

*L. Kaprovska, Master student
K. Buzhymyska, PhD., As. Prof., research advisor
N. Krushynska, language advisor,
Zhytomyr State Technological University*

LEASING AS MEANS OF INCREASING ASSETS EFFICIENCY AT ENTERPRISES

Ukraine has chosen the European way of development, so native enterprises were able to compete with foreign enterprises and they should significantly improve leading business, leading an active search for and implementation of unconventional measures to modernize management decisions, and industrial software enterprises, improve competitiveness with a wide involvement of scientific and technological progress. One of such measures refers to leasing assets.

Property and equipment may serve the cornerstone by which the company provides functioning in a particular market, retains its competitive position and most importantly can make a profit for further development. Therefore, any business, especially manufacturing, where the financial position and competitive products or services directly depends on the condition and efficiency of fixed assets should actively implement measures to improve the efficiency of their use. However, all enterprises Ukraine are now facing the problem of limited financial resources and difficulty in finding long-term financial investments to increase economic efficiency. The banking system in Ukraine is not very reliable and the ability to get a loan on favorable terms is limited, leasing is the most accessible and beneficial tool for business development. Economic Code of Ukraine gives the following definition of leasing: "Leasing is an economic activity aimed at investing own or borrowed funds, which is to the lease agreement of one party (the lessor) to the exclusive use of the other party (lessee) for a specified period property owned by the lessor or acquired by him in the property (economic committal) on behalf of the lessee or approval from the relevant supplier (seller) of the property, provided that the lessee periodic lease payments. According to the Law of Ukraine "On Financial Leasing" (p. 3) the contract of lease may be: non-consumable thing with individual characteristics and according to the laws attributed to fixed assets; property located in state or municipal ownership and for which no prohibition is used and / or possession can be leased to the procedure established by this Law. Land and other natural objects, the only property complexes of enterprises and their structural divisions (branches, workshops, stations) may not be leased.

In Ukraine, the lease is beginning to take a broader application. In recent years, the number of financial and technical professional management companies has significantly increased, and there have been significant and positive changes in the legislation governing the lease.

Leasing is a symbiosis of lease and loan, but it has unique advantages inherent in this type of investment. These benefits should include:

- ability to legally reduce the tax base, as lease payments of interest and in the Commission referring to gross expenditures, which automatically reduces the profit;

- lessee receives a tax credit for VAT immediately with all the value of the lease by paying only a down payment;
- lessee after receipt of property in leasing puts it on its balance sheet and charges depreciation, as in tax and accounting;
- At the conclusion of the lease agreement does collateral is not needed, since the receiving bank loans;
- Lease will allow a given property in their property using delay; it significantly reduces the cost and allows payments efficiently managing our assets;
- The company can quickly get the necessary equipment without incurring substantial capital investments;
- The opportunity to lease payments in various forms: cash, commodity or combined;
- Leasing allows you to quickly obtain the necessary equipment to ensure efficient production process through a temporary use and not by spending money to buy enough moral aging and cost of equipment;
- Leasing avoids the need of taking bank loans for the purchase of fixed assets.

The Civil Code of Ukraine is determined by two types of leasing: operational and financial leasing. Operational leasing has got significant differences from the lease, while the financial leasing has not. Using the financial leasing company can meet some difficulties. Under the lease agreement the lessor lessee transferred property is key to the proper performance of the contract last. That is, if he lessee has faced some financial problems and does not timely lease payments, the lessor has the right to withdraw the transferred property. Payments by the lessee is nothing but a recovery of the property at a time can be purchased by the lessee under residual value. However, if the above mentioned situation there data fees will not be returned to the lessee, i.e. the risk of losing and fixed assets, and funds have been spent on leasing.

Perhaps the main drawback of leasing in Ukraine is its cost. Today leasing is expensive, which can not be afforded by every company. Over the lease the term "fixed assets" could increase in value by half. Accordingly, the longer the term of the lease, the more expensive it becomes for the enterprise.

Enterprise-lessee after the expiration of the contract can buy fixed assets. However, it may happen that during the period of the contract value of equipment has increased significantly and this agreement is unprofitable. Another thing that plays in favor of leasing is that the leasing company has provided information for the miscalculation cost of additional services, because by law, this information relates to trade secrets.

There are also some obstacles of leasing in Ukraine. Among them is providing two factors: the legal basis and the cost of leasing. At the state level, primarily with the help of the legislature, it should be promotion of leasing, because it is really beneficial for economic development. The state takes a passive role in the development and expansion of the leasing market, although the possibilities are great. Negative influences and low level of education and potential customers are realizing the benefits and opportunities of leasing. Usually it is seen as a kind of lease rent, which is usually a mistake, because the lease provides for non-durable anniversary and its return after the expiry of the contract

and lease provides long-term use and acquiring property in through the purchase of the residual value after covering all lease payments.

The cost is the main factor that puts the adoption of an economic decision. After paying lease payments the company still has to pay the leasing company. However, many companies in the leasing see an attractive alternative to purchase fixed assets as necessary and effective development of business, because they do not have to deal with the design, delivery and insurance - all this assumes leasing company. In developed economies specialized leasing companies, saving money for large scale operations in the purchase of equipment to parties of the same suppliers / manufacturers are able to provide lessees are much cheaper compared to bank credit services.

According to experts of the Association "Ukrainian Union of Lessors", which was established in 2005 as a voluntary union of professional participants of leasing, the trends in the leasing market in Ukraine today are the following: reducing the number of leasing companies that are actively financing agreement; focusing on the effective administration of the existing portfolio and maximizing return of previously invested financial resources; the agricultural sector is the primary consumer leasing companies; agreements on rare and highly items (agricultural machinery, cars, etc.); cooperation only with stable companies that have at least 3 years of successfully operating in the market; active implementation of seized items to re-lease or sale.

Summarizing all mentioned above it should be noted that the lease is a kind type of credit to companies that provided in the form of fixed assets and provides update of assets. Leasing provides a number of advantages among which in the first place is a new required equipment that makes it possible to increase production capacity without the involvement of bank credit. Also an advantage is that the depreciation of such fixed assets is calculated on an accelerated method that enables faster update fixed assets and significantly reduce the income tax. The use of leasing makes it possible to reconstruct, expand and upgrade fixed assets of the company. So, as leasing is paid, it encourages the company to more effective planning their financial resources to properly fulfill this debt. Although the current situation in Ukraine is quite complicated, but there is expansion of the leasing market and increasing its attractiveness to potential new customers. Leasing a very important and positive impact on the economy of the country, it is used in almost every sector of the economy of Ukraine.