

Kyiv National University of Trade and Economics

The Department of World Economy

FINAL QUALIFYING PAPER (PROJECT)

on the topic:

**«EXHIBITION ACTIVITY IN THE SYSTEM OF INTERNATIONAL
MARKETING OF THE ENTREPRISE»**

(based on the data of LLC “SYSTEM TRADE”, Kyiv)

Student of the 2nd year, group 2am,
speciality 051 «Economics»,
specialization «International economics»

Adjoka Honlan
Ezechiel

Scientific adviser
Candidate of Sciences (Economics),
Associate Professor

Shnyrkov O.O.

Manager of the educational program
Candidate of Sciences (Economics),
Associate Professor

Kravets K.P.

Kyiv, 2019

CONTENTS

INDENTATION	2
PART 1. THE RESEARCH OF THE CURRENT STATE OF LLC “System Trade” ACTIVITY.....	5
1.1. General characteristic of LLC “System Trade” organization activity.....	5
1.2. Analysis of the financial-economic activity of LLC “System Trade” activity	12
Conclusions to Part 1	21
PART 2. EVALUATION OF THE FOREIGN TRADE AND EXHIBITION ACTIVITIES OF LLC “SYSTEM TRADE”	22
2.1. Analysis of the foreign trade activities of LLC "System Trade"	22
2.2. Research of the effectiveness of the exhibition activities in the company’s marketing system of LLC “System Trade”.....	28
The conclusion to Part 2	35
PART 3. IMPROVEMENT OF THE EXHIBITION ACTIVITIES IN THE COMPANY’S MARKETING SYSTEM OF LLC “System Trade”.....	37
3.1. Development of the complex of improvement measures to the exhibition activities in the company's marketing system of LLC "System Trade"	37
3.2. Evaluation of the prognostic effect from the implementation of the measures of the improvement of the company's exhibition activities	43
The conclusion to Part 3	50
CONCLUSIONS AND PROPOSALS	51
REFERENCES	55

INTRODUCTION

The relevance of the topic under study is that the exhibition activity helps companies to develop new niches and segments of sales of educational services, expand the list of new clients, increase the results of their activities and establish feedback with partners. Exhibition activity helps to intensify the promotion of goods and services, to make adjustments in business processes, to create and secure a stable advantageous system for consumers. In modern conditions, practically all exhibition activities in the complex of marketing communications of the enterprise provide practically the same list of information and a sufficiently high level of feedback with potential consumers of goods and services. Therefore, successful exhibition activities should be built on the principles of the development of its marketing strategy.

International exhibitions and fairs occupy a leading place in world economic relations. Each year, the role of exhibition and fair activity grows as it allows demonstrating the goods, to establish business contacts, to establish new business ties, to expand the client base. At the same time, exhibition activities are an effective tool for promoting a campaign in international trade.

Today, there are many works of scientists dealing with the problems of organizing exhibition activities and the peculiarities of the formation of advertising strategies. In particular, a thorough study of the formation and organization of exhibition activities is presented in the writings of such scholars as J. Bernett, W. Wells, Dannburg V., Taylor V., F. Cotler, J. Bowen, J. Meikens, Levy Michael, W. Burton A, Little John Krylov IV, Nikishkina V., Tsvetkova A., and others like that [1-50]. However, further study of the need to develop the exhibition activity of the company in international markets.

The purpose of the scientific article is to study the theoretical foundations and practical principles of the exhibition activity of the enterprise in the international market.

Achieving the research goal involves solving the following **tasks**:

- define the general description of the organization of LLC "System Trade" activity;

- provide analysis of the financial-economic activity of LLC "System Trade" activity;
- research the foreign trade activities of LLC "System Trade";
- provide the research on the effectiveness of the exhibition activities in the company's marketing system of LLC "System Trade";
- define the development of the complex of improvement measures to the exhibition activities in the company's marketing system of LLC "System Trade";
- substantiate the directions of improvement of the exhibition activity of the enterprise in the international market of goods and services.

The object of research is the process of development of an enterprise in the international market.

The subject of the research is the theoretical and methodological principles of the organization of exhibition activity of the enterprise in international markets.

When carrying out the thesis, statistical, economic-mathematical, comparative methods were used. The application of these methods makes it possible to better reveal the topic of work chosen for research.

Scientific literature, monographs of scientists, periodical literature, the legislation of Ukraine, Internet sources were the theoretical basis for writing the work. Information sources in the research process are the internal management and accounting information from the enterprise - the research object (Form №1 "Balance", Form №2 "Report on financial results") for 2014-2018 years.

The level of the practical value of the work is the possibility of using the results of empirical research in the formulation of recommendations for the enterprise LTD "System Trade".

PART 1

THE RESEARCH OF THE CURRENT STATE OF LLC “System Trade” ACTIVITY

1.1. General characteristic of LLC “System Trade” organization activity

System Trade LLC - Leading system integrator in Ukraine (is a part of the international group of businesses), specialized in the development and integration of innovative solutions for retail sales automation, transport management and logistic processes in the field of FMCG, production, warehousing, distribution, etc. Within a partnership with international producers of business equipment, the company provides a full range of consulting, solutions, equipment and services to make our clients' business run better. Company activity is being under Ukrainian legislation [2, 10, 12, 39].

System Trade LLC implement the solutions to provide efficient business-processes from the stage the goods are being produced and marked at the factory, distributed, warehoused, to the delivery to the retail chains and sales. System Trade has rich experience, strong expertise in innovative solutions and a deep understanding of clients' business processes and. It allows us to be successful in most complicated projects.

The main activities performed by the company under study are the following:

- import of parts from fiscal printers (internal schemes and printing materials) and their customs clearance;
- wholesale of imported goods in the territory of Ukraine, the formation of a network of distribution of goods;
- providing special services of implementation of WMS, TMS, SFA systems, complex automation of Distribution centers and warehouses.

Today, the basic principle of building any organizational system is a hierarchy. A hierarchical management structure is an organizational structure characterized by multi-level governance and a small amount of management at each level.

The organizational structure of the management of LLC «System Trade» is shown in fig. 1.1.

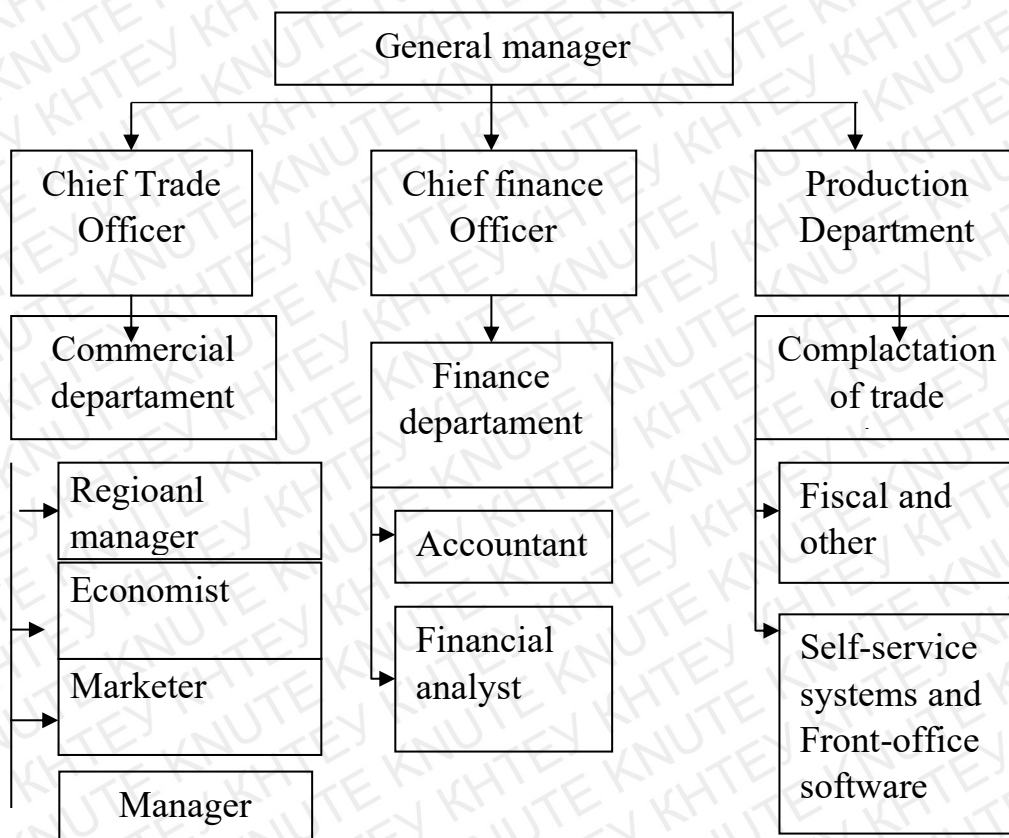


Fig. 1.1. The organizational structure of LLC «System Trade»

Source: created by the author based on [4; p. 43]

According to fig. 2.1 The organizational structure of LLC «System Trade» is linear and functional. In this case, the line managers are the only bosses for their subordinates. Managers are assisted by functional units.

This type of organizational structure largely reflects the staffing of the organization. In linear-functional structures, the main production units (linear) have only the functions of the organization, linear managers are entitled to independently manage the production and economic activities and are fully responsible for the results. Specialized functional units provide skilled assistance to line managers.

Linear-functional structures are most effective in the conditions of using the control apparatus of a certainly given algorithm in solving typical problems. However, in linear-functional management are weakly taken into account and constantly change the internal and external conditions of activity of the trading enterprise, irrational

distribution of information flows is allowed, controllability norms are exceeded, especially among top-level executives.

The powers of the CEO of LLC «System Trade» are determined by the charter of the company.

The functions of the financial unit of LLC «System Trade» include:

1. Management control;
2. Keeping accounting and tax records following national standards and regulations in force in Ukraine.
3. Provision of tax, financial and statistical reporting in terms and bodies established by the current legislation.
4. Monitoring, analysis, and planning of the current activity of the enterprise.
5. Annual report to the board of directors of the company.

The functions of the warehouse department include:

1. Control over compliance with safety and occupational safety requirements.
2. Control over the condition of the equipment, ensuring timely repairs and preventive works.
3. Quality control of materials, monitoring of material stocks, timely delivery of stock from a warehouse.

The functions of the commercial department include:

1. Conducting marketing research with possible involvement of specialists in temporary work.
2. Planning and inventory management of the enterprise.
3. Submission of the annual report to the governing bodies of the company

The principal functions of the director of economic affairs at LLC «System Trade» are the economic activities of the company; logistical support; storage of property, buildings, repair of premises, maintenance of sanitary condition; organization of work and control over the work of staff, his training on safety, fire safety.

The supreme governing body is the CEO. The executive body is the board of directors. The supervisory body is the Deputy Director. The company's commercial, engineering, and technology departments are key as they focus on the core business

processes involved in providing energy market services, supplying and setting up the equipment for constructing the fiscal printers.

The commercial department of LLC “System Trade” is not an independent structural unit of the company. It is part of the control unit. Its main task is to manage commercial activities as part of a single, integrated corporate governance system. This department does not deal directly with cargo transportation, customs procedures, etc. It is designed to plan, organize and coordinate activities. The main tasks of the commercial department of LLC “System Trade”:

- participation in the development of the strategy of the enterprise;
- promoting the development of the enterprise to accelerate its socio-economic development.

To characterize the production process management system, we should characterize the LLC “System Trade” internal business process model, which is associated with the smooth production of products. The main business processes of production activity are given in the table. 1.1.

Table 1.1

**Characterization of the main business processes of production activity of
LLC “System Trade”**

<i>№</i>	<i>The name of the business process</i>	<i>Responsible for business process results</i>	<i>Business process results</i>
1	2	3	4
1	Planning of production program, warehouse program, sales program	Production Director, Commercial Director	A timely production program is prepared and budgeted
2	Supply of spareparts for fiscal printers	Head of logistics department	Timely delivery of the necessary inventory to the warehouse of production stocks
3	Organization of preparation of spareparts for fiscal printers for production	Head of warehouse	Storage of materials according to warehouse maps. Responsible storage of materials
4	Manufacture of fiscal printers and other trade equipment	Head of production	Production of products that meet the quality standards and TU
5	Sales of manufactured products	Commercial Director	Timely shipment of manufactured products to customers

Continuation of the table. 1.1

1	2	3	4
6	Maintenance and maintenance of production equipment	Chief Engineer	Equipment monitoring, equipment repair, equipment parameters adjustment
7	Maintenance of proper condition of non-production premises, electrical networks	Electrical engineer	Monitoring of non-production premises, if necessary - organization of repairs

Source: created by the author based on [33; p. 542] and company information

As we can see from the table. 1.1, the company can distinguish the main 7 processes of production activities, which include: planning of production program, warehouse program, sales program, supply of components to trade equipment and fiscal printers, organization of preparation of materials for production, production of equipment, sale of manufactured products, support and maintenance of work of production equipment, maintenance of a proper condition of non-production premises, electrical networks, etc. All business processes are interconnected relationships that characterize the individual elements of a company resource.

An important element of the production process management system at LLC “Systema Trade” is the appropriate information support, which is formalized in the relevant document turnover. The document flow chart of the enterprise for the organization of production processes is given in Table. 1.2.

To organize internal business processes for different users of information support (accounting, legal, economic information), there is a corresponding document flow chart in the enterprise under study above. Compliance with workflow rules is an important part of the enterprise management process.

The network model of production processes reflects its main stages, frequency, and order of implementation. At the first stage, the enterprise has a block of planning processes, which consists primarily in the preparation of a sales program. This program is prepared by the commercial director of the company. The basis for the preparation of the sales program is the worked-out preliminary agreements with potential buyers, which are issued in the application for the production of products. The application system is fixed in the 1C enterprise system. Further, the aggregate of

all applications from the commercial department for the production and delivery of spare parts and materials becomes available to the production director. Each month, from 20 to 25, the number of the commercial director and the production director must agree on a plan of sale and production of products, a plan of formation of a warehouse. this plan forms the basis of the monthly budget.

Table 1.2

Excerpt from the document flow on the organization of production processes at LLC "System Trade"

The name of the document	Form of submission to accounting	The name of the submitting unit	Position responsible for providing documents	Deadline for submission of documents
1	2	3	4	5
Contract for the purchase of materials	In paper form	Commercial Department	Sales Manager	Within 5 business days of signing
TMC Purchase Agreement	In paper form	Supply department	Manager Supply	Within 5 business days of signing
Service purchase agreement	On a paper nose	Chief Engineer Service	Assistant Chief Engineer	Within 5 business days of signing
Freight bill	On paper	Supply department	Manager Supply	By the order of receipt, not later than the 10th of the following month
Tax bill	On paper	Commercial department, warehouse	Storekeeper	By the order of receipt, not later than the 10th of the following month

Source: created by the author based on [33; p. 542] and company information

After approval of the plans, the transition to the unit for preparation for the production (in particular, supply) of raw materials (these are spare parts for trade equipment, fiscal printers, cables, etc.).

Requests for the supply of raw materials for the next month should be sent to all suppliers and approved by the 28th day of the current month (Table 1.3).

Table 1.3

Time Markers for Completing Production Planning Procedures for Production System LLC LLC “System Trade”

<i>The name of the procedure</i>	<i>Responsible</i>	<i>The original document</i>	<i>Time marker</i>
Sales Planning	Commercial Director	Sales plan for next month	Up to the 25th of the current month
Production planning	Production Director	Production plan for next month	Up to the 25th of the current month
Planning of purchases of raw materials	Head of logistics department	Supply plan, Supplier Requests (approved by them)	Up to the 28th of the current month

Source: created by the author based on [12; p.17] and company information

After approval of all the preparatory procedures, the enterprise prepares for production. According to the production program, the chief engineer must adjust the production equipment, adjust the basic parameters of its operation. All parameters of production equipment at the enterprise are set manually based on regulatory calculations. In my opinion, this approach to managing the production process is conservative and needs improvement. In particular, there are special applications that can automatically adjust the operating mode of any equipment according to the planned production parameters.

Thus, the main activities of LLC “System Trade” today are as follows: acquisition and assembly of trade equipment; fiscal printer productions; organization of processes of equipment integration into information systems. The organization of activity of the enterprise is based on the formation of a linear organizational structure and distribution of powers among representatives of top management.

1.2. Analysis of the financial-economic activity of LLC “System Trade” activity

Analyzing the indicators of the property potential of the enterprise and its sources of financing Table 1.4

Table 1.4

Assets dynamics of LLC «System Trade» for 31.12.2014-31.12.2018, the.uah

Indicator	At the end of the year:					Variations for 2018/2014		Variations for 2018/2017	
	31.12.2014	31.12.2015	31.12.2016	31.12.2017	31.12.2018	Abs, +/-	Rel., %	Abs, +/-	Rel., %
1	2	3	4	5	6	7	8	9	10
I. Non-current assets									
Fixed assets:	19195	16775	22495	15895	11990	-7205	-37,5	-3905	-24,6
initial value	36960	33220	39655	34265	41580	4620	12,5	7315	21,3
wear and tear	17765	16445	17160	18370	29590	11825	66,6	11220	61,1
Total Section I	19195	16775	22495	15895	11990	-7205	-37,5	-3905	-24,6
II. Current assets									
Stocks:	10506	10954	10706	10307	9804	-702	-6,7	-503	-4,9
Accounts receivable for goods, works, services	2627	2738	2676	2577	2451	-176	-6,7	-126	-4,9
Accounts receivable from the budget	11	1	6	15	6	-5	-42,7	-9	-60,1
Other current receivables	258	38	19	497	18	-241	-93,2	-480	-96,5
Money and their equivalents	572	74	743	401	265	-307	-53,7	-136	-33,9
Expenses of future periods	501	631	504	498	1	-500	-99,9	-498	-99,9
Other current assets	104	42	102	106	118	14	13,8	12	11,6
Total Section II	14578	14479	14755	14401	12662	-1916	-13,1	-1739	-12,1
Balance	33773	31254	37250	30296	24652	-9121	-27,0	-5644	-18,6

Source: created under the balance sheet of the company (Appendixes A-E)

As the data in the table. 1.4, in 2018 compared to 2014, the enterprise's assets decreased by UAH 9121 thousand or by 27.0%, including for 2017-2018 the decrease

in assets amounted to UAH 5644 thousand or 18.6%. During the period from 2014 to 2018, the volume of non-current assets (in part of fixed assets) decreased by UAH 7205 thousand or by 37.5%, as well as the decrease in current assets by UAH 1916 thousand or by 13.1%. The structure of current is described on the picture 1.1.

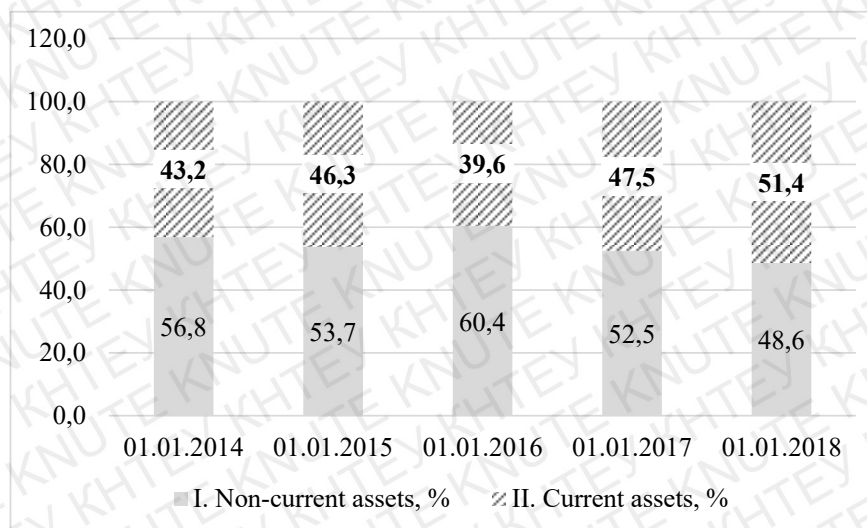


Fig. 1.1. Structure of assets on LLC "System Trade" for 2014-2018, %

Source: created under the balance sheet of the company (Appendixes A-E)

From the figures of picture 1.1 we can see the following trends:

- in the general structure of assets of the enterprise the major share belongs to current assets - 51,4%;
- during 2014-2018, the share of current assets increased steadily, which was caused by an increase in the scale of activity of the enterprise.

In 2014-2018, the company's inventories decreased by UAH 702 thousand or 6.7%, while the expenses of future periods decreased by UAH 500 thousand or 99.9%. It is also worth noting the tendency to decrease the amount of money and their equivalents by 307 thousand UAH or by 53.7%.

The dynamics of the volume of sources of financing of the enterprise are given in the table. 1.5. As the data in the table. 1.5, in 2018 compared to 2014 the volume of sources of financing of the enterprise decreased by 9121 thousand UAH or by 27.0%, including for 2017-2018 the reduction of the volume of financing sources amounted to 5644 thousand UAH or 18,6 %.

Table 1.5

**Dynamics of sources of financing LLC "System Trade" for
31.12.2014-31.12.2018, thousand UAH.**

Indicator	At the end of the year:					Variations for 2018/2014		Variations for 2018/2017	
	31.12.2014	31.12.2015	31.12.2016	31.12.2017	31.12.2018	Abs, +/-	Rel., %	Abs, +/-	Rel., %
1	2	3	4	5	6	7	8	9	10
I. Equity	-	-	-	-	-	-	-	-	-
Registered (share) capital	1120	1120	1120	1120	1120	-	-	-	-
Retained earnings (uncovered loss)	4079	6726	10864	13634	20225	16146	395,8	6592	48,3
Total Section I	5199	7846	11984	14754	21345	16146	310,6	6592	44,7
III. Current liabilities	-	-	-	-	-	-	-	-	-
Accounts payable	28540	23390	25216	15524	3298	-25242	-88,4	-12227	-78,8
Accounts Payable	13	12	20	6	6	-7	-54,3	0	3,5
Other current commitments	22	5	31	13	4	-18	-84,0	-9	-72,4
Total Section III	28574	23407	25267	15543	3307	-25267	-88,4	-12236	-78,7
Balance	33773	31254	37250	30296	24652	-9121	-27,0	-5644	-18,6

Source: created under the balance sheet of the company (Appendixes A-E)

During the specified period from 2014 to 2018, the current liabilities decreased by UAH 25267 thousand or -88.4%, including in the part of accounts payable for goods, works, and liabilities reduction services amounted to 25242 thousand UAH. UAH or by 88.4%.

The volume of equity in 2014-2018 increased by UAH 16146 thousand or by 310.6%, including the growth of equity capital in the period 2017-2018 amounted to UAH 6592 thousand or + 44.7%. Increase in equity due to the increase in the net profit of the company, which is fully reinvested in business development. Dynamics of financial results of LLC «System Trade» for the years 2014-2018 will be conducted based on data on the financial results (form # 2, Appendixes AD) of the enterprise (Table 1.6).

The structure of liabilities and equity is described on the picture 1.2.

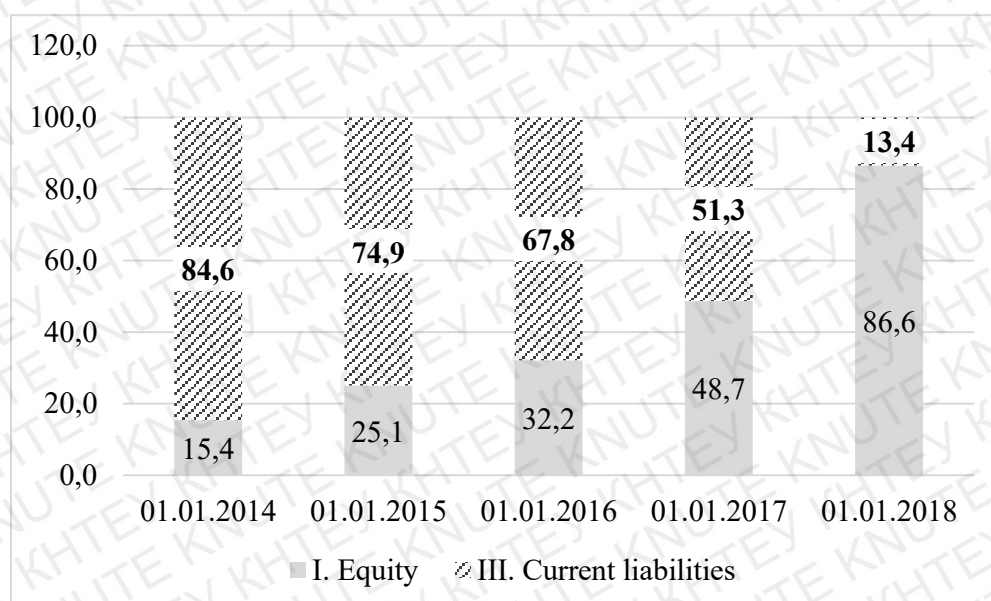


Fig. 1.2. Structure of liabilities and equity on LLC "System Trade" for 2014-2018

Source: created under the balance sheet of the company (Appendixes A-E)

From the figures of picture 1.2 we can see the following trends:

- in the general structure of capital on enterprise the major share belongs to equity – 86,6%; during 2014-2018, the share of equity increased steadily, which was caused by an increase in the company's profits.

Table 1.6

Dynamics of revenues of LLC «System Trade» for 2014-2018, thousand UAH.

Indicator	Years					Variations for 2018/2014		Variations for 2018/2017	
	2014	2015	2016	2017	2018	Abs, +/-	Rel., %	Abs, +/-	Rel., %
1	2	3	4	5	6	7	8	9	10
Net income from sales of products (goods, works, services)	17425	19148	20143	18298	26088	8663	49,7	7790	42,6
Other operating income	808	1520	789	692	594	-214	-26,5	-98	-14,2
Other income	18	23	31	42	54	36	200,0	12	28,6
Total income	18251	20691	20943	19032	26736	8485	46,5	7704	40,5

Source: created under the balance sheet of the company (Appendixes A-E)

As can be seen from the table. 1.3, during 2014-2018 income increased by UAH 8663 thousand. (+ 49.7%), and in 2018 compared to 2017 - by UAH 7790 thousand. (42.6%). Other operating income of the company in 2018 compared to 2014 decreased by UAH 214 thousand (- 26.5%) and compared to 2017 - by UAH 98.0 thousand. (- 14.2%).

In 2018, compared to 2017, there was an increase in other revenues by UAH 12 thousand. (+ 28.6%). The cost dynamics of LLC «System Trade» for 2014-2018 are shown in Table 1.7

Table 1.7

Dynamics of expenses of LLC «System Trade» for 2014-2018, thousand UAH.

Indicator	Years					Variations for 2018/2014		Variations for 2018/2017	
	2014	2015	2016	2017	2018	Abs, +/-	Rel., %	Abs, +/-	Rel., %
1	2	3	4	5	6	7	8	9	10
Cost of sales (goods, works, services)	14491	15915	14752	15123	18204	3713	25,6	3081	20,4
Other operating expenses	902	1525	1102	501	452	-450	-49,9	-49	-9,8
Other expenses	20	23	43	30	41	21	104,5	11	35,1
Total cost	15413	17463	15897	15654	18697	3284	21,3	3043	19,4

Source: created under the balance sheet of the company (Appendixes A-E)

According to the table, the cost of sales in 2018 compared to 2014 increased by UAH 3713 thousand. (25.6%), and in 2018 compared to 2017 this indicator increased by UAH 3081 thousand (+ 20.4%).

The decrease in other operating expenses, which is 2018 compared to 2017 decreased by UAH 49 thousand, has a positive effect on the formation of financial results. (-9.8%). Over the same period, other expenses increased by UAH 11 thousand. (+ 35.1%). Overall, the cost of LLC «System Trade» in 2018 compared to 2014 increased by UAH 3,284 thousand. (+ 21.3%).

Dynamics of the financial results of LLC «System Trade» are shown in Table 1.8.

Table 1.8

Dynamics of financial results of LLC «Systema Trade» for 2014-2018,

Indicator	Years:					Variations for 2018/2014		Variations for 2017 -2018 pp.	
	2014	2015	2016	2014	2015	Abs, +/-	Rel., %	Abs, +/-	Rel., %
1	2	3	4	5	6	7	8	9	10
Total revenues	18251	20691	20943	19032	26736	8485	46,5	7704	40,5
General expenses	15413	17463	15897	15654	18697	3284	21,3	3043	19,4
Profit before tax	2838	3228	5046	3378	8039	5201	183,3	4661	138,0
Income tax	511	581	908	608	1447	936	183,3	839	138,0
Net profit	2327	2647	4137	2770	6592	4265	183,3	3822	138,0

Source: created under the balance sheet of the company (Appendixes A-E)

The net profit of LLC «Systema Trade» for 2014-2018 increased by UAH 936 thousand. (+ 183.3%), and in 2018 compared to 2017 increased by UAH 839 thousand (138%). Net profit growth in 2018 compared to 2017 was driven by revenue and expense growth, but revenue was growing faster than expenses.

However, in 2018, there was a tendency to improve the level of solvency of the enterprise by reducing its volume of accounts payable for goods, works, and services. Creating the analysis of the indicators of solvency and liquidity of the enterprise (Table 1.9).

From the data table. 1.9 it can be observed that overall the values of total and intermediate coverage in 2014-2017 were lower than the minimum permissible values (1.5 and 1.0, respectively).

The value of the total coverage ratio in 2018 increased by 313.2% and amounted to 3.83, while the value of the intermediate coverage ratio increased by 228.1% and amounted to 0.86 points.

Table 1.9

Dynamics of Solvency and Liquidity Indicators of LLC «System Trade» for 31.12.2014-31.12.2018

Indicator	At the end of the year:					Variations for 2018/2014		Variations for 2018/2017	
	31.12.2014	31.12.2015	31.12.2016	31.12.2017	31.12.2018	Abs, +/-	Rel., %	Abs, +/-	Rel., %
1	2	3	4	5	6	7	8	9	10
Total coverage ratio	0,51	0,62	0,58	0,93	3,83	3,32	650,5	2,90	313,2
The coefficient of intermediate coverage	0,14	0,15	0,16	0,26	0,86	0,72	506,5	0,60	228,1
Absolute liquidity ratio	0,02	0,00	0,03	0,03	0,08	0,06	300,4	0,05	210,7
Share of receivables in current assets	0,18	0,19	0,18	0,18	0,19	0,01	7,4	0,01	8,2
The ratio of receivables and payables	0,09	0,12	0,11	0,17	0,74	0,65	707,6	0,58	347,8

Source: created under the balance sheet of the company (Appendixes A-E)

The level of about liquidity of the company remained very low throughout the period, not exceeding 0.08, which indicates the inability of the company to promptly settle its current liabilities. Analysis of the financial stability of LLC «System Trade» for 2014-2018 (fig. 1.3).

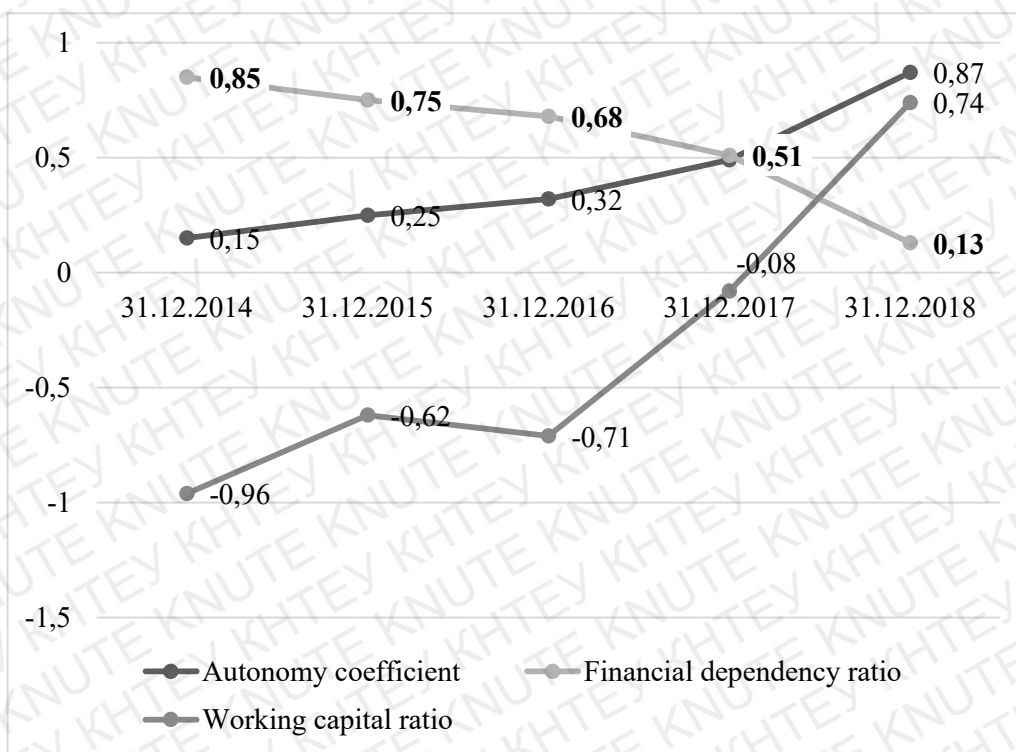


Fig. 1.3. Financial Stability Indicators of LLC «System Trade» for 2014-2018

Source: created under the balance sheet of the company (Appendixes A-E)

The definition of financial sustainability indicators has shown that they have changed. The autonomy ratio in 2018 has increased from 0.71 compared to 2014, which is a positive factor in improving the financial situation.

The working capital maneuverability ratio for the analyzed period also increased from -0.96 in 2014 to 1.70 in 2018, which is also positive. There was an increase in the value of working capital due to the constant growth of own financial resources. The financial dependency ratio decreased by 0.71 compared to 2014.

Evaluating the dynamics of profitability indicators of LLC «System Trade» (fig. 1.4).

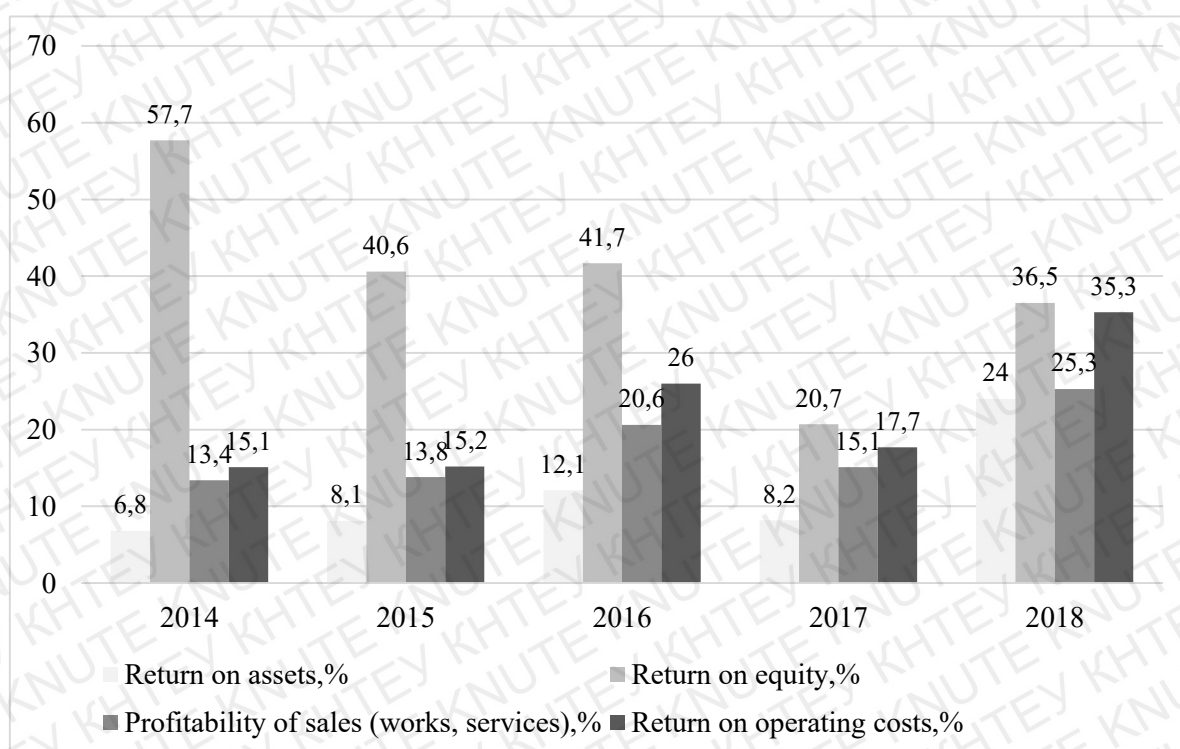


Fig. 1.4. Dynamics of profitability indicators for LLC «System Trade» for 2014-2018

Source: created under the balance sheet and Income statement of the company (Appendixes A-E)

The asset return indicator in 2018 has increased compared to 2014. by 17.2%, and compared to 2017 it increased by 15.8%. The equity return indicator in 2018 decreased by 21.1% compared to 2014 and increased by 15.8% from 2017 to 36.5%. The profitability indicator of sales in 2018 is 25.3%, which is 11.9% more than in 2014 and 10.1% more than in 2017. The return on operating expenses in 2014 was 15.1%. Over the 5 years, this indicator increased by 20.2% and amounted to 35.3% in 2018, which is 17.6% more than the value in 2017. Thus, the identified trends in changes in

profitability indicators indicate an increase in performance and utilization of the resource potential of LLC «System Trade».

Thus, in this issue the peculiarities of organization of activity of LLC «System Trade» were considered and the main financial and economic indicators were analyzed. LLC «System Trade» imports the construction materials and their further sale in the domestic market of Ukraine. The analysis of the financial and economic activity of the enterprise showed that in 2018 compared to 2014, the volume of assets of the enterprise decreased by 9121 thousand UAH or by 27.0%, including for 2017-2018 the reduction of assets amounted to 5644 thousand. UAH or 18.6%. During the mentioned period (from 2014 to 2018), the volume of non-current assets (in part of fixed assets) decreased by UAH 7205 thousand or by 37.5%, as well as the decrease of current assets by UAH 1916 thousand or by 13.1%. During 2014-2018, sales revenue increased by UAH 8663 thousand. or + 49.7%, and in 2018 compared to 2017 - by UAH 7790 thousand. or 42.6%. Other operating income of the enterprise in 2018 compared to 2014 decreased by UAH 214 thousand (- 26.5%) and compared to 2017 - by UAH 98.0 thousand. (-14.2%). In 2018, compared to 2017, there was an increase in other revenues by UAH 12 thousand. (+ 28.6%). The value of the total coverage ratio in 2018 increased by 313.2% and amounted to 3.83, while the value of the intermediate coverage ratio increased by 228.1% and amounted to 0.86 points. The level of absolute liquidity of the company remained very low throughout the period, not exceeding 0.08, which indicates the inability of the company to promptly settle its current liabilities. The definition of financial sustainability indicators has shown that they have changed. The autonomy ratio in 2018 has increased compared to 2014 and is 0.87, which is a positive factor in improving the financial situation. The working capital maneuverability ratio for the analyzed period also increased from -0.96 in 2014 to 0.74 in 2018, which is also positive. There was an increase in the value of working capital due to the constant growth of own financial resources. The asset return indicator in 2018 increased by 17.2% compared to 2014 and increased by 15.8% compared to 2017. The equity return indicator in 2018 decreased by 21.1% compared to 2014 and increased by 15.8% from 2017 to 36.5%. The profitability indicator of sales in 2018 is

25.3%, which is 11.9% more than in 2014 and 10.1% more than in 2017. The return on operating expenses in 2014 was 15.1%. Over the 5 years, this indicator increased by 20.2% and amounted to 35.3% in 2018, which is 17.6% more than the value in 2017. The above trends in changes in profitability indicators indicate an increase in performance and utilization of the resource potential of LLC «System Trade».

Conclusions to Part 1

The main activities of LLC "System Trade" today are as follows: acquisition and assembly of trade equipment; fiscal printer productions; organization of processes of equipment integration into information systems. The organization of activity of the enterprise is based on the formation of a linear organizational structure and distribution of powers among representatives of top management.

The value of the total coverage ratio in 2018 increased by 313.2% and amounted to 3.83, while the value of the intermediate coverage ratio increased by 228.1% and amounted to 0.86 points. The level of absolute liquidity of the company remained very low throughout the period, not exceeding 0.08, which indicates the inability of the company to promptly settle its current liabilities. The definition of financial sustainability indicators has shown that they have changed. The autonomy ratio in 2018 has increased compared to 2014 and is 0.87, which is a positive factor in improving the financial situation. The working capital maneuverability ratio for the analyzed period also increased from -0.96 in 2014 to 0.74 in 2018, which is also positive. There was an increase in the value of working capital due to the constant growth of own financial resources. The asset return indicator in 2018 increased by 17.2% compared to 2014 and increased by 15.8% compared to 2017. The equity return indicator in 2018 decreased by 21.1% compared to 2014 and increased by 15.8% from 2017 to 36.5%.

PART 2

EVALUATION OF THE FOREIGN TRADE AND EXHIBITION ACTIVITIES OF LLC “SYSTEM TRADE”

2.1. Analysis of the foreign trade activities of LLC "System Trade"

LLC «Systema Trade»'s FEA requires careful consideration of such issues as market conditions, potential buyers and sellers, establishing business contacts with them, conducting negotiations, signing agreements, etc. Organization of import operations at the surveyed LLC «System Trade» is carried out in several stages (Fig.2.1).

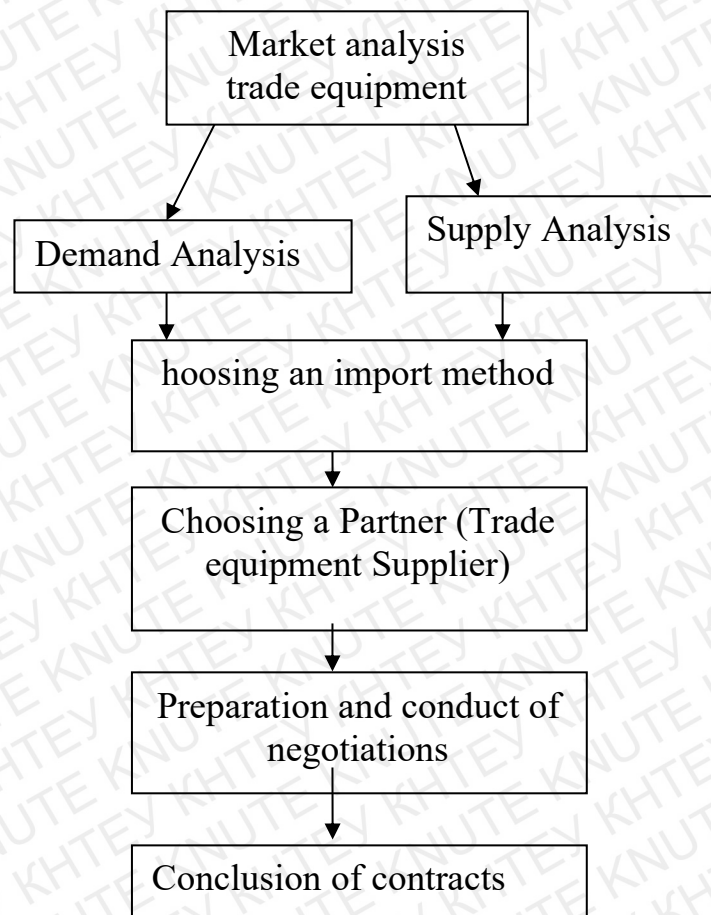


Fig. 2.1. Organization of import operations at LLC «System Trade»

Source: created by the author based on [17; p. 139] and company information

The organizational structure of the FEA LLC «Systema Trade» is governed by the aim of maximizing profit for the long term through effective participation in international business. The organizational structure of the FEA of LLC «System

Trade» is constantly evolving and improving, adapting to changes in the external environment and management. Its forms and methods cannot remain unchanged.

All issues related to the organization of FEA are dealt with by the commercial department. The organizational structure of the commercial department is shown in fig. 2.1. The commercial department of LLC «System Trade» is not an independent structural unit of the enterprise. It is part of the control unit. Its main task is to manage the FEA as part of a single, integrated corporate governance system.

We analyze the indicators of the volume of import of the enterprise for 2014-2018 (Table 2.1).

Table 2.1

Dynamics of import of goods by LLC «System Trade» for 2014-2018, the

Product groups and regional destinations	Years					Variations 2018 / 2014		Variations 2018 / 2017	
	2014	2015	2016	2017	2018	Abs	Rel., %	Abs	Rel., %
<i>Import volumes, ths</i>	10289	11459	10031	10435	12743	2454	23,9	2308	22,1
<i>-including by product groups</i>									
Spareparts for trade equipment	3292	3781	3411	3652	4587	1295	39,3	935	25,6
Blocks for fiscal printers	1852	2005	1705	1878	2421	569	30,7	543	28,9
POS-equipment	2469	2636	2207	2400	3058	589	23,9	658	27,4
Electrical goods and appliances	2675	3037	2708	2504	2676	1	0,0	172	6,9
<i>-including by region</i>									
China	2881	3380	3110	3287	4078	1197	41,5	791	24,1
Southern Korea	2469	2865	2608	2765	3441	971	39,3	675	24,4
Taiwan	2161	2234	1806	1774	2039	-122	-5,6	265	14,9
Other countries	2778	2979	2508	2609	3186	408	14,7	577	22,1

Source: created by the author based on [20; p. 62] and company information

As we can see from the data in Table. 2.1, the import volumes of the enterprise in 2018 compared to 2014 increased by UAH 2454 thousand or by 23.9%. Imports increased in this period mainly due to an increase in imports of facing construction materials by UAH 1295 thousand or by 39.3%. In 2014-2018, imports of blocks for fiscal printers increased by UAH 569 thousand or 30.7%, while imports of POS-equipment increased by UAH 589 thousand or 23.9%. Imports increased in 2014-2018, mainly due to two main regional areas - China and Southern Korea. Imports from China increased by UAH 1,197 thousand or 41.5%, imports from Southern Korea increased by UAH 971 thousand or 39.3%.

LLC «System Trade», importing and selling trade equipment in the domestic market, does not adhere to a single FEA scheme but uses a combined approach, which consists of the simultaneous application of elements of three strategies: a high price strategy; low price strategy; market penetration strategy.

The dynamics of the import structure in terms of product groups and regional areas are given in pictures 2.1 an 2.2.

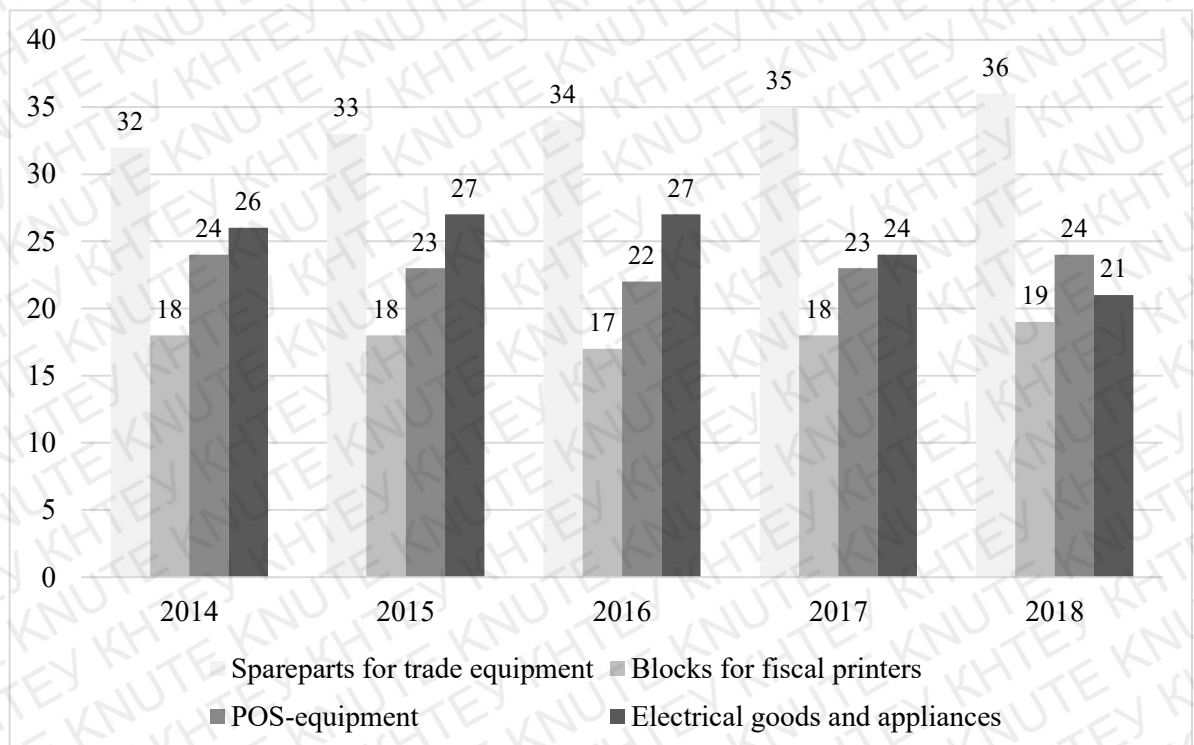


Fig. 2.1. Dynamics of import structure by the types of goods on LLC «SystemTrade» for 2014-2018.

Source: created by the author based on [9; p. 141] and company information

As the data in the picture 2.1, in the structure of imports in 2014-2018 the share of spareparts for trade equipment was dominated – 36%. As we can see that the main company activity is trade equipment production so the materials and spareparts must be the main items in the importing structure. Also, should be noticed that another imports item is very actual for the company – this is POS-equipment. It amounted to 24% in the imports share.

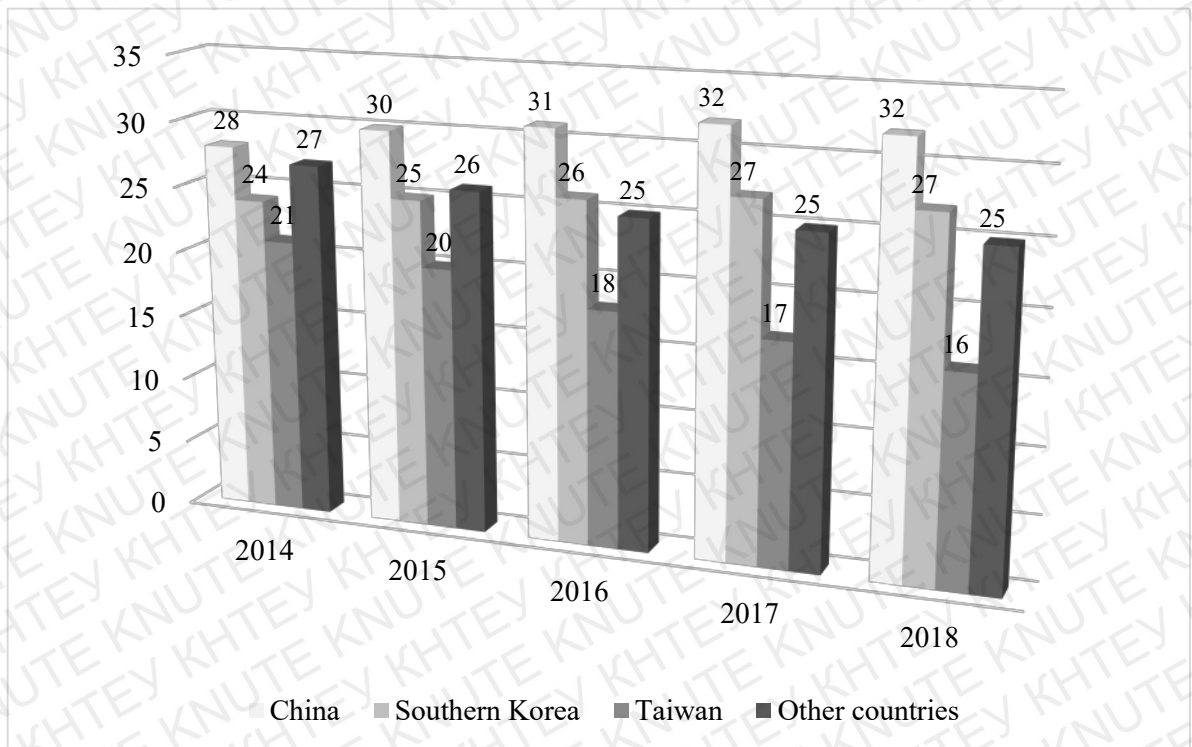


Fig. 2.2. Dynamics of import structure by the countries on LLC «SystemTrade» for 2014-2018,%

Source: created by the author based on [9; p. 141] and company information

China and Southern Korea are dominant in the structure of regional destinations. Other regional destinations as a whole account for up to 40%. For a more detailed analysis of the FEA organization at import and further sale of products in the domestic market, we construct a matrix of SPACE analysis of the existing FEA strategies for individual markets and commodity segments (Table 2.2).

As can be seen from the SPACE matrix, the use of LLC «System Trade» by different FEA strategies on the market results in different results. The main criterion is the result of the FEA organization in Table. 2.2 is the average annual growth rate of

product sales, subject to the use of different FEA strategies. Also, the level of effectiveness of the formation of the selected FEA organization is influenced by the level of competition in a particular market.

Table 2.2

SPACE matrix-analysis of FEA strategies based on the criterion of sales growth by LLC «System Trade» in 2014-2018.

Imported goods	Conditions of competition in the market (number of competitors in the market)	FEA strategy selected	Напрямок реалізації організації ЗЕД	Average growth rate of LLC «Systema Trade» sales at the outside market in the selected product segment for 2014-2018
Spareparts for trade equipment	3	Low cost orientation	Optimization of markup on products	+8,6%
Blocks for fiscal printers	6		Optimization of production costs	+3,5%
POS-equipment	2	Strategy for the uniqueness of the types of imported goods	Development of technology of external processing and promotion to the market of high price segment	+12,3%
Electrical goods and appliances	2			+9,9%

Source: created by the author based on [20; p. 62] and company information

In the table. 2.2 this indicator is estimated by the number of competing enterprises (trademarks) whose goods are presented on the relevant market.

If we compare with each other the indicators of competition and growth of sales by separate pricing strategies, we obtain the McKinsey matrix, which characterizes the positioning profile of formed LLC "System Trade" of FEA strategies in the plane "strategy of FEA-market" (Fig. 2.3).

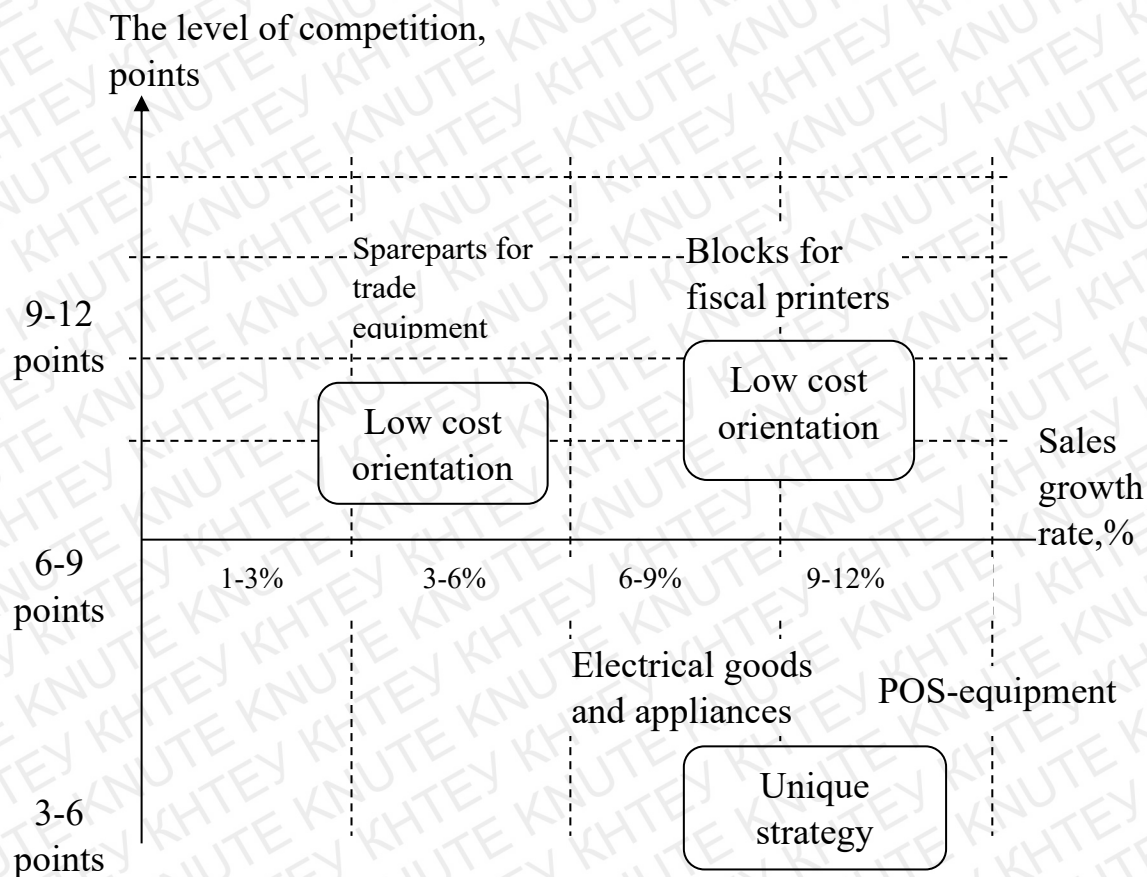


Fig. 2.3. McKinsey Matrix Profile Positioning Formed LLC “System Trade” FEA Strategies

Source: created by the author based on [17; p. 139] and company information

Thus, the analysis of FEA at the LLC «System Trade» allowed to reveal the peculiarities of the organization of import operations, as well as the further sale of imported products in the domestic market of Ukraine. The volume of imports by the company in 2018 compared to 2014 increased by UAH 2454 thousand or by 23.9%. Imports increased in 2014-2018, mainly due to two main regional areas - China and Southern Korea. Imports from China increased by UAH 1,197 thousand or 41.5%, imports from Southern Korea increased by UAH 971 thousand or 39.3%. Other regional destinations as a whole account for up to 40%. The research enterprise tries to use optimal models of organization of FEA in the market, focusing mainly on commodity segments. The organization of FEA on a strategy of low-cost orientation on white marble has a high result in the form of rapid growth in sales even in the intensified competition. In 2018 compared to 2014, the level of mark-up on all products

imported and sold in the domestic market of Ukraine increased by 23%, with the cost of production increasing by 25.6% and the volume of income by 49.7%. In 2018, compared to 2017, the average mark-up has increased by 22%, driven mainly by the enterprise cost optimization policy.

2.2. Research the effectiveness of the exhibition activities in the company's marketing system of LLC "System Trade"

One of the important direct marketing tools used by System Trade, the research company, is exhibition activities. The use of exhibitions as a means of marketing communications by an enterprise is conditioned by the following functional features:

- participation in exhibitions allows to provide contacts of plant management with top management of large industrial companies, project managers who are interested in ventilation equipment;
- exhibitions are an important means of forming a target audience in the foreign (export market);
- prerequisites for constant and effective communication with foreign partners are created (in particular, participation in networking at open mass events and parties with business partners);
- the presence of an exhibition stand allows to provide from a practical point of view comprehensive data to potential large customers regarding the configuration of ventilation equipment, the specifics of the production process, the importance of service and advice that the client receives in the process of cooperation with LLC «System Trade»;
- an opportunity to involve in communication with potential clients and partners during the exhibition of key specialists of the plant, as well as to get key specialists of the factory information about the peculiarities of competitors' work (when visiting their stands).

The organization of participation in the exhibition for LLC «System Trade» provides several stages, which are shown in fig. 2.4. Consider these steps in more

detail. At the stage of identifying exhibitions that may be of interest to the plant's management, the marketing department of LLC «Systema Trade» carries out the processing of materials that are on the Internet. It is also important to take into account previous experience in exhibitions.

As a rule, the plant takes part in 3-4 exhibitions annually, and the rest of the exhibitions are visited by the plant representatives to negotiate with specific clients.

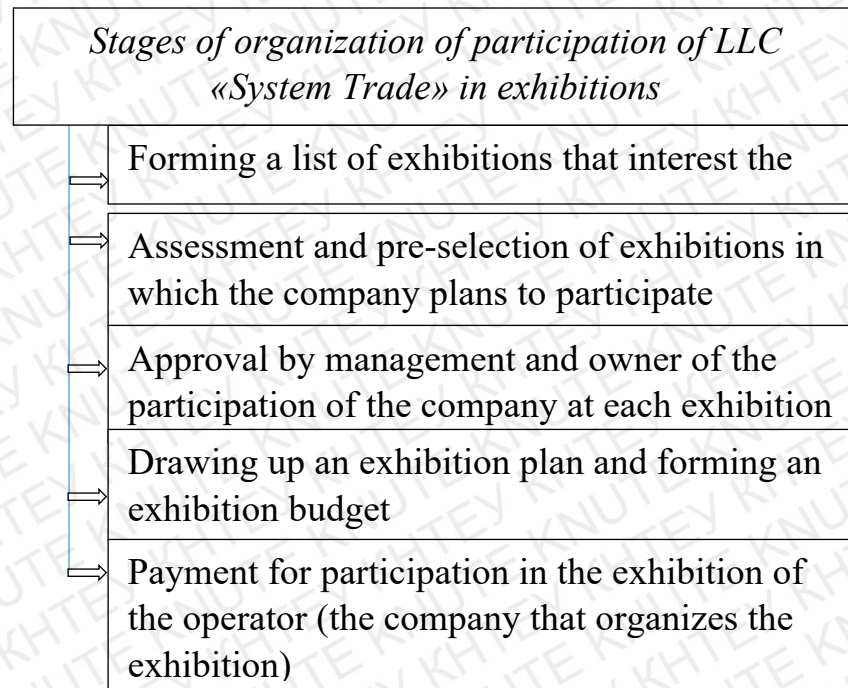


Fig. 2.4. Main goals of using exhibitions at LLC «System Trade»

Source: created by the author based on [17; p. 139] and company information

The evaluation and determination of exhibitions that are of interest to the top management of the plant are carried out directly by the marketing director, the commercial director, and the general manager. It is important to evaluate the exhibition criteria with the relevant key parameters, in particular - the presence of key competitors among the exhibitors, the subject of the exhibition, the timing, and venue of the exhibition. An exhibition budget for plant management is not a key criterion.

According to the results of the study of the terms of each exhibition event, the marketing director submits the relevant summary information to the board of directors. The Board of Directors decides to participate in a particular exhibition and initiates the

procedure for its preparation. The Director of Marketing is responsible for organizing the exhibitions.

Developing a plan for organizing an exhibit is quite a challenge. The main difficulty of this process for the plant is that key specialists are constantly employed, and therefore it is difficult to detach them from the production process for frequent trips to exhibitions. Therefore, even though the plant has quite wide financial opportunities for participation in any exhibition in any composition of representatives, nevertheless, to save the time of top management the company is limited to participation in 3-4 exhibitions a year.

At the final stage, participation in the exhibition is paid to the appropriate exhibition operator. Usually, payments for participation in exhibitions, especially abroad, are made in foreign currency. This requires the conclusion of a relevant contract between LLC «System Trade» and the operator.

The operator then submits an invoice that the plant's financial department must accept for payment. Delayed payments to the Exhibition Operator always incur penalties. In case of refusal to take part in the international exhibition, after signing the contract, the company still has to pay the rental cost of the stand. Regarding the logic of working with domestic exhibition operators, the conditions can be purely individual and change from year to year.

In the table. 2.3 shows a list of exhibitions attended by System Trade. As can be seen from the data in Table. 2.3, the company has participated in four specialized exhibitions in 2018, three of which are international.

The international specialized exhibition «Industrial of Trade» is an image exhibition in the territory of Ukraine.

Its specificity with LLC «System Trade» is that its top management appoints meetings with key partners operating in Ukraine, as well as in the CIS and Western Europe. The estimated budget of the exhibition in 2018 amounted to 380 thousand UAH.

As the data in the table. 2.3, the level of the average mark-up for the whole range of products of the enterprise tended to increase. The main factor in pricing was market demand and production costs.

Table 2.3

List of exhibitions and their visits to LLC «System Trade» in 2018

<i>The name of the exhibition</i>	<i>Country and city</i>	<i>Exhibition organizer, location</i>	<i>Period of holding</i>	<i>Budget for participation in the exhibition,</i>
International Specialized Exhibition «Industrial of Trade»	Kyiv, Ukraine	Kyiv Expo Plaza, International Exhibition Center	March 20-23, 2018	380 th.UAH
INTERNATIONAL TRADE FAIR 2018 / Topic: Trade equipment, Engineering Communications	Barcelona, Spain	EXPO POSITION, Central Expo	November 7-9, 2018	325 th.UAH
AVAI China 2018 International Exhibition / Theme: Air Conditioning, Ventilation, Heating	Guangzhou, China	Guangdong Grandeur International Exhibition Group, China Import and Export Fair Complex	September 11-15, 2018	42 th.USD
Trade Shows for Software/ Topic: Equipment for trade, fiscal equipment, software for trade	Melbourne, Austria	IEC Group, Melbourne Convention & Exhibition Center (MCEC)	August 10-12, 2018	38 th.USD

Source: created by the author based on [17; p. 141-140] and company information

INTERNATIONAL TRADE FAIR 2018 is dedicated to trade equipment and engineering communications. The exhibition venue in Barcelona, Spain. The exhibition is organized by EXPO POSITION, Central Expo. The budget of the exhibition in 2018 amounted to 325 thousand UAH. During the participation in this exhibition, the company management established business contacts with the world-famous suppliers. Within 1 square. In 2019, products worth 2.5 million UAH were shipped to these companies.

AVAI China 2018 International Exhibition is dedicated to air conditioning, ventilation, and heating. The venue is Guangzhou, China. The exhibition is

organized by the Guangdong Grandeur International Exhibition Group, China Import and Export Fair Complex. The exhibition's 2018 budget is \$ 42,000. The purpose of the exhibition was to search for potential suppliers of equipment and components to it. In the course of this exhibition, the management of the company established business relations with the Chinese corporation Ninjiang Industrial Production LTD, which at the end of 2018 was assigned to the company several units for the processing of corrugated ventilation channels.

The Trade Shows for Software provided the stands for key global brands of Equipment for trade, sewage equipment, and sewage systems. The venue was Melbourne, Austria. The exhibition was organized by the IEC Group, the Melbourne Convention & Exhibition Center (MCEC). The budget for the exhibition in 2018 was \$ 38 thousand. During the participation in this exhibition, the company management established business contacts with clients from the Czech Republic and Bulgaria. Within 3 square meters. 2018 - 4 Sq. In 2019, products worth 4.9 million UAH were shipped to these companies. In the following, we analyze import performance indicators at LLC «System Trade» for 2014-2018. The results of the calculations of average mark-up rates on imported goods are shown in Table. 2.4.

Table 2.4

**Dynamics of FEA Performance Indicators at LLC «System Trade» for
2014-2018**

Indicator	Legend	Years					Variations for 2018/2014		Variations for 2018/2017	
		2014	2015	2016	2017	2018	Abs, +/-	Rel., %	Abs, +/-	Rel., %
1	2	3	4	5	6	7	8	9	10	11
Import costs (at invoice prices), thousand UAH	Inv	10289	11459	10031	10435	12743	2454	23,9	2308	22,1
Transportation costs, ths	Tr	2161	2406	2107	2191	2676	515	23,9	485	22,1

continuation of the tab. 2.4

1	2	3	4	5	6	7	8	9	10	11
Customs clearance costs, etc. operating expenses, ths	Cc	2042	2050	2614	2497	2785	743	36,4	288	11,6
Import cost (cumulative import costs), thousand UAH	IC = Inv + Tr + Cc	14491	15915	14752	15123	18204	3713	25,6	3081	20,4
Amount of mark-up, commercial income	H	2934	3233	5371	3175	7884	4950	168,7	4708	148,3
Volume of income, thousand UAH	INC = IC + H	17425	19148	20143	18298	26088	8663	49,7	7790	42,6
Average mark-up level,%	PHc = H / IC x 100%	20,2	20,3	36,4	21,0	43,3	23	-	22	-

Source: created by the author based on [14; p. 102] and company information

In 2018 compared to 2014, the level of mark-up on all products imported and sold in the domestic market of Ukraine increased by 23%, with the cost of production increasing by 25.6% and the volume of income by 49.7%. In 2018, compared to 2017, the average mark-up has increased by 22%, driven mainly by the enterprise cost optimization policy.

As a result of identifying strengths and weaknesses in the exhibition organization process, a SWOT matrix was formed, which will also be used to substantiate the proposals in Section 3 (Table 2.5).

Appendix F shows the performance indicators of the foreign economic activity of the enterprise.

As the data in the table. (Appendix F), overall, the dynamics of import performance are ambiguous. In 2014, the efficiency of import operations was 1,132, and in 2016-2017, the efficiency of imports increased to 1,171 and 1,398, respectively.

Table 2.5

**Matrix of SWOT-analysis of organization of advertising campaigns of
LLC «System Trade»**

		Environment	
		Opportunities	Threats –
1		2	3
		<ul style="list-style-type: none"> 1. Emergence of new technologies of advertising 2. Growth in intermediate consumption in other sectors of the economy 3. Growth of rubber products market 4. Optimization of taxation 5. Reducing government pressure on business 	<ul style="list-style-type: none"> 1. Weak predictability of advertising campaigns 2. Use of active advertising by competitors 3. Mistakes in choosing advertising tools 4. Insufficient training of the personnel responsible for advertising
Internal environment	Strengths	SO - strategy	ST- strategy
	<ul style="list-style-type: none"> 1. Continuous market monitoring and determination of advertising campaigns 2. An established system of promotion of products for advertising online 3. The ability to increase the cost of marketing advertising campaigns 4. Availability of specialists responsible for advertising activities 	<ul style="list-style-type: none"> 1. Improvement of the motivation system of employees of advertising department 2. Implementation of modern advertising planning approaches in the company practice 3. Increasing the level of enterprise participation in social networks 4. Advertising of the company at international exhibitions 	<ul style="list-style-type: none"> 1. Maintaining reputation in the market. 2. Development of strategic plans for the development of advertising activities. 3. Establish long-term partnerships with resellers who can promote the product 6. Use of new technologies in the organization of advertising events
	Weaknesses	WO- strategy	WT- strategy
	<ul style="list-style-type: none"> 1. No active promotion of products on the Internet 2. The price level of advertising tools tends to increase 3. Absence of strategic plan of development of advertising activity 4. Insufficient control over the results of advertising campaigns 	<ul style="list-style-type: none"> 1. Enter new segments of the rubber products market 2. To form a marketing system with clearly defined goals and objectives 3. Search for new channels of product promotion 6. Increasing promotional activities of the company. 	<ul style="list-style-type: none"> 1. Increased consideration of customer needs for advertising content 2. Increase in reaction to unfavorable factors of advertising activities 3. Creating a system feedback from the company's customers

Source: created by the author based on [42; p. 63] and company information

Therefore, based on the positive dynamics of the FEA efficiency indicator, we can say that the efficiency of the organization of the FEA of the enterprise as a whole has increased.

Thus, in 2014-2018, the volume of imports increased, with revenues from sales of imported products increasing by 49.7%, and the cost of imports (including import costs, transport costs, and customs clearance costs) increased by 25.6%. It can be said that the company's revenues for the period under review increased faster than the import costs increased. This tendency has led to an increase in the import performance indicators, in particular, the profitability of import costs and revenues from sales of imported products.

So, at the stage of identifying exhibitions that may be of interest to the plant management, the marketing department of LLC «System Trade» carries out the processing of materials that are on the Internet. It is also important to take into account previous experience in exhibitions. As a rule, the plant takes part in 3-4 exhibitions annually, and the rest of the exhibitions are visited by the plant representatives to negotiate with specific clients. The evaluation and determination of exhibitions that are of interest to the top management of the plant are carried out directly by the marketing director, the commercial director, and the general manager. On the whole, the dynamics of the effectiveness of import operations are ambiguous. In 2014, the efficiency of import operations was 1,132, and in 2016-2017, the efficiency of imports increased to 1,171 and 1,398, respectively. Based on the positive dynamics of the FEA efficiency index, we can say that the efficiency of the FEA organization of the enterprise as a whole has increased.

The conclusion to Part 2

The commercial director reports directly to the director of LLC «System Trade», directs the development of proposals and measures for the development of progressive forms of foreign economic relations, cooperation with foreign countries. Qualifications: Higher economic education and work experience of at least five years. Formation of FEA of LLC «System Trade» involves the use of techniques and methods of strategic analysis and strategic planning of the company's position in relevant market segments. Consider the peculiarities of the FEA organizational mechanism at LLC «System Trade».

The volume of imports by the company in 2018 compared to 2014 increased by UAH 2454 thousand or by 23.9%. Imports increased in 2014-2018, mainly due to two main regional areas - China and Southern Korea. Imports from China increased by UAH 1,197 thousand or 41.5%, imports from Southern Korea increased by UAH 971 thousand or 39.3%. Other regional destinations as a whole account for up to 40%. The research enterprise tries to use optimal models of organization of FEA in the market, focusing mainly on commodity segments. The organization of FEA on a strategy of low-cost orientation on white marble has a high result in the form of rapid growth in sales even in the intensified competition.

The evaluation and determination of exhibitions that are of interest to the top management of the plant are carried out directly by the marketing director, the commercial director, and the general manager. On the whole, the dynamics of the effectiveness of import operations are ambiguous. In 2014, the efficiency of import operations was 1,132, and in 2016-2017, the efficiency of imports increased to 1,171 and 1,398, respectively. Based on the positive dynamics of the FEA efficiency index, we can say that the efficiency of the FEA organization of the enterprise as a whole has increased.

PART 3

IMPROVEMENT OF THE EXHIBITION ACTIVITIES IN THE COMPANY'S MARKETING SYSTEM OF LLC "System Trade"

3.1. Development of the complex of improvement measures to the exhibition activities in the company's marketing system of LLC "System Trade"

In this matter, we substantiate the measures of the formation of the updated system of stimulation of exhibition activity of LLC «System Trade» LLC. To this end, we will identify the specific areas of marketing communications organizations that the company is recommended to implement in 2020.

The company plans to carry out the following directions of measures to increase the efficiency of exhibitions:

- secondment of sales staff to key customers;
- conducting business meetings with dealers and potential partners;
- product presentations;
- participation in new exhibitions.

Take a closer look at the steps below.

To organize business trips at the enterprise, it is necessary to determine the list of key international exhibitions to which the employees of LLC «System Trade» will be made. In 2020, the company plans to actively participate in the following exhibitions: International Specialized Exhibition "InterBuildExpo 2020", International Specialized Exhibition "Systems and software for trade and services 2020", International Exhibition of Trade equipment and Technologies "Atlanta Build, Remodel and Landscape Expo 2020", International Exhibition of Building Mixes World of Trade (WOT). The plan and budget of expenses of participation of the enterprise in exhibition actions are shown in the table. 3.1.

Thus, the total budget of expenses of the enterprise in 2019 for participation in exhibition events is 2030 thousand UAH, including the most valuable events, which are international exhibitions. At the same time, for the organization of this type of

marketing communications, it is planned to increase the list of exhibitions for participation.

Table 3.1

Plan and budget of expenses of participation of System Trade LLC in exhibitions (2020)

The name of the exhibition	Venue	Time of holding	Budget for participation in the exhibition, thousand UAH
Atlanta Trade and IT solutions, Expo 2019 International Exhibition of Trade equipment and Technologies	Atlanta, USA	January 27-29, 2020	450
World of Trade (WOT) International software and equioment Exhibition	Las Vegas, USA	February 17-20, 2020	320
Trade Show Management SoftwareExhibition	m. Kyiv	March 20-23, 2020	260
International Specialized Exhibition "Systems and software for trade and services"	m. Kyiv	November 7-9, 2020	250
International Specialized Exhibition "I-Tech Exhibition 2019"	Guanchzhou, China	November 14-17, 2020	380
International Specialized Exhibition «The Big 5 Show 2019»	Dubai, UAE	November 26-29, 2020	370
Together	-	-	2030

Source: created by the author based on [15, 16, 57]

In 2020, it is proposed to expand the list of exhibitions with two new events:

- International Specialized Exhibition "I-Tech Exhibition 2019", Guangzhou, China, Date: November 14-17, 2020
- International Specialized Exhibition The Big 5 Show 2020, Dubai, UAE, November 26-29, 2020,

These exhibitions are quite promising as they allow to expand the target audience in such new regions as the Middle East and North Asia. The company can attract new customers for the export of insulation and adhesive materials in the above regions.

The 2020 exhibitions for System Trade LLC will serve as an image tool for enhancing competitive positions, but also as a platform for negotiations with key partners and buyers.

This list by main categories of exhibitions is given in Table. 3.2.

Table 3.2

Plan and budget for business trips for 2020 to attend System Trade LLC's international exhibitions

Exhibitions	Allotted time for business trips, man-days	Daily expenses for business trips, UAH	Average travel expenses per 1 trip, UAH	Budget of business expenses, UAH
Atlanta Trade and IT solutions	25	750	11250	28750
World of Trade (WOT) International software and equipment Exhibition	31	750	10600	33250
Trade Show Management SoftwareExhibition	18	750	10820	23500
International Specialized Exhibition "Systems and software for trade and services"	35	750	11350	36250
Other countries	16	750	11410	22000
Together	125	-	-	143750

Source: created by the author based on [15, 16, 57]

Thus, in 2020, an average of 125 person-days are allocated on a business trip. The total budget for the business trip for 2020 is 143750 UAH.

Holding business meetings with key and potential partners involves arranging bilateral communications with representatives of companies that purchase insulation and adhesive materials from System Trade LLC. For partner meetings, it is suggested that you list (or contact) people who need to send messages to agree on a meeting time. Meetings should be accompanied by the provision of appropriate presentation materials to partners. The plan and budget for business meetings and presentations are given in Table. 3.3.

Table 3.3

Plan and budget for holding business meetings and presentations of System Trade LLC in 2020

Name of the event	The purpose of the event	Frequency of carrying out	Estimated cost budget for the 1st meeting, UAH	Aggregate budget of expenses for actions, thousand UAH
Meetings with dealers	Fixing business relationships, extending transactions, changing delivery conditions	2 times a year with each dealer (22 dealers)	5000	220
Meetings with potential partners (counterparties)	Signing of new contracts	2 times a year (5-7 new partners are planned)	10000	140
Organization of presentations	Attracting the target audience, enhancing the image	Knead once	15000	180
Together	125	-	-	540

Source: created by the author based on [15, 16, 57]

The total budget of expenses for conducting business meetings and presentations of System Trade LLC in 2020 is 540 thousand UAH, including at meetings with dealers

it is planned 220 thousand UAH, at meetings with potential partners (contractors) - 140 thousand UAH, for the organization of presentations - 180 thousand UAH.

The additional online information resources listed above are intended to enhance the communication effectiveness of information placed on the Internet. The importance of connecting to two building portals is the high CTR for these portals. CTR is a ratio that shows the ratio of conversions to your site to the number of times your ad is shown. The budget of marketing communications on the Internet for the enterprise in 2020 is 55,2 thousand UAH.

In our view, improving the marketing communication policy of an enterprise is possible by enhancing online marketing communications tools. It should be noted that a very common trend in online promotion today is the creation of web sites for the sale of goods and services. Therefore, to increase the effectiveness of the communication policy of LLC «System Trade», we propose for this company the development of its web site, which will specialize in the full trade-in trade equipment.

First, we will identify these centers, and then based on their structure, we will build a structural-logical model of business processes. The operational structure of business processes is shown in fig. 3.1.

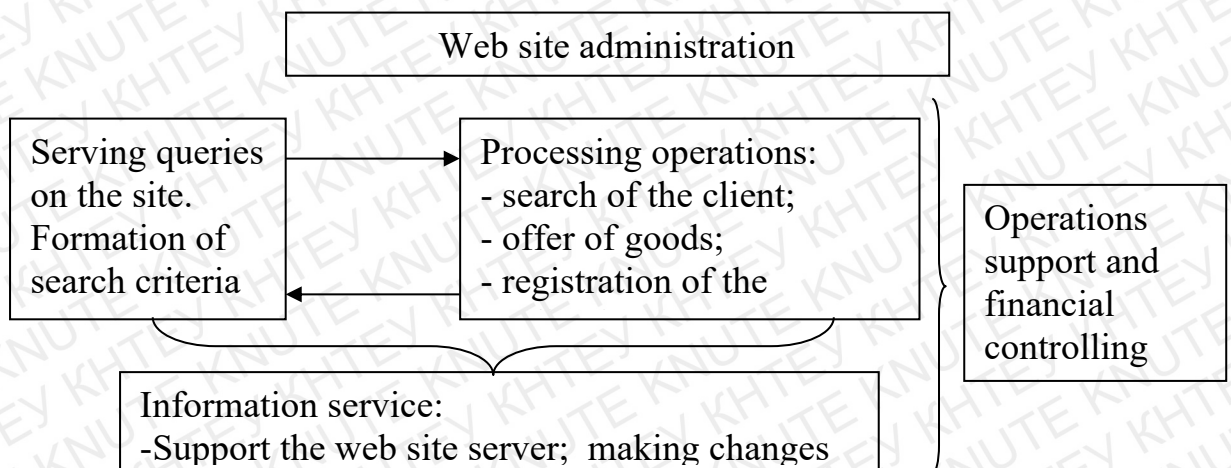


Fig. 3.1. The operational structure of business processes of LLC SystemTrade.

Source: created by the author based on [44]

It is suggested to organize the work of the web site on the principle of electronic system of online trading. Its content can be described in the following steps:

- 1) the user can place a request for the purchase of certain materials, or add the necessary materials to the basket;
- 2) the user can make online payment;
- 3) the user receives the goods by the specified method (self-delivery, delivery to the destination).

The formation of separate sectors of the web site's system of work involves the generation of corresponding revenues and expenses that will have to be forecasted. Therefore, we will determine the targets of the online trading program for each of the following sectors of operation. The structure of the business processes of the online trading system provides a list and logical sequence of individual business transactions. These operations are structured according to the functions of individual responsibility centers (business centers).

Table 3.5

**Consolidated communication budget for the promotion of System Trade
LLC's web site for 2020**

Category	Cost per year, UAH	Monthly average cost, UAH
Advertising on the Internet	29496	2458
PR on the Internet	27600	2300,0
Organization and form of chat for users of Systema Trade web site	10100	841,7
Publication of information publications on the activities of the Systema Trade web site in Internet editions	12000	1000,0
Mailing list organization	5560	463,3
Together	57 096,00	4758,0

Source: created by the author based on [44]

In the table. 3.5 summarizes the overall budget of communication activities aimed at promoting the Web site of LLC «Systema Trade» LLC on the Internet. As the data in the table. 3.5, the consolidated annual budget of marketing communications for the year 200 is 57 096,00 UAH, and the average monthly - 4758,00 UAH.

The operating structure of System Trade LLC's online trading system includes the following business processes:

- administration of online trading system operation;
- payment processing;
- web site ad serving services;
- information service;
- support and financial control.

Therefore, to improve the exhibition activity, it is proposed to form a list of new exhibition and event management measures to enhance the image of the enterprise. These exhibitions are quite promising as they allow to expand the target audience in such new regions as the Middle East and North Asia. The company can attract new customers for the export of insulation and adhesive materials in the above regions. The 2020 exhibitions for System Trade LLC will serve as an image tool for enhancing competitive positions, but also as a platform for negotiations with key partners and buyers. The basic principles of sale of LLC «Systema Trade» online, which are proposed to be introduced in 2020, are identified. A visitor to System Trade LLC's web site should be able to view the list of products or services offered to him, choose the position or supplier he needs. For payments for online purchases for System Trade LLC, you can provide the following payment methods: by bank card or bank transfer; postal order; payment by electronic money; cash payment upon receipt of the goods.

3.2. Evaluation of the prognostic effect from the implementation of the measures of the improvement of the company's exhibition activities

To evaluate economic efficiency, we first need to forecast the revenues and expenses of System Trade LLC based on retrospective trends.

We will carry out the process of planning the foreign economic activity of the FEA entity based on factual information on the status and features of foreign economic activity, as well as based on the proposed prospects.

The information base of the FEA planning process is the volume of import of the enterprise in terms of commodity and regional structure for 2014-2018.

First, we forecast the volume of sales of imported products of the enterprise in the domestic market. As imports of System Trade LLC have a steady upward trend, it is advisable to use the economic and statistical forecasting method when forecasting.

The results of cost forecasting are given in Table. 3.6.

Table 3.6

Calculation of actual levels of costs of import operations in the income of the enterprise for 2016-2019. (interim data to forecast import costs in 2020-2022)

Indicator	Years				Ratio R
	2016	2017	2018	2019* (estimated)	
The amount of income received from the sale of imported goods, thousand UAH	20 123	18 298	26 088	29 410	-
Cost of imported goods, thousand UAH (Cig)	14752	15123	18204	19128	0,650
Other operating expenses related to import (transport, packing materials, services)	1102	501	452	631	0,021
Other expenses	43	30	41	46	0,002

Source: created by the author based on [39, p. 85-91] and company information

For prognostic calculations, need firstly to define the cost ratio in the income:

Ratio of cost of imported goods can be calculated under the next formula:

$$Rci = \frac{CI}{INC} \quad (3.1)$$

whereby, Rci – Ratio of cost of imported goods, CI - Cost of imported goods, thousand UAH (Cig), INC - the amount of income received from the sale of imported goods.

$$Rci = \frac{14752+15123+18204+19128}{i20123+18298+26088+29410} = 0.650 \quad (3.2)$$

Ratio of cost in other operating expenses related to import can be calculated under the next formula:

$$Roc = \frac{OE}{INC} \quad (3.3)$$

whereby, *Roc* – Ratio of cost in other operating expenses, OE - Other operating expenses related to import (transport, packing materials, services), INC - the amount of income received from the sale of imported goods.

$$Roc = \frac{1102+501+452+631}{i20123+18298+26088+29410} = 0.021 \quad (3.4)$$

Ratio of other expenses can be calculated under the next formula:

$$Roc = \frac{OTE}{INC} \quad (3.5)$$

whereby, *Roc* – Ratio of other expenses, OTE - Other expenses, INC - the amount of income received from the sale of imported goods.

$$Roc = \frac{43+30+41+46}{i20123+18298+26088+29410} = 0.002 \quad (3.6)$$

The use of the economic-statistical method involves the calculation of three variants of the predicted value of possible volumes of revenue - pessimistic, balanced and optimistic. We justify the planned volumes of proceeds from the sale under import schemes based on the dynamics of this indicator for the last 4 years. We also determine the average forecast value of possible revenue streams in 2020 for three options. For forecasting, we calculated the growth rate of income - chain and average annual. Planned revenue based on growth rates is calculated as the product of actual revenue in 2019 by the value of growth rate.

To forecast the income of the enterprise based on the factor-analytical method, the coefficients of elasticity of change of income of the enterprise depending on the factors of inflation and consumption are calculated. They are used to determine the

projected rate of revenue growth. Estimated income based on elasticity coefficients is defined as the product of actual income at the rate of growth.

Thus, we have three options for forecasting the income of the studied enterprise. It is advisable to take the weighted value, which takes into account 60% of the result by factor-analytical method, and 20% of the results by the economic-statistical method.

Forecasting the weighted income from the sale of imported goods by System Trade LLC for 2020-2022:

- the expected actual revenue in 2019 is 29410 thousand UAH;
- the planned volume of revenues in 2020 will be 36919,4 thousand UAH;
- the planned volume of revenue in 2021 will be 42135,3 thousand UAH;
- the planned volume of revenue in 2022 will be 48092,0 thousand UAH.

Based on projected revenue in 2020-2022, we now plan the number of costs, and to these costs, we will add the costs of implementing the proposed measures.

For cost planning we need to forecast the following articles:

- Cost of import;
- Other costs associated with the import of goods and other operating costs (energy, materials, services).

For example, cost of import invoice can be calculated under the next formula:

$$CIp = INCp \times Rci \quad (3.7)$$

whereby, CIp – prognostic amount for cost of imported goods, $INCp$ – prognostic amount of income received from the sale of imported goods, Rci - Ratio of cost of imported goods.

$$CI2019 = 29410 * 0.65 = 19128 \quad (3.8)$$

$$CI2020 = 36919 * 0.65 = 24012 \quad (3.9)$$

$$CI2021 = 42135 * 0.65 = 27404 \quad (3.10)$$

$$CI2022 = 48092 * 0.65 = 31279 \quad (3.11)$$

The calculation of average cost levels and their projected volumes with the determination of the economic effect are given in Table. 3.7.

Table 3.7

Estimation of expenses on import operations in 2020-2022

Years	Revenue	Level to Revenue			Costs. th.UAH		
		Cost of import invoice	Other costs related to import, thousand	Cost of servicing-bathing operations	Cost of import invoice	Other costs related to import, thousand	Cost of servicing-bathing operations
2019 fact	29 410	0,650	0,021	0,002	19 128	631	46
2020 forecast	36 919				24 012	792	58
2021 forecast	42 135				27 404	904	66
2022 forecast	48 092				31 279	1 032	75

Source: created by the author based on [39, p. 85-91] and company information

According to the calculations, a total of 1 UAH of revenue from the sale of imported goods accounted for 0,650 UAH of the value of imports by invoice, 0,15 UAH. other import-related transaction costs (transportation, packaging, services), UAH 0.002 other transaction-related maintenance costs.

According to the results of calculations obtained in the table. 3.7, determine the forecast financial results of the enterprise in 2020-2022. At the same time, we calculate other operating income based on their average annual growth rate. The forecasted amount of other income is also determined based on their average annual level relative to other expenses.

Also, when forecasting financial results, we take into account that the introduction of the operational control system in 2020 will provide an opportunity to reduce the cost of imports by 10% (according to the commercial director of Systema Trade LLC), and the cost of implementation of these measures will amount to 282 thousand UAH. (additional salary of the FEA controller).

Improvement of the mechanism of pricing at the enterprise will allow increasing incomes from the sale of the imported goods by 12% (according to the commercial director of LLC «System Trade»).

Calculations of financial results are given in the table. 3.9.

Table 3.9

Forecasting the financial results of Systema Trade LLC for 2020-2022

<i>Indicators</i>	<i>2019*</i> <i>Estimated</i>	<i>Forecast (without proposals)</i>			<i>Forecast (including proposals)</i>		
		<i>2020</i>	<i>2021</i>	<i>2022</i>	<i>2020</i>	<i>2021</i>	<i>2022</i>
Net income from sales of products (goods, works, services)	29410	36919	42135	48092	41350	47191	53863
Other operating income	622	651	682	714	651	682	714
Other income	55	69	79	90	69	79	90
Total income	30087	37640	42896	48896	42070	47952	54667
Cost of sales (goods, works, services)	19128	24012	27404	31279	22811	26034	29715
Other operating expenses	631	792	904	1032	792	904	1032
Other expenses	46	58	66	75	58	66	75
Costs of implementation of measures:	-	-	-	-	-	-	-
		<i>2020</i>	<i>2021</i>	<i>2022</i>	<i>2020</i>	<i>2021</i>	<i>2022</i>
- salary of the FEA controller	-	-	-	-	282	282	282
- the cost of new software	-	-	-	-	52	52	52
Total cost	19805	24862	28374	32386	23661	27004	30822
Financial result before tax	10282	12778	14522	16510	18409	20948	23845
Income tax	1851	2300	2614	2972	3314	3771	4292
Net profit (loss)	8431	10478	11908	13539	15095	17178	19553
FEA efficiency indicator, points	1,488	1,488	1,488	1,488	1,752	1,752	1,752
FEA profitability index, %	29	28	28	28	36	36	36

Source: created by the author based on [39, p. 85-91] and company information

Thus, based on the calculations, we can conclude that in general, in 2020-2022, the level of efficiency of import operations is projected to increase. Thus, in 2020-2022, the efficiency of import operations should increase from 1,488 to 1,752. The gross economic impact of import operations will also increase, and the costs of implementing measures to improve the import operations management system will be offset by profit growth.

Based on calculated indicators of income and expenses, we can determine the planned indicators of economic effect and efficiency of sales of imported goods, taking into account the above proposals. The calculations are presented in the table. 3.10.

Table 3.10

Forecasting the economic impact and effectiveness of the proposed measures for 2020-2022

Indicators	Forecast of gains as a result of improvements		
	2020	2021	2022
Revenue increase, thousand UAH	4430	5056	5771
Cost reduction, thousand UAH	867	1036	1230
Increase in income tax, ths	953	1097	1260
Increase in net profit (effect), ths	4343	4996	5741
Increase of FEA efficiency, points	0,26		
Growth of FEA profitability,%	8		

Source: created by the author based on [39, p. 85-91] and company information

The increase in the volume of revenues due to the introduction of the system of pricing improvement will amount to 4430 thousand UAH in 2020, in 5021 - 5056 thousand UAH, in 2022 - 5771 thousand UAH. Due to the introduction of operational control, the import costs will be reduced by 867 thousand UAH in 2020, by 1036 thousand UAH in 2021 and by 1230 thousand UAH in 2022.

The total budget of expenses for conducting business meetings and presentations of Systema Trade LLC in 2019 is 540 thousand UAH, including at meetings with dealers it is planned 220 thousand UAH, at meetings with potential partners (counterparties) - 140 thousand UAH, for the organization of presentations - 180 thousand UAH. The budget for Internet marketing communications for the enterprise in 2019 is 55.2 thousand UAH. To develop this type of communication, it is proposed to expand the list of information web resources for posting messages and announcements from LLC «System Trade».

The conclusion to Part 3

To improve the exhibition activity, it is proposed to form a list of new exhibition and event management measures to enhance the image of the enterprise. These exhibitions are quite promising as they allow to expand the target audience in such new regions as the Middle East and North Asia. The company can attract new customers for the export of insulation and adhesive materials in the above regions. The 2020 exhibitions for Systema Trade LLC will serve as an image tool for enhancing competitive positions, but also as a platform for negotiations with key partners and buyers. The basic principles of sale of LLC «Systema Trade» online, which are proposed to be introduced in 2020, are identified. A visitor to Systema Trade LLC's web site should be able to view the list of products or services offered to him, choose the position or supplier he needs. For payments for online purchases for Systema Trade LLC, you can provide the following payment methods: by bank card or bank transfer; postal order; payment by electronic money; cash payment upon receipt of the goods.

Based on the calculations, we can conclude that in general, in 2020-2022, the level of efficiency of import operations is projected to increase. Thus, in 2020-2022, the efficiency of import operations should increase from 1,488 to 1,752. The gross economic impact of import operations will also increase, and the costs of implementing measures to improve the import operations management system will be offset by profit growth. The increase in the volume of revenues due to the introduction of the system of pricing improvement will amount to 4430 thousand UAH in 2020, in 5021 - 5056 thousand UAH, in 2022 - 5771 thousand UAH. Due to the introduction of operational control, the import costs will be reduced by 867 thousand UAH in 2020, by 1036 thousand UAH in 2021 and by 1230 thousand UAH in 2022.

CONCLUSIONS AND PROPOSALS

The main activities of LLC "System Trade" today are as follows: acquisition and assembly of trade equipment; fiscal printer productions; organization of processes of equipment integration into information systems. The organization of activity of the enterprise is based on the formation of a linear organizational structure and distribution of powers among representatives of top management. The company can distinguish the main 7 processes of production activities, which include: planning of production program, warehouse program, sales program, supply of components to trade equipment and fiscal printers, organization of preparation of materials for production, production of equipment, sale of manufactured products, support and maintenance of work of production equipment, maintenance of a proper condition of non-production premises, electrical networks, etc. All business processes are interconnected relationships that characterize the individual elements of a company resource.

Under the results of company analysis, we can summarize that LLC «Systema Trade» imports the construction materials and their further sale in the domestic market of Ukraine. The analysis of the financial and economic activity of the enterprise showed that in 2018 compared to 2014, the volume of assets of the enterprise decreased by 9121 thousand UAH or by 27.0%, including for 2017-2018 the reduction of assets amounted to 5644 thousand. UAH or 18.6%. During the mentioned period (from 2014 to 2018), the volume of non-current assets (in part of fixed assets) decreased by UAH 7205 thousand or by 37.5%, as well as the decrease of current assets by UAH 1916 thousand or by 13.1%. During 2014-2018, sales revenue increased by UAH 8663 thousand. or + 49.7%, and in 2018 compared to 2017 - by UAH 7790 thousand. or 42.6%. Other operating income of the enterprise in 2018 compared to 2014 decreased by UAH 214 thousand (- 26.5%) and compared to 2017 - by UAH 98.0 thousand. (- 14.2%). In 2018, compared to 2017, there was an increase in other revenues by UAH 12 thousand. (+ 28.6%). The value of the total coverage ratio in 2018 increased by 313.2% and amounted to 3.83, while the value of the intermediate coverage ratio increased by 228.1% and amounted to 0.86 points. The level of absolute liquidity of the company remained very low throughout the period, not exceeding 0.08, which

indicates the inability of the company to promptly settle its current liabilities. The definition of financial sustainability indicators has shown that they have changed. The autonomy ratio in 2018 has increased compared to 2014 and is 0.87, which is a positive factor in improving the financial situation. The working capital maneuverability ratio for the analyzed period also increased from -0.96 in 2014 to 0.74 in 2018, which is also positive. There was an increase in the value of working capital due to the constant growth of own financial resources. The asset return indicator in 2018 increased by 17.2% compared to 2014 and increased by 15.8% compared to 2017. The equity return indicator in 2018 decreased by 21.1% compared to 2014 and increased by 15.8% from 2017 to 36.5%. The profitability indicator of sales in 2018 is 25.3%, which is 11.9% more than in 2014 and 10.1% more than in 2017. The return on operating expenses in 2014 was 15.1%. Over the 5 years, this indicator increased by 20.2% and amounted to 35.3% in 2018, which is 17.6% more than the value in 2017. The above trends in changes in profitability indicators indicate an increase in performance and utilization of the resource potential of LLC «System Trade».

Analysis of FEA at the LLC «System Trade» allowed to reveal the peculiarities of the organization of import operations, as well as the further sale of imported products in the domestic market of Ukraine. The volume of imports by the company in 2018 compared to 2014 increased by UAH 2454 thousand or by 23.9%. Imports increased in 2014-2018, mainly due to two main regional areas - China and Southern Korea. Imports from China increased by UAH 1,197 thousand or 41.5%, imports from Southern Korea increased by UAH 971 thousand or 39.3%. Other regional destinations as a whole account for up to 40%. The research enterprise tries to use optimal models of organization of FEA in the market, focusing mainly on commodity segments. The organization of FEA on a strategy of low-cost orientation on white marble has a high result in the form of rapid growth in sales even in the intensified competition. In 2018 compared to 2014, the level of mark-up on all products imported and sold in the domestic market of Ukraine increased by 23%, with the cost of production increasing by 25.6% and the volume of income by 49.7%. In 2018, compared to 2017, the average mark-up has increased by 22%, driven mainly by the enterprise cost optimization

policy.

At the stage of identifying exhibitions that may be of interest to the plant management, the marketing department of LLC «System Trade» carries out the processing of materials that are on the Internet. It is also important to take into account previous experience in exhibitions. As a rule, the plant takes part in 3-4 exhibitions annually, and the rest of the exhibitions are visited by the plant representatives to negotiate with specific clients. The evaluation and determination of exhibitions that are of interest to the top management of the plant are carried out directly by the marketing director, the commercial director, and the general manager. On the whole, the dynamics of the effectiveness of import operations are ambiguous. In 2014, the efficiency of import operations was 1,132, and in 2016-2017, the efficiency of imports increased to 1,171 and 1,398, respectively. Based on the positive dynamics of the FEA efficiency index, we can say that the efficiency of the FEA organization of the enterprise as a whole has increased.

To improve the exhibition activity, it is proposed to form a list of new exhibition and event management measures to enhance the image of the enterprise. These exhibitions are quite promising as they allow to expand the target audience in such new regions as the Middle East and North Asia. The company can attract new customers for the export of insulation and adhesive materials in the above regions. The 2020 exhibitions for System Trade LLC will serve as an image tool for enhancing competitive positions, but also as a platform for negotiations with key partners and buyers. The basic principles of sale of LLC «System Trade» online, which are proposed to be introduced in 2020, are identified. A visitor to System Trade LLC's web site should be able to view the list of products or services offered to him, choose the position or supplier he needs. For payments for online purchases for System Trade LLC, you can provide the following payment methods: by bank card or bank transfer; postal order; payment by electronic money; cash payment upon receipt of the goods.

Based on the calculations, we can conclude that in general, in 2020-2022, the level of efficiency of import operations is projected to increase. Thus, in 2020-2022, the efficiency of import operations should increase from 1,488 to 1,752. The gross

economic impact of import operations will also increase, and the costs of implementing measures to improve the import operations management system will be offset by profit growth. The increase in the volume of revenues due to the introduction of the system of pricing improvement will amount to 4430 thousand UAH in 2020, in 5021 - 5056 thousand UAH, in 2022 - 5771 thousand UAH. Due to the introduction of operational control, the import costs will be reduced by 867 thousand UAH in 2020, by 1036 thousand UAH in 2021 and by 1230 thousand UAH in 2022.

REFERENCES:

1. Aaker D. 20 principles that drive success/ David Aaker; [per. from english S. A. Starov and others]. - M.: Publishing House Grebennikov, 2014- 220 pp.
2. About Limited Liability Companies: Law of Ukraine of 06.02.2018 № 2275-VIII / The Verkhovna Rada of Ukraine. URL: <https://zakon.rada.gov.ua/laws/show/2275-19> (accessed: 02/26/2019).
3. Al-Ost Salim Abdul-Aziz. Three-component model of export activity of the enterprise / Al-Ost Salim Abdul-Aziz // Marketing and innovation management. - 2015. - №1. - P. 213-220.
4. American Marketing Association / Dictionary [Електронний ресурс]. - Режим доступу : <https://www.ama.org/resources/Pages/Dictionary.aspx>.
5. Auckland MA, Romanenko OO Specific differences of digital marketing from Internet marketing / MA Auckland, OO Romanenko // Economic Bulletin of NTUU "KPI". - 2015. - №12. - Access mode: <http://ev.fmm.kpi.ua/article/view/45715>
6. Bozhkova V.V. Exhibition activity as an effective tool for promoting industrial products to new markets / VV Bozhkova, A. S. Chikalova / Marketing and management of innovations. - 2015. - No. 3. - P. 11-19.
7. Bright J. R. Some Management Lessons from Technological Innovation Research / J. R. Bright // National Conference on Management of Technological Innovation. - University of Bradford Management Centre, 2017. - 208 p.
8. Brown M. Internal Marketing Communications [Electronic resource]. /M. Brown, P. Norris // The Higher Education Academy- Access mode : www.engsc.ac.uk/downloads/InternalMarketingCommunications.pdf.
9. CIA World Factbook [Електронний ресурс]. - Режим доступу : <https://www.cia.gov> Collins M. Industrial Marketing Is Not Consumer Marketing / M. Collins [Electronic resource]. - Access mode: <http://www.forbes.com/sites/mike>
10. Civil Code of Ukraine: Law of Ukraine of January 16, 2003 # 435-IV [Ed. from 03/31/2019]. URL: <https://zakon.rada.gov.ua/laws/show/435-15> (accessed: 05/21/2019)

11. Dibrova T. G., et al. Strategy of Adaptation of Advertising / Dibrova T.G. // Bulletin of the NTU KPI, 2015. - №2. - P. 52-58
12. Economic Code of Ukraine: Code of Ukraine of January 16, 2003 # 436-IV / Verkhovna Rada of Ukraine. URL: <http://zakon5.rada.gov.ua/laws/show/436-15> (accessed: 02/26/2019).
13. Fedorovko NI Analysis of efficiency of export and import operations / NI. Fedorovko // Global and national problems of economy. - 2016. - №10. [electronic resource] - access mode: <http://global-national.in.ua/archive/10-2016/26.pdf>
14. Industry of Ukraine in global value chains / TM Melnyk, Yu.V. Conrad // Economics and Society. - 2017. - № 8. - P. 21-25.
15. Interactive Advertising Bureau [Електронний ресурс]. - Режим доступу: <http://www.iab.com>
16. International Bureau of Exhibitions / URL: <https://www.bie-paris.org/site/en/>
17. It is easy to export. StepbyStep Export 10 Steps from Production to Export: A Practical Guide / Authors: V. Kravchenko, A. Golyatko, D. Kопiy, A.Poliansky, I. Shynkarenko, A. Korop, A. Gaiduk, V. Mayevsky, A. Golizdra. - Summit Book, 2016. – P.18-20.
18. Ivanov Yu.B. The marketing information system of industrial enterprises in the context forecasting research / Yu. B. Ivanov, O. I. Yashkina // Економіка: реалії часу. 2015. -№ 6 (22). - С. 66-70.
19. Jack Barbalet. Emotion, Social Theory, and Social Structure: A Macrosociological Approach / Jack Barbalet. // Cambridge: Cambridge University Press, 1998. - 224 p. Kaur K. Beauty Product Advertisement: A Critical Discourse Analysis / K. Kaur, N. Arumugam, N.M. Yunus // Asian Social Science / Canadian Center of Science and Education, 2017. - Vol. 9, No. 3. - P. 61-71.
20. Khitra OV Synergetic approach to the analysis of categorical apparatus of foreign economic activity / OV Khitra // Global and national problems of economy. - 2017. - № 17. - P. 103-109.

21. Khomenko TY, et al. Methodical approaches to the evaluation of the effectiveness of foreign economic activity management / T.Yu. Khomenko, PV Krush // Current Issues in Economics and Management, 2017. - №11. - pp. 52-56
22. Koval N. M. Innovative Management - Innovation in Tools of Modern Management / N. M. Koval, A. A. Smirnov, L. M. Smirnov. / URL: http://www.rusnauka.com/32_NII_2016/Economics/6_178709.doc.htm
23. Kozak Yu. G. International trade: textbook / Yu. G. Kozak, NS Logvinova, NV Pritula and others. –5th species., Alteration. and extra. -Kyiv: Center for Educational Literature, 2015. –272 p.
24. Lagodienko VV Organization of marketing activity in agrarian enterprises / V.V. Lagodienko // Economic analysis: Coll. Sciences. Proceedings, 2015. - № 3. - P. 56-59.
25. Lannon J. How public advertising works / Judie Lannon. - Washington: World Advertising Research Center, 2014. - 526 p.
26. Leiss W. Social Communication in Advertising: Consumption in the Mediated Marketplace / L. William, J. Boterill. - New York: Routledge, 2015. - 637 p.
27. Lipets Yu.A. Implementation of strategic management at Ukrainian enterprises as a progressive direction of their development [Text] // Problems of Science. - 2015. –№6. –P.55-58.
28. Lyubchenko TI Marketing Communication Policy [Text]: textbook. tool. / TI Lukyanets. - 2nd kind. ext. and recycling. - K.: KNEU, 2015. - 524 p.
29. Madyar RO Transnationalization of Ukrainian Business in the Global Economy / RO Madyar, Yu. B. Kushnir, MI Dalekorey // Investments: Practice and Experience. - 2017. - № 11. - P. 26-31.
30. Malyarets LM, et al. Analysis of efficiency of export-import activity of the enterprise for its strategic controlling / LM Malarets, GV Morgun // BUSINESS-INFORM. - 2015. - № 1.
31. Martynenko DO The mechanism of marketing planning at the enterprise / DO. Martynenko // Economy and Entrepreneurship, 2016. - №2. - P. 109-115

32. Matveyev, VV Export potential of the enterprise: essence and peculiarities of formation / VV Matveyev, IK Yarmolenko // Effective Economics. - 2015. - № 1. - Access mode: <http://www.economy.nayka.com.ua/?op=1&z=3739>
33. Melnik OG Export potential of the enterprise: essence and methodological bases of the analysis / OG Melnik // Economics and management of enterprises, 2017. - №1. - P. 65-71
34. Mikhailishin LI Modern tendencies of transnationalization of economic activity: innovative aspect / LI Mikhailishin, VS Svirsky // Marketing and management of innovations. - 2017. - № 2. - P. 204-210.
35. Misko GA Management of marketing activity of the enterprise / GA. City Proceedings of the International Scientific and Practical Conference “Marketing Tools for Demand Management for Goods and Services”. - T.: TNTU, 2015. P. 50-54.
36. Mushtay VA Approaches to the estimation of planning of marketing activity of enterprise / VA Mushtay // Economy and Society, 2017. - №9. - P. 540-548
37. Nevmerzhitsky VI Basic principles of managing the export activity of the enterprise / VI. Nevmerzhitsky, DO Tereschenko // Bulletin of KNTEU, 2015. - №1. - P. 135-142
38. Okhrimenko VG The use of BTL-advertising and integrated marketing communications in the advertising strategy of promotion of the goods on the market / VG. Okhrimenko // KNEU Bulletin, 2015 - [Electronic resource] - access mode: <http://eprints.oa.edu.ua/1105/1/okhrimenko141111.pdf>
39. On Business Societies: Law of Ukraine of September 19, 1991 No. 1576-XII / The Verkhovna Rada of Ukraine. URL: <https://zakon.rada.gov.ua/laws/show/1576-12/card6#Public> (accessed 13/03/2019)
40. Onis'kov VO Promoting a new product to the market / VO Onis'kov // Bulletin of the Khmelnytsky National University, 2015. - № 5. - [Electronic resource]. - Access mode: <http://journals.khnu.km.ua/vestnik/pdf/ekon/201554/103-106.pdf>
41. Overko MA Ways to increase the efficiency of export operations of food industry / MA Overko // Newsletter NUKHT, 2015. - №1. - P. 76-79

42. Pavliuk T. Organization and management of export potential at a machine-building enterprise / T. Pavliuk, 2015. [Electronic resource] - Access mode: irbis-nbu.gov.ua/cgi-bin/irbis_nbu/cgiirbis_64.exe?C21CO.
43. Petrunya Yu. E. Marketing: Textbook / Yu. E. Petrunya, V. Yu. Petrunya. - 3rd edition, recast. and additions - Dnepropetrovsk: University of Customs and Finance, 2016. - 362 p.
44. Pogrebnyak A.Yu. The evolution of scientific views on the essence of the concept of "foreign economic activity" / A.Yu.Pogrebnyak, T.Yu. Khomenko // Modern problems of economy and entrepreneurship: Collection of scientific works. - Issue 18. - Kiev: CPI Polytechnic Publishing House, 2016. - P. 152-158
45. Rayko DV Model of financial management in industrial enterprise management system / Rayko DV. - K.: Znannya, 2015 - 256p.
46. Reutov VE International competitiveness of the region: essence, valuation methods / Economy and state. - 2016. - №4 - P. 52-54.
47. Rogozhin VD FEA Management. / Rogozhin VD, Basalieva LV - Kharkov: View. NNEU, 2014. - 196 p.
48. Romat E. Marketing in Public Management / E. Romat // Bulletin of the National University of Trade and Economics, Kiev. - 2016. - № 4. - P. 56-67
49. Schwager OR Effectiveness of foreign economic activity of enterprises: formation of the methodology of analysis / OR. Schwager // Proceedings of ONU, 2017 - №1. - [electronic resource] - access mode: <https://conf.ztu.edu.ua/wp-content/uploads/2017/09/89.pdf>
50. Sergeeva L. Logistics of exhibition activities in the field of vocational education and training / L. Sergeyeva // Postgraduate education in Ukraine. - 2016 - №1. - p.95-98.
51. Shlapak OA Information and communication marketing environment of the enterprise / O.A. Shlapak // Effective Economy, 2015. - № 11. - URL: <http://www.economy.nayka.com.ua/?op=1&z=4757>

52. Starostenko GG Planning of marketing activity in maintenance of effective activity of the enterprise / G.G. Starostenko // Journal of ZhSTU, 2016. - №11. - [electronic resource] - access mode: <http://eztuir.ztu.edu.ua/handle/123456789/6052>
53. Structural organization of export-import activity of light industry enterprises / VM Nyzhnyk, SI Konev // Prometey, 2014. - №2. - P. 151-156
54. Sudarkina S.P. Planning of enterprise marketing activity in modern conditions: tools and organization / S.P. Sudarkina, OO Masliy // Bulletin of the National Technical University «Kharkiv Polytechnic Institute», 2016. - №28. P. 95-102
55. Sutirina SO Formation of the concept of integrated marketing communications at the enterprise [Electronic resource] / SO Sutirina, AM Fedortsova; Dnipropetrovsk National University. - Access mode: www. URL: <http://www.rusnauka.com/NIT2018/Tethis/Economics/27624.doc.htm>. - Title from the screen.
56. Taranenko IV Innovative transformation of a complex of marketing communications in the conditions of globalization / IV Taranenko, SS Yaremenko // Economic Nobel Bulletin. - 2016. - № 1. - P. 207–217.
57. Trade Fair Dates - URL: <https://www.tradefairdates.com/>
58. Trifonova OD Analysis of the influence of external and internal factors on the foreign economic activity of Ukraine through the study of export-import operations / OD Trifonova, ES Doroshkevich // Effective Economics. - 2017. - № 6. - P. 82-87
59. Us TV The essence and analysis of methodological approaches to the assessment of export potential of the enterprise / TV. Us // Global and national problems of economy, 2018. - №22. - P. 128-135

APPENDIXES

APPENDIX A**FINANCIAL REPORT**

small business entity

Date (year, month, number)		CODE
Enterprise: System Trading, Limited Liability Company		01.01.2019
Territory: Ukraine	by EDRPOU	34818779
Organizational and legal business type: limited liability company	for KOATUU for COPFG	32.58
Type of economic activity: trade in building materials	for KVED	
Average number of employees, persons: 9		
Unit of measurement: thousand UAH with rounding to whole		
Address, phone: 404073, Kyiv, str. Rileeva, 10a		

1801006

1. Balancesheet
as of December 31, 2018 y.

Form No. 1

Code for DKUD

Assets	Line code	At the beginning of the reporting year	At the end of the reporting year
1	2	3	4
I. Non-current assets			
Incomplete capital investment	1005		
Fixed assets:	1010	15895	11990
initial value	1011	34265	41580
wear and tear	1012	18370	29590
Long-term biological assets	1020	-	-
Long-term financial investments	1030	-	-
Other non-current assets	1090	-	-
Total Section I	1095	15895	11990
II. Current assets			
Stocks:	1100	10307	9804
including finished products	1103	-	-
Current biological assets	1110	-	-
Accounts receivable for goods, works, services	1125	2577	2451
Accounts receivable from the budget	1135	15	6
including income tax	1136	-	-

Other current receivables	1155	497	18
Current financial investments	1160	-	-
Money and their equivalents	1165	401	265
Expenses of future periods	1170	498	1
Other current assets	1190	106	118
Total Section II	1195	14401	12662
III. Non-current assets held for sale and disposal groups	1200		
Balancesheet	1300	30296	24652

Laibility	Line code	At the beginning of the reporting year	At the end of the reporting year
1	2	3	4
I. Equity			
Registered (share) capital	1400	1120	1120
Additional capital	1410	-	-
Reserve capital	1415	-	-
Retained earnings (uncovered loss)	1420	13634	20225
Unpaid capital	1425		
Total Section I	1495	14754	21345
II. Long-term commitments, targeted financing and collateral	1595		
III. Current liabilities			
Short-term bank credits	1600	-	-
Current accounts payable on: long-term liabilities	1610	-	-
goods, works, services	1615	15524	3298
budget calculations	1620	6	6
including income tax	1621		
insurance calculations	1625		
payroll calculations	1630		
future revenues	1665		
Other current commitments	1690	13	4
Total Section III	1695	15543	3307
IV. Liabilities related to non-current assets held for sale and disposal groups	1700	-	-
Balancesheet	1900	30296	24652

2. Report on financial results
on 2018 y.

Form # 2-M

1801007

Code for DKUD

Reporting item	Line code	For the reporting period	For the same period of the previous year
1	2	3	4
Net income from sales of products (goods, works, services)	2000	26 088	18 298
Other operating income	2120	594	692
Other income	2240	54	42
Total income (2000 + 2120 + 2240)	2280	26 736	19 032
Cost of sales (goods, works, services)	2050	18 204	15 123
Other operating expenses	2180	452	501
Other expenses	2270	41	30
Total Cost (2050 + 2180 + 2270)	2285	18 697	15 654
Financial result before tax (2280 - 2285)	2290	8 039	3 378
Income tax	2300	1 447	608
Net profit (loss) (2290 - 2300)	2350	6 592	2 770

General Manager

Babansky K.V.

Chief Accountant

Ponuda G.G.

APPENDIX B**FINANCIAL REPORT**

small business entity

number)	Date (year, month,	CODE
Enterprise: System Trading, Limited Liability Company		01.01.2018
Territory: Ukraine	by EDRPOU	34818779
Organizational and legal	for	
business type: limited liability company	KOATUU	
Type of economic activity: trade in building materials	for COPFG	32.58
Average number of employees, persons: 9	for KVED	
Unit of measurement: thousand UAH with rounding to whole		
Address, phone: 404073, Kyiv, str. Rileeva, 10a		

1801006

1. Balancesheet

Form No. 1

Code for
DKUD

as of December 31, 2017 y.

Assets	Line code	At the beginning of the reporting year	At the end of the reporting year
1	2	3	4
I. Non-current assets			
Incomplete capital investment	1005	-	
Fixed assets:	1010	22495	15895
initial value	1011	39655	34265
wear and tear	1012	17160	18370
Long-term biological assets	1020	-	-
Long-term financial investments	1030	-	-
Other non-current assets	1090	-	-
Total Section I	1095	22495	15895
II. Current assets			
Stocks:	1100	10706	10307
including finished products	1103		-
Current biological assets	1110		-
Accounts receivable for goods, works, services	1125	2676	2577
Accounts receivable from the budget	1135	6	15

including income tax	1136		-
Other current receivables	1155	19	497
Current financial investments	1160		-
Money and their equivalents	1165	743	401
Expenses of future periods	1170	504	498
Other current assets	1190	102	106
Total Section II	1195	14755	14401
III. Non-current assets held for sale and disposal groups	1200		
Balancesheet	1300	37250	30296

Laibility	Line code	At the beginning of the reporting year	At the end of the reporting year
1	2	3	4
I. Equity			
Registered (share) capital	1400	1120	1120
Additional capital	1410	-	-
Reserve capital	1415	-	-
Retained earnings (uncovered loss)	1420	10864	13634
Unpaid capital	1425		
Total Section I	1495	11984	14754
II. Long-term commitments, targeted financing and collateral	1595		
III. Current liabilities			
Short-term bank credits	1600	-	-
Current accounts payable on: long-term liabilities	1610	-	-
goods, works, services	1615	25216	15524
budget calculations	1620	20	6
including income tax	1621		
insurance calculations	1625		
payroll calculations	1630		
future revenues	1665		
Other current commitments	1690	31	13
Total Section III	1695	25267	15543
IV. Liabilities related to non-current assets held for sale and disposal groups	1700		-
Balancesheet	1900	37250	30296

2. Report on financial results
on 2017 y.

Form # 2-M

1801007

Code
for
DKUD

Reporting item	Line code	For the reporting period	For the same period of the previous year
1	2	3	4
Net income from sales of products (goods, works, services)	2000	18 298	20 123
Other operating income	2120	692	789
Other income	2240	42	31
Total income (2000 + 2120 + 2240)	2280	19 032	20 943
Cost of sales (goods, works, services)	2050	15 123	14 752
Other operating expenses	2180	501	1 102
Other expenses	2270	30	43
Total Cost (2050 + 2180 + 2270)	2285	15 654	15 897
Financial result before tax (2280 - 2285)	2290	3 378	5 046
Income tax	2300	608	908
Net profit (loss) (2290 - 2300)	2350	2 770	4 137

General Manager

Babansky K.V.

Chief Accountant

Ponuda G.G.

APPENDIX C**FINANCIAL REPORT**

small business entity

number)	Date (year, month,	CODE
Enterprise: System Trading, Limited Liability Company		01.01.2017
Territory: Ukraine	by EDRPOU	34818779
Organizational and legal	for KOATUU	
business type: limited liability company	for COPFG	32.58
Type of economic activity: trade in building materials	for KVED	
Average number of employees, persons: 9		
Unit of measurement: thousand UAH with rounding to whole		
Address, phone: 404073, Kyiv, str. Rileeva, 10a		

1801006

1. Balancesheet

Form No. 1

Code for
DKUD

as of December 31, 2016 y.

Assets	Line code	At the beginning of the reporting year	At the end of the reporting year
1	2	3	4
I. Non-current assets			
Incomplete capital investment	1005	-	-
Fixed assets:	1010	16775	22495
initial value	1011	33220	39655
wear and tear	1012	16445	17160
Long-term biological assets	1020	-	-
Long-term financial investments	1030	-	-
Other non-current assets	1090	-	-
Total Section I	1095	16775	22495
II. Current assets			
Stocks:	1100	10954	10706
including finished products	1103		
Current biological assets	1110		
Accounts receivable for goods, works, services	1125	2738	2676

Accounts receivable from the budget	1135	1	6
including income tax	1136		
Other current receivables	1155	38	19
Current financial investments	1160		
Money and their equivalents	1165	74	743
Expenses of future periods	1170	631	504
Other current assets	1190	42	102
Total Section II	1195	14479	14755
III. Non-current assets held for sale and disposal groups	1200		
Balancesheet	1300	31254	37250

Laibility	Line code	At the beginning of the reporting year	At the end of the reporting year
1	2	3	4
I. Equity			
Registered (share) capital	1400	1120	1120
Additional capital	1410	-	-
Reserve capital	1415	-	-
Retained earnings (uncovered loss)	1420	6726	10864
Unpaid capital	1425		
Total Section I	1495	7846	11984
II. Long-term commitments, targeted financing and collateral	1595		
III. Current liabilities			
Short-term bank credits	1600	-	-
Current accounts payable on: long-term liabilities	1610	-	-
goods, works, services	1615	23390	25216
budget calculations	1620	12	20
including income tax	1621		
insurance calculations	1625		
payroll calculations	1630		
future revenues	1665		
Other current commitments	1690	5	31
Total Section III	1695	23407	25267
IV. Liabilities related to non-current assets held for sale and disposal groups	1700		
Balancesheet	1900	31254	37250

2. Report on financial results
on 2017 y.

Form # 2-M

1801007

Code
for
DKUD

Reporting item	Line code	For the reporting period	For the same period of the previous year
1	2	3	4
Net income from sales of products (goods, works, services)	2000	20 123	19 148
Other operating income	2120	789	1 520
Other income	2240	31	23
Total income (2000 + 2120 + 2240)	2280	20 943	20 691
Cost of sales (goods, works, services)	2050	14 752	15 915
Other operating expenses	2180	1 102	1 525
Other expenses	2270	43	23
Total Cost (2050 + 2180 + 2270)	2285	15 897	17 463
Financial result before tax (2280 - 2285)	2290	5 046	3 228
Income tax	2300	908	581
Net profit (loss) (2290 - 2300)	2350	4 137	2 647

General Manager

Babansky K.V.

Cheif Accountant

Ponuda G.G.

APPENDIX D**FINANCIAL REPORT**

small business entity

Date (year, month,

number)

CODE

Enterprise: System Trading, Limited Liability Company

01.01.2016

Territory: Ukraine

by EDRPOU

34818779

Organizational and legal

for

KOATUU

business type: limited liability company

for COPFG

32.58

Type of economic activity: trade in building materials

for KVED

Average number of employees, persons: 9

Unit of measurement: thousand UAH with rounding to whole

Address, phone: 404073, Kyiv, str. Rileeva, 10a

1801006

1. Balancesheet

Form No. 1

Code for
DKUD

as of December 31, 2015 y.

Assets	Line code	At the beginning of the reporting year	At the end of the reporting year
1	2	3	4
I. Non-current assets			
Incomplete capital investment	1005		-
Fixed assets:	1010	19195	16775
initial value	1011	36960	33220
wear and tear	1012	17765	16445
Long-term biological assets	1020		-
Long-term financial investments	1030		-
Other non-current assets	1090		-
Total Section I	1095	19195	16775
II. Current assets			
Stocks:	1100	10506	10954
including finished products	1103		
Current biological assets	1110		
Accounts receivable for goods, works, services	1125	2627	2738
Accounts receivable from the budget	1135	11	1

including income tax	1136		
Other current receivables	1155	258	38
Current financial investments	1160		
Money and their equivalents	1165	572	74
Expenses of future periods	1170	501	631
Other current assets	1190	104	42
Total Section II	1195	14578	14479
III. Non-current assets held for sale and disposal groups	1200		
Balancesheet	1300	33773	31254

Laibility	Line code	At the beginning of the reporting year	At the end of the reporting year
1	2	3	4
I. Equity			
Registered (share) capital	1400	1120	1120
Additional capital	1410		-
Reserve capital	1415		-
Retained earnings (uncovered loss)	1420	4079	6726
Unpaid capital	1425		
Total Section I	1495	5199	7846
II. Long-term commitments, targeted financing and collateral	1595		
III. Current liabilities			
Short-term bank credits	1600		-
Current accounts payable on: long-term liabilities	1610		-
goods, works, services	1615	28540	23390
budget calculations	1620	13	12
including income tax	1621		
insurance calculations	1625		
payroll calculations	1630		
future revenues	1665		
Other current commitments	1690	22	5
Total Section III	1695	28574	23407
IV. Liabilities related to non-current assets held for sale and disposal groups	1700		
Balancesheet	1900	33773	31254

2. Report on financial results
on 2015 y.

Form # 2-M

1801007

Code
for
DKUD

Reporting item	Line code	For the reporting period	For the same period of the previous year
1	2	3	4
Net income from sales of products (goods, works, services)	2000	19 148	17 425
Other operating income	2120	1 520	808
Other income	2240	23	18
Total income (2000 + 2120 + 2240)	2280	20 691	18 251
Cost of sales (goods, works, services)	2050	15 915	14 491
Other operating expenses	2180	1 525	902
Other expenses	2270	23	20
Total Cost (2050 + 2180 + 2270)	2285	17 463	15 413
Financial result before tax (2280 - 2285)	2290	3 228	2 838
Income tax	2300	581	511
Net profit (loss) (2290 - 2300)	2350	2 647	2 327

General Manager

Babansky K.V.

Chief Accountant

Ponuda G.G.

APPENDIX E**FINANCIAL REPORT**

small business entity

Date (year, month,

number)

CODE

Enterprise: System Trading, Limited Liability Company

01.01.2015

Territory: Ukraine

by EDRPOU

34818779

Organizational and legal

for

KOATUU

business type: limited liability company

for COPFG

32.58

Type of economic activity: trade in building materials

for KVED

Average number of employees, persons: 9

Unit of measurement: thousand UAH with rounding to whole

Address, phone: 404073, Kyiv, str. Rileeva, 10a

1801006

1. Balancesheet

Form No. 1

Code for
DKUD

as of December 31, 2014 y.

Assets	Line code	At the beginning of the reporting year	At the end of the reporting year
1	2	3	4
I. Non-current assets			
Incomplete capital investment	1005		
Fixed assets:	1010	19635	19195
initial value	1011	36438	36960
wear and tear	1012	16803	17765
Long-term biological assets	1020		
Long-term financial investments	1030		
Other non-current assets	1090		
Total Section I	1095	19635	19195
II. Current assets			
Stocks:	1100	10830	10506
including finished products	1103		
Current biological assets	1110		
Accounts receivable for goods, works, services	1125	2707	2627
Accounts receivable from the budget	1135	4	11

including income tax	1136		
Other current receivables	1155	29	258
Current financial investments	1160		
Money and their equivalents	1165	409	572
Expenses of future periods	1170	567	501
Other current assets	1190	72	104
Total Section II	1195	14617	14578
III. Non-current assets held for sale and disposal groups	1200		
Balancesheet	1300	34252	33773

Laibility	Line code	At the beginning of the reporting year	At the end of the reporting year
1	2		
I. Equity			
Registered (share) capital	1400	1120	1120
Additional capital	1410		
Reserve capital	1415		
Retained earnings (uncovered loss)	1420	1752	4079
Unpaid capital	1425		
Total Section I	1495	2872	5199
II. Long-term commitments, targeted financing and collateral	1595		
III. Current liabilities			
Short-term bank credits	1600		
Current accounts payable on: long-term liabilities	1610		
goods, works, services	1615	31346	28540
budget calculations	1620	16	13
including income tax	1621		
insurance calculations	1625		
payroll calculations	1630		
future revenues	1665		
Other current commitments	1690	18	22
Total Section III	1695	31380	28574
IV. Liabilities related to non-current assets held for sale and disposal groups	1700		
Balancesheet	1900	34252	33773

2. Report on financial results
on 2014 y.

Form # 2-M

1801007

Code
for
DKUD

Reporting item	Line code	For the reporting period	For the same period of the previous year
1	2	3	4
Net income from sales of products (goods, works, services)	2000	17 425	15 683
Other operating income	2120	808	727
Other income	2240	18	16
Total income (2000 + 2120 + 2240)	2280	18 251	16 426
Cost of sales (goods, works, services)	2050	14 491	13 042
Other operating expenses	2180	902	812
Other expenses	2270	20	18
Total Cost (2050 + 2180 + 2270)	2285	15 413	13 872
Financial result before tax (2280 - 2285)	2290	2 838	2 554
Income tax	2300	511	460
Net profit (loss) (2290 - 2300)	2350	2 327	2 094

General Manager

Babansky K.V.

Chief Accountant

Ponuda G.G.

APPENDIX F

Dynamics of performance indicators for import operations of LLC

«Systema Trade» for 2014-2018,%

Indicator	Legend	Years					Variations for 2018/2014		Variations for 2018 / 2017 pp.	
		2014	2015	2016	2017	2018	Abs, +/-	Rel., %	Abs, +/-	Rel., %
1	2	3	4	5	6	7	8	9	10	11
Net income from the sale of products on the market, thousand UAH	INC	17425	19148	20143	18298	26088	8663	49,7	7790	42,6
Import costs (at invoice prices), thousand UAH	Inv	10289	11459	10031	10435	12743	2454	23,9	2308	22,1
Transportation costs, ths	Tr	2161	2406	2107	2191	2676	515	23,9	485	22,1
Customs clearance costs, etc. operating expenses, ths	Cc	2042	2050	2614	2497	2785	743	36,4	288	11,6
Cost of import, thousand UAH	IC = Inv + Tr + Cc	14491	15915	14752	15123	18204	3713	25,6	3081	20,4
Other operating expenses, ths	Oex	902	1525	1102	501	452	-450	-49,9	-49	-9,8
Total cost of FEA, thousand UAH	TC = IC + Oex	15393	17440	15854	15624	18656	3263	21,2	3032	19,4
Effect on imports, ths	Ei = INC - TC	2032	1708	4269	2674	7432	5400	265,7	4757	177,9
Import performance	Pi = INC / TC	1,132	1,098	1,269	1,171	1,398	0,266	23,5	0,227	19,4
Cost effectiveness of FEA implementation,%	CEi = Ei / TC x 100%	13,2	9,8	26,9	17,1	39,8	27	-	23	-
Profitability of implementation,%	PEi = Ei / TC x 100%	11,7	8,9	21,2	14,6	28,5	17	-	14	-

Source: created under the information of commercial department