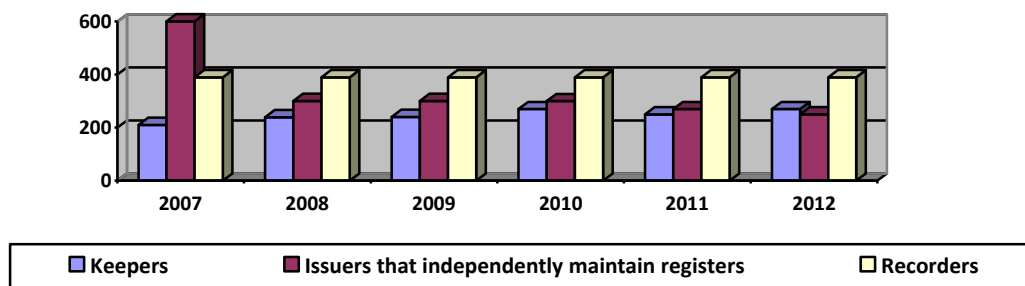


Fig.1.1 The evolution of the lower level of the depository system of Ukraine, units [2]

Upper level - a National Depository of Ukraine and depository accounts are custodians and carry out clearing and settlement of securities [3].

One of the main problems of formation and development of the National Depository System of Ukraine was the absence of a central securities depository. However, with the adoption of the Law of Ukraine "On the Depository System" on October 11, 2013, this problem was partially solved [1].

The governing bodies of the Central Depository is:

- The General Meeting of Shareholders;
- The Supervisory Board;
- Audit Committee;
- Board.

General Meeting of the Central Depository is the supreme organ of the Central Depository.

The Supervisory Board of the Central Depository is the central depository, which oversees the Board and the protection of the rights of shareholders of the Central Depository. The size of the Supervisory Board of the General Meeting is set and indicated in the Regulations of the Supervisory Board of the Central Depository. The Supervisory Board consists of seven members of the Board.

The Audit Committee is the organ of the Central Depository, which was created for the audit of financial and economic activities of the Central Depository. The Audit Committee consists of three members of the Audit Committee.

Board of the Central Depository is the executive body of the Central Depository, which manages its current activity. Board is accountable to the General Meeting and the Supervisory Board of the Central Depository and organizing the implementation of their decisions. The Board consists of the Chairman and members of the Board [3].

Thus, the main features that rely on the CSD are: standardization depository account; standardization documents; storage of global certificates; securities custody accounts of custodians; clearing and settlement activities; correspondent relations with foreign depository institutions; codification of securities [1].

During 2013 the number of issuers - NDU clients increased more than 2 times. Pursuant to the Law of Ukraine "On the Depository System of Ukraine" for 2013 was made on the transfer of securities from the depository service of JSC "Accounting Center» Central Securities Depository. As part of the transfer emission of securities deposited to NDU opened 5296 accounts issuers [4].

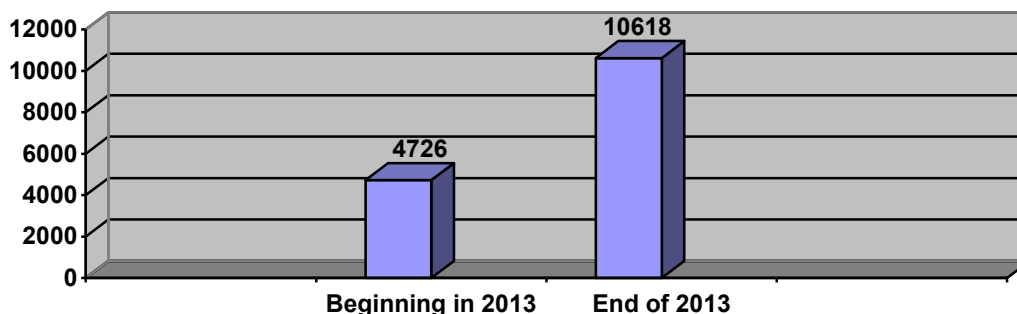


Figure. 1.2. The number of accounts in securities of issuers customers NDU [5]

Total number of securities accounts opened by the Issuer in 2013 - 946. 5 Number of securities accounts issuers at year end was 10 618. also increased the number of depository institutions - Members SDI NDU [4].

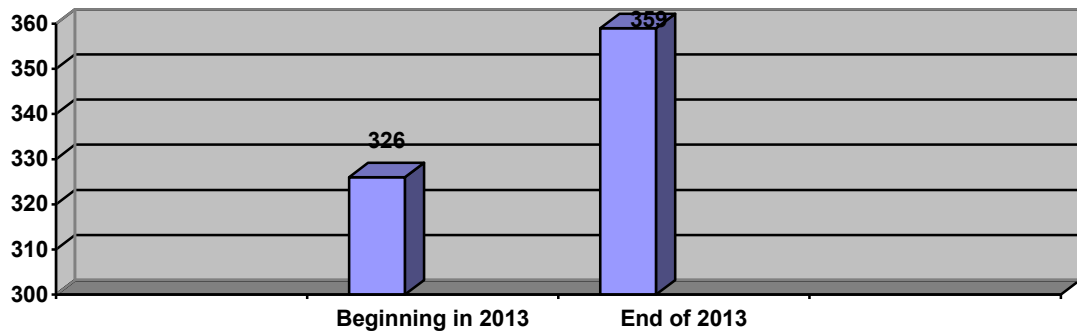


Figure. 1.3 Number of securities accounts and custodian depository clients NDU [5]

Number of securities accounts opened custodian and depository institutions at year end NDU clients are 359 custodian and depository institutions.

So we can say that the introduction of the Central Depository to the end of 2013 led to a general positive trend of increasing number of issuers customers [4].

According to the Law of Ukraine "On the Depository System of Ukraine" numbering (codification) of securities in accordance with international standards, maintaining register of (International Securities Identification Number) within the exclusive competence of the Central Depository. During 2013 NDU continued to appoint international securities identification number and other financial instruments. As of 12/31/13 year about 30 977 codes was assigned [5].

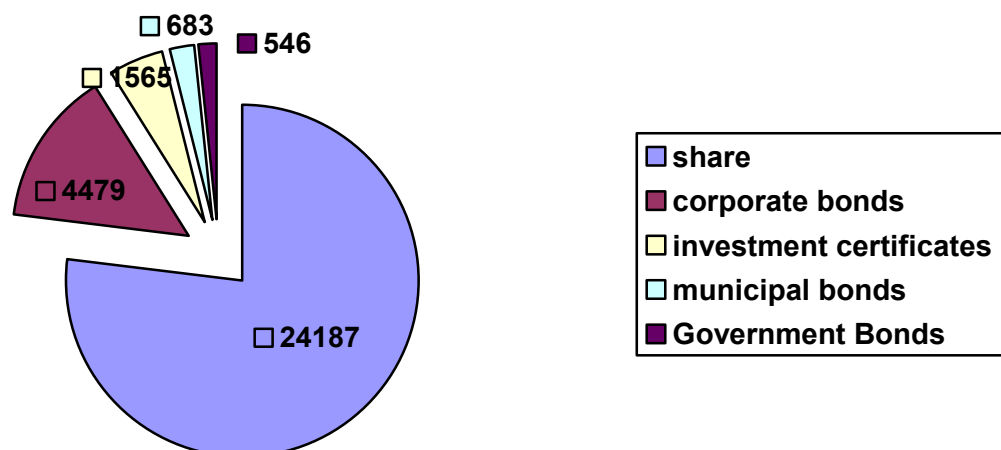


Figure. 1.4. Codification of securities and other instruments finansvyh as of 31.12.2013

To improve customer service NDU in 2013 was simplified procedure for treatment assignment codes. Entry NDU status of the Central Depository has enabled abandon the outdated practice of a separate set of documents for the purposes of codification. Now all the necessary procedures for codification carried out automatically without any additional time spent by customers [4].

In 2013, the activities of the NDU in service exchange operations can be divided into two periods differ significantly algorithms, used in the calculations: it is of clearing and settlement operations under license SSMNC AB series №581323 from 21.04.2008. Reports and calculations for transactions in securities in the Central Depository status of 10.12.2013 p. according to the Law of Ukraine "On the Depository system of Ukraine".

From 03/01/2013 to 11/10/2013 year NDU conducted 19 947 operations with settlement of securities concluded on 8 exchanges Ukraine. Total amount of contracts which were executed calculations, is 25 714 600 000. UAH. [5].

Table 1.1

Clearing and settlement activities of the National Depository of Ukraine of
03/01/2013 to 11/10/2013

Type of Transaction	Number, items.	Amount million. UAH
Exchange contracts with prior reservation of paper	16 565	16 409,2
Exchange contracts without reservation of paper	3 382	9 305,4
Total	19 947	25 714,6

With the start of the reformed depository system significantly changed the concept of payments for transactions in securities, committed on the stock exchange. With renewed posttrading infrastructure market participants have become opportunities to make payments on a "delivery of securities against payment" and payments on securities in PJSC "NDU" and cash payments to PJSC "Accounting Center" conducted automatically. Separating the functions of accounting and securities clearing for transactions in securities between different infrastructure entities, which was an innovation for the Ukrainian stock market, the current international practices [4].

Table 1.2

Payments for transactions in securities, committed in the secondary market

Stock	Number, items.		Amount million. UAH.		Share on amount, %	
	3.01.2013- 11.10.2013	14.10.2013- 31.12.2013	3.01.2013- 11.10.2013	14.10.2013- 31.12.2013	3.01.2013- 11.10.2013	14.10.2013- 31.12.2013
PJSC "PFTS"	1640	17 722	8 621,60	9 667,7	33,53%	46,10%
PJSC "FB" Perspective "	13016	2 653	5 836,80	4 566,1	22,70%	21,78%
JSC "PFB"	1434	1 209	3 629,40	3 190,2	14,11%	15,21%
JSC "Ukrainian Exchange"	-	133 199	-	2 045,3	-	9,75%
PJSC "KISE"	2163	1 704	4 879,60	973,5	18,98%	4,64%
JSC "USE"	475	203	2 384,70	268,5	9,27%	1,28%
JSC «UISE"	-	411	-	212,8	-	1,02%
JSC "FB" Inneks "	-	347	-	32,0	-	0,15%
PJSC "SYEFB"	-	332	-	12,8	-	0,06%
Other exchange	1 219	-	362,5	-	1,41%	-
Total	19947	157 780	25 714,6	20 968,9	100,00%	100,00%

From 14.10.2013 to 31.12.2013 p. NDU were calculated per 157 780 in respect of securities transactions committed on 9 stock exchanges Ukraine. Total amount of contracts which were executed calculations, is 20 968 900 000. UAH. Thus, in general, changes in legislation of Ukraine on depository system resulted in positive changes in the financial market [5].

Although the main problem about the lack of a Central Securities Depository Ukraine solved, but there are still a number of other problems that hinder the further development of the National Depository System of Ukraine: the functioning of the accounting system of property rights; making and system improvement contracts on securities; establishment of international depository relationships.

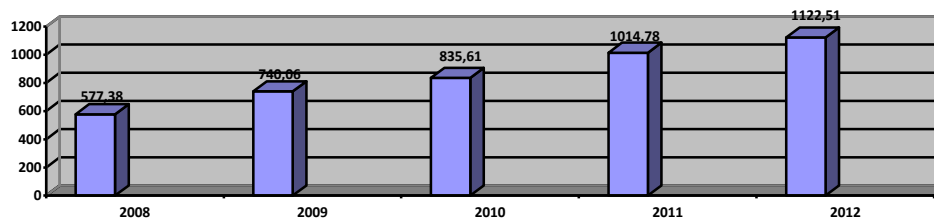


Figure 1.2 Dynamics of the Commission registered securities issues (cumulative) billion.

Performance of the depository system in Ukraine have a positive tendency to expand (Figure 1.2), but compared to other countries, these figures are of quite modest, suggesting that depository system is underdeveloped. I think effective development can only be achieved by considering more problems and find solutions, because the level of distrust of the sector is still very high [4].

Conclusions and recommendations for further research. Establishment of a central securities depository is crucial for development and economic security due to: improve the investment climate in the country by establishing a transparent mechanism securities custody and tracking change of ownership; increase confidence of investors, issuers, professional participants of the stock market; strengthening the protection of ownership of securities and, in particular, avoid splitting registers of shareholders and restrictions raiding; minimize operational risks the introduction of single model depository account; minimize transaction costs to market participants on transactions; simplify the procedure for settlement of securities.

So we can confidently say that the process of central depository system and its basic elements in Ukraine is complex and contradictory, and that causes a lot of problems, but in spite of that in Ukraine the issue is important and it is devoted to the solution of many opinions and suggestions:

- introduce mandatory use of electronic documents and digital signatures in the stock market of Ukraine;
- increase capital requirements, process parameters and key performance indicators of market professionals;
- provide state support to the process of mass transfer of registered shares of joint stock companies existing in the without documentary form [1];

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ОСОБЕННОСТИ ДЕЯТЕЛЬНОСТИ НАЦИОНАЛЬНОЙ ДЕПОЗИТАРНОЙ СИСТЕМЫ УКРАИНЫ

Выполнила:

Семка И. С., студентка 5 курс

Научный руководитель:

к.э.н., доцент Костюк Виктория Анатольевна

Статья посвящена раскрытию особенностей деятельности национальной депозитарной системы Украины и вынесению предложений по ее совершенствованию.

Ключевые слова: депозитарная система, Центральный депозитарий, ценные бумаги, биржа, биржевой контракт.

FEATURES ACTIVITIES OF NATIONAL DEPOSITORY SYSTEM OF UKRAINE

Fulfilled: Iлона Syomka, 5 th year student

Supervisor: Victoria Kostyuk

The authors elucidate the features of the national depository system of Ukraine and proposals for its improvement.

Key words: depository system, central depository, securities exchange, the exchange contract.

IMPACT OF FINANCIAL CAPITAL MIGRANT WORKERS NATIONAL ECONOMY UKRAINE

J. Krupka

Activation of transformation and integration processes faced Ukraine to the necessity of deep correction methodological approaches to the analysis of national economic development strategies and mechanisms for its financial support. Today, many scientists believe that in a globalized economy international labor migration is becoming an important factor of the development, which is seen as an integral part of development, reduce poverty and underdevelopment in the countries engaged in modern transformational process of restructuring the social and economic relations in society. In view of this, migrants are an important source of remittances and other transfers, and implementation of their financial potential enhances the development of national economy, such as financial markets, trade, tourism, education of children and youth etc.

Purpose of this article is to analyze the dynamics and structure of capital flows of migrants, ascertain their impact on the development of the national economy and the financial and credit situation in Ukraine.

The world's 2000-2011 remittances of migrant workers has increased four-fold [14], which significantly altered the socio-economic development of many parts of the world. According to the World Bank, during the last financial crisis remittances from abroad have become the most powerful cash inflow for many countries. Remittances in 2009 decreased by only 5.5%, and in 2010 returned to record levels [8]. In contrast, foreign direct investment into developing countries during the crisis fell by a third, and the portfolio – more than half. Today hundreds of millions of migrant workers supporting financial systems in developing countries, and their remittances to relatives for 2012 amounted to over 400 billion dollars, which is ten times more than humanitarian, financial and credit assistance received by these countries. In some countries, remittances from abroad account for more than 20% of GDP [14] and some of them already account for these revenues in the formation of public budgets.

Today in Ukraine, the number of migrant workers and their remittances is large enough to attract wide public attention and necessitate detailed research of the scope and role of this phenomenon in the national economy. However, unlike countries such

as Tajikistan, Moldova and Kyrgyzstan - where remittances are, respectively, 35%, 23% and 15% of GDP (1st, 4th and 12th in the world) - migration in Ukraine is not one of the pillars on which rests the national economy or critical factor in the balance of payments [9]. On the other hand, remittances make up 4-5% of Ukrainian GDP.

Ukrainian economy would lose about 7% of its capacity (potential) without stimulating effect of remittances [10] that makes obvious macroeconomic aspect of their significance. The amount of remittances into Ukraine in 2013 was the highest in the last decade [5]. The principal amount of remittances into the country came through correspondent bank accounts. Second largest channel became international system of money transfers, and in fact did not change the amount of funds carried unofficially [11].

According to the National Bank of Ukraine only about 85% of remittances is incoming through the financial sector of the country. However, according to *L. Kozak* research [6], the level of formality transfers - about 20%. Such results are near real, because in other developing countries (according to World Bank) only 25-50% of remittances are made through official channels [3, p.32]. It could be explained in such way: statistics of cash inflows from migrants are incomplete because of unchecked capital movement (with relatives or friends, self-import of foreign currency, consumer goods, etc.). In some countries this figure is several times higher than the official data [4, p. 124]. Migrants use informal channels of interstate transfers due to cheaper services or need concealment (from the tax authorities) certain amounts of money.

Cash transfers improve the situation in the financial system of the recipient country due to rising income levels and improve its solvency increases the additional revenue to the state and local budgets. *O. Ryvak* research [13] shows that the positive impact of remittances on Ukrainian key budget figures is unconditional and consumption, small business development, operations on the land market and real estate contribute to filling the budgets of all levels. Remittances are quite significant, even comparable to state financial support of some regions. Thus, remittances should be considered as an important source of external financing, which have great potential for use as a generator of economic development. Inefficient use of remittances caused not by the lack of

entrepreneurial skills of migrants, but structural barriers at the local, national and international levels. Further development of remittances attract mechanisms in the economy of Ukraine will provide in the future recovery of economic development.

In Ukraine remittances also play an important role in the balance of payments. FDI and remittances are actually two not debt channels of foreign currencies inflows, and taking into consideration that current account balance almost always was deficit in the 2000-2013, and large outflow of capital to offshore, its role is very important. Thus, remittances enable to finance negative trade balance, promote stability (strengthening) of the national currency exchange rate, which is a prerequisite for economic reforms. It also provides an opportunity to gradually limit the influence and dependence on international financial institutions. In addition, remittances unlike other international financial flows are more stable, relative resistance to the crisis and have an anti-cyclical impact on the national economy. Remittances improve the creditworthiness of the country and increased opportunities for capital and financial resources. In the World Bank report [16] noted that the volume of remittances have significant influence on the credit rating of the country.

Today, money transfers of Ukrainian migrant significantly affect the economy, including: 1) provide additional investment resources and stimulate production through the multiplier effect of consumer spending; 2) remain relatively stable even with the economic crisis and is a powerful stabilizer of macroeconomic situation in country, including balance of payments; 3) mitigate the fiscal deficit in the state and make possible to maintain a stable exchange rate of the national currency etc. Thus, the increase of remittances to their homeland, also grows its impact on the financial, economic and social situation in the country.

To tackle realignment remittances on capital investment in the national economy, it should be noted that the effectiveness of different kinds of government measures and incentive schemes (offer deposits at competitive rates, posting migrants bonds, etc.) today, unfortunately not reflected in the increasing its investment focus. Decisive impact on migrants' preferences for investment or consumption has such factors as: political risk, macroeconomic situation in the country, the level of transnational migrant

associations and others. In this regard, the development of new tools to manage remittances and the effective use of its financial potential at the macroeconomic level become at the forefront of national migration policy.

Levers of ENVIRONMENTAL FINANCIAL

O.Labenko¹, PhD in Economics

The article analyzed, generalization and justification of the necessity separation of financial instruments of environmental. Defined financial instruments that are used into practice in Ukraine.

Keywords: financial mechanism, environment, taxes, insurance, benefits, credit, ecology.

The national economy depends including the process of natural using. Natural resources are limited and its use is accompanied by a process of environmental pollution. The use of natural resources in the economic process is mediated by the movement of financial resources. The financial mechanism of nature is the most effective way to influence the process of natural using. An important prerequisite is to improve environmental management, which is achieved by building effective (incentive) financial mechanism of natural using.

Purpose of research - is evidence of the need separation and specification tools environmental management of the financial mechanism to encourage saving natural resources.

The financial mechanism for nature use determined by the distribution and redistribution of GDP in order to maximize removal of funds from those who pollute the environment and direct them to restore their condition.

Excrete following financial instruments of nature:

- Taxes on waste;
- Tax combustion;
- Payments for emissions.

Financial instruments stimulating environmental management attitude towards saving the environment. In particular environmental taxes should directly affect the state of nature, insurance will help cover unplanned expenses

(elimination of consequences of emergencies), budget funding will help restore the environment and so on.

Of all the above financial instruments mechanism effective nature can highlight the following: taxes and charges, budgetary financing of environmental management programs and insurance. Its implementation found only two tools: taxes and charges and program budget financing. Thus, the majority declared financial instruments in practice are not fully implemented and, consequently, does not affect the environment.

OPERATION OF CAPITAL COMPANIES IN UKRAINE AS CARRIERS OF FACTOR LIQUIDITY

O O Lemishko, Ph.D.,

In today's challenging environment approval of Ukraine's position as an integrated European state determines the importance of capital in the functioning of the macro and micro level. Effective functioning of capital based on market principles and factors associated with time risk and liquidity. The relationship between these factors is reversed and forms defining the cost and structural proportions of capital in the implementation of the entire spectrum of financial operations. The urgency of development of the issue, with respect to the functioning of capital as a factor of liquidity support, due to the need to study the input parameters timely release of capital invested in a variety of objects and tools and mobile convert it into cash at any beneficial economic and other conditions of the use of capital.

The aim of this study is to synthesize scientific and theoretical propositions on the essence of capital as the carrier of the liquidity analysis of the dynamics of liquidity of Ukrainian enterprises and agricultural enterprises, including, and development of practical recommendations to improve their liquidity.

In the market conditions of managing liquidity is one of the main indicators characterizing the financial stability and indirectly affect firm performance. In modern conditions than ever there is a lack of liquidity and a reduction in working capital of enterprises in Ukraine. Destabilizing influences most struck agriculture. In particular, there is a degradation of the components of production and financial potential of agricultural enterprises decreased volume of circulating capital and increased lack of financial resources, increased receivables and payables, which in turn led to long-term non-payment crisis. These negative trends contributed to the violation of financial stability, solvency and liquidity of agricultural enterprises.

The company's activity is directly dependent on the size and structure of its working capital. Analyze the structure of the working capital of Ukrainian enterprises and agricultural enterprises in 2012. It is common to the following assertion: the

enterprise, working capital consists primarily of cash and current financial investments are considered to be more liquid than the enterprise, working capital which is predominantly composed of stocks. At the end of 2012. Ukrainian companies had negative capital structure, namely 58% occupied receivables exceeds a critical value of this index (the proportion of receivables the company should not exceed 25 - 30 % in the overall structure of working capital); 24% were low liquid assets (current assets in stocks of inventory) and only 6% - highly liquid assets - cash and cash equivalents. In 2012. in the structure of current assets of agricultural enterprises occupied 42.1% stocks, 35.7% - in trade receivables transactions, funds owned 5.2%, and current financial investments - only 0.9%. There, the qualitative composition of the current assets of the agricultural enterprises in 2012. was unsatisfactory; share absolutely liquid assets (cash and cash equivalents in national and foreign currency) catastrophically low, and a significant proportion of low liquid assets (stocks) is a destabilizing factor in ensuring the liquidity of agricultural enterprises. Agricultural enterprises in 2012. can currently repay its short-term debt by only 12%, ie solvency was in poor condition. Standard value of quick ratio in 2012. was achieved mainly by increasing the size of accounts receivable, which share in the structure of current assets was 35.71%. There, quantitative quick ratio should be supplemented by an analysis of the qualitative composition of the state and structure of accounts receivable, as well as the factors influencing it. Given that the agricultural sector is a demanding industry, and the rate of repayment of loans farmers are largely dependent on market conditions, the excess (in valuation) of current assets over current liabilities is a stabilizing factor in agricultural production.

Given that seasonal agricultural inherent gap between the attachment and the receipt of working capital, seasonal lack of financial resources and other specific factors that provide for agricultural enterprises, because of the particular economic conditions, to accelerate the conversion of assets into cash and expeditious means of providing liquidity to plan liquidity ratios on a quarterly basis. Believe it is appropriate normative values of total liquidity for farm enterprises to establish in the relevant range of 1.2 - 2.2.

Evaluation of the income taxation of insurance companies in Ukraine

Mamchur R.

Status, trends and prospects of development of the insurance market of Ukraine are analysed. The main factors influencing the financial results of the insurance companies and the dynamics of payment of the budget income tax was investigated. Features of income taxation of insurance companies were considered and the approaches to its improvement were identified.

The tax system is an important financial lever regulation of economic activity. The system of taxation of insurance companies is significantly different from the tax system adopted for other businesses, due to its special status. Because of this feature of the insurance market is the tax burden that cannot be assigned to a load other industries. The current system of taxation of insurance companies has shown to be ineffective. However, economic reforms and economic restructuring necessitates the further development of the national insurance market and use tax system that would be able to encourage this development.

At this time the object of taxation of insurance companies is not income, and income that they get from doing insurance business. Overall, the insurer covers both the insurance business that has a great compared to other taxation, and activities not related insurance (investment and other activities), which is taxed at the general order. Thus the current rules on the taxation of income of insurance companies significantly reduce profitability in the insurance business, allowing it to monopolize the major participants, which is unacceptable in terms of fair competition.

The most important feature of the domestic insurance market is the financial capital accumulation and gradual integration into the world market. The study shows the growth of the domestic insurance market. Currently, the share of income tax in total insurance premiums is from 1 to 5%. If we consider the structure of income tax and budget revenues Ukraine, the share of insurance companies is only 1-1.3% of

total revenues from income tax. In the consolidated budget percentage of participation in the formation of revenues is less than 0.2%. However, more than 20% taxes account for only 6 insurance companies, which represent 0.5% of the insurance market.

The experience of developed countries shows that each country has chosen the system of taxation of insurance, which is effective and optimal for the economy. In Ukraine insurance companies under their Income Tax. The program of market reforms implemented in Ukraine envisages improvement of taxation of business entities, including insurance companies.

Income insurance companies on main activity increased last year by 5.3% from the sale of services on insurance other than life insurance and 24.8% from the sale of life insurance services. Over the past two years marked reduction of almost 10% of the insurance premiums and insurance claims, which certainly is negative due to the growth of the earned premiums. The negative growth rate is also paying redemption amounts to 19.5%, indicating a significant increase in the number of prematurely terminated contracts of life insurance. Positive in 2013, a decrease of 22.5% in financial expenses, while administrative expenses and distribution costs continue to rise (12.9% and 18.1% respectively), but that they primarily focused efforts insurance companies to reduce their costs.

Basic financial results of the insurance company (services insurance) are positive and tend to increase (by 8.0%). There is a positive result from insurance companies made financial transactions (growth 7.7%). The financial results from other activities of insurers were negative. In 2013, more than double the increased loss of insurance companies from making them no insurance. Its value is taken into account in terms of reducing the income of insurance companies subject to tax.

Note paid increases of insurance companies Ukraine income tax from ordinary (insurance) of the results of the 2013 - 807.6 million USD. However, growth is very small and is only 4.7%, while for 2012 paid 771.3 million UAH, Which was 21% more than in 2011 year. Benefits that insurance companies have received as

investment income from the placement of reserves of life insurance owned by the insurer (the growth of this indicator was almost 100%)

The experience of developed countries shows that the most effective means of state economic policy to stimulate any industry is the optimal taxation of business entities. Given the insufficient degree of development of the insurance market of Ukraine, the taxation of insurance activities should contribute to its advancement and safe operation. Stay insurance companies to special tax treatment did not affect significantly the development of the insurance market of Ukraine.

Disclaimer special tax treatment of insurance and introducing tax for general insurance market in Ukraine could become a progressive approach that will enable it to improve performance and facilitate the development of European integration. Income tax will pay only those insurance companies that will profit as a result of all activities. This system also aligns taxation insurers compared with other sectors and deliver insurance market from the negative image of its use in circuit insurance operations.

METHODS OF FORMING AND EVALUATING THE EFFECTIVENESS OF THE PRODUCTION POTENTIAL OF AGRICULTURAL ENTERPRISES

NK Mrachkovska , PhD

Shaping of sustainable resources, its expanded reproduction, comprehensive modernization and highly efficient use and ensuring optimum production resources of all types of agricultural enterprises among the most complex and highly relevant not only in research but also in theoretical terms, since it deals with the most important activities of the society associated with the production of food and agricultural raw materials.

Sustainable development and efficient use of the production potential of agricultural enterprises can be achieved only when in practice there are: firstly, economically and environmentally appropriate mix of inputs of labor, material and technical resources; secondly, the widespread use of advanced, high performed and ecological technologies; third, expanded reproduction and renewal of all the constituent elements of the production potential of agro-industrial production; Fourth, rational use and protection of natural resources of agricultural purposes.

To assess the production potential of agricultural enterprises, a system of indicators covering all available resources of the enterprise: fixed assets, inventories and costs, land, labor and financial resources.

Each indicator takes one of three options:

1. characterizes the level of security of the enterprise in one or other type of resources in relation to the total amount of its assets;
2. performs a specific function of the characteristics of this type of behavior under conditions of resources (liquidity stocks inventory, productivity, material consumption, capitalmobility,etc.);
3. determines the degree of efficiency for each ruble costs invested in production (profitability and profitability).

In our research the method of calculation of production capacity, developed

by Ukrainian scientists has been used. Its main provisions are as follows: the value of land determined by the monetary assessment of each type at the time of calculation; fixed assets are stated at their initial assessment, and working - in the amount of their actual costs, since the rate of turnover of working capital in agriculture is about a year; cost of labor potential is estimated taking into account the actual annual pay and payback period of fixed assets.

On the basis of summarizing the data analysis of the degree of formation, provision, evaluation and utilization of productive capacity of farms it is possible to determine the structure of resource production potential of agricultural enterprises and their method of formation; evaluate the efficiency of individual resources and their degree of scarcity; identify the reserves and the degree of influence of productive resources profit tax; to calculate the optimal resource costs of agricultural enterprises; identify ways of improving the use of certain resources farms.

Thus, the method of forming and evaluating the production potential of agricultural enterprises determines by the sequence of analytical research, while providing diagnostic and searching function of the analysis. The purpose of this analysis is to produce analytical information on the scope of the identified reserves of the formation and use of production capacity of enterprises and their effective involvement of areas. For the effective application of the proposed methods of analysis appropriate procedures of systems analysis and statistical means of establishing relationships and dependencies between parameters for the problem under study has been used.

State and problems of development municipal loans

L.A. Oliynik, M.A. Truseeva

Municipal loan, local bonds, local securities, cover temporary cash shortages

Local government is an important foundation of any democratic regime. In carrying out the functions and tasks assigned to local governments is crucial to ensure their autonomy and independence. One of the components of the local financial institutions are local borrowing.

Local loans in Ukraine have not received proper distribution of the unregulated legal, organizational distribution and circulation, poor infrastructure development of the stock market, the lack of available funds to economic agents and public confidence in the local securities market, although the experience of other countries shows a significant level of local borrowing in the formation of financial resources of local authorities.

Analysis of the literature showed that when analyzing local borrowing is mostly remembered only one of the forms - issue municipal bonds. So the question is: what is the local borrowing and that their shape? Summarizing legislation - regulations, we can say that local borrowing - a real city budgets to obtain loans (loans) under the terms of repayment and maturity to finance those budgets.

Summarizing the analysis of the literature and regulations, the following forms of local borrowing:

- 1) issue of municipal bonds;
- 2) obtaining loans, credit lines from financial institutions;
- 3) obtain loans to cover temporary cash shortages at the expense of a single treasury account under the terms of the return without charging interest on these funds.

Despite the fact that local borrowing have many advantages, especially issue municipal bonds, local budgets in Ukraine amount of such loans remains low.

Regardless of trims borrowing of local councils, which lowered the Budget Code 300 thousand residents bring money to the local budgets in the current unfavorable investment climate conditions very difficult. Today on municipal

securities issued by 16 regional centers and 14 other cities. National Commission on Securities and Stock Market did not commit and did not register issue municipal bonds in 2010, 2013 and 2014. If 2012 was carried out 12 issues of local bonds in the amount of 6.09 billion, during 2013 and this year of Ukraine only calculated for the same loans.

Local governments to cover temporary cash shortages attract more funds than by issuing municipal bonds. Thus, local governments really need money even to ensure current needs. Among these forms of local borrowing is necessary to expand the market for municipal bonds.

Constraining factor in the development of local borrowing in Ukraine are: weak infrastructural domestic market municipal securities.

The key measures to resolve local borrowing in Ukraine are:

- the introduction mandatory support local loan programs detailed use of borrowed funds and debt repayment plans;
- to provide an opportunity to borrow the budget of local governments at all levels, including village and town councils.

CONCEPTUAL APPROACHES TO THE DEVELOPMENT OF MICRO-CREDIT IN AGRICULTURAL SECTOR OF THE ECONOMY

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The historical stages of development of conceptual approaches to the development of micro-credit of the agriculture in the west are defined. The triangle of microfinance, which reflects the three objectives of a micro-credit system in agriculture, is determined. The key factors of successful development of microfinance institutions for agricultural producers and rural households are substantiated.

Microcredit, microfinance, microfinance institutions, the agricultural sector of the economy.

Western literature defines micro-financing as “meeting the financial needs of small producers”, that means execution of the small size financial transactions for agricultural small and medium enterprises (SMEs) and households in rural areas.

Conceptual approaches to micro-finance in the West experienced several stages of development.

In 1960s-1970s general approach to expansion of lending in agriculture was based on the paradigm of direct subsidized loans. The failures of the old paradigm led to the necessity of building a new one in 1980s. Essentially, it came to financial intermediation support, and specifically to the establishment of micro-finance institutions (MFIs). The new paradigm focuses on creating a sustainable finance and credit system and implementing break-even MFIs. The new paradigm views the liberalization of the financial market positively (concerning the formation of interest rates), considers it (liberalization) necessary but not sufficient condition for the development of finance and credit system. Finance and credit system itself cannot provide technological and institutional innovations in the process of

servicing of households in rural areas. For this case, it is necessary to raise sovereign investments that would ensure implementation of these innovations.

Foreign experience shows that assistance from international organizations contributes to the development of MFIs. Thus, R. Meyer points out that the MFIs have significant benefit from external support, which can be provided in various ways, contributing to significant development of these institutions.

During the creation of micro-financing system in agriculture, the following three key objectives should be followed:

- 1) to ensure the financial sustainability, through covering of costs with income;
- 2) to ensure breadth and depth of coverage;
- 3) to ensure welfare of households in rural areas (affecting the welfare task).

All three of these tasks have a close relationship with each other and create a synergetic effect.

Synergetic effect is as follows. Firstly, financial sustainability is the main criterion that ensures customers' desire to have an ongoing relationship with the MFIs (specifically, it is a savers' concern). Therefore, the better financial sustainability may positively affect coverage. Secondly, financial sustainability requires MFIs to be more responsive to customer needs, which in turn leads to improvement of products, operations and coverage. As a result, improved financial products create better economic benefits for customers, providing an improvement in their well-being.

Different types of MFIs are categorized according to two criteria: (1) the legal status and (2) credit technologies. According to the legal status of MFIs can be divided into credit projects, credit unions, rural banks and micro-banks [10, p. 20].

The key conditions for a successful development of MFIs for agricultural producers are individual character of crediting and maximal adaptation of loan agreement requirements to customer needs (financial products design).

Significant skills of MFIs staff are required for reasonable estimates of agricultural clients.

Individual crediting requires decentralization of decision-making by credit officers who work in branches that are far from headquarters. It is caused by the fact that decisions must be made quickly in accordance with farmers' the requests – in the amounts and in terms that are necessary to meet their diverse needs. In this context, MFIs use different options during recruitment of staff that is to service farmers and households in rural areas. Some selected skilled credit workers for servicing agricultural market, and subsequently teach them the basics of livestock and crop production. Others employ staff knowledgeable in agriculture and teach them banking.

The development of proper information management systems is crucial to proper functioning of MFIs. Information systems at MFIs should provide timely reports on monitoring and verification for all levels of operations. Credit professionals require timely reporting on repayments so that they can immediately contact overdue debtors. The lack of effective information management system may limit individual crediting.

In the process of micro-finance development, in addition to MFIs, a substantial role of other agents such as suppliers of capital goods, processors, rural organizations has been emphasized lately. In particular, the connections between MFIs and agro-industrial companies have broadened especially over the recent years. This is caused by the following factors. MFIs have knowledge and experience, network, technologies that are required for sustainable supply of financial products.

PRICING STRATEGIES ENTERPRISE AS AN INSTRUMENT OF ITS CA MOFINANSUVANNYA

I V Ohrimenko, Doctor of Economics

As international experience shows that in today's dynamic market to achieve business success can only be provided as the enterprises spend a conscious and deliberate pricing strategy. When pricing strategy refers to a certain attitude to enterprise pricing for their own production and the corresponding direction of behavior in the market arena.

The aim of this article is to examine the role and place of different pricing strategies of agricultural enterprises in the system of measures for maximizing its self.

There are two pricing strategies of companies: 1) typical strategy; 2) specific strategies. As part of standard are the following basic types: maintaining a stable position on the market; increase in sales volume and market share of the enterprise; maximize profits and profitability.

First a typical strategy, can stably functioning enterprise which has its "market place" for products corresponding saturated market, and opportunities for further intensive development limited. The second is taken into service enterprise with great potential in improving the quality and increasing the volume of production, which requires additional markets. The third used a powerful enterprise leaders, provided that they are trusted and consumers are able to influence the situation in the market with its lack of saturation corresponding products.

The main specific strategies include the following: maintaining a stable solvency (liquidity) as an absolute priority of economic enterprises; out on the market with new products.

Special pricing strategies used for shorter compared with typical periods of time and, mainly, under certain circumstances in the enterprise. In particular, maintaining a stable liquidity may be necessary if you need to return long-term loans or other debts, including payroll. Access to new or traditional markets with new products there as an economic priority for those companies that are diversifying their are-

as of activity and commodity nomenclature or aim to conquer new markets. The need for survival strategies conditioned by many factors, but most of all the threat of bankruptcy.

Any of these strategies should not go beyond the current economic legislation, as this may result in qualification of an enterprise as the use of banned pricing strategy. Unauthorized strategies include monopoly pricing and price policy coordination entities.

Modern farms characterized by broad diversification not only production, but also marketing activities. They act as operators in different product markets - grains, sugar, sunflower, etc. This requires the use of almost all elements of market infrastructure, ranging from commodity exchanges and ending with its own marketing network in the form of kiosks and tents, as well as various forms and channels implementation - from wholesale to retail. In such circumstances, the company cannot be limited to any one, standard for any pricing strategy. You must use separate strategies for each product or group of products with similar marketing properties.

However, with all the diversity of sales channels and tools of practical implementation of any pricing strategy remain united. Their role is sales prices and sales volumes. To justify their level necessarily need information about the elasticity of demand for the relevant product prices and incomes, the actual market price, the actual and potential market size.

It is important to emphasize, that the specific business management solutions for the practical implementation of pricing strategy in relation to specific product ultimately boils down to determining the volumes and sales prices in the open (free) market, in the formation of prices based solely on supply and demand.

Abstract

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"MODERN TRENDS OF CHEESE MARKET DEVELOPMENT IN UKRAINE"

The paper monitored the current state of cheese market in Ukraine and identify the main trends that will dominate in the coming years on it. Determined that the domestic producers of dairy products have the potential to increase production by improving the organization of production and the use of modern marketing tools.

One of the main elements of the country's food market is the market in milk and milk products, which is a system of commodity-money relations between economically distinct raw milk producers, processors and consumers, covering the entire social reproduction process, including production, distribution, exchange and consumption in order to daily provision of essential food and receiving income which should not be not predictable and not predictable for all operators, including the state. From its development depends not only on the health of the entire population, but also the level of social tension in the country, especially in rural areas. Special attention is paid to the company molokopererobni rozvytku vyrobnytstva kyslomolochnoyi produktsiyi that was nayprybutkovishoyu. When tsomu rynek kyslomolochnoyi produktsiyi characterized vysokym level konkurentsiyi that poslyyuvalasya for rahunok importu, zdebilshoho with Rosiyskoyi Federation. Real cheese is one of the fastest growing consumer segments with sustainable growth in production, consumption and coverage of international markets and determines the relevance of this research.

Today one of the main problems that must be resolved Cheese industry in Ukraine is improving the quality of cheese. This is due to the poor quality of raw

milk and the development and introduction of new types of cheese with short maturation without scientific justification.

Economic development is largely dependent on the economic efficiency of agricultural markets and food markets. An important part of serving their market milk and milk products, which plays an economic and social function. Recently observed problems in the formation of a stable supply of raw milk farms due to lower concentration of production and milling of the commodity sector, which has a negative impact on economic efficiency. Therefore, an important issue is to solve the problem in the cheese-making industry of Ukraine through intensification of production and the introduction of innovative approaches and the provision of resources and potential. And now for the cheese-making industry very serious problem is the lack of raw materials. Therefore, there is an objective need to study the major trends cheese market in Ukraine and suggest its development, and determine the relevance of the article.

In the scientific article the monitoring of the current state of the market in raw Ukraine and identify the main trends that will dominate in the coming years on it. Determined that the domestic producers of dairy products have the potential to increase production by improving the organization of production and the use of modern marketing tools. We prove that the competitive advantages of Ukrainian cheese producers are: a stable resource base; full production cycle; direct distribution system; qualified management; deep understanding of market conditions. In order to further increase production and sales, you need to find new markets for products, and this involved domestic producers. Domestic manufacturers of dairy products have the potential to increase production through the creation of its resource base, including by developing and effectively operating dairy cooperatives and optimal logistics system of the dairy market. This, in turn, will produce dairy products of high quality that will go to the domestic market.

LEGISLATIVE REGULATION OF VENTURE CAPITAL FUNDS IN UKRAINE

M.V. Petryuk, аспірант*

In the article analyzed the current state and prospects of development of legislative regulation of venture capital funds in Ukraine. Considered the main normative legal acts and laws that support the venture funding and submitted a proposal for their changes.

The current financial state of Ukraine's economy creates more and more problems during the the search for a new alternative sources of financing innovative projects. High interest rates on loans from banks are increasingly scare away of both beginners and experienced entrepreneurs. Get a investor funds in a country with unstable economic and social situation is also not easy. One of the ways to address the issue financing venture capital investments could be investments to some future projects or entire industries.

The purpose of the study to reveal the current state of the legal regulation of venture capital funds in Ukraine.

Coverage of data on the activities of venture capital funds in Ukraine is for informational purposes only. Most of the information is not open to the public, and the official statistics of venture capital firms is not as such.

There are some differences in the legal system of regulation of venture capital funds in Ukraine and abroad. In all developed countries, venture capital is allocated in a separate type of activity and considered as one of the stages of financing high-risk innovative projects. Availability of legal basis transfer of intellectual activity at different stages of research and implementation of products allows to reduce misunderstandings between the government and other stakeholders to zero.

Today in Ukraine the venture business is regulated by the Law of Ukraine "On Collective Investment Institutions". The proportion issues in this area are regulated by the Law of Ukraine "On investment activity" and by the Law of Ukraine "On the innovation activities."

In March 2001 was adopted the fundamental law that governing the activities of venture capital funds in Ukraine: Law of Ukraine "On Collective Investment Institutions." This regulatory document aims to ensure the involvement and effective allocation of financial resources of investors and defines legal and organizational basis of creation, operation and termination of joint investment.

In 2002 the president of Ukraine put the question to develop a new law that would regulate the activities of venture capital funds, "On the General Principles of formation and venture capital market regulation in Ukraine." This pointed to the ineffectiveness of the existing legal acts.

The next step in the regulation of venture capital funds was drafting the Law of Ukraine "On the venture capital activity in innovation". This law must regulate relations connected with the implementation of venture (risk) financing innovation and innovative projects, creation and operation of venture capital companies and funds and brokers.

In the draft law is an allusion to the creation in Ukraine of the National Venture Fund and the description of its main objectives. "National Venture Fund is a specialized public institution formed by the Cabinet of Ministers of Ukraine and provides state financing innovative projects"

Was drafted the Law of Ukraine "On the innovation of venture capital funds." The bill for the first time in Ukraine attempts to define the legal basis creating a new financial instrument that would provide direction of investment flows in innovative sectors.

But these laws and bills according to many analysts can not fully resolve issues about regulation of venture capital funds and venture capital enterprises in Ukraine. For this the law should have expected tax credits and tax exemptions for venture capital firms. Some proposals and development of the Law of Ukraine "On venture funds and venture capital activity in Ukraine" conducted, but it will take a long time for its completion and implementation. Basic principles are placed in legislation governing venture capital activity in different countries according to various authors as follows:

- Focus on small and medium enterprises;

- Providing tax incentives that stimulate venture entrepreneurship;
- Restrictions on the lifetime of venture capital institutions;
- Setting minimum capital of venture Institute;
- Setting the minimum value of shares or certificates of venture Institute.

Studies have shown that today, venture capital is becoming more effective element of innovation development in the world and in Ukraine. But the absence of a special legislative regulation of the business venture distorting the concept of venture capital and venture funding. Therefore, long overdue issue to accept the Law of Ukraine "On venture funds" and the "venture business in Ukraine." The main issues that must be addressed are the question of stimulation venture capital funds and venture capital companies with the state. Also implementation of transparency of "input" "exit" at attracting private venture capital.

Venture capital, venture fund, venture investing, collective investment institutions, law, bill investing.

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The content of the role and importance of intellectual capital in the social reproduction. The role of intellectual capital in the system of financial security. The main directions of ensuring financial security.

Economic security, financial security company, intellectual capital, knowledge economy, information society, social reproduction.

One of the components of any business is a risk, and with it most closely related to the concept of financial security. Operation of the business is influenced by internal and external factors, as modern macro-financial imbalances and uncertainty have a significant impact on the internal environment of the financial company. Problems financial security company acquire meaningful value in terms of available internal and external threats to modern social reproduction.

The use of intellectual capital due to the need to link the nature of knowledge and information, as well as some tools to use, with traditional factors shape the public welfare, because the implementation of intellectual capital is considered in the system of social reproduction and is the basis of effective operation of the business in today's information society and the knowledge economy Ukraine.

Analysis of the main research and publications. Research on problems of economic security in general and financial security, in particular, have paid their attention to such economists as A. Baranowski, M. Bendikov, I. Blank, V. Bocharov, V. Bourtsev, V. Gukova, P. Drucker, W. Zabrodska, T. Klebanov, A. Litvinenko, Y. Novosyadlyj, V. Slyzkaya and others.

Among the scientists involved in research of intellectual capital can be noted scholars such as A. Butnik-Seversky, V. Geets, J. Illyashenko, V. Latysheva, A. Mandryk, V. Seminozhenko, however, intellectual capital in the system to ensure the financial security of enterprises given insufficient attention. These achievements are ambiguous researchers and system, and therefore there is a need to further study the content, role and importance of intellectual capital in the system to ensure the financial security of enterprise development and knowledge-based economy.

The purpose of the study. Review the prerequisites, characteristics and prospects for further development of intellectual capital as a factor in ensuring financial security.

The main material. During financial security company should understand its protection from the negative effects of external and internal environments, and the ability to quickly remove various threats and adapt to existing conditions for stable operation and dynamic development. The content of this concept includes system tools that provide competitive stability and financial stability of the company and contribute to the welfare of workers.

The formation and evolution of intellectual capital inherent unique features that set it apart use: creative; synergistic effect, which is found in most creative processes; the implementation process, including continued after the end of the day; cover all departments and divisions, as creative activity engaged not only basic units, but also financial, marketing and other services; need for thorough provision; high degree of correlation with intellectual potential, which acts creation of intellectual capital; dependence on intellectual activity, since the possibility of converting intellectual capacity to intellectually capital realized only through creative activity.

The implementation of the intellectual capital through intellectual work, its motivation mechanism is another important mechanism influence on intellectual capital and intellectual potential.

The mechanism of realization of intellectual capital - consistent transition of socio-economic content in the organizational and economic, with the following for industrial relations in specific economic forms and methods of doing business. The main subjects that influencing the formation and implementation intellectual capital are the individual himself as intellectual abilities, the family, the educational system and employment system through which individuals included in the system of social production.

The main task of implementing intelligent capital - ensuring its effective and development. Unlike tangible goods subject to wear, tend to decrease in their use of cost use, realized knowledge increases, but depreciates when not in use, the possible

transmission of personal experience and knowledge between elements of the internal and external structures.

Part of the intellectual capital in the capital structure significantly affects the financial, operational and investment aspects of the company and in the future on the final results of its operations: the economic and financial profitability, level of financial risk, creates value for the degree of profitability and risk in the development of the enterprise, that can serve as key indicator in providing financial security. Therefore, it is intellectual capital is the basis for determining the final value of wealth that initially invested in the company as well as in the individual worker.

Specificity of intellectual capital in the system of financial security makes the most effective use of intellectual engagement and resources for leveling threats and ensure stable operation and development of the company. Building an effective system of financial security possible grounds for determining the following principles: universality, scientific validity, dynamism, continuous adaptation; objectivity, integrity, long-term effectiveness, focus on practical application, completeness, balance, stability, reflection.

The internal structural characteristics of intellectual capital as the object of ensuring financial security company assign: level of company personnel; rationality staffing structure; efficient use of labor potential and work; movement of personnel; effectiveness of regulation of labor and its organization; productivity; wages; social protection personnel.

Conclusions and recommendations for further research. Intellectual capital plays an important role in ensuring financial security. From training, entrepreneurial and managerial skills, intuition and other quality managers and personnel depends on the speed of response to changes in environmental factors, which is due to existing enterprise effective organizational structure, corporate culture, a common approach to work. Therefore, intellectual capital has given considerable attention as an object of protection system of financial security. The above makes it necessary to build an effective security system in order to clearly control and protection against them. The main directions of the process of providing financial security with a practical use and can be used in the development strategy of financial security.

An annotation is to the article
FEATURES OF CREDITING OF SMALL AND MIDDLE BUSINESS ARE IN
AGRARIAN SPHERE

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Ukraine owns enormous potential for development of agrarian industry. However, the tendency of deceleration of rates of volumes of crediting of agrarians is marked in the last years, in spite of acceptance and realization of row of legislative acts, namely to Law of Ukraine «On development and state support of small and middle enterprise in Ukraine». What determines legal and economic principles of public policy in the field of support and development of small and middle enterprise.

A special role in providing access to the agricultural sector entities to credit play a form of direct and indirect government support. The system of agricultural lending in Ukraine, in the current economic environment characterized by a combination of market mechanisms and preferential loans. Preferential lending to farmers mechanism implemented special programs aimed at improving the efficiency of agricultural production, its growth, provided continuity of production and food security.

Loans made in areas determined by the Cabinet of Ministers of Ukraine, by directly targeting the banks of the proceeds for settlement and payment documents submitted by borrowers to repay.

In order to encourage the development of financial infrastructure and increase access to credit for agricultural producers to the list of creditors other than banks and credit unions were included. Bank for concessional lending AIC can be used not only advances to the National Bank, and other accumulated resources. Credit unions offer farmers a simplified procedure for the loan, but require higher interest rates on loans. This type of lending in Ukraine is hardly developed in the failure to communicate with credit unions credit.

Loans are granted for farmers: 12 months - for working capital; three years - for the purchase of fixed assets (now the possibility to increase this period p''yaty years). Today the vast majority of loans to farmers, are short-term (up to 12 months), which is usually aimed at providing financing field work, while

long-term loans allow you to resolve the problem of expanding the production and updating of assets.

The main factors that hinder the development of long-term loans of agriculture are: high interest rates on loans, poor financial condition of borrowers, low liquidity of collateral on loans, high cost banks credit.

The vast amount of loans to agricultural enterprises in Ukraine provided by commercial banks. As of 01.01.2013. Amount of loans granted by banks is 32.4 billion UAH. (About 4 billion. Dollars.), with the amount of loans to agricultural companies, credit unions, amounted to 134.2 million of UAH, (About 14 million. Dollars, which is only about 0.41% of the amount of loans to farms).

Lately there is an increase the brief-case of credits, given agricultural enterprises, by commercial jars. Yes, for period from 01.01.2008 year on 01.01.2013 year the credit brief-case of commercial banks, directed on agriculture, was increased from 16,3 milliards of UAH (2 milliards of dol. of the USA) to 33,9 milliards of UAH (4,2 milliards of dol. of the USA) (growth is on 108%).

It costs also to mark that a fate of problem credits in the credit brief-case of banks by the state on 01.01.2013 was 8,2%, while for this index was 18,4% credit unions, that testifies to more high-quality approaches in-process banks at allotting credit agricultural enterprises, than at credit unions.

From the beginning of year the volume of credits, given Privatbank to Ukrainian agricultural company, grew on 18% (from 8,5 to 10,3 milliards of UAH). As reported in a bank, to the end of year it is planned to increase the volumes of crediting to agricultural company as compared to the last year on 25% (to 11 milliards of UAH) and to offer the new mechanisms of credit support of agriculture on principle. In particular, from the beginning of year there is a volume of credits, given a bank to agricultural companies grew on 39%. Almost fifty agricultural enterprises in a cy trusted the maintenance of Privatbank, from which 37 economies got the single-sourcing of sowing campaigns. On the whole, Privatbank is served by over 280 agricultural companies of region, from which a more than half got a financial help from Privatbank.

It is necessary for stabilizing of the financial – credit system:

- to reduce in price credits for the enterprises of agrarian complex to 5-7% annual;
- it is a mechanism of determination of interest rates for the credit of deal with the technological feature of realization of agricultural production and period of receipt of profit yield for the realized products;
- to allow more wide list of the use of money, than certain Order about the use of money through the mechanism of reduction of prices of short- and long-term credits, namely the use of them is on payment of salary;
- to extend returning of credit on not December, 1 of cy, but to February, 1, when prices for farm product are some more high.

Thus, realization of these measures on crediting will improve a situation with the difficult financial providing of enterprises, which will enable them more active to execute the basic functions: to provide employment of considerable part of population and kick in side-matched gross domestic product.

FINANCIAL SUPPORT FOR INVESTMENT AGRIBUSINESS

I.M.Tytarchuk, PhD

Financial security, investment, investment, income, stocks, government support, investment activity

Effective business of agricultural companies in the long term and to ensure high rates of development and competitiveness in the market economy is largely determined by the level of investment activity and the scale of investment security. Analysis of recent research and publications. Research shows that Ukraine is one of the few countries that can increase the production of major agricultural products. Currently, there are three countries in the world: Brazil, Ukraine and Russia, which have the greatest potential output growth, and therefore investment in these countries in terms of investors seem most appropriate. Crisis years showed the greatest resistance Ukrainian agricultural enterprises. This increases the attention of investors, including foreign ones, to Ukrainian agricultural companies. Last use available financial resources received from the exercise of operating (main) activity for the investment in the investee to obtain additional income, expanded reproduction or achieving social effect.

So, as the world and domestic experience, effective reform of the economy is possible only on the basis stimulate investment, a substantial increase in investment and consolidation of all sources of investment. Only then can the modernization of production, introduction of new technologies based on modern scientific research. We proved that the financial capacity of agricultural enterprises. But their provision of financial resources affect the same interrelated factors: the size of the enterprise, income, level of profitability, business efficiency and so on. This positive performance of the firms are able to use their financial resources in the form of investment. Moreover, the most significant sources of equity act among companies with lower levels of investment security.

The main direction of state regulation of investment policy for agriculture Ukraine should identify priority industries, ie primary objects of foreign investment. And, for a radical increase in foreign investment must be substantial changes

technological structure of agricultural production through its greening. That is a priority public investment and revitalization of foreign investment should be preserving and increasing the fertility of agricultural land. Today, much of the land has lost its fertility due to erosion, excessive use of chemicals, failure processing technology and others.

Established that a major source of investment capital for businesses, especially those that form the agricultural holdings (mainly public companies) is IPO. There is no single reason why farmers, first, choose a way of raising funds, and secondly, really interest the investors. By selling part of its business, ahropidpryyemets instead gets the money goes to the development. Only companies that have clearly defined plans and really need to raise funds and investors, IPO exercise. Another important step in enhancing the investment activity of the enterprises is state support of investment projects on modernization and innovative technologies through joint investment, creating a favorable investment climate in the country to attract foreign investors, creating investment forums and promoting information provision on existing investments in agriculture .

Questions stimulate investment farms require further investigation despite the unstable economic conditions and the prospect of association with the EU, which will provide access to foreign markets Ukrainian agricultural producer, and thus significantly increase competition in the markets.

FINANCIAL PROVIDE PROBLEMS IN INNOVATIVE DEVELOPMENT OF SUGAR BEET PRODUCTION

A. Fursa

The issues of the financial provision in innovative development of sugar beet production have been investigated. It was established, that growing of sugar beet requires high enough expenditures calculated on 1ha of crops. That is why agricultural producers give advantage to less expensive and at the same time more profitable agricultural cultures such as winter wheat, soya and corn for grain, sunflower and rape. Presented are the most essential financial, economic and normative legal measures to be taken by government aimed at effective development of innovative projects in sugar beet production:

- liberation during 2-4 from the beginning of profitable activity from tax payment on an income; in payment during the following 3-9 halves of tax from a norm; a complete release of participants of center is from the in payment of tax on royalty; paying is for using earth; duties are on the import of equipment, materials and transport vehicles and other products necessary for realization of innovative projects; a complete or partial (50%) release is from the in payment of VAT;

- guaranteeing of defense of assets of investors is against confiscation and nationalization; defense of intellectual ownership rights; possibility of to translation of assets and capital is abroad; release of foreign investors from tax payment on an income on the draught of 2-th of activity, and after the first 5 profitable functioning companies that export 70% of the products, to pay an income tax in the size of 15%. To return investors the 40% income tax prepaid from the reinvested income. The import of equipment for research aims is not assessed by an import duty;

- grant of right to public scientific institutions, that is included in innovative centers, scientifically-technological parks and other associations to get bank credits under moderate percents;

- grant except local preferences of political and economic defense to the innovative centers from the side of chairmen of regional and district state

administrations, mayors bridge that sometimes can be more ponderable than privileges;

- bringing in is in the complement of innovative centers of front-rank scientific establishments - universities, research institutes, designer bureaus and leading private firms of productive character, oriented to the market;

- creation at industry of sugar beet production - large scientifically-productive specialized associations for as business concerns, corporations, consortia, parks and other types of structures, investing of them on the basis of venture capital, franchising and conduct of general business;

- deployment by successful large firms with the high level of profitability of the traditions of the pre-revolution Ukrainian saccharine enterprises forgotten presently in relation to sponsor in a scientific sphere, donor ships, volunteers and charity for a population that was expressed in duty-free building of shelters for homeless, hospitals, large museums, schools, churches and even railways;

- deep study by scientific forces of philosophers, economists, psychologists, environmentalists, lawyers and political scientists of fundamental problems of functioning of modern society in relation to relations in the system of property, open access to the joint production and transparency of distribution of general product, ecology of gene pool of nation on the whole (Ethno-Eco-biogenesis);

- wide expert estimation of the created in the last few years innovative projects in industry of beet production, assistance to the transfer of the best from them and high-efficiency in a production;

- halt of disintegration of sugar beet Agriculture and Food complex of Ukraine on the basis of his intensification, modernization and diversification (combination) of production of sugar, bioethanol and biogas; processing of wastes on forage for animals, aluminous additions, fertilizers, gluten, yeasts, commercial reagents and other foods.

For the achievement of the marked aims a number of measures of state support are needed, in particular:

a compensation to the agricultural commodity producers of part of charges (to 50 %) is on acquisition of mineral fertilizers and chemical facilities of defense of home production at growing of sugar beets;

credit-financial support of sugar beet economies and dating of production of raw material;

realization of research and scientific work, sent to the improvement of quality of seed of sugar beets and increase of their productivity and profitability;

increase of level of provision of sugar beet economies home seed;

participating of budgets of regions is in the general financing of projects of development of infrastructures of industry;

subsidizing of interest rate is on the investment credits of Ukrainian credit organizations of agro industrial complex on building and technical re-equipment of saccharine and seminal plants;

an improvement of economic mechanism of co-operation of sugar beet economies and sugar-houses, organization of independent examination, is from determination of technological internal's of raw material;

improvement of long-term mechanism of the custom-tariff adjusting of import of sugar-raw and other

It is extraordinarily important to define the general volumes of investments and financing of the programs on separate sources - at an own expense, due to loans, from the state budget and to paint everything on years.

METHODS AND TOOLS OF FINANSIAL PROVISION OF AGRARIAN BUSINESS IN UKRAINE

L. Khudoliy

Annotation

In this article are revealed theoretical and methodological approaches to the definition of financial provision of agriculture enterprises, analyzing financial support for Ukrainian agricultural enterprises, identified the causes, which hinder further increase of agricultural production, offering perspective differentiated methods and tools for improving provision of these enterprises.

Keywords: financial provision, financial resources, financial methods, financial tools for agriculture enterprises.

Problem Statement. Development of agricultural enterprises is largely dependent on the provision of financial resources. For many Ukrainian agricultural enterprises as at this stage of their development and in the future; the big problem is and will remain a lack of their own resources and inaccessibility for them of sources external financing. This occurs because of the increased risks, limitation of methods and financial tools, that offer them financial institutions, which affected by the fact that their relationship with the subjects of agribusiness is not sufficiently developed.

This problem, at different times and in various aspects, was considered of pleiad Ukrainian scientists, including Demyanenko M.Y., Gudz` O.E., Borisova V.A., Kvasha S.M., Lupenko U.O., Nepochatenko O.O., Prokopenko N.S., Stetsuk P.A., Synchak, V.P., Chupis A.V. and others. Thus both theoretical and practical aspects need refinement and further development due to the fact, that financial market infrastructure changes, potentially it is possible to extend the methods and

tools that allows enterprises additionally access financial resources in the financial market. Therefore, the problem of improving the mechanism of financial provision of agricultural enterprises remains valid.

The purpose of this research are clarify the theoretical and methodological approaches to the definition of financial provision of agricultural enterprises and mechanisms improving of financial provision for different types of enterprises in condition of financial infrastructure development.

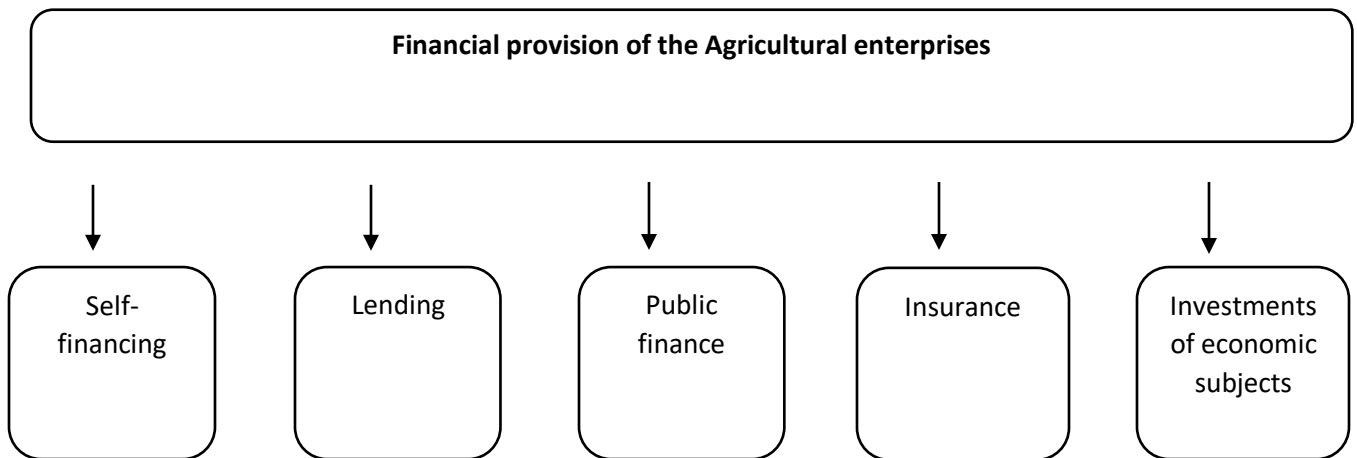
The main material. The basis for the development of enterprises are their resource supply, and in market conditions, financial support is particularly important. The results of the agricultural enterprises in Ukraine in recent years have slightly improved. The dynamics of Agriculture, Forestry and Fisheries enterprises profit for 2010-2012 shows a positive trend in its growth, and that 70 to 84 percent of these enterprises in recent years are profitable, and the average level of profitability varies between 16-19 percent. [4]

However, with a high degree of probability, we can to argue that the financial results could be significantly better in conditions of improving financial provision.

In the understanding of the concept of financial security we are close to the idea Gudz' O.E., that it is the ability of providing the activity of the economical subject with necessary financial resources [1], and not just cover reproduction costs due to accumulated funds of its own, state budget assignation and other financial sources [2]. To be more precise, the financial provision is the process of providing the activity of the economical subject with financial provision by different methods, using different tools.

Financial provision of the enterprises performed at the expense of own funds (the most liquid assets) of the company (its assets and cash equivalents, goods, uncollectible receivables) as well as through external: lending, budget financing and investment funds [1, 2]. Quantifying level of financial resources provision reflected in the solvency of the enterprise [1].

Financial support can be achieved through various methods - self-financing, lending, public finance, insurance and investment. Great importance in choosing from these methods is that in which sector of the economy include the enterprise, what kind risk and specificity of the provision.



1. Methods of financial provision of Agricultural enterprises

The variety of the tools, which are providing the process financial provision of Agricultural enterprises, showed in Table 1.

1. Methods and tools of Agricultural enterprises financial provision

№	Methods	Tools
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1	Self-financing	Sales revenue
		Agricultural receipts
2	Lending	Bank loan
		Payables
		Credit Unions loans
		Cooperative banks loans
		Agrarian funds loans
3	Insurance	Insurance reimbursement
4	Public finance	Programs of the lower interest rates on loans
		Reimbursement of insurance rates
		Compensation from eco-programs
		Compensation from leasing
		Tax benefits
5	Investments	Issue of stocks (bonds, shares) and entrance to the financial markets.

Depending on the characteristics of the country or the level of development of its economy and financial infrastructure tools can be different. It may also vary depending on the size of business, from the legal form of the enterprise, on the purpose of use, etc. Therefore, for the purposes of managing the financial provision of enterprises it is advisable to classify additions and other grounds.

Our research and studies by other authors have shown that common problems for all types of Agricultural enterprises - large, medium and small; for companies of all legal forms are: seasonal lack of own financial resources, lack of

access to sources of long-term loans, high cost of short-term secured lending; difficulties in attracting domestic and foreign investment.

Search for financing for agricultural enterprises recently implements in disadvantaged conditions: after 2008 crisis, stock market of Ukraine still in an inactive state, attraction of the financial resources in world market by borrowing, inquires the experience of placing Eurobonds, which is lack even in agro holdings; process of investment growth deceleration in the real sector of the country; secured bank loans becomes difficult for many businesses because of lack of pledge (especially in small businesses), significantly deteriorated situation with currency lending; system of loans through credit unions has not acquired sufficient momentum; and insurance reimbursement for agricultural insurance products are rather low, which discourages farmers to insure their property.

Selecting perspective instrument of foreign and domestic financing of agricultural enterprises at this stage of development appropriate to carry out, based on their size, economic condition and the extent preparedness to use new management tools and be responsible for the financial obligations of their enterprises.

The perspective instruments of external finance for financially strong companies that have experience with the EBRD and the IFC includes bank loans (agricultural holdings gradually become a priority customers of banks); IPO, domestic bonds and Eurobonds; loans from international organizations, loans Agricultural Fund for pledged goods. As before, priority direction remains to obtain a bank loan. However, enterprises should be ready for gradually changing terms of the bank loans. To work with banks in large investment or innovative projects, company must have an international audit reports in a few years, comply with internal standards of reporting, budgeting, forecasting, have ratings by

international agencies, have responsible management, and be transparent and predictable.

Problems of external financial security of medium and especially small agricultural enterprises are associated with low income, lack of pledge, lack of transparency in financial activity, low levels of management. For those, they are more suitable financing instruments are as follows: regional credit union loans, bank loans, programs of public financing, leasing, franchising, agricultural receipts (trade and financial). The latter can act as an independent loan tools, and may be, in conjunction with loan as a reliable pledge, obligations receipts can be provided surety of financial institution, as in promissory notes. Agriculture receipts as a new tool in agricultural enterprises financing can create in the future conditions an effective interaction of the banking, insurance, manufacturing and trading systems.

Conclusion. Clarification of financial provision category as a process of business subject's support with necessary financial resources by using different methods, using different tools directs financial managers on a permanent search for the most effective of them, adjusting to the claims of creditors in order to fully satisfy the needs of financial resources. Ukraine's agricultural enterprises have a greater need for financial resources for their further development, and for objective and subjective reasons have no sufficient access to external financing sources. In the financial system were worked out various financial methods and tools that can be implemented by agricultural enterprises. There is a need of partners counter movement and competent management of this process from financial management.

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INSURANCE MARKET UKRAINE: APPROACHES TO ITS CLASSIFICATION AND PERIODIZATION

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Insurance market of Ukraine compared with highly developed countries are underdeveloped. The foundation for the development of proposals of directions and measures of improvement of level of its functioning is the theoretical basis. Currently, there is no clear approach to the interpretation of the term “insurance market”, its classification and periodization. In this connection it is appropriate to conduct more research in this area.

This determined the purpose of the article that is to review the basic definitions of the insurance market, to improve its classification and to review the evolution of its development in Ukraine, including membership in the WTO, the economic situation and the activities of the Authorized Agency in the field of insurance.

The insurance market is more general concept, including the market of insurance services, the full functioning of which is impossible without proceeding by insurers as financial intermediaries, activity on the formation and placement of insurance reserves. That is why considering the issue of classification and evolution, the object of it will act exactly the insurance market, which includes full insurance activity.

Classification of the insurance market plays an important role in determining the directions of its development, regulation, surveillance, segmentation and others. Summarizing the views of scientists on these issues, we concluded that the classification of the insurance market is expedient to divide into two groups: general, based on the general approaches to the classification of markets and special, based on the features of the classification of insurance.

The main approach to periodization of the insurance market in the state is the adoption of laws and regulations in the field of insurance. In this connection, there are four periods, the latter of which begins in 2001 and continues to the present time. But a significant influence on the development of the insurance market is carried out

not only domestic legislation, but also related to Ukraine's membership in international organizations, in particular, from 2008 - multilateral agreements of the World Trade Organization (WTO). Based on this general periodization of the insurance market of Ukraine was detailed.

It is possible select other approaches to periodization, including:

- the activity of the Authorized Agency in the field of insurance, the acts of which perform a direct impact on the development of the insurance market;
- the economic situation in Ukraine, which is directly related to the crisis in the world, including the global financial and economic crisis of 2008-2009. Scientists that consider the dynamics of the insurance market in Ukraine in the last decade differentiate between the pre-crisis, crisis and post-crisis periods of the insurance market.

These scientific results helped to deepen the theoretical basis of understanding the insurance market and to set the foundation for the development of proposals to directions of its regulation and further development.