

## **CONCEPTS AND MECHANISM FINANCIAL CONTROL IN THE CONSTRUCTION INDUSTRY**

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*The paper contains an analysis of the concepts and examples of modern mechanisms of financial control relationships that are implemented in the construction industry, as well as the author's views on the concept of value these relationships and possible ways of development of legislation in this field.*

***Funding mechanisms construction, financial control, Foundation construction financing, Real estate funds, construction lending.***

Residential real estate market plays an important role in the economy of any country. In developed countries the money circulating in the real estate market, substantial gross domestic product. For a quantitative measure of tenure can determine the standard of living in the country.

Housing problem in Ukraine has become particularly acute. First of all, extremely high strike prices. In practice, the UN used indicator "affordability factor» (housing price to income ratio), which is calculated as the ratio of median housing values to the size of the median household income for the year. With the average monthly wage in the country is almost impossible to buy a home, then as now in Ukraine million people desperately need better housing.

As the housing market belongs to the most complex types of markets, it has specific features and is one of the least studied.

Investing and financing of construction of housing using private funds raised from individuals and legal entities, including management, can be carried out only through construction financing funds, real estate funds, collective investment institutions and by issuing housing bonds companies obligations which is done by transferring the object (of object) housing. Other ways to finance the construction of such objects are determined only by the laws.

Not every citizen in need of better housing, may at their own cost to build or buy a home, that solve their housing problem on their own. In this case, the most likely is the possibility of solving the housing problem face by borrowed funds through the loan agreement. It is a means of financing the most widely used in the construction of housing.

Housing - an important element of social well-being, because the construction sector tends to drawing the government subsidies.

State regulation of the construction market provides for public institutions thus become financial intermediaries. With the help of state financial control state is able to control, regulate construction market. Such a state policy in the field of construction financing can greatly improve the liquidity of mortgage assets.

The increase in production in the construction possible with the mobilization of financial resources, the introduction of fundamentally new investment mechanism that would provide revenues to specific sectors of the economy of funds from various sources of financing: public, private, commercial, foreign.

The effectiveness of forms of fundraising to finance long-term residential mortgage loans primarily affects the availability of reliable financial instruments or mechanisms for the creditors to obtain resources in

the required quantities at relatively low market value and on terms agreed on the timing and cost of involvement.

Providing tax preferences intermediaries can improve the competitive position of funds and housing finance in pricing. Thus housing operators will work in an environment focused control in the financial and stock algorithm.

It is important to inform decisions regarding the scientific feasibility of ways of financing housing from the state budget. Its verification, Audit ascertain detect violations if a budget has already been spent. This paradigm is reduced to an algorithm originally planning, and control.

For efficient use of financial resources of the state to decide is necessary to make an examination of your application.

When preparing audit trail information on the actual cost of the program appears degree goal, evaluated the efficacy of the system management program put forward proposals to improve its functioning. It is important not only to monitor performance, but also to control the quality.

State financial control is a function and management tool productive forces and relations of production, including the construction industry. Therefore, the efficiency of this control will result in strengthening the role of the state in the provision of mass housing construction and expansion of affordable housing.

Specific features of financial control in construction require the use of new methods. After all processes in construction have a dynamic character than in other areas of production and public financial control now exercised only in statics using these financial statements. The main thing - do not admit to fix the violations and prevent negative consequences. This is possible with keeping track of the changes that occur in the construction process, based on criteria developed by means of mathematical modeling of economic systems in construction.

Efforts audit institutions should focus on the a priori construction stage funding programs. In order to build complex has become a key factor in economic growth, national economic priority need reliable, adequate, effective system of internal and external controls, which not only reveals financial irregularities, but also prevent them. These changes in ideology caused financial control needs today, as state financial control is organized based on national interests as the fundamental criteria.