

ANALYSIS OF THE STATE OF FINANCIAL STABILITY OF BUSINESS ENTITIES

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Abstract

This article presents methods for analyzing the process, indicators of financial stability of economic entities. Examples are given of a number of advantages of using financial statements as an information base for analyzing the financial situation.

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Introduction. Today, the well-being of our country and its development on the world stage largely depends on the financial situation of companies, enterprises or organizations located in this area. The effective functioning and development of companies serves as the basis for the creation of national income and gross national product. Entrepreneurship is constantly accompanied by risk and material benefits on the path of its development. At this point, the analysis of the financial stability of economic entities and its improvement is one of the important issues. Currently, the financial stability of enterprises represents the state of financial resources, the degree of dependence, the consequentiality of its activities, the state of accounts, solvency, the degree of creditworthiness. The highest manifestation of financial stability is primarily the ability to develop at the expense of sources of their own funds.

Research methods.

In our research, we utilized comparative analysis, ratio analysis, factor analysis, dynamic analysis, and expert evaluation methods. Additionally, we studied research conducted by both local and foreign scholars on the topic and analyzed the legal framework. These methods enabled us to form a comprehensive understanding of the financial condition of business entities, assess financial stability, and obtain reliable data to support managerial decision-making.

Literature review.

V.S.Kudryashov believes that “the study of the financial stability of the enterprise will make it possible to assess the possibility of organizing the continuous process of financial and economic activity and the provision of the level of self-financing invested in assets” [6].

E.A.Akramov recommended the concept of financial robustness and its indicators, substantiating the factors affecting it. He also points out that the category of financial stability is an indicator that represents the financial condition of an enterprise at the necessary level and does not decrease [1].

M.K.Pardayev and B.I.According to Israelis, financial stability is determined by the ratio of the enterprise’s own funds and all funds [3].

S. According to Rajabov “the higher the stability of the enterprise, the higher the level of independence from unexpected changes in market conjuncture, and therefore they reduce the risk of crisis” [8].

Analysis and results.

Today, one of the main factors in ensuring the financial stability of economic entities is the effective use of their existing resources and the achievement of proportionality between their quantitative and qualitative indicators.

As a result of the production, supply, realization and financial activities of business entities, a continuous cycle of sources of financing is observed, the structure of which changes, as a result of which changes in the level of financial stability occur. In turn, economic entities should strive to coordinate existing internal capabilities with the influence of the external environment in order to maintain financial stability in the process of their activities.

It is advisable to carry out the analysis of the financial situation of economic entities at the following stages:

- ✓ preliminary description of the financial situation of economic entities;
- ✓ assessment of the reliability of information in the articles of reports;
- ✓ vertical and horizontal balance sheet analysis;
- ✓ payment laèqat analysis;
- ✓ analysis of balance sheet liquidity;
- ✓ financial stability analysis;
- ✓ analysis of the circulation of funds.

Vertical analysis represents the structure of the property of the enterprise and its sources. Horizontal analysis reflects dynamic changes in the property of the enterprise and its resources. Horizontal and vertical rows always complement each other. Trend analysis is a type of horizontal analysis, a dynamic study with respect to the baseline indicator. At this point, it is necessary to draw attention to internal and external factors affecting the financial stability of enterprises. The following can be attributed to internal factors. - compliance of the activities of the enterprise with the nature of the network; - the structure (structure) of the product being produced, the service provided; - the size of the amount paid to the authorized capital; - the amount of expenses, the dynamics of their ratio to income; - the state of property and financial resources, including reserves and reserves, their composition and structure. External factors include economic conditions of economic management of the economy, solvency, level of income of buyers, state tax and credit

Therefore, the financial condition of the enterprise depends on the results of production, commercial, financial activities. If production and financial plans are successfully implemented, this situation will have a positive effect on the financial condition of the enterprise. On the contrary, if the plan for the production and sale of products has not been fulfilled, costs have increased, a decrease in the volume of receipts and profits will be observed. This results in a deterioration in the financial condition and solvency of the enterprise.

Therefore, in almost all structured analytical tables, changes in the composition and individual indicators of the articles of accounting reports come side by side.

Table 1. Vertical and horizontal analysis of passive articles of the balance sheet

mln. sum

№	Elements	01.01. 2018	quantity (%)	01.01. 2019	quantity (%)	01.01. 2020	quantity (%)	01.01. 2021	quantity (%)	01.01. 2022	quantity (%)
1	Faithful capital	29053	8,4	29053	7,8	29053	7,6	36022	8,8	162807	27,4
2	Capital added	X	x	x	x	X	x	x	x	x	x
3	Reserve capital	247328	72,3	274184	74,3	277587	73,3	324637	80,3	319188	53,8
4	Unallocated profit	12996	3,8	12996	3,5	12258	3,2	43382	10,7	81968	13,8
5	Targeted receipts	52542	15,3	52542	14,2	59478	15,7	999	0,2	29573	5,0
6	Stock up on future dates	x	x	x	x	X	x	x	x	x	x
7	Own, ablaghar sources total:	341919	100	368775	100	378376	100,0	405040	100,0	593536	100,0
8	Share of private capital in the balance sheet (%)	46,2	x	48	x	72,8	x	30,6	x	31,9	x
Balance total		739967	x	766822	x	519547	x	1321535	x	1857068	

Table 1 data shows that the source of self-funding of Kashkadarya het JSC is 593536 crore as of 1 January 2022. When this indicator is studied using the methods of gorizontal and vertical analysis of economic analysis, the possibility of assessing the structural changes of the elements of private equity arises. In particular, as of January 1, 2022, the share of the amount of private capital of society is equal to 31.9% compared with the balance sheet of society, which increased by 251617 million soums compared with January 1, 2018.

In particular, from the data of Table 1, it can be seen that in the case of 1yanvar 2022, the authorized capital in the structure of the private capital of society amounted to 162807 million soums, 27.4% of the total, the reserve capital was equal to 319188 million soums, or 53.8% of the total. From the analysis, it can be seen that in the reporting year, in addition to the share of reserve capital in the last five years in the structure of the private capital of the society, the share of the authorized fund, unallocated profit, target receipts has increased in comparison with the total amount of private capital. When the private capital of the society is studied in the method of gorizontal analysis, the amount of unallocated profit increased by 133754 million soums or 19% in the reporting year compared to January 1, 2018, by 68972 million soums. These cases can be assessed positively. These circumstances have a positive effect on the growth of the amount of private capital of a joint-stock company in the last five years, and this increase is a sign that the financial capabilities of the warehouse are improving. In particular, the fact that the amount of unallocated profit increases from year to year justifies the growing amount of

private capital of a joint-stock company. Also, it can be seen from the analyzes that the amount of reserve capital of society in the state of January 1, 2022 will be reduced compared to January 1, 2018. This situation justifies the fact that in a joint-stock company, in the last five years, the reserve capital is mobilized to improve the material technology supply of society. Because, our research shows that modernization processes are being carried out in Kashkadarya het Joint Stock Company.

In our opinion, the purpose of the financial stability of the enterprise is to determine the adequacy of its funds, the possibilities of financing activities by studying their quality, and to ensure regular stability of the financial situation.

To ensure this goal, Financial Analysis performs the following tasks:

- ✓ study of the composition, structure and dynamics of funding sources;
- ✓ study of the adequacy of funding sources;
- ✓ study of the feasibility of the funds involved;
- ✓ the adequacy of its own funds, the study of the influencing factors and the possibility of increasing it;
- ✓ Organization of a systematic analysis of the indicators used.

To determine financial stability in the presence of absolute indicators, the sources of production reserves that make it up, that is, their own working capital, are compared with the amounts of long-term and short-term loans and debts received from the bank.

When the analysis of factors affecting the financial stability of state enterprises is carried out, first of all, it is required to study the main goals of activity, objectives of the state enterprise. Through this, the Coordination of the public policy and commercial goals of this state enterprise and the provision of these conformities in management should be provided. In ensuring the financial stability of state-owned enterprises, the use of appropriate management models is required. In this case, opportunities are given to coordinate the established goals and objectives of state enterprises.

CONCLUSION AND SUGGESTION.

Stable financial condition is an important condition for the effective functioning of the enterprise. The financial condition of the enterprise and its stability largely depend on the ratio of capital sources (the ratio between equity and borrowed funds) and the optimal structure of assets (the ratio of fixed and working capital), as well as the proportion of assets and liabilities. Analysis of the structure of the enterprise balance sheet passive makes it possible to study the causes of financial instability that led to its insolvency. This situation can be caused by a lack of rational use of private capital and an increase in the volume of borrowed capital involved in financing the activities of the enterprise.

Research of the financial condition of the enterprise allows you to determine the solvency and financial stability of the enterprise for a certain period, strengthen its position in the market, determine its financial situation leading to growth and development prospects, identify errors, identify opportunities for optimizing financial activities.

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