STATE FINANCIAL CONTROL IN UKRAINE IN CONDITIONS OF DECENTRALIZATION: REGIONAL ASPECT

Under the conditions of budget decentralization and modernization of the activity of local self-government bodies, understanding of the essence of state financial control becomes especially important. One of the main areas of financial management is public financial control both at the country and regional level. Its effective organization depends on the state of social and economic development of the state and improvement of the quality of functioning of all spheres of public life.

The article covers the issues of organization of state financial control in Ukraine in the conditions of decentralization. The system of state financial control bodies is considered. It is stated that the management of finances in the state is carried out through the system of state bodies and institutions with the help of forms and methods of organization of management activities. Bodies exercising financial control form a system consisting of three main groups: bodies exercising national control; bodies of departmental financial control; bodies exercising independent financial control.

The process of reforming the system of public financial control in Ukraine has begun with the adoption in 2015 of the Sustainable Development Strategy "Ukraine 2020", which aims at introducing European standards of living and entering the country in the leading positions in the world. The document also identifies major vectors for reform, including decentralization of power.

According to the results of the State Audit Service of Ukraine from 2013 to 2018, almost half of the audits and audits carried out covered exactly the financial resources of local budgets and public utilities, organizations and institutions. At the same time, active work was carried out to identify financial violations with the material and financial resources of local authorities. On the whole, the number of detected financial violations that led to the loss of financial and material resources of local self-government bodies has decreased almost three times, which to a certain extent is evidence of the positive dynamics of the reforms being implemented.

In the context of fiscal decentralization in Ukraine since 2015, there has been an annual increase in local budget revenues. This leads to additional risks of abuse by local authorities and requires improvement of the system of state financial control, because the existing system does not provide adequate fiscal discipline.

It is concluded that the main task of the state financial control in the conditions of decentralization should be to achieve high efficiency of use of budgetary funds in order to optimize the expenditures of local budgets. Establishing an effective system of public financial control in Ukraine will help to strengthen public confidence in public authorities and improve the well-being of citizens. Implementation of the above measures will increase the efficiency of the system of state financial control at both the state and regional levels.