

Anastasia Lytovchenko, student
Supervisor – Pererva K.M. Senior Lecturer
Dnipropetrovsk National University of Railway Transport

FINANCE ON RAIL TRANSPORT

Railway transport as an aggregate of means of production, technology, technologies, labor is the object of studying many sciences - technical, natural, mathematical, geographic, economic, etc. Moreover, the subject of scientific interests in each science is its own.

As Theodore Roosevelt said: "A completely uneducated person can just trim a freight wagon, while a university graduate can steal a whole railroad."

The economy of railway transport studies transport in terms of production relations in the production process. At the same time, the economy focuses on man as the main productive force, his interests and their management.

Transport, including railway, is connected with all branches of the national economy, with the population of the country, with enterprises, labor collectives.

How Alfons Alle joked: "The return ticket should be more expensive: you can not, after all, go, but you have to go back."

Transport serves all enterprises and branches of the national economy irrespective of the forms of ownership and social structure. It must ensure, in a clear and timely manner, the transportation of goods, passengers, mail and luggage, and to carry out numerous non-traditional services of high quality and with the constant desire to reduce costs, tariffs and prices for all types of services, works and products.

Rail transport is one of the modes of public transport, it is a universal mode of transport for the transportation of all types of goods. It features a high carrying capacity, which makes it particularly effective for large and medium range bulk transportation

The railway transport of Ukraine, as the only organic, integral, time-consuming and space-intensive production and technology complex, covers virtually all regions of Ukraine and continues to be the most reliable and the only means of communication that provides transportation of goods and passengers to the state's economies of scale.

But for example, a railway connection in the United States does not belong to the category of the most developed and sought after modes of transport. Domestic flights around the country often cost less than travel by train, while they are much more comfortable and faster, so that land movement remains for the part of people with fear of height and desperate romantics. It is unprofitable for the government to develop this sphere, therefore passenger traffic has been in a state of stagnation for many years. However, for tourists this can be a convenient way to see the country and feel its .

Finance of Ukraine's railway industry as an industry is a key part of the state's finances, since railways, as infrastructure, remain state-owned, and their activities are inextricably linked with the activities of the industries of the country's economy.

Railroad finance is a collection of relationships related to the formation, distribution and use of funds necessary for the operation of the industry. These include: finances of railway enterprises and their directorates, industrial and repair-construction enterprises (structural divisions); finances organizations, design, supply, transport and forwarding, housing and communal services, as well as finances of budget institutions.

The content, nature of the use and regularities of the development of rail transport finance are determined by socio-economic, organizational and other relations prevailing in the transport sector as an important part of the country's economy.

As a value category, rail transport finances are related to the movement of value in money, with the formation and use of monetary funds, with monetary relations that arise between the parties

during the organization and implementation of the main and auxiliary activities of railway enterprises

The main issues of financial management of any enterprise (both independent and that which is part of the railway transport industry) are:

- reduction of the deficit, planning and management of cash flow;
- management of financial flows of the enterprise and industry;
- drawing up an integrated financial plan, monitoring its implementation.

The bulk of rail revenues accounted for transportation (an average of over 85% of total revenues). This determines their leading role in the financial and economic activity of rail transport.

Gross rail revenues are the main source of covering operating costs and the formation of a financial result, which accounts for tax payments, replenish working capital, finance capital investments, increase working capital and other payments.

In general, the proceeds of railways are the amount of funds received for the performed transportation, sales of goods, construction and installation and repair work, services rendered by enterprises of all types of activities included in the structure, at established tariffs and prices.

Rail transport, as a leading industry and social system, carries on itself, unlike industrial enterprises and other sectors of the country's economy, increasing socially necessary load. The production and economic activity of railways has a number of specific features, which are due to the fact that this industry does not create any material values, but ensures their movement.

Railway transport links into a single whole all sectors of social production. In addition, he continues the process of production in the field of turnover, bringing products to the place of consumption. Products of the transport industry are directly the transportation process, which is expressed in the transport of people and goods. Therefore, on railways there are some features in the organization of finance, related to the specific features of economic calculation and methods of economic management of the transport process.

These circumstances led to the emergence of a number of factors that have an impact on the peculiarities of the formation of financial results of the production and economic activity of rail transport.

The first feature is determined by the specific role of rail transport in the Ukrainian economy. It is an integral chain of the economy, designed to complete the process of production in the field of its circulation. From other sectors of the economy transport "is characterized by continuation of the production process within the process of circulation and for the process of circulation".

At the same time, railways are influencing their work on the rate of circulation of goods, on their safety and value, since the amount paid by rail tariffs affects the cost of goods.

The second one - in transport, including on the railways, no new product is created that could be separated from the production process and would participate in economic circulation in terms of goods as a commodity. Therefore, the volume of production at the railways is measured by the indicators of the movement of goods and people. There is no stock of commodity products; indicators of the quality of transport products, the forms of liability for safety, timeliness and safety of delivery of goods and passengers have their own specifics.

Thirdly, in front of the consumers of products, that is, before the cargo owners and passengers, according to the Charter of the railways of Ukraine as a legal body *Ukrzaliznytsya*, representing rail transport in general, thus expressing the unity of the network of railways as a business and economic organism.

The fourth is the process of production, namely: freight and passenger transportation are carried out within the country on the basis of a unified timetable and timetable of trains, the norms of which are planned centrally, and the norms of operational work of the network as a whole, as well as of individual railways, and within the railways - their structural subdivisions. This means that the production process is continuous throughout the day; the technical unit of the movement is the train, and in its movement the work of all branches of the economy is realized. Quite important factors are

saving time, accelerating the movement of trains, cars and locomotives, accelerating the delivery of goods and passengers.

Fifth - a rather high degree of centralization of the management of the production process in the railway transport. This is due to the fact that, as a rule, the process of transportation begins on one railway, and ends with others.

In assessing the financial results of economic activity must take into account, on the one hand, the availability of operational and technological centralized management, on the other - high interconnection between this railway and the neighboring railways, working in the system of rules of a single plan of transportation, the formation of trains and the schedule of their movement.

The sixth - a separate act of production (movement of goods, passengers or baggage) for direct traffic is performed by several railways and their structural divisions, but it does not end within a separate railway. At industrial enterprises from the production process, either the finished product-product or semifinished product, which is sold in the same way as finished goods is manufactured. On the railways only local and suburban connections create a finished "product", the transportation is completed within the self-supporting enterprise

Seventh - on rail transport: firstly, part of the fixed assets, fixed by the self-supporting enterprise, in the process of movement of trains passes into the territory of other enterprises (for example, locomotives during their operation on long hauling arms or passenger cars traveling on direct trains); a friend, a part of the objects of fixed assets, which is on the balance of the self-supporting enterprise, although it does not transfer to other enterprises, but its use depends on the higher bodies regulating cargo and passenger flows and work of rolling stock (for example, fixed assets of track distances, signaling and communication distances, energy supply stations, and also railway car depots, etc.).

Eighth - the specificity of the product, created by live labor in transport. The additionally created product serves as a useful effect of transport, which can be consumed only during the production process.

These and other peculiarities determine the formation of a specific system of financial management of the industry, based on a combination of methods of management of the industry, the basis of which is a well-balanced regulatory framework for regulating the activity of rail transport.

Correct organization of finances is intended to promote rapid and continuous technical progress, the implementation of integrated mechanization and automation of production, increase the efficiency of the use of funds and, on this basis, increase productivity of social labor, reduce production costs and increase money savings.

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