

## PUBLIC SYSTEM OF UKRAINIAN BANKS RATING: APPOINTMENT AND INFORMATION MODEL

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**Introduction.** Nowadays the trends of the Ukraine banking system development can be characterized as controversial. From the one hand there is a process of the banking system soundness increasing and from the other there are lots of problems that were provoked by unstable economic and political situation, military actions on the territory of Ukraine, a significant level of inflation, the devaluation of the national currency and the low level of public confidence in the banking sector. Methods of banks ratings calculation existing in Ukraine do not provide complete, reliable and open information about banks performance to external users.

**Purpose.** The investigation of the different approaches to the banks' rating methodology development and, on this basis, working out recommendations needed for implementing bank ratings system for external users.

**Methodology.** The authors developed an information model of the rating system for assessing the activity of Ukrainian banks, which based on the banks' open reports and predominantly quantitative indicators that have a scientifically substantiated level. The offered method of the banks rating is built on the basis of quarterly financial reports and opened management reports of Ukrainian

banks. The authors also consider the possibility of supplementing the information base by using monthly banks' statistical reports which are published by NBU. Practical implementation of the rating system could be done through the comprehensive assessing of each bank registered in Ukraine by independent agency and further compilation of these estimates in the analytical tables.

**Results.** Implementation of this rating system will increase the level of trust to the banking sector. In long-term period the introduction of this technique will increase the efficiency of the banking system functioning by reorienting clients to cooperate with financially stable banking institutions. The results of such rating assessment should be easily understandable for the public because of the simple and open methodology of their calculations. This approach will provide high credibility to the proposed rating estimation.

**Conclusion.** The authors have developed a new approach to design of the rating system information model. Taking into account the above-mentioned conclusions, the rating methodology of Ukrainian banks' valuation will require further research in the direction of developing an open and comprehensive system for assessing banks in Ukraine.