

N.S. Plaskova

# ANALYSIS OF FINANCIAL AND MONETARY RESULTS OF THE COMPANY'S ACTIVITIES

**Plaskova N.S.**

# **ANALYSIS OF FINANCIAL AND MONETARY RESULTS OF THE COMPANY'S ACTIVITIES**

TEXTBOOK

For bachelors of Economics  
Finance and Credit  
Financial Management  
Economic Security  
Management  
State and Municipal Management

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***Plaskova N.S.***

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The textbook consistently reveals the methodology for analyzing the financial situation of the company. The book uses practical financial reporting data to implement analytical methods to assess the structure and dynamics of assets, liabilities, capital, turnover rate and liquidity of assets, solvency and probability of bankruptcy. The textbook is intended for university students studying under bachelor's degree programs in the following specialties "Economics", "Finance and Credit", "Financial Management", "Economic Security", "Management", "State and Municipal Administration" and other.

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**Н.С. Пласкова**

# **АНАЛИЗ ФИНАНСОВЫХ И МОНЕТАРНЫХ РЕЗУЛЬТАТОВ ДЕЯТЕЛЬНОСТИ КОМПАНИИ**

**УЧЕБНОЕ ПОСОБИЕ**

для студентов, обучающихся по направлениям  
подготовки бакалавров  
«Экономика», «Финансы и кредит»,  
«Финансовый менеджмент»,  
«Экономическая безопасность», «Менеджмент»,  
«Государственное и муниципальное управление»

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## **PREAMBLE**

### **Brief description of the discipline**

The academic discipline “Analysis of financial and monetary results of the company’s activities” is designed to form students’ knowledge of the theoretical provisions of financial analysis and evaluation of business performance and practical skills for its implementation. In the course of studying the discipline, a significant place is given to the study and skills of using the company’s financial statements as an information base for analysis, forming a system of analytical business characteristics, preparing and making informed management decisions aimed at improving the system of planning and monitoring the activities of various enterprises, taking into account their specifics and industry affiliation.

### **Purpose and objectives of the discipline**

The purpose of this training course is to master the basics of the analysis of financial and monetary results of the company’s activities, which is the most important function of the management of enterprises in various sectors of the economy, to acquire skills in using financial analysis methods and their application to substantiate operational and strategic decisions in various areas of production, economic, financial, investment and innovation activities.

### **Keyword**

Financial analysis, financial reporting, the system of indicators of analysis of financial and monetary results, methods of analysis of financial statements, information support of analysis, financial results, income, expenses, cash flows.

## INTRODUCTION

Today, managers and managers of companies are in great need of reliable information and analytical support for their management decisions, which is based on the rules and methods of financial analysis. External stakeholders are also interested in obtaining reliable and sufficient information about the objects of financing to direct funds to the most profitable and monetarily stable companies.

Enterprises should not only disclose the results of their activities in the financial statements, but also interpret its indicators in a convenient format in the form of analytical explanations.

The results of all business operations of the organization, recorded and accumulated in the framework of accounting, at the end of the reporting period should be systematized and presented in the form of specially prepared documents, the totality of which is the financial statements.

Financial statements are a source of information for various stakeholders — shareholders, investors, stock market participants, credit institutions and investment companies. Financial analysis of reporting data is also necessary for the management and managers of the reporting company itself to understand the dynamics of the financial situation and business performance indicators, to assess the impact of factors on their level.

In the financial statements of different countries, there are differences caused by social, economic, legal and other conditions, which led to the emergence and use of different approaches to the formation of indicators characterizing the results of economic activity of organizations, and, in particular, such elements of the financial situation as assets, liabilities, capital, cash flows, income and expenses.

The processes of international integration of business and capital have led to the need to standardize financial statements that comply with the general rules developed by the International Accounting Standards Board (IASB), which has been creating and continuing to improve common

unified standards — International Financial Reporting Standards (IFRS) for all countries around the world for several decades.

Financial statements prepared in accordance with IFRS provide interested users with more detailed and reliable information about the results of the organization's activities as of the reporting date and in retrospective dynamics. The indicators of international financial statements are studied using a wide range of analytical procedures, methods and techniques for a deep and comprehensive assessment of the financial position of the company, the financial results of its activities and identifying trends for business forecasting for management purposes.

The analysis of financial and monetary results is necessary for the company's management, first of all, to summarize the results of activities, ensure information security and develop a business development strategy. The management of any company for effective business management needs a deep analysis and assessment of the use of resource potential in the form of income, profit and free cash flow.

In today's difficult business conditions, even those companies that have the appropriate technological level of production, a stable competitive position in the market, may experience a shortage of financial and material resources, which can disrupt the balance of their financial relationships and, as a result, reduce the liquidity of assets, violation of payment discipline in terms of repayment of obligations to creditors, the budget, social funds, banks, owners of dividends and so on.

Systematic analysis of financial and monetary results helps to identify negative trends in a timely manner and make corrective management decisions aimed at minimizing financial risks.

This book will help readers to understand the complex issues of the theory and practice of financial reporting analysis, will allow them to acquire the necessary knowledge, skills and competencies in the field of financial analysis.

The key objectives of studying the analysis of financial statements are the formation of in-depth knowledge about the organization and methodology of the analysis of individual and consolidated financial statements,



obtaining an objective view of the company's financial results achieved and understanding the reasons for their changes, justification of management decisions on the implementation of financial policy and production management.

The authors hope that the proposed textbook will contribute to improving the theoretical and practical skills of financial analysis for those who have chosen a financial and economic career in business.