

Kyiv National University of Trade and Economics
Department of Economics and Finance of Enterprise

FINAL QUALIFYING PAPER

on the topic:

Working Capital Management of an Enterprise (based on the materials of LLC "Delight", Kyiv)

Student 2nd year, 4a group,
speciality 051 «Economics»,
specialization «Financial
Management»

V.V. Tsymbaliuk

Scientific supervisor –
PhD, Associate Professor

O.M. Matusova

Manager of the educational
program
Doctor of Science in Economics,
Professor

I.O. Blank

Kyiv 2018

CONTENT

ABSTRACT.....	3
INTRODUCTION.....	4
CHAPTER 1. THEORETICAL BASIS OF THE ENTERPRISE WORKING CAPITAL MANAGEMENT.....	7
1.1. The essence, concept and classification of an enterprise working capital.....	7
1.2. The system of an enterprise working capital management and its elements.....	19
1.3. The efficiency estimation of an enterprise working capital management.....	34
CHAPTER 2. INVESTIGATION OF THE CURRENT STATE OF WORKING CAPITAL MANAGEMENT OF LLC “DELIGHT”	45
2.1. Analysis of the dynamics of the amount and composition of working capital of LLC "Delight".....	45
2.2. Trends in changing the structure of working capital of LLC "Delight".....	55
2.3. Evaluation of the level of effectiveness of the working capital management of LLC "Delight"	63
CHAPTER 3. IMPROVING OF THE WORKING CAPITAL MANAGEMENT OF LLC “DELIGHT”	70
3.1. Ways of the working capital management optimization of LLC "Delight"	70
3.2. Formation of the planned working capital structure of LLC "Delight"	78
3.3. Perspective assessment of the effectiveness of the working capital management of LLC "Delight"	87
CONCLUSIONS AND PROPOSALS.....	96
REFERENCES.....	101
APPENDICES.....	107

ABSTRACT

Tsymbaliuk V.V. "Working Capital Management of the Enterprise" (based on the materials of LLC "DELIGHT", Kyiv). – Manuscript.

Final qualifying paper on the specialty 051 "Economics", specialization "Financial Management". – Kyiv National University of Trade and Economics. – Kyiv, 2018.

The final qualifying paper is devoted to theoretical, methodological and practical aspects of substantiation of enterprise needs in working capital management. It allows investigating the basic principles, methods and means of determining needs in working capital. It shows another view on working capital management, preferring negative working capital.

Key words: working capital, management, working capital management, negative working capital, positive working capital, current assets, current liabilities.

АНОТАЦІЯ

Цимбалюк В.В. «Управління робочим капіталом підприємства» (за матеріалами ТОВ «ДІЛАЙТ», м. Київ). – Рукопис.

Випускна кваліфікаційна робота за спеціальністю 051 «Економіка», спеціалізація «Фінансовий менеджмент» – Київський національний торговельно-економічний університет – Київ, 2018.

Випускну кваліфікаційну роботу присвячено теоретичним, методичним і практичним аспектам обґрунтування потреби підприємства в управлінні робочим капіталом. Представлена робота дозволяє дослідити основні засади, методи та засоби визначення потреби в робочому капіталі, показує інший погляд на управління робочим капіталом, надаючи перевагу негативному робочому капіталу.

Ключові слова: робочий капітал, управління, управління робочим капіталом, негативний робочий капітал, позитивний робочий капітал, поточні активи, поточні зобов'язання.

INTRODUCTION

Actuality of theme. One of the peculiarities of the modern development of the domestic economy is a significant increase in competition in almost all industries and, first of all, in trade, which is confirmed by both the growth of the number of economic entities and a significant proportion of unprofitable trading enterprises. For successful functioning on the consumer market, the company needs an efficient integrated management system for its business. It is the effective management that ensures the integration of all economic processes in the enterprise, strengthens its adaptability and competitiveness. In this context, significant for enterprises is the effective management of working capital in general, in particular as an integral part of the overall management system. Issues related to the management of the formation and use of working capital are becoming particularly difficult at present.

The development of market relations in Ukraine and the experience of the foreign economic system determine the dependence of the results of enterprises on the effectiveness of managing the process of formation and use of their working capital. Therefore, the study of the management of working capital as an important factor in improving the efficiency of enterprises becomes of particular relevance. The search for ways to increase the efficiency of using working capital is one of the most urgent issues in the policy of enterprise management in general.

Problems of working capital management have taken a significant place in the research of well-known foreign and domestic scientists.

The conceptual foundations of the essence and theory of working capital management are considered in the scientific works of domestic and foreign economists: I. Balabanova O. Bileychenko, I. Blank, E. Brigham, J. Van Horn, O. Vasilik, A. Zolotarev, I. Zyatkovsky, V. Kovaleva, A. Mazaraki, L. Martyusheva, E. Nikbakhta, L. Pavlova, A. Pidderihina, G. Polyak, R. Slavjuk, V. Stolyarova, E. Stoyanova, E. Helferta, A. Sheremeta, K. Shim Jay and others.

However, there are a number of theoretical and practical problems that remain unresolved both at the level of enterprises in general and at the level of individual

branches. These should include the problem of providing working capital with a definition of the structure and sources of its formation, an assessment of the impact of the management system of working capital on the financial position and activities of enterprises.

Therefore, at the present stage of the transformation of managerial principles of the functioning of enterprises, the system of working capital management and directions of its improvement becomes a priority.

The purpose and tasks. The **purpose** of the research is to substantiate theoretical and methodological provisions for improving the management of working capital, conducting a study of the movement and efficiency of working capital management on the materials of the operating enterprise.

To achieve the goal in the the following **tasks** are set:

- to consider and generalize theoretical approaches to the definition of the essence of the working capital of the enterprise and its classification;
- to define the purpose, tasks and stages of the working capital management process;
- to consider the methodological principles of the assessment of the efficiency of management of working capital;
- to study the methodical tools for analysis and planning of working capital;
- to analyze the dynamics of volume and structure of working capital at the enterprise LLC “Delight”;
- to assess the level of effectiveness of working capital management at the enterprise;
- to develop ways to improve the management of working capital in the enterprise;
- to forecast the dynamics of volume and structure of working capital after proposed improvement;
- to assess the level of effectiveness of working capital management after proposed improvement.

The object of the research is the process of working capital management on an enterprise.

The subject of the research is theoretical-methodological and practical principles of the organization of the working capital management.

LLC “Delight” was founded in 2001 and has been operating on the market for more than 15 years. It deals with the leasing and operation of its own or leased real estate, which is its main activity, as well as complex service of facilities, market research and public disclosure, construction of residential and non-residential buildings.

In the course of the research, the following **scientific methods** were used: theoretical knowledge and generalization, comparison, analysis and synthesis, classification method, system approach and situational approach.

The normative and legislative acts of Ukraine, literary sources on research topics, materials of the specialized periodical press, scientific works of working capital management of domestic and foreign scientists, and the reports of Delight Limited Liability Company were used as an **information base of the research**.

The **scientific novelty** of the results obtained is the development of ways to improve the management of working capital, as well as the construction of working capital management models on prepayment terms.

Approbation. The results of the thesis, some of its aspects, and generalizations and conclusions obtained were announced at two competitions of student research papers: the All-Ukrainian contest of student research papers "Economy and management in the field of trade" (Kharkiv, 2018), the International competition of students' scientific papers "Black Sea Science 2018" (Odessa, 2018).

Practical meaning. The results of the conducted research and the suggested ways of optimization can be taken into account and used by the enterprise in the further decision-making concerning management of working capital and improvement of the enterprise as a whole.

Structure of the paper. The logic of the research resulted in the structure of the work: introduction, 3 chapters, conclusions and proposals, references, 10 applications. Total amount of pages in the work with appendices is 124 pages.

CHAPTER 1

THEORETICAL BASIS OF THE ENTERPRISE WORKING CAPITAL MANAGEMENT

1.1. The essence, concept and classification of an enterprise working capital

At the present stage of economic development, in conditions of market relations in Ukraine it is necessary to pay attention to the organization of working capital management of the enterprise. The financial activity of the company is closely linked to the formation and use of working capital. He owns a special place in the capital structure of the enterprise and the quality of management depends on the continuity of the process of production and sales of products, liquidity of the enterprise, its solvency and profitability.

Because of the study of economic literature, it was discovered that there are many different approaches to determining the economic essence of working capital and there are various concepts associated with it, such as working capital, circulating assets, net working capital, Gross working capital, short-term assets, and current assets.

Various interpretations related to the definition of the basic concepts of working capital are known in the special and scientific literature and in the world of accounting and analytical practice. In particular, the accounting standards use the term "current assets", and financial managers prefer the terms "working capital" to "current assets". In the English literature, the notion of "working capital" is analogous to the notion of net working capital. In the domestic literature, this notion is identified with net working capital and own working capital. However, in my opinion, such an interpretation of these indicators is false and needs to be clarified in the algorithm for their calculations.

First of all, it should be noted that working capital is a part of the capital of an entity that is invested in current assets, that is, those that are in circulation. The sources of its formation are own working capital, long-term liabilities and short-term loans and loans.

Own working capital is a calculated indicator that characterizes the portion of equity capital that is the source of the formation of current assets. In other words, they represent the difference between equity and non-current assets.

Net working capital (NWC) is an indicator that characterizes an entity's financial position in the short term and is calculated according to the formula [15, p.790]:

$$\text{Net Working Capital} = \text{Current Assets} - \text{Current Liabilities} \quad (1.1)$$

The term "working capital" is relatively new in domestic economic science. More applicable and familiar is the terms "current assets", which is used in legislative, regulatory and economic literature, is used in the practice of management and around the economic nature of which scientists are conducting a long polemic. Thus, as a rule, the subject of scientific interests of scientists are separate components of working capital - cash and cash equivalents, stocks, work in progress, accounts receivable. In English science literature, you can also find the terms "circulating capital" and "floating capital", which are synonymous with working capital.

I.O. Blank notes that in the practice of financial management it is necessary to distinguish between the notion of "own working capital" and "net working capital", while the former characterize that part of working capital, which is formed at the expense of own capital, and the second ones are formed at the expense of own and long-term borrowed capital (1.2)

Mathematically, I.O. Blank proposes to determine their own current assets using the following algorithm:

$$\text{OCC} = \text{CA} - \text{LTL} - \text{STO}, \quad (1.2)$$

where: OCC -own current capital;

CA - current assets;

LTL - long-term loans and loans for working capital formation;

STO - short-term obligations.

I.O. Blank proposes to define net current assets as the difference between the amount of current assets and the value of short-term liabilities [8, p.56].

Thus, I.O. Blank identifies net working capital with working capital. In my opinion, it is logical to distinguish between working capital and the sources of its formation, namely, net working capital and own working capital, since financial management requires two indicators.

Another authoritative scientist in the field of financial management and financial analysis – V.V. Kovalev believes that the term "own working capital" is analogous to the net working capital indicator, which is defined as the difference between the value of current assets and short-term liabilities [29, p.78].

We cannot agree with V.V. Kovalev's view, since their own working capital is a narrower indicator than net working capital, and characterize only a portion of equity capital that is the source of the formation of current assets, while net working capital covers as part of equity, and long-term liabilities.

The authors interpret the notion of “working capital” differently.

American Professor J. Van Horn understands working capital like the amount of current assets that have not been funded by current liabilities [17]. Other scholars M. Han and P. Yan consider working capital as the sum of investments in working assets used during the operating cycle, and net working capital is the difference between current assets and current liabilities [66].

J. Van Horna's opinion is quite acceptable, since it indicates that the value of working capital equals that part of the current assets, which are financed by equity and long-term liabilities. However, with the words of the scholars M. Khan and P. Yana, we can not fully agree, because working capital is equal to the net working capital, and has the same particular value.

According to Fred Weston and Eugene Brigham: "Working capital relates to firm investments in short-term assets such as receivables, stocks, etc." [64, p.66]. The author distinguishes the following essential characteristics of the concept as investment short-term assets, short-term assets as cash receivables, inventories, etc. The disadvantage of this approach is that the definition is not detailed in full, as evidenced by the uncertainty of the concept of "firm investment."

A well-known financier, Campbell Harvey, believes that "working capital is the amount of money the company has at hand, or will have, in the current year. Working capital is calculated by deducting current liabilities from current assets. That is, it takes the value of all debts and liabilities for the current year and deducts from the cost of all cash and assets that can reasonably be converted into cash in the current year. This is a good

measure in the short and medium term of the financial position of the company, and can indicate how much it can expand its operations without resorting to borrowing or other tactics of raising capital "[61, p. 35].

In accordance with this definition, the following main features are distinguished: the measure, the period of time (current year), the prospect of a financial condition, the calculation formula (the deduction of current liabilities from current assets).

Paul Lindon Davies, a professor of corporate law, argues, "working capital is a short-term asset of a firm that has turned over quite quickly in the business process. They include raw materials, work in progress, finished products, and cash, minus short-term current liabilities. Increasing the company's trading volumes usually results in an increase in the stock and amount of debts owed by debtors, and therefore in increasing working capital"[63].

For me, Paul Lyndon Davis provided fair judgment, in his definition; he painted the elements of current assets, thereby confirming the formula for determining working capital. For a better understanding of the concept of working capital, we propose to consider the main components of the working capital cycle, which are presented in Fig. 1.1.

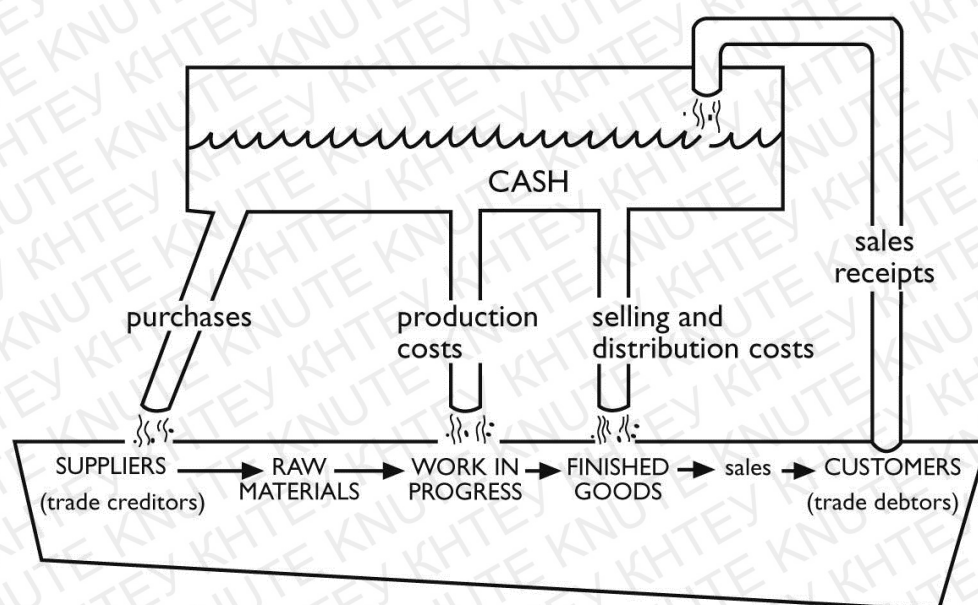


Fig.1.1. The main components of the working capital cycle [32]

In general, in foreign practice there are two approaches to the definition of working capital:

- 1) Working capital as current assets ("(Gross) Working Capital").
- 2) Working capital as a difference between current assets and current liabilities ("(Net) Working Capital").

In our opinion, both approaches are important in terms of efficient management of working capital. The first approach is aimed at adopting two basic management decisions - how to optimize investments in current assets and at what sources should be financed by them. The second concept is more quantitative - it involves making managerial decisions on liquidity, as well as on the level of current assets, above which funding can be provided at the expense of long-term sources.

Thus, by examining the diverse interpretation of the concept of working capital, one can conclude that most authors, in terms of "working capital", mean the difference between current assets and current liabilities.

Summing up the above stated terms, in our opinion, working capital is the amount of current capital free of short-term (current) financial liabilities, namely that part, which is financed from own and long-term sources and which is not necessary to use for the repayment of the current debt. An additional value of this indicator means that the company is able to pay for its current assets short-term financial liabilities; the negative value - on the contrary, that an enterprise does not have such opportunity. The growth of NWC in dynamics indicates an increase in the liquidity of the business entity and an increase in its creditworthiness. At the same time, too much net working capital can be a sign of ineffective financial policies that will lower profitability (for example, the choice of expensive long-term financing sources, unjustified reduction in payables).

One of the reasons for changing the NWC is the process of recognizing revenue and expenditure and generating a cash flow of the enterprise. Repayment of receivables by buyers increases the cash flow and reduces current assets in the calculations, hence reducing net working capital accordingly. Repayment of current accounts reduces cash flow, short-term financial liabilities and, accordingly, increases net working capital. It should also be noted that obtaining a prepayment (advance) from buyers contributes to an

increase in current liabilities, an increase in cash flow and a decrease in net working capital. Thus, as a result of an increase in cash flow, net working capital is reduced, and a decrease in cash flow - on the contrary, leads to its increase; while incomes and expenses do not affect the level of NWC.

Particular attention is needed to the question of the classification of working capital, since the correct classification depends on the effectiveness of making managerial decisions and it is a prerequisite for analyzing the efficiency of the use of working capital.

According to the explanatory dictionary of the modern Ukrainian language, classification is a system for the distribution of objects, phenomena or concepts into classes, groups, and other common features and properties. Consequently, the classification of working capital is a division according to various criteria.

Working capital can be classified into several groups of attributes. Professor M.V.Romanovsky distinguishes four features of classification (Figure 1.2):

- service sphere;
- possibility of planning (valuation);
- sources of formation;
- liquidity [46, p.210].

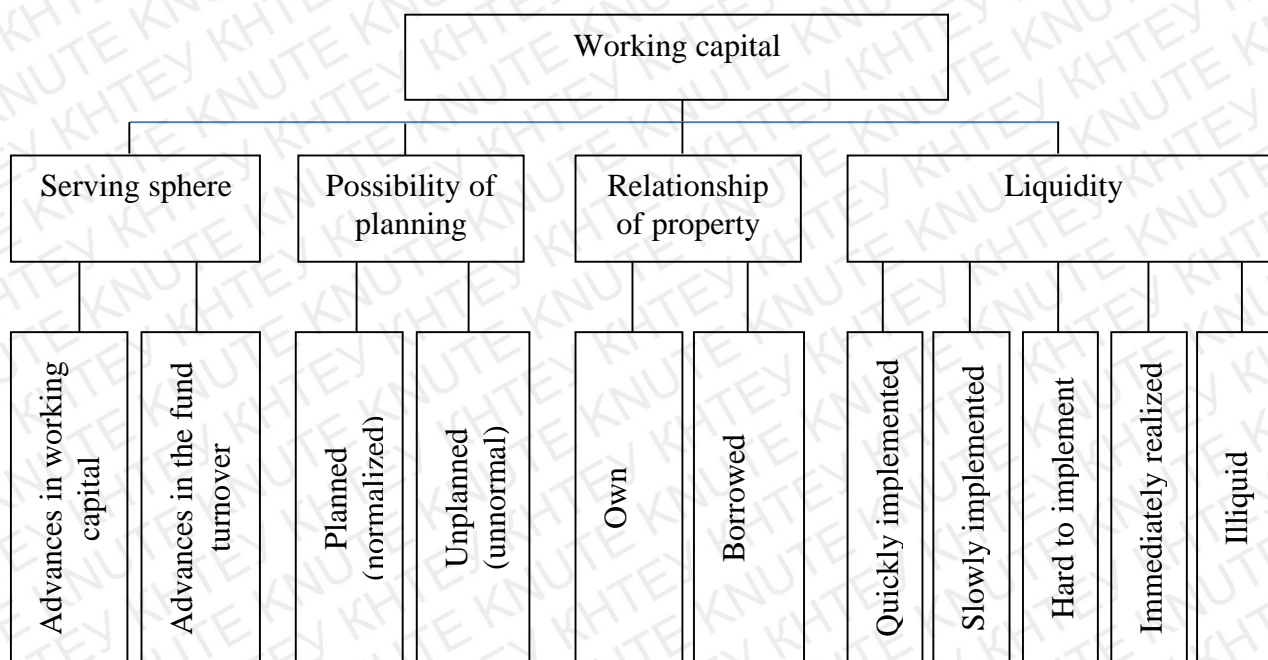


Fig.1.2. Classification of working capital [46, c. 284]

If possible, planning (valuation) allocates normalized and unnormal working capital. Turnoverable working capital and finished products belong to normalized working capital. Rationing, finding the optimal amount of working capital, is carried out to ensure the continuity of the process of production and sales of products. All other items of working capital are unregulated.

Depending on the sources of formation, many scholars (M. Romanovsky [46], A.D.Sheremet [59], M.G. Lapusta [37], and others) share working capital on their own and borrowed, with the same notion that refers to loans, but to their own. So, Professor M.V.Romanovsky to his own sources include equity capital and stable liabilities. Scientists A.D. Sheremet and M.G. Lapustowns relate liabilities to borrowed funds.

By the level of liquidity, working capital is divided into immediately realized (cash, investment in the money market); quickly realized (investments in highly liquid securities, accounts receivable, secured by pledge, suretyship or bank guarantee, which did not expire the limitation period); slowly realized (production stocks); Hardly realized (depended stocks of raw materials and finished products) and illiquid (bad debts).

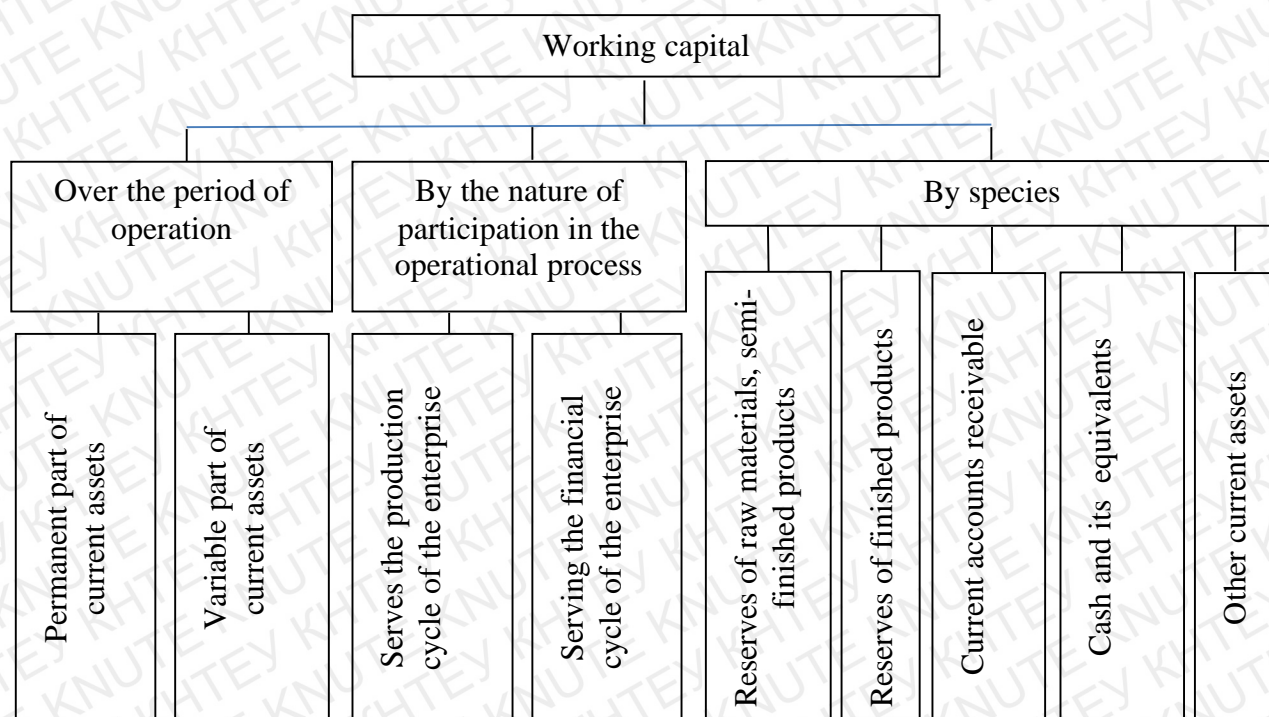


Fig. 1.3. Classification of current assets of the enterprise [9, p. 77]

In my opinion, it is superfluous to consider working capital both own and borrowed, since such a division complicates the simplicity of definition and equates working capital with current capital.

Professor I.O.Blank highlights the following classification of working capital in his works (Fig. 1.3).

By types of current assets are allocated stocks of raw materials, semi-finished products; stocks of finished products; current receivable; cash assets and their equivalents and other current assets. According to the author, short-term financial investments should be allocated as a separate object, as they require some specific management.

This classification is important because elements of working capital play an important role in the efficient management of working capital.

By the nature of participation in the operational process, distinguishable circulating assets serving the financial cycle (accounts receivable, cash), and current assets serving the production cycle (stocks of raw materials, unfinished production and stocks of finished products). It should be noted that short-term financial investments could not be attributed either to circulating assets serving the financial cycle or to circulating assets serving the production cycle. According to the author, this allows to form one more sign of classification - for participation in the process of production and sales of products (Fig. 1.4).

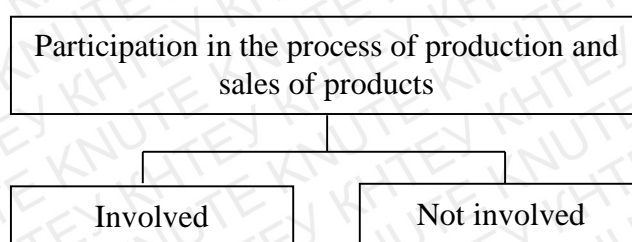


Fig.1.4. Classification of working capital with participation in the process of production and sales of products [9, p. 82]

Part of the working capital directly participates in the process of production and sales of products, while some are diverted from this process and are invested in short-term financial investments. The allocation of short-term financial investments from current

assets allows you to more accurately assess the efficiency of working capital, participating in the operational cycle of the enterprise and working capital in general [8].

During the period of operation, a permanent and variable part of working capital is allocated. Constant part of current assets represents the unchanged part of their size, which does not depend on seasonal and other fluctuations of the operating activity of the enterprise. The variable part of working capital is a variable part of current assets, which is associated with season's fluctuations in production and sales.

The above classification of Professor M.V. Romanovsky and Professor I.A. Blank does not consider the distribution of working capital at risk. Scientists M.G. Lapusta and A.D. Sheremet allocates four levels of risk:

- working capital with a minimum risk of investment (cash and short-term financial investments);
- working capital with low investment risk (accounts receivable, inventory, inventory of finished goods);
- working capital with average risk of investment (work in progress, costs of future periods), and
- working capital with high risk of investing (doubtful receivables, deferred reserves, etc.) [59, c.54].

If we talk about the financing of working capital, then you should consider the following two types of working capital. As it is known, working capital is part of the firm's capital used daily for ordinary business operations and reflects the amount of money that the firm has at its disposal. However, working capital funding can be a business problem, especially for a small firm. In order to understand that the best way to finance working capital, it is important to understand the difference between the two types of working capital:

- Constant working capital;
- Working capital.

In fact, permanent working capital is the minimum level of working capital needed by the firm to work.

Constant working capital is also called fixed working capital. It does not depend on the level of production or sales. It is similar in a certain way to fixed assets because of their constant (fixed) character.

It is important to note that permanently working capital is not literally fixed: its level may change over time. The level of permanent working capital depends on the cycle of business activity, as well as the growth of the firm.

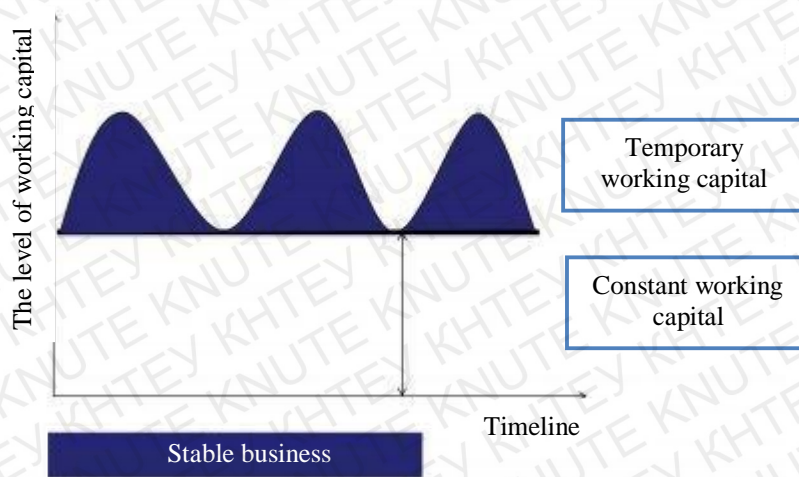


Fig. 1.5. Constant and temporary working capital in a stable [71]

Constant or fixed working capital is not fixed in the long run. As business grows, it will also grow. I propose to consider two schedules: one for enterprises with few changes in sales, margins and other indicators. Obviously, such enterprises are rare (Figure 1.5). Another timetable for a business is growing and expanding (Figure 1.6).

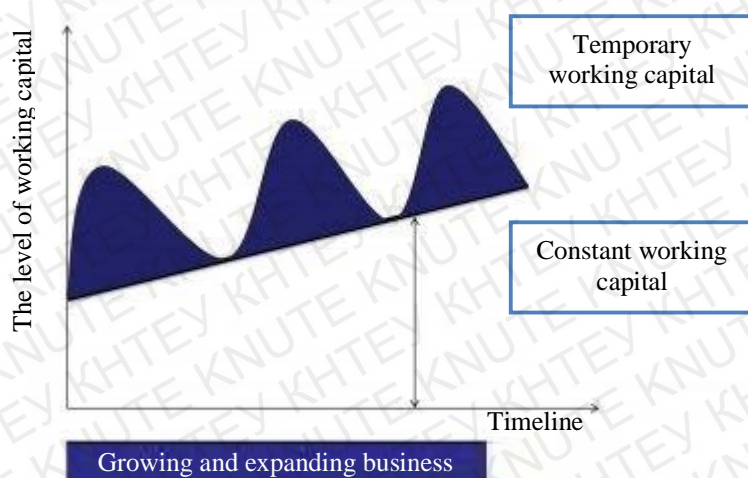


Fig. 1.6. Constant and temporary working capital in the developing company [71]

Constant working capital can be divided into the following categories:

- Regular working capital: the minimum level of working capital needed to move from one form to another: from cash to inventory, from inventory to receivables, receivables in cash, and so on.
- Operating capital reserve: fixed working capital minus normal working capital. The reserve of working capital arises from such unforeseen circumstances as trade union strikes, recessions, etc.

Temporary working capital represents the excess of working capital over permanent working capital.

Temporary working capital is also called variable or cyclical working capital. Temporary working capital can be further divided into the following categories:

Seasonal working capital: temporary working capital needed to meet seasonal needs.

Special working capital: Temporary working capital required to meet special requirements.

Temporary working capital is different from constant working capital because of its cyclical nature. As a result, the temporary nature of working capital, as a rule, requires a different source of financing than permanent working capital. While permanent working capital is usually funded by long-term financing sources such as equity and long-term financing, the temporary nature of working capital is often financed by short-term funds.

Therefore, after analyzing the approaches of different scholars to the classification of working capital, we conclude that most authors share working capital by such features as types, period of functioning, form of functioning, the nature of participation in the operational process, the level of liquidity, the level of variability in size. Several authors further distinguish other features, among which not all are reasonable and sufficiently substantiated.

In our opinion, this class of attributes should be supplemented by another feature, which is very important, since this distinction is often encountered in practice, and, in theory, it was not highlighted. Analyzing a significant number of enterprises, it was found that the successful operation of the enterprise is characterized not only by the positive value of working capital, but also with a negative value. Moreover, firms with close to

zero value of working capital were found. Therefore, we propose to classify the working capital by structure on:

- positive working capital (current liabilities are less than circulating assets);
- negative working capital (current liabilities are bigger than current assets);
- zero working capital (current liabilities approximated are equal to the value of current assets).

Table 1.1

Classification of working capital

№	Classification trait	Working capital groups
1.	By species	stocks of raw materials, semi-finished products; stocks of finished products; current receivable; cash assets and their equivalents; Other current assets.
2	Over the period of operation	constant part of current assets variable part of current assets.
3	By the nature of participation in the operational process	serve the production cycle of the enterprise; serve the financial cycle of the enterprise.
4	By the level of liquidity	Immediately realized; quickly implemented; slowly implemented; difficult to implement; unmarketable.
5	By the possibility of planning (valuation) are allocated	normalized; unnormalized
6	Depending on the sources of formation	own; borrowed
7	For the service sphere	Advances in working capital; advanced in funds of turnover.
8	With participation in the process of production and sales of products	involved; not involved
9	At risk level	with minimal risk of attachment; with low risk of attachment; with an average risk of investing; high risk attachment.
7	For forms of functioning	material; financial
8	By the level of variability of size	Fasting temporary.
9	By structure	positive; negative; null.

Taking into account all of the above-mentioned features and proposals, the expanded classification of working capital is given in Table 1. 1.

Consequently, the system of classification of working capital will allow to form a more substantiated process of working capital management, which will increase the efficiency of the enterprise and its competitiveness in the consumer market.

1.2. The system of an enterprise working capital management and its elements

For the rational formation and use of working capital, it is necessary to create a management system for working capital of the enterprise. First of all, research requires the essence of the notion of "system", "management", "management of working capital". The founder of the general theory of systems is L. Bertalanfi. He treats the concept of the system as a complex of elements in interaction [20, p.5]. Proponents of this interpretation are a number of scientists. So, according to Fedulova L.I. system (derived from the Greek language and means of formation, preparation) - is an organized set of interrelated components and elements that interact with each other and the environment in achieving this goal [55, p.5].

It is a fair judgment Fedulova L.I., summarizing her words, we think the system is a set of functionally interconnected and interacting elements of holistic education or tends integrity. This definition implies the existence of links between its elements.

The notion of working capital management is extensively investigated, since it is the development and implementation of an effective work capital management system that enables the company to achieve effective activity and ensure its solvency.

The creation and development of a working capital management system requires clarification of the terminological understanding of the issue's issues. In particular, in the current economic dictionary foregoing narrowest definition of the term "management - a conscious, purposeful influence by the subjects of economic objects carried out in order to direct their action and to get the desired result." [53, p.103]

This definition characterizes the overall management process and is the most general, the object of this management can be not only working capital, but also other categories.

Similar definitions, but with a broader interpretation are proposed by authors Kuzmin O.E. and Melnik. O.G., who discovered the definition of the following: "management - is a purposeful impact on the object in order to change its state or behavior in connection with the change of circumstances." [35, p. 69]

The essential characteristics of this definition are its characteristic due to its influence, its orientation on a certain object and the determination of purpose. The disadvantage of this approach is the fuzziness of the stated goal, because the purpose of management can be determined not only by changing the state of the object, but also in some cases by supporting its relevant indicators.

A more specific definition of management, taking into account the object of our study, is given by B. I. Blonsk and N.B.Tolopka, which define "working capital management system as a system of coordinated principles, objectives, components and methods that govern the development and implementation of management decisions regarding traffic control working capital in clearly defined parameters" [10].

Unlike previous concepts, they use a procedural approach, which allows them to go deeper into the concept of governance disclosure and specify it in accordance with the object. The disadvantage of this approach is that this definition only refers to the adoption and implementation of managerial decisions and does not take into account such an important aspect of management as control over the implementation of management decisions.

According to Brigham E.F. "Under the policy of working capital management refers to the activities of the enterprise, relating to the basic levels for each category of current assets, financing current assets. Working capital management includes managerial decisions on current assets and current debts "[16, p. 734]. Polyak G. B. "The integrated management policy of circulating assets is distributed to management of current assets and current liabilities. Managing current assets means determining the size, composition and structure of current assets "[44, p. 734]. This definition broadly characterizes the term

management of working capital, which specify, in addition to management of working capital, as well as management of its elements, management decisions on current assets and current arrears.

Blank I.O. treats "management of working capital as part of the overall financial strategy of the enterprise, which consists in forming the necessary volume and composition of working capital, streamlining and optimizing the structure of the sources of their financing" [7, p. 310]. In this definition Blank I.O. primarily indicates that the management of working capital is part of the financial strategy of the company, which was not mentioned in previous treatments, and excluding the essential characteristics of the volume and composition of current assets, indicating the rationalization and optimization of sources of financing.

Thus, researchers examined various approaches to the interpretation of the concept of management of working capital, are the following intrinsic its characteristics: focus on a particular object, certainty a particular purpose and means of contributing to achieving the goal, taking into account the actions of various factors, the certainty of the concept of working capital management the positions used organizational, economic and general methods and principles of the management system.

In my opinion, the list of the above essential characteristics should be supplemented by the control of the measures and decisions that are taken to ensure effective management, because many scholars view the concept from the point of view only of the adoption, implementation, implementation of certain measures or management decisions, which does not allow to determine the completeness and the many-sidedness of this concept.

Taking into account all the proposals, I propose to define the concept of working capital management as follows: management of working capital is an interconnected system of factors of influence on working capital and their elements, financed by equity and long-term commitments, aimed at reconciling quantitative and qualitative parameters I will establish the efficiency of management of working capital with the goals and objectives of the enterprise, in order to achieve their effectiveness.

Effective management of the working capital of an enterprise is impossible without a clearly defined purpose.

Chaldaeva L.A. believes that "the key goal of working capital management is to ensure the continuity and efficiency of the enterprise's current activities" [53, p.78]. The emphasis in determining the purpose of this scientist is only on the current activities of the enterprise, not taking into account such an important criterion as the structure of current assets, therefore, according to the author, this definition does not fully reflect the purpose of management of working capital.

Grigoriev T.I. argues that "the main objective of working capital management is to provide the need for circulating assets necessary to establish such a ratio of profitability and risk, which most closely matches the strategy and stage of the company's life cycle" [26, p.62]. It highlights such essential characteristics of the concept of purpose as: the need for working assets, the ratio of profitability and risk, the relevance of the strategy and the stage of the company's life cycle. The disadvantage of this approach is the lack of specification of the need for convertible assets, in the exact volume and structure of current assets is not specified.

Davydova L.V. in his work notes that "the main objective of the management of working capital is to determine the volume and structure of current assets, sources of their coverage and the relationship between them, sufficient to ensure long-term productive and effective financial activity of the enterprise" [12, p.89]. In contrast to previous interpretations, this approach more reveals the essence of the purpose. It highlights the following essential characteristics: the volume and structure of current assets, their sources of coverage, long-term activity of the enterprise.

Thus, having considered the above approaches to the definition of the purpose of working capital management, one can distinguish the following main characteristics: the volume and structure of current assets, the ratio of profitability and risk, the relevance of the strategy and the stage of the company's life cycle. In our opinion, in all definitions, such an important criterion as the level of liquidity is not taken into account, which it is expedient to allocate when forming a goal and which more accurately reveals the essence of this management. With that in mind, we determine that the main objective of working

capital management will be achieved by learning how to maintain its volume and structure, ensuring that the company achieves the maximum possible profitability of current assets at a given level of liquidity.

The management of working capital should be planned with an orientation towards solving the main tasks facing the enterprise in the process of its functioning. The main tasks, as Davydova L.V. is the provision of solvency and ensuring the profitability of the assets of the enterprise. This approach is the most generalizing, reflecting the strategic, main tasks of the enterprise.

Many authors, and in particular, Sheludko, V.M. [58, p.76] in their writings note that the main tasks of working capital management, in addition to the above, there are also: determination of the optimal volume and structure of current assets; minimizing the costs of financing and supporting a certain amount of them; providing liquidity and solvency; formation of the optimum amount of stocks; management of accounts receivable; cash management and so on.

This approach is more detailed than the previous one. In this case, it is expedient to allocate tasks for the management of individual elements of working capital, namely stocks, accounts receivable, cash. In solving these problems, we proceed from the assumption that each element plays a significant role in the structure of working capital and requires individual management of it.

Grigoriev T.I. separates the task of working capital management into current and strategic, thereby detailing the tasks and combining them with the strategic goals of the company. So, according to her, in the tasks of the current management of working capital, as a rule, include:

- 1) formation of volumes and composition of current assets in accordance with the operating cycle;
- 2) ensuring a rational structure of current assets under liquidity;
- 3) increase profitability (profitability) of circulating assets;
- 4) acceleration of turnover of stocks, accounts receivable, cash;
- 5) minimization of losses in storage and use of certain types of current assets;

6) determining the optimal structure of sources of financing of current assets [26, p.70].

The general list of tasks, the successful solution of which depends on the ability to maintain the optimal value of the company's working capital, is subject to detail if the strategic goals are to become a benchmark (Table 1.2).

Table 1.2.

Tasks of management of working capital, corresponding to the strategic goals of the company

Strategic goals of the company	Negative factors associated with this strategy	Task management of working capital
Maximize profits	Inconsistency in working demand and its actual size. Non-optimal structure of working capital by level of liquidity. Irrational composition of financing sources of current assets.	Determining the optimal value of working capital. Ensuring high profitability of current assets. Minimization of total financing costs.
Ensuring financial stability of the company	Irrational distribution of borrowing and own funding sources. Low share of profit in the structure of equity. Inappropriate ratio of short-term and long-term liabilities in the structure of debt capital.	Ensuring a rational equity structure by optimizing the size of working capital. Maintenance of the structure of sources of financing of working capital
Ensuring investment attractiveness of the company	Insufficiency of money. Lack of own credit facilities. Insufficient inventory. High level of payables.	Ensuring the value of current assets necessary to maintain current activity. Optimization of the structure of working capital by the level of liquidity of its elements. Reduction in the amount of accounts payable.

Source: compiled by the author based on [26]

Thus, Grigoriev T.I. convinces us that the composition of tasks for the management of working capital will inevitably change, depending on a set of factors that affect the structure of the current assets of a company and the strategic goal of its development.

Having considered the above-mentioned approaches to the formation of tasks of working capital management, in my opinion, the main tasks should also be added:

1) taking into account in the process of working capital management of the enterprise the parameters of the external and internal environment;

When working out the principles of working capital management, it should also be taken into account that there cannot be a single policy used as a cliché by all companies of any size and sectoral affiliation. The peculiarities of decision-making in this area will be determined not only by the sphere of activity of the company, but also by a number of other factors. There are no universal rules for determining the optimal size of working capital or the principles of managing it. In today's dynamic economic conditions, more important from the point of view of financial management is a thorough analysis and timely account of factors that affect the working capital. In my opinion, among such factors it is expedient to allocate the following:

- Type of economic activity
- Strategy and objectives of the enterprise
- Complexity of business processes, state of the system of internal financial control, financial structure
- Seasonality of demand and price dynamics
- Accounting policies of the enterprise, features of taxation, etc.

Thus, taking into account the above suggestions, the overall system of tasks will look like: determination of the optimal volume and structure of current assets; minimizing the costs of financing and supporting a certain amount of them; providing liquidity and solvency; formation of the optimum amount of stocks; management of accounts receivable; cash management; increase profitability (profitability) of current assets; acceleration of inventory turnover, accounts receivable, cash; determination of the optimal structure of sources of financing of current assets; consideration of the parameters of the external and internal environment in the process of managing the working capital of the enterprise.

An important aspect of the working capital management policy is to support sufficient liquidity for the firm. The decision as to how much working capital is supported involves a compromise, for example, the high value of net working capital can lead to a reduction in the risk-liquidity faced by firms, but this may have a negative impact on cash

flows. That is why the net effect on the firm's value should be used to determine the optimal amount of working capital.

Thus, one can hardly find universal approaches to managing current assets; each company should develop a short-term financial policy on its own and with a standard set of operational tasks, to find individual ways to solve them.

Management of working capital is ensured by the implementation of a number of functions, which are understood by specific areas of activity.

For the first time, introduced the concept of control functions A. Fayol. They are the basis of management science and have the following definition:

- to foresee, that is to predict the future and to develop a program of action;
- to organize, that is, to build a dual - material and social - the organism of the enterprise;
- to dispose of, that is to force the personnel to work properly;
- to coordinate, that is to link, to combine, to harmonize all actions and efforts;
- to control, that is, to take care that everything will be done in accordance with established rules and committed instructions. [56, c.67]

This approach is mainly considered from the point of view of management, and in this case the object of such management may be different categories.

Widely the definition of management functions is also suitable Blank IO .. [7, p. 19] He divides functions into two main groups:

- 1) management functions as a control system. (the composition of these functions is characteristic of any type of management, although it should take into account its specificity);
- 2) financial management functions as a special functional area management company (composition of functions is determined by the specific object of financial management).

In the system of these functions one can distinguish the functions of management of working capital, namely:

- identify the real needs for working capital in view of the planned volume of operating companies and determining their amount in general;

- optimization of the composition and structure of working capital from the standpoint of the effectiveness of its integrated use;
- the choice of effective forms and sources of funding, etc.

Solomatina AN in his studied used a similar approach, but specifically allocated management object, such as working capital, according to this scientist, fixed assets management functions are: definition of policy directions in the management of circulating assets; development of management model for current assets and current liabilities; forecasting; planning; accounting and economic analysis and others.

However, the main functions of working capital management, it reduces to the following, justifying each of them:

- revealing the dynamics of the current structure of capital and determining the rational relation of its elements for the future period;
- assessment of the efficiency of the use of working capital;
- optimization of the structure of capital by the criterion of its sources of financing [51, p.78].

The first function is to study the movement of advanced capital on the formation of working capital strictly according to their target nature in terms of structural elements (stocks of goods, cash, short-term financial investments, receivables and other commodity-material values).

The second function of working capital is the assessment of the efficiency of the use of working capital, which provides a stable financial position, strict compliance with financial and budget discipline, achieving the best results at the lowest cost.

The third function of working capital management is optimization of its structure according to the criterion of funding sources. This way of optimizing the structure of capital is associated with the choice of different sources of financing of certain elements of current assets.

Hence, effective management of the working capital of an enterprise requires a clear definition of the functions of this management, which are divided into general and special. In our opinion, special attention should be paid to special functions, and in addition to the above, we propose to expand this list by such functions as: identifying conditions for the

formation of working capital and determining the amount of working capital separately in its elements.

The great importance of working capital in ensuring the strategic success of an enterprise necessitates the identification of conditions for their formation, which will ensure their useful use, taking into account the state and dynamics of the environment.

Thus, taking into account the above suggestions, the general system of functions of working management will look. (Table 1.3)

Table 1.3

Functional management of working capital

General	Special
1. planning; 2. forecasting; 3. organization; 4. coordination; 5. evaluation; 6. optimization; 7. control and regulation.	1. Definition of policy directions in the management of circulating assets; 2. Development of the model of management of current assets and current liabilities; 3. Stimulation of rational formation and effective use of working capital; 4. Research of the movement of advanced capital on the formation of working capital strictly according to their target nature in terms of structural elements; 5. Assessment of the efficiency of use of working capital; 6. Optimization of the structure of capital is associated with the choice of different sources of financing of certain elements of current assets; 7. Identification of conditions for the formation of working capital; 8. Determining the amount of working capital separately in its elements; 9. Optimization of working capital composition from the standpoint of efficiency of its complex use; 10. Selection of effective forms and sources of financing.

By developing part of the overall financial strategy of the enterprise in ensuring solvency, liquidity and regattability of the enterprise, the process of working capital management should be built up.

The process of working capital management is part of the overall financial strategy of the enterprise, which is to provide the optimal structure of working capital. I propose to consider the stages of management of working capital assets proposed by various scholars. Like any process of management, the management of current assets of the enterprise must be carried out in stages [2, p. 123]. Table 1.4 summarizes the views of scientists on determining the main stages of asset management of the enterprise.

Table 1.4.

Stages of management of working assets of the enterprise

Author	Phase content
Blank I.O., Sitnik G.V. [8, p. 189]	analysis of current assets of the enterprise in the previous period, choice of the policy of formation of current assets of the enterprise, optimization of the volume of circulating assets, provision of necessary liquidity of circulating assets, provision of necessary profitability of circulating assets, choice of forms and sources of financing of current assets.
Kirichenko TV, Kudryavtseva S. S. [27, p. 33]	estimation of working assets in the previous period, analysis of the efficiency of the use of current assets, choice of the model of management of current assets, optimization of volume and structure of current assets, ensuring the need for resources by sources of coverage.
Mazaraki A, Ligonenko LO, Ushakova N.M. [38, p. 532]	the definition of the goals and objectives of the management, the formation of the information base of management decisions, the analysis of the status and effectiveness of management of working assets, the development of a plan for forecasting the need for working assets for the next period and the definition of sources of financing for this need, the development of management policies for individual groups of assets to achieve strategic management objectives, examination of the developed plan of formation and policy of asset management of the enterprise in terms of achievement of strategic objectives of management.

If we consider the process of working capital management in detail, then it should be noted that Blank I.O. in addition to the nine stages of its development, makes a certain step-by-step details of some stages.

Thus, the first stage (analysis of current assets of the enterprise in the previous period) is carried out in five steps. In the first step, the dynamics of the total volume of current assets is considered. The second step deals with the dynamics of current assets by their main components: stocks, accounts receivable, cash. The third step of the analysis is to study the turnover of certain types of current assets and their total. Then the profitability of current assets is calculated, the factors determining it are investigated. At the fifth step of the analysis, the composition of the main sources of financing of current assets is considered; The third stage of the management of working assets (optimization of the

volume of working assets) is divided into three steps, the first of which determines the system of measures to reduce the duration of the operating (and within its fiscal and production) cycle of the enterprise [8, p. 310].

Taking into account the statements of scientists regarding the policy of working capital management, let us note the main components of it: providing the optimal amount of current assets, determining the sources of financing of current assets.

So, after analyzing the stages of the process of working capital management, in my opinion, for completeness of such a process, it is necessary to propose another stage of management of working capital, namely control over the implementation of the developed management decisions. Because the organization of the implementation of decisions is unthinkable without control. Control over the implementation of decisions is the final stage of the management process. It takes the form of feedback, through which you can get information about the implementation of the decision, to achieve the goals of the organization.

Depending on the choice of sources of coverage of the fixed and variable parts of working capital, economists such as E. Brigham [16], Van Horn [17], G. Polyak [44], V. Terekhin [54] and others, distinguish the following working capital financing strategies:

1. Moderate policy (compromise, optimal, agreed) (Moderate working capital policy);
2. Conservative policy (Conservative working capital policy);
3. Aggressive working capital policy.

V. V. Kovalev singles out and describes the ideal model as an addition to them. The choice of one or another model of the financing strategy is reduced to the determination of the value of long-term liabilities and the calculation of net working capital based on it.

A compromise strategy. Working capital management is a compromise between an aggressive and conservative model. It relates to the financing of one part of the current assets due to long-term liabilities, and the other - due to short-term obligations.

The hedge approach implies that long-term funds should be used to finance a fixed portion of current assets.

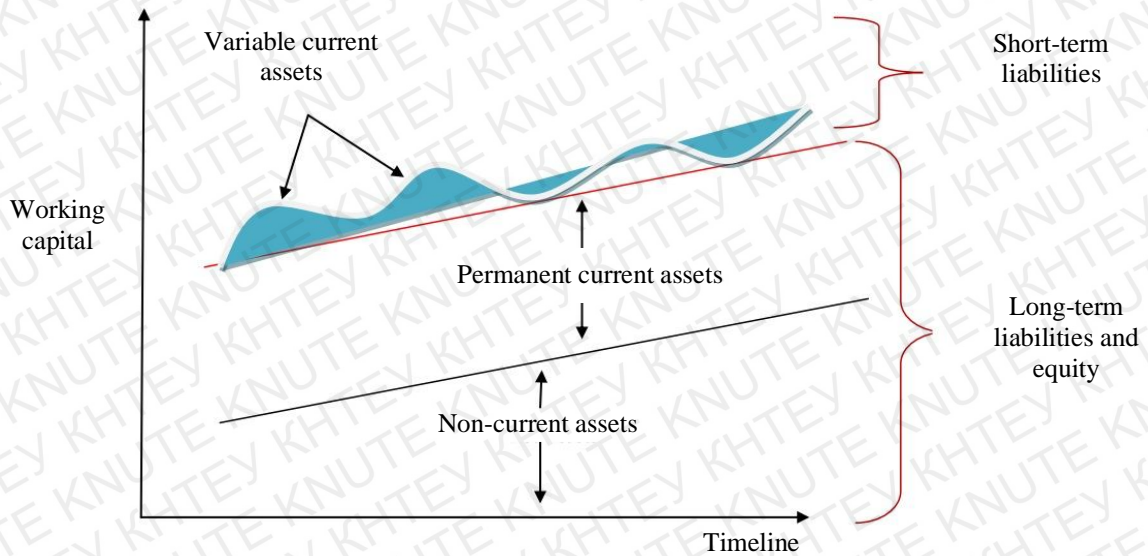


Fig. 1.7. A compromise strategy [71]

Conservative strategy. The sign of the conservative policy of managing current liabilities is the absence or very low proportion of short-term loans in the total amount of all liabilities of the enterprise. At the same time, current assets are funded mainly from their own funds and long-term sources. As a rule, a conservative strategy is applied at the initial stages of the company's existence, provided the company has sufficient capital and the availability of long-term loans for investment financing.

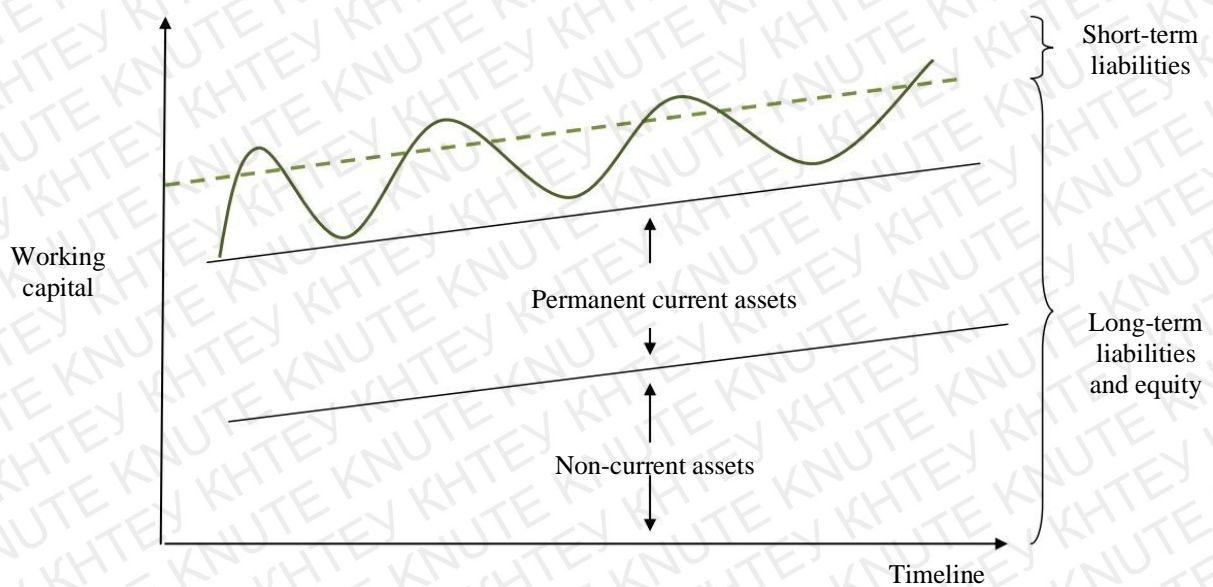


Fig. 1.8. Conservative strategy [71]

A conservative approach suggests that estimated needs in the total amount of funds should be met from long-term sources; the use of short-term funds should be limited only in emergency situations or when there is an unexpected outflow of funds.

Aggressive politics speaks of the firm's decision to finance part of the constant working capital by short-term sources. Aggressive policy is aimed at minimizing excess liquidity in meeting short-term needs.

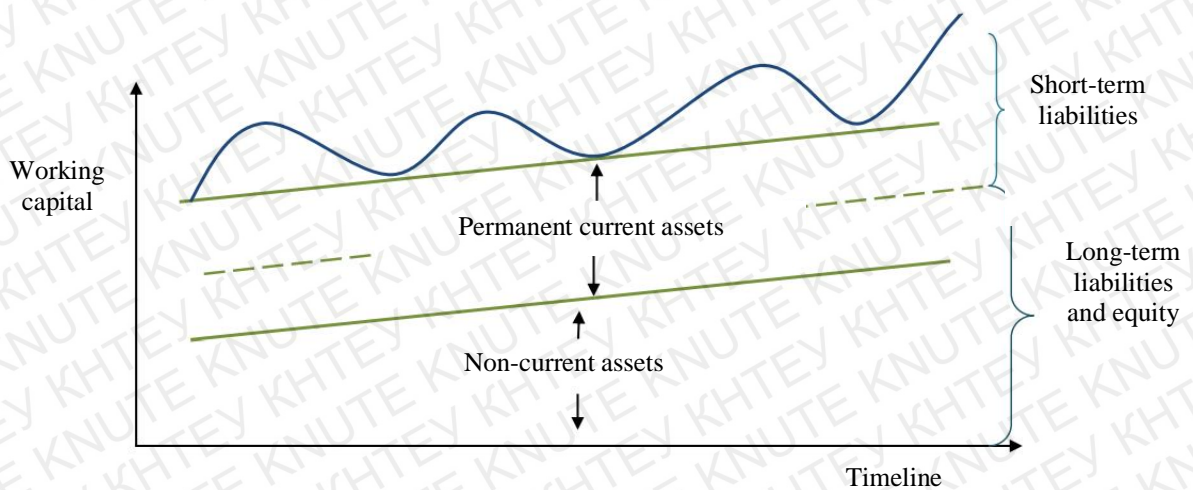


Fig.1.9. Aggressive policy [71]

This strategy is to fund long-term non-current assets and a permanent part of current assets. The variable part of current assets is fully covered by short-term debt. The risk associated with aggressive strategy is high. This strategy can afford only company that has no problems with the completion of short-term loans or obtaining commercial credit providers.

Although the theory of financial management is considering three basic approaches to the formation of circulating assets - conservative, moderate and aggressive, but the consensus in the economic literature to maintain these approaches do not, and are completely opposite explanation.

Thus, in describing the conservative approach I. O. Blank notes that this approach ensures minimization of operational and financial risks, but a negative impact on the effectiveness of current assets used as size company creates high working capital [7].

In turn, E. Stoyanova noted the following symptoms conservative management policy current assets as a low proportion of current assets to total assets and the short period of turnover of working capital, ensuring high economic return but carries excessive risk of technical insolvency. Accordingly, the characterization of an aggressive approach is also opposite.

On the basis of predefined functions, the main goal, the main tasks and stages of managing fixed assets proposed structural and logical scheme of the implementation of this administration, which is shown in Fig. 1.10.

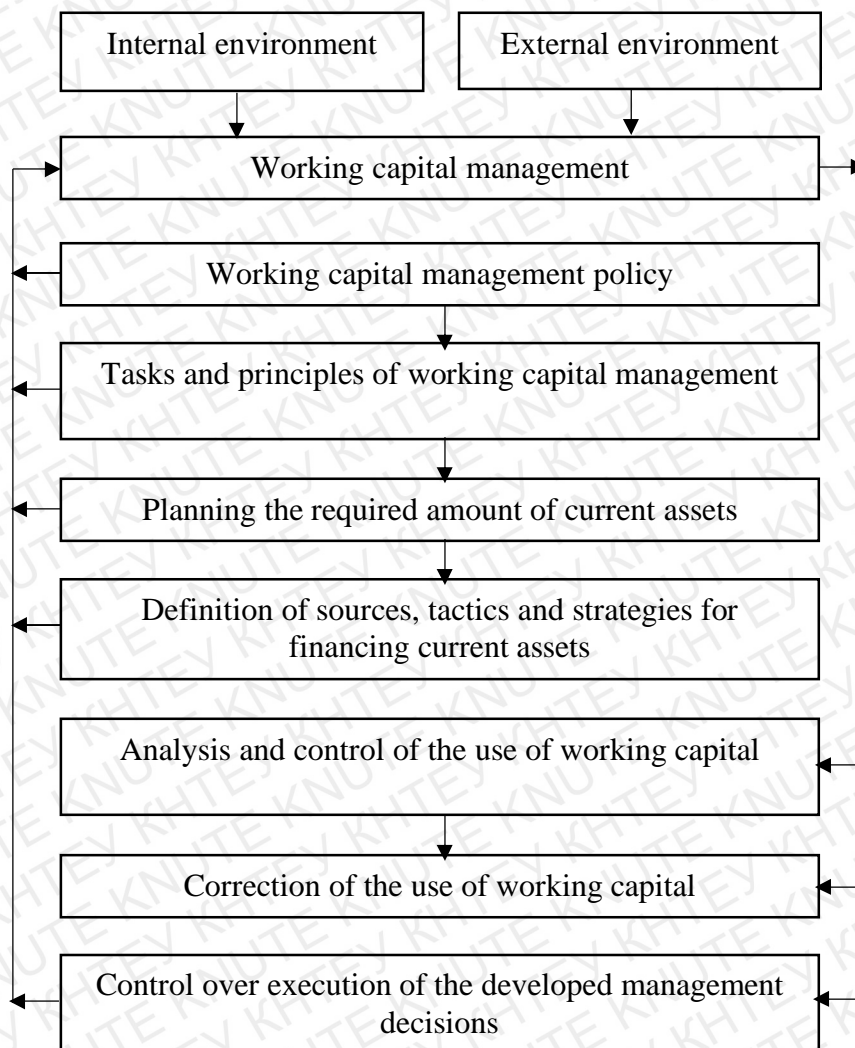


Fig. 1.10. System of management of working capital of the enterprise

Consequently, the main objective of the management of working capital is to ensure the continuity and efficiency of the operating activities of the enterprise. Accordingly, the

short-term financial policy can be defined as management of the working capital of the enterprise. The result of this policy's effectiveness is first and foremost in the formation and maintenance of an optimal structure of current assets and current liabilities, which in turn provides financial stability, a high degree of creditworthiness and the investment activity of the business entity. This indicator also plays an important role in substantiating the decision to change the structure of financing and the formation of a credit policy in relation to buyers and suppliers.

1.3. The efficiency estimation of an enterprise working capital management

In today's conditions of a market economy for any enterprise important place occupy the indicators that assess its activities, which include efficiency. Among scientists and practitioners there is no single approach to the definition of this concept. Efficiency is a complex, multifaceted category, for which there are many views and which is devoted to enough scientific publications.

Kovalev V.V., Volkov O.M. noted that "economic efficiency - a relative indicator that compares the effect with the costs or resources used to achieve this effect" [29, p. 275]. These authors provided an interpretation of the notion of effectiveness, in which they emphasized the reversal of the effect obtained with the costs or resources used to achieve this effect.

Orlov P. A. gives the following definition "Efficiency - the ratio of the result or effect of any activity and costs associated with its implementation. And this can be both the ratio of the result and costs, and the ratio of costs and performance "[50, p. 127].

Ivashchenko N.P. believes that "effective activity involves obtaining the maximum result at the expense of available resources or obtaining a certain result with a minimal cost of resources" [24, p. 61].

The review of literature shows that the definition of the essence of effectiveness as an economic category of scientists is disclosed in the ratio of the final result and the costs (resources) that caused it.

The assessment of efficiency aims to establish the degree of compliance of the achieved result of economic activity with the requirements of economic laws.

In modern scientific literature, a number of approaches are identified for the definition of efficiency, which can also be used in assessing the effectiveness of management. The most widespread of them are cost, target, and benchmarking, multi-parameter approaches.

According to the traditional - resource (resource) approach, efficiency is considered as a ratio of performance and costs or resources used.

Target approach is based on the concept that the activity of the company is aimed at achieving certain goals, and the efficiency of management of working capital characterizes the degree of achievement of the goals.

The multi-parametric approach based on the concept of stakeholders is based on measuring the degree of satisfaction of the needs of all groups interested in the results of the organization.

The most up-to-date approach to considering the essence of effectiveness is the interpretation of efficiency as the degree of compliance with the benchmark. This approach is based on the concept of benchmarking, which involves comparing own indicators of the efficiency of working capital management with reference (best enterprises) in a similar industry.

It is possible to evaluate the efficiency of working capital management only with respect to a certain established criterion. The economic dictionary states that the criterion is an indicator, a sign on the basis of which the assessment of the quality of the economic object, process, and the measure of such an assessment are formed [10]. In view of this, under the criterion of the efficiency of the management of working capital, an enterprise should be understood as the indicator for which the assessment of the quality of managerial activities in the management of working capital is formed.

Ryleev S.V. and Yuriy S.M. noticed that in the theory of financial management different criteria for efficient management of working assets and sources of their formation were developed, the main of which are the following [22]:

- Minimization of current payables. This approach reduces the likelihood of a loss of liquidity. However, such a strategy requires the use of long-term sources and equity to finance most of the current assets;

- Minimization of total financing costs. In this case, the rate is made on the predominant use of short-term payables as a source of coverage of assets. This source is the cheapest, at the same time it is characterized by a high level of risk of default, as opposed to a situation where working capital financing is mainly carried out at the expense of long-term sources;

- maximizing the full value of the enterprise. This strategy includes the management of working capital in the company's overall financial strategy. Its essence lies in the fact that any decisions in the field of working capital management, which contribute to the growth of the economic value of the enterprise, should be considered appropriate.

Kalmakova N.A. notes two approaches to the management of working assets that are directly related to the management of working capital and also serve as criteria for the effectiveness of management. These are the following [26]:

- approach to managing current assets from the standpoint of solvency (comparing the structure of assets and the structure of liabilities);

- an approach to managing current assets from the standpoint of ensuring financial stability (comparing the structure of current liabilities and current assets with assets and liabilities of the enterprise).

Baldinuk A.G. sets out the criteria for adequacy, solvency, financial sustainability and value [3]. Bugrimenko RM proposes applying a multi-criteria approach to the assessment of the effectiveness of the working cost management policy, while highlighting the following criteria for its effectiveness: sufficiency; profitability; risk; cost of attraction. These criteria are identical with the above [13].

Considering the above criteria, it should be noted that some of them can affect one by one. Yes, the connection between the profitability criterion and the minimization of total financing costs should be noted. Minimizing total financing costs potentially increases the amount of net profit, which automatically increases profitability in general

and current assets in particular. Minimizing current payables in terms of both turnover and total, will improve solvency and financial sustainability.

If the cost-based approach is taken as the basis, then the basic criterion for the effectiveness of managing the financing of current assets will be to minimize the costs of attracting and servicing financing for one hryvnia of the value of current assets. At the same time, the main indicator is expedient to choose the ratio of the cost of attracting and servicing the sources of financing (Q) to the value of current assets. Given this, among all possible options for financing needs for working assets, it is expedient to choose the one that will ensure the minimum cost of attracting and servicing the attracted financing:

$$K_r \rightarrow \min. \quad (1.1)$$

The use of a targeted approach in assessing the effectiveness of managing the financing of working capital requires the definition of the objectives of such management. Generally recognized in the literature for the purpose of managing the working capital of an enterprise is the definition of the amount of financial resources sufficient to meet the needs of the enterprise in working assets, as well as the formation of an optimal structure of financial sources in terms of the ratio of own and borrowed funds. This purpose of management corresponds to a number of tasks: the formation of sufficient amounts of financing of inventory and inventory materials to ensure the continuity of the trade and operation process; providing financing for the required volume of current receivables, which is connected with the creation of conditions for expanding sales of goods to retail and wholesale customers; provision of financing of the minimum amount of the balance of monetary assets to maintain the required level of absolute solvency of the enterprise; ensuring minimization of the weighted average cost of current assets used.

Based on the above, the main criteria for the effectiveness of funding for the targeted approach are: adequacy of funds, solvency, financial stability, minimum cost.

Ensuring the sufficiency of funds for the needs of the enterprise in working assets is carried out provided:

$$C_{Ad} \leq C_{Ff}, \quad (1.2)$$

where C_{Ad} - total demand for current assets, ths. UAH;

C_{Ff} - amount of funds that can be advanced in current assets, thousand UAH.

The criteria for solvency can be expressed as a measure of current liquidity (CL), which characterizes the provision of the company with current assets for business activities and timely repayment of its urgent obligations. In the event of changes in the value of current assets and in the amount of current liabilities in the course of business activities of an enterprise, the following condition must always be met:

$$CL \geq 2. \quad (1.3)$$

The criterion for providing financial stability is expedient to express the indicator of the ratio of debt and equity (DE), which characterizes the structure of financing business activities of the enterprise. Based on the recommended values, the following condition must be met:

$$DE \leq 1. \quad (1.4)$$

The criterion for minimizing the cost of attracting current assets can be expressed by the weighted average cost of working capital, which seeks to a minimum:

$$CAs * Vs + CAI * VI + CAe * Ve \rightarrow \min, \quad (1.5)$$

where CAs, CAI, CAe - amount of current assets, financed by short-term, long-term loans and equity, respectively;

Vs, VI, Ve - the cost of financing sources due to short-term, long-term loans and equity, respectively.

Thus, the targeted approach to meeting the above criteria will ensure the implementation of an effective policy of financing current assets.

If the benchmarking approach is used, the criteria selected should not be worse than similar indicators of the most successful enterprises in the industry. How can one choose the indicators of current liquidity, the ratio of debt and equity, the ratio of the cost of attracting and servicing sources of financing to the value of current assets, the weighted average value of the attraction of working assets, the return on assets. The general criterion of efficiency in this case is a condition:

$$(k_1, k_2, \dots, k_n) = (k_1', k_2', \dots, k_n'). \quad (1.6)$$

In a multi-parametric approach, the main criterion for assessing the effectiveness of managing the financing of current assets is to achieve a balance of interests of all interested in the results of the enterprise's activities of interest groups. In this case, in our

opinion, such interested groups of persons can be owners as individuals who invest in enterprises and can make decisions on financing the activities of the enterprise, suppliers of goods and resources that can provide a commodity loan to the company, increasing its payables, and also institutional lenders, providing external borrowing financing for the business of the enterprise.

Thus, each interested party receives its benefits during the implementation of the policy of financing current assets, with the criteria requirements of each of the parties are individual, and numerical values can be established by them, based on the terms of cooperation. In any case, a well-implemented policy on working capital management in a multi-parametric approach will only occur when each stakeholder receives the desired effect from interaction with the enterprise.

The criterion for evaluating the management effectiveness of the value of working capital is the time factor. The longer the working capital is in the same form (monetary or commodity), the lower the efficiency of their use, and vice versa. An indicator characterizing the intensity of the use of working capital is the reciprocity.

This indicator allows you to judge during which time working capital passes all stages of the cycle at this enterprise. The higher the turnover in days, the more economical use of financial resources.

The growth of the turnover of capital contributes to:

1. Savings of capital (reduction of working demand);
2. Growth of output, ultimately, an increase in profits.

I.O. Blank in his writings suggests that the analysis of current assets in terms of business activity, which allows you to figure out how fast the financial resources of the enterprise, invested in its current assets [6, p.77].

Among the main indicators of business activity, the following should be highlighted:

1. The cycle of currency conversion or the financial cycle (period of inventory turnover + period of turnaround accounts receivable - the period of turnover payable) is the period for which cash through the production and sale of products are converted into cash. There is a circulation of money.

This indicator characterizes the general reversibility of all elements of working capital, that is, shows the duration of the period for which the full turnover of cash in the working capital structure is carried out.

The main stages of the financial cycle: the stage of supply, production, sales, payments to debtors. The reduction of the financial cycle can be achieved by accelerating supply processes, accelerating the turnover of accounts receivable, as well as by some uncritical slowdown in the turnover of accounts payable.

2. Period of rotation of inventories (ICP) - the average time needed to convert raw materials into finished products and their implementation:

$$\text{ICP} = (\text{stocks} / \text{cost of sales}) / 360. \quad (1.7)$$

3. Period of rotation of accounts receivable - the average number of days required to convert receivables into cash. This indicator is otherwise called the receivables turnover in days (DSO) or the average term of receipt of payment, characterizes the duration of one turnover of accounts receivable (a decrease in the indicator - a favorable trend) and is calculated by the following formula:

$$\text{DSO} = (\text{receivables} / \text{proceeds from sales}) / 360. \quad (1.8)$$

4. Payroll Turnaround Period (PDP) is the average time between the purchase of materials and the payment of wages and related payments. Characterizes the period of time for which the company covers the term indebtedness. An increase in the period indicates a favorable trend in the activity of the enterprise.

5. The period of cash flow combines the three above-mentioned indicators. It equals the amount of time between the enterprise's expenses on productive resources and the receipt of proceeds from sales of products (the period between payments for raw materials and working and repayment of receivables). Thus, the period of cash flow is the period during which the firm is experiencing difficulties with working capital:

$$\text{Cash flow} = \text{ICP} + \text{DSO} - \text{PDP}. \quad (1.9)$$

Each company aspires as much as possible but without prejudice to the current activity to reduce the period of cash flow, as the reduction of the period of circulation reduces the need for external sources of financing, reducing the cost of sales, thus increasing profits.

6. The coefficient of turnover of inventories shows the rate of turnover of stocks (raw materials, work in progress, finished products in stock). Reducing the coefficient indicates a relative increase in production stocks and work in progress or decrease in demand for finished products (in case if the turnover rate of finished products has decreased).

$$TO_{inv} = CPT / Inv, \quad (1.10)$$

where CTR is the cost of selling goods (products, works, services); Inv - the average cost of inventory for the billing period.

7. The coefficient of turnover of accounts receivable shows the number of revolutions committed by accounts receivable for the period under review. With acceleration of turnover, there is a decrease in the value of the indicator, which indicates an improvement in settlements with debtors:

$$TO_{ar} = R / AR, \quad (1.11)$$

where R - revenue from the sale of goods (products, works, services); AR - average cost of accounts receivable in the accounting period.

8. The coefficient of turnover of accounts payable shows the rate of turnover of the enterprise debt.

Acceleration adversely affects the company's liquidity. If the coefficient of turnover of accounts payable is less than the turnover rate of accounts receivable, then the possible balance of available funds in the enterprise:

$$TO_{ap} = R / AP, \quad (1.12)$$

where AP - average cost of accounts payable for the accounting period.

9. The turnover rate of current assets shows the rate of turnover of working capital for the analyzed period. Accelerating turnover reduces the need for a working capital, allowing part of it to be released:

$$TO_{ca} = R / CA, \quad (1.13)$$

where CA - the average value of current assets in the calculation period.

Chubka O.M. in soybean work notes that the weighty indicators calculated in the process of diagnosis are the absolute and relative release of working assets. With the help

of these indicators, the influence of the volume of sales of products and the speed of revolving assets to change their size (needs) is determined [57, c.102].

Absolute release is calculated as:

$$\Delta WA_{abs} = (D1 - D0) * NR1 / 360, \quad (1.14)$$

where D1, D0 - the duration of rotation of working capital in the reporting and base years respectively, the days;

NR1 - net revenues from sales of products in the reported year, UAH.

Relative release is defined as:

$$\Delta WA_{rel} = (NR1 - NR0) / TO_{ca0}, \quad (1.15)$$

where NR1, NR0 - net revenues from sales of products in the reporting and base years respectively, UAH;

TO_{ca0}- turnover ratio of current assets in the base year.

The result of the calculation of absolute release shows how much the need for working assets has increased (decreased) as a result of accelerating their rotation. The relative release ratio indicates an increase (decrease) in demand for current assets as a result of a change in net proceeds from sales of products.

Bobilyeva A.Z. for the estimation of the efficiency of working capital management the following indicators pass [11, p. 35]:

- coefficient of turnover (determined by the number of revolutions and the duration of the turnover (in days):

$$TO = R / AV, \quad (1.16)$$

where TO - coefficient of turnover;

AV - average value of the indicator for which the calculation of turnover is carried out;

- the duration of one turnover in days is defined as:

$$TO_d = 360 / TO, \quad (1.17)$$

where TO_d - turnover in days.

The coefficient of turnover and the period of turnover are studied both in the aggregate of working capital, and in each of its components - stocks, receivables, etc.

- Factoring ratio of working capital:

$$C_{wc} = AV / R, \quad (1.18)$$

where C_{wc} is the coefficient of consolidation of working capital.

- release (attraction) of working capital from turnover:

$$\Delta AV = AV_1 - AV_0 \cdot CP, \quad (1.19)$$

where ΔAV - value of economy (-), attraction (+) of working capital;

AV_1 , AV_0 - value of working capital for the reporting and baseline period;

CP - coefficient of growth of production (in relative units).

- release (attraction) of working capital as a result of changes in the duration of turnover:

$$\Delta AV = (T_{Od1} - T_{Od0}) \cdot S_d, \quad (1.20)$$

where T_{Od1} , T_{Od0} - duration of one turnover in days for the reporting and baseline period;

S_d - one-day sale of products.

- Increase in product volume due to acceleration of turnover:

$$\Delta R = (T_{O1} - T_{O0}) \cdot AV_1, \quad (1.21)$$

where ΔR - an increase in the volume of production.

- The effect of capital turnover on profit growth:

$$\Delta P = (P_0 \cdot T_{O1}) / T_{O0} - P_0, \quad (1.22)$$

where ΔP - change in profit;

P_0 - profit in the previous period.

- Profitability of working capital:

$$Pr_{wc} = P / AV \cdot 100, \quad (1.23)$$

where Pr_{wc} - profitability of working capital;

P - profit from sales.

As we see, Bobilyeva A.Z., like many other scholars, considers the main indicator of working capital management to be the reciprocity of both the working capital itself and its elements separately.

Based on the study of the main indicators of the assessment of the efficiency of working capital management, it is advisable to formulate a common table of such indicators.

Table 1.5

System of performance indicators for working capital management

<i>Indicators of business activity</i>	<i>Indicators of efficiency of using working capital</i>	<i>Liquidity indicators</i>
1. The turnover rate of stocks, accounts receivable, accounts payable, current assets 2. Loan conversion cycle or financial cycle 3. Duration of one turnover in days 4. Period of rotation of stocks, accounts receivable, accounts payable, cash 5. The coefficient of consolidation of working capital 6. Absolute and relative release of current assets	1. Increase in volume of products at the expense of acceleration of turnover 2. Effect of turnover of working capital on profit growth 3. Profitability of working capital 4. The coefficient of turnover of working capital or the coefficient of return on working capital	1. The instantaneous liquidity ratio 2. Burden of Limit or Current Liquidity 3. Coefficient of general liquidity

The efficiency of using current assets in the enterprise is important, since it has a significant impact on the overall efficiency of the use of the entire set of means of production. In modern economic conditions, rational and economical management of current assets, ensuring the continuity and efficiency of economic activity is one of the most important tasks of enterprises. Effective management of current assets involves constant monitoring of working capital, the period of its stay at each stage, and the search for ways to accelerate the rotation. In addition, it is important to determine the optimal amount of working capital, which will ensure the smooth operation of the company, as well as minimizes the presence of inactive current assets.

CHAPTER 2

INVESTIGATION OF THE CURRENT STATE OF WORKING CAPITAL MANAGEMENT OF LLC “DELIGHT”

2.1. Analysis of the dynamics of the amount and composition of working capital of LLC "Delight"

LLC “Delight” was founded in 2001 and has been operating on the market for more than 15 years. It deals with the leasing and operation of its own or leased real estate, which is its main activity, as well as complex service of facilities, market research and public disclosure, construction of residential and non-residential buildings.

In the analysis of current assets, much attention is paid to studying the state of their financing, since the financial stability of the enterprise directly depends on this.

The insufficiency of sources of financing of current assets leads to a lack of financing of the enterprise, reducing its business activity, and the emergence of financial difficulties. Negative consequences can also be the presence of unnecessary sources of funding. They contribute to the creation of surplus stocks at the enterprise, the diversion of capital from economic turnover, and the reduction of liability for the targeted and rational use of financial resources.

I propose to you to consider working capital of the enterprise LLC “Delight” in the dynamics of the last years (Tab.2.1).

Table 2.1

Total amount of working capital of the enterprise LLC “Delight” in 2012-2017, thb UAH

Indexes	Years					
	2012	2013	2014	2015	2016	2017
Current assets	7 008,0	13 358,0	26 526,6	25 699,3	29 970,1	32 915,5
Current liabilities	2 083,0	4 140,0	11 274,0	16 230,8	20 989,2	23 471,6
Working capital	4 925,0	9 218,0	15 252,6	9 468,5	8 980,9	9 443,9

As you can see, from 2012 to 2014, working capital had a positive tendency. In 2012 it amounted to only 4 925 thousand UAH and in 2017 it increased almost by twice and it

amounted to 9444 thousand UAH. But, the tendency of working capital increase wasn't stable for all investigated period. There was a great increase of working capital in 2013-2014 (Fig. 2.1).

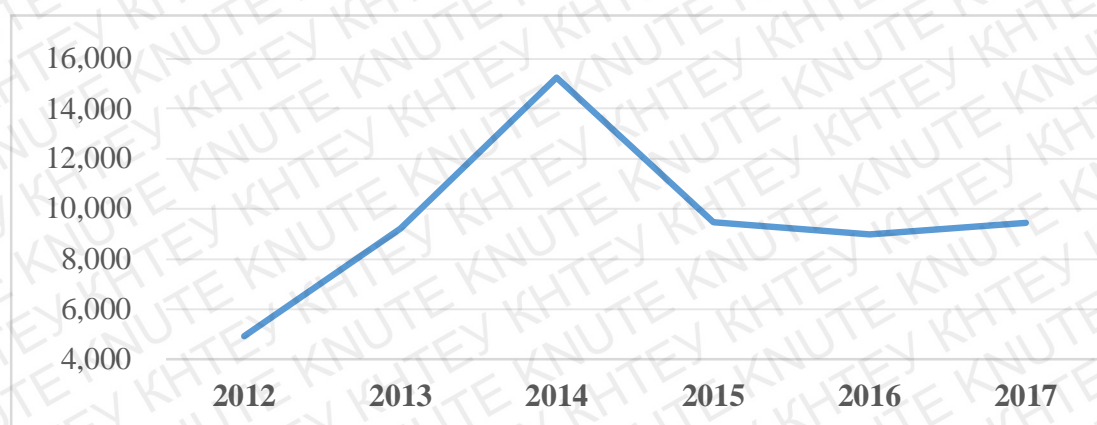


Fig. 2.1 Trend of changes in working capital of LLC "Delight" during 2012-2017, ths UAH

In 2013 working capital of LLC "Delight" amounted to 9 218 thousand UAH, that is bigger by twice than in previous period. In 2014 it amounted to 15 253 thousand UAH, that is also bigger by twice than in previous period and by four times than in 2012. In a word, working capital of LLC "Delight" was increasing with a great speed during 2012-2014 years.

It was caused by a significant increase in current assets and current liabilities. In 2013 current assets and current liabilities increased almost by 2 times compared to 2012 and they amounted to 13358 thousand UAH and 4 140 thousand UAH respectively. In 2014 current assets and current liabilities increased almost by 4 times compared to 2012 and amounted to 26 527 thousand UAH and 11 274 thousand UAH respectively.

However, starting from 2014, working capital began to decline sharply, and in 2017 it reached almost the same level, which was in 2013. This trend is due to a significant increase in current liabilities, at that time when the growth rate of current assets decreased. In 2015 current assets reduced and amounted to 25 699 thousand UAH, when current liabilities increased and were 16 231 thousand UAH. In comparison with 2012, in 2017 current liabilities increased 11,5 times, while current assets - only 4,5 times (Table 2.2).

Table 2.2

The growth rate of LLC “Delight” working capital in 2012-2017, ths UAH

Indicators	Years					
	2012	2013	2014	2015	2016	2017
Current assets	7 008,0	13 358,0	26 527,0	25 699,3	29 970,1	32 915,5
<i>Growth rate (base)</i>	-	190,6%	378,5%	366,7%	427,7%	469,7%
<i>Growth rate (chain)</i>	-	190,6%	198,6%	96,9%	116,6%	109,8%
Current liabilities	2 083,0	4 140,0	11 274,0	16 230,8	20 989,2	23 471,6
<i>Growth rate (base)</i>	-	198,8%	541,2%	779,2%	1007,6%	1126,8%
<i>Growth rate (chain)</i>	-	198,8%	272,3%	144,0%	129,3%	111,8%
Working capital	4 925,0	9 218,0	15 253,0	9 468,5	8 980,9	9 443,9
<i>Growth rate (base)</i>	-	187,2%	309,7%	192,3%	182,4%	191,8%
<i>Growth rate (chain)</i>	-	187,2%	165,5%	62,1%	94,9%	105,2%

So, as we have already mentioned the biggest working capital increase was in 2014 with 310% of growth rate (base) and with 166% of growth rate (chain). In this year the growth rate (base) of current assets was 377% and year the growth rate (base) of current liabilities was 541%. In 2017 working capital increase by twice in accordance with its growth rate (base). It was caused by growth of current assets in 5 times (or 470% of growth rate (base) and by growth of current liabilities in 11 times (or 1127% of growth rate (base)).

We propose to analyze the ratio of working capital and net revenue from sales in dynamics for more understanding its dynamics during investigated period and the working capital dependence from net revenue (Table 2.3).

Table 2.3

The ratio of the dynamics of working capital and the volume of real sales of the company LLC “Delight” in 2013-2017

Indexes	Years					
	2012	2013	2014	2015	2016	2017
Net revenue from sales of products, ths. UAH	25 666,0	25 351,0	24 205,0	25 881,0	29 311,6	29 981,6
Working capital, ths. UAH	4 925,0	9 218,0	15 252,6	9 468,5	8 980,9	9 443,9
The ratio of working capital to net sales from sales, %	19,19	36,36	63,01	36,58	30,64	31,50

If we consider the ratio of working capital and net proceeds from sales in dynamics, then we see that there is an increase in this indicator by 2014, in which it gained the highest value and was 63%. However, in the future, there was a tendency to decrease, which caused the decrease of working capital due to the increase of current liabilities. The total working capital was 1/3 of the output of the sale of products in 2017, but in 2014 its value was more than half.

For a more detailed analysis of changes in working capital in the period from 2012 to 2017, consider the dynamics of the elements of working capital elements: current assets (Table.2.4) and elements of current liabilities (Table.2.5).

Table 2.4

Dynamics of separate elements of current assets of the enterprise LLC

“Delight” in 2012-2017, ths UAH

Indicators	Years					
	2012	2013	2014	2015	2016	2017
<i>Current assets</i>						
Stocks		10	854			
Accounts receivable for products, goods, works, services	4,439	8,909	20,417	23,022	23,953	29,374
Accounts receivable on settlements with the budget	529	504	667	666	871	2
including income tax		503	665	665	665	
Other Current Accounts Receivable	1,450	3,543	4,342	1,817	3,777	3,312
Cash and its equivalents	270	40	45	16	1,151	18
Costs of future periods	246	236	198	178	197	199
Other current assets	73	116	4		22	11
Total	7,008	13,358	26,527	25,699	29,970	32,916
<i>Absolute deviation</i>						
Stocks		10	844	(854)	-	-
Accounts receivable for products, goods, works, services		4,470	11,508	2,605	930	5,422
Accounts receivable on settlements with the budget		(25)	163	(1)	205	(869)
including income tax		503	162	(0)	-	(665)
Other Current Accounts Receivable		2,093	799	(2,525)	1,960	(465)
Cash and its equivalents		(230)	5	(29)	1,135	(1,132)
Costs of future periods		(10)	(38)	(20)	19	2
Other current assets		43	(112)	(4)	22	(11)
Total		6,350	13,169	(828)	4,271	2,945

Source: compiled by the author based on enterprise data

Such as receivables are the largest category in current assets, we propose to consider it more widely. In practice, the main thing for businesses is not fixation of what has happened, and above all prediction of a financial situation that may occur in the near future, especially if it adversely affects the financial position of the enterprise. Therefore, account of accounts receivable as one of the main future sources of replenishment of cash assets of the enterprise should be paid quite serious attention. Accounts receivable is defined as the amount debts of debtors to the company on a certain date. The work should be aimed at preventing the emergence of doubtful and bad accounts receivable, or to reduce its value.

Current accounts receivable is the amount receivable that arises during the normal cycle or will be settled within twelve months from the balance sheet date. That is, in the event of uncertainty about its return by the debtor, a doubtful debt arises, which will negatively affect the economic situation, and in the future it will be necessary to carry out a number of measures, including bringing an action to the economic court, which is negative and troublesome for the enterprise.

Failure to comply with contractual and settlement discipline, late presentation of claims regarding emerging debts, leads to a significant increase in unreasonable receivables, and, consequently, to the instability of the financial condition of the enterprise.

The faster the receivables are rotated, that is, the more often payments from the debtors are received, the smaller the balance of receivables for each date and vice versa, that is, the receivables on the financial condition of the enterprise is not affected.

Consequently, an increase in doubtful and bad accounts receivable leads to a negative impact on the financial position of the enterprise, and at the same time on the continued existence of this enterprise. Ways of reducing and optimizing receivables should take the main place in such a situation.

Considering the dynamics of certain elements of current assets, it can be noted that there was a significant increase in receivables for products, goods, works, services in 2014 (by 11 508.9 thousand UAH compared to the previous year), further growth of this categories considerably slowed down. This situation can be explained by the fact that in

connection with the economic situation in that period, the delay was delayed payments tenants of commercial premises.

However, as for me, the main factor in such growth of accounts receivable was the growth of the US dollar exchange rate to the national currency, because in the long-term contracts of the LLC “Delight” company, which includes the rent of the premises, the equivalent of the expression of the obligation in the national currency of Ukraine is indicated by its equivalent in a more stable foreign currency (in US dollars). Thus, with a significant increase in the US dollar, the rent in the national currency was recalculated and accordingly increased.

Thus, at the end of 2013, the US dollar to the hryvnia was UAH 7.99, and in 2014 it increased almost 2 times and amounted to UAH 15.77.

Table 2.5

**Dynamics of separate elements of current liabilities of the enterprise LLC
“Delight” in 2012-2017, ths UAH**

Indicators	Years					
	2012	2013	2014	2015	2016	2017
Current liabilities						
Current payables for:						
goods, work, services	88	58	36	258	87	197
calculations with the budget	140	62	158	377	231	378
insurance calculations	1			1		
payroll calculations	6	4		3		
Other current commitments	1,848	4,016	11,080	15,592	20,672	22,897
Total	2,083	4,140	11,274	16,231	20,989	23,472
Absolute deviation						
Current payables for:						
goods, work, services		(30)	(22)	222	(171)	110
calculations with the budget		(78)	96	219	(147)	147
insurance calculations		(1)	-	1	(1)	-
payroll calculations		(2)	(4)	3	(3)	-
Other current commitments		2,168	7,064	4,512	5,080	2,225
Total		2,057	7,134	4,957	4,758	2,482

Source: compiled by the author based on enterprise data

One of the sources of attracting assets in the company's turnover is payables, reflected in the liability section of the balance sheet "Current liabilities". It arises in

connection with the fact that in the process of enterprise activities are not always carried out payments to legal entities and individuals, at the same time as the alienation of property, the execution of works, the provision of services, which leads to the emergence of certain obligations to suppliers and other contractors of economic relations. Accounts payable in this case is a kind of commercial loan, which is an important factor in stabilizing the financial condition of the enterprise.

Current payables consist of arrears to suppliers for the goods and inventories received from them, debts to the budget for tax payments, arrears of wages and insurance, advances to buyers for future shipment, etc.

In our case, we can see its decrease in 2016 and its increase in 2017 in such way that amount of current payables in 2017 became almost like in 2015.

Enterprises are required to pay their obligations in a timely manner. For untimely calculations, they have to pay fines and penalties. However, practice shows that the ability to avoid property liability for non-fulfillment of their contractual obligations allows them to evade mutual settlements with their partners. Lack of payment causes financial complications from creditors, negatively affects their economic activity, and, ultimately, the entire country's economy.

In the conditions of the crisis state of the economy, the share of payables in the sources of formation of property of trade enterprises is significantly increasing. This leads to an increase in their financial dependence on creditors. Therefore, due consideration should be given to the analysis of the financial position of accounts payable.

Accounts payable are analyzed in the same sequence as the receivable. It is studied in general, as well as by individual types and creditors. Based on balance sheet data and analytical accounting of settlements with creditors, changes in the volume and composition of payables, the reality and nature of debts, as well as the time and causes of their formation, are revealed. Particular attention should be paid to overdue accounts payable.

Nevertheless, in LLC “Delight” the share of payables is so small in compare with for example other current liabilities during all investigated period.

As for current liabilities, interesting observation is that during the entire period of significant growth, other current liabilities have been acquired. By the past 3 years, their amount has increased by about 3-5 million UAH per each year and by the end of 2017 amounted to UAH 22 896.9 ths., while in 2012 it amounted to UAH 1 488 ths.

The "Other current liabilities" item shows amounts of liabilities that cannot be included in other items in the "Current liabilities" section.

Other current liabilities include payments from other operations, such as: Payments for advances received, internal settlements, Household calculations, Calculations by accrued interest, Payments with other creditors.

Payments for advances received - designed to account for advances received for the supply of material assets or for the performance of work, the provision of services. Internal payments - intended for all types of current settlements with subsidiaries. Internal economic calculations - intended for accounting of internal economic calculations with production units and farms, allocated on a separate balance sheet, on transactions of mutual shipment of material values, realization of works, products, services, transfer of expenses of general management activities, payment of wages of these farms, etc. Calculations on accrued interest - is intended to account for accrued interest for:

- 1) the use of funds or goods (works, services) received on credit;
- 2) use of property received for use (lease, leasing operations, etc.);
- 3) other operations;

Settlements with other creditors - designed to account for transactions:

- 1) with various organizations for non-commercial operations (educational institutions and research institutions, etc.);
- 2) with tenants of apartments and persons living in dormitories of housing and communal services enterprise,
- 3) with parents of children for visiting children's institutions,
- 4) for other operations.

Working capital is not only current assets, because it is current assets which are financed by own capital and long-term liabilities of the enterprise. That is why it is necessary to analyze the amount of this part of company's capital (Table 2.6).

Table 2.6

**Amount of equity and long-term liabilities of the enterprise LLC “Delight”
in 2012-2017, ths. UAH**

Indicators	Years					
	2012	2013	2014	2015	2016	2017
Registered (share) capital	9,531.0	9,531.0	9,531.0	9,531.2	9,531.2	9,531.2
Additional capital				0.4	0.4	0.4
Retained earnings (uncovered loss)	-10,294.0	-3,869.0	-57,352.0	-122,110.1	-143,002.9	-80,401.8
Total own capital	-763.0	5,662.0	-47,821.0	-112,578.5	-133,471.3	-70,870.2
Long-term liabilities	63,944.0	57,949.0	114,322.0	174,004.8	197,133.7	140,336.1
Total own capital and Long-term liabilities	63,181.0	63,611.0	66,501.0	61,426.3	63,662.4	69,465.9
Non-current assets	58,256.0	54,393.0	51,248.0	51,957.8	54,681.5	60,022.0
Working capital	4,925.0	9,218.0	15,253.0	9,468.5	8,980.9	9,443.9
Absolute deviation						
Registered (share) capital		0.0	0.0	0.2	0.0	0.0
Additional capital		0.0	0.0	0.4	0.0	0.0
Retained earnings (uncovered loss)		6,425.0	-53,483.0	-64,758.1	-20,892.8	62,601.1
Total own capital		6,425.0	-53,483.0	-64,757.5	-20,892.8	62,601.1
Long-term liabilities		-5,995.0	56,373.0	59,682.8	23,128.9	-56,797.6
Total own capital and Long-term liabilities		430.0	2,890.0	-5,074.7	2,236.1	5,803.5
Non-current assets		-3,863.0	-3,145.0	709.8	2,723.7	5,340.5
Working capital		4,293.0	6,035.0	-5,784.5	-487.6	463.0

Indicator of equity is one of the main indicators of the company's creditworthiness. It is the basis for determining the financial independence of the enterprise, its financial stability and stability.

In our case, LLC “Delight” has negative own capital and amounted (70 870) thousand UAH in 2017. Generally, there was decrease of own capital started from 2014 to 2016 in the amount of 53 483 thousand UAH, 64 758 thousand UAH and 20 893 thousand UAH in accordance. It was caused by uncovered losses, that was the biggest in 2016 and amounted to 143 002 thousand UAH. Even if in current year uncovered losses decreased by 62 601 thousand UAH, its amount is 80 401 thousand UAH and own capital is negative yet. It should be mentioned that uncovered losses decreased in 2017 due to significant increase of other income, which was amounted in the sum of 59 304 thousand UAH,

which was 61% in the structure of total income. Such rapidly increase is explained that in 2017 there was partial write off debt of the company (for more details, please, see Appendix B). So, in accordance with this we cannot expect the same tendency of own capital in the next years like was in 2017.

It tells us that only long-term liabilities are used in working capital. We can see that they was increasing during 2014-2016, but in 2017, they rapidly decreased. We can claim that it is not connected with company's policy (such as uncovered loss decrease, we can claim that 2017 was profitable year for the company and it is so rationally to decrease long-term liabilities), it is connected with partial write off debt of the company.

In general the half of long-term liabilities is used in covering own capital, namely uncovered losses, almost another half finances non-current assets, and only the last little part left for working capital.

Having considered the elements of working capital in the dynamics, it should be noted that the main articles affecting the amount of working capital and its change are current accounts receivable, which are financed by long-term liabilities such as previous financial years were unprofitable for the company and during all investigated period own capital is negative because of existence of uncovered loss.

In general, working capital had a positive tendency during 2012-2014. In 2012 it amounted to only 4 925 thousand UAH and in 2017 it increased almost by twice and it amounted to 9 444 thousand UAH. But, the tendency of working capital increase wasn't stable for all investigated period. Starting from 2014, working capital began to decline sharply, and in 2017 it reached almost the same level, which was in 2013. This trend is due to a significant increase in current liabilities, at that time when the growth rate of current assets decreased. In 2015 current assets reduced and amounted to 25 699 thousand UAH, when current liabilities increased and were 16 231 thousand UAH. In comparison with 2012, in 2017 current liabilities increased 11,5 times, while current assets - only 4,5 times

2.2. Trends in changing the structure of working capital of LLC “Delight”

Important in the process of analysis is information on the structure of working capital.

The structure of working capital is the proportion of distribution of resources between individual elements of current assets.

Structure of working capital:

- reflects the specifics of the operating cycle;
- shows which part of current assets is financed by own funds and long-term loans.

It can be said that the structure of working capital reflects the financial position of the enterprise as of the reporting date and indicates the level of commercial, financial, and economic work.

For more understanding changes in working capital during investigating period, we propose trends of changes in current assets and current liabilities (Fig. 2.2). We can see that the amount of current liabilities is less in compare with the amount of current assets and this difference shows us positive working capital.

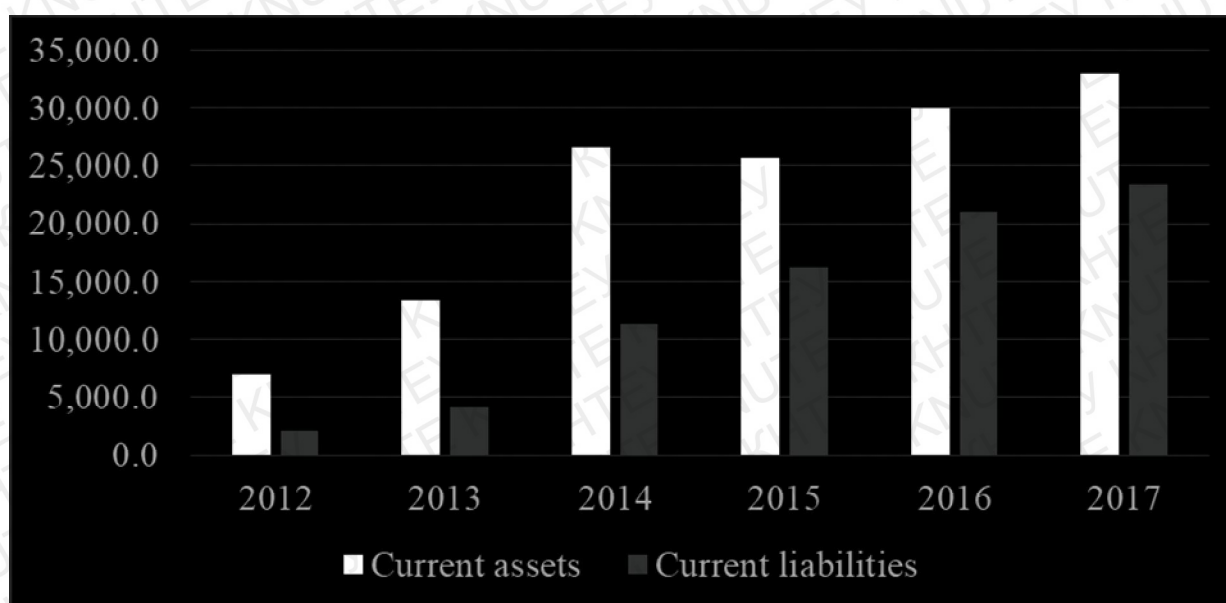


Fig. 2.2 Trends of changes in current assets and current liabilities of the enterprise LLC “Delight” during 2012-2017, ths UAH

Vertical analysis of current liabilities (Table 2.7) shows that the main part and this section are other current liabilities, their share is about 98% throughout the period, only in the year of 2012 was lower by 10 pp.

In 2012 current payables for calculation with the budget is about 7%. It was it's the biggest part in the structure of current liabilities. Because in 2013 it decreased by 5 pp. and it was only 1.5%. There was a little increase in 2015 by 1 pp. in comparing with 2014 and and the same increase in 2017 by only 0.4 pp. in comparing with 2017.

Similar situation of trend changes was with current payables for goods, work and services and they were only 0.84% of current liabilities in 2017.

It should be noted here that the main part of this category of current liabilities is the arrears of accrued interest on loans taken in foreign currency. Hence, devaluation of the hryvnia is again a major factor in increasing both other current liabilities and current liabilities as a whole.

Table 2.7

Structure of current liabilities of the enterprise LLC "Delight" in 2012-2017, %

Indicators	Years					
	2012	2013	2014	2015	2016	2017
Current liabilities						
Current payables for:						
goods, work, services	4.22	1.40	0.32	1.59	0.41	0.84
calculations with the budget	6.72	1.50	1.40	2.32	1.10	1.61
insurance calculations	0.05	0.00	0.00	0.01	0.00	0.00
payroll calculations	0.29	0.10	0.00	0.02	0.00	0.00
Other current commitments	88.72	97.00	98.28	96.07	98.49	97.55
Total	100	100	100	100	100	100
Absolute deviation						
Current payables for:						
goods, work, services		(2.82)	(1.08)	1.27	(1.17)	0.43
calculations with the budget		(5.22)	(0.10)	0.92	(1.23)	0.51
insurance calculations		(0.05)	-	0.01	(0.01)	-
payroll calculations		(0.19)	(0.10)	0.02	(0.02)	-
Other current commitments		8.29	1.27	(2.21)	2.42	(0.94)
Total		-	-	-	-	-

Source: compiled by the author based on enterprise data

The main part of current assets is account receivables for products, goods, works and services with 89% in 2017. It should be mentioned that their part was increasing during almost all periods excluding 2016 years, in which it decreased by 10 pp. The biggest increase of account receivables for products, goods, works and services share in general structure of current assets was by 13 pp. in 2015 and in this year account receivables for products, goods, works and services was 90% from current assets. In a word, the share of account receivables for products, goods, works and services increased by 26 pp. in 2017 in compare with 2012 in general structure of current assets.

The second part in the structure of current assets is occupied by other current account receivables, which was 10% in 2017. But if compare they in 2017 and in 2012, their share decreased by twice. In 2012 other current account receivables were 21% from current assets, in 2013 they increased to 27% (by 6 pp.), in 2014-2015 they rapidly decreased to 16% (by 10 pp) and to 7% (by 9%) accordingly. In 2016 they increased by 6% and in 2017 there was a little reduce again in comparing with previous year.

At the same time, accounts receivable on settlements with the budget were decreasing by 8% and they disappeared in 2017. In 2012 their share was 8% in 2013 it decreased in twice and was only 4% and during 2014-2016 it was in the range of 3%.

In 2012 there were a little part of cash and its equivalents and costs of future period in general structure of current assets, they were 4% of each of them. But in 2017 they decreased to 0.1% and 0.6% accordingly.

It should be mentioned that there are no stocks during all investigated period, only in 2014 their share was equal to 3% and in 2013 it did not even reach 1% and was 0.07%. Such situation is connected with the main activity of the enterprise, which is rent of premises.

In general, we can see changes in the structure of current assets. In 2012 it was formed by account receivables for products, goods, works and services (63%), other current account receivables (21%), accounts receivable on settlements with the budget (8%), cash and its equivalents (4%) and costs of future period (4%). In 2017 the structure of current assets started be formed by account receivables for products, goods, works and

services (89%), other current account receivables (10%) and costs of future period (1%) (Table 2.8).

Table 2.8

Structure of current assets of the enterprise LLC “Delight” in 2012-2017, %

Indicators	Years					
	2012	2013	2014	2015	2016	2017
<i>Current assets</i>						
Stocks	-	0.07	3.22	-	-	-
Accounts receivable for products, goods, works, services	63.34	66.69	76.97	89.58	79.92	89.24
Accounts receivable on settlements with the budget	7.55	3.77	2.51	2.59	2.91	0.00
including income tax	-	3.76	2.51	2.59	2.22	-
Other Current Accounts Receivable	20.69	26.52	16.37	7.07	12.60	10.06
Cash and its equivalents	3.85	0.30	0.17	0.06	3.84	0.06
Costs of future periods	3.51	1.77	0.75	0.69	0.66	0.60
Other current assets	1.04	0.87	0.02	-	0.07	0.03
Total	100	100	100	100	100	100
<i>Absolute deviation</i>						
Stocks		0.07	3.14	(3.22)	-	-
Accounts receivable for products, goods, works, services		3.35	10.28	12.62	(9.66)	9.32
Accounts receivable on settlements with the budget		(3.78)	(1.26)	0.08	0.32	(2.90)
including income tax		3.76	(1.26)	0.08	(0.37)	(2.22)
Other Current Accounts Receivable		5.83	(10.16)	(9.30)	5.53	(2.54)
Cash and its equivalents		(3.55)	(0.13)	(0.11)	3.78	(3.78)
Costs of future periods		(1.74)	(1.02)	(0.05)	(0.03)	(0.05)
Other current assets		(0.17)	(0.85)	(0.02)	0.07	(0.04)
Total		-	-	-	-	-

Source: compiled by the author based on enterprise data

We understand that working capital is the amount of current assets, which is financed by equity and long-term liabilities, or in other words, working capital is the amount of equity and long-term liabilities, which are not used for financing non-current assets.

Therefore, for more details, we want to demonstrate trends of changes in equity, long-term liabilities and non-current assets (Fig. 2.3).

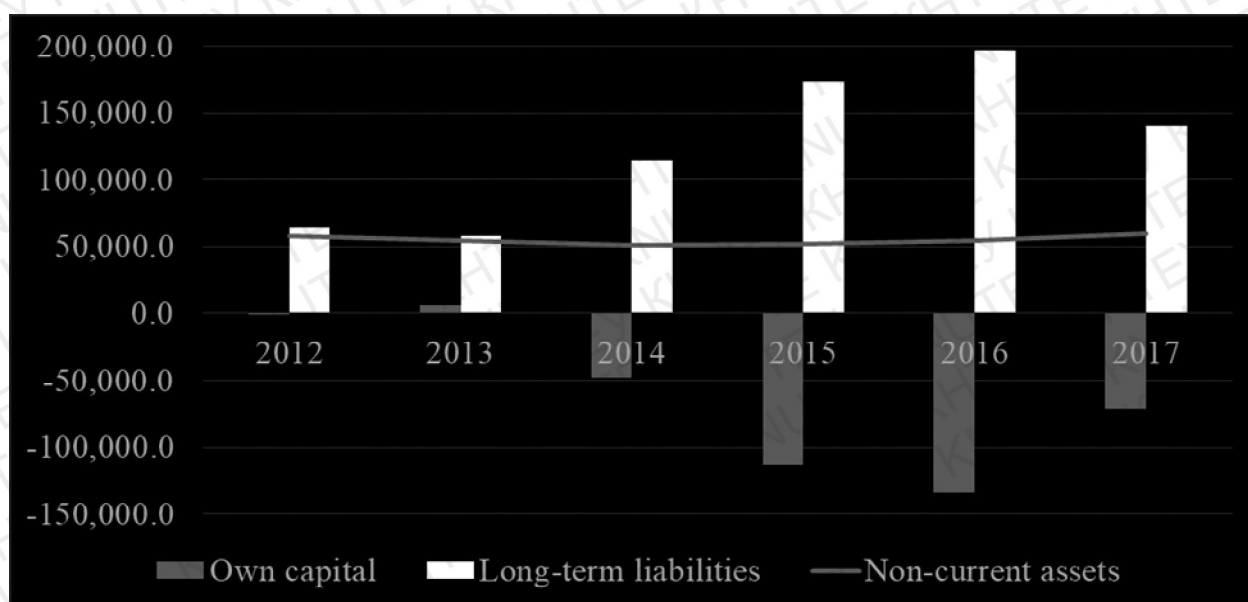


Fig. 2.3 Trends of changes in equity, long-term liabilities and non-current assets of the enterprise LLC “Delight” during 2012-2017, ths UAH

We can see that in general non-current assets did not change during 2012-2017. We can see the growth of long-term liabilities started in 2014 to 2016, with the peak in 2016. In 2017 they decreased which was caused by partial write off debt of the company. Precisely and vice versa there was the situation with own capital, which is negative during 2014-2017.

Using it we understand that amount of working capital was changing according to changes in equity and long-term liabilities. That is why it is necessary to present the structure of equity and long-term liabilities (Table 2.9).

The share of long-term liabilities was 101% from total equity and long-term liabilities in 2012, in 2013 it decreased to 91% (or by 10 pp.) due to positive own capital in this year. In 2014-2016 it was increasing to 172% (or by 81 pp.) in 2014, to 283% (or by 111 pp.) in 2015 and to 310% (or by 26 pp.) in 2016. In 2017 it decreased to 202% (or by 108 pp.).

At the same time there were changes with own capital. In general, the share of registered capital in general structure of total equity and long-term liabilities was in the range from 14% to 16% during all investigated period.

Retained earnings was negative, so it was uncovered loss which was increasing during all investigated period excluding 2013 and 2017, in which it decreased a little. So,

in 2012 the share of uncovered loss was 16%, in 2013 it reduced by 10% and became 6%. In 2014-2016 it was rapidly grew to 86% (or by 80 pp.) in 2014, to 199% (or by 113 pp.) in 2015 and to 210% (or by 26 pp.) in 2016. In 2017 it reduced by 109 pp. and was 116%.

There was no additional capital. So own capital consists only of registered capital and uncovered loss.

In 2012 the structure of total equity and long-term liabilities was formed by registered capital (15%), uncovered loss (-16%) and long-term liabilities (101%). In 2017 it was changed and became: by registered capital (14%), uncovered loss (-116%) and long-term liabilities (202%).

Table 2.9

**Structure of equity and long-term liabilities of the enterprise LLC “Delight”
in 2012-2017, %**

Indicators	Years					
	2012	2013	2014	2015	2016	2017
Registered (share) capital	15	15	14	16	15	14
Additional capital	-	-	-	0	0	0
Retained earnings (uncovered loss)	(16)	(6)	(86)	(199)	(225)	(116)
Total own capital	(1)	9	(72)	(183)	(210)	(102)
Long-term liabilities	101	91	172	283	310	202
Total own capital and Long-term liabilities	100	100	100	100	100	100
<i>Absolute deviation</i>						
Registered (share) capital		(0)	(1)	1	(1)	(1)
Additional capital		-	-	0	(0)	(0)
Retained earnings (uncovered loss)		10	(80)	(113)	(26)	109
Total own capital		10	(81)	(111)	(26)	108
Long-term liabilities		(10)	81	111	26	(108)
Total own capital and Long-term liabilities		-	-	-	-	-

It should be mentioned it is not enough to analyze the elements of working capital for a complete understanding of its structure. It is necessary to understand the place of working capital in the enterprise as a whole. Because the specifics of each enterprise require one or another structure of working capital, as well as one or another of its shares in the overall structure of the enterprise.

So, we offer the model, which shows the place working capital in the general structure of the enterprise. This model gives a clear idea of the number of current and non-current assets, equity, and short-term and long-term liabilities. Against this background, we see working capital and we can understand the strategy of working capital in the enterprise, the possibilities of its improvement and optimization.

In 2017 the enterprise had negative own capital and its share was (76%) in general capital structure. In this year there was a huge amount of long-term liabilities with share in general structure of 151%. And only 25% of short-term liabilities was in capital.

The assets consist of 35% of current assets and 65% of non-current assets. As a result, we have 10% of working capital in 2017 (Fig. 2.4).

Our enterprise's main activity is to rent of premises. It means no production, only providing services. So, it is worth considering whether such a share of working capital is rational.

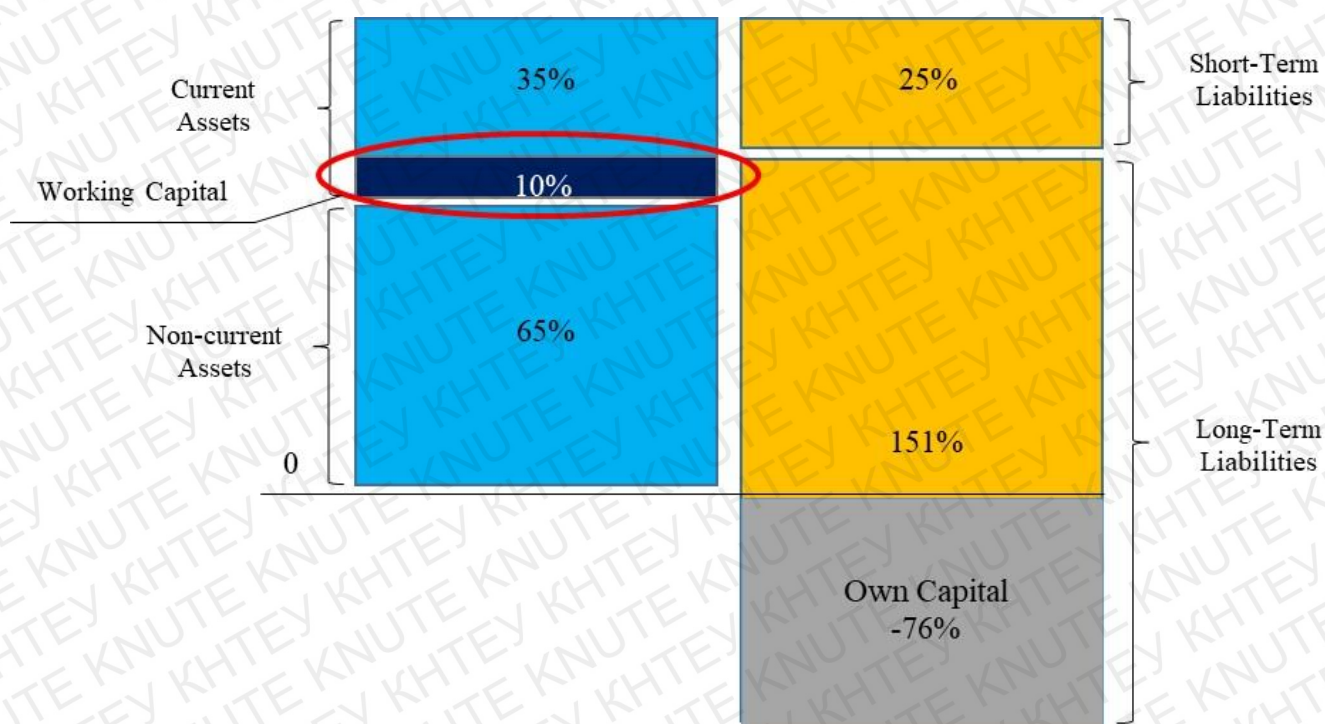


Fig. 2.4 Working capital in the general structure of LLC "Delight" in 2017

Due this model we can see the general structure of the enterprise and understand how we can change it in future, what policy of working capital management will be more appropriate for our enterprise, how can we optimize the structure of working capital in general structure of the enterprise.

Thus, it can be concluded that there are 10% of working capital in the general structure of the enterprise in 2017.

The main levers of change in working capital are precisely accounts receivable for products, goods, works and services and other current liabilities, since their share is the largest part in the structure of current assets and current liabilities, respectively.

Vertical analysis of current liabilities shows that the main part and this section are other current liabilities, their share is about 98% throughout the period, only in the year of 2012 was lower by 10 pp.

The main part of this category of current liabilities is the arrears of accrued interest on loans taken in foreign currency. Hence, devaluation of the hryvnia is again a major factor in increasing both other current liabilities and current liabilities as a whole.

The main part of current assets is account receivables for products, goods, works and services with 89% in 2017. It should be mentioned that their part was increasing during almost all periods excluding 2016 years, in which it decreased by 10 pp.

In 2017 the structure of current assets was formed by account receivables for products, goods, works and services (89%), other current account receivables (10%) and costs of future period (1%).

Non-current assets did not change during 2012-2017. We can see the growth of long-term liabilities started in 2014 to 2016, with the peak in 2016.

In 2012 the structure of total equity and long-term liabilities was formed by registered capital (15%), uncovered loss (-16%) and long-term liabilities (101%). In 2017 it was changed and became: by registered capital (14%), uncovered loss (-116%) and long-term liabilities (202%).

So, the model, which shows the place working capital in the general structure of the enterprise, gives a clear idea of the number of current and non-current assets, equity, and short-term and long-term liabilities. Against this background, we see working capital and we can understand the strategy of working capital in the enterprise, the possibilities of its improvement and optimization

2.3. Evaluation of the level of effectiveness of the working capital management of LLC “Delight”

The analysis is based on the indicators defined in question 1.3. The information base in the study of performance indicators was Balance LLC “Delight”, a report on financial results for 2012 - 2017 years.

To assess the turnover of working capital, I propose to consider the following indicators (Table 2.10).

Table 2.10

Indicators of turnover of elements of working capital of the enterprise LLC “Delight” in 2012-2017, ths. UAH

Indicators	Years					
	2012	2013	2014	2015	2016	2017
Net revenue	25,666.0	25,351.0	24,205.0	25,881.0	29,311.6	29,981.6
Cost of sales	13,320.0	12,727.0	12,409.0	14,542.2	17,531.8	19,129.5
Inventory		10.0	854.0			
Current assets	7,008.0	13,358.0	26,527.0	25,699.3	29,970.1	32,915.5
Current accounts receivable	4,968.0	9,412.6	21,084.0	23,688.0	24,823.4	29,375.6
Current accounts payables	235.0	124.0	194.0	638.4	317.1	574.7
1. Current assets turnover ratio		2.5	1.2	1.0	1.1	1.0
2. Current assets turnover, days		144.6	296.6	363.2	341.9	377.5
3. Inventory turnover ratio		2,545.4	28.7	34.1		
4. Inventory turnover, days		0.1	12.5	10.6		
5. Current accounts receivable turnover ratio		3.5	1.6	1.2	1.2	1.1
6. Current accounts receivable turnover, days		102.1	226.8	311.4	297.9	325.4
7. Current accounts payables turnover ratio		70.9	78.0	34.9	36.7	42.9
8. Current accounts payables turnover, days		5.1	4.6	10.3	9.8	8.4
9. Operating cycle		102.2	239.3	322.0	297.9	325.4
10. Financial cycle		97.2	234.7	311.7	288.1	317.0

Due to the fact that the main activity of the LLC “Delight” Company is the lease of their own premises, there are almost no reserves in the current assets section (only a very

small part is in 2013 and 2014), which leads to a lack of time, necessary for the conversion of raw materials into finished products and their implementation.

Thus, the basis of the duration of the operating cycle is the period of turnover of accounts receivable. The turnover of accounts receivable in the days was increasing during almost all period. It is not so good conditions for business. Only in 2016, there was a little decrease, which is a favorable trend, since the average number of days required for the conversion of receivables into cash decreased. However, in the current year, this indicator became the biggest and it was equal a year or 326 days.

However, the period of revolving payables in 2015 has almost tripled compared to previous years, which indicates a favorable trend in the company's operations, but in 2016-2017 it was decreasing and it was calculated as 9 days in 2017.

Of course, if to compare turnover of account receivables in days and turnover of account payables we can see that their difference is so big such as first indicator calculates almost a year at that time when another calculates only a little more than a week.

The duration of the operating cycle, which characterizes the time interval from the moment of acquisition of the enterprise inventories up to the moment of cash inflow from the sale of finished products made from them, in 2015 was 322 days, and in 2016 increased by 24 days and amounted to 298 days. This tendency is negative, and it took place due to the effect of the growth period of collection of receivables. But in 2017 it increased by 28 days and it amounted 326 days.

The duration of the financial cycle has a positive value, which means that the company was initially calculated with the suppliers of inventories for their purchase on terms of deferral of payment, and then received funds from debtors for the finished products sold to them. The length of the period between these events in 2016 was 288 days, and in 2017 - 317 days. The duration of the financial cycle during 2012-2017 has fluctuated. So, by 2014, the number of days for which cash through production and sales of products turn into cash, increased, in 2016 - decreased, and in the current - increased again.

The number of turnover made by accounts receivable was decreasing during all investigated period and in 2015-2016 became 1.2 and in 2017, it amounted 1.11 turnovers.

With acceleration of turnover, there is a decrease in the value of the indicator, which indicates an improvement in settlements with debtors. However, we have not favorable situation such as our indicator decreased, so, it seems that the company is no good in settlements with debtors.

The turnover rate of payables shows the turnover rate of the company's debt. We see that in the current year there has been an acceleration, which adversely affects the liquidity of the enterprise. In addition, the turnover rate of payables is higher than the turnover rate of accounts receivable, which suggests that there is no available balance of available funds in the enterprise.

We propose to analyze the absolute and relative release of current assets, which are significant indicators that are calculated in the diagnosis process, and with the help of these indicators to determine the impact of sales volume and turnover rate of revolving assets to change their size (needs) (Table 2.11).

Table 2.11

**Absolute release and relative release of working capital of the enterprise LLC
“Delight” in 2014-2017, ths UAH**

Indicators	Years				
	2013	2014	2015	2016	2017
Net revenue	25 351,0	24 205,0	25 881,0	29 311,6	29 981,6
Current assets turnover, days	144,6	296,6	363,2	341,9	377,5
Current assets turnover ratio	2,5	1,2	1,0	1,1	1,0
Absolute release		10 219,8	4 789,8	-1 739,8	2 971,9
Relative release		-460,3	1 380,9	3 461,4	636,2

So, in accordance with absolute release indicator, we can see that the need in current assets as a result of acceleration of their rotation was increasing during all researched period, except 2016 year. In 2016 the need in current assets decreased by 1 740 ths UAH, but in current 2017 year it increased by 2 972 ths UAH.

If we talk about relative release indicator, it should be mentioned that there was increasing in need in current assets as a result of changes in net revenue from sales in 2015-2017, but in 2014 there was a little decreasing in need for current assets. Besides if compare these two

indicator for the last two years, there is an interesting fact: in 2016 the need in current assets as a result of acceleration of their rotation decreased at that time when the need in current assets as a result of changes in net revenue from sales increased. In addition, the reverse trend is followed in 2017.

An important aspect is the analysis of the efficiency of the use of working capital (Table 2.12).

Table 2.12

Efficiency of the use of working capital of the enterprise LLC “Delight” in 2012-2017

Indicators	Years					
	2012	2013	2014	2015	2016	2017
Net revenue	25 666,0	25 351,0	24 205,0	25 881,0	29 311,6	29 981,6
Profit	6 274,0	6 425,0	-53 483,0	-64 758,3	-21 061,9	62 601,1
Working capital	4 925,0	9 218,0	15 253,0	9 468,5	8 980,9	9 443,9
Profitability of working capital		91%	-437%	-524%	-228%	680%
Working capital turnover ratio		3,6	2,0	2,1	3,2	3,3

The turnover rate of working capital is growing since 2014, and in 2017 it was 3,3 turnovers. At that time when profitability of working capital was negative in 2014-2016, although in 2017 it became positive and it amounted 680%.

The efficiency of the use of capital depends on the speed of its circulation. Delay in the movement of funds leads to a slowing down of the turnover of capital, requires additional investment and can lead to a significant deterioration in the financial condition of the enterprise. However, one must strive not only to accelerate the movement of capital at all stages of the cycle, but also to maximize its return, which is to increase the amount of profits per hryvnia of capital. This is achieved by rational and economical use of all resources, avoiding their over-expenditures, losses at different stages of the cycle. That is, the efficiency of the use of capital is characterized by its return (profitability), which is the ratio of the amount of profit to the average annual amount of fixed and working capital.

The main condition for the effective functioning of an enterprise in a market environment is the stability of its economy. Financial stability is determined by the rational provision of the needs of any object financial resources for the effective operation of market conditions. It is characterized by a system of absolute and relative indicators. We propose to analyze absolute indicators of financial stability of the enterprise LLC “Delight” in 2012-2017 years (Table 2.13).

Table 2.13

**Analysis of absolute indicators of financial stability of the enterprise LLC
“Delight” in 2014-2017, ths UAH**

Indicators	Years					
	2012	2013	2014	2015	2016	2017
Own capital	(763)	5,662	(47,821)	(112,579)	(133,471)	(70,870)
Non-current assets	58,256	54,393	51,248	51,958	54,682	60,022
Long-term liabilities	63,944	57,949	114,322	174,005	197,134	140,336
Current liabilities	2,083	4,140	11,274	16,231	20,989	23,472
Own working capital	(59,019)	(48,731)	(99,069)	(164,536)	(188,153)	(130,892)
Permanent capital	4,925	9,218	15,253	9,469	8,981	9,444
Stock formation capital	7,008	13,358	26,527	25,699	29,970	32,916
Financial stability	normal	normal	normal	normal	normal	normal

Such as we have negative own capital, positive permanent capital and positive stock formation capital the financial stability of LLC “Delight” was normal in 2012-2017 years. The normal stability of the financial state is characterized by profitability of management and the absence of violations of financial discipline. Lacking or reducing the amount of own working capital causes an increase in the amount of attracted capital and increased financial dependence.

Normal financial stability suggests that the company maintains current solvency (that is, the company can timely cover its obligations on short-term payables). The managerial staff of these enterprises rationally uses borrowed funds, and also manages the production and financial activity of the enterprise, which is characterized by high efficiency (the production and commercial activity of the enterprise brings profit to it). The main indicator of the company's economic efficiency - profitability (for example, return on equity), at such companies fluctuates at a high level, indicating their investment

attractiveness. The source of financing of stocks of such enterprises is their own working capital and long-term liabilities, in our case, only long-term liabilities.

For more understanding, the situation on the enterprise we propose to analyze indicators of financing of assets of the enterprise LLC “Delight” in 2012-2017 years (Table 2.14).

Table 2.14

Indicators of financing of assets of the enterprise LLC “Delight” in 2014-2017, ths UAH

Indicators	Years					
	2012	2013	2014	2015	2016	2017
Own capital	(763)	5,662	(47,821)	(112,579)	(133,471)	(70,870)
Non-current assets	58,256	54,393	51,248	51,958	54,682	60,022
Own working capital	(59,019)	(48,731)	(99,069)	(164,536)	(188,153)	(130,892)
Current assets	7,008	13,358	26,527	25,699	29,970	32,916
Inventory	-	10	854	-	-	-
Coefficient of current assets availability by own working capital	(8.42)	(3.65)	(3.73)	(6.40)	(6.28)	(3.98)
Coefficient of stock availability by own working capital	-	(4,873.10)	(116.01)	-	-	-
Ratio of capital mobility	77.35	(8.61)	2.07	1.46	1.41	1.85

The most important ratio of this indicators' category is a coefficient of current assets availability by own working capital. During all investigated period it was negative: in 2012 it was (8), and in 2017 it increase by twice and became (4). Such as the company had uncovered loss during all period, we have the negative own capital and negative own working capital, and as a result the coefficient of current assets availability by own working capital is also negative. It means that equity capital did not participate in the financing of current assets of the enterprise. Negative coefficient of current assets availability by own working capital shows that LLC “Delight” had significant financial dependence of the company on external sources of financing.

The next important ratio of this indicators' category is a coefficient of stock availability by own working capital. In our case, it is not so appropriate to use this ratio because of inventory absence in 2012 and during 2015-2017. Only in 2013-2014 it was present, but also was negative.

Ratio of capital mobility allows us to estimate the share of equity capital aimed at financing current activities, i.e. invested in mobile assets (current assets), and allows them to freely maneuver with these assets. In 2012 it was 77 and in 2017 it became 2. In fact, we cannot to use this ratio too such as there are no own capital almost all investigated period.

So, as you can see, working capital is a positive amount, which means that LLC “Delight” is able to pay its short-term financial liabilities through current assets. The growth in the size of working capital up to 2014 was followed, which was evidence of increasing liquidity of the LLC “Delight” Company and increasing its creditworthiness. Nevertheless, the negative tendency of a decrease in working capital was subsequently followed, which is a signal of a review of the effectiveness of the strategy of working capital management.

Such as we have negative own capital, positive permanent capital and positive stock formation capital the financial stability of LLC “Delight” was normal in 2012-2017 years. The normal stability of the financial state is characterized by profitability of management and the absence of violations of financial discipline. Lacking or reducing the amount of own working capital causes an increase in the amount of attracted capital and increased financial dependence.

Negative coefficient of current assets availability by own working capital shows that LLC “Delight” had significant financial dependence of the company on external sources of financing.

CHAPTER 3

IMPROVING OF THE WORKING CAPITAL MANAGEMENT OF LLC “DELIGHT”

3.1. Ways of the working capital management optimization of LLC “Delight”

In order to achieve the most efficient use of working capital, it is necessary to develop a comprehensive target management program for working capital. The purpose of the policy of working capital management is to determine the volume and structure of current assets, sources of their coverage and the correlation between them, sufficient to ensure a stable economic and efficient financial activity of the enterprise.

To successfully complete the task of optimizing working capital, three main issues need to be addressed:

1. How much cash frozen in the operating cycle can be released without reducing efficiency and without reducing the volume of transactions?
2. What are the optimal indicators of turnover of accounts receivable and payable and how to achieve them?
3. What is the real need of a company in cash and what management tools will help to reduce this need?

In other words, it is necessary to understand what to do (determine the nature of the necessary changes) and how to do it (find a way that will allow effective implementation of the decisions).

The classic mechanism for optimizing working capital and increasing liquidity involves the following measures:

- improvement of the situation with payables and accounts receivable:
 - Firstly, the elimination of the situation, which leads to late payment of accounts;
 - Secondly, comparing the terms of payment of the company with the average or the best on the market, an attempt to review agreements with counterparties;
 - Thirdly, the maximum automation of operations;

- short-term cash flow planning for individual companies-counteragents and for the company as a whole;
- introduction of effective mechanisms of management of working capital and control of its state to maintain the necessary level of financial resources involved in the operating cycle.

The development of algorithms for solving such problems is a labor-intensive process. But most of the complications, as practice shows, are not related to the development of such mechanisms, but with their implementation in the enterprise. It is required to not only provide a quick result, reducing or increasing working capital to a certain level, and achieve a lasting long-term effect. To do this, you need to create a well-structured organizational structure with clearly defined responsibilities and responsibilities of employees.

The set of indicators should be necessary and sufficient for effective control - fully and reliably reflect the entire essence of the processes that take place. It is also important not to exaggerate with a system of parameters whose values can neither be interpreted nor determined promptly. In general, this may be the following indicators: period of turnover, debt structure, average delay time, debt service cost (Appendix A).

According to the Commercial Code of Ukraine, enterprises have the right to independently plan and carry out their activities, that is, they can independently choose methods of managing their working capital and exercise control over their rational placement and use.

Thus, ways to improve the use of working capital are as follows:

1. It is necessary to optimize the size of working capital, which serves the economic needs of the enterprise.

Since financial resources are provided on a paid basis, LLC “Delight” is interested in reducing the needs in order to minimize the costs of their involvement and further use. This is achieved by planning the needs of the company in the formation of current assets, valuing the volumes of certain groups of current assets, monitoring the implementation of plans and standards, and organizing work to identify opportunities to reduce the need for working assets.

In the course of our research, it was established that LLC “Delight” does not carry out normalization of its current assets. In our opinion, this is one of the reasons for the deterioration of the use of current assets, therefore we believe that in order to improve the quality of management of current assets it is expedient to introduce a system of valuation, which involves determining the optimal amount of working capital in the enterprise.

Settlement of receivables. It should be noted that the definition of the possible amount of financial assets invested in accounts receivable by commodity and consumer credit is important. In order to reduce the receivables, it is necessary to make a decision on the reduction of the term of the loan and delay in payment for the goods sold. Therefore, the receivables rate will decrease.

The volume of other types of accounts receivable (budget, extra budgetary funds and accountable persons) is usually not planned. In case of preservation of the reasons that caused the occurrence of arrears in the planned period, the need for the formation of this type of debt is determined, based on the planned growth rates of activity of the enterprise.

An estimate of the planned repayment period for the relevant types of receivables may be made based on an analysis or direct calculation method (as the weighted average maturity period that will take place). The latter option is implemented with insignificant amounts of debt formation and involves the availability of information on the maturity of debts by each debtor of the enterprise or group of debtors.

Rationing of cash. A special place in the planning of working capital of an enterprise is the determination of the need for cash, since they must be optimally planned by the company in order to sufficiently ensure its economic activity and not settle in bank accounts.

The need for the formation of stocks of low-value and short-life items (SLI) is calculated on the basis of information on the number of jobs, the number of employees of the enterprise, the cost of the SLI to equip one workplace or the worker of the enterprise, taking into account the existing order of accounting and the mapping of the accounting SLI (reserves SLI are formed in size 50% of the cost of acquiring the necessary material working assets, which in the current period are not written off on the costs of the transaction).

The practice of many Ukrainian enterprises shows that there is no scientifically based inventory management policy. Due to the fact that the main type of activity of our company is the lease of premises, in our opinion, it is not advised.

2. It is necessary to accelerate the speed of circulation (or shortening the duration of turnover) of working capital.

The need for an enterprise in the formation of current assets depends on the volumes of goods turnover, the duration of the cycle and the duration of the period. The growth of activity requires an adequate increase in demand for current assets, and, accordingly, the cost of their formation. The counteraction is increasing the speed of the cycle, which reduces the need for them.

Accelerating the turnover of working capital is achieved at the expense of better organization of its circulation. As a result, the reserves of planned working capital are decreasing and the share of own working capital in their formation increases.

Accelerating the turnover of working assets leads to the release of working capital from turnover, and slowing down to additional attraction, and the active increase of own working capital while accelerating the turnover of working assets - a real way to strengthen the financial situation and ensure financial independence.

3. It is necessary to ensure the current solvency and liquidity of assets of LLC “Delight”.

This is one of the most important tasks in the management of current assets. Liquidity and solvency management takes place by observing certain proportions between the volume of formation of material working assets, accounts receivable and cash assets of the enterprise.

4. It is also necessary to increase the profitability of the use of current assets.

Any company is interested in the growth of income (profit) due to the efficient use of working capital. To solve this problem, LLC “Delight” needs:

- examine each stage of asset turnover to determine over-the-asset assets; those that are not used in business, as well as those that bring losses;
- develop and implement a program for eliminating detected assets and release funds;

- inclusion of "dead capital" in work.

5. It is necessary to ensure the inflationary protection of working capital.

An important deficiency of working capital is its inflationary insecurity. First of all, it concerns monetary assets (cash, accounts receivable, etc.). Money advanced in the formation of non-monetary current assets (commodity and other material stocks, receivables from suppliers) also suffer from inflation to a certain extent, but the level of inflationary losses is relatively lower.

The provision of inflationary protection requires, on the one hand, the observance of the proportions between the volume of monetary and non-monetary assets, on the other hand, the development and implementation of special instruments for the protection of circulating assets against inflation.

6. It is also necessary to reduce the cost of working capital formation.

Formation of working capital of LLC "Delight" is carried out at the expense of various sources of financing available at its disposal. As each of them has its own cost of attraction, it is necessary to minimize costs by improving the management of the financing structure.

This is achieved by identifying funding sources and maintaining certain proportions of their use.

The special significance for financial stability and solvency of LLC "Delight" is the availability of its own working capital, that is, current assets, which are formed at the expense of its own sources of financing. The growth of the share of its own working capital is achieved both by increasing their value, and by expediting turnover (reducing the turnover load factor) and, on this basis, reducing the total need for working capital.

As it was seen from the previous calculations, the company lacks its own working capital for the formation of working capital, since the main source of replenishment of working capital is net profit, which was present only in 2017 and went to cover losses of previous years.

The main ways to increase its own working capital in circulation are increase in profits in the current period and directing its greater share in the planned period to

industrial development, replenishing its own working capital; realization or provision of operational equipment for lease of unused property, etc.

Therefore, rational placement and effective use of current assets in a market economy is one of the central tasks of enterprises and, in particular, LLC “Delight”. Successful implementation can be achieved by:

- increase the volume of activity and profit while accelerating the turnover of working capital;
- Absolute and relative increase of own working capital in the formation of working capital;
- rational use of own working capital, prevention of its seizure in non-current assets, overdue and unrealistic recovery of receivables, etc.

The practical implementation of the proposed strategic objectives for optimizing the sources of working capital formation of LLC “Delight” will allow the most efficient use of its own resources to ensure stable financial performance.

Working capital indicates a company’s ability to cover its day-to-day expenses and pay off its short-term debts. A company’s efficiency, liquidity and financial health is reflected in its working capital, and thus improving working capital position can lead to smoother operations, higher productivity, increased profits and stronger relationships with both customers and suppliers. On the other hand, a poor working capital position can cause losses, legal troubles and even bankruptcy. The management should, therefore, play an active role in this regard, by forecasting future cash flows and coming up with strategies to free up cash. Here are some of the ways in which you can improve the position of working capital:

Forecasting: for efficient working capital management, a proper cash flow forecasting is essential. Forecasting takes into account the impact of essential factors like actions by your competitors, loss of prime customer, unforeseen events and market cycles. Cash flow forecasting will help the firm to strengthen its balance sheet and stabilize its financial state. This result in gaining control and flexibility that gives a competitive edge.

Efficient capital management: a combination of company’s operational and financial skills help to recognize and implement new strategies, which generate short-term cash.

The right set of executives can responsibly set targets for the company, account for its performance levels, be motivated to be enterprising and can function as change agents.

Alternative financing: as loans can often be tricky for small business owners, there are other financing options that come as easy alternatives for entrepreneurs. Invoice factoring and working capital advances help in getting the cash faster. The alternative techniques will help you to improve the overall cash flow of the company.

Supplier payment: businesses that make their payments on time tend to have a better relationship with suppliers. This further helps clients to negotiate better deals (for example, secure favorable credit terms) with their suppliers going forward.

Ensuring timely payments: to avoid bad debts, which have a negative impact on working capital, we can encourage our customers to make payments in time by offering them incentives for the same. Businesses often use methods such 2%/20; wherein they offer customers a 2% discount if they pay their bill within twenty days. Conducting rigorous credit checks on new customers, creating an effective payment process and employing efficient collection teams can also help in this regard.

Shortening the operating cycle: the operating cycle begins when the company purchase raw materials and ends with the conversion of your accounts payable, into cash. The longer the operating cycle, the greater the amount of capital locked up in it. Shortening this cycle will help to free up cash faster and will improve the short-term liquidity of the company.

Increasing sales and decreasing expenses: lowering costs is an easy way to improve the working capital position of the company. Upon examining expenses, such as the amount spent on business trips, office stationery, etc. the company can make an effort to cut down on unnecessary costs, thereby saving its cash which will, in turn, increase the working capital. Increasing the sales revenue can also contribute towards improving the position of your working capital, as long as the growth in revenue is greater than the increase in expenses required to generate it.

As working capital acts as a yardstick, measuring the financial health and operational efficiency of a company, improving the working capital position will go a long way in contributing towards the growth of the business.

Meet Debt Obligations: ensure that all debt obligations are met on time. Use electronic payment systems to ensure timely payments, and avoid situations that delay payments and attract penalty.

Choose Vendors Who Offer Discounts: discounts from vendors will help save finances. Maintain a good relationship with them. When the company is facing a cash flow crunch, this relationship will go a long way in receiving some leniency.

Analyze Fixed and Variable Costs: determine whether fixed and variable costs can be reduced. If it is examined carefully, it will be able to identify expenses that are wasteful. By eliminating such expenses, the company will have more liquidity for working capital.

Examine Interest Payments: it should be examined the interest on loans or other forms of fixed debt. Check whether the company is eligible for a modification in interest rates and thereby pay a lower fixed amount every month. Early clearing of loans can help reduce the cost of paying future installments. All this is saving, and can be added to the working capital.

Automate Accounts Receivable and Payment Monitoring: automating allows the company to track inflows and outflows with ease. Make sure in strong collection teams to chase delinquent customers. Reward staff members who are able to collect dues effectively.

Resolve Disputes with Customers and Vendors: resolve disputes with customers and vendors as early as possible. If a case goes to court, make sure that it is resolved without undue delay so that unnecessary legal expenses are not incurred. Receivables held up because of disputes are a major cause for concern for many companies.

Identify Other Ways to Improve Working Capital: working capital position can always be improved by earning higher profits, issuing company stock, taking on more debt, and selling assets for cash. However, these strategies should only be considered as the last resort.

Take Advantage of Tax Incentives: tax incentives save money, which can then subsequently be channeled into the working capital funds.

Use Up-to-date Financial Information: keep financial statements and reports current and calculate quick ratios on a periodic basis. This will enable the company to have a clear picture of the financial position at all times and will provide with avenues for improvement.

Many companies are forced to issue stock or take on debt when they run out of working capital. Your business can avoid this by constantly keeping an eye on the working capital position and finding ways to increase it through better management of the cash flow, customers, and vendors.

Thus, efficient management of working capital must be based on a systematic approach, be integrated and integrated into the entire company's operation. Separate measures to optimize the element of working capital will not bring the expected effect, for sustainable development of the enterprise requires the implementation of a full-scale management system of working capital, based on a clear definition of responsible persons, a unified system of indicators, high-quality operational information, determined and documented in the management methodology.

3.2. Formation of the planned working capital structure of LLC “Delight”

In 2017, there are 10% of working capital in general structure of the enterprise's assets. We think it is much for company, which main activity is providing services. It is understandable that company provide inefficient policy according to working capital. As a result, it reduces chance for growing enterprise's well-being.

In Table 3.1 we can see that the main part of current assets belongs to account receivables, we want to say that almost all current assets are account receivables. Besides there are no stocks during all investigated period, only in 2014 there were 3% of stocks. It means that company needs to improve the working capital policy by changes its structure.

Table 3.1

**Structure of current assets and current liabilities of the enterprise LLC
“Delight” in 2013-2017 years**

Indicators	Years				
	2013	2014	2015	2016	2017
<i>Current assets</i>					
Stocks	0%	3%	0%	0%	0%
Accounts receivables	98%	96%	99%	95%	99%
Cash and its equivalents	0%	0%	0%	4%	0%
Costs of future periods	2%	1%	1%	1%	1%
Total	100%	100%	100%	100%	100%
<i>Current liabilities</i>					
Current payables	3%	2%	4%	2%	2%
Other current commitments	97%	98%	96%	98%	98%
Total	100%	100%	100%	100%	100%

Source: compiled by the author based on enterprise data

We propose to extremely reduce account receivables by providing prepayment policy. What does it mean? The company work on scheme of getting money in some period after giving services. But if we change this scheme and on the contrary the company will get prepayments and only then it will liable for providing services.

Of course, it is hard and even impossible to change scheme immediately. That is why we propose the next model of its implementation (Fig. 3.1).

Step 1. To calculate the number of contractors with which company works.

Step 2. To find out the number of contractors which work on the scheme “First – Services, Second – Payments” (FSSP).

Step 3. To redeal the contracts with contractors implementing new scheme “First – Payments, Second – Services” (FPSS). It can be introduces immediately and on the stage when the contract when the contract expires and it needs to be re-signed.

Step 4. Finding new contractors to propose only the contract on new scheme “FPSS”.

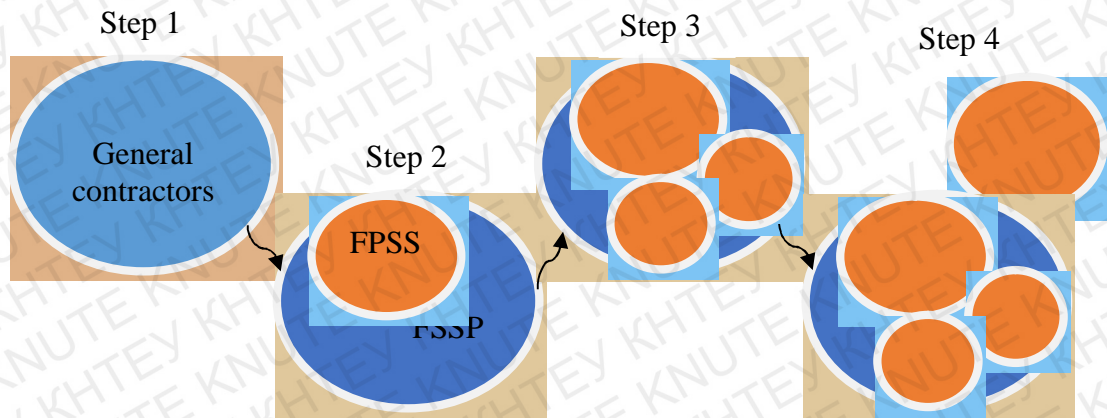


Fig. 3.1 Model of FPSS scheme implementation

We think it will be not easy to make step 3. Such as old scheme, “FSSP” is more attractive for the contractors. That is why not all of them approve our new conditions. To make the amount of companies that accepted our new scheme “FPSS” we can propose different discounts, decreasing price, increasing square of premises and so on.

In our case, there is 15 contractors, which rent the premises in LLC “Delight”. All of them work on the scheme “FSSP”. Suppose that only one third of them to accept our proposition to redeal the contracts immediately. In addition, half of the rest companies - on the stage when the contract when the contract expires and it needs to be re-signed. Therefore, in our case the model of FPSS scheme implementation will look like this (Fig. 3.2)

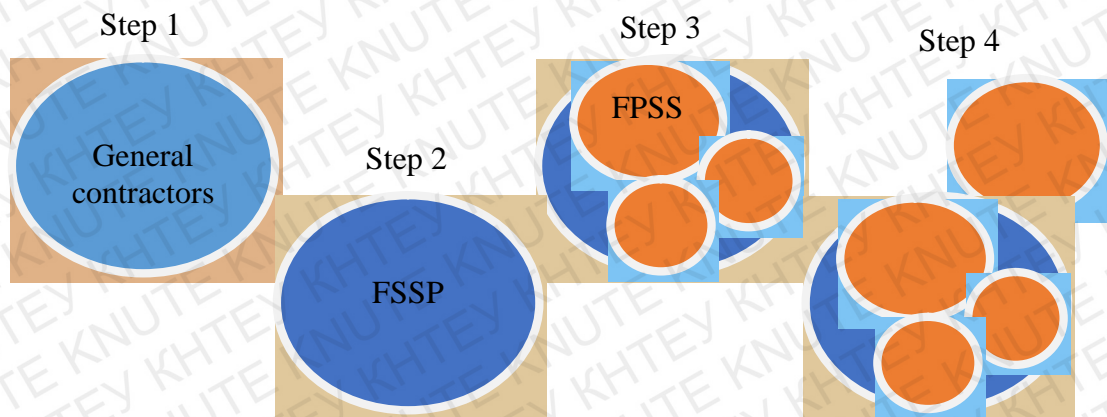


Fig. 3.2 Model of FPSS scheme implementation of the enterprise "LLC “Delight”"

in 2017

Nevertheless, before analyze the structure of working capital using new policy we propose to forecast working capital without its using (Table 3.2). More details of working capital forecast is in Appendix B and C.

Table 3.2

**Forecasted working capital of the enterprise LLC “Delight” before new policy
in 2018-2022, ths. UAH**

Indicators	Forecasted period before a new woking				
	2018	2019	2020	2021	2022
<i>Current assets</i>					
Accounts receivable for products, goods, works, services	29,982	30,928	31,905	32,912	33,951
Accounts receivable on settlements with the budget	2	2	2	2	2
Other Current Accounts Receivable	4,472	6,037	8,151	11,005	14,858
Cash and its equivalents	20	21	22	24	26
Costs of future periods	210	222	234	248	262
Other current assets	11	11	11	11	11
Total current assets	34,696	37,221	40,326	44,202	49,110
<i>Short-term liabilities</i>					
Current payables for:					
goods, work, services	172	151	132	115	101
calculations with the budget	378.10	378	379	379	379
Other current commitments	25,361	28,091	31,114	34,462	38,171
Total short-term liabilities	25,911	28,619	31,624	34,956	38,651
Working capital	8,784	8,602	8,702	9,245	10,459

If there are no changes in working policy management, the forecasted working capital will increase during 2018-2022 years. In 2018 it will be 8 784 thousand UAH, wich will be formed by cuurent assets in the amount of 34 694 thousand UAH and current liabilities in the amount of 25 911 thousand UAH. In general both current assets and current liabilities will increase during all forecasted period and they will became in the sum of 49 110 thousand UAH and 38 651 thousand UAH in 2022 accordingly. It should be mentioned that the speed of growth is bigger in current assets in comparing with current liabilities. As a result working capital will increase to the amount of 10 459 thousand UAH in 2022.

The main growth of current assets will be caused by accounts receivable for products, goods, works, services, which will be 29 982 thousand UAH in 2018 and become 33 951 thousand UAH in 2022. Besides there will be rapidly growth of other

current accounts receivables, with amount of 4 472 thousand UAH in 2018 and 14 858 thousand UAH in 2022.

Current liabilities will increase due to other current liabilities, which will be 25 361 thousand UAH in 2018 and became 38 171 thousand UAH in 2022.

We can see if will be changes in structure of forecasted working capital of the enterprise LLC “Delight” before new policy in Table 3.3.

Table 3.3

**Structure of forecasted working capital of the enterprise LLC “Delight”
before new policy in 2018-2022, %**

Indicators	Forecasted period before new woking capital				
	2018	2019	2020	2021	2022
<i>Current assets</i>					
Accounts receivable for products, goods, works, services	86.4	83.1	79.1	74.5	69.1
Accounts receivable on settlements with the budget	0.0	0.0	0.0	0.0	0.0
Other Current Accounts Receivable	12.9	16.2	20.2	24.9	30.3
Cash and its equivalents	0.1	0.1	0.1	0.1	0.1
Costs of future periods	0.6	0.6	0.6	0.6	0.5
Other current assets	0.0	0.0	0.0	0.0	0.0
Total current assets	100	100	100	100	100
<i>Short-term liabilities</i>					
Current payables for:					
goods, work, services	0.7	0.5	0.4	0.3	0.3
calculations with the budget	1.5	1.3	1.2	1.1	1.0
Other current commitments	97.9	98.2	98.4	98.6	98.8
Total short-term liabilities	100	100	100	100	100

In general, the tendency is similar and there are no significant changes in working capital structure. The main part of current assets are account receivables and the main part of current liabilities are other current liabilities.

But when we talk about current assets we can see that share of accounts receivable for products, goods, works, services in the general structure of current assets will decline by 17 pp. to 69% in 2022, starting from 2018, in which it was 86%. At that time the share of other current accounts receivables will increase by 17 pp. to 30% in 2022, starting from 2018, in which it was 13%.

The share of other current liabilities in the general structure of current liabilities will be in the range 98-99% during forecasted period.

In accordance with the proposed new working capital policy, working capital of LLC “Delight” will decrease (Table 3.4).

Table 3.4

**Forecasted working capital of the enterprise LLC “Delight” after new policy
in 2018-2022, ths. UAH**

Indicators	Forecasted period after a new working capital				
	2018	2019	2020	2021	2022
<i>Current assets</i>					
Accounts receivable for products, goods, works, services	23,985	23,196	22,333	21,393	20,371
Accounts receivable on settlements with the budget	2	2	2	2	2
Other Current Accounts Receivable	4,472	6,037	8,151	11,005	14,858
Cash and its equivalents	6,016	7,753	9,594	11,543	13,606
Costs of future periods	210	222	234	248	262
Other current assets	11	11	11	11	11
Total current assets	34,696	37,221	40,326	44,202	49,110
<i>Short-term liabilities</i>					
Current payables for:					
goods, work, services	172	151	132	115	101
calculations with the budget	378	378	379	379	379
Other current commitments	25,361	28,091	31,114	34,462	38,171
Advances received	5,996	7,732	9,571	11,519	13,580
Total short-term liabilities	31,908	36,352	41,195	46,476	52,232
Working capital	2,788	870	(870)	(2,274)	(3,122)

In 2018 we make a forecast of working capital in the amount of 2 788 thousand UAH, in 2019 it will decrease and became 870 thousand UAH. Since 2020 working capital will become negative, and its negative value will increase from (870) thousand UAH in 2020 to (3 122) thousand UAH in 2022. It will be caused by the growth of current liabilities with greater speed than current assets.

In 2018 current assets will be 34 696 thousand UAH and in 2022 they will increase only to 49 110 thousand UAH. At that time when current liabilities will be 52 232 thousand UAH in 2022, that is higher than the amount in 2018 by almost 20 000 thousand UAH. Such significant growth is explained by a new item in current liabilities like advances received. We predict that the company will receive funds in advance, and as a

result we will have liabilities in the form of advanced received. Using the new model of working capital management advances received will be 5 996 thousand UAH in 2018 and they will grow almost by twice and become 13 580 thousand UAH.

There will be no stocks and gradual reduction of account receivables at the expense of increasing cash. At the same time, current liabilities will increase at the expense of advances received. More details of working capital forecast is in Appendix D.

In accordance with the proposed new working capital policy, the structure of working capital of LLC “Delight” will have the next shape (Table 3.5).

Table 3.5

Structure of forecasted working capital of the enterprise LLC “Delight” after new policy in 2018-2022, %

Indicators	Structure after a new woking capital policy				
	2018	2019	2020	2021	2022
<i>Current assets</i>					
Accounts receivable for products, goods, works, services	69.1	62.3	55.4	48.4	41.5
Accounts receivable on settlements with the budget	0.0	0.0	0.0	0.0	0.0
Other Current Accounts Receivable	12.9	16.2	20.2	24.9	30.3
Cash and its equivalents	17.3	20.8	23.8	26.1	27.7
Costs of future periods	0.6	0.6	0.6	0.6	0.5
Other current assets	0.0	0.0	0.0	0.0	0.0
Total current assets	100	100	100	100	100
<i>Short-term liabilities</i>					
Current payables for:					
goods, work, services	0.5	0.4	0.3	0.2	0.2
calculations with the budget	1.2	1.0	0.9	0.8	0.7
Other current commitments	79.5	77.3	75.5	74.2	73.1
Advances received	18.8	21.3	23.2	24.8	26.0
Total short-term liabilities	100	100	100	100	100

When to analyze the structure of current assets of the enterprise LLC “Delight” after new policy in 2018-2022 years, we can see a great changes, which is shown by the growth of cash and its equivalents share. In 2018 it will be 17% and during all forecasted period it will increase and become 28% or by 11 pp. higher in 2022. Due to this changes the share of accounts receivables for products, goods, work and services will be decreasing and become only 42% in 2022.

There are many advantages of the new structure of working capital. Among them:

- Decrease of operational cycle,
- Minimize risk of bad debt,
- Increase financial stability,
- Increase investment attractiveness and so on.

Using new policy, the place of working capital in the general structure of the enterprise in forecasted 2022 year will be only (3%) (Fig. 3.3). But the negative working capital does not say about bad situation of the enterprise.

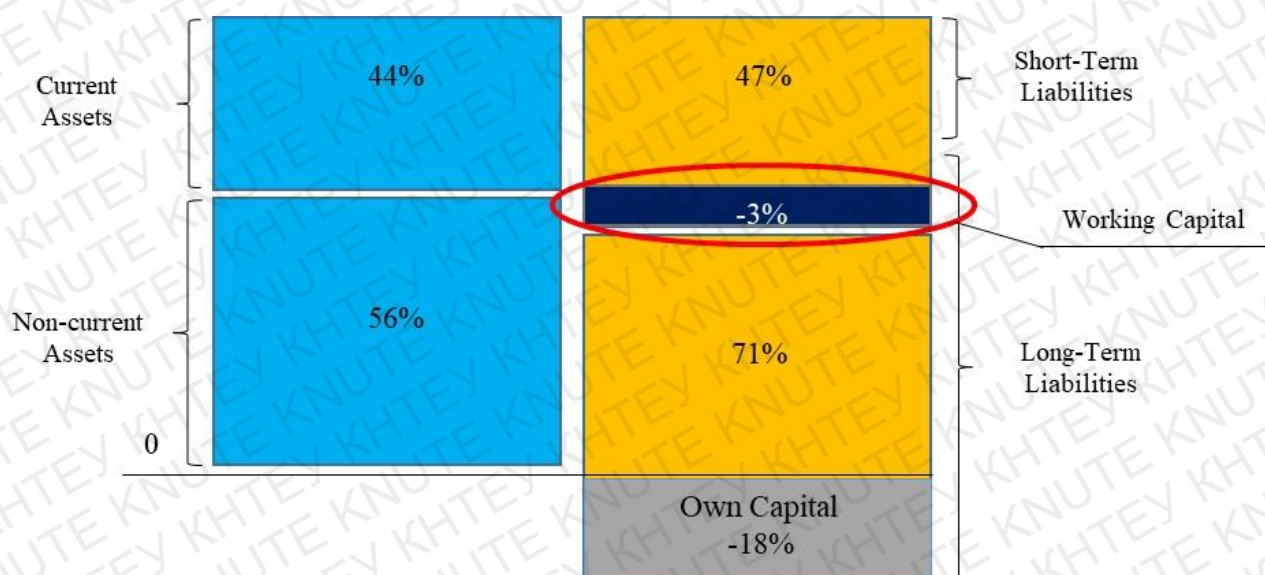


Fig. 3.3 Working capital in the general structure of the enterprise LLC “Delight” in forecasted 2022 year

Implementing our new working capital policy, the LLC “Delight” will have another structure completely. In 5 years, the working capital will be negative, own capital will increase due to profit, there will be growth of current assets and current liabilities, and long-term liabilities, which are so expensive will reduce.

Previously it was mentioned that not always a great amount of working capital is good for company. The requirement of working capital depends on the nature of business. The nature of business is usually of two types: Manufacturing Business and Providing Services Business. In the case of manufacturing business, it takes a lot of time in converting raw material into finished goods. Therefore, capital remains invested for a long

time in raw material, semi-finished goods and the stocking of the finished goods. Consequently, more working capital is required. On the contrary, in case of providing services business the services are provided immediately. Therefore, very little working capital is required. Moreover, in case of service businesses, the working capital is almost nil since there is nothing in stock.

That is why we propose to reduce the working capital to zero or even to provide such policy, which would stimulate negative working capital.

What does it give the company?

The biggest advantage of negative working capital is the holiday from bank funding. It saves the interest cost by getting current assets funded by suppliers. It may also mean that the company is a cash-rich company whose operating cycle is fast and thereby the investment in finished goods is converted to cash before the due date of payment to suppliers.

Besides, the company may be smart enough who at one side negotiate hard with the suppliers to get credit and on the other side collect money from the customer faster. The money received from the customer is not paid to the supplier but are invested in short-term investments to earn interest. These companies not only save the interest cost of working capital but also earn some interest out of investments.

To make a conclusion, it should be mentioned, that our planned formation of working capital structure is connected with the implementation of a new working capital policy, which stimulate to get prepayments from clients and decrease account receivables. Due to it, we forecasted negative working capital in some years.

Using new policy, the place of working capital in the general structure of the enterprise in forecasted 2022 year will be only (3%). But the negative working capital does not say about bad situation of the enterprise.

3.3. Perspective assessment of the effectiveness of the working capital management of LLC “Delight”

For understanding the effectiveness of the proposed working capital policy we have to analyze the turnover of working capital, to analyze the absolute and relative release of current assets and others in forecasted period, and to compare indicators which we get using the new police with indicators without its using.

To assess the turnover of working capital, I propose to consider the following indicators (Table 3.6).

Table 3.6

Indicators of turnover of elements of working capital of LLC “Delight” before the new working capital policy in 2018-2022, ths. UAH

Indicators	Forecasted period before a new woking capital policy				
	2018	2019	2020	2021	2022
Net revenue	30,928	31,905	32,912	33,951	35,023
Cost of sales	(19,733)	(20,356)	(20,999)	(21,662)	(22,346)
Current assets	34,696	37,221	40,326	44,202	49,110
Current accounts receivable	34,455	36,968	40,058	43,919	48,811
Current accounts payables	550	529	510	494	480
1. Current assets turnover ratio	0.89	0.86	0.82	0.77	0.71
2. Current assets turnover, days	404	420	441	469	505
5. Current accounts receivable turnover ratio	0.90	0.86	0.82	0.77	0.72
6. Current accounts receivable turnover, days	401	417	438	466	502
7. Current accounts payables turnover ratio	36	38	41	44	47
8. Current accounts payables turnover, days	10	9	9	8	8
9. Operating cycle	401	417	438	466	502
10. Financial cycle	391	408	429	457	494

The basis of the duration of the operating cycle is the period of turnover of accounts receivable. The turnover of accounts receivable in the days will be increasing during almost all period. It is not so good conditions for business. In 2018 it will be 401 days and in 2022 it will increase to 502 days (or by 101 days).

However, the period of revolving payables in all forecasted period will be in the range of 8-10 days. There will be no significant changes in this ratio.

Of course, if to compare turnover of account receivables in days and turnover of account payables we can see that their difference is so big such as first indicator calculates almost a year at that time when another calculates only a little more than a week.

The duration of the operating cycle, which characterizes the time interval from the moment of acquisition of the enterprise inventories up to the moment of cash inflow from the sale of finished products made from them, in 2018 will be 401 days, in 2022 it will increase by 101 days, and amounted to 502 days. This tendency is negative, and it took place due to the effect of the growth of period of turnover of receivables.

The duration of the financial cycle will have a positive value, which means that the company was initially calculated with the suppliers of inventories for their purchase on terms of deferral of payment, and then received funds from debtors for the finished products sold to them. The length of the period between these events in 2018 will be 391 days, and in 2022 it will become 494 days. The duration of the financial cycle during 2018-202 will grow. It shows us that time of cash back grow and company will need more time to get its cash back.

The number of turnover made by accounts receivable will be decreasing during all investigated period. In 2018 it will be 0.90 and in 2022 will become 0.72 turnovers. With acceleration of turnover, there is a decrease in the value of the indicator, which indicates an improvement in settlements with debtors. However, we have not favorable situation such as our indicator decreased, so, it seems that the company is no good in settlements with debtors.

The turnover rate of payables shows the turnover rate of the company's debt. We see that in the current year there has been an acceleration, which adversely affects the liquidity of the enterprise. In addition, the turnover rate of payables is higher than the turnover rate of accounts receivable, which suggests that there is no available balance of available funds in the enterprise.

The turnover rate of current assets for the forecasted period will reduce. In 2018 it will be 0.89 and in 2022 it will increase to 0.71.

In general, the situation in forecasted period is like the situation in investigated period. There are no significant changes, which can rapidly influence on the company's state, improve or worsen it.

But, when the company use the new policy of working capital management the situation will change (Table 3.7).

Table 3.7

**Indicators of turnover of elements of working capital of LLC “Delight”
after the new working capital policy in 2018-2022, ths. UAH**

Indicators	Forecasted period after a new woking capital policy				
	2018	2019	2020	2021	2022
Net revenue	30,928	31,905	32,912	33,951	35,023
Cost of sales	(19,733)	(20,356)	(20,999)	(21,662)	(22,346)
Current assets	34,696	37,221	40,326	44,202	49,110
Current accounts receivable	28,459	29,236	30,487	32,400	35,231
Current accounts payables	550	529	510	494	480
1. Current assets turnover ratio	0.89	0.86	0.82	0.77	0.71
2. Current assets turnover, days	404	420	441	469	505
5. Current accounts receivable turnover ratio	1.09	1.09	1.08	1.05	0.99
6. Current accounts receivable turnover, days	331	330	333	344	362
7. Current accounts payables turnover ratio	36	38	41	44	47
8. Current accounts payables turnover, days	10	9	9	8	8
9. Operating cycle	331	330	333	344	362
10. Financial cycle	321	321	325	335	354

In 2018 the duration of the operating cycle will be 321 days and in 2022 it will increase to 362 days (or by 31 days). It says us about a little growth of operation cycle, such as it growth only by a month for 4 year.

However, the period of revolving payables in all forecasted period will be in the same range like in period without using new policy - 8-10 days. There will be no significant changes in this ratio. Such as the new policy has not direct influence on current account payables.

Of course, if to compare turnover of account receivables in days and turnover of account payables we can see that their difference is so big such as fist indicator calculates almost a year at that time when another calculates only a little more than a week. But the

period of turnover of account receivables after using new policy is less than period of turnover of account receivables before its using. In 2018 it will be 331 days and in 2022 – 362 days. Besides it should be mentioned, the the level of its growth is significant less than without using new policy.

The length of the financial cycle in 2018 will be 321 days, and in 2022 it will become 354 days. The growth is not big, which give the company opportunity to analyze the policy and implement it in future yet.

We can see that due to different policy there are different financial cycle. If we implement the proposed policy, our financial cycle will be decreasing during all forecasted period, it will increase by 70 days - in 2018 and by 140 days – in 2022 in compare with the same period in variant of non-using proposed policy (Table 3.8).

Table 3.8

Financial cycle of LLC “Delight” before and after the new working capital policy in 2018-2022, days

Description	Financial cycle				
	2018	2019	2020	2021	2022
Forecasted period before a new woking capital policy	391	408	429	457	494
Forecasted period after a new woking capital policy	321	321	325	335	354
<i>Difference in financial cycle</i>	(70)	(87)	(105)	(122)	(140)

Comparing financial cycle in forecasted period before and after a new working capital policy, we can see that in 2018 it will be 391 and 321 days accordingly with difference of 70 days. In 2019 the difference will increase and become 87 days, in 2020 – 105 days, and in 2022 the difference will increase by twice in comparing with 2018. It says us about effectiveness of the new working capital policy, which we propose to implement.

It has been mentioned that the basis of the duration of the operating cycle is the period of turnover of accounts receivable. We remember that the turnover of accounts receivable in the days was increasing during almost all investigated period. Of course, if we do not make any action to improve this state the indicator will increase with great

speed. This we can see in Table 3.9. In 2018 the period of turnover of accounts receivable will increase by 33 days, in 2019 – by 16 days, and started from 2020 this number will increase. The same is with the duration of the operating cycle, such as it consists only from the period of turnover of accounts receivable.

Table 3.9

Absolute deviations of indicators of turnover of elements of working capital of LLC “Delight” before the new working capital policy in 2018-2022, ths. UAH

Indicators	Absolute deviation before a new woking capital policy				
	2018	2019	2020	2021	2022
1. Current assets turnover ratio	(0.06)	(0.03)	(0.04)	(0.05)	(0.05)
2. Current assets turnover, days	26	16	21	28	36
5. Current accounts receivable turnover ratio	(0.08)	(0.03)	(0.04)	(0.05)	(0.06)
6. Current accounts receivable turnover, days	33	16	21	28	36
7. Current accounts payables turnover ratio	78.76	2.63	2.66	2.69	2.72
8. Current accounts payables turnover, days	18	(1)	(1)	(1)	(0)
9. Operating cycle	33	16	21	28	36
10. Financial cycle	15	17	22	28	37

As we have already mentioned because of a huge amount of account receivables, one of the potential risk of the company is appearance of bad debt. Implementation of new working capital policy will help to avoid such situation.

In accordance with Tables 3.9-3.10, we can compare two ways of company’s future effectiveness.

We can see that the turnover of accounts receivable in the days will also increase even if we use proposed policy, but not so quickly. In 2018-2019 it will decrease by 37 and 1 days. Since 2020 it will start increase by 4 days, in next year - by 10 days, and in 2022 – by 19 days. However, it is less than 21 days in 2020, 28 days in 2021 and 36 days in 2022, which will be if we do not use the new policy.

Due to such changes in the turnover of accounts receivable in the days the company will have the same changes in operation cycle: decreasing in 2018-2019 years and a little increasing in 2020-2022 years. The same tendency is with financial cycle, on which the period of current accounts payables has influence yet.

In addition, during some period of time, analyzing the results of using the policy, we could improve it, we can find different ways of optimization working capital, and as a result to make working capital management more effectiveness in the future.

Table 3.10

Absolute deviations of indicators of turnover of elements of working capital of LLC “Delight” after the new working capital policy in 2018-2022, ths. UAH

Indicators	Absolute deviation after a new woking capital policy				
	2018	2019	2020	2021	2022
1. Current assets turnover ratio	(0.06)	(0.03)	(0.04)	(0.05)	(0.05)
2. Current assets turnover, days	26	16	21	28	36
5. Current accounts receivable turnover ratio	0.11	0.00	(0.01)	(0.03)	(0.05)
6. Current accounts receivable turnover, days	(37)	(1)	4	10	19
7. Current accounts payables turnover ratio	78.76	2.63	2.66	2.69	2.72
8. Current accounts payables turnover, days	18	(1)	(1)	(1)	(0)
9. Operating cycle	(37)	(1)	4	10	19
10. Financial cycle	(55)	(1)	4	11	19

The changes in that the turnover of accounts receivable in the days have direct influence on operational cycle, such as there will be no inventory, and on financial cycle, such as the turnover of accounts payables in the days doesn't depend on our new policy.

Financial cycle is also known as working capital cycle (WCC). It is the amount of time it takes to turn the net current assets and current liabilities into cash. The longer the cycle is, the longer a business is tying-up funds in its working capital without earning any return on it. This is also one of the essential parameters to be recorded in working capital management. That is why we have to implement such policy, which reduces the days in working capital cycle.

We propose to analyze the absolute and relative release of current assets, which are significant indicators that are calculated in the diagnosis process, and with the help of these indicators to determine the impact of sales volume and turnover rate of revolving assets to change their size (needs) (Table 3.11).

So, in accordance with absolute release indicator, we can see that the need in current assets as a result of acceleration of their rotation was decreasing to 2019 and started from 2020 in became increasing.

Table 3.11

Absolute release and relative release of working capital of LLC “Delight” in 2014-2017, ths UAH

Indicators	Forecasted period					
	2017	2018	2019	2020	2021	2022
Net revenue	29,982	30,928	31,905	32,912	33,951	35,023
Current assets turnover, days	378	404	420	441	469	505
Current assets turnover ratio	0.95	0.89	0.86	0.82	0.77	0.71
Absolute release	2,972	2,260	1,430	1,929	2,603	3,513
Relative release	636	993	1,095	1,175	1,273	1,396

If we talk about relative release indicator, it should be mentioned that there was increasing in need in current assets as a result of changes in net revenue from sales during all forecasted period. Besides if compare these two indicator for the last two years, there is an interesting fact: in 2018-2019 the need in current assets as a result of acceleration of their rotation decreased at that time when the need in current assets as a result of changes in net revenue from sales increased.

Working capital is also calculated by using the current ratio, which is current assets divided by current liabilities. A ratio above one means current assets exceed liabilities, and the higher the ratio, the better. Nevertheless, in our case this ratio is not appropriate. Because in forecasted period current assets will increase with less speed than current liabilities, and as a result, current ratio will decrease. Of course, our liquidity will be less, but we will have prepayments and less credit, and as result less expenses.

So providing policy of decreasing working capital, we will have the chain of results, presented in the model below (Fig. 3.3).

Such as the main purpose of the enterprise is to increase well-being of the company, we create the model of the new working capital policy implementation which shows how we can to achieve it and which factors help us in it.

Implementation of new policy will change the structure of current assets and current liabilities. The growth of advanced received and faster increase current liabilities than current assets will cause the negative working capital. Due to it we will have opportunity to decrease long-term liabilities, with reduce our financial expenses and to have additional financial income from new investments. All this help us to increase profit and as a result to increase well-being of the company.

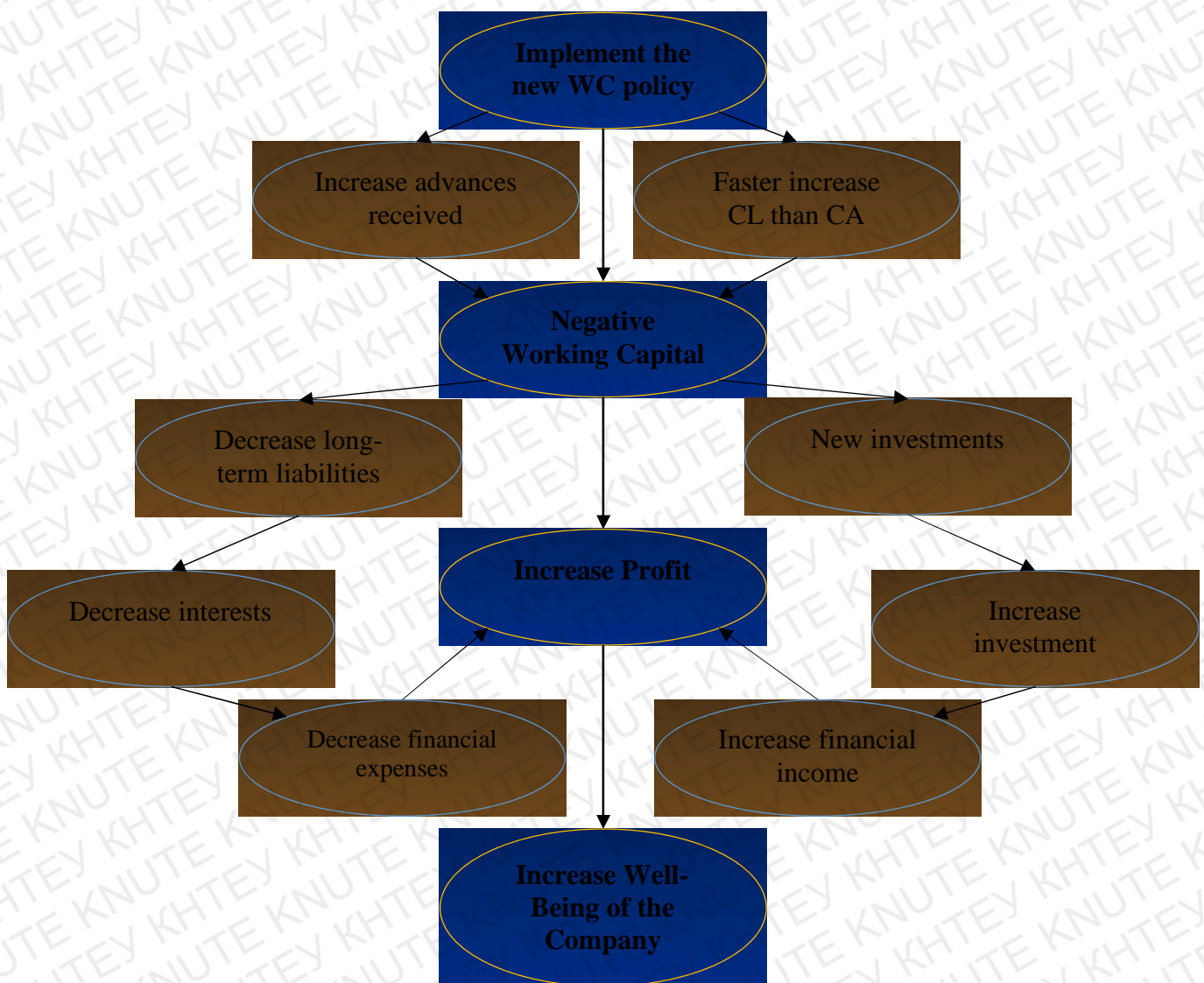


Fig. 3.4 Model of the new working capital policy implementation

In general, working capital cannot give full information about the company to investors, owners, and other stakeholders. It is necessary to analyze it with other indicators, which help to understand general situation in the company. Such as not all

indicators, which we use to analyze positive working capital or companies, which needs to increase working capital, is not such useful and appropriate for analyzing negative working capital or companies for which is more effective to work on the system of prepayments.

For understanding the effectiveness of the proposed working capital policy we analyzed the turnover of working capital, the absolute and relative release of current assets and others in forecasted period, and to compare indicators which we get using the new police with indicators without its using.

In 2018 the duration of the operating cycle will be 321 days and in 2022 it will increase to 362 days (or by 31 days). It says us about a little growth of operation cycle, such as it growth only by a month for 4 year.

However, the period of revolving payables in all forecasted period will be in the same range like in period without using new policy - 8-10 days. There will be no significant changes in this ratio. Such as the new policy has not direct influence on current account payables.

To compare turnover of account receivables in days and turnover of account payables we can see that their difference is so big such as fist indicator calculates almost a year at that time when another calculates only a little more than a week. But the period of turnover of account receivables after using new policy is less than period of turnover of account receivables before its using. In 2018 it will be 331 days and in 2022 – 362 days. Besides it should be mentioned, the level of its growth is significant less than without using new policy.

If we implement the proposed policy, our financial cycle will be decreasing during all forecasted period, it will increase by 70 days - in 2018 and by 140 days – in 2022 in compare with the same period in variant of non-using proposed policy.

CONCLUSIONS AND PROPOSALS

Traditionally, investors, creditors and bankers have considered working capital as a critical element to watch, as important as the financial position portrayed in the balance sheet and the profitability shown in the income statement. Working capital is a measure of the company's efficiency and short-term financial health. It refers to that part of the company's capital, which is required for financing short-term or current assets such as cash, marketable securities, debtors and inventories. It is a company's surplus of current assets over current liabilities, which measures the extent to which it can finance any increase in turnover from other fund sources. Funds thus, invested in current assets keep revolving and are constantly converted into cash and this cash flow is again used in exchange for other current assets.

Working capital is the amount of working capital free of short-term (current) financial liabilities, namely the share of working capital that is financed from its own and long-term sources and which is not required to be used to repay the current debt. An additional value of this indicator means that the company is able to pay for its current assets short-term financial liabilities; the negative value - on the contrary, that such an opportunity does not have an enterprise. The growth of NWC in dynamics indicates an increase in the liquidity of the business entity and an increase in its creditworthiness. At the same time, too much net working capital can be a sign of ineffective financial policies that will lower profitability (for example, the choice of expensive long-term financing sources, unjustified reduction in payables).

For the rational formation and use of working capital, it is necessary to create a management system for working capital of the enterprise.

An important aspect of the working capital management policy is to support sufficient liquidity for the firm. The decision as to how much working capital is supported involves a compromise, for example, the high value of net working capital can lead to a reduction in the risk-liquidity faced by firms, but this may have a negative impact on cash flows. That is why the net effect on the firm's value should be used to determine the optimal amount of working capital.

The main objective of the management of working capital is to ensure the continuity and efficiency of the operating activities of the enterprise. Accordingly, the short-term financial policy can be defined as management of the working capital of the enterprise. The result of this policy's effectiveness is first and foremost in the formation and maintenance of an optimal structure of current assets and current liabilities, which in turn provides financial stability, a high degree of creditworthiness and the investment activity of the business entity. This indicator also plays an important role in substantiating the decision to change the structure of financing and the formation of a credit policy in relation to buyers and suppliers.

From 2012 to 2014, working capital had a positive tendency and amounted to 15 252,6 thousand UAH in 2014. It was caused by a significant increase in current assets: in 2014 current assets increased almost by 4 times compared to 2012. However, starting from 2014, working capital began to decline sharply, and in 2017 it reached almost the same level, which was in 2013. This trend is due to a significant increase in current liabilities. Thus, in comparison with 2012, in 2017 current liabilities increased 11,5 times, while current assets - only 4,5 times

The main levers of working capital change at LLC "Delight" are precisely receivables for products, goods, works and services and other current liabilities, as their share is the largest part in the structure of current assets and current liabilities, respectively. The main part of current assets is account receivables for products, goods, works and services with 89% in 2017. It should be mentioned that their part was increasing during almost all periods excluding 2016 years, in which it decreased by 10 pp. In a word, the share of account receivables for products, goods, works and services increased by 26 pp. in 2017 in compare with 2012 in general structure of current assets.

As for current liabilities, interesting observation is that during the entire period of significant growth, other current liabilities have been acquired. By the past 3 years, their amount has increased by about 3-5 million UAH per each year and by the end of 2017 amounted to UAH 22 896.9 ths., while in 2012 it amounted to UAH 1 488 ths.

The basis of the duration of the operating cycle is the period of turnover receivable. The turnover of accounts receivable in the days from 2014 began to decrease, which is a

favorable trend, since the average number of days required for the conversion of receivables into cash is decreasing.

The duration of the financial cycle has a positive value, which means that the company was initially calculated with the suppliers of inventories for their purchase on terms of deferral of payment, and then received funds from debtors for the finished products sold to them. The length of the period between these events in 2016 was 288 days, and in 2017 - 317 days. The duration of the financial cycle during 2012-2017 has fluctuated. So, by 2014, the number of days for which cash through production and sales of products turn into cash, increased, in 2016 - decreased, and in the current - increased again.

In 2017, there are 10% of working capital in general structure of the enterprise's assets. We think it is much for company, which main activity is providing services. It is understandable that company provide inefficient policy according to working capital. As a result, it reduces chance for growing enterprise's well-being.

We propose to reduce account receivables extremely by providing prepayment policy. The company work on scheme of getting money in some period after giving services. However, if we change this scheme and on the contrary, the company will get prepayments and only then it will liable for providing services.

In accordance with the proposed new working capital policy, the structure of working capital of LLC "Delight" will have the next: there will be no stocks and gradual reduction of account receivables at the expense of increasing cash. At the same time, current liabilities will increase at the expense of advances received. So, the place of working capital in the general structure of the enterprise in forecasted 2022 year will be negative (-3%).

In 2018 we make a forecast of working capital in the amount of 2 788 thousand UAH, in 2019 it will decrease and became 870 thousand UAH. Since 2020 working capital will become negative, and its negative value will increase from (870) thousand UAH in 2020 to (3 122) thousand UAH in 2022. It will be caused by the growth of current liabilities with greater speed than current assets.

The biggest advantage of negative working capital is the holiday from bank funding. It saves the interest cost by getting current assets funded by suppliers. It may also mean that the company is a cash-rich company whose operating cycle is fast and thereby the investment in finished goods is converted to cash before the due date of payment to suppliers.

In general, working capital cannot give full information about the company to investors, owners, and other stakeholders. It is necessary to analyze it with other indicators, which help to understand general situation in the company. Such as not all indicators, which we use to analyze positive working capital or companies, which needs to increase working capital, is not such useful and appropriate for analyzing negative working capital or companies for which is more effective to work on the system of prepayments.

In 2018 the duration of the operating cycle will be 321 days and in 2022 it will increase to 362 days (or by 31 days). It says us about a little growth of operation cycle, such as it growth only by a month for 4 year.

However, the period of revolving payables in all forecasted period will be in the same range like in period without using new policy - 8-10 days. There will be no significant changes in this ratio. Such as the new policy has not direct influence on current account payables.

To compare turnover of account receivables in days and turnover of account payables we can see that their difference is so big such as first indicator calculates almost a year at that time when another calculates only a little more than a week. But the period of turnover of account receivables after using new policy is less than period of turnover of account receivables before its using. In 2018 it will be 331 days and in 2022 – 362 days. Besides it should be mentioned, the the level of its growth is significant less than without using new policy.

If we implement the proposed policy, our financial cycle will be decreasing during all forecasted period, it will increase by 70 days - in 2018 and by 140 days – in 2022 in compare with the same period in variant of non-using proposed policy.

Such as the main purpose of the enterprise is to increase well-being of the company, we create the model of the new working capital policy implementation which shows how we can to achieve it and which factors help us in it.

Implementation of new policy will change the structure of current assets and current liabilities. The growth of advanced received and faster increase current liabilities than current assets will cause the negative working capital. Due to it we will have opportunity to decrease long-term liabilities, with reduce our financial expenses and to have additional financial income from new investments. All this help us to increase profit and as a result to increase well-being of the company.

REFERENCES

1. Афанасьев А.М. Организация, планирование и управление хозяйственной деятельностью малого предприятия: учебное пособие / А.М. Афанасьев, А.М. Фролов, А.А. Лочан, С.А. Лочан, Е.Е. Ермолаев – Самара: СГАСУ, 2012. – 266 с.
2. Бабур О.Л. Основные и оборотные фонды: монография / О.Л. Бабур – М.: Лаборатория книги, 2010. – 31 с.
3. Бандурка О.М. Фінансова діяльність підприємств/ Бандурка О.М., Коробов М.Я., Орлов П.І.: підруч. для студ. вузів 2-е вид., перероб. і доп. - К.: Либідь, 2002. - 383 с.
4. Бердар М.М. Фінанси підприємства / Бердар М.М. Навч.посіб. – Київ: Центр учбової літератури, 2010. – 352с.
5. Бережной В.И., Бережная Е.В., Бигдай О.Б. Управление финансовой деятельностью предприятий (организаций): учебное пособие /В.И. Бережной, Е.В. Бережная, О.Б. Бигдай – М.: Финансы и статистика, 2008. – 336 с.
6. Бланк И.А. Основы финансового менеджмента / И.А. Бланк – К.: Ника – Центр, Эльга , 2004–624с.
7. Бланк, И. А. Основы финансового менеджмента : в 2 т. / И. А. Бланк. – 4-е изд., стер. – М. : Омега-Л, 2012.
8. Бланк І.О. Управління фінансами підприємств / І.О. Бланк, Г.В Ситник.: Підручник. – К.:Київ.нац.торг.-екон.ун-т,2006-780с.
9. Бланк И. А. Управление активами и капиталом предприятия / И. А. Бланк. – К. : Ника-центр, Эльга, 2003. – 448 с.
10. Блонська В.І. Вдосконалення системи управління оборотними коштами торговельного підприємства / В.І. Блонська, Н.Б. Толопка // Наука й економіка. – 2010. – № 3. – С. 45–49.
11. Бобылева А. З. Финансовый менеджмент. Проблемы и решения: учебник для магистров / Бобылева А. З. — М.: Издательство Юрайт, 2012. — 903 с.

12. Бондар М. І. Облік і аудит основних засобів : автореф. дис. на здобуття наук. ступеня канд. екон. наук : спец. 08.06.04 «Бухгалтерський облік, аналіз і аудит» / М. І. Бондар – К., 2001. – 23 с.
13. Бондаренко О.С. Методологічні основи управління оборотними активами підприємств / О.С. Бондаренко // Інвестиції. — 2008. — № 4. — С. 40-44.
14. Бочкарева И.И. Бухгалтерский учет / Бочкарева И.И., Быков В.А., Левина Г.Г., Липатов В.А., Патров В.В. / под ред. д.э.н., профессора Я.В. Соколова, 2-е изд. перераб. и доп., Учебник. Москва, Проспект, 2005. - 776 с.
15. Брейли, Р. Принципы корпоративных финансов [Текст] / Ричард Брейли, Стюарт Майер [Пер. с англ. Н. Барышниковой]. — М. : ЗАО «Олимп-Бизнес», 2008. — 1008 с.
16. Брігхем Е.Ф. Основи фінансового менеджменту : підручник / Е.Ф. Брігхем ; пер. з англ.: В. Біленький, О. Медвідь, С. Лазаренко. — К. : "Молодь", КП "ВАЗАКО". — 1997. — 1000 с.
17. Ван Хорн Дж. К. Основы управления финансами: пер. с англ. — М.: Финансы и статистика, 1996. — 800 с.
18. Веретенникова О. Б., Лаенко О. А. Оценка эффективности использования оборотного капитала хозяйствующих субъектов // Управленец. — 2011. — № 11–12. - С. 449-457.
19. Григорьева, Т. И. Финансовый анализ для менеджеров: оценка, прогноз : учебник для магистров / Т. И. Григорьева. — 2-е изд., перераб. и доп. — М. : Издательство Юрайт ; ИД Юрайт, 2013. — 462 с. — Серия Магистр.
20. Дропа Я. Б. Аналіз структури оборотного капіталу підприємств України та напрямками вкладення [Електронний ресурс] / Я. Б. Дропа, М. 1. Кульчнцький, Л. С. Яструбська // Актуальні проблеми розвитку економіки регіону. - 2008. - Вип. IV, Т 1. - С. 201-207.
21. Душило А.А. Оптимізація структури оборотного капіталу підприємства / А.А. Душило // Держава та регіони. Сер.: Економіка та підприємництво. — 2006. — № 4. — С. 431-435.
22. Ефимова О.В. Финансовый анализ.- М: Бухучет, 2009. – 442 с.

23. Євтух О. Т., Євтух О. О. Фінансовий менеджмент для магістрів і не тільки. Навч. посіб. – К.: Центр учбової літератури, 2011. – 456 с
24. Іванілов О.С. Економіка підприємства : підручник / О.С. Іванілов. – К. : Центр учбової літератури, 2009. – 728 с.
25. Казака А. Ю., Веретенниковой О. Б. Денежное хозяйство предприятий : учебник / под ред. А. Ю. Казака, О. Б. Веретенниковой. – 2-е изд., испр. – Екатеринбург : Изд-во АМБ, 2006. – С. 312-315.
26. Касьяненко М. М. Організація роботи та управління Державною податковою службою України : навч. посіб. / М. М. Касьяненко, М. В. Гринюк, П. В. Цимбал. – Ірпінь : Акад. ДПС України, 2001. – 229 с.
27. Кириченко Т. В. Оборотный капитал организаций потребительской кооперации: проблемы применения методов финансового менеджмента : науч. издание / Т. В. Кириченко, С. С. Кудрявцев. - М.: Информацонно-внедренческий центр «Маркетинг», 2006. - 80 с.
28. Коваленко Л.О. Фінансовий менеджмент : навч. посібник / Л.О. Коваленко, Л.М. Ремньова. – 3-є вид., випр. і доп. – К. : Знання, 2008. – 483 с.
29. Ковалев В.В. Анализ баланса или как понимать баланс. М: Проспект, 2010 – 220 с.
30. Ковальчук М.І. Стратегічний аналіз у сільському господарстві: навч. посібник. — К.: КНЕУ, 1997. — 224 с.
31. Колпаков В.К. Адміністративне право України : навчальний посібник / В.К. Колпаков. – К. : Юрінком Інтер, 2004. – 544 с.
32. Кондратьева Е.А., Шальнева М.С. Анализ финансового состояния компании как основа управления бизнесом / Е.А. Кондратьева, М.С. Шальнева // Финансовый вестник: финансы, налоги, страхование, бухгалтерский учет. 2013. – №8. – С. 19-29.
33. Костирко Л. Л. Діагностика потенціалу фінансово-економічної стійкості підприємства [Текст] : Монографія / Л. А. Костирко. - 2-гс вид. пере роб. і доп. - Х. : Фактор, 2008. - 336 с.

34. Коюда В.О. Концептуальні засади управління підприємством як економічною системою : монографія / за заг. ред. В.О. Коюди. – Харків : Вид. ХНЕУ, 2007. – 416 с.
35. Кузьмін О.Є. Теоретичні та прикладні засади менеджменту : навч. посібник / О.Є. Кузьмін, О.Г. Мельник. – Вид. 2-ге, доп. і перероб. – Львів : Вид-во Нац. ун-ту "Львівська політехніка" "Інтелект-Захід", 2003. – 352 с.,
36. Курбангалеева О.А. Какими способами пополнить оборотные средства компании / О.А. Курбангалеева // Российский налоговый курьер. 2014. – № 23. – С. 24-31.
37. Лапуста М.Г. Риски в предпринимательской деятельности / М.Г. Лапуста, Л.Г. Шаршукова. - М.: ИНФРА-М, 2012. - 220 с.
38. Мазаракі А. А. Економіка торговельного підприємства / А. А. Мазаракі, Л. О. Лігоненко, Н. М. Ушакова. - К. : Хрещатик, 1999. - 800 с.
39. Матукова Г. 1. Управління оборотним капіталом підприємства в умовах кризи [Текст] / Г. І. Матукова, Д. В. Костюченко // Економіка Криму. Науково-практичний журнал. - 2010. -№ 1(30).-С. 204-208.
40. Маргасова В. Г. Організаційно-інформаційне забезпечення фінансового контролінгу системи управління оборотним капіталом [Текст] / В. Г. Маргасова, А. В. Роговий, В. В. Внговська// Актуальні проблеми економіки. - 2009. - № 2(92). - С. 167-174.
41. Мигель Д. Управление оборотным капиталом: практические аспекты / Д.Мигель // Финансовая газета. 2014. – №39. – С. 14-15.
42. Монастирський Г.Л. Теорія організації : навчальний посібник / Монастирський Г.Л. – К. : Знання, 2008. – 319 с.
43. Осовський Г.В. Менеджмент організацій : підручник / Г.В. Осовський, О.А. Осовський. – К. : Кондор, 2009. – 680 с.
44. Поляк Г.Б. Финансовый менеджмент : учебник для вузов / Г.Б. Поляк, А.И. Акодис, Т.А. Краева и др; под ред. Г.Б. Поляка. – М. : Финансы, ЮНИТИ, 1998. – 518 с.

45. Расних Є.Г. Основи фінансового менеджменту : навч.посіб. / Є.Г. Расних. – К. : Академвидав, 2010. – 336 с.
46. Романовский М. В. Финансы предприятий : учебник / под ред. М. В. Романовского. – СПб. : Издат. Дом «Бизнес-пресса», 2000. – 528 с.
47. Сердюк В. Н. Бухгалтерский учет : учебн. пособ. / В. Н. Сердюк. – [9-е изд., доп.]. – Донецк : ДонНУ, 2009. – 595 с.
48. Скібіцька Л.І. Менеджмент : навчальний посібник / Л.І. Скібіцька, О.М. Скібіцький. – К. : Центр учбової літератури, 2007. – 416 с.
49. Смольянова Е. Л. Управление оборотными активами в системе управления предприятием / Е. Л. Смольянова //Экономинфо. - 2005. - №3,- С. 69-72.
50. Солнцева Д.С. Управление оборотными средствами предприятий и совершенствование эффективности их использования: монография / Д.С. Солнцева – М.: Лаборатория книги, 2011. – 128 с.
51. Соломатина А.Н. Экономика и организация деятельности торгового предприятия Учебное пособие/Под общ. ред. А.Н.Соломатина. - М.: ИНФРА-М, 2000. - 295 с.
52. Старкова Н. А. Финансовый менеджмент: Учебное пособие /РГТА имени П. А. Соловьева.– Рыбинск, 2007. – 174 с.
53. Сучасний економічний словник: словник – довідник / гол. ред.Б.А.Райзберг. – Вид. 5 перераб. ідоп. – М:ИНФРА-М. – 2007. – 495 з
54. Терехин В.И. и др. Экономика фирмы./ Терехин В.И — Рязань: Стил, 1996. — 156 с.
55. Федулова Л.І. Менеджмент організацій : підручник / за заг. ред. Л.І. Федулової. – К. : Либідь, 2004. – 448 с.
56. Фесюк І.В. Методичні засади планування потреби в оборотному капіталі підприємства у ринкових умовах // Економіка і ринок: облік, аналіз, контроль. — 2005. — №13.
57. Чубка О. М. Оцінка методів управління оборотним капіталом промислових підприємств / О. М. Чубка, О. М. Рудницька / Вісник «Проблеми економіки та управління». – Львів : Вид-во НУ ЛП, 2009. – Вип. 640. – С. 440 – 445

58. Шелудько, В. М. Фінансовий менеджмент: підручник / В. М. Шелудько. – К.: Знання, 2006.- 375с.
59. Шеремет А.Д. Методика фінансового аналізу / А.Д. Шеремет, Р.С. Сайфулін, Е.В. Негашев. - М.: ИНФРА-М, 2011. - 371 с.
60. Шершньова З.Є., Оборська С.В. Стратегічне управління: навч. посібник. — К.: КНЕУ, 1999. — 384 с.
61. Campbell R. Harvey's Hypertextual Finance Glossary, 2012
62. David L. Scott , Guide to Investment Terms for Today's Investor , 2014
63. Davies L., Pass C., Lowes B. - Collins Dictionary of Economics, 4th ed., 2015
64. Fred Weston, Eugene F Brigham, Scott Besley - Essentials of Managerial Finance Paperback – London, September, 2007. — 384 p.
65. James C. Van Horne. Fundamentals of Financial Management / James C. Van Horne, John M. Wachowicz, Jr. – Import, 2003. – 743 p.
66. Khan M. Y. Financial Management – Text and Problems / M. Y. Khan, P. K. Jain. – Tata McGraw-Hill Education, 2004. – 415 p.
67. Madura G. - Introduction to Finance/ Madura G. - Tata McGraw-Hill Education, 2015. – 745 p.
68. Scherr, F. C. Modern Working Capital Management : Text and Cases [Text] / F. C. Scherr. – Englewood Cliffs, NJ : Prentice-Hall, Inc., 1989. – 512 p.
69. Shin, H. Efficiency of Working Capital Management and Corporate Profitability [Text] / H. Shin, L. Soenen // Financial Practice and Education. – 1998. – Vol. 8. №2. – P.37-45.
70. Brown R. Analysis of Investment and Management of Portfolios/ Brown R. - London, 2015 – 421 p.
71. Richard A. Brealey, Stewart C. Myers "Principles Of Corporate Finance ". Retrieved – Import, 2017. – 343 p.

APPENDICES

APPENDIX A

Table A.1

Program of management of separate structural elements of the working capital of the enterprise

The main problems	Necessary measures
Manage inventories and materials	
<p>Excess inventory level. Significant games for storage. Excessive purchase costs.</p>	<p>1) Reduction of volumes and stock valuation:</p> <ul style="list-style-type: none"> • Detection and reduction of illiquid stocks. • Optimization of the inventory, development and implementation of measures to reduce stocks to the optimal (regulatory) level. • Development and implementation of the methodology for calculating the optimum volume of the lot, normative values of inventory and inventory management. <p>2) Reducing the cost of purchases:</p> <ul style="list-style-type: none"> • Audit of existing suppliers (contracts), optimization of supplier corporations, offering alternative sources and procurement schemes aimed at lowering prices and improving other business conditions. • Optimization of logistic schemes that reduce the costs of delivery and storage of inventory.
Accounts Receivable and Accounts Payable	
<p>Unfavorable delay in buyer payments: higher than average (best) in the market. Unfavorable delay in payments suppliers: lower than the average (best) in the market. A large amount of overdue receivables, significant amounts of debt write-offs. Lack of payment control system: payments are made before the deadline, the bills are not displayed on time, the terms and amounts of receivables are not monitored.</p>	<p>1) Market analysis, comparison of situations with competitors, definition of the best (typical) languages of payment. 2) Development and implementation of effective payment control methods:</p> <ul style="list-style-type: none"> • automated accounting of accounts receivable and payables, • creation of forms and mechanisms of conducting operational in the management reporting. <p>3) Reduction of overdue receivables, reduction of the period of turnover due to alternative financial instruments (factoring, forfaiting, accounting of bills</p>

Cont. Table A.1

Cash	
<p>Excess redundancy of funds on accounts as a consequence:</p> <p>Inaccurate predictions about the need for funding.</p> <p>Lack of (low efficiency) mechanisms concentration of cash within a group of companies.</p> <p>Low transparency of cash flow management system.</p> <p>Ineffective use of free cash resources</p>	<p>1) Determination of optimal limits of cash balances on accounts, development of methodologies and valuation mechanisms.</p> <p>2) Preparation and introduction of methods (procedures) for operational planning and control of the movement of planetary resources.</p> <p>3) Development of implementation of modern tools for centralized management of cash resources, negotiation with banks</p>
Organizational aspects	
<p>Lack of financial managers to significantly influence the performance of functional services during the optimization of working capital.</p> <p>Lack of clear division of responsibilities within the labor capital management system.</p>	<p>1) Development and implementation of tools for the management of working capital and cash:</p> <ul style="list-style-type: none"> • the formation of an optimal organizational structure, with a clear division of responsibilities and responsibilities; • Establishing a management system for reporting, monitoring the effectiveness of stock management operations, accounts receivable and payables; • Identification of key performance indicators and the creation of a system for motivating subunits within the framework of the task of working capital management.

Source: compiled by the author based on [4]

APPENDIX B

Table B.1

Forecasted Profit and Loss Statement of the enterprise LLC “Delight” , ths. UAH

Indicators	Investigated period						Forecasted period				
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Revenue	25,666	25,351	24,205	25,881	29,312	29,982	30,928	31,905	32,912	33,951	35,023
Other operating income	29	-	4	19,296	10,800	8,288	5,431	3,560	2,333	1,529	1,002
Other income	12	7	3,659	83	12	59,304	12	12	12	12	12
<i>Total income</i>	<i>25,707</i>	<i>25,358</i>	<i>27,868</i>	<i>45,260</i>	<i>40,123</i>	<i>97,573</i>	<i>36,372</i>	<i>35,476</i>	<i>35,257</i>	<i>35,492</i>	<i>36,037</i>
Cost of goods sale	(13,320)	(12,727)	(12,409)	(14,542)	(17,532)	(19,130)	(19,733)	(20,356)	(20,999)	(21,662)	(22,346)
Other operating expenses	(3,974)	(2,004)	(62,748)	(87,637)	(40,798)	(14,248)	(8,692)	(5,303)	(3,235)	(1,974)	(1,204)
Other expenses	(37)	(2,741)	(6,194)	(7,268)	(2,856)	(1,595)	(1,014)	(645)	(411)	(261)	(166)
<i>Total expenses</i>	<i>(17,331)</i>	<i>(17,472)</i>	<i>(81,351)</i>	<i>(109,448)</i>	<i>(61,185)</i>	<i>(34,972)</i>	<i>(29,440)</i>	<i>(26,305)</i>	<i>(24,645)</i>	<i>(23,897)</i>	<i>(23,716)</i>
<i>Profit before tax</i>	<i>8376,0</i>	<i>7,886</i>	<i>(53,483)</i>	<i>(64,188)</i>	<i>(21,062)</i>	<i>62,601</i>	<i>6,932</i>	<i>9,172</i>	<i>10,612</i>	<i>11,595</i>	<i>12,321</i>
Tax	(2,102)	(1,461)	-	(570)	-	-	-	-	-	-	-
Net profit	6,274	6,425	(53,483)	(64,758)	(21,062)	62,601	6,932	9,172	10,612	11,595	12,321

Other income

In 2017 there was significant increase of other income and it was amounted in the sum 59 304 ths UAH, which was 61% in the structure of total income. Such rapidly increase is explained that in 2017 there was partial write off debt of the company. That is why we suppose that in forecasted period there was no write off debt.

Source: compiled by the author based on enterprise data

APPENDIX C

Table C.1

Forecasted Balance Sheet of the enterprise LLC “Delight” before new policy

Balance Sheet, ths. UAH											
Indicators	Investigated period						Forecasted period before new working capital policy				
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Non-current assets											
Incomplete capital investment	151	170	171	82	82	82	82	82	82	82	82
Property, plant, and equipment	93,028	93,052	93,686	98,279	104,492	114,038	118,778	123,715	128,858	134,214	139,793
Less accumulated depreciation	(36,919)	(40,033)	(43,179)	(46,404)	(49,893)	(54,098)	(58,478)	(63,040)	(67,792)	(72,741)	(77,896)
Net property, plant, and equipment	56,109	53,019	50,507	51,876	54,599	59,940	60,300	60,675	61,066	61,473	61,897
Other non-current assets	1,996	1,205	570	-	-	-	-	-	-	-	-
Total non-current assets	58,256	54,393	51,248	51,958	54,682	60,022	60,382	60,757	61,148	61,555	61,979
Current assets											
Stocks	-	10	854	-	-	-	-	-	-	-	-
Accounts receivable for products, goods, works, services	4,439	8,909	20,417	23,022	23,953	29,374	29,982	30,928	31,905	32,912	33,951
Accounts receivable on settlements with the budget	529	504	667	666	871	2	2	2	2	2	2
Other Current Accounts Receivable	1,450	3,543	4,342	1,817	3,777	3,312	4,472	6,037	8,151	11,005	14,858
Cash and its equivalent	270	40	45	16	1,151	18	20	21	22	24	26
Costs of future period	246	236	198	178	197	199	209.90	222	234.45	247.78	262
Other current assets	73	116	4	-	22	11	11	11	11	11	11
Total current assets	7,008	13,358	26,527	25,699	29,970	32,916	34,696	37,221	40,326	44,202	49,110
Total assets	65,264	67,751	77,775	77,657	84,652	92,938	95,078	97,979	101,474	105,757	111,089
Own capital											
Registered capital	9,531	9,531	9,531	9,531	9,531	9,531	9,531	9,531	9,531	9,531	9,531
Additional capital	-	-	-	0	0	0	0	0	0	0	0
Retained earnings	(10,294)	(3,869)	(57,352)	(122,110)	(143,003)	(80,402)	(73,470)	(64,298)	(53,686)	(42,091)	(29,771)
Total own capital	(763)	5,662	(47,821)	(112,579)	(133,471)	(70,870)	(63,938)	(54,767)	(44,155)	(32,560)	(20,239)
liabilities	63,944	57,949	114,322	174,005	197,134	140,336	133,105	124,126	114,005	103,361	92,677
Short-term liabilities											
Current payables for:											
goods, work, services	88	58	36	258	87	197	172	151	132	115	101
calculations with the budget	140	62	158	377	231	378	378.10	378	379	379	379
insurance calculations	1	-	-	1	-	-	-	-	-	-	-
payroll calculations	6	4	-	3	-	-	-	-	-	-	-
Other current commitments	1,848	4,016	11,080	15,592	20,672	22,897	25,361	28,091	31,114	34,462	38,171
Total short-term liabilities	2,083	4,140	11,274	16,231	20,989	23,472	25,911	28,619	31,624	34,956	38,651
Total equity and liabilities	65,264	67,751	77,775	77,657	84,652	92,938	95,078	97,979	101,474	105,757	111,089

Source: compiled by the author based on enterprise data

APPENDIX D

Table D.1

**Forecasted Balance Sheet of the enterprise LLC “Delight” after a new policy,
ths.UAH**

Indicators	Investigated period						Forecasted period before new woking capital policy				
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Non-current assets											
Incomplete capital investment	151	170	171	82	82	82	82	82	82	82	82
Property, plant, and equipment	93,028	93,052	93,686	98,279	104,492	114,038	118,778	123,715	128,858	134,214	139,793
Less accumulated depreciation	(36,919)	(40,033)	(43,179)	(46,404)	(49,893)	(54,098)	(58,478)	(63,040)	(67,792)	(72,741)	(77,896)
Net property, plant, and equipment	56,109	53,019	50,507	51,876	54,599	59,940	60,300	60,675	61,066	61,473	61,897
Other non-current assets	1,996	1,205	570	-	-	-	-	-	-	-	-
Total non-current assets	58,256	54,393	51,248	51,958	54,682	60,022	60,382	60,757	61,148	61,555	61,979
Current assets											
Stocks	-	10	854	-	-	-	-	-	-	-	-
Accounts receivable for products, goods, works, services	4,439	8,909	20,417	23,022	23,953	29,374	23,985	23,196	22,333	21,393	20,371
Accounts receivable on settlements with the budget	529	504	667	666	871	2	2	2	2	2	2
Other Current Accounts Receivable	1,450	3,543	4,342	1,817	3,777	3,312	4,472	6,037	8,151	11,005	14,858
Cash and its equivalents	270	40	45	16	1,151	18	6,016	7,753	9,594	11,543	13,606
Costs of future periods	246	236	198	178	197	199	209.90	222	234.45	247.78	262
Other current assets	73	116	4	-	22	11	11	11	11	11	11
Total current assets	7,008	13,358	26,527	25,699	29,970	32,916	34,696	37,221	40,326	44,202	49,110
Total assets	65,264	67,751	77,775	77,657	84,652	92,938	95,078	97,979	101,474	105,757	111,089
Own capital											
Registered capital	9,531	9,531	9,531	9,531	9,531	9,531	9,531	9,531	9,531	9,531	9,531
Additional capital	-	-	-	0	0	0	0	0	0	0	0
Retained earnings	(10,294)	(3,869)	(57,352)	(122,110)	(143,003)	(80,402)	(73,470)	(64,298)	(53,686)	(42,091)	(29,771)
Total own capital	(763)	5,662	(47,821)	(112,579)	(133,471)	(70,870)	(63,938)	(54,767)	(44,155)	(32,560)	(20,239)
Long-term liabilities	63,944	57,949	114,322	174,005	197,134	140,336	127,109	116,394	104,433	91,841	79,097
Short-term liabilities											
Current payables for:											
goods, work, services	88	58	36	258	87	197	172	151	132	115	101
calculations with the budget	140	62	158	377	231	378	378	378	379	379	379
insurance calculations	1	-	-	1	-	-	-	-	-	-	-
payroll calculations	6	4	-	3	-	-	-	-	-	-	-
Other current commitments	1,848	4,016	11,080	15,592	20,672	22,897	25,361	28,091	31,114	34,462	38,171
Advances received							5,996	7,732	9,571	11,519	13,580
Total short-term liabilities	2,083	4,140	11,274	16,231	20,989	23,472	31,908	36,352	41,195	46,476	52,232
Total equity and liabilities	65,264	67,751	77,775	77,657	84,652	92,938	95,078	97,979	101,474	105,757	111,089

Source: compiled by the author based on enterprise data

APPENDIX E

Table E.1

Balance Sheet and Income Statement of the enterprise LLC "Delight" in 2012

Додаток 1
до Положення (стандарту) бухгалтерського обліку 25
"Фінансовий звіт суб'єкта малого підприємництва"

**ФІНАНСОВИЙ ЗВІТ
СУБ'ЄКТА МАЛОГО ПІДПРИЄМНИЦТВА**

Підприємство

ТОВАРИСТВО З ОБМЕЖЕНОЮ ВІДПОВІДАЛЬНІСТЮ "ДІЛАЙТ"

Дата(рік,місяць,число)

за ЄДРПОУ

за КОАТУУ

за КОПФГ

за КОДУ

за КВЕД

Коди

2	0	1	2	12	31
31352431					
8036100000					
240					
68.20					

Територія М.КИІВ

Організаційно- правова
форма господарювання Товариство з обмеженою відповідальністюОрган державного управління
Вид економічної діяльності Надання в оренду й експлуатацію власного чи орендованого нерухомого майна

Середня кількість працівників

Одиниця виміру: тис. грн

Адреса провулок Охтирський, буд. 3, м. КИІВ, 03138

Складено (зробити позначку "v" у відповідній клітинці):
за положеннями (стандартами) бухгалтерського обліку
за міжнародними стандартами фінансової звітності

v

на 1.Баланс
31 грудня 2012 р.

Форма № 1-м

Код за ДКУД

1801006

АКТИВ	Код рядка	На початок звітного року	На кінець звітного періоду
1	2	3	4
I.Необоротні активи			
Незавершені капітальні інвестиції	020	159,0	151,0
Основні засоби:			
залишкова вартість	030	59 205,0	56 109,0
первісна вартість	031	93 028,0	93 028,0
знос	032	(33 823,0)	(36 919,0)
Довгострокові біологічні активи:			
справедлива (залишкова) вартість	035	-	-
первісна вартість	036	-	-
накопичена амортизація	037	(-)	(-)
Довгострокові фінансові інвестиції	040	-	-
Інші необоротні активи	070	2 496,0	1 996,0
Усього за розділом I	080	61 860,0	58 256,0
II.Оборотні активи			
Виробничі запаси	100	23,0	-
Поточні біологічні активи	110	-	-
Готова продукція	130	-	-
Дебіторська заборгованість за товари, роботи, послуги:			
чиста реалізаційна вартість	160	3 089,0	4 439,0
первісна вартість	161	3 089,0	4 439,0
резерв сумнівних боргів	162	(-)	(-)
Дебіторська заборгованість за розрахунками з бюджетом	170	2 133,0	529,0
Інша поточна дебіторська заборгованість	210	601,0	1 450,0
Поточні фінансові інвестиції	220	-	-
Грошові кошти та їх еквіваленти:			
в національній валюті	230	288,0	270,0
у тому числі в касі	231	-	-
в іноземній валюті	240	1,0	1,0
Інші оборотні активи	250	2,0	73,0
Усього за розділом II	260	6 137,0	6 762,0
III.Витрати майбутніх періодів	270	238,0	246,0
IV.Необоротні активи та групи вибуття	275	-	-
Баланс	280	68 235,0	65 264,0

Cont. Table E.1

ПАСИВ	Код рядка	На початок звітнього року	На кінець звітнього періоду
1	2	3	4
I.Власний капітал			
Статутний капітал	300	9 531,0	9 531,0
Додатковий капітал	320	-	-
Резервний капітал	340	-	-
Нерозподілений прибуток (непокритий збиток)	350	(16 568,0)	(10 294,0)
Неоплачений капітал	360	(-)	(-)
Усього за розділом I	380	-7 037,0	-763,0
II.Забезпечення наступних витрат і цільове фінансування	430	-	-
III.Довгострокові зобов'язання	480	74 813,0	63 944,0
IV.Поточні зобов'язання			
Короткострокові кредити банків	500	-	-
Поточна заборгованість за довгостроковими зобов'язаннями	510	-	-
Кредиторська заборгованість за товари, роботи, послуги	530	75,0	88,0
Поточні зобов'язання за розрахунками:			
з бюджетом	550	262,0	140,0
зі страхування	570	-	1,0
з оплати праці*	580	4,0	6,0
Зобов'язання, пов'язані з необоротними активами та групами вибуття, утримуваними для продажу	605	-	-
Інші поточні зобов'язання	610	118,0	1 848,0
Усього за розділом IV	620	459,0	2 083,0
V.Доходи майбутніх періодів	630	-	-
Баланс	640	68 235,0	65 264,0

* З рядка 580 графа 4

Прострочені зобов'язання з оплати праці

(665)

-

2. Звіт про фінансові результати заРік 2012

Форма № 2-м
Код за ДКУД

1801007

СТАТТЯ	Код рядка	За звітний період	За аналогічний період попереднього року
1	2	3	4
Дохід (виручка) від реалізації продукції (товарів, робіт, послуг)	010	30 799,0	29 808,0
Непрямі податки та інші вирахування з доходу	020	(5 133,0)	(4 968,0)
Чистий дохід (виручка) від реалізації продукції (товарів, робіт, послуг) (010-020)	030	25 666,0	24 840,0
Інші операційні доходи	040	29,0	365,0
Інші доходи	050	12,0	3,0
Разом чисті доходи (030+040+050)	070	25 707,0	25 208,0
Собівартість реалізованої продукції (товарів, робіт, послуг)	080	(13 320,0)	(12 949,0)
Інші операційні витрати	090	(3 974,0)	(2 863,0)
у тому числі:	091	-	-
	092	(-)	(-)
Інші витрати	100	(37,0)	(226,0)
Разом витрати (080+090+100)	120	(17 331,0)	(16 038,0)
Фінансовий результат до оподаткування (070-120)	130	8 376,0	9 170,0
Податок на прибуток	140	(2 102,0)	(3 484,0)
Чистий прибуток (збиток) (130-140)	150	6 274,0	5 686,0
Забезпечення матеріального заохочення	160	-	-
Дохід від первісного визнання біологічних активів і сільськогосподарської продукції та дохід від зміни вартості поточних біологічних активів	201	-	-
Витрати від первісного визнання біологічних активів і сільськогосподарської продукції та витрати від зміни вартості поточних біологічних активів	202	-	-

APPENDIX F

Table F.1

Balance Sheet and Income Statement of the enterprise LLC "Delight" in 2013

Додаток 1
до положення (стандарту) бухгалтерського обліку 25
"Фінансовий звіт суб'єкта малого підприємництва"

**ФІНАНСОВИЙ ЗВІТ
СУБ'ЄКТА МАЛОГО ПІДПРИЄМНИЦТВА**

Підприємство
ТОВАРИСТВО З ОБМЕЖЕНОЮ ВІДПОВІДАЛЬНІСТЮ "ДІЛАЙТ"

Дата(рік,місяць,число)

Коди		
2014	01	01

Територія М.КИЇВ

за ЄДРПОУ

31352431

Організаційно- правова

за КОАТУУ

8036100000

форма господарювання Товариство з обмеженою відповідальністю

за КОПФГ

240

Орган державного управління

за КОДУ

68.20

Вид економічної діяльності

Надання в оренду й експлуатацію власного чи орендованого нерухомого майна

за КВЕД

68.20

Середня кількість працівників

4

Одиниця виміру:

тис. грн

Адреса, телефон провулок Охтирський, буд. 3, м. КИЇВ, М.КИЇВ обл., 03138

4942930

Форма № 1-м

Код за ДКУД

1801006

1.Баланс на 31 грудня 2013 р.

АКТИВ	Код рядка	На початок звітнього року	На кінець звітнього періоду
1	2	3	4
I.Необоротні активи			
Незавершені капітальні інвестиції	020	151,0	170,0
Основні засоби:			
залишкова вартість	030	56 109,0	53 019,0
первісна вартість	031	93 028,0	93 052,0
знос	032	(36 919,0)	(40 033,0)
Довгострокові біологічні активи:			
справедлива (залишкова) вартість	035	-	-
первісна вартість	036	-	-
накопичена амортизація	037	(-)	(-)
Довгострокові фінансові інвестиції	040	-	-
Інші необоротні активи	070	1 996,0	1 204,0
Усього за розділом I	080	58 256,0	54 393,0
II.Оборотні активи			
Виробничі запаси	100	-	10,0
Поточні біологічні активи	110	-	-
Готова продукція	130	-	-
Дебіторська заборгованість за товари, роботи, послуги:			
чиста реалізаційна вартість	160	4 439,0	8 908,0
первісна вартість	161	4 439,0	8 908,0
резерв сумнівних боргів	162	(-)	(-)
Дебіторська заборгованість за розрахунками з бюджетом	170	529,0	504,0
Інша поточна дебіторська заборгованість	210	1 450,0	3 543,0
Поточні фінансові інвестиції	220	-	-
Грошові кошти та їх еквіваленти:			
в національній валюті	230	270,0	40,0
у тому числі в касі	231	-	-
в іноземній валюті	240	1,0	1,0
Інші оборотні активи	250	73,0	116,0
Усього за розділом II	260	6 762,0	13 122,0
III.Витрати майбутніх періодів	270	246,0	236,0
IV.Необоротні активи та групи вибуття	275	-	-
Баланс	280	65 264,0	67 751,0

Cont. Table F.1

ПАСИВ	Код рядка	На початок звітнього року	На кінець звітнього періоду
1	2	3	4
I. Власний капітал			
Статутний капітал	300	9 531,0	9 531,0
Додатковий капітал	320	-	-
Резервний капітал	340	-	-
Нерозподілений прибуток (непокритий збиток)	350	(10 294,0)	(3 869,0)
Неоплачений капітал	360	(-)	(-)
Усього за розділом I	380	(763,0)	5 662,0
II. Забезпечення наступних витрат і цільове фінансування	430	-	-
III. Довгострокові зобов'язання	480	63 944,0	57 949,0
IV. Поточні зобов'язання			
Короткострокові кредити банків	500	-	-
Поточна заборгованість за довгостроковими зобов'язаннями	510	-	-
Кредиторська заборгованість за товари, роботи, послуги	530	88,0	58,0
Поточні зобов'язання за розрахунками:			
з бюджетом	550	140,0	62,0
зі страхування	570	1,0	-
з оплати праці*	580	6,0	4,0
Зобов'язання, пов'язані з необоротними активами та групами вибуття, утримуваними для продажу	605	-	-
Інші поточні зобов'язання	610	1 848,0	4 016,0
Усього за розділом IV	620	2 083,0	4 140,0
V. Доходи майбутніх періодів	630	-	-
Баланс	640	65 264,0	67 751,0

* З рядка 580 графа 4

Прострочені зобов'язання з оплати праці

(665)

 Форма № 2-м
 Код за ДКУД 1801007

 2. Звіт про фінансові результати
 за Рік 2013

СТАТТЯ	Код рядка	За звітний період	За аналогіч. період попереднього року
1	2	3	4
Дохід (виручка) від реалізації продукції (товарів, робіт, послуг)	010	30 421,0	30 799,0
Непрямі податки та інші вирахування з доходу	020	(5 070,0)	(5 133,0)
Чистий дохід (виручка) від реалізації продукції (товарів, робіт, послуг) (010-020)	030	25 351,0	25 666,0
Інші операційні доходи	040	-	29,0
Інші доходи	050	7,0	12,0
Разом чисті доходи (030+040+050)	070	25 358,0	25 707,0
Собівартість реалізованої продукції (товарів, робіт, послуг)	080	(12 727,0)	(13 320,0)
Інші операційні витрати	090	(2 004,0)	(3 974,0)
у тому числі:	091	-	-
	092	(-)	(-)
Інші витрати	100	(2 741,0)	(37,0)
Разом витрати (080+090+100)	120	(17 472,0)	(17 331,0)
Фінансовий результат до оподаткування (070-120)	130	7 886,0	8 376,0
Податок на прибуток	140	(1 461,0)	(2 102,0)
Чистий прибуток (збиток) (130-140)	150	6 425,0	6 274,0
Забезпечення матеріального заохочення	160	-	-
Дохід від первісного визнання біологічних активів і сільськогосподарської продукції та дохід від зміни вартості поточних біологічних активів	201	-	-
Витрати від первісного визнання біологічних активів і сільськогосподарської продукції та витрати від зміни вартості поточних біологічних активів	202	-	-

APPENDIX G

Table G.1

Balance Sheet and Income Statement of the enterprise LLC "Delight" in 2014

Додаток 1
до положення (стандарту) бухгалтерського обліку 25
"Фінансовий звіт суб'єкта малого підприємництва"

ФІНАНСОВИЙ ЗВІТ
суб'єкта малого підприємництва

Підприємство	Дата(рік,місяць,число)	Коди
ТОВАРИСТВО З ОБМЕЖЕНОЮ ВІДПОВІДАЛЬНІСТЮ "ДІЛАЙТ"	за ЄДРПОУ	2015 01 01
Територія	за КОАТУУ	31352431
Організаційно-правова форма господарювання Товариство з обмеженою відповідальністю	за КОПФГ	8039100000
Вид економічної діяльності Надання в оренду й експлуатацію власного чи орендованого нерухомого майна	за КВЕД	240
Середня кількість працівників, осіб 4		68.20
Одиниця виміру: тис. грн. з одним десятковим знаком		
Адреса, телефон МАЙДАН НЕЗАЛЕЖНОСТІ, ПІДЗЕМНИЙ ТОРГОВИЙ ПРОСТІР (ПТП) № 1, СЕКТОР В, м. КИЇВ, 01001		4942930

1.Баланс на 31 грудня 2014 р.

Форма № 1-м Код за ДКУД 1801006

Актив	Код рядка	На початок звітного року	На кінець звітного періоду
1	2	3	4
I. Необоротні активи			
Незавершені капітальні інвестиції	1005	170,0	171,0
Основні засоби	1010	53 019,0	50 507,0
первісна вартість	1011	93 052,0	93 686,0
знос	1012	(40 033,0)	(43 179,0)
Довгострокові біологічні активи	1020	-	-
Довгострокові фінансові інвестиції	1030	-	-
Інші необоротні активи	1090	1 204,0	570,0
Усього за розділом I	1095	54 393,0	51 248,0
II. Оборотні активи			
Запаси	1100	10,0	854,0
у тому числі готова продукція	1103	-	-
Поточні біологічні активи	1110	-	-
Дебіторська заборгованість за продукцію, товари, роботи, послуги	1125	8 908,0	20 417,0
Дебіторська заборгованість за розрахунками з бюджетом	1135	504,0	667,0
у тому числі з податку на прибуток	1136	502,9	665,0
Інша поточна дебіторська заборгованість	1155	3 543,0	4 342,0
Поточні фінансові інвестиції	1160	-	-
Гроші та їх еквіваленти	1165	41,0	45,0
Витрати майбутніх періодів	1170	236,0	198,0
Інші оборотні активи	1190	116,0	4,0
Усього за розділом II	1195	13 358,0	26 527,0
III. Необоротні активи, утримувані для продажу, та групи вибуття	1200	-	-
Баланс	1300	67 751,0	77 775,0

Cont. Table G.1

Пасив	Код рядка	На початок звітнього року	На кінець звітнього періоду
1	2	3	4
I. Власний капітал			
Зареєстрований (пайовий) капітал	1400	9 531,0	9 531,0
Додатковий капітал	1410	-	-
Резервний капітал	1415	-	-
Нерозподілений прибуток (непокритий збиток)	1420	(3 869,0)	(57 352,0)
Неоплачений капітал	1425	(-)	(-)
Усього за розділом I	1495	5 662,0	(47 821,0)
II. Довгострокові зобов'язання, цільове фінансування та забезпечення	1595	57 949,0	114 322,0
III. Поточні зобов'язання			
Короткострокові кредити банків	1600	-	-
Поточна кредиторська заборгованість за:			
довгостроковими зобов'язаннями	1610	-	-
товари, роботи, послуги	1615	58,0	36,0
розрахунками з бюджетом	1620	62,0	158,0
у тому числі з податку на прибуток	1621	-	-
розрахунками зі страхування	1625	-	-
розрахунками з оплати праці	1630	4,0	-
Доходи майбутніх періодів	1665	-	-
Інші поточні зобов'язання	1690	4 016,0	11 080,0
Усього за розділом III	1695	4 140,0	11 274,0
IV. Зобов'язання, пов'язані з необоротними активами, утримуваними для продажу, та групами вибуття	1700	-	-
Баланс	1900	67 751,0	77 775,0

2. Звіт про фінансові результати
за **Рік 2014**

Форма № 2-м Код за ДКУД 1801007

Стаття	Код рядка	За звітний період	За аналогічний період попереднього року
1	2	3	4
Чистий дохід від реалізації продукції (товарів, робіт, послуг)	2000	24 205,0	25 351,0
Інші операційні доходи	2120	4,0	-
Інші доходи	2240	3 659,0	7,0
Разом доходи (2000 + 2120 + 2240)	2280	27 868,0	25 358,0
Собівартість реалізованої продукції (товарів, робіт, послуг)	2050	(12 409,0)	(12 727,0)
Інші операційні витрати	2180	(62 748,0)	(2 004,0)
Інші витрати	2270	(6 194,0)	(2 741,0)
Разом витрати (2050 + 2180 + 2270)	2285	(81 351,0)	(17 472,0)
Фінансовий результат до оподаткування (2280 – 2285)	2290	(53 483,0)	7 886,0
Податок на прибуток	2300	(-)	(1 461,0)
Чистий прибуток (збиток) (2290 – 2300)	2350	(53 483,0)	6 425,0

APPENDIX H

Table H.1

Balance Sheet and Income Statement of the enterprise LLC "Delight" in 2015

Додаток 1
до положення (стандарту) бухгалтерського обліку 25
"Фінансовий звіт суб'єкта малого підприємництва"

ФІНАНСОВИЙ ЗВІТ
суб'єкта малого підприємництва

Підприємство	Дата (рік, місяць, число)	Коди		
		2016	01	01
ТОВАРИСТВО З ОБМЕЖЕНОЮ ВІДПОВІДАЛЬНІСТЮ "ДІЛАЙТ"	за ЄДРПОУ	31352431		
Територія Шевченківський район м. Києва	за КОАТУУ	8039100000		
Організаційно-правова форма господарювання Товариство з обмеженою відповідальністю	за КОПФГ	240		
Вид економічної діяльності Надання в оренду й експлуатацію власного чи орендованого нерухомого майна	за КВЕД	68.20		
Середня кількість працівників, осіб 4				
Одиниця виміру: тис. грн. з одним десятковим знаком				
Адреса, телефон МАЙДАН НЕЗАЛЕЖНОСТІ, ПІДЗЕМНИЙ ТОРГОВИЙ ПРОСТІР (ПТП) № 1, СЕКТОР В, м. КИЇВ, 01001		4942930		

1. Баланс на 31 грудня 2015 р.

Форма № 1-м Код за ДКУД 1801006

Актив	Код рядка	На початок звітної року	На кінець звітної періоду
1	2	3	4
I. Необоротні активи			
Незавершені капітальні інвестиції	1005	170,9	82,3
Основні засоби	1010	50 507,5	51 875,5
первісна вартість	1011	93 686,1	98 279,2
знос	1012	(43 178,6)	(46 403,7)
Довгострокові біологічні активи	1020	-	-
Довгострокові фінансові інвестиції	1030	-	-
Інші необоротні активи	1090	570,3	-
Усього за розділом I	1095	51 248,7	51 957,8
II. Оборотні активи			
Запаси	1100	853,6	-
у тому числі готова продукція	1103	-	-
Поточні біологічні активи	1110	-	-
Дебіторська заборгованість за продукцію, товари, роботи, послуги	1125	20 416,9	23 022,3
Дебіторська заборгованість за розрахунками з бюджетом	1135	666,7	665,7
у тому числі з податку на прибуток	1136	664,6	664,6
Інша поточна дебіторська заборгованість	1155	4 341,7	1 817,0
Поточні фінансові інвестиції	1160	-	-
Гроші та їх еквіваленти	1165	45,4	16,5
Витрати майбутніх періодів	1170	197,9	177,8
Інші оборотні активи	1190	4,4	-
Усього за розділом II	1195	26 526,6	25 699,3
III. Необоротні активи, утримувані для продажу, та групи вибуття	1200	-	-
Баланс	1300	77 775,3	77 657,1

Cont. Table H.1

Пасив	Код рядка	На початок звітнього року	На кінець звітнього періоду
1	2	3	4
I. Власний капітал			
Зареєстрований (пайовий) капітал	1400	9 531,2	9 531,2
Додатковий капітал	1410	0,4	0,4
Резервний капітал	1415	-	-
Нерозподілений прибуток (непокритий збиток)	1420	(57 351,8)	(122 110,1)
Неоплачений капітал	1425	(-)	(-)
Усього за розділом I	1495	(47 820,2)	(112 578,5)
II. Довгострокові зобов'язання, цільове фінансування та забезпечення	1595	114 322,0	174 004,8
III. Поточні зобов'язання			
Короткострокові кредити банків	1600	-	-
Поточна кредиторська заборгованість за:			
довгостроковими зобов'язаннями	1610	-	-
товари, роботи, послуги	1615	36,2	257,6
розрахунками з бюджетом	1620	157,8	377,2
у тому числі з податку на прибуток	1621	-	-
розрахунками зі страхування	1625	-	1,0
розрахунками з оплати праці	1630	-	2,6
Доходи майбутніх періодів	1665	-	-
Інші поточні зобов'язання	1690	11 079,5	15 592,4
Усього за розділом III	1695	11 273,5	16 230,8
IV. Зобов'язання, пов'язані з необоротними активами, утримуваними для продажу, та групами вибуття	1700	-	-
Баланс	1900	77 775,3	77 657,1

2. Звіт про фінансові результати
за Рік 2015

Форма № 2-м Код за ДКУД 1801007

Стаття	Код рядка	За звітний період	За аналогічний період попереднього року
1	2	3	4
Чистий дохід від реалізації продукції (товарів, робіт, послуг)	2000	25 881,0	24 205,0
Інші операційні доходи	2120	19 295,9	4,0
Інші доходи	2240	82,7	3 659,0
Разом доходи (2000 + 2120 + 2240)	2280	45 259,6	27 868,0
Собівартість реалізованої продукції (товарів, робіт, послуг)	2050	(14 542,2)	(12 409,0)
Інші операційні витрати	2180	(87 637,1)	(62 748,0)
Інші витрати	2270	(7 268,3)	(6 194,0)
Разом витрати (2050 + 2180 + 2270)	2285	(109 447,6)	(81 351,0)
Фінансовий результат до оподаткування (2280 – 2285)	2290	(64 188,0)	(53 483,0)
Податок на прибуток	2300	(570,3)	(-)
Чистий прибуток (збиток) (2290 – 2300)	2350	(64 758,3)	(53 483,0)

APPENDIX I

Table I.1

Balance Sheet and Income Statement of the enterprise LLC "Delight" in 2016

Додаток 1
до положення (стандарту) бухгалтерського обліку 25
"Фінансовий звіт суб'єкта малого підприємництва"

ФІНАНСОВИЙ ЗВІТ
суб'єкта малого підприємництва

Підприємство	ТОВАРИСТВО З ОБМЕЖЕНОЮ ВІДПОВІДАЛЬНІСТЮ "ДІЛАЙТ"	Дата (рік, місяць, число)	Коди
Територія	М.КИЇВ	за ЄДРПОУ	2017 01 01
Організаційно-правова форма господарювання	Товариство з обмеженою відповідальністю	за КОАТУУ	31352431
Вид економічної діяльності	Надання в оренду й експлуатацію власного чи орендованого нерухомого майна	за КОПФГ	8039100000
Середня кількість працівників, осіб	4	за КВЕД	240
Одиниця виміру:	тис. грн. з одним десятковим знаком		68.20
Адреса, телефон	МАЙДАН НЕЗАЛЕЖНОСТІ, ПІДЗЕМНИЙ ТОРГОВИЙ ПРОСТІР (ПТП) № 1, СЕКТОР В, М.КИЇВ обл., 01001		4637461

1.Баланс на 31 грудня 2016 р.

Актив		Форма № 1-м	Код за ДКУД	1801006
1	2	На початок звітного року	На кінець звітного періоду	
I. Необоротні активи				
Незавершені капітальні інвестиції	1005	82,3	82,3	
Основні засоби	1010	51 875,5	54 599,2	
первісна вартість	1011	98 279,2	104 492,3	
знос	1012	(46 403,7)	(49 893,1)	
Довгострокові біологічні активи	1020	-	-	
Довгострокові фінансові інвестиції	1030	-	-	
Інші необоротні активи	1090	-	-	
Усього за розділом I	1095	51 957,8	54 681,5	
II. Оборотні активи				
Запаси	1100	-	-	
у тому числі готова продукція	1103	-	-	
Поточні біологічні активи	1110	-	-	
Дебіторська заборгованість за продукцію, товари, роботи, послуги	1125	23 022,3	23 952,6	
Дебіторська заборгованість за розрахунками з бюджетом	1135	665,7	870,8	
у тому числі з податку на прибуток	1136	664,6	664,6	
Інша поточна дебіторська заборгованість	1155	1 817,0	3 777,3	
Поточні фінансові інвестиції	1160	-	-	
Гроші та їх еквіваленти	1165	16,5	1 150,5	
Витрати майбутніх періодів	1170	177,8	196,9	
Інші оборотні активи	1190	-	22,0	
Усього за розділом II	1195	25 699,3	29 970,1	
III. Необоротні активи, утримувані для продажу, та групи вибуття	1200	-	-	
Баланс	1300	77 657,1	84 651,6	

Cont. Table I.1

Пасив	Код рядка	На початок звітнього року	На кінець звітнього періоду
1	2	3	4
I. Власний капітал			
Зареєстрований (пайовий) капітал	1400	9 531,2	9 531,2
Додатковий капітал	1410	0,4	0,4
Резервний капітал	1415	-	-
Нерозподілений прибуток (непокритий збиток)	1420	(122 110,1)	(143 002,9)
Неоплачений капітал	1425	(-)	(-)
Усього за розділом I	1495	(112 578,5)	(133 471,3)
II. Довгострокові зобов'язання, цільове фінансування та забезпечення	1595	174 004,8	197 133,7
III. Поточні зобов'язання			
Короткострокові кредити банків	1600	-	-
Поточна кредиторська заборгованість за:			
довгостроковими зобов'язаннями	1610	-	-
товари, роботи, послуги	1615	257,6	86,6
розрахунками з бюджетом	1620	377,2	230,5
у тому числі з податку на прибуток	1621	-	-
розрахунками зі страхування	1625	1,0	-
розрахунками з оплати праці	1630	2,6	-
Доходи майбутніх періодів	1665	-	-
Інші поточні зобов'язання	1690	15 592,4	20 672,1
Усього за розділом III	1695	16 230,8	20 989,2
IV. Зобов'язання, пов'язані з необоротними активами, утримуваними для продажу, та групами вибуття	1700	-	-
Баланс	1900	77 657,1	84 651,6

2. Звіт про фінансові результати
за **Рік 2016**

		Форма № 2-м	Код за ДКУД	1801007
Стаття	Код рядка	За звітний період	За аналогічний період попереднього року	
1	2	3	4	
Чистий дохід від реалізації продукції (товарів, робіт, послуг)	2000	29 311,6	25 881,0	
Інші операційні доходи	2120	10 800,1	19 295,9	
Інші доходи	2240	11,7	82,7	
Разом доходи (2000 + 2120 + 2240)	2280	40 123,4	45 259,6	
Собівартість реалізованої продукції (товарів, робіт, послуг)	2050	(17 531,8)	(14 542,2)	
Інші операційні витрати	2180	(40 797,5)	(87 637,1)	
Інші витрати	2270	(2 856,0)	(7 268,3)	
Разом витрати (2050 + 2180 + 2270)	2285	(61 185,3)	(109 447,6)	
Фінансовий результат до оподаткування (2280 – 2285)	2290	(21 061,9)	(64 188,0)	
Податок на прибуток	2300	(-)	(570,3)	
Чистий прибуток (збиток) (2290 – 2300)	2350	(21 061,9)	(64 758,3)	

APPENDIX J

Table J.1

Balance Sheet and Income Statement of the enterprise LLC "Delight" in 2017

Додаток 1
до положення (стандарту) бухгалтерського обліку 25
"Фінансовий звіт суб'єкта малого підприємництва"

ФІНАНСОВИЙ ЗВІТ
суб'єкта малого підприємництва

Підприємство	Дата(рік, місяць, число)	Коди
ТОВАРИСТВО З ОБМЕЖЕНОЮ ВІДПОВІДАЛЬНІСТЮ "ДІЛАЙТ"	за ЄДРПОУ	2018 01 01
Територія <u>Шевченківський р-н. м. Києва</u>	за КОАТУУ	31352431
Організаційно-правова форма господарювання <u>Товариство з обмеженою відповідальністю</u>	за КОПФГ	8039100000
Вид економічної діяльності <u>Надання в оренду й експлуатацію власного чи орендованого нерухомого майна</u>	за КВЕД	240
Середня кількість працівників, осіб <u>4</u>		68.20
Одиниця виміру: <u>тис. грн. з одним десятковим знаком</u>		
Адреса, телефон <u>МАЙДАН НЕЗАЛЕЖНОСТІ, ПІДЗЕМНИЙ ТОРГОВИЙ ПРОСТІР (ПТП) № 1, СЕКТОР В, М. КИЇВ обл., 01001</u>		4637461

1. Баланс на 31 грудня 2017 р.

Актив		Форма № 1-м	Код за ДКУД	1801006
1	2	На початок звітного року	3	На кінець звітного періоду
4	5	6	7	8
I. Необоротні активи				
Незавершені капітальні інвестиції	1005	82,3		82,3
Основні засоби	1010	54 599,2		59 939,7
первісна вартість	1011	104 492,3		114 037,9
знос	1012	(49 893,1)		(54 098,2)
Довгострокові біологічні активи	1020	-		-
Довгострокові фінансові інвестиції	1030	-		-
Інші необоротні активи	1090	-		-
Усього за розділом I	1095	54 681,5		60 022,0
II. Оборотні активи				
Запаси	1100	-		-
у тому числі готова продукція	1103	-		-
Поточні біологічні активи	1110	-		-
Дебіторська заборгованість за продукцію, товари, роботи, послуги	1125	23 952,6		29 374,1
Дебіторська заборгованість за розрахунками з бюджетом	1135	870,8		1,5
у тому числі з податку на прибуток	1136	664,6		-
Інша поточна дебіторська заборгованість	1155	3 777,3		3 312,1
Поточні фінансові інвестиції	1160	-		-
Гроші та їх еквіваленти	1165	1 150,5		18,3
Витрати майбутніх періодів	1170	196,9		198,6
Інші оборотні активи	1190	22,0		10,9
Усього за розділом II	1195	29 970,1		32 915,5
III. Необоротні активи, утримувані для продажу, та групи вибуття	1200	-		-
Баланс	1300	84 651,6		92 937,5

Cont. Table J.1

Пасив	Код рядка	На початок звітнього року	На кінець звітнього періоду
1	2	3	4
I. Власний капітал			
Зареєстрований (пайовий) капітал	1400	9 531,2	9 531,2
Додатковий капітал	1410	0,4	0,4
Резервний капітал	1415	-	-
Нерозподілений прибуток (непокритий збиток)	1420	(143 002,9)	(80 401,8)
Неоплачений капітал	1425	(-)	(-)
Усього за розділом I	1495	(133 471,3)	(70 870,2)
II. Довгострокові зобов'язання, цільове фінансування та забезпечення	1595	197 133,7	140 336,1
III. Поточні зобов'язання			
Короткострокові кредити банків	1600	-	-
Поточна кредиторська заборгованість за:			
довгостроковими зобов'язаннями	1610	-	-
товари, роботи, послуги	1615	86,6	196,9
розрахунками з бюджетом	1620	230,5	377,8
у тому числі з податку на прибуток	1621	-	-
розрахунками зі страхування	1625	-	-
розрахунками з оплати праці	1630	-	-
Доходи майбутніх періодів	1665	-	-
Інші поточні зобов'язання	1690	20 672,1	22 896,9
Усього за розділом III	1695	20 989,2	23 471,6
IV. Зобов'язання, пов'язані з необоротними активами, утримуваними для продажу, та групами вибуття	1700	-	-
Баланс	1900	84 651,6	92 937,5

2. Звіт про фінансові результати
за Рік 2017

Форма № 2-м Код за ДКУД 1801007

Стаття	Код рядка	За звітний період	За аналогічний період попереднього року
1	2	3	4
Чистий дохід від реалізації продукції (товарів, робіт, послуг)	2000	29 981,6	29 311,6
Інші операційні доходи	2120	8 287,7	10 800,1
Інші доходи	2240	59 303,5	11,7
Разом доходи (2000 + 2120 + 2240)	2280	97 572,8	40 123,4
Собівартість реалізованої продукції (товарів, робіт, послуг)	2050	(19 129,5)	(17 531,8)
Інші операційні витрати	2180	(14 247,6)	(40 797,5)
Інші витрати	2270	(1 594,6)	(2 856,0)
Разом витрати (2050 + 2180 + 2270)	2285	(34 971,7)	(61 185,3)
Фінансовий результат до оподаткування (2280 – 2285)	2290	62 601,1	(21 061,9)
Податок на прибуток	2300	(-)	(-)
Чистий прибуток (збиток) (2290 – 2300)	2350	62 601,1	(21 061,9)