

UDC 336

**N. Kornieva***Associate Professor at the Department of Finance and Credit,  
Mykolaiv National University named after V.O. Sukhomlynsky*

## FORECASTING OF FINANCIAL STATEMENTS UNDER FINANCIAL AND ECONOMIC CRISIS

The article attempts to explore the manifestations of financial crisis in Ukraine, to study theoretical ground and provide some recommendations for forecasting of financial statements in conditions of crisis.

The global economic crisis contributes to the manifestation of all the problems accumulated in the Ukrainian economy over the past two decades, and especially, continuing downward dynamics of vast majority of macroeconomic indicators. Under these conditions, special attention should be paid to the development of anti-crisis strategy. It is necessary to use data of financial statements indicators of which require constant adjustment and prediction. Determination of future value of indicators makes it possible to determine the projected space filled by specification of pre-defined parameters. In this context, especially important is compilation of projected financial statements, since it can be estimated based on the expected financial results and the need for financing and business in future can be justified.

Today the world economy in the process of development goes through financial and economic

crisis. The formed circumstances of the market in Ukraine also undergo significant changes when successful development of business depends on developed strategy and methods of implementation. The objective conditions of tough competition, associated with the active introduction of market mechanisms in the management of entrepreneurial activities of business entities, require above all maintenance of a high level of their own competitive position. In these circumstances, the demand for financial information greatly increases. Informational support in governance increases attention to accounting financial reporting as the main source of information about property and financial condition, and results of its industrial and economic activity during the reporting period. In terms of growth of the economic crisis in Ukraine, national enterprises form a new approach to the management of crisis in general and in particular. In our opinion, crisis management can now be considered as a special system that differs by comprehensive and strategic nature and has the ability to completely remove temporary difficulties, recorded in the enterprise.

The key to the success of any business is the prediction of the future financial condition of the company, the expected amount of its financing. Future activities of the company can be provided through the development of predicted financial documents – projects of future income statement, statement of cash flows and balance sheet. Projected income and cash flows statements are a working plan for the entire enterprise as a whole and projected balance sheet, we believe, reflects the cumulative effect of the assumed administrative decisions on the financial position of the company. Development of predicted financial statements is a complex process of financial forecasting, which should include, as we believe, preparation of budgets and financial reports;

- current activity budgets;
- cash budget;

- predicted financial statements.

In terms of growing economic crisis in Ukraine national enterprises need appropriate techniques and tools of anti-crisis management, i.e. a system of a complex character, aimed at rapid detection of signs of crisis in the future. One of the main areas of such company management we believe to be forecasting of financial statements, which plays an important role in the present economic environment. Given the experience of Ukrainian and foreign scientists we proposed a method for predicting reporting, which includes five stages, which, in our opinion, are aimed at improving financial strategy of the enterprise. Preparation of the projected reporting of enterprise will provide managers with basic scenario, which in terms of financial and economic instability can only be short-term.