

Financial control in Ukraine: essence, its constituents and tasks

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Introduction. The article examines the essence of state financial control, its role in the development of Ukraine as a state, features and elements of the control system.

The purpose of the article is to deepen the fundamental principles of increasing the effectiveness of state financial control in Ukraine.

Results. State financial control is considered, which is a set of purposeful law enforcement, cost-effectiveness, efficiency and effectiveness measures aimed at increasing the efficiency of the use of state financial resources and creating the basis for optimizing budget policy. In addition, financial control is a logically constructed, scientifically correct and scientifically defined function of state control for providing quality information in the management of state funds and making decisions regarding the socio-economic development of the country, which ensure the implementation of socio-economic development.

Conclusion. The deficit of supply in the field of state financial control is characterized by the lack of views and principles of the main provisions, as well as the existing contradiction in individual laws. Therefore it is necessary to systematize and consolidate a single regulatory and legal document that includes the main elements of the system, including informational, organizational and methodological support and accountability of law enforcement and control organizations. World trends indicate that the State Audit Service of Ukraine plays a special role in the field of control over state funds.

Keywords: state financial control; audit; control; State Audit Service of Ukraine; management of financial resources; Accounting Chamber.

Formulation of the problem. The implementation of state programs for the development and reform of the national economy of Ukraine requires an effective state of financial control systems. Thus, the accuracy and effectiveness of management decisions made by managers at all levels depend on the reliability of information provided by this system for the financial and economic prosperity of society. Effective management of financial resources is one of the biggest problems of modern Ukraine. In the system of control, the main place is occupied by the system of state financial control. The effectiveness and efficiency of state decisions largely depends on the information provided by state financial control bodies on the socio-economic development of the country. Therefore, the primary work of management is to increase the effectiveness of state financial control.

Analysis of recent research and publications. The main principles of studying the theory and practice of financial control are formed in the works of the world's leading economists and financial scientists: S.Stepashyn, R.Adams, R.Thomson, V.Rodionova, V.Oparin, P.Jackson, A.Edward, V.Andrushchenko, D.Irwin, R. de Koning, J.Robertson, D. Carlmike and others. In addition, outstanding Ukrainian scientists and researchers also studied state financial control in their works, in particular, O.Kyrylenko, L.Savchenko, V.Fedosov, M.Bilukha, I.Vashchenko, O.Kovalyuka, V.Bazilevich, B.Usach, I.Basantsov, F.Butynets, V.Melnychuka, O.Vasylyk, N.Vygovska, V.Glushchenko, N.Shevchenko, V.Demyanishyn, I.Drozd, V.Zahorsky and others.

According to their writings, scientists consider some practical aspects of organization and functioning of financial control, but disagree with key ideas about control, financial control, and the methodology of its implementation. At the same time, R.Davydov noted that the peculiarities of control were the indicators of the final result.

Presentation of the main material. Today, economic theory and practice recognize the urgent need to reform the system of state financial control over state and regional finances and assets, as well as the development of financial control over private capital with further control over their general (main) purpose. The state of state finances, their transparency, and the efficiency of the use of state property largely depend on citizens' trust in Ukraine as a state, business development conditions, and the climate that regulates capital investment by state residents and foreigners. Control over state finances is not an end in itself, but a mandatory element of the regulatory system, the purpose of which is to prevent deviations from accepted standards, violations of the principles of legality, efficiency, purposeful assignment and disposal of funds, as well as responsibility. Managers authorized person, indemnification and prevention of future violations.

It should be noted that funds at the disposal of the state, local self-government bodies, private businesses and public funds fall under financial control. These are resources that have acquired a social status, and each form of financial and economic regulation of the economy as a component of state administration includes control measures that ensure the fulfillment of the assigned tasks.

The effectiveness of financial control is an accounting system that ensures the accuracy and completeness of the display of the dynamics of funds in the report of an organization or an individual. Only under these

conditions, the results of monetary regulation make it possible to analyze and objectively assess the dynamics of monetary characteristics and adjust the process of implementing the country's monetary policy [1].

Supervision, monitoring and inspection of purchases are carried out in accordance with the procedure established by the Law of Ukraine «On Public Procurement», as well as during state financial audits and inspections.

The main functions of the state financial control body (State Audit Service) include the implementation of state financial control and control [2]:

- implementation of functions for the management of state-owned objects;
- efficient and rational use of state and local budget funds;
- targeted use and timely repayment of credits (loans) received under state and local guarantees;
- the reliability of determining the need for budget funds during the compilation of planned budget indicators;
- the state of internal control and internal audit of managers of budget funds;
- the allocation of the estimate, which is carried out by managers of budget funds, the passport of the budget program (in case of application of the program-target method in the budget process);
- elimination of identified deficiencies;
- accounting, as well as financial and budget reporting, passports of budget programs and reports on their implementation, estimates and other documents used in the budget process.

Control over the implementation of the Laws of Ukraine in terms of the budget is aimed at ensuring effective and efficient management of budget funds and is carried out by participants at all stages of the budget process in accordance with the Budget Code and other regulatory legal acts, legal acts, as well as [3]:

- assessment of the management of budget funds (including the State Financial Audit);
- accuracy and reliability of financial and budget reporting;
- achieving savings of budget funds, their targeted use, making effective management decisions due to efficiency in the work of managers of budget funds;
- analysis and assessment of the financial and economic activity of the administrator of budget funds;
- protecting the interests of the state in the process of preventing violations of budget legislation and managing state property;
- budget income and expenditure planning.

Improvement of state financial control in Ukraine will allow efficient and rational use of funds, as well as transfer of financial flows from the sender to the recipient. The probability that the funds will be used for illegal activities will decrease, and confidence will appear in the targeted use of these funds [4]. Improving financial control will also contribute to the prevention of violations by entities of financial activity in financial activities, the detection of illegal actions and the elimination of the reasons and conditions for their emergence.

It is very timely to grant broad powers to the Accounting Chamber, which in all developed countries is the highest judicial and independent control body over the formation and use of public funds [5].

The powers of the Accounting Chamber include control over the receipt and use of funds from the State Budget of Ukraine, in particular over the formation, maintenance and repayment of the state debt, ensuring the efficiency of management of state budget funds, the use of funds from local budgets, transfers from the state budget, as well as the payment of state taxes and fees, allocated to state budgets or their parts and the use of local budget funds as part of expenditures.

For economic entities of the state and communal sector of the economy, which use state funds in their activities, it is necessary to regularly conduct an internal audit, as its conduct will contribute to the improvement of the management system and internal control, and clarification of management decisions, and will lead to the effective use of financial resources and, most importantly, the financial resources of the state when performing tasks, identifying risks in the external and internal environment, and then strengthening the level of financial security [6].

Internal audit, first of all, performs an evaluation function, since its main goal is to identify deficiencies in the management system (the corporation as a whole) and the internal control system as a whole based on a risk-oriented approach with the implementation of a proposal to improve the efficiency of such systems and processes. In addition, the presence or absence of internal audit of business entities can be considered an important factor in the efficiency of their activities, and therefore, financial security.

Internal audit is indeed the most effective tool for increasing the efficiency of activities and finding opportunities to strengthen the financial security of the state and communal sectors, as it is independently formed by the subject and provides the information necessary to achieve goals and most effectively solve problems to reduce the risk of fraud, waste, error, financial and budgetary irregularities or non-commercial purposes. In addition, the audit performs important work on improving the internal control system and contributes to strengthening the financial security of the state and communal sectors, prevents inappropriate, rational and efficient use of funds, prevents errors and other shortcomings.

At the same time, in practice, managers of enterprises, especially in the public and utility sectors, do not consider internal audit to be a universal solution to all problems of a company, institution or organization. However, internal audits cannot eliminate human error or abuse, and it is impossible to conduct an internal audit

of every process annually [7, 8]. Otherwise, it would contradict the basic principles of internal audit, in particular (and most importantly) the principle of independence and objectivity; professional training.

However, in Ukraine, the importance of internal audit as an independent form of state audit is not appreciated. Especially in the public sector, where the management system is a corporate economy. Over time, the formation of the internal control system in the state and communal sectors is the most relevant for the practice of internal control of public finances. The latter is a necessary condition for an effective system, further implementation and development of internal audit, since this audit, as a component of internal control, allows to evaluate performance [9]. The effectiveness of the internal control system means that the entire management system is under the control of the public and utility sectors and, in particular, public financial resources (especially from the point of view of financial security).

As a result, financial transactions must be both economically and legally justified. Therefore, the controlling bodies for the distribution of budget funds should pay special attention to these two aspects of the activity of subjects of financial relations. Often the most profitable deals turn out to be illegal. This contradiction is resolved only within the framework of financial control. A typical recommendation of the controlling authorities when illegal activity is detected is to return to the revenue part of the state budget the benefits obtained illegally.

Therefore, the most important task of state financial control is to ensure strict compliance with regulatory and legal acts in the field of finance, fulfillment of obligations to partners regarding mutual debts.

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Фінансовий контроль в Україні: суть, його складові та завдання

У статті розглянуто питання суті державного фінансового контролю, його ролі у розвитку України як держави, особливостей та елементів системи контролю. Метою є поглиблення фундаментальних засад щодо підвищення ефективності державного фінансового контролю в Україні.

Розглянуто державний фінансовий контроль, що являє собою сукупність цілеспрямованих заходів правозастосування, економічності, оперативності та результативності, спрямованих на підвищення ефективності використання державних фінансових ресурсів та створення основи для оптимізації бюджетної політики. Крім того, фінансовий контроль є логічно побудованою, науково коректною та науково визначеною функцією державного контролю з метою забезпечення якісної інформації під час управління державними коштами та прийняття рішень щодо соціально-економічного розвитку країни, що передбачає впровадження соціально-економічного розвитку.

Висновок. Дефіцит пропозиції у сфері державного фінансового контролю характеризується недоліками поглядів та принципів основних положень, а також наявністю протиріч в окремих законах, тому необхідно систематизувати та закріпити єдиний нормативно-правовий документ, який має містити основні елементи системи, у тому числі інформаційне, організаційно-методичне забезпечення та підзвітність правоохоронних та контролюючих організацій. Світові тенденції вказують на те, що Державна аудиторська служба України займає особливу роль у секторі контролю за державними коштами.

Ключові слова: державний фінансовий контроль; аудит; контроль; Державна аудиторська служба України; управління фінансовими ресурсами; Рахункова палата.

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