THEORETICAL AND PRACTICAL ASPECTS OF MONITORING THE FINANCIAL CONDITION OF AGRARIAN SECTOR ENTERPRISES

Abstract. According to the authors, in Kazakhstan, as in any country in the world, diagnostics and constant monitoring of the stability of the financial condition of enterprises is an objective necessity in the framework of effective economic development of the state. Due to the crisis in the global economy, part of competitive enterprises are currently experiencing financial difficulties, which creates risks of bankruptcy, failure to fulfill obligations to creditors, investors and counterparties, failure to fulfill tax liabilities, adversely affects the loan portfolio of banks. In this regard, a complex assessment acquires particular relevance, that is, monitoring the financial status of enterprises in the agrarian sector of the economy of the Republic of Kazakhstan, whose main task is, first of all, to identify bankruptcy risks, the causes and factors for reducing the financial condition of enterprises in the agrarian sector.

Keywords: agriculture, export, potential, competition, financial monitoring, forecasting, business, sustainable development.

INTRODUCTION

Agriculture is an important sector of production, providing the population with food and raw materials for other industries. Agriculture in the structure of GDP of the Republic of Kazakhstan in 2017 amounted to 4.3% [1]. The implementation of government programs for industry support was a significant factor in growth in agriculture (2.9%) [2]. For agriculture, a positive trend is the gradual process of product diversification.

The exceptional position of the agro-industrial complex and the agrarian sector in the economy makes it necessary to ensure the financial sustainability of agricultural enterprises. Ensuring sustainable development of rural areas involves, above all, ensuring the financial sustainability of enterprises in the agrarian sector.

Sustainable development of the agricultural sector depends on the activities of the primary link - enterprises. The sustainability of an enterprise is defined as “the financial condition of an enterprise whose business activity in normal conditions ensures the fulfillment of all obligations to employees, other organizations, the state thanks to sufficient incomes and, accordingly, income and expenses” [3].

Under the influence of the global economic crisis, enterprises of the agro-industrial complex are increasingly suffering from a reduction in demand for their products, balancing on the verge of zero profitability, often in a zone of unprofitableness, that is, facing the threat of termination. In this connection, a complex assessment of the financial condition of enterprises in the agrarian sector of the economy, whose main task is to identify the risks of bankruptcy, the causes and factors of the decline in the financial condition of enterprises in the agrarian sector, acquires particular relevance.

MAIN PART

To maintain economic growth, reduce the number of crisis enterprises, it is necessary to constantly monitor the financial condition of enterprises in all sectors of the economy. This task can be solved from the standpoint of the formation of a new organizational mechanism - monitoring the financial condition of enterprises.
In the conditions of an unstable economic situation, the availability of an effective mechanism for monitoring financial condition becomes the most important condition for the stable and successful development of an enterprise. Forming operational information based on systematic analysis, monitoring provides the basis for making optimal management decisions, assessing their consequences even before implementation and forecasting the further development of the organization. An efficiently developed monitoring system will allow both companies and government agencies to quickly receive a comprehensive assessment of the financial condition of companies and make adequate decisions in a constantly changing market environment.

In the management of enterprises, such functions of financial management as planning, organization, accounting, analysis, control and regulation are implemented. However, for effective management requires objective and timely information about the changes occurring in the controlled object. Obtaining such information by all market participants is possible based on creating a system for monitoring the financial condition of an agricultural enterprise. Monitoring the financial condition of the company is a prerequisite for informed management decisions in order to implement the adopted tactics and business strategy.

Ensuring the sustainable economic development of the state involves the sustainable development of primarily enterprises of all sectors of the economy. Diagnostics and constant monitoring of the stability of the financial condition of enterprises is an objective necessity in the framework of effective economic development of the state. To maintain economic growth, reduce the number of crisis enterprises, it is necessary to constantly monitor the financial condition of enterprises in all sectors of the economy. This task can be solved from the standpoint of the formation of a new organizational mechanism - monitoring the financial condition of the company.

The origin of the word "monitoring" is associated with English origin (English monitor-monitor, monitor).

In the big economic dictionary “monitoring” (English monitoring from the Latin monitor-observer) is defined as observation, tracking, analysis and evaluation of any phenomenon or object [4, p. 600].

In the modern economic dictionary “monitoring” means continuous observation of economic objects, analysis of their activities as an integral part of management [5, p. 227].

In the modern financial and credit dictionary, monitoring of current financial activities means a mechanism for continuously monitoring the most important current results of financial activities in the constantly changing financial market conditions [6].

According to B. Saparova, monitoring means continuous monitoring of economic objects, analysis of their activities as an integral part of management [7, p.439].

Most economists do not make certain distinctions between monitoring financial condition and analyzing the financial condition of a company.

However, the concept of “monitoring” is much broader than the concept of “analysis”. Monitoring includes analysis, as one of the main stages of its implementation.

In economics, there is also no definite distinction between the concepts of “monitoring financial condition” and “financial monitoring”.

Therefore, for example, Chernov V.A. believes that financial monitoring (monitoring of financial status) is a system of continuous monitoring and analysis of the financial condition and the results of the organization [8].

Serdyukova E.V. considers financial monitoring as a system of continuous observation, analysis and forecasting of indicators of the financial condition of enterprises, formed at the macro or microeconomic levels, with the aim of ensuring the adoption of tactical and strategic management decisions of the appropriate level, as well as evaluating the effectiveness of decisions made [9].

Dosmambetova F.K. in its work also does not distinguish between the concepts of “monitoring financial condition” and “financial monitoring”. In her opinion, financial monitoring is the receipt of reliable information about the financial situation and the basis for the introduction of stabilization methods [10].

However, the concepts of “monitoring financial condition” and “financial monitoring” should be differentiated as the legislation of the Republic of Kazakhstan clearly defined the concept of “financial monitoring” as a set of measures for collecting and analyzing information about operations with money and (or) other property received from financial monitoring [11].
According to the legislation of the Republic of Kazakhstan, financial monitoring has been introduced in order to prevent the legalization (laundering) of illegally gained income and the financing of terrorism.

Thus, the concepts of "financial monitoring" and "monitoring of financial condition" have different contents.

Many authors believe that monitoring the financial condition of an enterprise is an essential tool for managing an enterprise’s crisis.

The monitoring system should be signaling, warning in nature, the essence of which is to identify as a result of systematic diagnostics of the financial state of the probability of insolvency or bankruptcy of enterprises.

The monitoring process should not be limited to monitoring the state of the enterprise under study. To ensure that monitoring can be used as an effective management tool, it is necessary not only to monitor the parameters and the state of the enterprise being studied, but also to analyze, evaluate their change under the influence of various factors, forecast and evaluate the future development of the enterprise.

Summarizing the above, it can be determined that monitoring the financial condition of an enterprise is a system of monitoring, analyzing and evaluating the financial condition of an enterprise in order to identify trends, forecast development prospects, prevent crisis situations and make optimal management decisions.

The main purpose of monitoring the financial condition of the company is timely identification of trends in the financial condition of the company and assessment of development prospects.

The main tasks of monitoring the financial condition of the company are:
1) the definition of the main financial indicators of the enterprise for a certain period and their trends;
2) analysis and evaluation of the results;
3) assessment of the effectiveness of the financial policy of the company;
4) timely identification and analysis of negative trends in the financial condition of the company, assessment of the financial risks of the enterprise;
5) prevention of crisis situations;
6) forecasting the activity of the enterprise;
7) Justification of recommendations and proposals to improve the financial sustainability of the enterprise, the identification of reserves.

The economic content of monitoring the financial condition of the enterprise is manifested in its functions. The functions of monitoring the financial condition of the company cover the functions of the "finance" category and economic analysis.

The main functions of monitoring the financial condition of the enterprise are:
1) An analytical function, which, based on continuous observation of an object, involves analyzing its financial condition, which includes measuring actual results and relating them to specified goals, standards, and norms;
2) Diagnostic, implying the interpretation of the results obtained and allowing an objective assessment of the results of the monitoring object analysis;
3) The function of forecasting is to develop a long-term perspective of changes in the financial condition of the company.
4) Organizational and managerial, involving control over the state of the monitoring object and preparation of recommendations for making corrective and proactive management decisions.

The objects of monitoring are the financial condition of the enterprise, the financial results and the effectiveness of its financial and economic activities [6]. The main object of monitoring of the enterprise is the financial condition of the enterprise.

The subjects of monitoring can be divided into two categories: internal and external.

The management system of the enterprise and the owners (shareholders), staff of the enterprise represent internal entities.

Various contractors of an enterprise associated with it by certain economic relations can be attributed to external subjects of monitoring: partners, suppliers, creditors, investors, banks, insurance companies, investment funds; public authorities (financial authorities, tax authorities, etc.); audit firms, associations of entrepreneurs, consultants.

Below are the main components of the monitoring system of the financial condition of the company (Figure 1).
The goal is to identify trends in financial status and assess the prospects for the development of the enterprise

Subjects of monitoring — internal and external users

The object of monitoring - the financial condition of the enterprise

The mechanism - the collection, processing, research of information to identify trends and their prediction

Monitoring system of the financial condition of the company

Monitoring tools - scorecard

Figure 1 - the Main components of the monitoring system of the financial condition of the company

Based on Figure 1, it is clear that all the main monitoring elements that make up its content are interrelated: the goal determines the object and subjects of monitoring, the monitoring mechanism; the monitoring mechanism determines its tools.

The main stages of monitoring the financial condition of the company include monitoring, analyzing and evaluating the actual financial condition, developing recommendations for improving the financial management strategy and forecasting the future financial condition (Fig. 2).

Observation (information gathering)

Analysis and assessment of financial condition

Development of recommendations for improving the financial management strategy and forecasting the main parameters of the company’s financial performance.

Management decisions and results monitoring

Fig. 2 - The main stages of monitoring the financial condition of the company
The forms and types of monitoring depend on the characteristics of the production and economic activity of the enterprise, the management structure, the size of the organization. They may change under the influence of certain factors: changes in legislation, features of activities, changes in the management system, etc.

Monitoring the financial condition of the company can also be classified:
- by the nature of the development: strategic and operational (ongoing) monitoring;
- according to the degree of coverage of objects of control: integrated and local monitoring;
- by consumers of monitoring results: for internal and external consumers.

Strategic monitoring assesses the progress of the implementation of the overall strategy, the possibility and expediency of further development of the chosen strategy.
Operational monitoring assesses the correctness of individual functions and work, monitors current activities on the actual values of individual indicators, comparing them with planned, normative, average indicators and indicators of previous periods.

Comprehensive monitoring includes a comprehensive assessment of the activities of the enterprise and the adjustment of directions for the development of activities. Local (one-time) monitoring provides a "point-like" assessment of an enterprise’s activity or individual economic measures, but it does not allow for a comparative assessment, to study the dynamics of indicators and to predict directions for the organization’s further development.

Based on the grouping of subjects of monitoring financial condition distinguish between internal and external monitoring.
Internal monitoring of financial condition is an analytical system organized in enterprises for the purpose of intra-company management. The purpose of internal monitoring of the financial condition of an enterprise is to regularly provide the company's management bodies with full operational information about the current financial status in order to monitor deviations of actual and planned indicators and make management decisions.

CONCLUSION

External monitoring is carried out to assess the financial condition (solution of the problem of choice). The purpose of external monitoring of the financial condition of an enterprise is to provide external users with the necessary operational information about the financial position of the enterprise, the degree of its financial stability for making certain investment, commercial, financial decisions.

Distinctive features of internal and external monitoring of the financial condition of the company, depending on various characteristics, are given in table 1.

<table>
<thead>
<tr>
<th>Sign of Subjects of monitoring (users of information)</th>
<th>Type of monitoring</th>
</tr>
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<tbody>
<tr>
<td><strong>internal</strong></td>
<td><strong>external</strong></td>
</tr>
<tr>
<td>Company management, financial managers, financial advisors, issues, owners</td>
<td>partners, competitors, shareholders (mainly minorities), public organizations, customers, creditors, banks, contractors, auditing and consulting firms, financial and tax authorities, etc.</td>
</tr>
<tr>
<td>Purpose</td>
<td>Improving the financial condition of the company in the future, the assessment of internal reserves</td>
</tr>
<tr>
<td>Informational base</td>
<td>Operational and management accounting data</td>
</tr>
<tr>
<td>Character provided by information</td>
<td>Analytic confidential information of character</td>
</tr>
<tr>
<td>Temporal aspect of analysis</td>
<td>month, quarter, half year, year</td>
</tr>
</tbody>
</table>
Monitoring the financial condition of the company for the management of the enterprise is of fundamental importance. Using this category as one of the main tools for managing an enterprise has several advantages, primarily ensuring that the first signs of deterioration in financial condition are detected and that the necessary management decisions are made to eliminate them. Monitoring the financial status of an agricultural enterprise should be one of the most important functions of financial management.

REFERENCES


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ТЕОРЕТИЧЕСКИЕ И ПРАКТИЧЕСКИЕ АСПЕКТЫ МОНИТОРИНГА ФИНАНСОВОГО СОСТОЯНИЯ ПРЕДПРИЯТИЙ АГРАРНОГО СЕКТОРА

Аннотация. По мнению авторов, в Казахстане, как и в любой стране мира, диагностика и постоянный контроль устойчивости финансового состояния предприятий является объективной необходимостью в рамках эффективного экономического развития государства. Вследствие кризисных явлений в мировой экономике часть конкурентоспособных предприятий в настоящее время испытывают финансовые затруднения, что создает риски банкротства, неисполнения обязательств перед кредиторами, инвесторами и контрагентами, неисполнение налоговых обязательств, негативно сказывается на структуре портфеле банков. В связи с этим особую актуальность приобретает комплексная оценка, то есть мониторинг финансового состояния предприятий аграрного сектора экономики РК, главная задача которой, в первую очередь, выявить риски банкротства, причины и факторы снижения финансового состояния предприятий аграрного сектора.

Ключевые слова: сельское хозяйство, экспорт, потенциал, конкуренция, финансовый мониторинг, прогнозирование, бизнес, устойчивое развитие.
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АГРАРЛЫҚ СЕКТОРДЫҢ ҚӘСІПОРЫНДАРЫ ҚАРЖЫЛЫҚ ШАРТТАРЫҢ МОНИТОРИНГІНІҢ ТЕОРИЯЛЫҚ ЖӘНЕ ПРАКТИКАЛЫҚ АСПЕКТІЛІРЕ

Аннотация. Авторлардың пікірі бойынша, Қазақстанда, өлмеге кез-келген саладағы шығын, диагностикалық желектіс қосымша және қосымша қызметтердің қаржылық жағдайының тұрақтылығына үнемі мониторинг жасау мемлекеттің тікелей экономикалық дамуы асаында объективті және тікелей мониторинг болып табылады. Қаржылық қосымша қызметтер саладының бірі болігі банкrottтық қауіпсіздікпен тудырылатын, кредиторлар, инвесторлар мен контрагенттер арқылы болып табылатын, салық міндеттестердің орындалуының және кейбір қосымша қызметтердің мониторингі арқылы болып табылатын. Бұл талаптардың тәуелденуіне ұшын банкrottтық қауіпсіздікпен тудырылатын, себептерін және факторларын анықтау үшін банкrottтық қауіпсіздікпен тудырылатын, Казахстандың агрономиялық секторындағы қаржылық жағдайларына мониторинг жүргізу.

Түйін сөздер: қаржылық мониторинг, қаржылық шарттар, банкротство, банкrottтық қауіпсіздікпен тудырылатын, мониторинг, қаржылық жағдай