



## Evaluation of the Financial Performance of the Organization

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**Abstract:** *In market conditions, the company independently plans its own activities and determines development prospects, taking into account the demand for products and based on the need to ensure industrial and social development. Income was a self-planned indicator, among others. Its value is formed under the influence of a large number of different factors and reflects almost all aspects of the enterprise. For this reason, profit can be viewed from the position of a managed object, which can be subjected to planning and forecasting, accounting and analysis, regulation and control.*

**Keywords:** *accounting for demand for products, accounting and analysis, financial results, budget, credit organizations, efficiency of the enterprise.*

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**The relevance of the study** is due to the fact that the financial result of the organization's activities is one of the most important elements of a market economy. The role of the company's profit is difficult to overestimate, since it is the profit that is the final financial result of the company's work. It acts as a source of replenishment of the financial resources of the organization. The increase in profits forms the financial basis for the implementation of the expanded reproduction of the company and the satisfaction of the social and material needs of the founders and employees. By means of profit, the company's obligations to the budget, credit organizations, and other institutions are fulfilled.

The market economy determines the specific requirements for the company management system. We need a faster response to changes in the economic situation in order to maintain a stable financial condition and constantly improve production in accordance with changing market conditions.

The efficiency of an enterprise is determined not only by achieving high profits and maximizing production volumes, it is also necessary to minimize costs, because the cost price and, ultimately, the price of the product depend on the level of costs. It should be emphasized that profitability indicators are also the most important components that reflect the factorial environment for the formation of profits of organizations.

**The purpose of the study** is to analyze the financial results of «Marokand-service» LLC, as well as to develop measures to improve the financial results of the enterprise.

In accordance with the goal of the article, the following tasks are solved:

- consider the concept of financial results and their role in the activities of the enterprise;

- study the features of profit formation and factors determining the profitability of the enterprise;
- consider methods for analyzing the financial performance of the enterprise;
- analyze the financial results of «Marokand-service» LLC;
- develop recommendations for improving the financial results of «Marokand-service» LLC.

**The object of the study** is the process of forming the financial result of «Marokand-service» LLC.

**The subject of the study** is economic relations in the sphere of formation of the financial results of the organization.

**The theoretical basis of the study** was the works of domestic and foreign authors in the field of economics, finance, analysis and diagnostics of financial and economic activities, including Kovaleva V.V., Savitskaya G.V., Sheremet A.D.; materials of economic publications and periodicals.

**The practical significance of the study** is due to the fact that methodological and practical recommendations can be used in the operation of the enterprise.

The financial result is a general indicator of the analysis and evaluation of the effectiveness of the activities of an economic entity at certain stages of its formation. The indicators expressing the financial result of the enterprise's activities are:

- profit indicators characterizing the financial and economic effect of the enterprise's activities (absolute indicators);
- profitability indicators that characterize the efficiency of the use of resources used in the production process and current costs (relative indicators).

Profit is a part of net income created in the process of production and realized in the sphere of circulation, which is directly received by the enterprise.

The field of activity of «Marokand-service» LLC is the production and sale of confectionery products.

The direction of the activity carried out by the company is the continuous expansion of the range of products, through the development of qualified technologists.

In the process of analysis of working capital, they are grouped according to the main features, changes in their composition and structure, sources of formation are determined, and indicators of the effectiveness of their use are calculated.

Below is an analysis of the dynamics and structure of working capital of «Marokand-service» LLC, the results are shown in table 1.

**Table 1. Analysis of the dynamics and structure of working capital of «Marokand-service» LLC for 2019-2021**

| Working capital group | 2019        |                    | 2020        |                    | Change 2020 to 2019, +/- | 2021        |                    | Change 2021 to 2020, +/- |
|-----------------------|-------------|--------------------|-------------|--------------------|--------------------------|-------------|--------------------|--------------------------|
|                       | Million sum | Specific weight, % | Million sum | Specific weight, % |                          | Million sum | Specific weight, % |                          |
| Stocks                | 35          | 16,91              | 994         | 64,01              | 959                      | 955         | 60,14              | -39                      |
| VAT                   | 0           | 0                  | 0           | 0                  | 0                        | 231         | 14,55              | 231                      |
| Receivables           | 169         | 81,64              | 521         | 33,55              | 352                      | 364         | 22,92              | -157                     |
| Cash                  | 3           | 1,45               | 33          | 2,12               | 30                       | 29          | 1,83               | -4                       |

|                      |     |     |      |      |      |      |      |    |
|----------------------|-----|-----|------|------|------|------|------|----|
| Other current assets | 0   | 0   | 5    | 0,32 | 5    | 9    | 0,57 | 4  |
| Total amount         | 207 | 100 | 1553 | 100  | 1346 | 1588 | 100  | 35 |

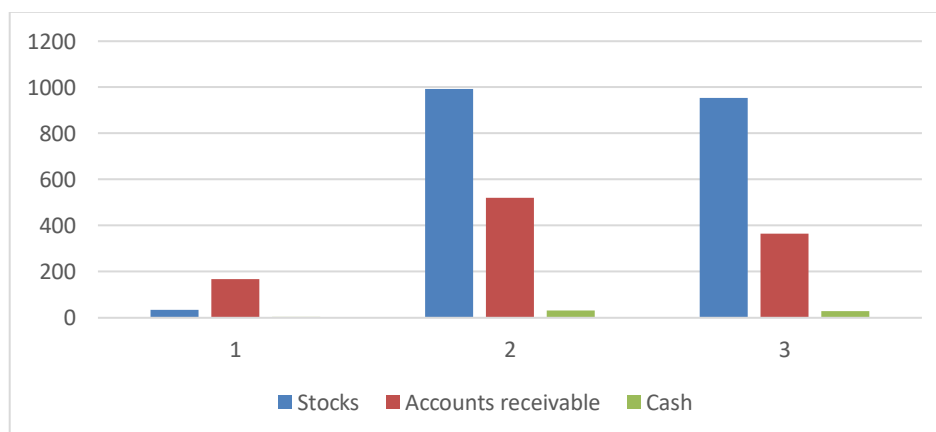
As the analysis showed, the company observed an increase in the total amount of working capital by 1553 million soums in 2020, and in 2021 the amount of working capital increased by 35 million soums.

During the period under review, there is also an increase in the amount of reserves, which amounted to 959 million soums in 2020 compared to 2019, in 2021, compared to 2020, there is a decrease in their amount by 39 million soums. During this period, there is an increase in funds in 2020 by 30 million soums, and in 2021 the decrease amounted to 4 million soums.

The amount of receivables in 2020 increased by 352 million soums, and in 2021 decreased by 157 million soums.

Figure 1.2. the dynamics of working capital of «Marokand-service» LLC for 2019-2021 is presented.

As can be seen from figure 1.2. the company is experiencing an increase in inventories, which led to an increase in the total amount of working capital of the enterprise in 2021 compared to 2019. Also in this period, the company observed an increase in accounts receivable, which can be considered as a negative point in its activities.



**Figure 1.2. Dynamics of working capital of «Marokand-service» LLC for 2019-2021, million soums**

As can be seen from figure 1.2. the enterprise has an increase in inventories, which led to an increase in the total amount of working capital of the enterprise in 2021 compared to 2019. Also in this period, the enterprise has an increase in receivables, which can be considered as a negative point in its activities.

Based on the analysis of the structure of working capital in terms of liquidity, it was found that an increase in the share of the most liquid assets in the analyzed period and a decrease in the share of fast-selling and slow-selling assets. The main part of working capital during the analyzed period is slow-moving assets.

Table 2 presents an analysis of the structure of working capital of the enterprise.

**Table 2. Analysis of the structure of working capital of «Marokand-service» LLC for 2019 - 2021 by liquidity**

| Working capital group | 2019        |                    | 2020        |                    | 2021        |                    |
|-----------------------|-------------|--------------------|-------------|--------------------|-------------|--------------------|
|                       | Million sum | Specific weight, % | Million sum | Specific weight, % | Million sum | Specific weight, % |
| Most liquid assets    | 3           | 1,45               | 33          | 2,12               | 29          | 1,83               |
| Quick Selling Assets  | 169         | 81,64              | 521         | 33,55              | 364         | 22,92              |
| Slow selling assets   | 35          | 16,91              | 999         | 64,33              | 1195        | 75,25              |
| total amount          | 207         | 100                | 1553        | 100                | 1588        | 100                |

As can be seen from Table 2, the largest share is occupied by fast-moving assets, so their share in 2019 was 81.64%, and in 2020 the largest share is occupied by inventories 64.33%, in 2021 - 75.25%.

Next, you should consider the composition and structure of sources for the formation of working capital based on the balance sheet of «Marokand-service» LLC for 2019-2021. (table 3).

**Table 3. Sources of working capital of «Marokand-service» LLC for 2019-2021**

| Sources of funds        | 2019        |                    | 2020        |                    | 2021        |                    |
|-------------------------|-------------|--------------------|-------------|--------------------|-------------|--------------------|
|                         | Million sum | Specific weight, % | Million sum | Specific weight, % | Million sum | Specific weight, % |
| Own funds               | 5           | 2,42               | 61          | 3,88               | -2          | -0,03              |
| Additional funds raised | 201         | 97,10              | 1509        | 95,99              | 6411        | 100,03             |
| Total amount            | 207         | 100                | 1572        | 100                | 6409        | 100                |

Based on the analysis of sources for the formation of working capital, it can be noted that the main source is borrowed funds throughout the analyzed period, so their share in 2019 was 97.10%, in 2020 - 95.99%, and in 2021 it rises to the level - 100.03%. The share of own funds increases in 2019 compared to 2018 from 14.63% to 14.53%, and in 2020 it decreases to a level of -14.02%, which indicates an increase in dependence on external sources of financing.

The efficiency of the use of working capital is characterized by their turnover, that is, the duration of turnover, the number of revolutions, the load factor of funds in circulation.

### Conclusion.

The main task of each organization in market conditions is the organization of production and financial activities, the purpose of which is to satisfy human needs for products and maximize profits. The process of development of new market relations makes it necessary to strengthen the role of finance in the process of functioning of manufacturing firms and enterprises.

In the work, the goal was achieved and all the necessary tasks were solved. Based on the results of studying the methodology for analyzing profits and profitability using the example of the enterprise «Marokand-service» LLC, it is necessary to draw a number of conclusions and generalizations.

In the theoretical part of the work, it was revealed that profit is the final financial result of the enterprise and is its main goal. However, profit is a very complex economic category. The financial result is an estimated indicator and expresses the economic efficiency of the organization. This indicator is determined by the profit or loss indicator generated during the calendar year and represents the difference from comparing the amounts of income and expenses of the organization.

The practical part of this work was devoted to the consideration of the methodology for analyzing the profit and profitability of the enterprise «Marokand-plus» LLC. At the same time, it turned out

that the income from the ordinary activities of «Marokand-service» LLC is the proceeds from the sale of goods. In general, the analysis of the financial and economic activities of the enterprise allows us to draw the following conclusions:

- sufficient financial stability;
- cost growth;
- revenue from the sale of services increased;
- accounts receivable decreased;
- other income increased and other expenses increased.

The company is characterized by a high proportion of fixed costs in the cost of production, which adversely affects profitability and, as a result, the return on equity. In this case, it is possible to reduce the part of fixed assets and increase production volumes.

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