Improving the financial stability of agricultural producers

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Abstract. The financial stability of agricultural organizations is characterized by the provision of their own financial resources sufficient for stable economic and social development. In the state program "Development of agriculture and regulation of agricultural products, raw materials and food markets" in force until 2025, both in the country and in the Republic of Tatarstan, increasing the financial stability of agricultural producers is a priority goal. According to the results of the research of the author of this work, it has been established that the current liquidity ratio is a relatively acceptable single indicator of financial stability. At the end of 2021, 566 agricultural organizations have introduced production activities in the Republic of Tatarstan. Their share in the volumes of grain produced by all categories of farms was 74%, sugar beet – 87.5%, livestock and poultry – 75.3%, milk - 63.6%, eggs – 77.4%. The average coefficient of their current liquidity is 160%, which is significantly lower than the standard value. This indicator of financial stability depends on internal and external factors. Taking into account the leading role in external factors of state support, the purpose of this study was to study its effectiveness. The results showed that there is practically no connection between the level of financial stability and state support for agricultural organizations. In conclusion, it is proposed that part of the budget subsidies should be tied to the level of their profitability without subsidies as a stimulus to the economic efficiency of production.

1 Introduction

The financial stability of any economic entity is characterized in general terms by its ability to ensure stable economic and social development through the effective use of its own, borrowed and state financial resources. In this paper, the object of research is agricultural organizations of the Republic of Tatarstan, since the republic is listed among the leaders in the production of agricultural products among the subjects of the Volga Federal District and the Russian Federation as a whole [1].

According to the Ministry of Agriculture and Food of the Republic of Tatarstan, the number of agricultural organizations at the end of 2021 amounted to 566 units. Among them there are such large agricultural plants as LLC "TK Maysky", LLC "Kamsky Bacon", LLC "Chelny Broiler", LLC "PK Ak Bars", which combined production, processing and

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sale of products into one chain. For example, the share of "TK Maysky" accounts for 90% of the total production of vegetables of the closed ground, "PK Ak Bars" - 40% of all eggs produced in the republic. LLC "Chelny Broiler" in 2020 sold 97.2 thousand. tons of poultry meat, which is equal to 57% of its total production. LLC "Kamsky Bacon" in the same year 57.6 thousand tons of pork or 62% of the total volume.

For the most part, agricultural organizations have different sizes of production resources, manufactured products and profitability. In general, their main production areas in crop production are grain, sugar beet, feed; in animal husbandry – dairy cattle breeding. They are the main producers of the agricultural sector (Table 1). At the same time, in terms of financial condition, they are collectively weak. For example, according to the materials of the Ministry of Agriculture and Food of the Republic of Tatarstan, at the end of 2021, according to the consolidated annual accounting report, agricultural organizations did not have their own working capital and other indicators of financial stability did not reach their regulatory value. Therefore, the study of the problem of the financial condition of agricultural organizations of the republic is relevant.

Table 1. The share of agricultural organizations in the total volume of agricultural production, %*.

Products	**Years**				
	2017	**2018**	**2019**	**2020**	**2021**
Gross output in current prices	49.0	47.9	50.1	50.2	53.0
Seed	78.9	79.0	75.6	75.0	74.0
Sugar beet	87.5	88.6	85.3	91.5	87.5
Potato	9.5	10.4	10.0	6.7	7.0
Outdoor vegetables	29.5	25.6	25.2	23.2	23.2
Cattle and poultry for slaughter in slaughter weight	73.6	73.7	74.3	75.0	75.3
Milk	61.0	61.7	62.0	63.1	63.6
Eggs	72.8	76.0	77.5	76.8	77.4

*the author of the calculation according to the data of the Territorial Body of the Federal State Statistics Service for the Republic of Tatarstan [2]

The financial stability of agricultural organizations depends, as you know, on a variety of external and internal factors, that is, the problem is wide. Nevertheless, according to the experience of advanced foreign countries, state support plays a significant role in its solution. This task is being solved on the basis of the existing State programs "Development of agriculture and regulation of agricultural products, raw materials and food markets" both in the country and its subjects. Taking into account the situation, governments make adjustments and changes to them [3].

The issues of the effectiveness of state regulation of agricultural development is a serious subject of research by economists. This is evidenced by their numerous publications in the periodical scientific literature. For example, some scientists believe that it is advisable to determine the effectiveness of budget support for agricultural producers in the region on the basis of their differentiation in self-sufficiency, rational consumption standards and expert potential of budgeted types of agricultural products. At the same time, the authors propose a step-by-step assessment of the effectiveness of state regulation of agricultural production, which includes various indicators. However, they failed to reach an integral performance indicator. In addition, the article does not take into account the interests of the commodity producer [4, 5].

Minakov I. A. determines the effectiveness of state support for the agrarian economy by the volume of gross agricultural output per 1 ruble of budget allocations and the level of profitability of agricultural organizations [6].

Byelovol Ya. It also determines the effectiveness of state support for agricultural organizations by the volume of their gross output per 1 ruble of budget allocations, but on the basis of forecast figures obtained by constructing dynamic models [7].

It is of interest to develop a system of indicators to assess the effectiveness of state support for agriculture in the region by a team of economists from leading scientific institutions of the country [8]. At the same time, 10 6 indicators of a financial nature are proposed, and calculated on the basis of the initial data of the accounting report on financial results. However, with all the complexity of these indicators, they cannot serve as an indicator of monitoring the implementation of the goal of the state program for the development of agriculture to increase the financial stability of agricultural producers.

In the direction of searching for an integral indicator of the financial stability of agricultural organizations, a certain step has been taken in the research of the authors of this work [9-10]. Prior to the appearance of more in-depth research, such an indicator can be the current liquidity ratio, which is functionally related to such significant indicators of financial condition as the self-financing ratio, permanent assets, the ratio of mobile and permanent assets, asset turnover, profit from sales and asset payback [11]. Thus, the purpose of this study is the impact of methods and sizes of budget support for agricultural organizations of the Republic of Tatarstan on their financial stability, estimated by the current liquidity ratio.

2 Materials and methods

The study was conducted using methods of economic-statistical, abstract-logical, comparative analysis.

State support for the production activities of agricultural organizations of the Republic of Tatarstan according to the State Program "Development of agriculture and regulation of agricultural products, raw materials and food markets in the Republic of Tatarstan for 2013-2025". The total amount of funding for this Program is planned to be 241 billion rubles. At the same time, the share of subsidies from the republican budget will be 59.3%, federal - 37.9% and from local and extra-budgetary sources - 2.8%.

3 Results and Discussion

As a result of the implementation of the current Program, it is planned to increase the gross agricultural output in 2025 compared to 2012 in comparable prices by 27.6%, including crop production by 31.7%, animal husbandry by 23.2%, and the profitability of agricultural organizations to 19.5%. At the same time, it should be noted that specific parameters for improving the financial stability of agricultural organizations were not set in the Program.

Table 2 shows the size and structure of budget subsidies. In 2021, the volume of subsidies increased by 22.5% compared to the previous year, including the production activities of agricultural organizations by 6.3%. At the same time, according to the author's calculations, a significant share of the federal budget resources of the State Program are directed to the accounts of authorized banks to compensate for the income they have not received on loans issued to agricultural producers at a preferential rate.

The amount of subsidies Pr is calculated according to the formula:

$$Pr = CS - LS + 2\% \qquad (1)$$

Where CS –is the key rate of the Central Bank of the Russian Federation; LS –is the preferential rate.

Table 2. Structure of budget subsidies of agricultural organizations*.

Indicator	Years			
	2020		2021	
	million rubles	%	million rubles	%
Compensation of current expenses:				
Crop production	2423	28.6	3132	30.1
Animal Husbandry	2966	35.0	3621	34.9
Other purposes	717	8.5	805	7.7
Capital investments in non-current assets:				
Radical land improvement	117	1.4	92	0.9
Construction, reconstruction, modernization of production facilities	379	4.5	1226	11.8
Purchase of agricultural machinery	1608	19.0	1384	13.3
Other attachments	270	3.00	129	1.3
Total	8480	100	10389	100

*calculated by the author according to the data of the Ministry of Agriculture and Food of the Republic of Tatarstan [2].

According to the Ministry of Agriculture and Food of the Republic of Tatarstan, agricultural organizations of the republic in 2021 received preferential loans for 23.5 billion rubles. At the Central Bank's key rate of 8.5%, the amount of the bank's subsidy will amount to 1.3 billion rubles, which in relation to the volume of subsidies to agricultural organizations will be equal to 13%.

Nevertheless, absolute budgetary support for agricultural organizations is substantial (Table 3).

Table 3. Financial indicators of agricultural organizations, million rubles*.

Indicator	Years		
	2019	2020	2021
Revenue	105172	121549	128546
Cost of sales	94605	106354	114246
Commercial expenses	478	658	911
Management expenses	990	1017	3179
Profit before tax	9538	14492	12460
Profitability taking into account subsidies	9.9	13.4	10.5
The amount of budget subsidies	8500	8480	10389
Profitability excluding subsidies, %	1.1	5.6	1.8
The cost of working capital at the end of the year	112918	129880	142452
Deferred income	6930	7370	8199
Short-term commitment	83263	88926	97327
Current liquidity ratio	1.48	1.59	1.60

*calculated by the author according to the data of the Ministry of Agriculture and Food of the Republic of Tatarstan [2]

As can be seen from Table 3, its share in pre-tax profit by year ranges from 59% to 89%. Starting from 2020, on the basis of the Decree of the Government of the Russian Federation No. 1573 of November 30, 2019, state support for agricultural producers is divided into compensating costs and stimulating priority sectors of agriculture [12]. Both of these directions pursue an increase in production volumes, which follow from the interests of the country and its regions. At the same time, the financial situation of agricultural organizations remains weak.

4 Conclusion

The results of the study show that despite solid state support, the financial condition of agricultural organizations remains below the standard. Taking into account the urgency of the problem of increasing their financial stability, it is necessary to include an appropriate indicator in the State Program for the Development of Agriculture, and link part of the budget subsidies to the profitability of agricultural organizations without subsidies.

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