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## **I. Economy and management of a national economy**

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### **ESTIMATION PRINCIPLES OF THE LEVEL OF TRANSPORT SERVICES INTERNATIONAL MARKET'S ASYMMETRY**

The world markets heterogeneity is shaped the architecture of transport sphere internationally. The purpose of the article is to build a theoretical propositions concerning the definition and justification of the necessity to consider the basic principles on which the assessment is conducted degree of asymmetry of the transport market.

The article presents an analysis of approaches to the definition of the asymmetry of the transport market. Study the dynamics of realization of scientific work in this direction with the specification of certain areas that were not analyzed what was the reason for concentrating attention on those areas of economic activity.

One of the key priorities for strengthening state positions on the world markets, in most, in the case of the transport sector's development, the extent and effectiveness of its involvement in the exchange. The heterogeneity of global transport market, as the secondary demand, factors that shape architecture of the transport sphere on a global scale. In the context of this scenario it's important to have the cargo base, its accessibility, effective demand of users, level of differentiation zones of production and use. The last should be given special attention in the context of this work, as construction of a model that allows you to identify and estimate the level of differentiation within the system is the most difficult for many reasons.

Moreover, the high level of differentiation is the basic factor in the development of the system, due to violations of certain balance (i.e., acquiring the status asymmetry).

When solving problems of regional development is important to consider the fact of resource concentration in a particular area, i.e. the presence of a pronounced local character. At the same time, finding the optimum balanced development of transport markets takes into consideration the spatial factor, taking into account the nature of the network transport system, including the one that is included in the various territorial-production complexes.

Asymmetric functioning of transport service markets is a feature inherent to any system that develops. Nevertheless, the degree of asymmetry is an important indicator vitality of the system. The basis of the estimation is a system of principles that link features of the system, identifying common patterns. Consideration the list of principles will effectively solve the problem.

In the article it is proved that granted principles is necessary, substantiated, sufficient and one that will enable to form a holistic view on evaluation procedures, followed by the ability to overcome or adjust the degree of asymmetric global transport market.

In the article it has been concluded, that asymmetry functioning of transport services markets is quality for every developing system. But the level of the asymmetry is the essential markers of the such a system vitability. The execution of the estimation the value of deviation from the ration “symmetry-asymmetry”, surely is very important. The result should be inputs of the system and help to reduce the level of the deviation.

Furthermore, the absence of formalization instruments couldn't afford to make decisions, which are effective and adequate to the circumstances. The base of estimation is a system of principles, which connects any feature of the system and discover a general regularities.

The approaches to the evaluation process the degree of asymmetry of the transport market give an opportunity to improve the quality and reliability assessment. Taking into account the uncertainty of the environment, first of all operation, or survival, transport enterprises, using such approaches can be a sufficient ground for more measured and calculated decisions.

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### **SIMPLIFICATION OF CUSTOM CONTROL BY INPUT OF SIVC – CREATION OF FAVOURABLE TERMS FOR FEA**

Purpose of the aim of the article is a theoretical ground of hypothesis about efficiency of input of the system intellectual to the videocontrol in the motor-car points of admission on the State boundary of Ukraine as one of ways of simplification of custom control, and consequently, is creation of favorable terms for foreign economic activity.

To achieve this goal, this article used the following methods: induction and deduction, the theoretical generalization, analytical and monographic – while studying scientific sources, at research of legislative and other normatively-legal acts on questions custom business; systematic and analytical – for the selection of ways of improvement of custom control; abstract-logical – for the generalization of theoretical positions, forming conclusions and suggestions.

We considered and generalized the ways of improvement of custom control on the motor-car points of admission. Substantiated importance of input of the system intellectual to the videocontrol in the motor-car points of admission, that will approach of the information-telecommunication fitments of customs of Ukraine to the world standards and will assist the improvement of custom control, and, as a result – to the improvement of terms for foreign economic activity. Certainly, that owing to

unique capabilities to execute specific tasks, system intellectual to the videocontrol will provide rapid, transparent custom control, will prevent the committal of custom and corruption offences, will assist to development of terms for foreign economic activity.

Originality of the results consists in the argumentation of supposition that owing to introduction of the system intellectual to the videocontrol the proper state of legality will be attained during realization of custom control. The videocontrol will provide exact, severe and monotonous implementation of customs legislation that regulates realization of custom procedures (in accordance with the stages of custom control) both the subjects of foreign economic activity and public servants of customs.

Practical value lies in the fact that the main provisions of this research in the form of practical recommendations can be used in the process of modernization of the information-telecommunicational systems and facilities of custom organs of SFS.

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## **CAREER PLANNING EMPLOYEES OF FISCAL SERVICE**

Purpose – separating correctors career, elaboration model description career (personal planning) officials of SFS and the "road map" career planning officials of the SFS service personnel.

In the process of writing used as a general scientific and specific methods of knowledge: dialectical, system analysis, induction and deduction (for identifying the career correction); modelling (in the model description career officials of SFS); sociological (the disclosure content technology career planning); structural and functional (the construction of the "road map"); abstract-logical (for a synthesis of theoretical positions, forming opinions and suggestions).

The list was correctors career - factors that can positively or negatively affect the course of a career officer SFS. For levelling the negative impact of this correctors career proposed description career (personal planning) officials of SFS, taking into account its objective, and the "road map" career planning officials of the SFS service personnel. For the improvement of process career management staff DFS proposed to adopt a legal act SFS and define clear and secure it an effective mechanism for service in the system of SFS.

The first time the model description career (personal planning) officials of SFS and a "roadmap" career planning officials of the FFS service personnel, and singled correctors career.

The results will contribute to the improvement of organizational and legal support personnel management system of the State Fiscal Service of Ukraine.

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### **CURRENT STATE AND DEVELOPMENT OF EDUCATIONAL SPHERE IN UKRAINE**

In accordance with the ‘National Doctrine for the Development of Education’, the ‘National Strategy for the Development of Education in Ukraine for the period till 2021’ and the ‘State National program ‘Osvita’ (‘Education’): Ukraine of the 21<sup>st</sup> century’, the strategic priority for national education development provisions lies with the formation of the multiple-option investment policy that would employ fundamentally new approaches.

The objective of the articles is the statistical analysis of the state of educational sphere in Ukraine and an outline of trends in its development for the purpose of substantiation of the patterns of investment policy in the selected branch.

By the time of declaration of its independence, Ukraine has inherited a relatively well-developed educational system with quantitative indicators and infrastructural capabilities that conformed to the level of some of the most developed countries of the world. However, it has inherited both the achievements and the unresolved issues of the soviet educational system. Furthermore, in the conditions of ongoing globalization processes it is contracting global crisis tendencies and experiences the

impact of negative nationwide social and economic, demographic and political phenomena.

Throughout the whole period of its functioning the domestic educational sphere has been undergoing reformation processes: from 1992 to 1995 – the reform of general secondary education, from 1996 to 1999 – the reformation of higher education and, starting from 1999, educational reforms are targeted at the integration of Ukraine into the European educational and scientific space.

It has been defined that, against the background tendency of downward change in the regional human development index in 2004 – 2014, the average standardized value of the ‘Osvita’ framework indicators is showing steady increase. It is perceived as a positive issue however it does not fully reflect the actual current state of affairs.

In the course of the research it has been determined that the given sector of national economy is displaying overall gradual decline in the quantity of economic entities – educational institutions – in the period of 1990 – 2015, by 31%.

Such a tendency occurs due to the reduction in the population size, activation of the depopulation process (by 17%), hence the reduction in the number of individual consumers of educational services (by 40%) as well as the national policy of regulation (optimization) of the network of educational institutions.

The network of educational institutions of diverse types and levels with a breakdown by regions is going through uneven development pattern, creating concentration centers which cannot characterize the actual educational sphere from the standpoint of progressive development.

Notwithstanding the possibility of creating privately owned educational institutions, the dominant force in the educational market still resides with state-owned and public educational institutions (average of up to 80%) that corresponds to all-European trend.

It has been established that despite a considerable decrease in the total quantity of educational institutions over 1990 – 2015 by 31%, their operational workload is decreasing by 13% (higher education institutions of the I-II as well as III-IV accreditation levels by 37% and 15% correspondingly, vocational training institutions

- by 27%, secondary education institutions – by 33%). The number of students of higher educational establishments of the III-IV accreditation levels during the period of 1991 – 2015 exceeds the number of students at vocational educational institutions by 1.35 – 4.52 times, while the same data for students of higher educational establishments of the I-II accreditation levels shows the prevalence of 1.19 – 6 times. Such situation generates negative effect on the expanding gap between the social strata, stipulates the depreciation of higher education diploma and the non-conformity of the working positions to the qualifications of specialists.

Hence, the statistical study of the state and the development of the education in Ukraine allows reaching conclusions that in the years of its independence Ukraine has undergone substantial alterations in the system of educational institutions characterized by an overall decrease in the capacity of the national market of educational services while the educational sector is experiencing structural shifts towards its higher levels. It further experiences an additional significant impact from reforms aimed at its stabilization.

The findings of the provided research emphasize the existence of the crisis state in the national educational sphere and the increasing non-conformity between its actual state of affairs and the requirements of the accelerated innovative development.

Hence the development of the educational sphere of Ukraine can be defined as non-uniform (by structure, temporal and spatial constituents) and regressive: negative changes predominate over positive ones.

Major trends, revealed in the process of monitoring, as well as the developmental issues in the educational sphere of Ukraine provide the possibility to substantiate the directions for the investment policy in this sector.

The scientific novelty of findings lies with the development and identification of tendencies in the educational sphere in the conditions of national and global crisis conditions.

The practical application of the findings of the provided monitoring will ensure the balanced state of investment educational policy taking into account the defining

vectors of educational sector development as a whole, and will further provide the possibility to realize a much larger implementation of the ‘National Doctrine for the Development of Education’ into the practical activity of educational institutions.

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### **NEED FOR STATE REGULATION OF BANKING**

Trends in the banking system of Ukraine necessitated the organization of the control and supervision of commercial banks. The crisis of confidence in banking institutions due to their failure to fulfill the obligations undertaken by causing disruption of the monetary sector and rising social tensions. The stability of a single banking institution directly affects the level of stability of the banking system as a whole.

Modern Commercial Bank is now a special type, because the nature of its activity is defined as the typical notions of separate company (usually based on private property), and the degree of state regulation of banking. Thus, regulation of commercial banks is an objective necessity of the existing model of the banking system in a market economy.

State regulation of banking activities is a system in which the state, through the National Bank or other supervisory authority provides stable and safe banking system, prevent destabilizing trends in the banking sector. That regulation is designed for banks authorized agencies of specific rules and regulations, which according to legislation defining the structure and methods of forming the framework of banking behavior of banks).



Considering the problems with banking regulation current regulation processes should be considered at four levels: international, national, level regulation by the central bank and self-regulation at a particular banking institution.

The object state is a direct banking regulation activities of banking institutions, business entities - banks that operate on the territory of a country.

Effective government regulation of the banking market provides a clear definition of goals, objectives, and methods to solve them.

The purpose of government regulation of banking is to maintain the stability of the national banking system, prevent the bankruptcy of some banks, maintaining competition in the banking sector, the needs of society and customers of banks in obtaining quality banking services. Hence, the main effect of the state as regulator macroeconomic processes in the banking system through the central bank, which is the main organ of state regulation of macroeconomic processes through monetary methods. However, to ensure the stability of banks and preserve the confidence in the banking system of the state need not only timely and effective action of the main controller, but also deliberate and coordinated the activities of various branches of government, especially the executive.

The nature of the NBU to banks and other financial institutions reflect the administrative and indicative forms of banking regulation.

Hence, the need to study and develop effective tools for banking regulation determined the trends emerging in the modern economy and the crisis of recent years. State regulation of banking is the use of the state system of measures and tools impact on the banking sector to achieve important social objectives. The objective necessity of activating the role of the state in regulating the banking sector requires new approaches to the development and application of state authorities measures and instruments of influence on banking activities in order to ensure stability of the banking system and the growth of the domestic economy.

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## **ANTI-RAIDING ACTIVITY AS A TOOL TO IMPROVE THE BUSINESS SECURITY IN UKRAINE**

To achieve efficiency of anti-raiding strategy it is needed to explore the specifics of dynamic trends of raids and the conditions of threat materializing; to estimate the scale of the raiding problem in Ukraine; to analyze methods of raiding activity and to specify methods for implementing anti-raiding strategy.

The theoretical and methodological basis of the research is the statement of modern economic science, scientific works of domestic and foreign scholars and experts in the sphere of struggling against raiding. For achieving the goals were used the following general scientific methods: induction and deduction – for studying the internal and external factors of raiding threats; graphics method –for a visual representation of research results; abstract and logical– for theoretical generalizations and drawing conclusions.

It was substantiated that in the conditions of low efficiency of law enforcement and system of law of the state the majority of takeovers are results “black raiding” in the system of hostile and friendly takeover. The conditions, which increase the risk of raiders' attack, are distinguished. These conditions include: business success, inadequate control over the block of shares, severe competition, productive assets, corporate conflicts between parties, uncontrolled credit indebtedness.

In the article there were defined the informational components of protection the business entities from raiding due to: actions and targets, directions and spheres, objects and their types, reach level, types of risks.

There were grouped the main methods of raiding activity, especially: bankruptcy, concerning shares, forcible takeover, fraud, administrative influence, greenmailing

The main principles of protection own business include:

1. Involvement of experts in all fields, which may relate to business security (of enterprise).

2. Understanding the specifics of legal framework that is significant for different patterns of ownership and different types of business.

3. Continual review of all components of corporate security is recommended. It is also desired to give continuous cooperation with reliable lawyers, which will monitor the quality of execution the documentation and clarity of wording the contracts.

4. It is strongly recommended to carry out the well-defined credit policy strategy of the company, so that in case of offence against property the bank should be also interested to protect the business of victim.

5. Continuous monitoring of the status of current payments is required.

6. For large companies it is advisable to have own security service with close cooperation with regional security services and law enforcement agencies through the conclusion of appropriate contracts.

7. The originals of founding documents should be kept in safe-deposit box of a bank or other secure locations outside the main office.

8. In case of discovered active threats or the beginning of the actual raider attack it is needed to perform maximum public reporting by any and all means.

Attained results of research provide more integrated background of raiding in Ukraine and prevalence of “black raiding” (hostile takeover) in conditions of underdevelopment of anti-raider policy of the state; promote companies optimization to develop anti-raiding strategy.

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## **TRANSITION ECONOMIES NATIONAL POLICY OF INFLATION PROCESSES REGULATION: EXPERIENCE FOR UKRAINE**

Inflation is one of the most significant problems of transitional economies. Although inflationary process has many common characteristics in the countries with economies in transition, but in each of them he proceeded differently. This process is largely dependents on transitional economies market reforms. On inflation, particularly affecting: public deficits, foreign trade balance, foreign direct investment, the production, the introduction of its own currency, its devaluation, as well as a privatization, liberalization of prices and trade, currency availability reserves,

investments, trade and balance of payments, government actions used to stabilize the exchange rate, external debt, monetization and growth of the money supply, banking (bad debts) government spending and other macroeconomic indicators. Given the importance of influence of these values on inflation in each country, there can be seen an analyzing of the process of inflation in each of the investigated countries, and generally in the region.

CEE countries have no single transformation process model. These countries had used the evolutionary approach (Hungary) and approach based on a strategy of "shock therapy" (Polish model), but also can be identified similarities among these states. A significant feature of the CEE countries, even those who used the most radical transformation, is evolutionary changes. In the Czech Republic, Slovakia, Poland and Hungary this approach is based on the process of accumulation of certain institutional preconditions for radical reform when arrangements were formed microeconomic adaptation to market competition in the economic environment, more open to the world economy.

In the area of macroeconomic stabilization in CEE fighting inflation was relatively reasonable, even in countries that had been used methods of "shock therapy" that allowed to avoid deflationary shock.

In all countries with transitional economies there was at least one hyperinflation (Poland – 1.77 / 108, Hungary – 2.83 / 1026), which exceeded 25% per year. Only in five countries with transitional economies inflation had not exceed 400%.

In addition, Central Europe focused on addressing the following issues: development of transition programs; creating conditions for private sector development; minimizing government intervention in pricing; formation of commodity markets, capital markets, banking and credit systems, trade and monetary exchanges.

During stabilization the government directs its efforts to overcome the negative effects of the socialist system. This period was accompanied by a decline in production domestic product, rising prices.

In the period 1990 – 2016, most of the CEE countries had made significant progress in economy stabilizing. Poland, Hungary, Czech Republic and Slovakia – 1990 – 1991, Estonia, Lithuania, Latvia – 1993 – 1994. The process of stabilization in these countries had the following features: the stabilization of the exchange rate; decline of high inflation; reduction in government deficits; termination of money supply growth.

The inflationary process in the investigated transition countries took place in different ways, depending on the macroeconomic situation of each country. Despite some difficulties with the budget deficit, foreign trade, liberalization of prices and other macroeconomic issues, countries in this region had made significant progress in this process. It is therefore appropriate to use the experience of these countries, as in Ukraine at the initial stage of market reforms the macroeconomic situation was similar to the situation in investigated countries, but Ukraine did not use its possibilities in implement this experience in full. Therefore, at the present stage of Ukrainian development, can be used the experience of these countries not only in Ukraine but also in other countries with economies in transition.

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## **II. World economy and international economic relations**

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### **CONSEQUENCES OF PUBLIC TSUNAMI IN EUROPE**

Actuality article is not in doubt given the current visualization application. In Europe, in particular, migratory tsunami provokes policy changes, many researchers

treated as objective. Scientists are actively studying the different nature of the tsunami. The most studied tsunamis are natural, especially from the standpoint of geophysics, geology and climatology. However, new aspects of manifestation of social tsunami in the universe, within individual countries and regions at present increasingly require an interdisciplinary approach of scientists.

The purpose of the article – to characterize the social tsunami, its species and assess its implications for European countries.

Nowadays you can talk about tsunami two groups: natural and social. The differences between them are enormous, but they like that are a huge threat to human life and accompanied by extremely large losses. Public tsunami – it also waves that are formed on the large land masses of people relatively short time (from several days to several months, or even years) moving through space at a considerable distance to a few hundred thousand kilometres.

Depending on the causes, characteristics of the formation of public tsunami waves give a certain name. For example, if as a result of unrest in one country is transmitted ideas of modern political system to other countries in a relatively short period of time, we are dealing with a political tsunami.

Nowadays the whole world shuddered from migration tsunami that formed the great wave of migrants from Africa to Europe, America, Asia and Australia. Migration waves and migratory movements have long been known. But they were especially large scale recently. Thus, according to UN estimates, the number of migrants living outside their native countries for the period 1990-2013 increased by 50%, reaching 231.5 million people, about 7 million of which, according to various professionals and experts constitute Ukrainian. If 2013 people who sailed to Europe by sea, it was only about 60 thousand people, in 2014, according to the United Nations High Commissioner for Refugees, about 219,000 refugees and other migrants successfully overcame the Mediterranean Sea, but not at least 3,500 people were killed. Mediterranean migrants get shores of Italy and Greece, and then moving to other European countries. The largest number of them in the EU takes Germany, which until recently has announced willingness to accept 800,000 asylum seekers. In

April 2015 the EU approved a plan to combat illegal immigration and a new program of assistance to migrants. In May 2015 the European Commission proposed to allocate migrants EU countries quota principle, depending on the economic performance of the country.

But this blow was overwhelming wave of migration to the EU. If the total net migration in 2014 in the Euroregion amounted to 1.9 thousand people, in 2015 already 951.9 thousand people in 501 times more!

So, we can say that modern migration tsunami formed as a result of escalating conflict in Libya military action in Syria and Iraq, etc., and the main problem of European growth of social tension in placements arrived population. However, migrants are often treated brutally carriers; they not only significantly overpaid for transportation, but often suffer robbery; Many of them die on the way to the desired destination country.

We consider that the growing threat of a controlled social tsunami regional or global scale is that it essentially stands at present a new type of weapon, as immigration increases the pressure on the European labor market, the welfare system, fueling social tension that caused significant cultural distance of arrivals - is deliberately weakening the EU.

Thus, the scientific novelty of the research is substantiating the need for in-depth analysis of the problems outlined, the development and implementation of measures aimed at stabilizing and improving the socio-political and socio-economic situation in the world.

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**SOCIAL DIVERGENCE OF ECONOMIC DEVELOPMENT:  
GLOBAL TRENDS AND EVALUATION**

The aim of the article is to identify modern tendencies of social divergence of global economic development and confirmation or refutation of the hypothesis about the existence of social divergence / convergence.

The following methods of scientific knowledge were used during the research process: dialectical, induction and deduction; analysis, synthesis and comparison – in assessing trends of social divergence of global development; econometric methods, including correlation and regression analysis – to assess the social divergence of global economic development; abstract and logical – to formulate hypotheses and conclusions; tabular and visual (graphic) methods – for visual presentation of research results.

It was established risks of the global economy. The basic determinants of social divergence of global economic development are substantiated. The modern demographic trends and the state of unemployment in the world are analyzed. The anti-crisis measures to equalize the situation on the global labor market are proposed. Differences in wage levels between countries are determined. Particular attention is paid to the issues of labor migration and attracting funds of labor migrants into the national economy.

The impact of militarization of the economy to social divergence of global economic development is argued. A hypothesis about the existence of social convergence / divergence of global economic development is put forward and its assessment is conducted.

The determinants of social divergence of global economic development that deepen social inequality are revealed. A hypothesis about the existence of social convergence / divergence of global economic development that is confirmed by calculations sigma and beta convergence for the countries of the world, and trends of transition of the countries between groups of social convergence are identified.

The obtained results of research can be used in further research of social divergence of global development and the development of measures to reduce the divergence between countries.

Alternative scenarios of the global economy development envisage overcoming not only economic, but also social differences in the development of countries and economic transformation should be aimed at ensuring adequate conditions of life and work of people, health and education, social mobility and social partnership to overcome the problems of poverty. Distinguishing characteristic of the present stage of theoretical substantiation of global economic development is its socialization, which is associated with social reorientation of production, humanization of work and life of people, softening of social differentiation and the growing role of social sphere, non personification of property and active social policy. Features for socialization of the economy serve: overall growth of population income, increase of national welfare, reducing of property stratification. Using the category “socialization”, scientists often associate it with the concepts “social market economy”, “social and oriented economy”, “social state”, “changing role of services in the financial system of reproduction”, “social partnership”, “social dialogue”, “social policy” , “social harmony”.

From the standpoint of institutionalists, the main means of socialization of economic development should be the possibility of all able-bodied citizens to independently obtain decent employment income. A significant role in this process plays not only the state but also social responsibility of business. Socialization is the economic entity entering into various formal and informal relationships through assimilation and acceptance of the universally recognized norms in society, the subordination of institutions by which a certain group of people can impose their will

on other groups and classes of society. Socialization is considered as a process of harmonization of individual behavior stereotypes and accepted norms in society, which is a reflection of public interest.

The specific law of socialization is allocated by scientists that expresses internally necessary steel and significant relationships between the achieved level of technological mode of production, increasing socialization of production and labor, on the one hand and the gradual overcoming alienation of hired employees from the labor process, economic power and ownership at the micro level and socialization of a social and economic functions of the state at the macro level in developed countries of the world.

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## **ASSESSMENT TRADEMARK IN A GLOBALIZED ECONOMY**

Current trends of economic globalization and liberalization of world markets of high technology products and intensifying competition between producers leads to increased value for brands.

The increased volume licensing trade, technology transfer, consulting, engineering, franchise services and sales of trademarks, patents, know-how, trade secrets form the global market of intellectual property.

Evaluation of trademarks companies will encourage their participation in world processes of globalization and adequately represent their products to domestic and foreign consumers.

The analysis of the economic value of the trademark, getting them ownership shows that the established national legal framework must be brought to international requirements.

Ensuring the competitiveness of its products requires a quantitative assessment. Each product has its own methodology for assessing competitiveness which takes into account the formation of the segment. Evaluation of competitiveness of goods is calculated by comparing the output parameters with parameters comparison base. By comparison base may include the following parameters: the need of customers, competitive products, hypothetical sample product, a group of similar products, the value of benefits.

The most important criteria affecting the assessment of the brand is its awareness of the prevalence and consumer confidence. In the end, all these qualities define profit company formed as a result of increasing sales of products and increase the value of the trade mark. In some cases the cost of the popular trade mark exceeds the

value of all tangible assets of the company and is the most powerful tool in the competition.

There are three main methods of evaluating brands:

1. The method of total costs, which calculates all the costs of creating and branding, research and development, decoration and packaging state registration and protection, advertising costs. But while the market dictates the price, which can be significantly higher or lower than these costs.

2. The method of residual value - the total market value minus cost of material and financial assets and intangible assets not related to the brand.

3. The method of discounted total surplus value, calculated difference between the branded product and its closest analogue with no brand deducted the costs of creating and promoting a brand, then multiplied by the likely sales volume throughout the life of the brand.

The success of the brand - a focus on unique, superior product competition, and provides unique benefits for consumers and increased value.

National Intellectual Property market is small developed, very small practice in the assessment of trademarks in Ukraine. Therefore, the sale-purchase major companies in Ukraine price brand rarely included in the total cost of the company.

Study characteristics evaluation of leading brands of foreign companies, the cooperation of Ukrainian companies in the field of legal protection and commercialization of intellectual property will increase the competitiveness of Ukrainian companies and encourage their participation in the processes of economic globalization.

To derive the Ukrainian brands to the world global market and improve their competitiveness must also improve the index calculation methodology of brands, assessment methods and value of trademarks in international business.

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## **FORMATION OF THE PRODUCTION STRATEGY IN FUNCTIONAL STRATEGY ALTERNATIVE ENERGY ENTERPRISES**

Enterprises of alternative energy, including biofuel producers, implement its business focusing more on production function explaining terms specific to the current stage of the life cycle of certain areas. Under these circumstances, the risks decline in the efficiency of enterprise management, which can manifest inconsistency

with other functions and lead to adverse changes in economic performance and loss of competitive position. Therefore, in the process of enterprise development strategies advisable to develop a system of functional strategies that will ensure the implementation of corporate strategies, performance goals and achieve the mission.

Production is an internal company system that includes all stages of the process, on the one hand can develop depending on the environmental conditions on the other, has an internal capacity is limited by available resources. In forming production strategy should be defined and take into account the status, opportunities, limitations of both interacting parts.

The theoretical basis of the study were the methods of scientific knowledge and general scientific principles in the formation and implementation of industrial strategies, methods of structural and functional and structural and logical analysis - to develop strategic alternatives structuring of production according to the stages of the product life cycle; method of financial and economic analysis, multidimensional comparative analysis – to evaluate the results of the production and commercial activity.

The model lifecycle scope biofuel producers, identified opportunities and threats to the environment, the potential strengths and weaknesses of the company, formed mission, defined goals and developed a set of strategic corporate strategies. The calculations of values of a set of indicators rationale for the choice of alternatives strategies for companies producing alternative energy and provided recommendations to improve their performance in the context of their development strategies.

Originality the research is to develop a scientific and methodical approach to formation of the production strategy are already functional strategies of enterprises of renewable energy, which involves building a model of the life cycle of the scope of producers of biofuels, outlining the opportunities and threats to the environment, the potential strengths and weaknesses of the company, formed a mission set goals and developed a strategic set of corporate strategies.

Results of the study is the basis of forming production strategy are already functional strategies of enterprises in the renewable energy field practical and applied industrial and commercial activities of companies, including producers of biofuels.

So for companies biofuel manufacturers recommend basic production strategy - implementation of production capacity. At the tactical level it is advisable to implement the strategy - improving the organization of production, which includes: improving the implementation of production capacity, providing rhythm and uniformity of production; improvement of management systems; organization of audit and improve operating techniques and technologies; reduce complexity; optimization of the supply of raw materials; raising the level of expertise and staff.

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### **III. Economy and enterprises management**

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#### **SYSTEM DEVELOPMENT OF LIVESTOCK INDUSTRIES AT PEASANT FARMS AND ENTERPRISES**

Livestock is an important branch of agriculture, a weighty potential for the development of the national economy and welfare of population. One of the main reasons the critical situation in the matters of livestock development in particular dairy cattle breeding is the lack of a systematic approach to the functioning of the industry. First of all it concerns the problems of development of peasant farms and small agricultural enterprises, which occupy in the aggregate of milk production the largest share of production. These economic entities are experiencing problems of lack of adequate natural pastures, substantiated of purchase prices for milk, of real commodity market of dairy products and other influential factors.

Important is the systematic research of problems of development of livestock industries, considering the objective necessity of the increase in production volumes with minimum costs and high quality of livestock products.

The aim of the article is to substantiate theoretical principles and practical proposals for the systematic approach to the development of livestock industries at peasant farms and enterprises.

General scientific and special methods were used during the research process, including: dialectical, induction and deduction and theoretical generalization – to identify and assess the situation regarding the development of industries livestock farms and enterprises; abstract and logical and strategic substantiation – to determine the complex of systemically formed factors for ensuring sustainable livestock development and system principles for management of the process for improving the efficiency of livestock.

Massive reduction in livestock numbers is revealed in the articles, including dairy herd, accordingly volumes of production are reduced that threatens national food security. It is determined that one of the major causes of the critical situation in issues of livestock development, including dairy is the lack of a systematic approach to the functioning of the industry.

It is established that the causes of emergence of the problem is: disparity in prices for animal products and material and technical resources for its production; low solvency of the population; lack of adequate financial and economic mechanism of state support for livestock. It is substantiated that the system of conducting agricultural livestock is a set of social and economic, organizational, technical principles of construction and maintenance of production for specific conditions to meet the needs of society in agricultural products.

The complex of systemically formed factors for ensuring sustainable livestock development and system principles for management of the process for improving the efficiency of livestock is determined. It is established that the important factors for improving the efficiency of livestock is to provide cattle with cultivated pastures and location of the processing industry in rural areas.

The complex of systemically formed factors that are aimed at creation of conditions for sustainable of livestock development and system principles for management of the process for improving the efficiency of livestock is determined.

The obtained results of research are aimed at providing systematic, efficient development of livestock industries at peasant farms and enterprises.

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## **THE IMPLEMENTATION OF INFORMATION TECHNOLOGY ON TOURISM COMPLEX BUSINESS**

The aim of the article is to provide theoretical and practical statements, causing the growing influence of information technology on the effective activity of the enterprise of tourist complex.

Theoretical and methodological basis of the study are research and development of domestic and foreign scientists, associated with economic development of the enterprises of the tourist complex, the efficiency of their operations, legislative and regulatory Ukrainian acts in this field, the specialized materials of scientific conferences and symposia. The study used the following methods: grouping of factual material on various grounds, its generalization – at the development of scientific and practical statements that determine the growing influence of information technology on the effective activity of the enterprise of tourist complex.

The scientific-practical statements that contribute to strengthening the impact of information technology on the effective activity of the enterprise of tourist complex are worked out. The dependence of efficiency of activity of the enterprises of the tourist complex on their location at the turn of the change of technological structures built on the fact that in conditions of the growing role of information technology efficiency of the dependence of such enterprises on their space-time location will decrease is justified.

The author's approach to the handle allocation of the tourist complex at the turn of the change of technological structures and determine its effect on their effectiveness in terms of increasing the role of information technology is proposed.

Research results can be used in the activity of the enterprises of the tourist complex with the aim of to increase their efficiency by state and local government in the formation of the state, socio-economic and innovation policy in the sphere of tourism.

The issues of territorial location of enterprises of the tourist complex are solved partially with the help of their position in the information space, eliminating the territorial dispersal of economic entities and the tourism industry to harmonize their interests.

The effect of the spatial arrangement increases due to the effect of placing the information space, as a result of the concentration of tourism enterprises at the origins and the tourist flow channel, and the costs vary under the influence of factors of production:

Regularity of rational location of enterprises of the tourist complex is realized by location of some tourist businesses nearby other enterprises of tourist flows. According to the authors, with the development of "digital" tourism quantity of labor costs will be significantly lower if compare with classic "analog" tourism.

The action of the following regularity – proportional location is a consequence of the economic law of concentration of production, will lead to changes, which is to reduce the value of the Herfindahl-Hirschman index due to the scalability of information and communication technologies. Tourism activities will increasingly be transformed into activities to provide specialized content. Thus the same content will be repeatedly copied into the network, and scaling costs will be minimized.

Action of another regularity – the complex accommodation, is a consequence of the law of social division of labor will lead to some changes in the implementation of the cluster approach of the location of the tourist complex enterprises. In the long-term perspective the regularity of complex accommodation, in the view of the authors, will be implemented using the latest technology.

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## **THE QUESTION CONCEPT OF GENESIS OF BUSINESS PROCESS**

In the scientific community has established the thesis that the reserves to improve efficiency of the enterprise and its effective development tools can be found in the area of the concept of business process management. This research helped popularization of diverse business processes, especially in the reengineering of organizations and standards associated with the development of computer systems. However, despite the fact that the number of entries abstracts database Vernadsky National Library of Ukraine concerning the topics of business processes in 2015 in relation to 2000 has increased in 18.4 times, in the name of the concept papers " business process "declared only 4 times. Therefore, we consider that it appropriate to stop on the genesis of the concept.

Research on the genesis of the conception of business process revealed the great diversity of its interpretations. We believe that business processes are also characterized by coordination and handling in understanding the management theory; in addition to economic value they produce social effects as well.

Actually pronounced managerial sense purposeful transformation of resources to meet consumer demand for products (goods, services, resources), creating social and economic value, and the unlimited scope of the company, beginning with the study of market needs and consumer demand ending pleasure, should be considered hallmarks business process. Instead, the process of cross-functional understanding - microeconomic - is a set sequence of actions carried out in all / several departments of the enterprise to solve one of its problems; in monofunctional sense - a sequence of "functional operations (works), individual artists work flow designed to achieve a particular result under the administrative responsibility". It, like business process

modeled in the form of horizontal communication but does not reflect the synthesis of management functions and do not necessarily carried out at the company.

We offer meaning of the business process as a managed, coordinated, purposeful set of interrelated and interacting procedures (operations, objectives, functions, work activities, actions, subprocesses, activities, stages, etc.) with their suppliers and customers operate certain resources – technological, time, human, information, financial, etc. – and transforming inputs into outputs, producing social and economic effects.

A separate business process characterized by: first, the system formation between the environment and hierarchic internal elements of relevant rational unit of communications management; secondly, outcome evaluation of similiary operation; thirdly, the ability to improve (develop). It can be external, implementing the main activities of the company and internal contributing organization and / or maintain core activities; be the scenario process or unitary "... an integrated process, to consequently consists of operations that are compatible (complementary) and complementary (kompatybilnymy)". As a consumer may be a new business process.

Rightly consider the idea of impossibility "... a clear description of the boundaries of business processes of any company, not to mention the unique optimization". Therefore, to describe the business process should be approached with conceptual positions.

Based on the research we can say that the business processes of the enterprise play an important role in the transition to a process-based management. With business processes can achieve effectiveness, performance, reducing runtime optimization work, because they give a clear understanding of executable processes. Organizing activities for the business process, clearly defined responsibilities of staff, their interaction at different levels of the hierarchy, formed the optimal organizational structure and there is a possibility of quantitative indicators to measure the effectiveness of the company.

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## **FORMATION OF THE PRODUCTION STRATEGY IN FUNCTIONAL STRATEGY ALTERNATIVE ENERGY ENTERPRISES**

Enterprises of alternative energy, including biofuel producers, implement its business focusing more on production function explaining terms specific to the current stage of the life cycle of certain areas. Under these circumstances, the risks decline in the efficiency of enterprise management, which can manifest inconsistency with other functions and lead to adverse changes in economic performance and loss of competitive position. Therefore, in the process of enterprise development strategies advisable to develop a system of functional strategies that will ensure the implementation of corporate strategies, performance goals and achieve the mission.

Production is an internal company system that includes all stages of the process, on the one hand can develop depending on the environmental conditions on the other, has an internal capacity is limited by available resources. In forming production strategy should be defined and take into account the status, opportunities, limitations of both interacting parts.

The theoretical basis of the study were the methods of scientific knowledge and general scientific principles in the formation and implementation of industrial strategies, methods of structural and functional and structural and logical analysis - to develop strategic alternatives structuring of production according to the stages of the product life cycle; method of financial and economic analysis, multidimensional comparative analysis - to evaluate the results of the production and commercial activity.

The model lifecycle scope biofuel producers, identified opportunities and threats to the environment, the potential strengths and weaknesses of the company, formed mission, defined goals and developed a set of strategic corporate strategies. The calculations of values of a set of indicators rationale for the choice of alternatives



strategies for companies producing alternative energy and provided recommendations to improve their performance in the context of their development strategies.

Originality the research is to develop a scientific and methodical approach to formation of the production strategy are already functional strategies of enterprises of renewable energy, which involves building a model of the life cycle of the scope of producers of biofuels, outlining the opportunities and threats to the environment, the potential strengths and weaknesses of the company, formed a mission set goals and developed a strategic set of corporate strategies.

Results of the study is the basis of forming production strategy are already functional strategies of enterprises in the renewable energy field practical and applied industrial and commercial activities of companies, including producers of biofuels.

So for companies biofuel manufacturers recommend basic production strategy - implementation of production capacity. At the tactical level it is advisable to implement the strategy – improving the organization of production, which includes: improving the implementation of production capacity, providing rhythm and uniformity of production; improvement of management systems; organization of audit and improve operating techniques and technologies; reduce complexity; optimization of the supply of raw materials; raising the level of expertise and staff.

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## **IMPROVING THE EFFECTIVENESS OF CORPORATE GOVERNANCE**

The aim of the article is a search of theoretical foundation for the development of effective methods of management corporations as a subject of economic relations in Ukraine.

The theoretical and methodological basis of the research is fundamental provisions of modern economic theory, scientific works of domestic and foreign scientists, normative and legislative acts of Ukraine concerning establishment of the corporate sector. During the research were applied the following methods: analysis and synthesis – to study the object and subject of the study; graphic – for a visual display of relationships between the studied indicators, abstract and logical (theoretical generalizations and formulation of conclusions); constructive and experimental (improvement of the management system by the corporations). Methods of systems analysis and logical generalizations, synergistic approach were used in the analysis of the essence and economic content of categories “corporate management”, as well as in substantiation the mechanism of intensify the process of corporatization in the national economy of Ukraine.

A legal entity that is separate and distinct from its owners. Corporations enjoy most of the rights and responsibilities that an individual possesses; that is, a corporation has the right to enter into contracts, loan and borrow money, sue and be sued, hire employees, own assets and pay taxes.

The most important aspect of a corporation is limited liability. That is, shareholders have the right to participate in the profits, through dividends and/or the appreciation of stock, but are not held personally liable for the company's debts.

A corporation is created (incorporated) by a group of shareholders who have ownership of the corporation, represented by their holding of common stock.

Shareholders elect a board of directors (generally receiving one vote per share) who appoint and oversee management of the corporation. Although a corporation does not necessarily have to be for profit, the vast majority of corporations are setup with the goal of providing a return for its shareholders. When you purchase stock you are becoming part owner in a corporation.

Any corporation that is established and regulated by a country's state or government. This is the opposite of private companies, which are privately owned, structured and operated to serve the owners of the company. A crown company is commercially owned by the government. Civil servants partially control and operate this type of company, which is meant to serve the public interest as determined by the current government.

A corporation (sometimes referred to as a C corporation) is an independent legal entity owned by shareholders. This means that the corporation itself, not the shareholders that own it, is held legally liable for the actions and debts the business incurs.

Corporations are more complex than other business structures because they tend to have costly administrative fees and complex tax and legal requirements. Because of these issues, corporations are generally suggested for established, larger companies with multiple employees.

For businesses in that position, corporations offer the ability to sell ownership shares in the business through stock offerings. "Going public" through an initial public offering (IPO) is a major selling point in attracting investment capital and high quality employees.

It has been established regularity of ensuring the effectiveness of corporate governance at the domestic enterprises; constituent dominants of influence on the formation and development of corporations in Ukraine have been detected and systematized. It has been substantiated the theory of institutionalism in increasing the effectiveness of corporate governance. So, it has been determined that the improvement of corporate relations is the basis of ensuring the effective functioning of the corporation.

The scientific novelty of the article is the development of theoretical provisions and elaboration of the conceptual approach to theoretical comprehension of understanding the concept “corporate governance” as a specific organizational form, the essence of which reflects the goals, objectives and structure of the association of corporate relations as a means of providing them with financial and property rights.

The obtained results are the basis for solving practical problems of corporate governance at the domestic enterprises. Revealed tendencies allow to formulate the institutional arrangements of improving the management of the corporation that will enable to manage efficiently the financial part of the process of expanded reproduction in joint stock ownership.

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## **THE ROLE AND PLACE OF DEPRECIATION IN THE FORMATION OF INVESTMENT RESOURCES OF AGRICULTURAL ENTERPRISES**

In domestic practice of management depreciation today is one of own sources of financing of reproduction of fixed assets, and the profitability of productive activities and reducing the possibilities of financing through lending as their main source of investment. That is why the study of depreciation and amortization policies, as well as their regulation is the key to growth of investment activity of economic entities.

Depreciation is a systematic allocation of the cost, which is non-current assets over their useful use (operation).

Note that one of the functions of depreciation is the preservation of the basic capital at a constant level. That is, the depreciation of money coming into the company are earmarked and are used to ensure the reproduction of fixed assets.

A feature of depreciation is that it uses its functions only under the condition of break-even activity of the enterprise, it is necessary the actual flow of funds to the company in an amount not less than the certain cost of production, part of which will be the establishment of a sinking Fund to be used for simple reproduction of fixed assets.

It is established that in the practical activities of agricultural enterprises, the formation of own sources of financing of the investment through depreciation charges is insufficiently expressed. So, in terms of inflation and the constant growth of prices for equipment and other fixed assets accumulation depreciation becomes unfavorable and do not provide a simple reproduction, and companies often send them to other areas of use, providing no renewal of fixed capital. The way out of this situation is seen in the formation of the Fund of funds, which is based on the depreciation charges of the enterprises.

In our opinion, the agricultural enterprises it is expedient to create a Fund to Finance investment, which is the Fund intended for the recovery and renewal of fixed assets. The Fund should be formed as a separate Fund of cash and directly to consist of depreciation, and the amount resulting from the indexation of depreciation with inflation and Bank interest accrued on depreciation.

We believe that the mechanism of formation of Fund of financing of capital investments provides the ability to generate a sufficient volume of own investment resources, which consist of depreciation, Bank interest, due to the value depreciation that is on Deposit account, and the segment profit before tax, which is equal to the sum of the indexed depreciation. The proposals for creation of sinking Fund by reserving site restoration costs of fixed assets after the expiration of the period of use of assets.

The technique of formation of the Fund will allow companies to keep sinking resources into reproduction of fixed capital in their value terms, i.e. adjusted for inflation, which will contribute to the maintenance of expanded reproduction of production through technological upgrading. It is obvious that such approach to the

formation of the accumulation Fund depreciation is possible only if the break-even agricultural enterprises.

Thus, the practical application of the above proposals will provide objective formation of the actual cost of production and the formation of the depreciation of the selected best method.

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## **EVALUATION METHODS AND THE MECHANISM OF MANAGEMENT OF FINANCIAL SECURITY OF THE COMPANY**

In the conditions of distribution of the crisis phenomena in the money-and-credit system and at the currency market, at financial and political instability, to absence of spri-yatlivikh terms for the conduct of effective entrepreneurial activity and at presence of contradictions in a legislative base and by the crisis phenomena, the problem of providing of financial safety of enterprise purchased the special value.

Both in Ukraine and in other countries of the world the necessity of decision of problem of perfection of quality of financial safety of enterprises of development of methods of estimation of financial safety for the modern terms of menage acquires an important value and causes considerable scientific interest, as financial safety of enterprise is the indicator of effectiveness and efficiency of his activity. As a result higher marked, actuality of activation of forming of high-quality mechanism of management of enterprise which will assist steady development of enterprises and provide stability of results of their activity financial safety grows.

Questions which touch providing of financial safety of enterprise and forming of high-quality mechanism of management of them financial safety were probed in labours of such scientists, as: I. And. Aleksandrova, O. In. Aref'eva, I. And. Form, T. Gramme. Vasil'civ, S. In. Vasil'chak, And. M. is Brushwood, K. S. Goryacheva, L. P. of Gomilko, L. And. Donec', M. of M. of Ermoshenko, In. And. Zabrodskiy, N. And. Reverchuk, P.O. Nikiforov, O. M. Pidkhomniy but other

A research purpose is an analysis of methods of estimation of financial safety of enterprise and ground of expedience of forming of high-quality mechanism of management of enterprise financial safety.

In basis of researches works are fixed both scientific (analysis, supervision) and special, methods of cognition. Methods of analysis and supervision are the grounds

of expedience of forming of high-quality mechanism of management of enterprise financial safety used for research. The methods of cognition are used for the analysis of methods of estimation of financial safety of enterprise.

It is well-proven that questions which touch activation of forming of high-quality mechanism of management of enterprise financial safety acquire the special actuality on the modern stage. Grounded, that on the modern stage development of methods of estimation of financial safety of enterprise and high-quality mechanism of management financial safety acquires an important value which will assist steady development of enterprises and provide stability of results of their activity.

It is well-proven that determining financial safety one of methods, we will not get the reliable estimation of financial safety of enterprise. Therefore providing of financial safety of enterprise depends on the grounded use of methods of estimation of its level as base and instrument for planning and realization financially economic to activity of enterprise.

The aggregate of *vzaemopov'yazanikh* processes which the mechanism of management of enterprise financial safety must include is resulted. A conclusion is done that for today the unique method and system of indexes is not for the estimation of financial strength of enterprise security, and activation of forming of high-quality mechanism of management of enterprise financial safety will assist steady development of enterprises and provide stability of results of their activity.

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#### **IV. Development of productive forces, regional economics, the demography, social economics and politics**

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#### **THE RESEARCH OF THE GIST OF THE TERM "INVESTMENT MARKETS"**

The investment market in the modern market economics is one of the most important segments of the general market. The investment activity is inseparably connected to the investment market operation, the development of its types and segments, and state of its business environment. Although the term "investment market" has been for a long time used by economists, univocal interpretation of this term has not yet been made. Therefore, it is quite of current interest to study and define the term "investment markets". In its turn, in actual practice they define a large system of certain types of investment markets with different segments of each of these types. It is also important to consider the segmentation issue of the investment markets according to the regional criteria.

Domestic and foreign scientists S. Moskvina, O. Vovchok, T. Vasylieva, A. Peresada, I. Blank, A. Kotukov, V. Bykovsky, A. Tretiakov, J. M. Rosenberg, I. Kobushko have been actively involved in theoretical studies in the field of investment and the gist of the investment market.

I. O. Blank believes that "investment market" is a system of economic relations which is formed between buyers and sellers of investment products and services,

along with various forms of investment objects. As A.A. Kotukov believes that investment markets are a complex multi-faceted, multi-layered and multi-level system of economic relations between different subjects of investment activity referring to the purchase and sale of investment capital (investment assets) and investment goods and services; within which the supply and demand on these goods and services are formed as well as their cost for the purpose of meeting material, financial, intellectual and other types of needs of the capital reproduction process along with the minimization of the ongoing cost as well as the optimization of the payback period.

Thus, regarding the aforesaid it is advisable to consider broader interpretation of the term "investment market" as a complex open system of economic and legal relations between the subjects of investment process and the investment consumers. The purpose of functioning of this system is an objective and efficient reallocation of investment assets.

Undoubtedly, the operation of the investment market is done via infrastructure that forms the information and service environments which allow the investor to work with the least risk. The infrastructure of investment market can be divided into regulatory, functional and informational components.

In our opinion, the structuring and systematization issues are also important in the research of the investment market. Comparing the scientific works of I. Kobushko and A. Kotukova, who organize the investment markets on the criteria and divide them into the market segments we can conclude that the scientists are carefully studying this issue exploring the new segments.

Special attention of the authors was drawn to the study of criteria "according to a scope of economic systems which are maintained by the investment market (on a regional basis)", which includes local, regional, national and international (global) investment markets.

Herewith, the main feature for the regional investment market is that it operates within a certain region (area) and together with the unorganized local markets includes a system of regional commodity, stock and currency exchanges.

Thus, according to above mentioned and as for the authors, the gist of the term "regional investment markets" is insufficiently studied. This term lacks its clear description and the tool of formation of the regional investment markets which necessitates its further detailed development.

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## **ORGANIZATIONAL AND ECONOMIC PRINCIPLES OF FUNCTIONING ENTITIES IN SOCIAL INFRASTRUCTURE IN RURAL**

The aim of the study is to develop practical recommendations on the development of business entities – components of social infrastructure of rural areas in terms of decentralization process of society.

The following methods of study are used in the work depending on the purpose and objectives: analysis and synthesis, synthesis – in the study of the theoretical aspects of formation, development and operation of social infrastructure in rural areas; various techniques of statistical method, namely: comparison, graphic, ranks of dynamics, grouping of statistical materials – the study of the current state of social infrastructure in rural areas.

The basic directions for the development of the elements of social infrastructure in rural areas, in particular, expanding the list of services and their quality provided by business entities in the provision of public services based on public and private partnerships; financing the creation of educational complexes that combine pre-

school and primary school of education in rural areas, which are located on the territory of the combined rural communities.

It is substantiated that the lack of real opportunities for the population to ensure their needs for comfortable accommodation negatively impact on the full and harmonious development of personality, and therefore it affects the activity of demographic activity of farmers.

It is established that the lack of local budgets for the maintenance and development of social infrastructure led to the fact that the network of the social infrastructure lagged behind the variety and scale of demands and needs of the rural population, the majority of business entities of social infrastructure requiring modernization and capital repairs according to its quality performance. There is a demand of rural residents for quality services of social and infrastructure complex in rural areas.

It is was substantiated that significant part of financial resources will be available to rural communities in terms of decentralization, which will enable to direct them to the development of social infrastructure especially in rural settlements.

It was established that the lack of real opportunities in the population to ensure their needs for comfortable accommodation negative impact on the full and harmonious development of personality, and therefore it affects the demographic activity of farmers.

It is determined that there is a demand of quality services of social and infrastructure sector for rural residents in rural areas. Moreover, this complex should be located not in the district center, and directly in rural areas. This need for rural residents is not satisfied in almost all rural settlements. This is due to the fact that the poor economic results of industrial and economic activities of farms in these villages do not allow sending the necessary funds to support the operation and development of rural social infrastructure. Also incomes of rural residents and private entrepreneurs operating in the village, do not allow maintaining its social infrastructure at the required level.



Today the conditions for the equalization of opportunities in rural and urban areas are created to obtain quality social services, expanding the list of services that will improve quality indicators of social development of the population.

In this regard, the main areas of social development of rural settlements are: expanding the list of services and its quality provided by business entities in the provision of public services based on public and private partnerships; financing the creation of educational complexes that combine pre-school and school of primary education in rural areas that are at the territory of the united rural communities

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## **V. Environmental economics and ecology**

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### **THE PROBLEM OF CHOOSING THE VALUES BY SUBJECTS OF UNDERTAKING IN THE CONTEXT OF IMPLEMENTING SUSTAINABLE USE OF NATURAL RESOURCES**

The aim of the study is to determine the principles and approaches to the selection of a certain natural resources value – social, economic or environmental – and to give it priority on the principles of sustainable use of natural resources; explore the algorithm of categories interaction that determine human and society activity about the nature – “values/needs”, “motives/interests”, “goals” and “ctions”.

The methods of system-structural analysis, interdisciplinary and science lore approaches were used to figure out the role of values system and their changes in society, the system reflect of values essence of natural resources and to clarify the differences in their understanding depending on the characteristics of the subject, specific industry knowledge, paradigm of rational use of natural resources and paradigm of sustainable use of natural resources, the hierarchical level of assessment, time and conditions of activity, to establish the causes, mechanisms and essence of the values conflict in resource management; intersectional and integrated

management principles methods to formulate agreed methodological bases of implementation in practice standards value balanced, integrated management of natural resources in the algorithm: values/needs → motives/interests → goals → actions.

Integrated basis of choice certain purposes, means and conditions of work in the context of existing social and economic relations by subject, social group or whole society are the values as they genetically accumulate diversity of needs and interests of the public. It was found that introduction into practice the principles of sustainable use of natural resources slows down a “conflict of values” that generates conflict of appropriate reasons / interests, goals and actions. It is the result of ideological and management conflict between the principles of environmental use of natural resources and sustainable development paradigms.

Due to the simultaneous analysis of interdependent social, economic and ecological (from selected environmental) facets of natural resources significance in contexts of anthropocentric and bio-centric paradigms it was found axiological essence of the problem of choosing by subjects of undertaking a certain value as a priority and relevant obstacles in implementation of sustainable use of natural resources standards. It was established that “the conflict of values” is the result of essentially and hierarchically diverse, complex conflict, engendered by essential backlog development of the society value system from changes its rational needs, contradiction in material and spiritual values, which escalates under the permeating influence processes of informatization, globalization and integration, resulting in growth of commercialism, resources and influence spheres redistribution activation, increasing the number and scale of different threats, development of environmental awareness. To solve the conflict of values and corresponding interests, motives and actions, it is necessary to develop principles of finding compromise solutions and mechanisms for their implementation.

It was established that to ensure a balanced development of economy, society and sustainable space it is necessary the simultaneous consideration in management of the entire triad values – social, economic, ecological and especially environmental.

It was proved that only this approach will help to ensure priority of security interest versus resource interest, implementation in practice ecological, economic, and integrated management standards as well as facilitate the transition from anthropocentric paradigm of rational use of natural resources for sustainable use of all values, even those that are not currently have significant market demand and, consequently, proper registration, protection, conservation and reproduction – ecological, cultural and other non-raw materials.

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## **VI. Innovation and investment activities**

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### **ORGANIZATIONAL AND ECONOMIC APPROACHES TO THE FUNCTIONING OF AGRICULTURAL INSURANCE IN UKRAINE**

The main goal is a partial or complete compensation of yield losses caused as a result of an adverse natural or man-made phenomenon, which is only possible through the use of a comprehensive program of insurance of agricultural risks.

To develop an effective comprehensive program of insurance of agricultural enterprises is possible, in our view, only with the joint participation of the insurer and the insurance company.

Here are two possible options of a complex program of insurance of agricultural enterprises, cultivating grains and legumes. The insurance company can offer the widest range of types of insurance considering almost all of the major risks in agricultural enterprises and in the process of negotiating the amount of coverage based on wishes to exclude those types of insurance that will be extra. Offer a program with a module when the insurer adds to the core product modules that are most important for agricultural enterprises. Some insurance companies focus on insuring agricultural crops, others on various types of enterprise liability to third parties offering relevant discounts. Yet some companies base a comprehensive program on compulsory types of insurance, for example, compulsory insurance of third party liability, adding other types.

Offered by us is a comprehensive insurance program designed in a modular fashion. The analysis of production activities typical of agricultural enterprises allows identifying the main business processes, which could obtain insurance protection: the production of crops; maintenance of agricultural machinery and technological equipment; storage and transportation of agricultural products.

The basic module in complex programs of insurance of agricultural enterprises in our belief that the results of the research must be crop insurance, depending on the period of contracts. At the same time, it is advisable to raise the question of the conclusion of contracts of insurance of agricultural machinery and equipment, since this period is associated with the beginning of spring field works.

The sum insured amount which in the insured event the insurance indemnity, set within the real value of the insured property, and may be residual value accounting in the balance sheet. However, recommend that you insure using the replacement cost of the property. The insurance agreement concluded according to this value, allows to pay compensation in the amount of costs incurred to restore property or purchasing a new one instead of the destroyed (damaged). However, this approach necessitates a reassessment of the property to determine its replacement cost.

By special agreement of the parties under the contract of insurance is advisable to insure the losses at transportation of agricultural machinery and equipment from



theft and malicious acts of third parties. in relation to the risks arising in the period after the harvest of crops, important to the insurance inventory and finished goods in the warehouse, the Elevator, etc.

Is an insurance product that would, in addition, to compensate for agricultural enterprises the possible loss from price changes to its material resources, as well as from falling prices for agricultural production. In this regard, the development of new insurance products and comprehensive programs of insurance of agricultural risks is the most promising direction of improving the system of state support of insurance in agriculture.

In addition, there is a need to improve and standardize procedures, in particular, the inspection of crops and loss adjustment upon the occurrence of insured events and to optimize the conditions for payment of insurance premiums, including by providing opportunities to pay the insurance premiums several payments.

We believe that one of the main prerequisites for the development of agricultural insurance is increased activity on the part of insurance companies. So, the domestic insurance companies do not conduct active advertising campaigns, not to develop its network of representative offices in rural areas, create new insurance products in accordance with the wishes of customers and the like. The inclusion of crop insurance in terms of development strategies of these companies can enhance their current activities in this direction.

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## **VII. Accounting, analysis and audit**

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### **PUBLIC PROCUREMENT: WAYS FOR RESOLVING ORGANIZATIONAL, CONTROL AND ACCOUNTING PROBLEMS**

Procurement of goods, works and services for budget funds in terms of their deficit requires implementation of effective control, appropriate accounting providing and analysis. The problem of carrying out effective monitoring and analysis lies in both plane of clear legislative definition of terminological apparatus associated with the implementation of the procurement for budget (public) funds, and in the aspect of maximizing the positive impact and rationalization use of allocations.

Despite the significant progress in resolving regulatory, legal and organizational problems on the issues of public procurement today they continue to exist and require solving at the scientific and theoretical level, with further implementation in practical

plane. Issues regarding the improvement of normative and legal regulation, particularly in the part of positioning and identification of categorical apparatus is quite relevant now.

The presence of a number of advantages for using the electronic system of public procurement ProZorro, allows achieving some success in ensuring the efficient use of public funds and resources of local communities. In addition, the introduction of this electronic system meets the requirements of the process of harmonizing public procurement in Ukraine with the standards defined by the European Union. This is confirmed by the structural and processes its similarity to analogs that are used in the EU countries. However, we can achieve better results maximally eliminating the shortcomings inherent in the electronic system.

One of them is the lack of communication with the automated system of accounting of entity that purchases goods, works or services through of tender auctions. Displaying of all purchase transactions in the future is implemented on the basis of the formation of the relevant primary documentation. All necessary negotiated and accounting documentation would be formed automatically on the condition of the unity of both systems, after making the decision on the choice of counterparty and supplier.

It is advisable to implement the following stages for implementation of innovations in the field of public procurement in order to achieve maximum efficiency for application of this system: 1) detailed study of recommended basic requirements for electronic system, analysis of risks and substantiation of measures to eliminate them; 2) substantiation of the organizational structure and the scheme for implementation of the planned measures; 3) selection and involvement of organizations and personnel structure; 4) distribution of powers between the subjects; 5) conducting briefings for the participants; 6) implementation of planned activities regarding the establishment of projects of regulatory and legal regulation and setting goals for the design and programming of the system; 7) publishing developed projects of legislative and regulatory measures and making clarifications to them by the results of discussion; 8) development of instructional materials and software; 9)

conducting training and courses (employees of micro-level); 10) external control and regulation of e-procurement process, collection and summarize the information about the problems that have arisen; 11) processing of problem aspects and finding ways to eliminate them; 12) study ways for further improving the e-procurement system, as well as the documentary, including accounting their providing and control. The corresponding managing algorithm for implementation of innovations in the field of public procurement should also include twelve elements.

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**IMPROVEMENT OF ACCOUNTING AND INFORMATION SUPPORT  
OF THE MANAGEMENT PROCESS OF EQUITY CAPITAL OF THE  
EENTERPRISE**

Significant changes in the normative and legal regulation of joint stock companies in Ukraine in the context for the implementation of the Programme for the

development of Stock Market of Ukraine for 2015 - 2017 “European choice - new opportunities for progress and growth” and the lack of common organizational and methodological approaches to accounting for equity in the system of management of joint stock companies determine the necessity for further consideration of existing methodologies of accounting reflection of changes in equity.

Practice proves that the efficiency of making managerial decisions concerning equity largely depends on the efficiency of receipt of information about its changes, and thus a long period for forming financial reporting slows down making decisions and leads to violations of the principle of effective management. The solution of this issue should be the creation of an integrated system of internal reporting, the possibility of which introducing depends on the proper organization and setting up the accounting system of each component of equity at the enterprise.

The development of the system of internal reporting that is necessary for the requirements of the assessment of changes in equity, finding ways to optimize its structure and the possibility of changes in the short term is in connection with this important area of scientific research in terms of ensuring the process of equity management of joint stock companies.

The complexity of managing equity is in the process of economic activity occurring continuous changes associated with increase or decrease as the total value, and its individual components.

Taking into account the above-mentioned aspects determines the characteristics of methods for accounting reflection changes in equity of joint stock companies, among which deserves special attention the method of reflection in accounting gratis and free of charge received goods, works and services.

The essence of obtained unpaid receipt / transfer of assets that do not involve the provision to the person communicating them to any reimbursement from the side (or on behalf of) the person who receives them was clarified according to the study. Free forms of income / assets transfer were considered. The essence of the fair value of obtained free of charge / transferred assets and the procedure for its determination

was established. Procedure for evaluation of free received / transferred assets was established.

Practical recommendations for improving accounting and information support of the management process for management of the enterprise equity by introducing internal (management) reporting, namely the Statement on unpaid receipt / transfer of assets that will allow to satisfy information needs of most internal categories of users.

Scientific innovation is to improve accounting and information support of the management process by their own capital of the enterprise through the introduction of internal (management) reporting, namely the Statement on unpaid receipt / transfer of assets, which has actually become not only a source of information on the object of management as also an instrument of effective internal control of economic activity.

The practical significance is that the main provisions of this research in the form of proposals and methodological recommendations can be used by business entities in formation of internal (management) reporting of enterprises that allow simplifying the procedure for management of their own capital and making reasonable and weighed managerial decisions at the level of separately by taken stock company.

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## **ORGANIZATION OF ACCOUNTING OF COSTS IN THE CONDITIONS OF BUDGETING**

In today's unstable conditions of market economy and price policies particularly important is the issue of effectively management of production costs and reduce production costs, there is a need for finding and implementing new effective methods of cost management, one of which is budgeting. Therefore, the study of the problems and prospects for implementing the budgeting process at the enterprise is very relevant issue today.

Budgeting system allows responding quickly to changes in the environment of the enterprise; save all kinds of available resources and use them rationally; attract investors, etc. In its turn, strategic planning is the assessment of goals, objectives, scale and scope of the enterprise in terms of resources that will be needed for the enterprise activity, and whether they are available when they will be needed.

The process of budgeting should be carried out in close coordination of responsibility centres. Specifically, the introduction of budgeting is an important for effective cost accounting representing budgeting, accounting, control and analysis of their performance by responsibility centres with detailing of cost centres.

The technological component of accounting organization of production cost, which includes the formation of production costs by responsibility centres with simultaneous display of costs by cost centres and their places of their origin, allowing to develop budgets and monitor them by the individual budget units has been developed for improving the system of accounting and analytical maintenance of production costs in terms of budgeting.

In order to increase the efficiency of monitoring process by the level and changes of production costs, it is necessary to analyze the finished product cost of

realized finished by the ratio of actual, budget and actual costs for the amount and specific weight. Results of the analysis of production costs will allow substantiating the composition of significant costs and identifying significant deviations and, if necessary, adjust the planned figure.

Thus, we can distinguish the following ways to improve the organization of accounting of production costs in terms of budgeting: typical block diagram of the consolidated budget of the industrial enterprise by subsidiary budgets of marketing, transaction and logistics costs have been improved; accounting model for formation of production costs by responsibility centers with simultaneous display of costs by cost centers and their places of origin has been developed; the model for conducting analytics accounts according to the accounting model of production costs by budget units has been developed; it was proposed to carry out the analysis realized finished products by the production costs by the ratio of actual, budget and planned production costs.

It was proved according to the survey that a reasonable implementation of the budgeting process will greatly enhance the quality of implementation strategies, as well as strategic goals will be regulated and brought to each business unit, will be able to more accurately estimate the costs by each center of responsibility and make clear their planning.

The proposed ways of improvement can be used at the enterprise in the organization of management accounting of costs as for making operational and strategic decisions on production costs with the purpose of their minimizing.

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**IMPROVEMENT OF ACCOUNTING OF PROVISIONS AND  
RESERVES OF THE ENTERPRISE IN CONDITIONS OF REFORMING  
THE NATIONAL ECONOMY OF UKRAINE**

The use of advanced achievements of countries with developed market economies is a necessary condition for EU integration and creating a favorable business environment in terms of reforming the national economy of Ukraine. One of such useful achievements is a system of provisions and reserves as an element of reserve system of the enterprise.

The study of methodology of reflection provisions in accounting and reserves according to the international and national standards, at first glance, is not significantly different. However, we observe a number of important differences at more detailed their study.

Firstly, the terms “provision” and “reserve” is used in the domestic practice as interchangeably and synonymous, unlike the adopted practice in developed countries. However, these concepts are related although for the purpose of creation, but not identical by the content and procedure of reflection in accounting. Maintenance is the amount of the costs or reducing value of the asset that the enterprise decides to recognize in accounting now, before they will have accurate information on the exact number of costs or reduction (impairment) of the asset.

From an accounting point of view reserves are the portion of the profit, aimed at specific target costs. The peculiarity of the reserve formation is that, unlike provision, there are virtually no legal restrictions for the use of “reserved” funds, while provisions have strictly intended purpose.

Secondly, the current domestic legislation provides the creation of limited list of provisions, regulation of charges which exist only in separate sections in a part of

national provisions (standard) accounting 11 “Liabilities”. An extensive system of various provisions is created in developed countries and there is a special standard IAS 37 “Provisions, Contingent obligations and Contingent Assets”.

Approaches regarding the creation of provisions due to depreciation costs for recovery of fixed assets, tax provisions, collateral for reclamation of land deserve special attention among the provisions that are created in the developed countries.

According to international accounting standards the amount of accumulated depreciation of fixed assets is considered as a special kind of provision for impairment of non-current asset. Requirement for target expenditure of depreciation funds for expanded reproduction of fixed assets is based on this perception of depreciation. It stimulates the development of the technological base of production in Ukraine on innovative principles.

International Accounting Standards include the possibility of forming a special provision for tax payment – tax provision. Tax provision performs the role of a shock absorber that allows you to distribute evenly the expected value of expense for the payment of taxes during the reporting period, which significantly reduces the risk of worsening financial viability of the enterprise.

This partnership and transparent procedure for determining tax liabilities greatly simplifies and reduces administration of tax liability not only for the taxpayer and for the state as a whole. It is an effective tool to improve the business climate in the country, because it eliminates a significant part of the capacity control authorities to use tax leverage for abuse and irrational interference in the activity of entrepreneurs.

Formation of a mandatory provision for implementing the measures of reclamation of disturbed of land plots as a result of economic activity in developed countries is an effective instrument aimed at the creation of financial guarantees and compliance with environmental requirements for environmental protection. In Ukraine there is a pressing and urgent need to introduce requirements into a legal framework and practice of managing land users regarding the mandatory creation of such provision to preserve national soil and land resources.

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### **IMPROVEMENT OF ACCOUNTING ORGANIZATION OF CAPITAL INVESTMENTS**

Industrial fixed assets that play an important role in social and economic activities of society are one of the most important factors of any production. The qualitative composition of production fixed assets determines the technical level of manufactured products and effectiveness of using this direction affects the outcomes of business enterprises. Thus, the main problem today is that industrial fixed assets of enterprises by its structure, qualitative, quantitative and age condition are not meeting the requirements of economic restructuring and are not able to meet the growing needs of the domestic and foreign markets.

The activation of capital investment is one of the ways for solving this problem.

Capital investments are a combination of the costs for acquisition or creation of tangible and intangible fixed assets. On the economic sense they are the main source of simple and expanded reproduction of material and technical base of business entities.

Enterprises have an opportunity to carry out expanded reproduction of their fixed assets thanks to capital investment involving of the new technology and “know-how” to the production, which in its turn helps to reduce the cost of goods and increase profitableness (profitability) of the enterprise.



In considering investments into the enterprise in the form of capital investments in fixed assets you should take into account the fact that they may be made in various ways (construction and acquisition of new assets, reconstruction or modernization of existing etc.) that influences on accounting reflection of such business transactions, and thus on the accounting organization.

Organization of accounting of capital investments is considered as an organization of cost accounting on the capital construction, acquisition or creation of fixed assets and other non-current tangible and intangible assets.

According to the instruction on the application of the Chart of Accounts of accounting for assets, capital, liabilities and business operations of enterprises and organizations is provided account 15 “Capital investments” intended for accounting of costs for acquisition or creation of tangible and intangible fixed assets.

There are still a number of problems associated with the accounting organization of capital investments that require additional study despite the fact that the accounting organization of capital investments is regulated by number normative and legal acts. In particular, the following issues require additional studies: clarifying the conceptual apparatus on accounting organization of capital investments; selection of objects accounting for capital investments, organization of analytical accounting by directions of investment, etc.

The main elements of the accounting organization of capital investments are examined and described in the article, underlined on the existing shortcomings and also methodical recommendations for the introduction of an additional sub-account to the account 15 “Capital investments” that will properly provide accounting information of management needs for rapid analysis of capital investments and adoption of management solutions have been developed.

The main provisions of this research in the form of practical recommendations can be used by business entities in the accounting organization of capital investments.

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## **ACCOUNTING AND INFORMATION SUPPORT OF MANAGEMENT PROCESS OF OBLIGATIONS BY PAWNSHOP OPERATIONS**

The financial and economic crisis that has recently been observed in Ukraine became a kind of momentum development of pawnshops. The real pawnshop boom that has engulfed Ukraine is explained by the relatively low threshold of access to markets and relatively high profitability and a moderate level of risks.

According to the study the fact was ascertained that the activation of the pawnshop development requires realization of search ways to prevent the emergence of credit risks and increasing the level of effectiveness and promptness of the management of the provision for repayment obligations of borrowers by pawnshop operations.

It was proved that the effectiveness and promptness of the management process of liabilities by pawnshop operations largely depends on the state of accounting and information support.

The peculiarities of accounting for transactions with pledged property were considered. Features of accounting pledge are determined by the Regulations on the application of the Plan of Accounts for assets, capital, liabilities No. 291 from 30.11.1999 and Methodical recommendations on accounting of pawnshops, approved by the Order of State Commission on Regulation of Financial Services from 05.07.04 by the No. 531 (hereinafter Methodical recommendations No. 531)

Pledged property and its movement is recorded on off-balance account 06 “Guarantees and ensuring received”, where a sub-account 6.1 “Property received as a pledge” is opened.

Increasing the remainder on the sub-account 06.1 appears in obtaining the property as a pledge, reducing - when it is charged off as a result of collection of receivables by the financial loans in ensuring of which the property was given or according to the Law of Ukraine “On Pledge”.

However, since the Regulation No.3981 provides possibility of related services for pawnshops, including services for the sale of mortgaged property on the instructions of a client at a pawnshop, we consider it appropriate to supplement account 06 “Guarantees and ensuring received” with sub-account 06.2 “Property transferred for sale on the instructions of the customer” and make appropriate complement the Methodical recommendations No. 531.

As the property transferred as a pledge and conditions for its transmission on security of repayment of received loans are quite diverse, we believe that the analytical accounting of the account 06 “Guarantees and ensuring received” should be conducted in the context of security classifications and provisions for the following features:

- in order to transfer the property of the pawnshop: for storage or for sale of mortgaged property at a pawnshop on the instructions of a client;

- by types of collateral: antiques, jewelry made of precious metals, precious and semi-precious stones, securities, etc.
- accordance with location of the property, for storage or for sale;
- by credit agreements.

The introduction of pawnshop institutions of submitted proposals in practice will help the creation of the proper accounting and information support for acceptance of management decisions regarding the efficient management for providing repayment obligations by pawnshop operations and will monitor future cash flows from operations with clients to prevent credit risks and ensure financial stability of pawnshops.

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## **VIII. Management, marketing, entrepreneurship**

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### **MARKETING AREAS AS A TOOL OF RELEASE THE TOURIST DESTINATION TO THE NATIONAL AND GLOBAL MARKET**

The study is the disclosure features territorial marketing as a tool for improving the competitiveness of tourist destinations and its release to national and international markets, development of main provisions and recommendations for the creation and development of regional marketing programs for development of tourist destinations.

In the article the features of territorial marketing as an effective tool output tourist destination for national and international market. Whereas, in itself a tourist destination - a geographic space (locally) which has the necessary infrastructure, accommodation, food, entertainment, cognitive and recreational activities that are the subject of entrepreneurship and competition in the subject of tourism, as its strategic vision accompanied by a comprehensive tourism product modeling system cooperative enterprises of the tourism industry, which is based on the principles of synergy, complementarity and harmonization of technology tourist services with the aim of promoting tourist destinations to foreign markets. Characteristic features of the destinations as tourism products are integrated, systematic and dynamic. The complexity of the regional tourism product implies the existence of services that can be combined in one process of tourist services. Systematic characterized by the fact that all these services are linked only technology service companies and synergetic interaction of the tourism industry. Dynamics gives destination properties change life cycle, similar to any product or service in the market.

Reveals the conceptual function areas of marketing that ensure optimal use of the tourism potential destinations. The main strategic goals of marketing promotion areas, including strategic analysis of resources and policy area to identify

opportunities and the role of tourism in shaping the overall sustainable development of the region; analysis of tourist resources of the territory, analysis of the economic situation and expectations of the tourism industry key players - government, business, and local residents; identifying the most attractive segments of the tourism market territory, an analysis of their needs, expectations, motivation; development of tourism destinations of the product according to the expectations of target segments of tourism; creating new and improving existing tourist attractions destinations; development and implementation of a comprehensive process of promotion of tourist destinations; forming and managing the brand and image of tourism destinations; formation and maintenance of strategic partnership of government, business and local residents for the successful development of destinations; increase the investment attractiveness and implementation in the territory of the tourist destinations of investment projects in tourism and hospitality.

In today's global realities of any system of marketing communications tools that are not supported by web-capabilities are archaic and ineffective. Since, in the competition leading competitive position and receives no area which has attractive resources, but one that is able to adequately present in the information space.

Information systems on the Internet are four components of tourism products promoting destinations, different schematic diagram of marketing activity:

1. Sites of particular enterprises hospitality industry facilities that participate in the formation of tourism products destinations.
2. Portals reservation systems, global, international, national and regional sites.
3. Consolidated sites of tourist destinations (city, region, country).
4. Portals that allow to plan and organize individual tours.

In the article the effective innovative technologies integrated marketing promotion of tourist product on the national and international markets. Discovered and proved the need to develop a marketing strategy of destinations, which forms the foundation for effective communication with the target segment of tourists.



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## **IX. Financial and credit system**

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### **FISCAL POTENTIAL OF CORPORATE INCOME TAX IN UKRAINE AND ITS INFLUENCING FACTORS**

Taxes are a stimulating source of the innovation development of the country and support of economic growth, as they have the fiscal capacity that limits spending of financial resources by business and moves financial potential to the budget. Among the taxes levied on business entities, profit tax occupies a special place.

The characteristic features for it are high importance of fiscal and regulatory capacity, allowing the country to form the revenue base of the state and local budgets, simultaneously affecting the financial interests of the producers. However, many researchers have noted an insufficient degree of implementation possibilities of income tax to stimulate entrepreneurial activity, so relevant and timely is the problem of the formation of the fiscal capacity of corporate income tax in the context of determining the income approach according to accounting and tax accounting.

The aim of the article is the assessment of fiscal capacity of corporate income tax and substantiation of practical recommendations for increasing its value through the introduction of changes to the taxation of agricultural producers.

The monographic method is used during the study (in determining the problem practical, theoretical and methodological aspects of taxation of agricultural enterprises); empirical method (in identifying trends of influence budget losses from the use of tax benefits); the method of induction (in the study of empirical data and

substantiation of conclusions on increasing the fiscal capacity of taxation of business profits.

The tendencies of receipts for income tax and financial result to the taxation of business entities are analyzed. Factors of fiscal impact on the value of potential corporate income tax are determined. The economic effect of introducing different tax systems of enterprises is reviewed. The dynamics of tax exemptions on income tax is studied and its correlation with the business activity of enterprises is analyzed. The dynamics of budget losses from the use of tax incentives is reviewed. Recommendations to increase fiscal capacity tax profits are developed. The directions for increase fiscal capacity taxation of business profits of the enterprises in Ukraine are substantiated:

- stabilization of the economic situation and improving the profitability of domestic enterprises;
- optimizing the structure of the tax system in terms of strengthening the role of direct taxation as an important regulator of economic processes;
- adequate application of economically justified benefits of corporate income tax of the enterprises, benefits should have a clear purpose, apply for a limited period, and their provision must be strictly controlled by public authorities;
- introduction of differentiated tax rates by priority sectors (agriculture, food processing, light industry, machinery), which are major suppliers of tax payments to the budget to stimulate production of consumer goods;
- the transfer of the tax burden from the real sector to finance;
- strengthening the responsibility of taxpayers for tax violations.

Advisability of adequate application of bank able benefits corporate income tax with a view to increasing its fiscal capacity, improve the tax system as a whole will contribute to quality improvement and reduction of budget losses are determined in the article.

The obtained results of research contribute to escalating fiscal capacity for taxation of business profits in Ukraine. They can be used in substantiation of the strategic landmarks of tax policy and improving the tax system.

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## **IMPROVEMENT OF A TECHNIQUE FOR MONITORING CAPITALIZATION OF THE BANKING SYSTEM**

Interpenetration of national economies occurs in terms of integration transformations, which result is migration of capital. Because each state including Ukraine, need to focus attention on maintaining stability and reliability of the national banking system and, in particular, provision of sufficient amount of financial resources, as the efficiency of the banking system largely depends on the level of capitalization, in other words from the base the banking system, the quality of which is determined by the reliability of the whole economic system and the dynamics of further development (that is proved by long-term practice of many countries of the world). However, the level of capitalization depends on the level of economic development of the country for the reason that economic development stimulates the development of the banking system. In this regard, the question of monitoring the capitalization of the banking system acquires the special actuality in recent years.

It is ascertained that the capitalization is a fundamental process that economic essence and ultimate goal is to increase the cost of capital that belong to entities of all levels of management as a result of achieving growth of their financial capacity and economic efficiency.

Attention is focused on the fact that in the whole essence of capitalization can open with the help of several tens of definitions, each of which displays various aspects. Therefore, essence of individual components of capitalization is revealed in each of the definitions.

In general capitalization represents the actual process of the formation of additional value and its transformation into capital, has mainly financial component interacts with it, but not limited to the financial component.

The need for improving the monitoring model of capital adequacy of the bank is substantiated, because none of the models for the capitalization monitoring of the banking system is not built on the regulatory approach, the use of which require adopted two documents by the Basel Committee on the issues of Banking Supervision in December 2010 – “Basel III: The general regulatory approaches to increasing the stability of banks and banking systems” and “Basel III: International approaches to measuring liquidity risk, standards and monitoring”, i.e. not include requirements regarding capital adequacy of the bank according to the Basel III”.

The object of monitoring should be the amount of bank capital, the value of which is used on the one hand by regulatory authorities for effective prudential supervision of banks (the concept of regulatory capital), and on the other hand – by banking institutions to identify and minimize risks (economic capital concept).

It is proved that the evaluation of capitalization by each type of capital should be implemented with taking into account the deviations of the actual amount from the minimum, optimum and maximum of allowable level of the corresponding type of capital. In addition, the capitalization should be estimated with taking into account not only the internal characteristics of the bank, but also taking into account the characteristics of the environment.

The model of monitoring the capitalization of the banking system that will provide qualitative evaluation of capital adequacy of banking institutions in the present and future time will become the basis for planning and forecasting capitalization is proposed in the article. This model will allow to implement constant control by the level of capital adequacy of banks in accordance with the requirements stipulated by Basel III, to prevent the threat of emergence of crisis situations and provide making grounded management decisions on the effective management of the banking system as a whole.

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## **BUDGET CONTROL AND ANALYSIS OF BUDGET DEVIATIONS AT THE ENTERPRISE**

The process of budgeting at the enterprise is an important tool for managing its activity. However, the effective organization of control system over budget execution of the enterprise contributes to the implementation of the purposes, timely detection and elimination of deviations in its work, creates motivation for effective perform their duties for staff of institutions, allows timely to detect negative trends in the development process of the enterprise, reduce the risk of its activity and also maintain effectiveness of the enterprise on the appropriate level.

Effective functioning of the budgeting mechanism as a whole system is provided by the interaction of all its elements through the establishment and implementation of certain relationships between them. The special role in this system is devoted to the control over budget execution. However, compliance of feedback is important, because necessarily appear deviations of various kinds which require constant monitoring and correction in the implementation of administrative influence on the effectiveness of the enterprise activity.

Collection of information about the effectiveness of the enterprise activity starts at the step of out of the system and then it is used to control the efficiency of future operations, regulating input resources of the system.

Comparative information of planned and actual performance of the enterprise activity by each business area, as well as information about acceptable deviations is reflected in the static and flexible budgets.

The main difference is that static budget reflects the planned revenues and expenses that the enterprise can obtain or carry with taking into account the expected volume of transactions and flexible budget – planned income and expenses that are



calculated with taking into account of the actual volume of transactions carried out by the enterprise.

Pair wise comparison of static and flexible budgets and actual data with data of flexible budget is implemented for the purpose of establishing the effective process of control and management in the bank. Determined deviations allow us to estimate activity of the enterprise in terms of efficiency and productivity.

Deviations are the difference between budget and actual indicators. Budgetary control is carried out for timely identification of deviations and appropriate reaction to them.

Deviations from the budget are reflected in the report may be favorable (positive) or unfavorable (negative).

Deviations are adverse (negative), where the actual income is less than the planned or actual expenditures are greater than the budget.

Accordingly deviations are favorable (positive) where the actual income exceeds the planned and actual expenditures smaller than budget expenditures.

If deviations are insignificant the manager can ignore them, a significant amount of variation requires a detailed study of their reasons by using the additional information.

Thus, the system of budgeting that is based on the controlled forecast has a number of advantages and in the current conditions is one of the most advanced management techniques.

However, it still requires changes in order to become more dynamic and flexible to ensure effective operation of the enterprise. Therefore, the question of budget control and analysis of budget deviations at the enterprise needs further study, consideration and improvement.

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### **CONCEPT OF LOANS AS A SOURCE OF FINANCIAL INNOVATION OF AGRICULTURE**

Relationship bank lending process and innovation development of economy is reflected through credit as an alternative source of funding for research and

development projects or as additional cash resources required to address current and long-term economic needs.

Banking organizations in the innovation environment must be viewed in two ways - as an external entity (implemented through credit initiative) and as an innovative business (through the creation and implementation of new banking products). The peculiarity of the current stage of development of the banking system is the inseparability of the above aspects of banking institutions.

Innovative development of agriculture is only possible with the participation of the state, because the offer innovation in the agricultural sector is not enough, it has yet to be successfully implemented in the market and this is only possible with state support. In the current crisis, any innovation process associated with the risk of failure to obtain the desired results (income). Participation agricultural enterprise that decides on the implementation of innovative development is risky, but this depends on the likelihood of repayment to financial institutions – Bank.

Under the farm credit relations with banks understand a set of components (type and form of credit, methods of credit, interest rate, marketing, bank credit agreement) provided the financial resources of the bank and create mutually beneficial conditions for realization of the interests of creditor banks and agricultural enterprises-borrowers. In a market economy credit relationships are formed in satisfying demand for bank loans.

Lending has several advantages and disadvantages that should be considered when assessing the feasibility of the loans. The involvement now of debt is not only the efficiency of economic activities, but also accelerate the movement of his financial and material resources, more efficient use of capital, reduction of terms of return on investment, expanding the scope and sphere of activity, the formation of different target funds of funds, and ultimately – increase the market value of the company.

It should be noted that innovation has a significant impact on agriculture. Given the experience of other countries should implement preferential crediting of innovative projects, guarantee of loans, financing from the budget (state or local)

programs to stimulate and support agricultural innovation subsidize bank interest rates on loans and loans for technical and technological renewal of agricultural production, the promotion system preferential risk insurance innovative entrepreneurship. Commercial banks should take into account the interests of agricultural enterprises by granting loans that reduce the cost of financial-credit and provide long-term loans to help implement innovative projects.

Thus, to ensure efficient lending in agriculture is possible today due to lower interest rates, a stable financial state of agricultural enterprises and state regulation. State participation in the bank lending would also help agricultural enterprises and increase banks that engaged in lending to agriculture.

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### **INVESTMENT BANKING IN THE DOMESTIC MARKET FINANCIAL INVESTMENTS**

Under current economic conditions, financial investment market is an important component of the national economy. The leading role in the domestic stock market is owned banking institutions, as investment in securities ensuring the successful development of the banking system and the economy as a whole.

In the market of financial investments, commercial banks act as intermediaries, custodians, traders, investors, issuers and advisers. Through investing in the stock market, the banks set themselves the following main objectives: maximizing profits oryumannya funds and increase the volume of presentation, providing liquidity. Each bank seeks to take a competitive position in the securities market. Its peculiarity is that it is an indicator determination process of investing in the stock market. Therefore, the problem of investment banking in the domestic market of investments is relevant today.

The main purpose of the article is to conduct an analytical assessment of investment banks in the domestic financial market investments.

It is important for the economy of the country is considered effective investments. After all, it affects the production, distribution, exchange and consumption of national products, that are fundamental to the public. In Ukraine,

investing activities implemented through financial institutions, the lion's share of which is owned banking institutions.

This investment refers to basic banking transactions in the investment area. Under domestic law, investment banks – a value, usually the funds invested in the facilities market investments (securities) to profit.

Note that currently the domestic market characterized by lack of financial investment highly-liquid securities, and this leads to the fact that banks do not have anyone to buy or sell anyone liquidity under free market.

Trying to overcome the problem of bank liquidity through the movement of surplus funds in the portfolio has not produced the desired results. Studies link between the proportion of the portfolio securities in bank assets and their performance showed the existence of a weak negative correlation in pairs: "PTSP - profit" – -0.41443 "PTSP - ROA» – -0,39070; and "PTSP-ROE» – - 0,40920.

Arguably a slight increase of the securities portfolio. So, in 2015 we see growth in this indicator compared to the previous year by 1.2%. However, in 2016 the share of securities portfolio in the loan portfolio of banks of Ukraine declined by 1.5%. This decrease can be considered unstable political and economic situation in the country, the low level of trust, had liquidity of domestic financial investment and high risk.

Unfortunately, in Ukraine banks as investors in the stock market is not supported by the state. To investment banking institutions need to develop an effective motivational system, namely the introduction of tax benefits and redundancy depending on the composition of the securities portfolio that includes portfolio and speculative investment and therefore receives speculative profit and return on investment.

In order to overcome the problems listed above, must:

- To create conditions for investment management
- Borrowing international experience
- To stabilize the political and economic situation
- To stimulate and support investment by the state banks

- Ukrainian association of investment banks in consortia with foreign banks
- Attracting local and foreign investors.

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