***R.V. Ruda***

**basic ways of improvement of the financial state of enterprise**

***Summary:*** *In the article the financial state and its role of efficiency of economic activity of enterpriseis is considered. The ways of improvement of the financial state of enterprises in the modern terms of menage are determined.*

***Key words:****financial state of enterprise, analysis of the financial state, backlogs of growth of income, labour productivity, bankruptcy, ways of improvement of the financial state of enterprise.*

**Introduction.** Each enterprise for the current state of the economy must provide proper condition of its financial resources for which it could stable by save ability of constant to perform their financial duties before their business partners, state, owners, employed workers [15].

Tool of support of such relationship is a financial analysis that aims to identify changes in financial results, monitor the relation of financial performance of the enterprise and its main competitors, to determine the threat of bankruptcy, investment risks, and focus on solving a number of other aspects of improvement of the financial and economic activity with the purpose of long-term development planning and decision-making.

Questions of estimation of financial state of business enterprises were examined in the works of foreign scientists and practicians, in particular: M.I.Bakanova, I.T.Balabanova, O.M.Volkovoy, A.I.Kovalyova, V.V.Kovalova, M.N.Kreyninoy, E.A.Markaryana, D.C.Molyakova, V.P. Pryvalova, V.M. Rodionovoy, N.O.Rusak, V.A.Rusak, R.C.Sayfulina, H.V. Cavytskoy, M.O.Fedotovoy, A.D.Sheremeta, L.Bernctayna, A.Hropeli, T.Karlin, B.Kolass, E.Nikbahta, E.Helferta and others.

An important contribution to the development of theoretical and methodological framework for assessing the financial condition of domestic enterprises have made academic economists: O.I.Baranovsky, A.I.Danylenko, I.V.Zyatkovsky, V.M.Ivakhnenko, L.A.Lakhtionova, O.Mets, O.V.Pavlovska, V.V.Sopko, O.O. Tereschenko, T.Ye.Unkovska, M.H.Chumachenko and others.

**Purpose.** The aim of the article is to systematize information about the main issues that arise in the analysis of the financial condition of domestic enterprises, and identifying key directions of their solving.

**Results of research.** The financial state of enterprise is complex definition that is a result of interaction of all elements of the system of financial relatons of enterprise and is determined by totality of productive – economic factors is characterized by the system of that reflect presence, accomodation and using of financial results.

Financial state of enterprise needs systematic and all-round estimation through various metods, ways and methods of analysis. It will make possible financialresults of activity of enterprise as in statics for certain period, and in dynamic for a number of periods, it will give ability to determine negative tendencies in financial activity and the ways of effective using of financial resources, their rational accommodation. The aim of analysis of financial state of enterprise is estimation of direction of its development and studying of its real financial state and clearing up of opportunities of rise if effectiveness of functioning with the help of conduct of rational financial policy.

The aim of analysis of financial state of enterprise estimation of financial state of enterprise on the basis of discovered results. Financial state is estimated first of all on the basis of articles of accounting balance and report about financial results [3].

To date, there is an extensive classification of methodological approaches to the analysis of the financial condition of the company, which includes formalized and non-formalized, mathematical and coefficient, graphical methods and models (Fig. 1) [8].

|  |  |  |  |
| --- | --- | --- | --- |
| name | essence | advantages | disadvantage |
| 1 | 2 | 3 | 4 |
| horisontal analysis | is compared to the current position of each reporting period of the previous | allows to get the most basic understanding of the qualitative changes that have taken place, in the structure of the funds and their sources and also dynamics of these changes, given ways are used practically in all methods | don't contain mechanism for comparing of individual variants of economic decisions and do not forecast interchangeability of different resources through the impossible choice of optimal variant of development of economic system; limited counting of inflation |
| vertical analysis | provides definition of structure of financial indicators with discovering of impact of each position of report to the indicator in general | allows to get the most basic understanding about qualitative changes that have taken place, in the structure of the funds and their sources and also dynamics of these changes, given ways are used practically in all methods | don't contain mechanism for comparing of individual variants of economic decisions and do not fore cast interchangeability of different resources through the impossible choice of optimal variant of development of economic system; limited counting of inflation |
| trend analysis | is to compare each position of report with previous periods and identifying the trend, that is the main tendency of the dynamics of indicator, which is free from random effects of individual characteristics of different periods | allows to monitor the indicators the tendency of development to predict the perspective | complexity of the choice of the model, labour capatity, problems of interpretation of information and formation of the system of analyzed indicators, data inaccuracies of changing market environment (often short-term trend) |
| the method of financial coefficients | is to calculate the numerical ratios of different of forms of performance reporting, identifying the relationship between them.  Financial ratios are the starting point for factor analysis of the financial state of the enterprise | ease of calculation of variables, the logic of selection of indicators, correctness of their interpretation; using of the coefficients in spatiotemporal aspect, that is gives possibility quickly in relative terms to make as rapid and complex diagnosis complexity; | complexity, lack of normative value of a number of coefficients; situation, when changes of quantities of coefficients in the dynamics can not be interpreted properly as the value to calculate changes in time; not always meanings of coefficients reflect the reality of the national economy; some methods have outdated names of reporting forms; recommended methods aimed at retrospective analysis; identification of the different directions of assessing of the financial state |
| comparative analysis | is an internal analysis of indicators of report of enterprise, subsidiaries, divisions, departments and also comparisons of indicators of given enterprise with those of competitors, regulatory or industry everage data | flexible, dynamic is the basis of comprehensive evaluation of indicators of financial and economic activity | complex; is possible if affordable, complete and accurate information; it is difficult to use considering the time factor; the identification of different directions of estimation of financial state; in order to compare results could make the right decisions, to ensure that the indicators and their homogeneity by calendar dates, assessment methods, working conditions, inflation processes |
| factor analysis | enables to identity the impact of individual factors on indicators with the help of deterministic or stochastic methods of investigation | given ability clearly to see the level of the financial state on enterprises during each reporting period and follow the tendency of its change by identifying key factors of influence on key indicators | laborious; not always is possible to limit the number of indicators and factors for analysis; depending on the model results may differ; situation, when changes of quantities of coefficients in the dynamics can not be interpreted properly as the value to calculate the change in time |

*Figure. 1. Classification of methodological approaches to the analysis of financial condition of enterprises [9]*

The use of a methodical approach, objectivity of the receiving data depend on a number of external and internal factors. Among the factors that impact on their use should be noted national differences in state of economic development (sustainability of economic system), stability of legislation interpretation capabilities of data standards for comparison in the process of analysis, the need to supplement of informal methods by formalized and more. Another group of problems is an ode to search for optimal methods for applying of given techniques as they have both advantages and disadvantages (Table 1) [2, 4, 6].

Table 1 Characteristics of the main techniques of analysis of financial state  
Despite the fact that all methods have many shortcomings, but among the main should be noted that when analyzing the financial condition the Ukrainian enterprises face the problem associated with the instability of the economy.

Due to the instability of the national currency, in terms of constant change of information, many financial and economic indicators, designed for a certain time, completely lose their value for analysis, that is in result of conduct of the analysis it can not be said about its authenticity and relevance.

Another negative aspect of analyzing the indicators of financial state the researchers define underdevelopment of the stock market, where shares of joint stock companies turned, and on which could be judged on the position of issuers their financial position and development. In addition, the instability of the legislative framework (financial, tax law) also complicates the analysis of the financial condition of the enterprise.

One of the main directions of improvement of financial state of the enterprise is increase of its profit. To increase the profit it can be possible with the help of many factors. Reserves of increase of profit are quantitative of portunities of increase of profit due:

- increase of prices on production, given services and carried out work;

- analysis of using enterprise resources, cost price of made output;

- increase of volume of realization of output;

- decrease of expenses on realization of output (goods, services) increase of on output given services carried out work not always expedient that is why it is not worth to use as in conditions of existing crisis position of economy of the country and also competition on the market buyers can not always pay too much and don’t want pay to much for given services,carried out work, goods.

One more direction of search of reserves of increase of profit is analysis of using enterprise resources, cost price of made output. Volume of own resources can be increased by:

- decrease of a sum of constant expenses on allowance of management staff and repair of main means;

- lowering of the level of variable costs because of shortening the number of staff and increase of productivity of the labour;

- speeding damping of main means;

- realization of unused property.

One of main and most radical directions of financial sanitation of the enterprise is search of internal reserves of increase of profit of production and reaching of unloss work on account more full use of productive capacity of the enterprise, increase of quality and competitiveness of product (goods, services), decrease of it cost price, rational use of material, labour and financial resources, shortening of nonproductive costs and losses.

By this, the primary attention needs to pay to questions of resource saving: introduction of progressive norms, standards and resource saving technologies, use of second raw material, organization of existing account and control for use of resources, studying and introducing of advanced experience in carrying out of regime of economy, material and moral stimulation of workers for economy of resources and shortening of nonproductive costs and losses.

Reserves of lowering of expenses, identified by every cost item for account of concrete organizational-technical means (improving of organization of labour), will assist to economy of wages, energy and so on [9].

In result of introduction of organizational-technical means the sum of economy of costs from payment of labour will be increased on percent of assignments from the fund of payment of labour, which are included into cost price of production (united social payment).

Productivity of labour is one of the factors, which influences on expenses of enterprises. By this it is necessary to take into consideration that lowering of expenses depends on right correlation of rate of increase of productivity of labour and increase of wages. Increase of productivity of labour must outstrip increase of wages, provide by this lowering of expenses of enterprise [7].

Also it is important to shorten general productive and administrative expenses. This first of all, simplifying and cheapening of personnel of management, economy on management expenses and also shortening of expenses on wages auxiliary and subsidiary workers.

The principal reserves of decrease of cost price of products (goods and services) are increase of volume of production, shortening of expenses on realization on account of increase of level of productivity of labour, rational use of material, energetical and labour resources.

Lowering of expenses on production and realization of products is the basic reserve of increase of profit of the enterprise. To decrease expenses on production it is possible due technical and technological means [5].

Also the important reserve for improvement of financial state of the enterprise is shortening of debitor and credit debts of enterprise.

The main sources of reserves of increase of the level of profitability of production is increase of the sum of profit from realization of production, lowering of cost price of goods production. Therefore, analyzing the expenses on manufacture of production, it is possible to find reserves of their lowering, which simultaneously are reserves of increase of profit [2].

The main aim of existence of each enterprise, organization, of course, except charitable or like this, is getting profit. It is the main motive power of the market economy, the main indicator of successful activity. Just for opportunity of getting profit there is a competitive struggle between enterprises, but, as it is known, winners in this competition are not all. The most unseccessful representatives of business class in case of incapacity to stay in the market have bankruptcy and sanitation.

Conclusions. In such circumstances, in our view, it is reasonable to recommend how to overcome the problems associated with the use of methodological approaches, techniques of financial analysis and improve of organization the implementation of its entities [7, 8]:

- To conduct several times a year assess of key indicators of financial condition of the company (individual approach to determine the main parameters);  
- Develop new methods for evaluating of the financial condition, as well as ways to improve the financial condition, increase the solvency and liquidity of such a complex character;  
- Normalize, stabilize, lead to international financial standards and tax legislature;  
- To improve information and methodological support of analysis and standardize financial reporting methods that will enhance its analytical capabilities and reality of assessment of property;  
- Adapt foreign techniques of analysis of financial state, which to date are the key to the process of implementation, the socio-economic conditions and business practices of managing of the national economy;

- Conduct methodical seminars for those responsible for the financial analysis in order to create motivational aspects of its improvement and raising the level of qualification.  
Together, given recommendations form the basis for a more thorough search directions of optimization problems of implementing a comprehensive analysis of financial state of domestic enterprises.

**References**

1. Артеменко В.Г. Финансовый анализ: Учебное пособие / В.Г. Артеменко, М.В. Беллендир. – М. : «ДИС», НГАЭ и У, 1997 г. – 364 с.
2. Бланк І.А. Основи фінансового менеджменту / І.А. Бланк. – К., 1999.
3. Бaндyркa O. М. тa ін. Фінaнcoвa діяльніcть підприємcтв: Нaвч. пocіб. для caмocтійнoгo вивчeння дисципліни / О.М. Бандурка. - К. : Либідь, 2004.- 227 c.
4. Грачова Р. Як визначити реальний фінансово-майновий стан свого підприємства / Р. Грачова // Дебет-Кредит. – 2000. -  № 34. – С. 18-27.
5. Ковалев В.В. Финасовый  анализ: Управление капиталом. Вибор Инвестиций. Анализ отчетности / В.В. Ковалев. – М., 1999. –512 с.
6. Попович П.Я. Економічний аналіз діяльності суб'єктів господарювання: Підруч. для ВНЗ. Рекомендовано МОНУ/ П.Я. Попович. – Тернопіль, 2001. – 456 с.
7. Коробов М.Я.  Фінансово-економічний аналіз підприємств / М.Я. Коробов. – К., 2000. – 378 с.
8. Стеців І.І. Проблеми формування інформації щодо фінансового стану підприємства / Стеців І.І., І.С. Пігура. // Науковий вісник. - 2006. - № 16 – С.167-170.
9. Штефанич Д.А. Автореф. дис. канд. екон. наук: 08.06.04 / Д.А. Штефанич., О.Ю. Ніпіаліді; Терноп. акад. нар. господарства. – Т., 2002. – 20 с. – укp.