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IMPROVING THE FINANCIAL MANAGEMENT SYSTEM OF ENTERPRISES IN MODERN CONDITIONS

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Abstract: This article is devoted to defining the features of the financial management system in the activities of modern enterprises in modern conditions. It shows the detailed goals and major areas of the enterprise financial management system, explores the problems of developing a financial management system in commercial enterprises, as well as solutions.

Keywords: financial management systems, financial management object, financial management subject, own funds, borrowed funds, financial resources

A special place among the goals and objectives of the enterprise in the field of financial management is occupied by a constant increase in the value of the enterprise, maximizing the value of its own funds invested in it. That is why the study of rational assessment and financial management of an enterprise is an urgent topic in today's unstable and rapidly changing environment.

In order to survive in a market economy and prevent the bankruptcy of an enterprise, you need to know well how to manage finances, what the capital structure should be according to the composition and sources of education, what share your own funds should occupy.

The successful provision of protection depends not only on the actions of specialists and workers, the materials and equipment used, effective coordination of the technological process, but also on a favorable combination of external circumstances. To ensure stability and balance of activities, minimization of risks and compensation of losses, reliability of investments becomes possible with the use of both traditional and non-traditional types of financing.

As the President of the Republic of Uzbekistan Sh.M. Mirziyoyev noted: "...". Speaking about the tasks facing us in the economy, first of all it should be noted that the essence of large-scale economic reforms is as follows-

- creating the necessary conditions for an open economy, healthy competition, radical improvement of the business environment and investment climate;
- reducing the state presence in the economy, increasing the number of jobs through accelerated development of the private sector;
- achieving high rates of economic growth by diversifying the economy and increasing labor productivity.

The science of financial management of commercial organizations is characterized by reflecting the logic of financial decision-making, as well as a set of measures (recommendations) to improve planning and control over finances at the level of economic entities.

The degree of development of the problem. Financial management of an enterprise as a promising direction in economics combines theoretical developments in the field of

financial management, as well as applied ones concerning financial levers and management methods.

It should be noted foreign economists about the financial management system: W.Sharp, G. Alexander, J. Bailey, V. A. Gerasimenko, Yu. Ya.Vavilova, L. I. Goncharenk, V. N. Vyatkin, I. A. Blank, E. F. Sysoeva, A. N. Gavrilova, I. Ya. Lukasevich, V. E. Leontiev, A. D. Sheremet, A. F. Ionova..

From domestic scientists on priority issues of adaptation of the financial management system to market conditions directly or indirectly investigated: B.Toshmurodova, N.Zhumaev, S.Elmirzaev, E.Shoshimov, Sh.Khazhibayev, N.Muminov, N.Tursunova, M.Khamidulin, V.Kotov, R.Karlibaeva, F.Khamidova, M.Pulatova and others.

Meanwhile, the studies conducted by the above-mentioned scientists were mainly devoted to theoretical, methodological issues of the financial management system, they considered only some categories and areas of improving the efficiency of financial resources. And the real issues from practice related to the process of improving the financial management system in modern market conditions and the factors of their positive solution were not considered in their works.

The research methodology is based on general scientific methods: analysis and synthesis, systematic, logical and comparative analysis, sample surveys. Reference, statistical and regulatory materials on the studied problem were used.

Analysis and results. Organization of financial management of an enterprise is a set of measures aimed at timely and full provision of financial resources to the company and their rational use. The main purpose of the financial management system is to maximize the value of the enterprise by increasing capital.



Draw.1. The main tasks of the financial management system of enterprises

The financial management system of the enterprise contributes to the achievement of the tactical and strategic goals of the business entity and consists of two subsystems (Fig. 1).

The object of financial management is a set of conditions for the implementation of cash turnover and cash flow, value circulation, movement of financial relations and financial resources arising in the external and internal environment of the organization.

The subject of financial management is financial instruments, technical means, methods, specialists who form a single financial structure for the implementation of the

rational functioning of the management object.

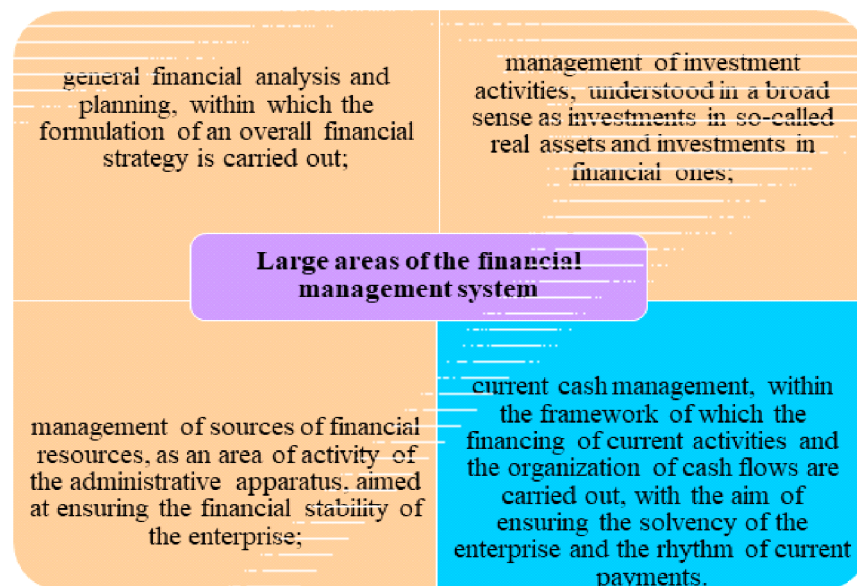
The specific purpose of the financial management system is to maximize the welfare of the owners of the enterprise (shareholders, shareholders) in the current and prospective period.

The component of operating business entities in October 2021 amounted to 0.9991, which means that the component decreased by 0.1% compared to the level of the previous month. This indicator has a positive value in relation to the same period last year with an increase of 12.6%.

The number of operating business entities in October 2021 increased by 1,422 units compared to September 2021 (584,221 units) and amounted to 585,643 units.

It should be noted that the financial management system of enterprises has shown that it has several major areas. (Draw.2.)

The biggest mistake of many domestic entrepreneurs is their underestimation of financial flow management. Some entrepreneurs explain this by the special complexity of financial problems, and therefore delegate their powers to subordinates.



Draw.2. Major areas of enterprise finance management

This position is erroneous: it is in no way possible to direct or control independently the cash flows both incoming and outgoing. It is in the movement of these flows that the real result of entrepreneurial activity is concentrated and those opportunities for improving business performance are hidden, which the entrepreneur is searching for. Therefore, a domestic entrepreneur, first of all, needs to master all the basic principles and approaches of financial management, to understand them well, otherwise he is doomed to failure.

Next, let's look at the state of financial management of enterprises using the example of "Exact calculation" LLC. LLC "Exact calculation" provides its services in the market of valuation activities, which the main activity of the company is the provision of valuation services in the field of business, movable and immovable property.

To assess the organization of the financial management system and adaptation to the conditions of the enterprise market, it is necessary to analyze a small number of key indicators that give an objective and accurate picture of the financial condition of the enterprise and also consider the composition and structure of assets and liabilities, the

formation and use of financial resources.

The property of the JV LLC "Exact calculation" consists of fixed assets, working capital and other property, the value of which is reflected in the independent balance sheet of the LLC.

Table 1

Analysis of the composition, structure and dynamics of the balance sheet asset of Exact calculation LLC

Balancesheetasset	2019		2020		Absolutede viation	Growt hrate, %
	Amount, million sum	specific gravity, %	Amount, million sum	specif ic gravit y, %		
The value of the property - total	557773,7	100,0	421016,84	100	- 136756,8 6	75,5
including:						
1.Long-term assets	376369,2	67,5	329254,9	78,2	-47114,3	87,5
2.Current assets	181404,5	32,5	91761,94	21,8	-89642,56	50,6
2.1.Inventory andcosts	-	-	-	-	-	-
2.2.Accounts receivable	129412,3	23,2	56209,54	13,4	-73202,76	43,4
2.3.Cash	26992,2	4,8	8027,4	1,9	-18964,8	29,7
2.4.Short-term investments	25000,0	4,5	27525,0	6,5	+2525,0	110,1

The source of the formation of the property of LLC "Exact calculation" are:

- the contribution of Participants to the Authorized capital;
- income received from the activities of "Exact calculation" LLC;
- other sources not prohibited by legislative acts of the Republic of Uzbekistan.

As can be seen from Table 1, the total value of the property in the reporting period decreased by 24.5% and amounted to 421016.84 thousand soums. The reduction of this indicator by 136,756.86 thousand amounts was facilitated by a reduction in the amount of both current and non-current assets of the enterprise.

The decrease in the amount of long-term assets from 376369,2 thousand amounts to 329254,9 thousand amounts is explained by a reduction in their residual value due to the calculation of depreciation. During the analyzed period, the introduction of new fixed assets, as well as intangible assets, was not observed.

In the structure of the organization's assets for the analyzed period, the share of current assets is 21.8%, and long-term assets - 78.2%. Thus, the largest share in the structure of total assets falls on non-current assets.

Such a ratio in the structure of the balance sheet of the enterprise we are considering, as well as the lack of reserves and costs of this enterprise can be explained by the fact that the main activity of LLC "Exact calculation" is the provision of valuation services. Consequently, the current assets of the enterprise and their share in the total amount of the enterprise's property do not affect its final financial result in any way. The volume of services provided by them and the revenue received depends on the mental and professional abilities of their employees, as well as on the availability of demand for their service in the market.

Thus, the current assets of the enterprise are formed at the expense of accounts receivable, cash. As well as long-term assets, there was a decline in the value of current assets. The value of current assets for the analyzed period decreased by 2 times. At the beginning of the analyzed year, their cost was 181404.5 thousand soums, and by the end of the year their amount was 91761.94 thousand soums. Such a decline in the value of current assets is explained by a reduction in accounts receivable and cash assets of the enterprise. During the reporting period, the amount of debt owed by legal entities and individuals from this enterprise amounted to 56,209.54 thousand soums, which is less by 73,202.76 thousand soums or 56.6% of the previous year. The reduction of accounts receivable indicates a decrease in the volume of services provided by this enterprise as a result of a decrease in demand for their services, increased competition and high cost of their services.

The amount of cash has also decreased over the current period. The decrease in their level was significant (by 70.3%). The low level of funds indicates the problems associated with the payment of the company's services, as well as the predominantly non-monetary nature of the settlements.

Table 2
Analysis of the composition, structure and dynamics of the balance sheet liability of Exact calculation LLC

Balance sheet liability	2019		2020		Changes in absolute values Growth rate, %	Growth rate, %
	Amount, million sum	specific gravity, %	Amount, million sum	specific gravity, %		
Sources of property - total	557773,7	100	421016,84	100	-136756,86	75,5
including:						
1. Equity	395539,51	70,9	350084,0	83,2	-45455,51	88,5
2. Borrowed capital	162234,19	29,1	70932,84	16,8	-91301,35	43,7
from them:						
2.1. Long-term obligations	55555,5	9,9	22222,22	5,3	-33333,28	40,0
2.2. Current obligations	106678,69	19,2	48710,62	11,5	-57968,07	45,7

Retained earnings and authorized capital occupy the main place in the structure of equity. The table shows that during the analyzed period, the company's equity decreased by 45,455.51 thousand sums or by 19.5%, which negatively characterizes the dynamics of changes in the property status of the organization. This happened mainly due to a reduction in retained earnings by 45,455.49 thousand amounts. LLC "Exact calculation" suffered losses during this period, which indicates the inefficient activity of this enterprise.

As for the company's liabilities, their amount also decreased by 56.3% compared to the previous year. The value of the company's total borrowed funds amounted to 70932.84 thousand sums (16.8% of the total liabilities). Reducing the company's borrowed funds leads to a reduction in the degree of its financial risks and can positively affect its financial stability. But it also indicates a reduction in the business activity of the enterprise. Thus, the reduction of the company's debt cannot be considered as a positive result of the activity of an economic entity.

In the reporting year, the organization has obligations to the budget for income tax and it amounts to 1791.96 thousand soums. The amount of long-term loans decreased by 33,333,28 thousand soums, which is explained by the repayment of this company's debt to the bank. There were no short-term loans and borrowings (financial liabilities) in the analyzed period. In the total structure of liabilities, current liabilities at the end of the reporting period exceed long-term by 26488.4 thousand amounts, and this negatively affects the financial stability of the enterprise.

Positive signs include the fact that the current assets of the analyzed organization exceed short-term liabilities, which indicates the ability to repay debts to creditors, i.e. the company is liquid. In addition, considering accounts payable, it should be noted that the company has a surplus in the reporting year (accounts payable are less than accounts receivable).

Thus, drawing a conclusion from all of the above, we can say that the financial condition of LLC "Exact calculation" is estimated as unstable for the analyzed period.

Conclusion.

In general, having studied the scientific, theoretical and practical aspects of research work, the following ways of improving the financial management system of enterprises to market conditions are recommended:

1. Improve methods of financial analysis and monitoring. This is manifested in the assessment of the economic situation of the enterprise, its solvency, stability, liquidity, profitability.

The analysis is based on the data of the balance sheet, profit and loss statements, and cash flow. The current indicators and information for the previous periods are investigated. Financial analysis allows you to draw conclusions about business prospects, plan the allocation of resources, determine the need for financing - in a word, make thoughtful and competent decisions.

2. Increase in equity. Such a strategy provides an increase in financial stability due to the resulting increase in own working capital. Since own working capital is the difference between own capital and fixed assets, a change in equity will lead to a change in own working capital. The increase in equity capital is achieved by increasing the authorized

capital, reducing dividends and increasing retained earnings and reserves, increasing profitability.

3. Management of accounts receivable and accounts payable. The solvency and financial health of an organization depend not only on the structure of the organization's obligations and the timing of their fulfillment, but, first of all, on the availability and receipt of liquid assets, in which the main role is played by cash.

The level of solvency and financial stability of an organization depends on the turnover rate of accounts receivable, which characterizes the effectiveness of the financial management system at enterprises.

4. Improving the effectiveness of financial control as the main tool of the financial management system. It is necessary in order to monitor the efficiency of business processes, budget execution, and compliance of actual indicators with planned ones. Financial control helps to optimize the use of monetary resources and reduce costs. The reasons for unsuccessful financial control at national enterprises can be attributed to: low financial discipline, lack of accounting, incorrect data recorded in the financial statements.

5. To increase the competence of the CFO, it is necessary to make high demands. A well-thought-out management system of monetary resources helps to spend them with the greatest benefit for the development of the company and profit growth. The role of the CFO is multifaceted: every day he has to solve a variety of tasks.

6. To form IT solutions for automating business processes that save time, ensures high accuracy of operations, simplifies interaction with customers and partners and ultimately leads to profit growth, as well as ensuring constant collection of information about the financial situation of business partners in order to reduce business risk. Today, all these goals are achieved with the help of a comprehensive solution - the introduction of software packages and applications for managing the financial resources of the enterprise.

The financial management system of an enterprise in modern conditions is the set of management tools that in modern conditions are necessary for every business entity wishing to increase competitiveness in the conditions of development of market relations. A modern-minded financial director should predict the trends in the development of his industry and the problems that will arise in this regard, and consistently build a pyramid of financial management of the enterprise that can solve them.

Thus, as a result, it can be noted that the actual issues of financial management of commercial enterprises is the balance of economic, financial and social results of its work and the recommended ways to contribute to solving these issues.

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