

**Kyiv National University of Trade and Economics**  
**Banking Department**

**FINAL QUALIFYING PAPER**  
**on the topic:**

**Financial institution's capital management**  
**(except of banks)**

Student of the 2<sup>nd</sup> year, group 10am,  
specialty 072 «Finance, banking and  
insurance»  
specialization «Financial  
intermediation»

Panchenko A.O.

\_\_\_\_\_  
*(student's signature)*

Scientific adviser  
PhD in Economics,

Serazhym Yu.V

\_\_\_\_\_  
*(signature of a  
scientific adviser)*

Manager of the educational program  
PhD in Economics  
Associate Professor

Erkes O.E.

\_\_\_\_\_  
*(signature of the  
Manager of the  
educational program)*

**Kyiv, 2021**

# Kyiv National University of Trade and Economics

Faculty of Finance and Accounting  
Department of Banking  
Specialty 072 Finance, Banking and Insurance  
Specialization Financial Intermediation

**Approved by**  
Head of the Department of Banking  
Nataliia P. Shulha,  
Doctor of Sciences in Economics, Professor  
on \_\_\_\_\_, \_\_\_\_, 20\_\_

## **Task for a final qualifying paper**

Panchenko Andrii

(student's last name, first name)

1. Topic of a final qualifying paper

2.

Financial institution's capital management (except of banks)

Approved by the Rector's order from November \_\_ 202\_\_, No. \_\_\_\_\_.

2. Term of submitting by a student his/her terminated paper (project) to 21.11.2021

3. Initial data of the final qualifying paper (project)

*Purpose of the paper (project)* Review, analysis and comparison of methodological approaches to capital management of a financial institution and its structure, study of various interpretations of the essence of capital and its role in ensuring the effective operation of a financial institution, study of basic criteria and indicators for assessing the effectiveness of financial management. institutions and the formation of ways to increase the efficiency of capital formation using theoretical, methodological and practical provisions and research methods.

*Object of the research* Capital of national financial institutions.

*Subject of the research* Management of capital formation of a financial institution.

4. Consultants of the research and titles of subsections which were consulted:

Section	Consultant (last name and initials)	Date and signature	
		The task given	The task fulfilled

5. Contents of a final qualifying paper (list of all the sections and subsections)

**Section 1.** The essence, meaning and methodological approaches to capital management of a financial institution (except banks).

**Section 2.** Analysis of capital management of a financial institution (except banks):

2.1 Analysis of the structure of capital management of financial institutions of Ukraine (except banks).

2.2 Analysis of the capital and assessment of the effectiveness of capital management of JSC IC «TAS»

**Section 3.** Proposals for improving the efficiency of capital management of financial institutions (except banks):

3.1 Ways to increase the efficiency of capital formation of a financial institution (except for banks);

3.2. Improving and forming a strategy for the development of capital management of a financial institution (except for banks);

Conclusions and suggestions;

References;

Additions.

6. Time schedule of the paper

No.	Stages of a final qualifying paper	Terms of a final qualifying paper	
		de jure	de facto
1	2	3	4
1.	Approval of the Task of the FQP (Ukrainian)	02.11.2020	02.11.2020
	Approval of the Task of the FQP (English)	23.11.2020	23.11.2020
2.	Submission of an <b>article</b> to the Banking department (English), paper and electronic versions	29.03.2021	29.03.2021
3.	Part I. List of sources used (references)	19.04.2021	19.04.2021
4.	Part II. List of sources used (references)	21.06.2021	21.06.2021
5.	Part III, Introduction, Conclusions, References	01.10.2021	01.10.2021
6.	Submission of the FQP to the Banking department (all Parts, appendices), <b>resume</b> of a scientific adviser	22.10.2021	22.10.2021
7.	Preliminary FQP' protection at the Banking department, <b>review</b> (KNUTE, Ukraine), <b>review</b> (KNUTE, English)	02.11.2021	02.11.2021
8.	Submission of completed (intertwined) the FQP to the Banking department, supporting documents (summary, supporting data, three reviews)	22.11.2021	22.11.2021
9.	Public FQP' protection in the examination commission		

7. Date of receiving the task \_\_\_\_\_, \_\_\_\_\_, 20\_\_\_\_.

8. Scientific adviser of the final qualifying paper

Serazhym Yu.V.

(last name, initials, signature)

9. Head of the project team

(Manager of the educational program) Olena E. Erkes, PhD in Economics,

Associate Professor of the Department of Banking

(last name, initials, signature)

10. The task received by the student

(last name, initials, signature)

## 11. Resume of a scientific adviser of a final qualifying paper

Відгук на ВКР Панченка Андрія Олексійовича 2к 10ам



Перевести сообщение на: Русский | Никогда не переводить с этого языка: Английский



**Серажим Юліан Віталійович**

17.11.2021, Ср, 17:06

Кому: Панченко Андрій Олексійович



Student PANCHENKO ANDRII OLEKSIYOVYCH completed the final qualifying paper on a topic on Financial institution's capital management.

While working on the research, the student used all the knowledge and practical skills acquired during her studies in the English-speaking master's program in "Financial Intermediation".

Advantages of the final qualifying paper are results that made possible to formulate the scientific novelty that the successful operation of the financial institutions as a whole largely depends on effectiveness of financial stability management.

The purpose of the financial institution's capital management process is to use funds efficiently. The financial condition of the organization is increased by the optimal ratio of financial resources

According to the results of the final qualifying work, some parts were presented in a collection of scientific articles by students / resp. ed. N. Shulga. - Kyiv: Kyiv National University of Trade and Economics,

2021 and Student scientific conference "Financial policy in the context of economic transformation".

In general, the submitted work achieves the goal, content and design meets the conditions for writing such work. This qualifying work can be admitted to the defense and deserves a high score.

З повагою, Серажим Ю.В.

к.е.н., доцент кафедри банківської справи

[Ответить](#)

[Переслать](#)

Scientific adviser of a final qualifying paper \_\_\_\_\_

(last name, initials, signature)

Note about preliminary paper defence \_\_\_\_\_

(last name, initials, signature)

## 12. Resume about a final qualifying paper

A final qualifying paper of the student \_\_\_\_\_

(last name, initials)

can be admitted to defence in the Examination Board.

Head of the project team

(Manager of the educational program) Olena E. Erkes \_\_\_\_\_

(last name, initials, signature)

Head of the Department Nataliia P. Shulha \_\_\_\_\_

(last name, initials, signature)

\_\_\_\_\_. \_\_\_\_\_. 2020.

## CONTENT

<b>INTRODUCTION.....</b>	<b>3</b>
<b>PART I. THE ESSENCE, MEANING AND METHODOLOGICAL APPROACHES TO CAPITAL MANAGEMENT OF A FINANCIAL INSTITUTION (EXCEPT BANKS).....</b>	<b>6</b>
<b>PART II. ANALYSIS OF CAPITAL MANAGEMENT OF A FINANCIAL INSTITUTION (EXCEPT BANKS):</b>	
2.1. Analysis of the structure of capital management of financial institutions of Ukraine (except banks).....	15
2.2. Analysis of the capital and assessment of the effectiveness of capital management of JSC IC «TAS» .....	21
<b>PART III. PROPOSALS FOR IMPROVING THE EFFICIENCY OF CAPITAL MANAGEMENT OF FINANCIAL INSTITUTIONS (EXCEPT BANKS):</b>	
3.1. Ways to increase the efficiency of capital formation of a financial institution (except for banks).....	33
3.2 Improving and forming a strategy for the development of capital management of a financial institution (except for banks).....	40
<b>CONCLUSIONS AND RECCOMENDATIONS.....</b>	<b>44</b>
<b>REFERENCES.....</b>	<b>47</b>
<b>APPENDICES.....</b>	<b>51</b>

## INTRODUCTION

**Actuality of theme.** The crisis in the financial and real sectors of the economy has revealed many problems associated with maintaining financial stability and financial security. This issue is particularly acute for financial intermediaries, which attract significant financial resources on a long-term basis with the commitment. Financial companies as specific enterprises are created for profit, but at the same time the subject of their primary activity is the provision of financial services, and they must be financially secured for its implementation. Achieving this goal is possible provided the appropriate organization of management and formation of financial capacity and, in general, the organization of financial activities of the intermediary, which led to the relevance of the study.

Non-bank financial institutions in Ukraine operate in conditions of significant political and legislative risks, inflationary processes, low level of guarantees of fulfillment of obligations by counterparties and low financial culture. The main reason for the low level of capitalization of financial institutions in Ukraine, I believe, is the lack of theoretical and methodological support for capital adequacy management at the required level, to identify problems in the early stages of their occurrence, make sound management decisions in determining tools and methods of financial resources. elimination of capital deficit. Globalization of the economy increases competition in financial markets. Thus, there are many negative factors in the functioning of the non-banking financial market of Ukraine. Therefore, without realizing the nature of risks, the need to identify and measure them, without the introduction of modern risk management technologies, as well as modern tools of prudential supervision and regulation at the state level, it is impossible to ensure stable operation of the market of non-banking financial institutions in Ukraine.

The study of the theoretical and practical principles of capital management of non-bank financial institutions in the current state, its role and possible future development, was considered and analyzed in the works of many scientists, including: Chmutova IM [1], Shirinyan LV [2], Pshyk BI [3], Levchenko V. [4], Bitdaeva AB [5], Seliverstova LS [6], Shishpanova NO [7], Prysyazhnyuk V. [8], Levaeva L. Yu. [9],

Obushna OM [10] However, these issues remain important and need further elaboration and further study.

**The aim** of the work is to study the foundations of capital management of non-banking financial institutions, substantiation of the specifics of the formation of the financial potential of the financial market of Ukraine and its analysis in conditions of financial instability. The defined purpose caused necessity of the consecutive decision of the following tasks:

- to reveal the peculiarities of the formation of financial sources of development of financial companies and to explore the mechanism of managing the financial potential of intermediaries;
- analyze the capital and financial potential of the insurance company "TAS" and investigate its management mechanism;
- to form prospects for the development of capital management of the insurance company on the basis of a multifactor profitability model.

**The object** of research is the process of capital management of non-bank financial institutions based on the activities of IC TAS (private).

**The subject** of research is theoretical, methodological and practical aspects of capital management of non-bank financial institutions.

**The main methods** by which scientific research was conducted are the dialectical method of cognition of development and interdependence of financial processes. Features of the financial potential of financial institutions are identified through the use of methods of concrete and abstract, logical and historical, systematic and comparative analysis. In the process of developing proposals for improving the mechanism for managing the flexibility of the financial potential of insurance companies used methods of analysis and synthesis, statistical methods of grouping, the method of graphical representation.

The information base of the study is regulations, reporting of financial institutions, as well as the results of the study of domestic and foreign experts.

**The information base of the study** is laws and regulations on the regulation of capital management of non-banking financial institutions; official data of the National



Bank of Ukraine; recommendations of the Basel Committee, financial statements of the institution; monographic research and scientific publications on the researched problem.

**The novelty** of this work is the analysis of financial potential on the example of an insurance company, the study of the mechanism of financial potential management and the formation of development prospects based on a multifactor model of profitability.

**Personal contribution of the master.** The final qualifying work is an independent completed research of the author.

**Publications.** According to the results of the final qualifying work, an article was published: Panchenko A.O. Theoretical aspects of capital management of non-banking financial institutions: a collection of scientific articles by students / resp. ed. N. Shulga. - Kyiv: Kyiv National University of Trade and Economics, 2021. - 347 p.

**Practice base.** Private joint stock company «IC«TAS»

**Volume and structure of work.** The work consists of 3 sections, introduction, conclusions, list of used sources and appendices. The volume of work is 58 pages. The paper presents 16 tables, 4 figures, 4 appendices and uses 45 scientific sources.

## **PART I. THE ESSENCE, MEANING AND METHODOLOGICAL APPROACHES TO CAPITAL MANAGEMENT OF A FINANCIAL INSTITUTION (EXCEPT BANKS).**

In my opinion, capital is a set of monetary, tangible and intangible assets of an entity that are mobilized from various sources and involved in operating and investing processes in order to generate income and / or maximize the market value of its assets. According to this definition, I believe that capital management is the development of the optimal policy of the company, the distribution and attraction of assets in order to make a profit or increase the value of these assets.

The economic essence of capital is manifested in the following: capital is the main factor of production, because it is capital that plays a leading role in the process of combining all factors of production into a single production complex [8]; capital is a characteristic of the financial resources of the entity that generate income, while capital can act separately from the production factor in the form of invested capital [10]; capital is the main measure of its market value of the institution. Establishing the optimal capital structure involves a ratio of own and borrowed sources of capital formation of the enterprise, which allows to fully ensure the growth of return on equity[11, c. 94].

The capital of the institution, as the main source of maximum profit, profitability, financial stability and a means of increasing competitive advantage at the present stage of development of society [6] needs effective management. Capital management is carried out by applying a system of principles and methods of development and implementation of management decisions related to its optimal formation from various sources, as well as ensuring its effective use in various economic activities of the enterprise. In a broad sense, the word financial management means the development of policies for the formation of capital of the institution and its distribution, decision-making in accordance with this policy, financial planning, preparation and analysis of financial statements, organization of control over the implementation of decisions. In the narrow sense, financial management is the management of a limited amount of

money and its spending in conditions of uncertainty of market relations and risk. [11, p. 95]. The main purpose of capital management is to maximize the market value of the institution and ensure the welfare of its owners in the current and future periods.

One of the main methods of capital management is the method of developing a mechanism based on the optimal use of funds. According to the proposed method, consider the main indicators of financial stability, most often used in practice.

The very search for ways to improve the efficiency of capital management of a financial institution requires in-depth economic analysis, which should include macroeconomic and microeconomic components. Especially in the period of market instability requires attention to the management of working capital of a financial institution at the level of financial analysis of current assets and management analysis of current assets. Determining the volume and structure of current assets is one of the main tasks of working capital analysis. To ensure the financial stability of the financial institution and long-term economic activity, it is necessary to have a sufficient amount of working capital to be able to cover accounts payable and maintain its liquidity and solvency [3, p. 23]. To this end, it is to assess the dynamics of the volume and structure of working capital, experts group the assets of the balance sheet into separate specific groups on the basis of liquidity. That is, the working capital of the enterprise can be represented in the form of low liquid assets (inventories and costs); medium liquid assets (shipped goods and receivables) and highly liquid assets (cash, securities, others). Analytical grouping of assets into separate groups allows you to more effectively develop management programs. In addition to analytical grouping, it is necessary to use factor analysis more widely, which allows to identify the magnitude of the impact of changes in the volume and structure of working capital. The speed of capital turnover affects the financial results of the financial institution. In particular, indicators such as solvency, financial stability, liquidity and business activity. Always the analysis of the volume and structure of working capital allows you to optimize and ensure management decisions on the risk of liquidity loss and ensure efficiency [3, p. 24].

Thus, the analysis of working capital for management allows for financial planning and forecasting of the financial needs of the financial institution. To ensure the process of working capital management of a financial institution, it is necessary to maintain an information system that would allow to determine future management decisions on the formation and use of financial resources of the financial institution.

The National Bank regulates the activities of non-bank financial services market participants: insurers, credit unions, financial companies and lessors. The regulation of the non-banking financial services market is carried out in order to protect the rights and interests of consumers, equal access to financial services, compliance by financial market participants with the requirements of the law, control over market transparency and openness. The National Bank develops and implements new regulations based on the best international standards and practices. When regulating the non-banking financial services market, the National Bank is guided by the principles defined by the Law of Ukraine "On Financial Services and State Regulation of Financial Services Markets" in the field of consumer protection, supervision and licensing in the non-banking financial services market [12].

The National Bank of Ukraine in the field of state regulation of non-banking financial services markets within the competence defined by part one of Article 21 of the Law "On Financial Services and State Regulation of Financial Services Markets" establishes mandatory criteria and standards of capital adequacy and solvency, liquidity, profitability, asset quality and riskiness of transactions, compliance with the rules of financial services and other indicators and requirements that limit the risks of transactions with financial assets

The minimum amount of capital of financial institutions required for their establishment and the general requirements for regulatory capital required for their operation are determined by the laws of Ukraine on the regulation of certain markets for financial services.

According to the legislation, in order to regulate the activities of non-banking financial institutions, they must comply with the following mandatory financial standards and requirements:

- 1) capital adequacy ratio (K1);
- 2) maximum risk ratio per person or related parties (K2);
- 3) liquidity reserve ratio (K3);
- 4) requirements for limiting the risks of the guarantor with financial assets.

Table 1.1

**Mandatory financial regulations governing the activities of non-bank financial institutions**

Financial standard	Purpose of setting	Value
capital adequacy ratio (K1)	ensuring timely and full performance by the guarantor of its obligations under the issued guarantees and sureties.	$\geq 7\%$
maximum risk ratio per person or related persons (K2)	limiting the risks of the guarantor arising from the failure of such persons to fulfill their obligations.	$\leq 20\%$
liquidity reserve ratio (K3)	ensuring continuous liquidity management while maintaining it at a sufficient level for timely fulfillment of all commitments, taking into account their volume and maturity, the required ratio between own funds and liabilities, the formation of optimal asset structure with increasing share of high-quality assets with acceptable risk to fulfill legitimate requirements for issued guarantees and sureties.	$> 0$

\* Compiled by the author based on [13]

Guarantors - financial institutions that have received a license to conduct business activities for the provision of guarantees and sureties (except for credit unions)

Capital adequacy ratio (K1) is defined as the ratio of the equity of the guarantor, reduced by the amount of long-term financial investments, which are accounted for by the method of participation in the capital of other enterprises and other financial investments, promissory notes, securities not listed on at least one of the stock exchanges (including trading in stock exchanges prohibited by the legislation of Ukraine) to the book value of the guarantor's assets, weighted by the degree of risk, increased by the amount of liabilities for all types of guarantees and sureties provided by the guarantor, which are recorded in off-balance sheet accounts [13].

The maximum risk ratio per person or related parties (K2) is defined as:

- the ratio of the amount of the guarantor's claims against the person and the financial obligations provided by the guarantor to such person to the guarantor's equity less the amount of long-term financial investments accounted for using the equity of other enterprises and other financial investments, promissory notes, securities, that are not on the stock exchange list of at least one of the stock exchanges (including trading in stock exchanges prohibited by the legislation of Ukraine);
- the ratio of the amount of the guarantor's claims to all persons related to the guarantor and financial obligations provided by the guarantor to such persons to the guarantor's equity less the amount of long-term financial investments accounted for using the equity method of other enterprises and other financial investments, promissory notes, securities that are not on the stock exchange list of at least one of the stock exchanges (including trading in stock exchanges is prohibited by the legislation of Ukraine) [13].

The estimated liquidity reserve of the guarantor consists of 10 percent of current liabilities and collateral and the amount of liabilities for all types of guarantees and sureties provided by the guarantor, which are recorded in off-balance sheet accounts.

Requirements for limiting the risks of the guarantor with financial assets:

1. Guarantors are obliged to have an internal methodology (regulations) approved by the management body for risk assessment in relation to the provision of guarantees, sureties and their provision, as well as effective procedures for timely identification, calculation, assessment, monitoring, control and management of risks related to guarantee provision. and sureties.

2. The guarantor identifies related parties in accordance with the Law of Ukraine "On Financial Services and State Regulation of Financial Services Markets".
3. When calculating the maximum risk ratio per person or related parties (K2), assets are included at book value [16].

The largest share of assets of non-banking financial institutions is concentrated in insurance and financial companies, so I think we need to pay more attention to capital management of these financial institutions, which may be reflected in the activities of pawnshops. Therefore, the paper will consider the management of the insurance company, as IC "TAS" (private) is the basis of practice. I consider it inexpedient to consider the management of the capital of credit unions, because in essence the credit union, according to the law, is a non-profit organization, although it uses certain mechanisms to make a profit.

Insurers are obliged to comply with the following conditions of solvency:

- 1) the availability of the paid-up statutory fund for resident insurers or the guarantee deposit for branches of non-resident insurers and the availability of the insurer's guarantee fund;
- 2) creation of insurance reserves sufficient for future payments of insurance sums and insurance indemnities;
- 3) excess of the actual solvency margin of the insurer over the estimated regulatory solvency margin.

The minimum size of the statutory fund (guarantee deposit) of an insurer engaged in types of insurance other than life insurance is set at the equivalent of 1 million euros, and an insurer engaged in life insurance is set at 10 million euros at the exchange rate of Ukraine. The guarantee fund of the insurer includes additional and reserve capital, as well as the amount of retained earnings. Insurers can create free reserves at the expense of retained earnings [14].

Free reserves are the share of the insurer's own funds, which is reserved in order to ensure the solvency of the insurer in accordance with the accepted method of insurance activities [14].

The regulatory solvency margin of an insurer that provides types of insurance other than life insurance, on any date is equal to the greater of the specified values, namely:

the first - is calculated by multiplying the amount of insurance premiums for the previous 12 months by 0.18 (the last month will consist of the number of days on the date of calculation). At the same time, the amount of insurance premiums is reduced by 50 percent of insurance premiums due to reinsurers;

the second - is calculated by multiplying the amount of insurance payments for the previous 12 months by 0.26 (the last month will consist of the number of days on the date of calculation). At the same time, the amount of insurance payments is reduced by 50 percent of payments reimbursed by reinsurers in accordance with the concluded reinsurance contracts. The regulatory solvency margin of the insurer that provides life insurance at any date is equal to the value determined by multiplying the total amount of the long-term liability reserve (mathematical reserve) by 0.05. The total amount of the long-term liability reserve (mathematical reserve) is equal to the sum of the long-term liability reserves (mathematical reserves), which are determined on any date separately for each life insurance contract. If the sum insured for a particular subject of the insurance contract exceeds 10 percent of the amount of paid-in share capital and formed free reserves and insurance reserves, the insurer is obliged to enter into a reinsurance contract [14].

The capital of a credit union consists of share, reserve and additional capital, as well as the balance of retained earnings of the union and may not be less than 10 percent of the amount of its total liabilities. The share capital of a credit union is formed at the expense of obligatory and additional share membership fees of the members of the credit union.

The reserve capital is intended to compensate for possible losses of the credit union, which cannot be covered by the current year's income, to ensure the solvency of the credit union and to protect the savings of its members. The reserve capital of a credit union is formed at the expense of the entrance fees of the members of the credit union and part of the income of the credit union until it reaches at least 15 percent of



the amount of assets weighted on the risk of the credit union. The charter of the credit union may provide for other sources of reserve capital. Upon liquidation of the union, the balance of reserve capital is credited to the State Budget of Ukraine. Additional capital of a credit union is formed at the expense of target contributions of union members, charitable contributions of individuals and legal entities, gratuitously received property and non-current assets. In case of liquidation of the union, the balance of additional capital is credited to the State Budget of Ukraine. The decision to use the capital to cover the losses of the credit union is made by the supervisory board of the credit union in the manner prescribed by law and the decision of the general meeting of members of the credit union [15].

The pawnshop is obliged to form a reserve fund in accordance with Article 14 of the Law of Ukraine "On Business Associations" and to form through impairment of assets a reserve in accordance with international financial reporting standards, taking into account the requirements of the Tax Code of Ukraine. The pawnshop must have an equity of at least 500 thousand hryvnas, and if the pawnshop has separate units - at least 1 million hryvnas [16].

As part of the financial institution's obligation to have equity of at least:

- than UAH 3 million for financial companies that plan to provide one type of financial services;
- less than UAH 5 million for financial companies that plan to provide two or more types of financial services. [17].

Risks of any kind are manageable, which allows to some extent to predict their consequences, and hence - the financial costs of compensation. It should be noted that in practice, modern risk management systems are quite expensive and therefore initiatives to implement these systems are observed only in some cases. It is important to implement effective risk management to manage risks and find ways to eliminate or minimize them, for the effective functioning of non-bank financial institutions and ensure the proper state of their financial security. In addition, the importance of using risk management in domestic practice is indicated as one of the promising areas of development of the domestic non-banking financial market [17, p. 112].

Conclusion. Thus, capital management of a financial institution is an activity aimed at forming the optimal ratio of equity and borrowed capital, ensuring efficient use of assets, equity, placement of accumulated insurance reserves taking into account the principles of security, profitability, liquidity and diversification, resulting in increased market value. balance the interests of all stakeholders - owners, employees, customers, third parties and the state.

Capital management of a financial institution can be public, internal and professional. At the state level, requirements are set for the availability and sufficiency of the institution's capital and the directions of its implementation in the assets of a financial company. At the financial company level, the task of maximizing the value of the capital invested by the owners is solved, taking into account the regulatory requirements for its size and placement, while ensuring the conditions for timely and full fulfillment of obligations to customers. Professional capital management involves compliance with these requirements and, in addition, to ensure greater diversification of assets of the financial institution and their higher profitability. The main ways to ensure the appropriate level of financial stability and minimize the risks of a financial institution is to create conditions for financing activities both through the use of own resources and through credit operations. At the same time, the advantages and disadvantages of financing activities from various sources should be clearly defined. The use of a particular type of source of capital appreciation should be associated with a thorough assessment of the impact of such actions in terms of ensuring future levels of solvency and financial stability and correlate with the need to maximize the final positive financial performance of the financial institution. The efficiency of the enterprise largely depends on the level of development and improvement of the capital structure management system, as the required amount of financial resources is an important condition for sustainable economic growth. When developing a general system of enterprise management, it is necessary to choose a capital structure that will minimize the weighted average cost of capital, while ensuring a sufficient level of business activity of the enterprise.

## **PART II. ANALYSIS OF CAPITAL MANAGEMENT OF A FINANCIAL INSTITUTION (EXCEPT BANKS)**

### **2.1. Analysis of the structure of capital management of financial institutions of Ukraine (except banks)**

For more than a year, the NBU has been the regulator of most of the market of non-bank financial institutions. During this period, the solvency requirements of financial institutions were based mainly on the approved acts of the previous regulator. Therefore, financial institutions had enough time to bring their activities in line with these requirements. Over time, the NBU has taken more decisive action to apply enforcement measures for non-compliance with Ukrainian legislation. In the second quarter, based on the results of supervision and inspections, including due to the non-admission of inspectors to inspections, the NBU applied sanctions to dozens of insurers, financial companies and pawnshops in the form of suspension and / or revocation of licenses. Many market participants who violated the solvency requirements were given time to rectify the violations. If financial institutions fail to meet the requirements, they will have to cease operations. In the second quarter, the assets of all market participants increased. Most - in financial companies. Accordingly, the share of the NBFIs in the assets of the financial sector regulated by the NBU increased by 1 percentage point up to 12% [18].

Consider in more detail the insurance sector. A notable event in the second quarter of 2021 was the termination of a number of participants. However, this had almost no effect on the quarterly results of the insurance market: the volume of assets even slightly increased. Gross insurance premiums for both risk insurance and life insurance increased compared to the previous quarter. The increase in insurance premiums was observed both from individuals and from the corporate segment. Life insurance payments have been growing for the last four quarters. Payments for risk insurance are almost unchanged. The share of voluntary insurance premiums exceeds 75%. Car insurance (CASCO, OTSPV and Green Card) and health insurance

consistently occupy the first two places in terms of premiums. In the second quarter, the volume of compulsory insurance premiums increased by 30%, most notably OTSPV, nuclear and aviation insurance. Growth in the first two types is traditional for the second quarter, and a significant increase in aviation insurance is due to the operations of one insurer. The share of insurance premiums transferred to reinsurance did not change in the second quarter and is less than one-fifth of the accrued insurance premiums. Among them, 66% were transferred to non-resident reinsurers [18]. The increase in this share is explained, among other things, by the increase in premiums received for aviation and nuclear insurance, the risks of which are reinsured due to significant amounts of liability. The calculation of the operational efficiency of risk insurers for the purposes of the quarterly report has been changed: excluded from the calculation of costs of insurers not related to operating activities. The operating ratio is 86%. The largest share of the investment portfolio of risk insurers is formed by bank deposits. However, they do not neglect investments in IGLBs, the share of income from which increased during the quarter. The financial result of risk insurers increased in the second quarter due to an increase in premiums. In addition to the revival of insurance, the reduction of liquidation, administrative and other expenses had a positive effect on profits. Life insurance is also profitable, mainly due to income from financial investments. At the same time, the amount of premiums is not enough to cover the costs of operating activities. The number of violators of solvency requirements and risky transactions has decreased significantly. As of July 1, 23 licensed insurers did not meet the solvency and capital adequacy or asset risk standards [18].

Table 2.1

**Structure of financial sector assets, UAH billion [18]**

<i><b>Institutions:</b></i>	2017	2018	2019	2020	03.2021	06.2021
Banks	1 334	1 360	1 493	1 823	1 836	1 892
Insurers	57	64	64	65	64	65
Credit unions	2	2	3	2	2	2
Finance companies	108	125	162	187	166	180
Pawnshops	4	4	4	4	4	4

Table 2.1 shows the dynamics of financial sector assets. From the table we can conclude that banks are the main driving force of the Ukrainian financial system. The non-banking financial market is very poorly developed compared to European countries. However, there is a positive trend with the growth of total assets of both the banking and non-banking sectors.

Table 2.2

### Number of financial service providers [18]

<i>Institutions:</i>	2017	2018	2019	2020	03.2021	06.2021
Banks	82	77	75	73	73	73
Insurers:	294	281	233	210	208	181
Life-insurers	-	24	22	21	20	19
Finance companies	677	940	986	960	964	958
LE-lessors*	183	167	157	146	144	138
Credit unions	378	358	337	322	316	308
Pawnshops	415	359	324	302	292	287

\* Legal entities (LE) – lessors do not belong to finance companies, but financial leasing services are regulated by the NBU

Table 2.2 shows that the total number of financial institutions is declining. I consider this a positive factor, because since the National Bank began to regulate the financial sector, the requirements for institutions have increased. Thus, there is a gradual cleansing of the system from unscrupulous participants.

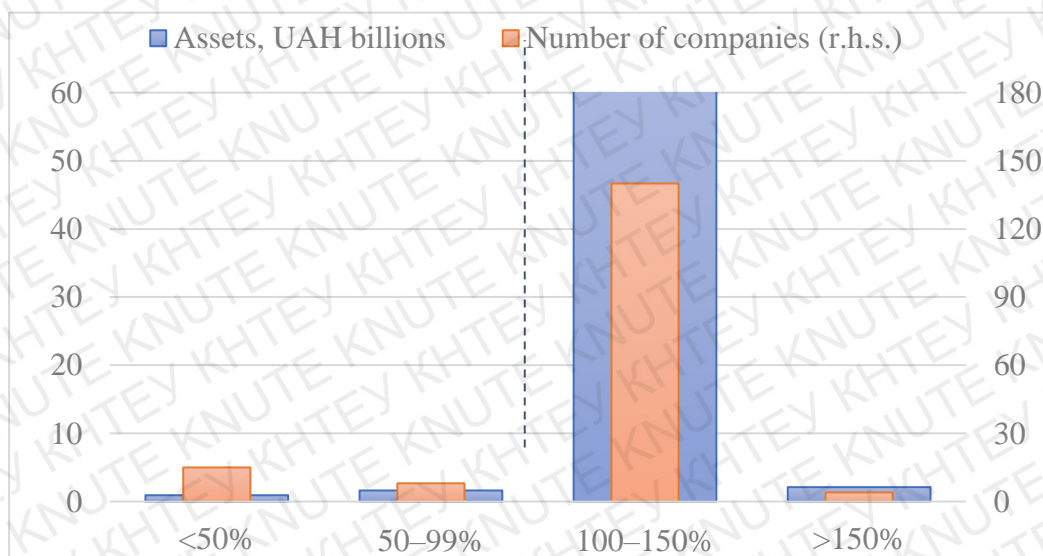


Fig. 2.1 Distribution of number and assets of insurers by ratio of eligible assets to required solvency margin, as of 1 July 2021 [18]

Figure 2.1 shows that 140 insurance companies with almost 93% of all assets meet the solvency margin ratio by 100-150%, 8 companies meet by 50-99%. And only 15 companies have a total share of assets of which 1% meet the standard by less than 50%. This indicates a very high level of solvency of the entire insurance system.

Consider in more detail the capital of Ukrainian insurance companies based on the dialectical method.

Table 2.3

**Capital structure of the insurance sector of Ukraine, UAH million [18]**

EQUITY	2020	2021	01.10.2021	Absolute deviation	Relative deviation,%
Registered capital	11488,50	8758,69	8827,52	68,83	100,79
Capital in revaluations	3387,38	3278,56	3396,81	118,25	103,61
Additional capital	2020,00	2943,72	3010,15	66,43	102,26
Issue income	2343,97	2219,91	2269,97	50,06	102,26
Reserve capital	4550,28	3528,45	3701,65	173,19	104,91
Retained earnings	3722,16	4009,21	5031,33	1022,12	125,49
Unpaid capital	-26,72	-26,72	-25,98	0,74	97,23
Withdrawn capital	395,77	0,00	-6,78	-6,78	-
Other reserves	496,27	429,70	510,95	81,24	118,91
<b>Total</b>	<b>26946,21</b>	<b>22921,62</b>	<b>24445,64</b>	<b>1524,03</b>	<b>106,65</b>

The table 2.3 shows that the total equity of insurance companies in 2021 increased by 6.65% or UAH 1,524 million. The main indicator that influenced capital growth is retained earnings. It increased by 25.5% compared to the beginning of the year. I think that the growth of this indicator is predictable and obvious, as there has been a significant increase in non-life premiums of insurers. It is very positive that the reserve capital also increased by 4.91%. The change in this indicator by UAH 173 million led to an increase in equity by 11.3%. In general, each item of equity has increased, which indicates the stability of the insurance sector. In 2020, the share of equity decreased by UAH 4 billion. due to the decrease in the number of insurance service providers due to non-compliance with standards.

According to the practice base, I consider it appropriate to consider the capital structure of life insurers.

Table 2.4

**Capital structure of life insurers of Ukraine UAH million [18]**

Equity	2020	2021	01.10.2021	Absolute deviation	Relative deviation,%
Registered capital	857,1	780,2	780,2	-76,9	91,03
Capital in revaluations	314,2	355,6	315,3	41,4	113,19
Additional capital	260,9	290,5	297,9	29,6	111,35
Emission income	110,1	137,0	137,0	26,9	124,42
Reserve capital	93,2	94,8	101,7	1,6	101,76
Undivided profit	945,0	1 061,0	1 083,1	116,0	112,28
Other reserves	0,2	3,6	1,3	3,3	1 683,52
<b>Total</b>	<b>2470,5</b>	<b>2 585,7</b>	<b>2 572,7</b>	<b>115,1</b>	<b>104,66</b>

The table 2.4 shows that from 2020 to 2021 equity life of insurers increased by 4.66%. This is due to the fact that retained earnings increased by UAH 116 million. The growth of this indicator is obvious as the number of premiums has significantly increased due to the coronavirus situation. Registered capital decreased by 9%, which I consider a positive trend, as some insurance providers left the market due to non-compliance with the requirements of the NBU. In general, the growth of the life market is less than non-life, but this is due only to a smaller number of companies that provide life insurance services.

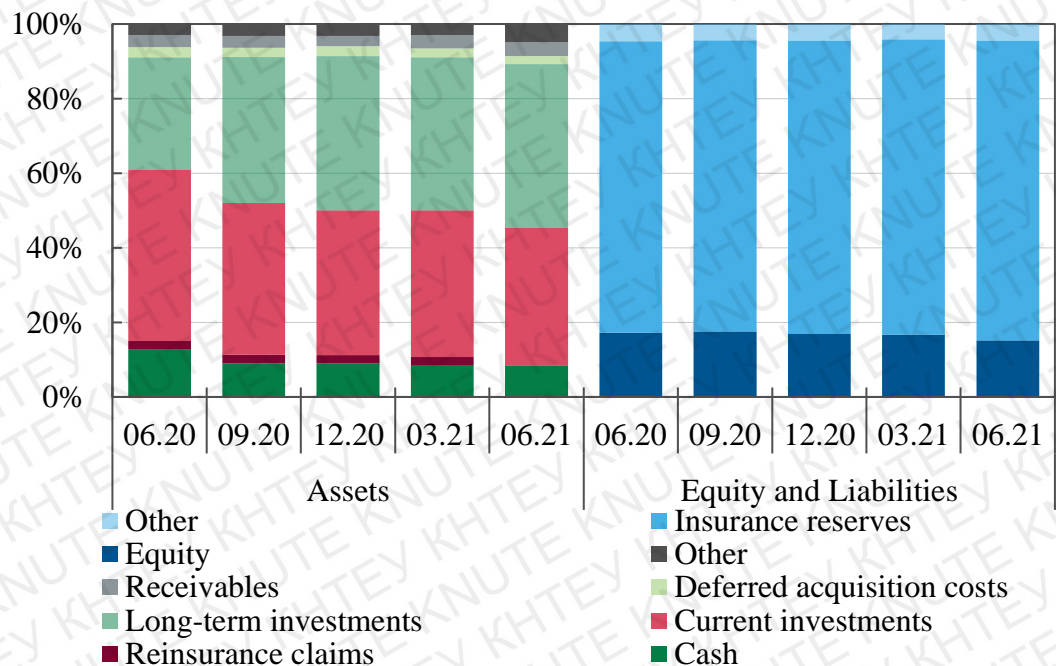


Fig. 2.2 Assets, equity, and liabilities of life-insurers [18]

Figure 2.2 shows that most of all last year's liabilities to life insurers are reserves, about 80%. Equity reached 17%. The largest share among assets is occupied by current and long-term investments of 40%, respectively. This suggests that life insurers invest about 80% of their funds evenly on an initial and long-term basis.

Thus, Ukraine has been using an integrated system of management and regulation of non-banking financial institutions for 1.5 years. This approach allows for an immediate response to external shocks and coordination in different financial sectors. The number of institutions providing financial services has decreased due to the NBU's strict policy on compliance with solvency and capital adequacy standards. However, the total assets of the non-banking sector have increased, indicating the overall efficiency of capital management. As for the introduction of new requirements in the field of solvency regulation and capital management of the insurance market, Ukraine's experience in general is quite successful, as it shows significant market capitalization and reliability, 86% of insurance providers meet the capital solvency margin. Each indicator of equity is growing moderately, which is a good sign in a period of economic instability.



## 2.2. Analysis of the capital and assessment of the effectiveness of capital management of JSC IC «TAS»

Consider in detail the management of capital on the example of JSC IC «TAS». The Insurance Company does not have an official internal document defining the principles of capital management, but management accepts funds to maintain capital at a level sufficient to meet the operational and strategic needs of the Insurance Company, as well as to maintain the confidence of market participants. This is achieved through effective cash management, constant control of revenue and profit, as well as planning long-term investments, which are financed by the operating activities of the Insurance Company. Implementing these measures, the Insurance Company seeks to ensure sustainable profit growth.

According to the current legislation of Ukraine, the value of net assets of the insurer, created in the form of a joint stock company or additional liability company, after the second and each subsequent financial year from the date of entry of information about the applicant in the State Register of Financial Institutions must be not less.

The minimum size of the authorized capital of the insurer providing life insurance, defined by the Law of Ukraine "On Insurance" is 1.5 million euros at the exchange rate of Ukraine (for insurance companies established before 17.05.2013, for those created after this date the minimum authorized capital is equivalent to 10 million euros).

Table 2.5

### Indicators of authorized capital and net assets as of 12.2020, thousand UAH [19]

Balance sheet item	31.12.2020	31.12.2019
Share capital	93 322	93 322
Net assets	256 285	296 834
Equivalent of the authorized capital in euros	2 686	3 532

Also, in accordance with the requirements of regulations, there are requirements for covering insurance reserves with diversified liquid assets. As of December 31, 2020 the company meets all these requirements. Appendix A provides information on the insurance company's compliance with capital adequacy and solvency, liquidity, profitability, asset quality and risk of operations, as well as information on other indicators and requirements that limit the risks of transactions with financial assets under current legislation of Ukraine as of 31.12. 2019. Thus, the paid-up authorized capital of the Insurance Company as of 31.12.2020 amounts to UAH 93,322 thousand. The guarantee fund of the Insurance Company as of 31.12.2020 is equal to UAH 140,705 thousand. However, in 2019 the guarantee fund is UAH 180,604 thousand. What about 40 million UAH. more. The actual solvency margin as of 31.12.2020 is equal to UAH 255,453 thousand. According to the requirements of the current legislation of Ukraine, the actual solvency margin (value of net assets) must be not less than the registered amount of the Authorized Capital of the insurer. The actual solvency margin of the company as of 31.12.2020 is 255 453 thousand UAH, which exceeds by 162 131 thousand UAH. registered authorized capital in the amount of UAH 93,322 thousand. In 2019, the actual solvency margin amounted to UAH 296,009 thousand. and exceeds the authorized capital by UAH 202,687 thousand. As of 31.12.2020, the regulatory solvency margin of the Insurance Company is defined as: The total amount of the reserve for long-term liabilities \* 0.05 and is equal to UAH 142,019 thousand, the amount of excess of the actual solvency margin (net assets) of the Insurance Company over the estimated regulatory the solvency margin as of 31.12.2020 is: 113 434 thousand UAH, and as of 31.12.2019 is: 177 964 thousand UAH [19]. As of 31.12.2020 JSC IC TAS (private) provides calculation of the solvency and capital adequacy ratio in accordance with Appendix A.

Calculate the rate of economic capital in accordance with Solvency II. The Solvency Capital Requirement required to cover health insurance risk is the sum of the insurance company's potential losses on health insurance liabilities. It consists of the Basic Solvency Capital Requirement (BSCR) and the Solvency Capital Requirement

to cover operational risk (SCR<sub>or</sub>). The required amount of capital to cover health insurance risk (SCR<sub>health</sub>) is UAH 404,147 thousand.

Table 2.6

### Calculation of the required solvent capital (SCR) of IC «TAS» thousand

UAH

Indicator	2019	2020	01.07.2021
Net Awards(V1)	553,92	671,97	541,58
Gross premiums(Pval)	559,72	680,89	553,28
Reserve(V2)	2 415,67	2 910,92	3 104,10
SCR <sub>health</sub> = 3 · σ · V	579 469,51	702 966,20	566 556,72
SCR <sub>or</sub> = 0,03 · Pval	16,79	20,43	16,60
<b>Total</b>	<b>579 486,30</b>	<b>702 986,62</b>	<b>566 573,32</b>

Developed by the author on the basis of [19]

As can be seen from Table 2.6, the insurance company fully complies with the Solvency 2 standard. This is because, in general, life insurance companies have a large number of reserves. And as of July 1, 2021, the company has almost reached the mark of economic capital in 2019. This tells us about the increase in the number of insurance premiums and, accordingly, the reserves that are directly related to each other.

Private Joint Stock Insurance Company "TAS" is one of the largest companies operating in the insurance market of Ukraine. It provides life insurance, as well as carries out financial activities in order to make a profit in the interests of shareholders, providing its employees with conditions for promising work and the growth of their professionalism. To begin with, let's analyze the profit of this insurance company for the period from 2017 to 2021 in table.

Table 2.7

### Financial results of TAS Insurance Company for 2017-2021, thousand UAH

	2017	2018	2019	2020	01.07.2021*
Net Profit	47 071	42979	33 490	41 152	10 107
Awards	385 477	499 580	553 922	671 974	351 798,0
Insurance payments	104 406	152 235	177 206	163 415	76 986
Reserves	2 066 736	2 246 104	2 415 668	2 910 924	3 032 509,8

\* data for the reporting period

Developed by the author on the basis of [19].

From the table. 2.7 shows that the main financial performance of the insurance company "TAS" in general has increased. But net profit only began to increase in 2020, but never reached 2017. In turn, insurance premiums in 2017 amounted to 385,477 thousand UAH, and in 2020 they increased to 671,974 thousand UAH. And for half of 2021 they decreased to 351 798 thousand UAH. Such changes are due to the conclusion of more insurance contracts. And the insurance payments of this company do not have such a sharp tendency to change, as they depend on the number of insured events, in 2017 they amounted to 104 406 thousand UAH, which is 59 000 thousand UAH less than in 2020. In the middle of 2021 they reached 76 986 thousand UAH. This can be explained by the epidemiological situation in the country. The size of reserves has hardly changed. Consider the indicators of financial stability of IC "TAS" in table. 2.8. They reflect the overall financial condition of the insurance company for any parameter, ie the number of insurance premiums, payments.

Table 2.8

**Indicators for assessing the financial stability of TAS Insurance Company for 2017-2021**

Indicator	2017	2018	2019	2020	01.07. 2021
Coefficient of financial autonomy	0,966	0,961	0,961	0,959	0,976
Coefficient of financial stability	0,966	0,961	0,961	0,959	0,976
Coefficient of financial dependence	1,035	1,041	1,041	1,043	1,021
Coefficient of financial stability	≈1	≈1	≈1	≈1	0,97

Developed by the author on the basis of [19].

Having assessed the financial stability of IC "TAS" from table. 2.8, it can be argued that the coefficient of financial autonomy is fully consistent with the normative value ( $> 0.5$ ). Since, it was 0.966 points in 2017, and in 2021 remained almost unchanged. Such values show that part of the insurance company's equity consists more of own funds (including reserves), ie the level of financial dependence on external sources of financing is very low. It can also be seen that the ratio remained stable throughout the period and this means that the company can finance 96 %% of assets at its own expense. The coefficient of financial stability reflects the solvency of the insurance company for the long term. The value of this indicator reflects the share of

assets the company can finance from borrowed capital in the long run and equity. The normative value of this indicator is from 0.7 to 0.9. The calculation of the ratio from the table shows that during certain periods the ratio of financial stability is almost no different from the ratio of financial autonomy because the company has no long-term liabilities. Over the years, it has almost met the norm. It can be concluded that the company pursues an effective development policy for the long term because it has too high a level of reserves. Also, more than 96% of the company's assets are financed exclusively by equity and long-term liabilities (reserves). Let's analyze the following indicator - the coefficient of financial dependence. Its regulatory value is  $\leq 3.33$  and reflects the amount of financial resources used by the insurance company for each hryvnia of equity. In 2017, it was 1,035, and in 2018 it has already increased to 1,041. Data for 2021 are slightly different, but this is due to incomplete data. The stability of this coefficient is traced, namely the gradual increase, which reflects the incomplete use of the insurance company's own capabilities. However, the value of the indicator is within regulatory limits, so the company's financial risks are at an acceptable level.

The financial stability ratio characterizes the provision of debt with own funds. The excess of own funds over borrowed funds indicates the financial stability of the enterprise. The normative value of this indicator is from 0.6 to 1.5. In 2017, this indicator was  $\approx 1$ . As of 2017, this ratio is fully stable and approximately equal to 1, all due to the fact that 99% of all long-term liabilities are held by reserves. Next, we analyze the profitability of the insurance company "TAS", ie its relative profitability from different positions in accordance with the interests of participants in the economic process.

Table 2.9

### Profitability assessment indicators of TAS Insurance Company

	2017	2018	2019	2020	01.07. 2021
Return on assets (NP/A)	0,018	0,018	0,014	0,012	0,008
ROE, (NP/AC)	0,191	0,186	0,144	0,135	0,107

Developed by the author on the basis of [19].

From the table. 2.9 shows that I assessed the profitability of this insurance company using the rate of return on assets and the ratio of equity. The return on assets ratio shows the efficiency of using the company's assets to generate profit. This ratio must be analyzed in the dynamics, ie comparing the values of different years for the study period. Thus, in 2017 and 2018, this ratio was 0.018, according to 2019 it was 0.014, which is 0.004 less than in the previous (analyzed) period. In 2020, the return on assets is already 0.008. And in 2021 it remained unchanged. This dynamics of this indicator is due to the fact that a stable policy, reducing the amount of costs for the management of the insurance company. Let's analyze the following indicator, namely the rate of return on equity. It indicates how efficiently the equity is used, ie how much profit was generated for each hryvnia of borrowed own funds. According to 2017 data, the figure was only 0.191, but in 2018 it decreased by 0.005. According to the report in 2019, the return on equity increased to 0.042 points, this trend is observed and in 2020 the figure decreases to 0.135. And in 2021 the figure decreased almost 30% to 0.107 due to a significant increase in equity. Obviously, higher ratios do not show positive effects for the insurance company.

Examining the analysis of the financial stability of the insurance company "TAS", we can conclude that insurance activities in Ukraine began to acquire the features of entrepreneurial activity. To finance TAS Insurance Company uses its own working capital, equity funds raised as a result of an additional issue. The insurance company has enough resources to repay its current liabilities. Considering the financial potential as a set of financial indicators of the insurance company, we first analyze the dynamics of financial performance (Table 2.10)

Table 2.10

#### **Dynamics of financial performance indicators of TAS Insurance Company**

	2017	2018	2019	2020	1.07.2021
Profit from sales	233 539	301 092	376 716	508 559	-
Net profit	47 071	42 979	33 490	41 152	10 107
The average annual amount of equity	191 664	242 384,5	265 571	276 559,5	240387,1

Developed by the author on the basis of [19].

Calculating and analyzing the dynamics of financial performance of the surveyed insurance company, we see that in 2020 compared to 2017, sales profit increases and amounted to 508 559 thousand UAH, which is 2.17 times more. The average annual amount of equity will be increased by about 20% in 2021, but now it's have 240 387 thousand UAH. However, net profit in 2018 decreased significantly by 8.7% (compared to 2017) and by 28.9% in 2019, and only in 2020 the dynamics underwent positive changes. I suppose that dynamic keep positive chances and on the end of the year will be more than 2020. In 2020, this indicator amounted to 41,152, which is 22.9% more than in the previous year, but 12.6% less than in 2017.

Next, we will assess the financial reliability of the insurance company "TAS" according to the system of financial indicators (Table 2.11).

Table 2.11

#### Indicators for assessing the financial stability of the insurance company

	2017	2018	2019	2020
Indicator of the ratio of net insurance reserves to equity	824,29	957,38	811,29	1130,91
Insurance ratio adequacy ratio (based on premiums)	536,15	449,60	436,10	433,19
Insurance coverage ratio	22,19	16,29	15,31	19,38
Indicator of independence from reinsurance	60,58	60,27	68,01	75,68

Developed by the author on the basis of [19].

According to table. 2.11 It can be said that indicators characterizing the ability to meet obligations, such as the adequacy ratio of insurance reserves, which reflect the ability of the insurance company to meet its obligations to pay premiums from reserves in 2018, decreased by 87% compared to 201., and in 2019-2020 had a declining trend. However, the ratio is higher than the normative value, and therefore the company has become more rational to use funds. The ratio of net insurance reserves to equity is unstable in fluctuating from 824.29 in 2017 to 957.38 in 2018 and again declining in 2019 to 811.29. However, it is much higher than the standard due to the large number of reserves, which indicates the great financial stability of the company. The consequences of the realization of large-scale, catastrophic risks, which are accepted for insurance without transferring them to reinsurance, can finally undermine the position of any insurance company. Therefore, reinsurance is a necessary condition for

ensuring the financial stability and normal operation of the insurer, regardless of the size of its capital and the size of insurance reserves. The reinsurance indicator shows that the company is completely independent of reinsurance.

For a more detailed assessment, consider the analysis of capital structure in table.

2.12.

Table 2.12

### Analysis of capital structure of TAS Insurance Company

	2017	2018	2019	2020
Registered share capital	93 322	93 322	93 322	93 322
Capital in revaluations	9 447	-5 991	22 697	18 706
Reserve capital	6 117	8 471	10 620	12 294
Undivided profit	141 575	138 026	169 984	128 411
Other reserves	0	480	211	3 552
<b>Equity</b>	<b>250 461</b>	<b>234 308</b>	<b>296 834</b>	<b>256 285</b>

Developed by the author on the basis of [19].

According to table. 2.12 we can say that equity has not been stable for 4 years. This decrease was due to the revaluation of capital and volatility of retained earnings. The share capital did not change. The biggest indicator that affects the company's equity is retained earnings. It occupies about 50% of the capital. Which suggests a great dependence on this indicator. As we can see, during 2017-2020, its change had a very strong impact on capital.

To date, the formation and use of the financial potential of insurance companies is given enough attention, because it determines the further development. Analyzing the capital of the insurance company as the basis of its financial potential, its structure and value, you can calculate the current and future solvency, as well as - the efficiency of the company [20, p. 367]. Constant changes in economic conditions and legal requirements, political instability require the management of insurance companies the ability to respond quickly to problems arising in this area and make effective management decisions to ensure the stable financial condition of the company [21, p. 221]. To analyze the financial condition, it is necessary to start with the question of capital structure. In the activities of insurance companies, much more than other businesses in various sectors of the economy, including other financial institutions, prefer to analyze equity, because it is the basis for determining the solvency of the



company and is a key indicator of financial condition. The most important financial indicator of return, which shows how effectively the invested capital was used in the company's activities is the return on equity. One of the means of systemic information transfer using relative indicators is the use of the "DuPont model" - TheDuPontSystemofAnalysis. Over time, this model has been transformed into a modified factor model, presented in the form of a tree structure at the top of which is the return on equity (ROE), and based on indicators that characterize the factors of production and financial activities of the insurer.

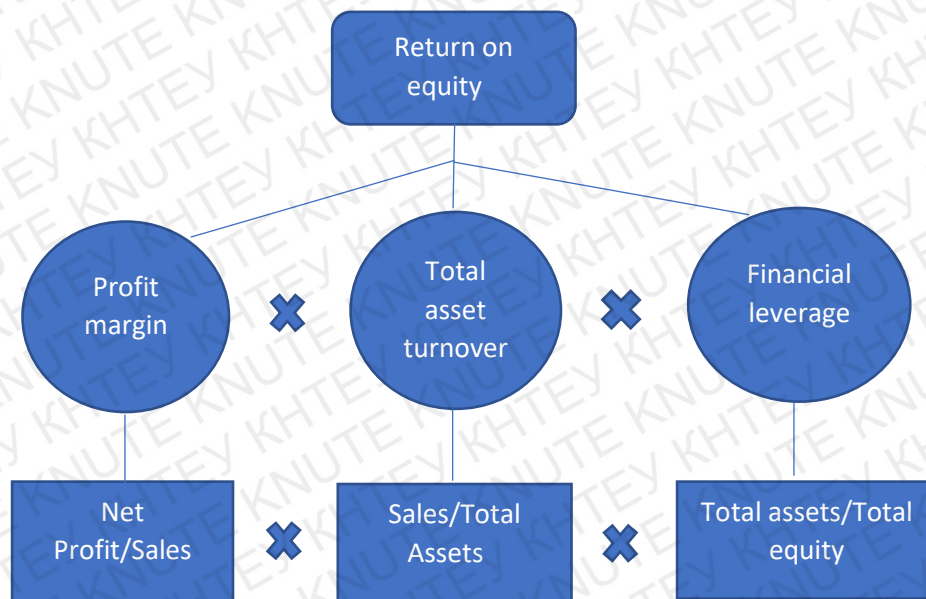


Fig. 2.3 Modified factor model\*

\* Note: compiled by the author by source [22, c. 85]

The main difference between these models is the more detailed identification of factors and changes in priorities relative to the performance indicator. From the above model it is clear that the return on equity depends on three factors: return on sales, asset turnover and the structure of advanced capital. Let's perform a factor analysis of the company's return on equity using the DuPont model [22, c. 87]:

$$ROE = ROS \times TAT \times LR$$

where ROE - return on equity; ROS - profitability of sales; TAT - asset turnover; LR - financial leverage ratio [23, p. 55].

Consider the data of the financial statements of the surveyed insurance company "TAS" for 2017-2020.

According to Annex A, it is clear that the average value of assets increases from UAH 2 billion. in 2017 to UAH 3 billion. in 2020, which cannot be said about the amount of net profit, which increased compared to 2019. at UAH 7,662 thousand. (23%) in 2020, but in 2019. it reaches 33,490,000 hryvnias. which is 22.1% less than in 2018, and in 2017 47 071 thousand UAH (-8.7%), which is the result of inefficient activities of the company. Other absolute indicators show positive changes - an increase in sales revenue by UAH 368,062 thousand (16.7%) in 2020 and a slight increase in the average annual cost of equity by UAH 5,824 thousand (2%). As a result of a significant increase in the average annual value of assets, there is an increase in financial dependence by 3%. You can also see a positive increase in asset turnover by 67% from 2017 to 2020 and a significant decrease in return on sales by 60.1%. The results of calculations of the influence of factors on the return on equity according to the three-factor model are summarized in table. 2.13.

Table 2.13

#### The influence of factors on the return on equity of the company

Factors	Calculation	2017/2018	2018/2019	2019/2020
$\Delta Y_a$ ROS	$\Delta a \times b_0 \times c_0$	-0,0053	-0,0059	-0,0010
$\Delta Y_b$ TAT	$a_1 \times \Delta b \times c_0$	0,0027	0,0014	0,0015
$\Delta Y_c$ LR	$a_1 \times b_1 \times \Delta c$	0,0002	-0,0001	0,0004
Total impact ROE		-0,0025	-0,0047	0,0009

Developed by the author on the basis of the Appendix B.

As can be seen from the above data, the increase in return on equity in 2020 by 0.0009 was due to the impact of return on sales. An increase in return on sales by 0.0049 led to an increase in return on equity by 0.0038. The decrease in the turnover rate of assets by 13 points of turnover in 2019 caused a decrease in return on equity by 12, and an increase in the ratio of financial dependence in 2020 by 0.018 - to an increase in return on equity by 4 points. Based on the results of the study of this factor model, reserves for increasing the return on equity can be all factors.

Return on total capital ratio (ROA) is the main indicator that characterizes the efficiency of funds invested in the enterprise, which is based on two factors - return on sales and asset turnover ratio.

Schematically, the factors used to build the model, and directly the coefficients, are shown in Fig. 2.4.

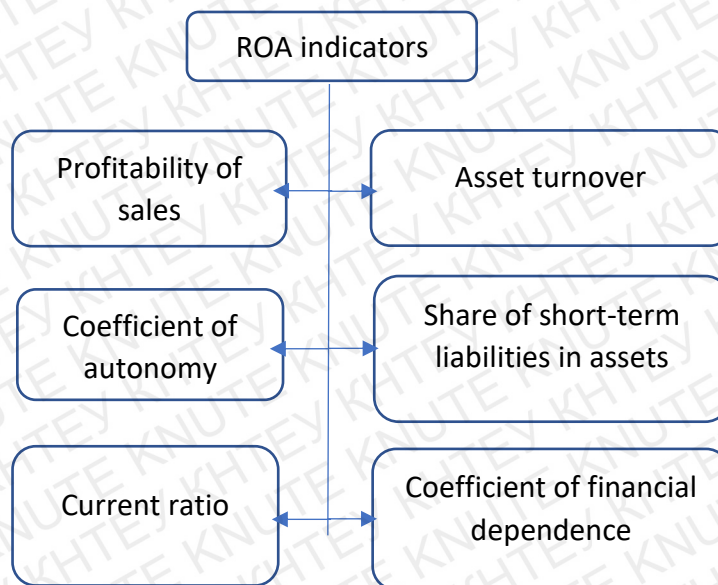


Fig. 2.4 Six-factor model of return on assets analysis\*

\* Note: compiled by the author by source [24, c. 286]

The information shows that the return on assets increased by 0.0006, the growth rate was 112.5%. This was due to the excess of the growth rate of profit from sales (135%) over the growth rate of return on sales (-8.9%), and the current liquidity ratio fell by 7.2%. The turnover of current assets increased by 0.03 turnover (15.7%). Also, it should be noted that the coefficient of financial autonomy decreased by 26.2% and at the same time the coefficient of financial dependence increased by 35.5%, which is a good indicator for the insurance company because these indicators were too high than the norm, which showed inefficient resource allocation. Finding out how changes in factors affected the return on assets is shown in table. 2.14.

Table 2.14

#### Calculation of the influence of factors on the return on assets of the insurance company

Factors	Calculation	2017/2018	2018/2019	2019/2020
$\Delta Y_a$	$\Delta a \times b_0 \times c_0 \times d_0 \times e_0 \times f_0$	-0,00569	-0,00628	-0,00106
$\Delta Y_b$	$a_1 \times \Delta b \times c_0 \times d_0 \times e_0 \times f_0$	0,004816	0,000987	0,001694
$\Delta Y_c$	$a_1 \times b_1 \times \Delta c \times d_0 \times e_0 \times f_0$	-0,00182	0,000261	-0,0009
$\Delta Y_d$	$a_1 \times b_1 \times c_1 \times \Delta d \times e_0 \times f_0$	-0,00015	0,000214	0,000864
$\Delta Y_e$	$a_1 \times b_1 \times c_1 \times d_1 \times \Delta e \times f_0$	-0,00208	0,001837	-0,00326

$\Delta Yf$	$a1 \times b1 \times c1 \times d1 \times e1 \times \Delta f$	0,002078	-0,00184	0,003256
<b>Total impact</b>		<b>-0,0028</b>	<b>-0,0048</b>	<b>0,0006</b>

Developed by the author on the basis of the Appendix C.

As I can see, the positive impact on the change in the return on assets of the insurance company in 2020 had an increase in the turnover ratio of current assets; financial dependency ratio and share of short-term liabilities. This increase closed the negative impact on the return on assets from the decrease in the values of 3 indicators: return on sales, current liquidity ratio and autonomy ratio. The greatest influence on the improvement of the insurance company's activity is exerted by the asset turnover ratio, and the return on sales indicator reduces the return on assets the most.

Thus, the insurance company fulfills the indicators of solvency and sufficiency of both economic and regulatory capital. With the help of the multi-factor DuPont model, it is possible to quickly and accurately identify the main problematic factors of business, as well as the factors that have the greatest impact on the efficiency of use of assets and equity. In general, it can be noted that the financial condition of the insurance company "TAS" is quite stable, as evidenced by the increase in return on equity and assets. Therefore, there are no obstacles to achieving the strategic goal of the company. Based on the results of the study, management can develop proposals to prevent the impact of negative trends in the future and make better use of identified reserves. The calculations show that there are untapped opportunities that the insurance company needs to identify and take into account in the future, thus providing an additional increase in profits by increasing sales profitability, for example, by reducing current costs and further accelerating asset turnover by optimizing their structure. Improving the efficiency of all resources, strengthening financial stability and solvency, and more. Because of this, the management of the insurance company needs to concentrate all efforts and focus on the use of internal reserves.

## **PART III. PROPOSALS FOR IMPROVING THE EFFICIENCY OF CAPITAL MANAGEMENT OF FINANCIAL INSTITUTIONS (EXCEPT BANKS):**

### **3.1. Ways to increase the efficiency of capital formation of a financial institution (except for banks)**

The larger the equity, the better protected the company is from the influence of threatening factors for its existence, because it is at the expense of equity can cover the losses of the insurer. Today, the financial potential is also considered one of the factors that determines the success of the insurance company, because it depends on the level of competitiveness and investment attractiveness of the insurance market. Therefore, an important task is the formation of a mechanism for effective management of financial capacity. The process of the mechanism of managing the financial potential of the insurance company in general can be represented as follows:

1. Diagnosis of the main financial indicators to determine the parameters of the insurance company
2. Identification of the results obtained in the process of diagnosis
3. Adjusting the parameters of the insurance company
4. Monitoring of financial indicators of the insurance company

After receiving the results of the diagnosis, we draw conclusions about the positive or negative dynamics of indicators - we identify these results.

If there is a negative dynamics of the analyzed indicators, a corrective effect is needed. Therefore, the adjustment element is an integral part of the financial potential management mechanism, which allows timely changes in the volume, structure and other parameters of financial potential.

Monitoring is a key solution in the implementation of the forecasting function. The forecasting of financial indicators of the insurer is influenced by the following factors: dynamic characteristics of the object of forecasting and the impact of the market environment on it; type and nature of existing information; financial stability of the insurance company [20, p. 87].

The result of forecasting is a graphical representation of the dynamics of projected values of financial indicators. To maintain an appropriate level of competitiveness, Ukrainian insurers must create a system of financial security and use the financial potential of development. To solve this problem, the following stages of creating financial support for the development of the insurer are proposed.

Thus, a prerequisite for creating a system of financial support for the development of the insurer is the assessment of its financial condition. Also a necessary condition for the development of insurance companies that dominate the non-banking financial sector of the national economy is their sustainable operation. Hence the need to develop a mechanism for managing the flexibility of the financial potential of insurance companies.

The choice of indicators for managing the flexibility of financial potential of insurance companies should be made taking into account the internal factors influencing this management process, namely:

- communication factors - the level of complexity, intensity and quality of communication structure, as well as the degree of implementation of new communications;
- organizational factors - the level of sufficiency of professionally qualified personnel and their turnover, management organization, as well as centralization and decentralization of management functions;
- resource and financial factors - the level of quality of insurance reserves, the balance of the insurance portfolio, limited investment activities, the quality of reinsurance [25, p. 527].

An important component of the mechanism for managing the flexibility of the financial potential of insurance companies is an integrated assessment of this process based on the systematization and analysis of its information. The first procedure is to build a hierarchical structure of integrated assessment of flexibility of financial potential of insurance companies, according to which the level of management of flexibility of financial potential of insurance companies is a complex form of

interrelation of flexibility of communication, organizational and financial resources in their interdependence and subordination.

The second procedure is to build matrices of benefits indicators of integrated assessment of management of flexibility of financial potential of insurance companies based on pairwise comparisons of these indicators and determine their benefits according to the scale of relations, which is developed in the method of hierarchy analysis. The third procedure is to determine the weight values of indicators of integrated assessment of flexibility management of financial potential of insurance companies, based on the results of processing matrix preferences ( $P_i$ ) of these indicators and determine their own vector of benefits by the formula of geometric weighted average [26, p. 40].

Therefore, all the following procedures of the integrated valuation algorithm are designed to calculate integrated indicators taking into account their weight values and determine the level of management of flexibility of financial potential of insurance companies ( $G$ ), taking into account the weight values of flexibility of communication resources ( $\gamma_{UK}$ ), organizational resources ( $\gamma_{UO}$ ) and financial resources ( $\gamma_{UF}$ ) of insurance companies, which allow to take into account the structural ratio of these types of resources. To qualitatively assess the level of management of the flexibility of the financial potential of insurance companies, a necessary condition is to determine its threshold values that allow to assess their stability (Table 3.1).

Table 3.1

#### **Sustainability of insurance companies**

High (QV)	Medium (QC)	Low (QN)
$GV \geq 1$	$0,5 \leq GC < 1$	$0,1 \leq GN < 0,5$

Developed by the author on the basis of [27].

The high level of management of the flexibility of the financial potential of insurance companies ( $GV$ ) indicates the effective adaptation of the financial potential of insurance companies to the constantly changing factors of the internal and external environment. The average level of management of flexibility of financial potential of insurance companies ( $GC$ ) indicates that the process of managing the flexibility of communication, organizational and financial resources is carried out efficiently, which

will allow under internal and external factors to ensure communication, organizational and financial stability of insurance companies through rational use their resources. The low level of management of the flexibility of the financial potential of insurance companies (GN) is associated with a violation of the stability of their operation. All this indicates the inefficiency of management of this process, the lack of adaptation of the financial potential of insurance companies to internal and external changes in their functioning. The final stage of the proposed mechanism is monitoring the management of flexibility of financial potential of insurance companies, which is a tool for assessing changes in the management of flexibility of their communication, organizational and financial resources based on comprehensive coverage of the multi-circuit external environment possible reserves to ensure their sustainable operation.

Recently, a new form of building an organizational structure for managing innovation processes is beginning to form, based on the use of blockchain technology and provides for the decentralization of mechanisms of organization and management through the use of distributed registers and cloud technologies [28, p. 427]. The current stage of organizing the development and implementation of financial innovations is characterized by the implementation of two approaches - centralized and decentralized. Under the first approach, financial institutions are required to innovate in accordance with the decisions of the relevant financial market regulator. This applies to compliance with the conditions of activities provided in the licenses, compliance with established economic standards, the introduction of mandatory financial services, the use of risk management techniques, reporting forms, management methods, supervision, etc. [29, p. 171]. According to the decentralized approach, each financial institution independently determines the need, need and scope of a particular innovation, develops and implements measures within the scope of its activities and the developed strategy. Such innovations are characterized by the introduction of certain financial instruments, the creation of new financial products, the use of financial technologies, methods of organization and management [30, p. 77; 31, p. 54].

In the scientific literature there are two main models of organization, planning, implementation and use of financial innovations - linear and interactive, each of which



involves a certain sequence of actions, use of resources, work and, accordingly, different timing and end results [33, p. 47]. According to the linear model, the introduction of innovations is based on a detailed study of the external environment and analysis of performance indicators of the financial institution. First there is a clarification of the strategic goal or business strategy, search or development of a new business idea, analysis of the proposed concept, development and testing of a new service, identification of potential customers, list and amount of resources needed and budgeting for a new idea, and then - development marketing programs, launch of a pilot project, staff training, innovation and discussion of results and evaluation of the effectiveness of innovation [32, p. 19; 34, p. 52]. According to the interactive model, the process of organizing the development, planning and implementation of innovations begins with the study of existing basic research, inventions and selection of appropriate innovations for implementation in accordance with the chosen strategy. After that, a new service is developed and tested, trial marketing, organization of resource provision, advertising, etc. The peculiarity of using such a model of organization is the sequential-parallel execution of all operations [35, p. 29; 37, p. 167]. Each model has its advantages and disadvantages. The interactive model of the organization, at first glance, is simpler, but its implementation requires a longer time, more resources and a consistent return after the implementation of each subsequent stage to the previous one. Therefore, it is used mainly by large financial institutions.

The use of a linear model requires less time and resources, which can be involved only at certain stages of innovation, gradually, depending on the needs and tasks performed. This model is most often used by small companies that implement innovations sporadically, borrowing them from the market and adapting to their own needs [36, p. 21; 38, p. 257]. One of the important tasks of the process of organizing, planning, implementing and using innovations is to find sources for financing innovations. As practice shows, the main sources of funding for innovation are own funds and funds raised or borrowed from the market through the use of appropriate financial instruments that can be used by these institutions in accordance with industry specifics and market conditions of their activities. Thus, while the structure of

financing innovations of credit unions, insurance companies, mutual investment institutions and private pension funds is dominated by borrowed funds, the activities of leasing, factoring companies and pawnshops account for a significant share of own or borrowed funds, including bank loans. The basis of the organization and planning of the introduction of financial innovations is financial engineering, the content of which is determined by the type of chosen innovation strategy. As practice shows, the warning strategy is rarely used by domestic non-bank financial institutions, and the most acceptable for them is an improving or adaptive strategy that allows you to expand the range and improve the quality of services, products and technologies, attract new customers, increase revenue, maintain or increase its share. market [39, p. 178].

Therefore, the analysis of the effectiveness of the implementation of financial innovations should be based on the assessment of the results obtained in terms of their impact on the level of competitiveness, financial stability, profitability and reputation of the financial institution. From the point of view of assessing the effectiveness of financial innovation for consumers, it is necessary to analyze the compliance of the results of its use to the demands and needs of consumers, ie the acceptability of financial innovation in terms of its quality, availability and cost. Recently, non-bank financial institutions are beginning to move to the use of blockchain technologies and cloud services, which help improve management. An example of the use of new technologies is the creation in 2015 in the system of insurance organizations of the cloud service EWA - IT platform (SaaS-platform) for insurance, which is available to all banks and insurance companies. With the help of the technical platform API on the cloud service online, all interested financial institutions can register and start working with registered participants. Such registration in the EWA cloud service takes place after concluding a service agreement with the IT company, which guarantees all customers online access at the level of 99.9%. The conclusion of the agreement provides for the payment by the insurance company of the IT company of a fixed rent for the use of the service. EWA cloud service works in 24/7/365 mode, and the time to access the system is only 0.06 seconds. Today, the EWA service can simultaneously serve more than 100 thousand users. Payments are made based on the use of bank

acquiring or a network of terminals. Technical support for all operations is provided by the IT platform developer. The EWA system independently generates a payment document and records the data on the receipt of payment. All data enters the system and is stored in encrypted form through the use of a communication channel in accordance with the SSL certificate, which allows you to maintain the required level of confidentiality and security of all operations [40, p. 202].

Thus, the study suggests that the main way to increase capital foundation is:

- development of a mechanism for managing the flexibility of the financial potential of insurance companies;
- creation of new models of organization and use of financial resources: linear and interactive, each of which involves a certain sequence of actions, use of resources, performance of work and, accordingly, different deadlines and final results.

Flexibility as a property of the financial potential of insurance companies is determined by the rational use of their communication, organizational and financial resources in an unstable internal and external environment. The effectiveness of managing the flexibility of the financial potential of insurance companies is reflected in the effectiveness of their activities, which is reflected in various quantitative and qualitative indicators. The processes of development, implementation and use of financial innovations should be based on the implementation of a set of analytical, organizational, managerial and technological measures, a clear definition of conditions, rules, procedures, powers and responsibilities of individual departments and participants. ensuring effective management in accordance with the strategic priorities of non-bank financial institutions.

### **3.2 Improving and forming a strategy for the development of capital management of a financial institution (except for banks)**

The solution of practical solvency problems for the modern insurance market of Ukraine is limited by their insufficient theoretical substantiation and methodological support. In the insurance literature, the understanding of solvency is limited by the ability to fulfill only insurance obligations, which narrows the scope of the study. In the current crisis, the activities of insurance companies are carried out in a competitive environment, and the financial condition of the insurance company is a key factor in ensuring its viability in a market economy. Problems of ensuring the capital management of insurance companies are given special attention by government regulators in different countries. In international insurance practice, even in a stable macroeconomic situation, measures are periodically reviewed and requirements for ensuring the solvency of insurance companies are increased [41]. Having analyzed the capital management of the insurance company, we see that the qualitative characteristic of the financial condition is the financial stability of the enterprise, ie the ability to effectively develop and provide resources and manage them, which, in turn, allows to be profitable, solvent and profitable. Effective management allows the company to adapt to environmental conditions and control its independence from external financing and the impact of negative external changes. In order for the organization to be constantly in a stable financial position, it is necessary to rationally combine own and borrowed funds. The problem of excess of borrowed funds over equity and inefficient use of these funds is the main one. The main financial resources of the insurance company are insurance premiums paid by the insured under insurance contracts, which the insurer accumulates in insurance reserves created by insurers to prevent, limit and eliminate losses from dangerous accidental events. But insurance reserves are also the main investment resource of the insurer. Thus, the less insurance reserves are spent, the higher the investment potential, the more the insurer can earn investment income, buy the highest quality assets [42]. Reducing the amount of insurance payments by preventing risks is the most effective method of strengthening the solvency of the

insurance company. Reducing the amount of insurance payments, which are the main item of expenses of the insurance company, will increase the solvency of the insurance company. Risk prevention and, as a result, reduction of losses paid by the insurer from insurance reserves will allow the insurer to reduce insurance rates. Reductions in insurance rates lead to increased availability of insurance services for both individuals and businesses [43]. This is a major factor in increasing the effective demand for insurance services.

Thus, the management of capital of insurance companies is inextricably linked with the risk management of the insurer. Risk prevention will reduce the likelihood of insured events and the amount of losses from the implementation of insurance risks, and, consequently, reduce the insurer's costs of payments. Thus, the main goals of the participants of insurance economic relations can be harmonized. To increase the efficiency of insurance companies in market conditions, it is necessary to implement a modern concept of managing the financial stability of insurance companies based on the development of theory and methodology of sustainable operation of insurance companies, as well as the formation of mechanisms to ensure its financial stability.

This goal can be achieved by solving the following tasks [44]:

- 1) Adherence to the basic principles of forming the structure of equity of the insurer, as it affects its financial stability;
- 2) Adherence to the basic methods of formation of insurance reserves, taking into account their specifics and role in ensuring financial stability and solvency;
- 3) To determine the financial potential of the insurance organization, to determine the factors influencing the financial stability and solvency of the insurance organization, taking into account the relationship and interdependence of these characteristics;
- 4) To determine the system of indicators of financial condition and financial stability of the insurance organization on the basis of domestic and world practice, to analyze the factors that ensure financial stability and allow it to be assessed;
- 5) Carry out constant monitoring of changes in market conditions to choose the method of assessing the solvency margin, the choice of risk management model of the insurer and the method of forming equity in sufficient quantities [44].

The specificity of the financial relations of the insurance organization is due to the peculiarities of the organization of money circulation, as the insurer first attracts monetary resources, and then fulfills its obligations to the insured. Therefore, the money turnover of the insurance company is more complex than in enterprises of other sectors of the economy. The fact is that the finances of the insurance company are state-regulated monetary relations that arise in the process of forming and using their own, borrowed and borrowed financial resources, in order to implement the mission of the insurance company and ensure financial stability. The mission of the insurance organization is to provide insurance services focused on the needs of individuals, businesses and society in the appropriate level of insurance protection, which will help create an environment in which it is comfortable and safe. Financial stability is a guarantee of stable development of the insurance organization, and the basis of financial stability is a sufficient level of own funds and insurance reserves, formed in the amount necessary for payments. The assessment and continuous improvement of the insurance organization's potential management process will help increase the level of competitiveness of the insurance organization. This is due to the fact that competition forces Ukrainian insurers to use their market potential as efficiently as possible. It is possible to increase confidence in the insurance business by increasing the level of financial stability of the insurance company. "As you know, solvency is a partial manifestation of the financial stability of the insurer, as it reflects its ability to pay its obligations in" normal "conditions. The main role in maintaining and strengthening the financial stability of a particular insurance company is given to the internal regulation of its financial resources. However, to ensure and increase the level of financial stability of insurance companies in the current conditions of changing market conditions and overcoming the crisis is no longer enough to meet the requirements set at the state level.

Therefore, there is a need to supplement the existing system of factors to ensure financial stability, such as investment policy, which provides for the formation of optimal investment portfolios of assets taken to cover insurance reserves and own funds; level of financial management, and most importantly, an effective system of risk

management in the insurance business, as a basis for financial stability of the insurer [45].

Thus, Organizational capital management is inextricably linked to the risk management and financial stability of the insurer, so the strategy to improve capital management should be based on risk management and sustainability. In my opinion, the strategy is as follows:

1) The main resource of the insurer are premiums, which are then accumulated in reserves. Reserves are the main investment resource of the insurer. The less insurance reserves are spent, the more the insurer can earn investment income, buy the highest quality assets.

2) Reducing the amount of insurance payments will increase the solvency of the insurance company. Reducing losses will allow the insurer to reduce insurance rates. Reductions in insurance rates lead to increased availability of insurance services. This is a major factor in increasing the effective demand for insurance services.

We can conclude that the financial condition of the organization increases with the optimal ratio of financial resources. In this position, you can effectively use the funds. It can be done by:

- 1) following to the basic principles of forming the structure of the insurer's equity, as it affects its financial stability;
- 2) following to the basic methods of formation of insurance reserves;
- 3) determining the financial potential of the insurance organization, to determine the factors influencing the financial stability and solvency of the insurance organization;
- 4) determining the system of indicators of financial condition and financial stability of the insurance organization, to analyze the factors that ensure financial stability and allow to assess it;
- 5) Carrying out constant monitoring of changes in market conditions to choose the method of assessing the solvency margin, the choice of risk management model of the insurer and the method of forming equity in sufficient quantities.

## CONCLUSIONS AND RECCOMENDATIONS

In the final qualification work the capital management of non-banking financial institutions on the basis of the insurance company was considered, the specifics of formation of financial potential of the financial market of Ukraine were substantiated and the analysis in the conditions of financial instability was carried out.

Based on the results of research conducted in this work, the following conclusions can be drawn.

1) Capital management of a financial institution can be public, internal and professional. At the state level, requirements are set for the availability and sufficiency of the institution's capital and the directions of its implementation in the assets of a financial company. At the level of financial institutions, the task of maximizing the value of the capital invested by the owners is solved, taking into account the regulatory requirements for its size and placement, while ensuring the conditions for timely and full fulfillment of obligations to customers. Professional capital management involves compliance with these requirements and, in addition, to ensure greater diversification of assets of the financial institution and their higher profitability.

2) One of the most effective methods of capital regulation is to combine supervision and control of all sectors of the financial market in one body. Ukraine has been using an integrated system of management and regulation of non-banking financial institutions for 1.5 years. This approach allows for an immediate response to external shocks and coordination in different financial sectors. The number of institutions providing financial services has decreased due to the NBU's strict policy on compliance with solvency and capital adequacy standards. However, the total assets of the non-banking sector have increased, indicating the overall efficiency of capital management. As for the introduction of new requirements in the field of solvency regulation and capital management of the insurance market, Ukraine's experience in general is quite successful, as it shows significant market capitalization and reliability, 86% of insurance providers meet the capital solvency margin. Each indicator of equity is growing moderately, which is a good sign in a period of economic instability.



3) With the help of the multi-factor DuPont model, it is possible to quickly and accurately identify the main problem factors of business, as well as the factors that have the greatest impact on the efficiency of use of assets and equity.

In general, it can be noted that the financial condition of the insurance company "TAS" is quite stable, as evidenced by the increase in return on equity and assets. TAS Insurance Company fully complies with the standards of capital adequacy and solvency, liquidity, profitability, asset quality and riskiness of operations. Management can develop proposals to prevent the impact of negative trends in the future and make better use of identified reserves. The calculations show that there are untapped opportunities that the insurance company needs to identify and take into account in the future, thus providing an additional increase in profits by increasing sales profitability, for example, by reducing current costs and further accelerating asset turnover by optimizing their structure. improving the efficiency of all resources, strengthening financial stability and solvency. The need to develop a mechanism for managing the flexibility of the financial potential of insurance companies arises in connection with the necessary condition for their sustainable development. Flexibility as a property of the financial potential of insurance companies is determined by the rational use of their communication, organizational and financial resources in an unstable internal and external environment. The effectiveness of managing the flexibility of the financial potential of insurance companies is reflected in the effectiveness of their activities, which is reflected in various quantitative and qualitative indicators.

The financial condition of the organization is increased by the optimal ratio of financial resources. In this position, you can effectively use the funds, as well as calmly maneuver them.

4) The study suggests that the main way to increase capital foundation is:

- development of a mechanism for managing the flexibility of the financial potential of insurance companies;
- creation of new models of organization and use of financial resources: linear and interactive, each of which involves a certain sequence of actions, use of resources, performance of work and, accordingly, different deadlines and final results.

5) Organizational capital management is inextricably linked to the risk management and financial stability of the insurer, so the strategy to improve capital management should be based on risk management and sustainability. In my opinion, the strategy is as follows:

- The main resource of the insurer are premiums, which are then accumulated in reserves. Reserves are the main investment resource of the insurer. The less insurance reserves are spent, the more the insurer can earn investment income, buy the highest quality assets.

- Reducing the amount of insurance payments will increase the solvency of the insurance company. Reducing losses will allow the insurer to reduce insurance rates. Reductions in insurance rates lead to increased availability of insurance services. This is a major factor in increasing the effective demand for insurance services.

To increase the efficiency of management of flexibility and insurance activities it is necessary:

- Follow to the basic principles of forming the structure of the insurer's equity, as it affects its financial stability;
- Follow to the basic methods of forming insurance reserves, taking into account their specifics and role in ensuring capital management and solvency;
- Determine the financial potential of the insurance company, identify factors that affect financial stability and solvency;
- Define a system of capital management indicators, analyze the factors that ensure financial stability and allow it to be assessed;
- Carry out constant monitoring of market changes to select a model of capital management and methods of forming equity in sufficient quantities.

## REFERENCES

1. Chmutova I.M. Enterprise capital: analysis, evaluation, management tools and the role of the banking system in its financing: a monograph Чмутова, О.В. Peresunko. - H. : FOP Pavlenko O.G; VD "INZHEK", 2010. - 380 p.
2. Shirinyan L.V. Financial regulation of the insurance market: problems of theory and practice: monograph / L.V. Shirinyan. - Kyiv: Center for Educational Literature, 2014. - 458 p.
3. Pshyk B.I. Modern problems of development of non-banking financial services markets in Ukraine and ways to solve them. Efficient economy. 2017. № 9. URL: <http://www.economy.nayka.com.ua/?op=1&z=5759>.
4. Vieriezubova T., Levchenko V. Openness of the insurance market for foreign entities: methodology and experience of Ukraine. Financial Markets, Institutions and Risks. 2017. № 1(2). P. 87-95. DOI: [http://doi.org/10.21272/fmir.1\(2\).87-95.2017](http://doi.org/10.21272/fmir.1(2).87-95.2017).
5. Bitdaeva A.B. The financial market of the Russian Federation: problems and prospects of development. Scientific community of students of the XXI century. 2017. № 5 (20). URL: [http://sibac.info/archive/economy/5\(20\).pdf](http://sibac.info/archive/economy/5(20).pdf).
6. Seliverstova L.S., Adamenko I.P. Features of the financial market of Ukraine. Investments: practice and experience. 2018. № 9. pp. 13–17.
7. Shishpanova N.O., Ivanov A.A. Financial market of Ukraine: current status, problems and prospects. Modern Economics. 2017. Vip. 1. pp. 66-72.
8. Prsyazhnyuk V. Lombard business of Ukraine: state and prospects of development. - 2012. [Electronic resource]: [http://sophus.at.ua/publ/2012\\_12\\_11\\_12\\_kampodilsk/sekcija\\_9\\_2012\\_12\\_11\\_12/lombardnij\\_biznes\\_ukrajini\\_stan\\_ta\\_perspektivi\\_rozvitku/19-1-0-447](http://sophus.at.ua/publ/2012_12_11_12_kampodilsk/sekcija_9_2012_12_11_12/lombardnij_biznes_ukrajini_stan_ta_perspektivi_rozvitku/19-1-0-447)
9. Levaeva L. Yu. Ph.D. Formation of financial strategy for the development of pawnshops. [Electronic resource]: [http://irbis-nbuv.gov.ua/cgi\\_bin/irbis\\_nbuv/cgiirbis\\_64.exe?C21COM=2&I21DBN=UJRN&P21DBN=UJRN&IMAGE\\_FILE\\_DOWNLOAD=1&Image\\_file\\_name=PDF42ecvu](http://irbis-nbuv.gov.ua/cgi_bin/irbis_nbuv/cgiirbis_64.exe?C21COM=2&I21DBN=UJRN&P21DBN=UJRN&IMAGE_FILE_DOWNLOAD=1&Image_file_name=PDF42ecvu)

10. Obushna O.M. Foreign experience of Lombard services market development // Bulletin of Taras Shevchenko National University of Kyiv. Economy. - 2005. - Vip.75—76. - S. 94—97
11. Melnik M.A. Economic methods of management of the enterprise capital. Bulletin of the Volodymyr Dahl East Ukrainian National University. 2014. № 1 (208). pp. 94–97 (in Ukrainian).
12. <https://bank.gov.ua/ua/supervision/regulation-nonbank-fs-market>
13. Order of 30.05.2019 № 980 Registered in the Ministry of Justice of Ukraine on October 15, 2019 for № 1113/34084
14. On insurance: Law of Ukraine of March 7, 1996 № 85/96-VR
15. On credit unions: Law of Ukraine of 20.12.2001 № 2908-III
16. On approval of the Regulations on the procedure for providing financial services by pawnshops: Orders; Derzhfinposlug dated April 26, 2005 № 3981
17. On approval of the Regulations on the State Register of Financial Institutions: Orders; Derzhfinposlug dated 28.08.2003 № 41
18. [https://bank.gov.ua/admin\\_uploads/article/Nonbanking\\_Sector\\_Review\\_2021-08.pdf?v=4](https://bank.gov.ua/admin_uploads/article/Nonbanking_Sector_Review_2021-08.pdf?v=4)
19. [https://taslife.com.ua/ru/important\\_info/finansovye-otchyoty](https://taslife.com.ua/ru/important_info/finansovye-otchyoty)
20. Purse G.V., Malyshko V.S. Factor analysis of return on equity of the enterprise. Economy and society. 2016. № 7. S. 361–368.
21. Vovchak O.D., Nadievets L.M. Activities of insurance companies as financial intermediaries: world experience and opportunities for Ukraine. Accounting and finance. 2015. № 3. pp. 70–74
22. Kneisler O.V. Formation of a financial flow management system for insurance companies. East. 2015. № 5. pp. 55–59.
23. Guzela I.A. Theoretical and methodological approaches to the analysis of financial performance of insurers of Ukraine. Scientific notes of the National University "Ostroh Academy" .2018. № 11. pp. 115-121.
24. Filatov E.A., Nechaev V.B. Modification of methods of deterministic factor analysis of the DuPont model. Bulletin of IrSTU. 2015. №5. Pp. 285-291.

25. Tkachenko N.V. Ensuring the financial stability of insurance companies: theory, methodology and practice: a monograph. Cherkasy: "Cherkasy CNTEI", 2019. 570 p.
26. Martsenyuk L.V., Chornovil O.V. Insurance market of Ukraine. Bulletin of Dnipropetrovsk National University. 2016. № 2 (62). Pp. 36-46.
27. Mishchenko V.I. Improvement of the transmission channels of monetary policy in Ukraine in the transition to inflation targeting / V.I. Mishchenko, S.V. Mishchenko // Actual problems of economy. - 2015. - № 1 (163). - S. 421—428.
28. Statistics of the insurance market of Ukraine. URL: 33 <https://forinsurer.com/stat>
29. Mishchenko V.I. Influence of monetary policy of the central bank on stimulating economic growth / V.I. Mishchenko, S.V. Naumenkova // Problems of modern economy. - 2015. - № 2 (54). - S. 168—174. Problems and ways to ensure the efficient functioning and stable development of the banking system and economy 250
30. Mishchenko S.V. Marketing of digital innovations in the market of banking services / S.V. Mishchenko, V.I. Mishchenko // Financial space. - 2018. - № 1 (29). - S. 75—79.
31. Naumenkova S.V. Survey of the balance of demand and supply in the credit market: the experience of central banks / S.V. Naumenkova // Bulletin of the Taras Shevchenko National University of Kyiv. - 2014. - № 10 (163). - S. 51—57.
32. Naumenkova S.V. Problems of balance of the money market of Ukraine / S.V. Naumenkova. - Kyiv: Scientific Opinion, 1997. - 55 p.
33. Naumenkova S.V. Substantiation of methodical approaches to the assessment of the stability of the financial system: information and analytical material / S.V. Naumenkova, R.S. Lysenko, D.S. Popov and others. ; Research Center of the National Bank of Ukraine. - Kyiv, 2006. - Issue. 6. - 162 p.
34. Senyshch P.M. World experience and prospects for the development of electronic money in Ukraine [Electronic resource] / P.M. Senyshch, VM Kravets. - Kyiv, 2014. - 149 p. - Access mode : <http://www.bank.gov.ua/doccatalog/document?id=70690>.

35. Naumenkova S. Features of the formation of the modern model of the financial system / S. Naumenkova, S. Mishchenko // Bulletin of the NBU, 2006. - № 11. - P. 26-31.
36. Naumenkova S.V. New trends in monetary policy and the activities of central banks in the post-crisis period / SV Naumenkova, SV Mishchenko // Banking. - 2011. - № 5. - S. 12—29.
37. Sokolov B.I. The role of payment systems in ensuring the sustainable development of the national economy / B.I. Sokolov, S.V. Mishchenko // Problems of modern economy. - 2015. - № 2 (54). - S. 163—168.
38. Financial infrastructure of Ukraine: state, problems and prospects of development: monograph / V.M. Oparin et al. - Kyiv: KNEU, 2016. - 695 p.
39. Kuznetsov V.A. Prepaid instruments of retail payments - from a traveler's check to electronic money / V.A. Kuznetsov et al. - Moscow: Market DS, 2008. - 304 p.
40. Dorofeiev D. Digital financial inclusion: evidence from Ukraine / D. Dorofeiev, S. Naumenkova, S. Mishchenko // Investment Management and Financial Innovations. — 2019. — Vol. 16. — Is. 3. — P. 194—205. doi: 10.21511/imfi.16(3).2019.18.
41. Tkachenko N.V. State regulation of solvency of the insurance company / N.V. Tkachenko // Bulletin of Khmelnytsky National University. - 2010. - № 1.
42. Miskhozhev E.R. Theoretical and methodological problems of measuring and generalizing indicators for assessing economic stability // Audit and financial analysis. - 2010. - № 4. - p. 118-123.
43. Razumtsev V.V. Financial risks in insurance activities / V.V. Razumtsev // Bulletin of the Volodymyr Dahl East Ukrainian National University. - 2015. - № 4. - P. 196-201.
44. On the concepts and factors and financial stability of insurance companies - Access mode: <http://www.jourclub.ru/3/497/>. 39
45. Slepukhina Y.E. Financial stability of insurance companies: theory, models and methods of risk management. Yekaterinburg: Ural Publishing House. state econ. University, 2006. -12.9 pp

## APPENDICES

## Appendix A

## Calculation of standards of JSC IC "TAS" as of 2019-2020, th. UAH [19]

<i>№</i>	<i>ITEM</i>	<i>2019</i>	<i>2020</i>
1	Eligible assets	2 620 425	3 159 319
2	Obligations:	2 533 090	3 054 281
2,1	Long-term liabilities and collateral	2 421 141	2 913 532
2,2	Current liabilities and provisions	111 949	140 749
3	Regulatory solvency margin (total amount of long-term liabilities reserve * 5%)	118 045	142 019
4	60% RSM (2019), 100% RSM (2020)	70 827	142 019
5	60% (2019), 100% (2020) of the amount equal to UAH 45 million - for an insurer that provides life insurance:	27 000	45 000
6	7% of the size of the formed reserve of net premiums	165 263	198 826
7	Deferred acquisition costs	103 770	114 926
8	Regulatory amount of assets, defined as the greater of the following values: (line 2 + line 4 or line 2 + line 5)	2 603 917> 2 560 090	3 196 299> 3 099 281
9	Regulatory amount of assets reduced by the amount of acquisition costs (larger value from line 8 minus line 7)	2 500 147	3 081 373
10	Solvency and capital adequacy ratio (the amount of eligible assets, which at any date must be not less than the regulatory volume of assets)	2 620 425> 2 500 147	3 159 319> 3 081 373
11	Excess of the amount of eligible assets over the regulatory amount of assets	120 278	77 946

## Appendix B

**Data for factor analysis of return on equity [19]**

Indicator	-	2017	2018	2019	2020
Equity	E	250 461	234 308	296 834	256 285
Assets	A	2 414 392	2 580 653	2 829 924	3 310 565
Net profit	NP	47 071	42 979	33 490	41 152
Current assets	CA	2 024 114	1 934 751	2 210 288	2 578 350
Receipts	R	233 539	301 092	376 716	508 559
Short-term liabilities	SL	94 640	100241	111 949	140 748
Long-term liabilities	LL	2 069 291	2 246 104	2 421 141	2 913 532
Stocks	S	1 635	2141	1 483	1 959
Reserves	RV	2 066 736	2 246 104	2 415 668	2 910 924
Reinsurer's reserves	RR	2 208	2 881	7 497	12 559
Receivables	RS	29 394	39761	42 799	45 520
Net earned insurance premiums	NIP	385 477	499 580	553 922	671 974
Profitability of sales, NP/R	a	0,20	0,14	0,09	0,08
TAT, (R/A)	b	0,097	0,117	0,133	0,154
LR, (A/E)	c	0,934	0,946	0,934	0,964
ROE, (NP/E)	Y	0,188	0,183	0,113	0,161

## Appendix C

**Data for factor analysis of the company's return on assets [19]**

Indicator	-	2017	2018	2019	2020
Profitability of sales	a	0,20	0,14	0,09	0,08
Asset turnover, (R / CA)	b	0,12	0,16	0,17	0,20
Current ratio (CA / SL)	c	21,39	19,30	19,74	18,32
Share of core liabilities in assets (SL / A)	d	0,039	0,039	0,040	0,043
Coefficient of autonomy (E / A)	e	0,104	0,091	0,105	0,077
Financial dependency ratio (A / E)	f	9,64	11,01	9,53	12,92



## Appendix E

## Financial statements of JSC IC TAS (private) [19]

Баланс (Звіт про фінансовий стан)  
на 31 грудня 2020 р.

Форма №1 Код за ДКУД 1801001

А К Т И В	Код рядка	На початок звітнього періоду	На кінець звітнього періоду
1	2	3	4
<b>I. Необоротні активи</b>			
Нематеріальні активи	1000	825	832
первісна вартість	1001	9 807	10 253
накопичена амортизація	1002	8 982	9 421
Незавершені капітальні інвестиції	1005	66 071	-
Основні засоби	1010	55 869	57 848
первісна вартість	1011	104 231	112 676
знос	1012	48 362	54 828
Інвестиційна нерухомість	1015	191 010	192 659
Первісна вартість інвестиційної нерухомості	1016	191 010	192 659
Знос інвестиційної нерухомості	1017	-	-
Довгострокові біологічні активи	1020	-	-
Первісна вартість довгострокових біологічних активів	1021	-	-
Накопичена амортизація довгострокових біологічних активів	1022	-	-
Довгострокові фінансові інвестиції: які обліковуються за методом участі в капіталі інших підприємств	1030	-	-
інші фінансові інвестиції	1035	202 091	365 949
Довгострокова дебіторська заборгованість	1040	-	-
Відстрочені податкові активи	1045	-	-
Гудвіл	1050	-	-
Відстрочені аквізиторські витрати	1060	103 770	114 927
Залишок коштів у централізованих страхових резервних фондах	1065	-	-
Інші необоротні активи	1090	-	-
<b>Усього за розділом I</b>	<b>1095</b>	<b>619 636</b>	<b>732 215</b>
<b>II. Оборотні активи</b>			
Запаси	1100	1 483	1 959
Виробничі запаси	1101	1 483	1 959
Незавершене виробництво	1102	-	-
Готова продукція	1103	-	-
Товари	1104	-	-
Поточні біологічні активи	1110	-	-
Депозити перестрахування	1115	-	-
Векселі одержані	1120	-	-
Дебіторська заборгованість за продукцію, товари, роботи, послуги	1125	9 230	10 048
Дебіторська заборгованість за розрахунками: за виданими авансами	1130	-	-
з бюджетом	1135	4 682	3 264
у тому числі з податку на прибуток	1136	-	-
Дебіторська заборгованість за розрахунками з нарахованих доходів	1140	11 237	11 117
Дебіторська заборгованість за розрахунками із внутрішніх розрахунків	1145	-	-
Інша поточна дебіторська заборгованість	1155	17 650	21 091
Поточні фінансові інвестиції	1160	1 819 161	2 138 615
Гроші та їх еквіваленти	1165	338 694	378 941
Готівка	1166	-	-
Рахунки в банках	1167	338 694	378 941
Витрати майбутніх періодів	1170	654	756
Частка перестраховика у страхових резервах	1180	7 497	12 559
у тому числі в: резервах довгострокових зобов'язань	1181	4 426	6 003
резервах збитків або резервах належних виплат	1182	3 071	6 556
резервах незароблених премій	1183	-	-

інших страхових резервах	1184	-	-
Інші оборотні активи	1190	-	-
<b>Усього за розділом II</b>	<b>1195</b>	<b>2 210 288</b>	<b>2 578 350</b>
<b>III. Необоротні активи, утримувані для продажу, та групи вибуття</b>	<b>1200</b>	-	-
<b>Баланс</b>	<b>1300</b>	<b>2 829 924</b>	<b>3 310 565</b>

Пасив	Код рядка	На початок звітного періоду	На кінець звітного періоду
1	2	3	4
<b>I. Власний капітал</b>			
Зареєстрований (паівовий) капітал	1400	93 322	93 322
Внески до незареєстрованого статутного капіталу	1401	-	-
Капітал у дооцінках	1405	22 697	18 706
Додатковий капітал	1410	-	-
Емісійний дохід	1411	-	-
Накопичені курсові різниці	1412	-	-
Резервний капітал	1415	10 620	12 294
Нерозподілений прибуток (непокритий збиток)	1420	169 984	128 411
Неоплачений капітал	1425	( - )	( - )
Вилучений капітал	1430	( - )	( - )
Інші резерви	1435	211	3 552
<b>Усього за розділом I</b>	<b>1495</b>	<b>296 834</b>	<b>256 285</b>
<b>II. Довгострокові зобов'язання і забезпечення</b>			
Відстрочені податкові зобов'язання	1500	5 473	2 608
Пенсійні зобов'язання	1505	-	-
Довгострокові кредити банків	1510	-	-
Інші довгострокові зобов'язання	1515	-	-
Довгострокові забезпечення	1520	-	-
Довгострокові забезпечення витрат персоналу	1521	-	-
Цільове фінансування	1525	-	-
Благодійна допомога	1526	-	-
Страхові резерви	1530	2 415 668	2 910 924
у тому числі:			
резерв довгострокових зобов'язань	1531	2 360 906	2 840 371
резерв збитків або резерв належних виплат	1532	54 762	70 553
резерв незароблених премій	1533	-	-
інші страхові резерви	1534	-	-
Інвестиційні контракти	1535	-	-
Призовий фонд	1540	-	-
Резерв на виплату джек-поту	1545	-	-
<b>Усього за розділом II</b>	<b>1595</b>	<b>2 421 141</b>	<b>2 913 532</b>
<b>III. Поточні зобов'язання і забезпечення</b>			
Короткострокові кредити банків	1600	-	-
Векселі видані	1605	-	-
Поточна кредиторська заборгованість за:			
довгостроковими зобов'язаннями	1610	-	-
товари, роботи, послуги	1615	5 857	7 112
розрахунками з бюджетом	1620	6 315	7 197
у тому числі з податку на прибуток	1621	6 195	6 949
розрахунками зі страхування	1625	-	-
розрахунками з оплати праці	1630	-	13
Поточна кредиторська заборгованість за одержаними авансами	1635	-	-
Поточна кредиторська заборгованість за розрахунками з учасниками	1640	-	-
Поточна кредиторська заборгованість із внутрішніх розрахунків	1645	-	-
Поточна кредиторська заборгованість за страховою діяльністю	1650	84 325	101 252
Поточні забезпечення	1660	15 409	25 148
Доходи майбутніх періодів	1665	-	-
Відстрочені комісійні доходи від перестраховиків	1670	-	-
Інші поточні зобов'язання	1690	43	26
<b>Усього за розділом III</b>	<b>1695</b>	<b>111 949</b>	<b>140 748</b>
<b>IV. Зобов'язання, пов'язані з необоротними активами, утримуваними для продажу, та групами вибуття</b>	<b>1700</b>	-	-
<b>V. Чиста вартість активів недержавного пенсійного фонду</b>	<b>1800</b>	-	-
<b>Баланс</b>	<b>1900</b>	<b>2 829 924</b>	<b>3 310 565</b>

Е.Г. Блаженко  
Андрій



## I. ФІНАНСОВІ РЕЗУЛЬТАТИ

Стаття	Код рядка	За звітний період	За аналогічний період попереднього року
1	2	3	4
Чистий дохід від реалізації продукції (товарів, робіт, послуг)	2000	-	-
<i>Чисті зароблені страхові премії</i>	<i>2010</i>	<i>671 974</i>	<i>553 922</i>
<i>премії підписані, валова сума</i>	<i>2011</i>	<i>680 891</i>	<i>559 724</i>
<i>премії, передані у перестраховання</i>	<i>2012</i>	<i>8 917</i>	<i>5 802</i>
<i>зміна резерву незароблених премій, валова сума</i>	<i>2013</i>	<i>-</i>	<i>-</i>
<i>зміна частки перестраховиків у резерві незароблених премій</i>	<i>2014</i>	<i>-</i>	<i>-</i>
Собівартість реалізованої продукції (товарів, робіт, послуг)	2050	( - )	( - )
<i>Чисті понесені збитки за страховими виплатами</i>	<i>2070</i>	<i>163 415</i>	<i>177 206</i>
<b>Валовий:</b>			
прибуток	2090	508 559	376 716
збиток	2095	( - )	( - )
<i>Дохід (витрати) від зміни у резервах довгострокових зобов'язань</i>	<i>2105</i>	<i>(334 094)</i>	<i>(258 804)</i>
<i>Дохід (витрати) від зміни інших страхових резервів</i>	<i>2110</i>	<i>(10 729)</i>	<i>(4 292)</i>
<i>зміна інших страхових резервів, валова сума</i>	<i>2111</i>	<i>(12 306)</i>	<i>(5 877)</i>
<i>зміна частки перестраховиків в інших страхових резервах</i>	<i>2112</i>	<i>1 577</i>	<i>1 585</i>
Інші операційні доходи	2120	27 418	29 162
<i>у тому числі:</i>	<i>2121</i>	<i>202</i>	<i>1 390</i>
<i>дохід від зміни вартості активів, які оцінюються за справедливою вартістю</i>			
<i>дохід від первісного визнання біологічних активів і сільськогосподарської продукції</i>	<i>2122</i>	<i>-</i>	<i>-</i>
<i>дохід від використання коштів, вивільнених від оподаткування</i>	<i>2123</i>	<i>-</i>	<i>-</i>
Адміністративні витрати	2130	( 69 047 )	( 55 373 )
Витрати на збут	2150	( 375 515 )	( 300 872 )
Інші операційні витрати	2180	( 5 342 )	( 36 145 )
<i>у тому числі:</i>	<i>2181</i>	<i>117</i>	<i>583</i>
<i>витрати від зміни вартості активів, які оцінюються за справедливою вартістю</i>			
<i>витрати від первісного визнання біологічних активів і сільськогосподарської продукції</i>	<i>2182</i>	<i>-</i>	<i>-</i>
<b>Фінансовий результат від операційної діяльності:</b>			
прибуток	2190	-	-
збиток	2195	( 258 750 )	( 249 608 )
Доход від участі в капіталі	2200	-	-
Інші фінансові доходи	2220	319 716	300 509
Інші доходи	2240	-	-
<i>у тому числі:</i>	<i>2241</i>	<i>-</i>	<i>-</i>
<i>дохід від благодійної допомоги</i>			
Фінансові витрати	2250	( - )	( - )
Втрати від участі в капіталі	2255	( - )	( - )
Інші витрати	2270	( 2 )	( - )
<i>Прибуток (збиток) від впливу інфляції на монетарні статті</i>	<i>2275</i>	<i>-</i>	<i>-</i>

<b>Фінансовий результат до оподаткування:</b>			
прибуток	2290	60 964	50 901
збиток	2295	( - )	( - )
Витрати (дохід) з податку на прибуток	2300	(19 812)	(17 411)
Прибуток (збиток) від припиненої діяльності після оподаткування	2305	-	-
<b>Чистий фінансовий результат:</b>			
прибуток	2350	41 152	33 490
збиток	2355	( - )	( - )

## II. СУКУПНИЙ ДОХІД

Стаття	Код рядка	За звітний період	За аналогічний період попереднього року
1	2	3	4
Дооцінка (уцінка) необоротних активів	2400	3 918	3 428
Дооцінка (уцінка) фінансових інструментів	2405	(8 978)	31 072
Накопичені курсові різниці	2410	-	-
Частка іншого сукупного доходу асоційованих та спільних підприємств	2415	-	-
Інший сукупний дохід	2445	-	-
<b>Інший сукупний дохід до оподаткування</b>	<b>2450</b>	<b>(5 060)</b>	<b>34 500</b>
Податок на прибуток, пов'язаний з іншим сукупним доходом	2455	(1 069)	5 813
<b>Інший сукупний дохід після оподаткування</b>	<b>2460</b>	<b>(3 991)</b>	<b>28 687</b>
<b>Сукупний дохід (сума рядків 2350, 2355 та 2460)</b>	<b>2465</b>	<b>37 161</b>	<b>62 177</b>

## III. ЕЛЕМЕНТИ ОПЕРАЦІЙНИХ ВИТРАТ

Назва статті	Код рядка	За звітний період	За аналогічний період попереднього року
1	2	3	4
Матеріальні затрати	2500	4 009	4 900
Витрати на оплату праці	2505	39 151	31 679
Відрахування на соціальні заходи	2510	7 635	6 505
Амортизація	2515	3 711	5 214
Інші операційні витрати	2520	395 398	344 092
<b>Разом</b>	<b>2550</b>	<b>449 904</b>	<b>392 390</b>

## IV. РОЗРАХУНОК ПОКАЗНИКІВ ПРИБУТКОВОСТІ АКЦІЙ

Назва статті	Код рядка	За звітний період	За аналогічний період попереднього року
1	2	3	4
Середньорічна кількість простих акцій	2600	17082000	17082000
Скоригована середньорічна кількість простих акцій	2605	17082000	17082000
Чистий прибуток (збиток) на одну просту акцію	2610	2,40909	1,96054
Скоригований чистий прибуток (збиток) на одну просту акцію	2615	2,40909	1,96054
Дивіденди на одну просту акцію <i>ЄП Власенко</i>	2650	-	-