

WAYS TO IMPROVE THE PRACTICE OF FORMING FINANCIAL RESOURCES OF ENTERPRISES IN MODERN CONDITIONS

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ABSTRACT

The article discusses the features of the sources of formation of financial resources of enterprises, explores the main limitations and factors affecting the formation of financial resources of enterprises and the main directions of improving the practice of forming financial resources of enterprises in modern conditions.

KEYWORDS: *financial resources of enterprises, capital of enterprise, assets and liabilities of the balance sheet, equity capital, borrowed capital, retained earnings, working capital and others.*

INTRODUCTION

The most important task of national enterprises is search for reserves to increase own financial resources and the most effective use of them in order to increase efficiency operation of the economic system as a whole.

Financial resources are the funds at the disposal of the enterprise and intended for the implementation of current costs and expenses for expanded reproduction, for the fulfillment of financial obligations and economic incentives for employees. Financial resources are also directed to the maintenance and development of non-production objects, consumption, accumulation, to special reserve funds, etc.[6]

In the economic literature and in practice, the term "financial resources" is widely used, in which various values are invested – from the amount of funds in bank accounts and other accounts to other indicators of the company's balance sheet.

Financial resources are formed in the process of production of material values, that is when a new value is created and GDP and national income arise. This process of formation of financial resources is characterized by the movement of goods and money.

Cash flows, i.e. receipts and expenditures, are not the essence or even the cause, but rather the most frequent consequence of deeper processes related to the formation, distribution and use of financial resources.

ANALYSIS OF RECENT RESEARCH AND PUBLICATIONS

The problem of formation of financial resources of the enterprise is paid more attention by many researchers, such as M.E.Kulagina, K.V.Ekimova, V.N. Nezamaykin, I. L. Yurzinova, E.I.Borodina, G. F. Checheta, V.S.Istomin, I.A.Blank and others. Local scientists, who directly or indirectly investigated priority issues of improving the evaluation of the effectiveness of investment projects, are T.Malikov, N.Khaydarov, B. Toshmurodova, N.Jumayev, S.Elmirzayev, E.Hoshimov, N.Muminov, N. Tursunova, M. Khamidulin,

V.Kotov, R.Karlibaeva, F.Khamidova, R.Saidov N.Muminova, D.Begmatova.

However, issues regarding the practice of forming financial resources of the enterprise, restrictions affecting their structures from the standpoint of ensuring conditions for the effectiveness of their use remain unresolved.

Purpose and Tasks of the Study

The purpose of the study is to clarify the theoretical foundations and substantiate specific practical recommendations for improving the practice of forming financial resources in modern economic conditions.

PRESENTATION OF THE MAIN MATERIAL

In the management system of various aspects of the activities of any enterprise in modern conditions, the most complex and responsible link is the formation of capital management, since its dynamics is the most important indicator of the level of efficiency of the economic activity of the enterprise.

In a market economy, the processes of capital formation, management of its structure and efficiency of use, establishing a rational ratio of various sources of financing and, in this regard, the quality of financial resource management are of particular importance.

The economic essence of the capital of an enterprise is well manifested in its features, since, first of all, the capital of business entities performs the functions of accumulating, distributing and using financial resources.

Secondly, it represents the means of production of the enterprise, without which the use of other factors of production would be ineffective.

Thirdly, the capital of the enterprise acts as a source of satisfaction of the needs of business entities both in the short and long term, and therefore serves as one of the indicators of the efficiency of the enterprise.

Fourthly, the amount of capital affects the market value of the enterprise, which depends on the size of the equity capital and determines the amount of sources of borrowed funds. Obviously, without capital, neither the creation of an enterprise nor the implementation of its financial and economic activities is possible.

The financial basis of the enterprise's activities is primarily formed by its own capital, which characterizes the total value of the funds owned by it under the ownership rights and used by it to form a certain part of its assets. [8]

In operating enterprises, it is represented by the following main forms: authorized capital, reserve capital, additional capital, retained earnings and targeted financing. Own capital management is connected not only with ensuring the effective use of its already accumulated part, but also with the formation of its own financial resources that ensure the future development of the enterprise.

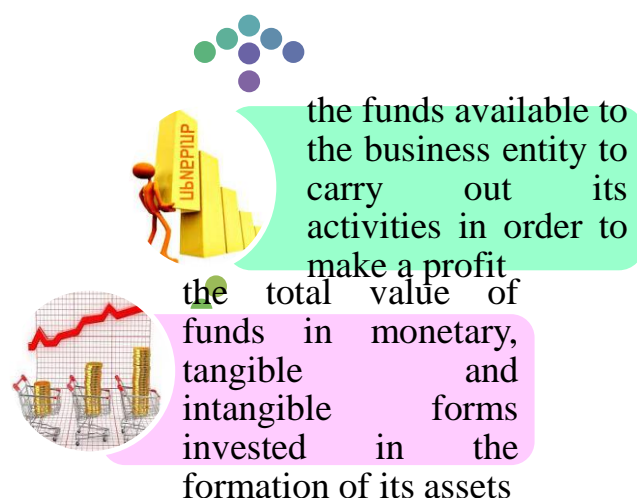


Fig. 1 Basic definitions of capital [11]

At the same time, the effective financial activity of the enterprise is impossible without the constant attraction of borrowed funds. Borrowed capital used by the enterprise characterizes in aggregate the volume of its short-term and long-term financial obligations.

In the process of development of the enterprise, as its financial obligations are repaid, there is a need to attract new borrowed funds. The sources and forms of their involvement are very diverse. Managing the attraction of borrowed funds at the enterprise is a purposeful process of their formation from various sources and in different forms in accordance with the needs of the enterprise, in borrowed capital at various stages of its development. The level of efficiency of the economic activity of the enterprise is largely determined by the purposeful formation of its capital. The main purpose of the formation of the capital of the enterprise is to satisfy the need to acquire the necessary assets and optimize its structure from the standpoint of ensuring the conditions for the efficiency of its use. With this goal in mind, the process of forming the capital of an enterprise should be based on the following principles:

We will evaluate the formation of the financial resources of the enterprise on the basis of the balance sheet data. Financial resources LLC "Beton Plyus" are formed from equity and borrowed capital. One of the main components of equity is the initial capital, which is formed from the contributions of the founders of the enterprise and takes the form of authorized capital.

The authorized capital and additionally formed in the course of the company's own sources of financing form its own capital, in other words, this is the difference between the total assets of the organization and its liabilities. Let's take a closer look at the structure of sources and the use of funds Let's take a closer look at the structure of sources and the use of funds (Table 1).

TABLE 1 COMPOSITION AND STRUCTURE OF SOURCES OF FINANCIAL RESOURCES LLC “BETON PLYUS” FOR 2019 - 2021, ¹THOUSAND SOUMS

Name of indicators	2019, thousand soums	2020, thousand soums	2021, thousand soums
Assets			
1. Non-current assets	6 418 308	9 590 636	18 818 719
Fixed assets	248 753	241 399	7775127
Intangible assets	2711	14 881	68 161
2. Working capital	24 799 692	47 575 622	45 523 022
Inventory	945 317	1 371 705	1 876 932
Receivables	12 438 165	10 548 676	11 019 898
Cash short-term financial investments	11 408 002	35 649 452	32 617 349
Liabilities			
1. Equity	5 626 672	8 507 236	12 826 056
2. Long-term liabilities, total	2 774 183	21,000,000	20,000,000
including: loans	2 254 403	21,000,000	20,000,000
3. Current liabilities*, total	22 817 145	27 659 022	31 515 685
including: loans	-	30 690	1 028 898
Balance	31,218,000	57 166 258	64 341 741

The balance sheet asset contains information on the placement of capital at the disposal of the enterprise, that is, about the investments in a specific property and material values, expenses of the enterprise for production and sale of production and balances of free cash.

If the assets of the balance sheet reflect the funds of the enterprise, then in liabilities are the sources of their formation the financial condition of an enterprise largely depends on what funds it has at its disposal and where they are invested.

The data of the analytical balance sheet compiled by us show that the turnover of economic assets (balance sheet) is increasing every year. This is a good indicator for the company.

From the data presented in the first part of the table, it can be seen that as of December 31,

2021 in the assets of LLC "Beton Plyus" the share of non-current assets is 1/3, and current assets - 2/3. Assets of LLC "Beton Plyus" for the entire period under review increased significantly (by 148%). Noting a significant increase in assets, it should be taken into account that equity increased even more - 3.5 times. The outstripping increase in equity relatively to the total change in assets should be considered as a positive factor.

Thus, the company provides financing through borrowed sources of funds. This situation negatively characterizes the position of an economic entity and indicates dependence on borrowed sources.

Analyzing the process of the company's movement towards the optimal structure of financial resources, the existence of restrictions affecting this movement was revealed.

Constraints are determined by the totality of external conditions in which the company operates. The generalization of existing approaches allowed the author to identify the following types of restrictions on the structure of financial resources of economic entities.

A significant difference between restrictions and traditionally identified factors is that the second ones affect the target structure of financial resources. Based on their analysis, the company determines the ratio of its own and borrowed financial resources to which it aspires.

Restrictions arise in front of the company in the process of its movement to the target structure of financial resources and affect at a particular moment.

TABLE 2 CLASSIFICATIONS OF RESTRICTIONS ACCORDING TO THEIR SURMOUNTABILITY²

Limitation	Types of restriction according to the classification general / particular
Legislative	General
Industry related to the features of technological processes	General
Industry related to the value added	Private
Industry related to intra-industry cooperation	Private
Restrictions put forward by subjects of the capital market	Private
Regulatory Restrictions	General

In addition to identifying restrictions, the company, building its financial policy, must determine the factors that are responsible for the existence of these restrictions.

Such factors can be industry specifics, the requirements of suppliers of various financial resources, for example, regarding the presence of a positive credit history or the existence of a positive public history, the level of development of corporate governance, certain performance indicators of the company, and so on. After the factor or group of factors responsible for a particular limitation is determined, the company, in an effort to remove this limitation, begins to purposefully affect this factor.

Having studied the theoretical, scientific and practical aspects in the main areas of improving the practice of forming financial resources of domestic enterprises, we offer the following recommendations:

- Evaluation of the quantitative impact of factors affecting the optimal structure of the financial resources of a particular company. The studies conducted by many national companies have shown that they are not sufficiently guided by such a factor as the cost of various financial resources. In analyzed LLC "Beton Plyus" the change in the cost of

financial resources when forming their ratio was not taken into account.

-Clear formulation of the company's strategic goals and related financing goals.

-Determination of the current state of the capital market and its trends.

- Identification of active restrictions on the structure of financial resources or on certain types of financial resources, as well as identification of the factors that determine these restrictions. The company must identify all active restrictions that affect the process of generating its financial resources and identify the factors that determine these restrictions.

- Building a process of systematic influence on the factors responsible for the existence of private restrictions active for the company, in order to remove these restrictions.

Once the factors that determine the existence of a private constraint have been identified, the company needs to start working on them to ensure that the constraint is lifted. If the factors are correctly identified, the company will be able to develop a plan to change the quantitative (or qualitative) value of this factor and remove the private restriction.

The most typical factor preventing a company from attracting financial resources from the stock market is the lack of a public history of the issuer's securities circulation. The way to remove this restriction with the least losses is to introduce a "pilot" issue of securities, which creates a public history of a particular issuer and makes it possible to use this source of financing.

- Based on the ratio of the optimal structure of financial resources and the system of restrictions active for a particular company, to form a financial policy in general, as well as for certain types of funding sources.

After the company has decided on the factors of the external environment and the degree of their influence on the process of formation of financial resources, with its strategic goals, as well as with the existing active restrictions and factors that determine them, as part of the further improvement of the process under consideration, it needs to decide on the financial policy in for each funding source.

- Increasing the degree of business transparency and building effective relationships with investors. At the company level, measures that increase the degree of transparency are: timely disclosure of material facts, publication of financial statements in Russian and international standards, disclosure of information about owners, relationships with subsidiaries and related parties, disclosure of the organization's development strategy, etc.

-Implementation of a continuous analysis of opportunities and threats arising in each of the above-described areas of improving the mechanism for the formation of financial resources within the existing restrictions. Due to the constant changes taking place in the external environment, the degree of influence of external factors and their priority for the company, the strategic goals of the company itself or the goals in the formation of the structure of financial resources may change. The conjuncture of capital markets, private restrictions on the structure of sources of financing, as well as their determining factors are characterized by even greater variability. For this reason, the company must take into account the ongoing changes and, if they are significant, modernize the approaches used to the process of generating financial resources.

As a result, it should be noted that the main direction of improving the practice of formation of financial resources of a particular enterprise is the creation of a methodology for the formation of financial resources. This will streamline all the activities of the enterprise in this

area and build all the elements of this system in a clear sequence. To do this, the enterprise needs to specify individual elements of the procedure for choosing the target structure of financial resources, the procedure for monitoring the current structure of the sources of financing used and comparing them with the target, etc.

In the future, that is, after the introduction of such a methodology, the company increases the efficiency of financial decisions and, as a result, improves the overall performance of its activities.

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