



Article

Ensuring Financial Stability Of The Business Entities

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Abstract: The article examines the mechanism of formation of financial resources of enterprises and ensuring their stable development. Methodological approaches capable of ensuring stable development of enterprises are summarized in more detail. The experience of enterprises in the field of employee incentives is summarized, the need for investing free cash from the population in the enterprise fund and thereby creating additional jobs and ensuring growth in employee income is noted. Specific proposals for ensuring financial stability of enterprises are given

Keywords: Financial Transactions, Mechanism, Income, Profit, Losses, Financial Resources, Fund, Capital, Authorized Capital, Stability, Own Funds Of The Population.

1. Introduction

In the context of innovative development, the improvement of sources of resource formation leads to the consideration of the mechanism of taxation, income distribution, credit mechanism and all other forms of financial relations. They must operate in conjunction with financial policy (at the level of enterprises of the territory, the state as a whole) on the basis of legal, regulatory requirements and all components of the financial system. The stability of the country's economic development largely depends on this.

Improving the management of the financial system is not isolated from the problems of financial and economic stability of enterprises and firms in the modern conditions of an innovative economy.

The most difficult problem is the combination of the interests of enterprise development, the availability of a sufficient level of funds for carrying out activities in the field of ensuring the stability of financial management and maintaining high solvency of enterprises. The basis for an objective understanding of the mechanism of the enterprise's functioning, strengthening its financial and economic stability is created by accounting for exchange, distribution and financial transactions.

The factors that can describe individual aspects of the financial and economic situation of an enterprise are inextricably linked with each other, and their relationship is obvious, which should become the subject of a deep, comprehensive approach.

The purpose of this study is to identify the causes of unprofitability of enterprises and develop measures to overcome the decline in business volumes and ensure profitability of operations.

Literature Review

Citation Zaynalov Jakhongir Rasulovich. Ensuring Financial Stability Of The Business Entities.. Central Asian Journal of Innovations on Tourism Management and Finance 2024, 5(8), 692-697.

Received: 10th Sep 2024

Revised: 11th Oct 2024

Accepted: 24th Nov 2024

Published: 27th Dec 2024



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It should be noted that the economic literature does not pay much attention to the important indicator of financial resources, final financial resources or income (profit). Although the indicator of costs was occasionally voiced, and considering the activities of business entities - profit. The question arises: what are all these definitions in the subtext of efficiency for, if this category does not bring anything new, a new result. In addition, this indicator was only voiced from a positive point of view in government documents, programs. So what if we could not implement it as a general indicator that could benefit an economic entity. Only some indicators involved in determining efficiency, for example, profit, had a general meaning, i.e. with the help of profitability, preferential conditions were created within the framework of tax payments. That is, the lower the relative value of profitability, then they were partially or completely exempted from paying taxes on profit or other mandatory payments. However, efficiency is not determined by such criteria. We only limited ourselves to voicing the concept of efficiency. This continues to this day. In our opinion, efficiency should have a therapeutic nature. It should not only be characterized by relative indicators, but also create additional stimulating conditions. Often, in certain periods, we adequately matched high profit growth to the efficiency indicator. In these certain periods, stimulating mechanisms for the activities of enterprises were in effect. But now they are gone.

Let us consider the approaches of the authors to the definition of the category "efficiency", characteristic of the transitional period of the economy. In fairness, it should be noted that during the transitional period this issue, considered in the context of trade enterprises, including public catering, in one aspect or another were devoted to the works of such economists as: B.A. Raizberg, L.Sh. Lazovsky, P.A. Vatnik, R.A. Maksimenko, N.N. Ushakova, D.M. Rosenberg, Yu.L. Alexandrov, N.N. Tereshchenko and others.

The indicators considered when calculating the tax burden are given in the economic literature, but within the framework of enterprises that differ in the composition of taxes included in the calculation.

The survey results showed that most enterprises still continue to assess the tax burden based on volumetric cost indicators. In our opinion, such a calculation is contrary to the most complete satisfaction of taxpayers' needs. Therefore, determining the optimal amount of tax burden would allow taxpayers to independently calculate the optimal share, as well as predict the tax burden for a specific period. If necessary, taxpayers would be able to optimize the tax burden.

As a rule, the calculation of the tax burden for the country as a whole is calculated by comparing all taxes received to GDP. When calculating the tax burden, budget revenues are considered, even, on the one hand, revenues to special extra-budgetary funds, and on the other hand, customs duties. These revenues include, unlike the Russian Federation, customs duties. However, the Russian Federation does not record such revenues as customs duties. The fact is that in the Russian Federation, customs duties were part of the system of taxes and fees until 2005. Due to changes in legislation since 2005, customs duties and customs fees have been excluded from Article 1 of the Tax Code of the Russian Federation and are non-tax revenues from foreign economic activity.

2. Materials and Methods

The methodological approach to managing the financial and economic stability of an enterprise in a market environment firmly links its own property with borrowed property, financial with non-financial, and monetary with non-monetary. Special attention is paid to its own resources in monetary form and compliance with the financial and economic equilibrium conditions as the starting point for strengthening the financial stability of an enterprise. Establishing specific values for growth rates is the task of financial and economic services of enterprises in all administrative and economic territories. However, compliance with established priorities, proportions and rates of

development is of great importance. Any violation of established proportions leads to deterioration of the financial and economic condition of enterprises, increased tension, and a lack of own sources, which will inevitably lead to tension in the entire financial system of the Republic of Uzbekistan in the context of forming a fair financial and economic system.

The practice of market economy indicates a close relationship between the economy and finance, the interaction of finance and the economy. Therefore, with the strengthening of market demands for improving the efficiency of activities, the importance of finance as a powerful phenomenon in achieving the goal of stability increases.

In the conditions of market relations, the impact of enterprise finances on increasing the efficiency of their activities is stronger, the more the organization of financial relations at each stage of the market development of enterprises corresponds to the needs of society and the more the system of financial relations is consistent with other economic instruments and is used in accordance with objective and fair financial and economic requirements.

Enterprises have adapted to market conditions in different ways. Some organizations initially reduced the volume of economic activity, but quickly found their place in the market and successfully compete with private enterprises in developed countries. Others, having found themselves in a crisis situation, cannot quickly overcome it. In these conditions, they need financial and credit support.

3. Results and Discussion

To analyze the reasons for the unprofitability of enterprises, it is necessary to give a general description of the state of financial and economic activities of enterprises. As of January 1, 2023, compared to 2022, equity capital increased by 122.1 million soums. The authorized capital has changed: from 2171.2 million soums. to 2912.7 million soums. The number of employees increased on average per enterprise from 40 to 42 people. The number of unprofitable enterprises for the corresponding period decreased by 10%.

The reasons for the unprofitability of enterprises lie in the insufficiently effective management of the financial resources of enterprises and the financial illiteracy of employees.

When analyzing the activities of enterprises, it is necessary to note the general shortcomings inherent in the organization of enterprise finances.

Given the existing shortage of equity capital, enterprises do not effectively use such a method of replenishing financial resources as attracting funds from the population. However, experience shows that attracting funds from the population is the most effective source of working capital compared to other types of credit resources until the enterprise is fully provided with its own funds. But this source will really operate when the enterprise fulfills its obligations to the state and business partners.

Thus, the cornerstone of the activity of enterprises is the participation of a significant part of the population. With their monetary resources, the population participates in the formation of sources of the enterprises' own working capital, necessary for the implementation of their economic activities. The degree of interest of workers in the results of the activities of their enterprises, i.e. the enterprises where they work, depends on the degree of participation of the population in the formation of the financial resources of enterprises. Therefore, the level of work of enterprises in uniting the population for the accumulation of funds largely determines their financial position.

By reducing the number of interested parties, many enterprise organizations undermined their own social base, having lost guaranteed buyers, the main suppliers of agricultural products. The reduction in the population affected the prestige of private enterprise development.

It is necessary to work on restoring the number of participants, providing them with benefits, and practicing preferential payments.

In our opinion, at present the role of the population as the main consumer is underestimated, which leads to a violation of one of the basic principles – the economic participation of the population in the formation of financial resources of enterprises.

Experience shows that the refusal of the population to participate economically in the activities of enterprises leads to the cessation of their existence for economic reasons.

A distinctive feature of the cluster management system, which distinguishes it from other types of enterprises, is the formation of capital and its control. Unlike entrepreneurial enterprises, the amount of total capital is not constant and depends on the number of enterprises and employees. When they leave the cluster, they take their share capital - a contribution, thereby reducing the total cluster capital. Therefore, to increase stability, part of their profit is formed by an indivisible fund, which does not serve as a kind of reserve.

The factor sufficient for the successful application of this principle is the volume (at the stage of enterprise development – the authorized capital) and the quality of economic participation – it ensures the achievement of the enterprise's goal, i.e. the satisfaction of needs. But modern reality shows the opposite, when assessing the stability of enterprises by this criterion, only the existence of the enterprise is ensured, but not the achievement of its goals. And, as a consequence, when enterprises remain in such a state for a sufficiently long time, employees, not receiving benefits from their work, leave their jobs, further worsening their economic situation. Having lost the social and economic base, the enterprise ceases to exist.

At present, free funds of the authorized capital practically do not participate in the formation of equity capital at enterprises. The capital is mainly collected from the founders and no measures are taken to revive the economic interest of workers in the final results of the enterprises' activities. And this is the main reason for the passivity of enterprise workers. If workers are not provided with certain benefits, they do not care who and how manages this enterprise, what its economic condition or financial potential is.

Each enterprise is recommended to develop a program for the revival of economic participation of workers, where it is necessary to provide for the possibility of increasing the authorized capital, attracting deposits from the population, and increasing their numbers. But the main form of economic support for enterprises by workers is participation in the sale of goods as buyers, in providing enterprises with guaranteed sales of goods, but this should be encouraged in various forms of payments.

Foreign experience shows that stimulating employees for purchases is beneficial even in the conditions of unprofitable activity, since this stimulates consumer demand and very quickly leads to breakeven, and then to profitable activity. In addition, the need for social management as a special function of enterprises has matured for enterprises. Experience in social management at enterprises exists, but it is of a disjointed nature, the social development plans drawn up provide, firstly, for the social development of teams, not workers; secondly, they were not supported by material resources; thirdly, they are of an administrative nature. These plans were not linked to the economy of enterprises, were not oriented towards workers, control over the implementation of social programs was distinguished by formalism.

Social management is of primary importance if the goal is to preserve the enterprise; it must be oriented towards workers in the interests of improving their standard of living and social protection.

Another important fact is that in recent years, the income of enterprises has been decreasing, as many enterprises continue to reduce the volume of economic activity. Thus, as of January 1, 2024, the volume of sales of innovative products increased by no more than 2%, the volume of production of innovative goods - by 4%. This was a consequence of the fact that such enterprises do not calculate the volumes that can ensure break-even economic activity of enterprises.

4. Conclusion

Weakening control over compliance with payment discipline may lead to an increase in accounts payable, which in some cases exceeds accounts receivable, and sometimes even the volume of activity. Losses are largely determined not by the amount of debt itself, but by its structure. The presence of accounts receivable in fairly large volumes is a direct diversion of financial resources, which, given the existing shortage of own working capital, significantly reduces the efficiency of the economic and financial activities of enterprises.

An analysis of individual financial performance indicators showed common problems for all, such as a significant share of additional capital. The growth of this indicator occurred as a result of revaluations of fixed assets, in which average group conversion factors were used, which led to an increase in cost, and due to a distortion of the financial position, to an increase in the taxable base.

In order to find ways to financially improve enterprises, it is necessary to use all the best that was before, and this is:

- control over the correct use of financial resources;
- maintaining all types of enterprise activities with subsequent diversification: territorial
 - strengthening its influence in cities; sectoral - agriculture, flour milling, fish processing, road cleaning, pharmacies, household and production services;
- the choice of production as a priority activity that can provide income for workers and employment for the population served. The growth of their income can directly influence the growth of enterprises' income

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