

FINANCIAL SECURITY OF THE DEVELOPMENT OF ENERGY COMPANIES: ANALYSIS, EVALUATION, PRIORITIES

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Abstract

The energy sector of Ukraine is an important component of the European economic space. However, in recent years, there has been a decrease in the share of equity capital of companies in the industry. That is why it is quite important to analyze and assess the state of financial support for the sustainable development of energy companies in order to determine directions for its improvement. An urgent issue is also the development of an approach to modeling scenarios of the formation of free cash flow, which is an indicator of the company's ability to sustainable development. The purpose of this study is an analytical assessment of the state of financial support of energy enterprises. Such an assessment will provide an opportunity to determine the factors affecting the formation of equity capital and, on this basis, to form priorities for the further development of the industry.

The source of information for the study was data from the financial statements of enterprises for 2019 - 2020. It is proposed to use the free cash flow method to assess financial support for the development of energy companies. Which is used by us as a decision-making tool regarding strategic changes in the financing of energy companies. The authors proposed an approach to modeling the optimization of free cash flows of enterprises, taking into account the specified criteria and restrictions, using software processing "Search for solutions". The adaptation of the approach made it possible to assess the company's ability for sustainable development.

According to the results of the approbation of the cash flow optimization model, the priority directions for improving the financial support of energy companies have been determined. Based on the analysis of generalized indicators characterizing the state of financial support for the activities of leading Ukrainian energy companies, the factors and limitations affecting the potential of financial support are determined. The elements of financial support as a factor of sustainable development of energy companies are evaluated. The role and instruments of state support for the development of enterprises of the energy complex have been determined. The components of the sustainable development of the energy complex enterprise as a function of financial support are substantiated. The priorities of financing the sustainable development of enterprises with an emphasis on self-financing have been determined.

According to the results of the analysis of the activities of the leading energy companies of Ukraine, it was determined that one of the obstacles to the implementation of the country's energy independence policy is the insufficient level of financial support for their development. Other reasons for the ineffective development of energy companies include: systematic violations of the principles of legality in connection with the existence of the monopoly of large companies; limitation of reproduction of financial potential due to insufficient own financial resources; low state support; availability of a high share of borrowed credit resources; high financial risks of the industry. The proposed author's methodology will allow monitoring the activities of energy companies and making the necessary management decisions in a timely manner.

Key words: Financial security, Financial potential, Sustainable development, Energy companies, Analysis, Forecasting, Modeling, Free cash flow, Priorities