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DESTABILIZING PROCESSES IN THE SYSTEM OF PROVISION OF AGRICULTURAL ENTERPRISES WITH FINANCIAL POTENTIAL

The situation in the farming of Ukraine demands constant increasing of financial resources, meanwhile possibilities to satisfy such demands are gradually decreasing. Disregard for financial factors of external environment can be considered as the reason of aggravation of financial activity condition at agricultural enterprises. Besides, insufficient level of financial state stability makes it impossible for the subjects of agrarian market to minimize their financial obligations, which eventually results in imbalance in the system of provision of enterprises with financial potential.

It should be mentioned that farming due to its inner structure requires considerable financial resources for modernization of outdated capital assets, financing the infrastructure development, implementation of energy-saving projects and structural reforming in future, that is why its functioning is impossible without financial support provided by banks or by state. If banks are unable to extend loans on more or less favourable terms and the state has no funds to repay interest on loans, ceasing the support provided during the recent

years, the majority of agriculture enterprises will practically fail to complete the production process; this will provoke decline of their financial activity.

In relation to financial and investment activity, destabilizing processes in the state financial system and factual reduction of available financial resources in Ukraine give all the grounds to predict no large-scale financing of activity in agrarian production until the economic crisis comes to its climax. At the same time, it is necessary to note that financing of farming depends not only on availability or absence of money from the state or bank structures, but the major part of financial resources were in fact attracted to agrarian production from the home equities of agrarian enterprises and investors, interested in development of the agrarian sector of the country. Thus, it is reasonable to forecast the possibility of obtaining these funds despite the acute shortage of available financial resources in the Ukrainian economy for financing the investment activity in the agrarian sector. This particularly concerns large-scale agro-holding com-

panies, the business activity of al and trade companies, interest-
which is connected with financial ed in the development of agrarian
and industrial groups or industri- production in the country.