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Abstract of Bachelor Thesis

Financial analysis of the selected company

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Summary

The subject of this thesis on the topic "Financial analysis of the selected company" is evaluating the economic performance of the company "Ironcommerceco", and the objective of this work is to assess the company in terms of financial health, performance and future viability. The first part of the work is divided to the approaches to economic analysis and methods, in the second part it is analyzed the economic situation of the selected company. In conclusion are summarized the results of the economic analysis.

Keywords: analysis of financial ratios, financial analysis, sources of business financing; business risks; financial condition; methods of financial analysis; liquidity.

Introduction

The topic of the Bachelor thesis is a "Financial analysis of a selected company". In the conditions of market relations, the analysis of the financial condition of the enterprise is extremely important. This is due to the fact that enterprises acquire independence, are fully responsible for the results of their production and economic activities to co-owners (shareholders), employees, banks and creditors. The financial condition of the enterprise is characterized by the provision of financial resources necessary for the normal functioning of the enterprise, the feasibility of their placement and efficiency of their use, financial relations with other legal entities and individuals, solvency and financial stability. Financial analysis provides an opportunity to assess:

- property status of the enterprise;
- the degree of business risk, in particular the possibility of repayment of obligations to third parties;
- capital adequacy for current operations and long-term investments;
- need for additional sources of funding;
- capacity to build capital;
- the validity of the policy of profit distribution, etc.

Modern financial analysis has certain differences from the traditional analysis of financial and economic activities. First of all, this is due to the growing influence of the external environment on the work of enterprises. In particular, the dependence of the financial condition of

economic entities on inflation processes, the reliability of contractors (suppliers and buyers), complicated organizational and legal forms of functioning have increased.

The objective of the thesis is financial analysis.

The subject of the thesis is the analysis of business activity and the efficiency of the enterprise's activity on the example of LLC "Iron Commerce Company".

Objectives and Methodology

Objectives

The main aim of the thesis is to analyze the business activity and efficiency of the company's activities by the example of the LLP "IRONCOMMERCECO".

To achieve this goal, it is necessary to solve the following objectives:

- reveal the theoretical aspects of financial analysis;
- consider the methodology for analyzing the effectiveness of the enterprise;
- give the organizational and economic characteristics of the enterprise;
- make an analysis of the economic efficiency;
- offer recommendations for the management of company's financial condition.

Methodology

In this bachelor's thesis the following research methods were used: historical method, content analysis, induction method, comparative analysis method, etc.

The methodological basis also includes the following methods: theoretical, General empirical (comparison, description, system factor analysis), statistical (grouping and comparison, calculation of relative and average values, index and graphical image data). In this paper, important data of theoretical and practical parts were collected. (2016-2018). In the practical part were used the following methods of research:

- horizontal (time) analysis-comparison of each reporting item with the previous period;
- vertical (structural) analysis-determination of the share of individual articles in the final indicator, -taken as 100%;
- SWOT-analysis;
- comparative (spatial) analysis-on the one hand;

- factor analysis-analysis of the impact of individual factors (causes) on the resulting indicator.

Conclusion

A study conducted in the framework of this thesis showed that one of the key factors for improving the competitiveness of any company is effective financial activity, taking into account current market requirements and business processes.

Today, more and more companies to assess the effectiveness of their operation apply innovative indicators, which include: production flexibility, inventory volume, product quality, reliability indicators, production safety indicators, environmental impact of production, efficiency in fulfilling customer orders. In such conditions, leading enterprises have long concluded that the key to successful business and increasing the economic efficiency of their activities is financial analysis.

Due to the relevance of this topic, as well as in the framework of this graduate study, we were:

- the essence of the meaning and role of financial analysis in modern economics is revealed;
- The essence of the financial statements, and the procedure for compiling;
- studied the method of analysis of the main economic indicators of the company;
- given the organizational and economic characteristics and an analysis of the economic efficiency of the activities of Ironcommerceco LLP.

Analysis of the financial and economic activities of the Ironcommerceco enterprise, as well as a review of its organizational structure, allowed us to formulate the main recommendations for improving the management of the supply chain at this LLP. By results of the financial analysis it is possible to draw the conclusion: the company needs to constantly monitor and reduce the costs of transportation and distribution, optimize prices, minimize stocks of poorly marketable goods, reduce costs for their storage.

Today, the Ironcommerceco is one of the most advanced and mobile enterprises in the field of wholesale and retail sales of metal products and metal products not only in Almaty, but also in the country. However, the strategic goal of the Ironcommerceco involves the conquest by 2020 of 30-35% of the Kazakhstan market of products and services of rolled metal and metal products due to the release of goods with high consumer properties that will allow the Ironcommerceco to retain and expand its presence in the market.

During the preparation of financial statements, an organization must proceed from the fact that financial statements must give a reliable and full picture of its financial position, financial results of its activities and changes in its financial position. The organization in question relates

to small enterprises. Conducts accounting on a cash basis. It compiles simplified annual financial statements consisting of the balance sheet and the statement of financial results.

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