**Plan**

**economy monetary system asset**

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**Introduction**

Urgency of the theme: Every business, from its production and economic activity must have a certain amount of money. These financial resources the company buys on the market or in other businesses raw materials, fuel, pay electricity bills, pay their employees wages, bear the costs of development of new products, all of which constitutes an essential parameter entity, called " company's current assets. Under current market funds acquire particular importance. Because they are part of productive capital, which takes its value to the newly created product completely and returned to entrepreneur in cash at the end of each cycle of capital. Thus, working capital is an important criterion in determining the profits. Also, working capital is - an important part of the enterprise.

The availability of sufficient working capital enterprises optimal structure - a necessary prerequisite for its normal functioning in a market economy. It is also important to be able to properly manage working capital, to develop and implement measures that support the reduction in material production and acceleration of turnover of working capital. As a result of accelerated turnover of circulating funds is their release, allowing a number of positive effects. The activity of economic entities to create and sales are in the process of combining the basic production funds, convertible funds, and most work.

Continuity of the process of production and commercial activity requires continuous investment in these items for their expanded reproduction. Unlike the fixed production assets Current Assets consumed in one production cycle and the cost is fully transferred to the cost of manufactured products. Thus a part in their real forms part of the established product and commodity becomes the form in which it will use the consumer.

The purpose of course work to develop scientifically-methodical, organizational and economic planning of current assets of the enterprise. To accomplish our goal, try to achieve the following objectives: - Analyze the level of control in enterprises of all available working capital and their performance; - Characterize the functions, tasks and assess the level of current assets; - Define the problem of turnover funds at risk. The research object is planning the implementation of enterprise working capital and their involvement and ways to improve. Subject of research is current assets as one of the components of the enterprise. Thus, working capital are avansuyemu in cash value for the systematic creation and use of production assets and working capital funds in circulation the minimum necessary amount to ensure compliance now available products and timely settlements.

Since the current assets include both tangible and monetary resources from their organization and efficiency of the process depends not only material production but also the financial stability of the enterprise.

**1. Theoretical foundations of current assets**

**1.1 Overview of the company's current assets**

In companies there are ongoing financial costs (cash) funds in the process of carrying out certain economic cycle (pass money, and commodity production stage). In the first stage circuit are used to purchase raw materials and other resources that go with cash in material commodity, form certain inventory, and then entered the second stage - production. At this stage in the production process include workers who get the work done for wages. Then the material and commodity values materialized in the form of finished products.

The last stage circuit manufactured products are sold and the company has adequate revenue (sum), which not only fully recover the earlier pre-paid expenses, but also provides a profit. Working capital - a set of enterprise funds necessary for the formation of circulation and production of circulating funds and funds of circulation. [5, p.. 150]

Company's current assets - is one of the main objects of Financial Management submitted in cash and directly connected with the functioning of money and monetary system. My role as an instrument of mutual relations of all kinds sub'yektamyfinansovyh its activities, working capital affect the movement of assets and capital of the enterprise, characterized by the correct size, direction and time. [1, sec. 165] Task as quickly maneuvering current assets, ie the maximum acceleration rate of working capital - one of the current economy in modern industry. " [9, sec. 31] Formation and regulation of certain elements of working capital has its peculiarities.

With this in mind distinguish current assets in the production and trafficking, and distribute them to a normalized and normalized (Fig. 1.1). [5, p.. 151] Circulating capital, while in motion within its safety pass through three stages successively cycle. [17, sec. 143]

The first stage occurs in the sphere of circulation, when the working capital in the form of funds allocated to the company at the time of its organization or received while carrying on oral products used to purchase production. In the second phase cycle inventory without indirectly involved in the production process and after its completion host commodity form, that is re walk from the sphere of production and circulation areas. Treiya. last, stage of cycle flows in circulation when the working capital in the process of product from commodity form again go into cash. Admission to the account of the enterprise is the final point of circulation. Feature working capital cycle lies in the fact that. making a turnover, working capital at each moment are in all three forms. Delay movement of funds for any phase of the cycle breaks normal course of production and causes difficulties in finansovomi position of the enterprise. [6, c. 80]

Turnover Funds consist of three parts:

- Industrial supplies;

- Work in progress and semifinished products of own manufacture;

- Expenses of future periods. Production Inventory

- is the subject of work that are not yet involved in the production process and are at under run enterprises in the form of stocks.

Unfinished production and semi-finished products of own production of it that has not yet passed all siadiy processing. Deferred expenses is nerechovi elements of current assets, which include the cost of training and development of new products, taking place in this period but will be repaid in the future. Turnover of business assets in their movement are also associated with the funds circulation serving the sphere of circulation. They include the end products, finished products, which is shipped and in transit, cash in current and other accounts, cash in pending settlements, including accounts receivable and cash on hand. [6, c. 81]

Funds circulation - is the residue of finished products in stock companies shipped but not paid for the goods and the balances of enterprises on the current account at a bank office, in the calculation of receivables and enclosed in a short-term securities. Some practical importance are identification and evaluation of the structure of current assets. They (the funds) are used more efficiently when their greater part is occupied in the production. Stay current assets in circulation - only a necessary condition for the continuity of the process of reproduction, but this part of the enterprise funds is not directly involved in establishing the value of manufactured products. [5, p.. 151]

Structure of working capital - a share of the cost of certain articles of current production assets and funds in the total turnover of working capital. Structure of working capital is considerable variation in individual sectors of the economy. It depends on the composition and structure of production costs, conditions of supply of goods, conditions of production (of the works provided in servants) calculations. If we consider the structure of current assets in certain industries, it should be noted that the coal industry, as has been said, a significant proportion are deferred expenses. This is relatively high preparation costs prior to mining operations (planning for future development of overburden, construction of mines and other). [17, sec. 145] Thus, working capital (working capital) - this means, pre-paid in the current business assets and funds of circulation for the continuity of the process of production, sales and profit.

**1.2 Classification and principles of working capital**

Company's current assets are classified on three grounds: 1) depending on their participation in the circulation of money; 2) methods of planning, principles of organization and regulation; 3) the sources of formation. According to the first signs of current assets divided by current assets, pre-paid in the current business assets and working capital, pre-paid funds in circulation. This division caused by the availability of working capital funds kruhobihu in two separate areas - the production and circulation areas. The higher proportion of current assets placed in production, the working capital is used efficiently. [17, sec. 146 - 147] Depending on how planning working capital divided by the normalized and normalized The need for allocation of current assets to a normalized and normalized results from feasibility to achieve best results at least cost. Setting standards for selected areas of working capital enables enterprises to ensure business continuity in terms of optimal inventory, size of production idle, remnants of finished products. Called normalized current assets, which obchys lyuyetsya standard. These include inventory, ready to induction, work in progress, prepaid expenses and others. Calculation standards (minimum requirements) for these types of company-defense assets enables them to ensure effective use ample and normal production process. [18, sec. 188] From points is current assets, which are not standard The calculations lyuyetsya.

To irregular working capital include:

- Facilities for goods shipped by the buyer;

- Cash in bank accounts and cash in the company - the remains of temporary facilities to be used for intended use (not included in the budget payments on profits, value added tax, the balance of funds and other economic incentives.)

- Accounts Receivable - temporary diversion of the turnover of one company at the disposal of another. Share of receivables within working capital small irregular, but to further strengthen economic and financial discipline is a challenge every company fully with its reduction;

- Means in the calculations are not directly linked to production activities, ie, in transactions with banks and in terms of special funds, reserves and target financing from the budget. Circulation of businesses are in constant motion, moving from one stage to another circuit. [6. 83] From points Current Assets include funds circulation except finished products in stock.

According to the sources of working capital is divided into: 1) and equal to their own; 2) involved; 3) other. Classification of current assets is important, as it enables the company to determine the optimal composition and structure, needs and sources of working capital. From this largely depends on the financial position of the enterprise. The system of working capital based on certain principles. First, granting autonomy to enterprises rozporyad-tion, management of working capital. This means operational independence in the use of working capital. Second, determine the needs and the planned allocation of working capital for the individual elements and units. Implicit calculation of the optimal requirements for working capital, which would ensure the continuity of the production process, performance targets for the rhythmic work (development of standards and long duration of annual requirements).

Thirdly, the adjustment calculated and applicable regulations including requirements management, change: output, prices for raw materials, suppliers and customers; used forms of payment. Fourth, rational system of financing current assets. This means the formation of working capital from their own resources and raised funds in amounts that provide financial condition to normal. Fifthly, the control over rational deployment and utilization of current assets. This refers to the analysis of efficiency kruhooborotu funds are used to accelerate their rotation. [17, sec. 147 - 148] The need for working capital is calculated for each group to create inventories of stock and in operation. Due to the fact that the cost of little value and wearing items that are in operation, is accounted for net of depreciation, other costs charged to cost of production during the transfer from the operation. 1.3. Cost effectiveness Negotiable funds riznohaluzevyh enterprises in the country represent a significant portion of their material and financial assets.

Therefore, rational and economical use of working capital entity has considerable economic importance. To evaluate the efficiency of working capital production plants use certain indicators, and to improve efficiency - the specific measures. (Fig. 1.2) [5, p.. 156] Effective use of working capital is characterized by their rotation speed, reversibility. Acceleration of turnover of these funds causes: first, increased production per unit cash operating costs of the enterprise, and secondly, the release of funds and thus create additional reserves to expand production. Turnover ratio (turnover number) is calculated by dividing cost of sales at current wholesale prices for the period to the average balance of current assets over the same period. Index, which is inverse with respect to the number of turns, promoted as the load factor. It shows how much working capital (in units of shares) falling within each currency sales. [5, p.. 157]

Duration one turnover in days (or turnover rate) of working capital is defined as the ratio of the number of days in billing period (for the quarter - 90 days of the year - 360 days) and ratio of the same period. To characterize the economic efficiency of working capital can apply their rate of return, calculated as the ratio of profits to the sum of its current assets.

As a result of accelerated turnover of financial (cash) costs reduced demand for them, the process of release of these funds with turnover. There are absolute (decrease the desired amount of money) and relative (sales of more products at a fixed sum of money by improving their use) the release of money from circulation. Among measures to improve the efficiency of turnover funds are an important place belongs to optimize inventory. It is connected with optimization of the largest reserves reducing inventories in the business especially with materialomistkym production. Reducing the length of the production cycle for such enterprises in all one day you can reduce the amount of work in progress amounting to more than 2 million grams. units.

If you speed up the implementation of products and one day, then maybe the release of working capital will be approximately 1 / 3 the volume of the finished product remains in the enterprise. [5, p.. 157 - 159] The lower the load current prob ture, the more effectively they are used. Effectiveness ratio of current assets (CE), describes the amount of income that falls to 1 USD. Acceleration of turnover of working capital contributes to their absolute and relative to the release of defense mouth. In absolute release means reducing the amount of current assets in the current year compared to last year with an increase of about mestic production. Relative release occurs when the growth rate of sales growth ahead of company- defense capabilities. In this case, less-defense company-provided means bigger sales. In connection with the growth of the total of payments due to high inflation, an absolute release of circulating funds is not so special attention should be at divide the analysis and creation of conditions for the relative release of resources. General release is defined as the sum of absolute and relative foot release. Drugs released from service, used to increase production and sales, goods and services, strengthen the financial condition of the company. [6. 107 - 108] Planning of working capital is subject to estimates of production costs and non-production needs and business plan that covers and connects the industrial and financial performance, creating just that the conditions for successful business operations and business development.

**2. Planning requirements current assets**

**2.1 Normalization of current assets and determining the need for them**

Household and business activity is impossible without working capital. This need is one of the objects of the financial planning and accounting for and reporting. Size of working capital, which forms part of every current assets must meet the needs and possibilities of creation and sales. In the process of business enterprise direct effect on growth efficiency of current assets (inventory optimization, reducing the duration of the production cycle, improvement of logistics, sales acceleration time). However, resources are directed to production due to inefficient use do not give good value. Therefore, significant importance is the determination of economic efficiency of current vehicles. [21]

In addition, there is a need in the planning of financial resources for ancillary and subsidiary, housing and public utilities, welfare institutions and other non-industrial nature. Defining the needs of current assets through their normalization. Normalization of working capital presupposes that many factors that affect the economic activity of enterprises. The enterprises production sphere to them include: terms of the supply business inventories: the number of suppliers, delivery time, the amount of transit parties, the number of items of goods, forms of payment for material values; organization of the production process: the duration of the production cycle, expenditure allocations for the production cycle, the range of output; terms of sales: the number of consumers of finished products, their remoteness, destination products, subject to its transportation, forms of payment for shipped products. [17, sec. 148 - 147]

Turnover ratio is defined as the ratio of current annual turnover of their annual average number of revolutions and indicates who made the working capital for the period. The more turns carry current assets, the more effectively they are used: [C. 78 Makarovska EP]

K\_ob = O\_r / S\_ob (2.1)

where Kob - turnover ratio; Or - an annual turnover of circulating assets; Sob - the average value of current assets. In ratio of applying auxiliary parameters, such as playing one turnover includes the number of days during which current assets make one turn and load factor of current assets. As far as the following formulas: [10, sec. 78]

O\_t = D\_n / K\_ob (2.2)

K\_z = S\_ob / O\_r (2.3)

That's where - playing one turnover; Days - Number of days in a year (usually take 360); Circuit - the load factor of current assets. Load factor current assets enables to estimate the amount of current assets to 1 USD sales. Less current means used for the production of products sold per 1 USD, the rational and better use them. Actually, all three indices are identical, but each of them differently expressed: the first - in quality ratio, the second - in the days of turnover, the third - in terms of money. Thus, the auxiliary parameters are derived from the ratio of the same and characterize the effectiveness of current assets, just with different positions [2, sec. 239] Planning of working capital is subject to estimates of production costs and non-production needs and business plan that covers and connects the industrial and financial performance, creating just that the conditions for successful business operations and business development.

The purpose of the functioning of current assets is to maintain continuity of the production process. But this continuity may in each case supported by the different amount of current assets. At the same time know that this must achieve a minimum number. To evaluate the efficiency of current use of certain figures (turnover ratio, load factor, the length of one turnover, profitability) and to increase efficiency - appropriate methods (optimization of inventory and work in progress, reducing the duration of the production cycle, improvement of logistics; acceleration time of production). This acceleration of turnover contribute: first, to increase production per unit operating costs of the enterprise and, secondly, the release of drugs, and therefore - to create additional reserves to expand production In accordance with the composition, structure and availability of working capital and planned production volume of business can make profits with minimal costs. If underreporting of working capital available to supply disruptions and production process, reducing output and income of arrears and debt, other negative phenomena in economic activities.

The excess of current assets leads to the accumulation of over dimensional inventory of raw materials, erosion of savings, and conditions for use of working capital for other purposes. [11, sec. 289 - 291] Management of working capital consists in ensuring the continuity of the process of production and sales with the least amount of working capital. This means that the company's current assets should be distributed throughout all stages of the cycle in the appropriate form and in a minimal but sufficient. In today's environment where businesses are self-financed in full, the correct definition of requirements for working capital is of particular importance.

The process of developing commercially reasonable quantities of working capital needed for normal operation of the enterprise, called the valuation of current assets. Thus, standardization of working capital is to determine the amounts of working capital needed to form a permanent minimum and at the same time, sufficient material values, the minimum balance in progress and other current assets. Normalization of working capital facilitates the identification of internal reserves, shortening the production cycle, faster realization of finished products. [10, sec. 174] Pertain to the working capital that are in inventory, work in progress, quantities of finished products to the enterprise. This normalized working capital. Other elements of working capital are called irregular. In the process of normalization of working capital define norms and standards of working capital. Normalization value of current assets is as follows.

First, the correct definition of the standard working capital provides continuity and uninterrupted production process. Second, regulation of working capital enables efficient use of working capital for each enterprise. Thirdly, the right of the established norms of working capital depends on the plan of production, sales, profits and profitability. Fourth, comprehensive standards of working capital contribute to strengthening the economy, and minimize business risk. Rate of working capital in relation to raw materials and semifinished products purchased includes: transport of reserve time for acceptance, unloading, sorting, storing materials, technology stock, current (warehouse) stock; warranty (insurance) stock.

Transport stock is defined as the difference between being in the way of cargo from suppliers to customers and post run time of settlement documents and their clearance by the shipper and the banks handling the location of the provider and consumer. [17, sec. 151] If the raw materials delivered to the consumer before the arrival of payment documents (or these processes overlap in time), the vehicle stock is not established. Preparatory stock - this time for acceptance, unloading, sorting, storing materials.

Technology stock includes the time for preparatory operations (timber drying, grinding scrap, cutting out materials), unless they are part of the production cycle. Rate of technological stock is determined by concrete conditions of each enterprise and a period of preparatory operations. Current stock - floating rate funds in the stock of the current depends on the frequency and regularity of supply of materials, uniformity of consumption in production. What they often come to the consumer, the smaller will be the current stock. In the normal working capital, normally included average current stock of 50% duration interval between deliveries. The interval is determined based on supply contracts with suppliers or based on actual data on the flow of the previous period. [17, sec. 151 - 152] 2.2. Own sources and management of working capital

Generally, the minimum needs in current assets covered by such own sources: the authorized capital (fund), contributions from special revenue funds in the value of , targeted funding and target revenues (from the budget, sectoral and inter-budgetary funds), the gain constant liabilities. Companies that are in force, form the revolving funds from the budget, equity contributions of the founding members, contributions of foreign participants (for joint ventures), the proceeds from the issue of securities.

These funds are included in the statutory fund start-ups. [18, sec. 162] According to the sources of working capital divided into: own funds, including: share capital, share capital, additional capital is invested, other additional capital, surplus, retained earnings, earmarking; liabilities, short-term bank loans, current long-term debt obligations. We know that quite a number of objective reasons (inflation, output growth) in the enterprise's always a need for additional working capital. Because the company uses borrowed money: banking and commercial loans, bond loans. Along with bank loans sources of working capital may also be commercial loans of other companies and organizations that are issued as loans, promissory notes, trade credits, advances. Companies also use investment tax credits, that is temporarily deferred tax liability. For the investment tax credit company enters into an agreement with the Tax Administration; attracted additional sources, which include: accounts payable for goods, works, services, and ongoing commitment to advances received, payments to the budget, payments, insurance payments, with remuneration of members, other current liabilities, provisions for doubtful debts, charitable and other income [11, sec. 389] The order of the formation of a current asset in the business depends on ownership, the basis for the functioning of the enterprise, its specific organizational structure and other factors. Dimensions and enriching their own floating funds annually in the financial plan. However, the size of their current assets that are fixed by now, is not constant.

The financial condition of the enterprise depends on how quickly the funds invested in assets, converted to real money. The most important indicators of economic activity - income and the volume of sales - are directly dependent on the speed of rotation of working capital.

Acceleration of rotation of working capital is important for stability of the financial condition of the company, due to three main reasons:

- The speed of rotation of funds depends on the annual turnover for the company with a small amount of working capital, but uses them effectively, could do the same turnover as a company with more funds, but with less speed;

- Reversibility associated with the relative size of cost reduction which reduces unit costs;

- Accelerating the turnover of this or that stage cycle costs (for example, reducing time spent on materials in stock) to accelerate the turnover leads to other stages.

The system of management of working capital based on the following principles: granting independence to disposal companies, working capital management, ie operational independence in the use of working capital; identify needs and planned allocation of working capital for individual elements and units, ie the calculation of the optimal requirements for working capital, which would ensure the continuity of the production process, performance targets for the development of norms rhythmic work of long duration and annual requirements); adjustments calculated and applicable regulations including requirements management, change: output, prices for raw materials, suppliers and customers; rational system of financing of working capital, ie the formation of working capital from their own resources and raised funds in amounts that provide the normal financial state enterprises; rational control over the deployment and use of working capital, ie, analyze the efficiency of circulation of funds that are used to accelerate their rotation. [15, c. 285]

The objectives of working capital management company are: assessment of current assets of the company; identifying the need for different types of current assets (working capital rationing); analysis of major trends (working capital turnover, return on working capital, etc.); study and numerical calculation of the basic factors on the value of circulating capital, the need for them and their reversibility; identify, study and use of reserves efficiency of working capital; provide comprehensive information for management decisions. Working capital management should ensure the search for compromise between the risk of loss of liquidity and efficiency.

This is reduced to solve two important tasks:

1. Ensuring solvency. The company, which has a sufficient level of working capital, may face the risk of insolvency.

2. Ensuring an acceptable volume, structure and profitability of assets. It is known that various different levels of current assets differently affect the earnings. For example, high levels of production and inventory accordingly requires significant operating costs, while diverse range of finished products can further enhance sales volumes and increase revenues.

Each decision is concerned with determining the level of funds, accounts receivable and inventory, should be considered as a position of profitability of this type of assets and positions of the optimal structure of current assets. Value analysis of current assets is that it is an instrument of effective working capital management company. [14, c. 312] The availability of sufficient working capital enterprises optimal structure - a necessary prerequisite for its normal functioning and financial stability in a market economy. Lack of sources of working capital resulting in underfunding of economic activities and financial difficulties. The presence of extra sources of working capital in the company promotes the creation of excessive stocks of commodity-material values are , distraction of working capital from commercial trade, and reduce liability for purposeful and rational use of both its own and borrowed funds. In svoyucherhu effectiveness of the organization and management of circulating capital depends on the level and consistency of processes orhanizatsiynosti analysis of circulating capital in the previous period, working capital planning, monitoring implementation and management decisions for how to improve working capital.

**2.3 Indicators of current assets**

The state of working capital primarily characterized by the presence of a certain date. Comparison of actual availability of working capital with the standards help to define their own lack or excess of current assets. For some basic parameters that characterize the financial position of enterprises established normative values, theoretically or derived from expert estimates. Some of the financial status largely depends on the type of activity, technology, fitness industry, etc., for example, the business of actual availability of working capital with the standards help to define their own lack or excess of current assets.

A lack of working capital means current assets exceeding the standard on their actual presence. It may be the fault of the enterprise, other enterprises, the changes in conditions is not taken into account in a timely manner (such as failure to increase funding standard of its own working capital), natural disasters and other causes. Surplus of own current assets created in the enterprise in excess of current assets over the size required for the satisfaction of minimum needs of the resource. It can arise from over-plan profit; incomplete contribution payments to the budget; free revenues (a) inventory of other organizations, using partial profits for the purposes provided in the financial plan, and others. [17, sec. 167 - 168]

Economic performance of current assets are assets ratio, fondomistkist, profitability, turnover, co coefficient turnover, size, release (freeze). Assets ratio - an indicator that characterizes the level of manufacture, gross tion (commodity) production per unit of current assets. He is determined by dividing the gross output or product-language production in terms of value of current assets of USD 1000 Fondomistkist - an indicator that characterizes the size of current assets that are used in the production unit of gross (single automated imple ) products. He is determined by dividing the value of current assets to USD 1000 produced or sold products.

Yield - an indicator that characterizes the level of return com-Unto production costs or its components, including their turnover assets. Determined by dividing the volume balance profit for 1000 USD annual average of current assets. [18, sec. 209 - 210] To characterize the efficiency of working capital to enterprises use different indices, the most important of which is speed. It is calculated in days and is characterized by a period for which the company's current assets make one revolution.

SD = O / R (2.4)

where O - rotation term working capital (days);

C - average normalized working capital balances (USD);

D - length of period for which the calculated rotation (days);

R - sales volume (USD)

To characterize the efficiency of working capital available rotation rate, determined by the formula:

K\_o = P / S (2.5)

where co - rotation ratio of current assets; R - the volume of sales (USD); C - average normalized working capital balances (USD).

This figure indicates the number of turns of working capital during the reporting period. The more engaged in working capital turnover, the better they are used. Load factor working capital is calculated by this formula:

K\_z = C / R (2.6)

where circuit - the load factor working capital (the cop). He describes the value of current assets to 1 USD. sales. Less working capital accounted for 1 USD. sales, the better they are used. To characterize the efficiency of working capital efficiency coefficient can be used. It is calculated by the formula:

K\_e = P / S (2.7)

where Ke - coefficient of efficiency of working capital (kop); Q - Income from sale of marketable products (UAH). This figure describes how much profit falls to 1 USD. current assets. How is it bigger, the better use working capital. [17, sec. 168 - 170] Relative release of working capital arises when the improved use of their enterprise with the same amount of working capital or with a slight increase in their planned increases, the volume of production. Since it is a source of assets profit now consider the formula now in the part of its assets: This figure can be expected for other profits (profits before taxes and other income). Comparison with the previous metric will enable to assess the impact of taxes and interest paid on loans for the total return on assets. Comparison with the previous metric will enable to assess the impact of taxes and interest paid on loans for a total yield of real assets. [5, p.. 96] For the realization of investment projects often than equity capital, using loans, bonds or other forms of long-term financing. All these forms of financing (except for short) form the capital of the company. Indicator of efficiency of capital is very important for investors. It enables lenders, shareholders know about the ability of service and repay the loan.

Return borrowed capital: Performance of this group give an idea of how efficiently the company operates, controls the production costs and selling products, and that net income while receiving. [5, p.. 98] So, this is a financially stable entity that own funds covering the costs invested in assets not allow unjustified receivables and payables, timely payments for their obligations. The basis of financial stability are balanced, rational organization and efficient use of working capital. But that does not mean that the company has working capital to invest only in highly liquid assets to help reduce the likely risk and get high profits. The main purpose of business is to create competitive products with high consumer properties.

**3. Using circulating assets and ways to speed up their rotation**

**3.1 Provisions for current assets as security for business**

Information about the financial condition and results of enterprises that use a wide range of users, is important for investors who are primarily interested in the presence of a sufficient level of economic enterprise, and as the size of its liabilities and equity, and current business financial results. This information can help evaluate the effectiveness of methods of property management companies and management decisions. Accuracy of the information of financial position and results of its conception of proper and accurate picture of the company, which creates a clear and accurate representation of reality, without deviation, prykrashan, shadowing and suppression of certain aspects of the state or entity. It should consider the fact that every business transaction of the current leads to certain results in the future, and that is always in a market economy characterized by these operations is incomplete and inaccurate. Even companies with an ideal control system subjected to threats to the collapse of global capital markets, the impact of political, economic and social changes in the state and other factors. Thus, we can define risk as the incompleteness of information in making management decisions. The risk of economic activities need to match the following criteria: likelihood of economic consequences of the operation (high probability of its occurrence) and the possibility to change its size (change risk). A variety of causes redundancy in accounting difficult to determine. Overall, the reserves can be defined as an instrument of self-insurance businesses from the impact on future financial condition to the expected negative consequences of the risks of economic activity.

Reserves must meet the cost of assets produced in this reporting period to cover the foreseen (expected) losses, damages, liabilities, reductions in asset risks caused by the enterprise. Based on the foregoing, provisions, revealing the possible independent factors of influence on company financial results of enterprises, ensure preservation of equity, retain the rights and interests of owners of capital, ensure implementation of the principle of continuity of the entity. Assets attributed to the formation of reserves may not be the basis of their Clothing essence, reduce the current proprietary tools businesses serving its operating, investing and financing activities.

Otherwise, one would assume that all assets used in the current period would have "preserved" and defined as a means to cover commitments envisaged reserves, causes decrease in assets of a company (ie the effects of economic risks). This means that such assets have been used at the time the reserve, or detection of risk with a high probability of its implementation. Assets allocated to reserves to cover the expected effects of current decisions of economic risk. In practice, reserves may be created during a period in time of an authentic reason for their formation, there is an economic risk with a high probability of occurrence. At the time the reserve is determined by its size, which is known to be formally documented, as the business transaction, to cover the consequences of which provision has been made, only come in the future.

Moreover, it may be that the expected risk (the corresponding operation) did not come, which means a reserve unreasonableness and omissions of management and information system. So we can conclude that the reserves must formuvatysyatilky in the case where it is safe to talk about the reality of the risk of economic activities and relevant existing reasonable causes. Reserves are expected to guarantee the enterprise in the future weighting of losses, damages and losses, which makes a real financial performance of the entity. Understanding accounting reserve covers: as a reserve estimate of future costs of assets; use of reserves as a real physical attrition (decrease) in assets; recognition of the reserve in full or part as inappropriate (ie, provided economic phenomenon has not happened yet or reserve value exceeds its true value). [11, sec. 177]

Thus, we can conclude that the reserves created by a clear purpose (according to the type of economic risk and its consequences) for short or tentatively determined period, after which the provision or use of, or determining the expediency of its creation, in other words, the effectiveness of this this method of business.

**3.2 Ways to improve and accelerate the use of working capital**

Duration of rotation of funds - a synthetic indicator, capable of displaying both tangible outcome of the process of creating - generated sales of goods and services rendered for the period - and the efficiency used in the process of material and money. Under the present conditions it can be used at the enterprise level and at the macro level in developing integrated economic programs. The rotation of working capital is calculated according to plan and effectively. By comparing actual with planned rotation time is determined by acceleration or deceleration of a rotation of all the normalized working capital and for certain articles. Due to the rotation speed of the current assets turnover of released funds that is calculated by multiplying the actual one-day sales volume days faster rotation of working capital. The more engaged in working capital turnover, the better they are used. [17, sec. 169] Acceleration of turnover of working capital is a priority in today's business conditions and achieved in different ways.

At the stage of creating such inventory can be:

• Implementation of standards commercially reasonable reserve;

• Approaching suppliers of raw materials, intermediate products, components and other products. to consumers;

• Extensive use of direct long-term relationships;

• Expansion of warehouse logistics, and wholesale trade in materials and equipment;

• Complex mechanization and automation of loading and unloading at warehouses. At the stage in progress:

• Accelerating scientific progress (the introduction of progressive techniques and technologies, especially bezvidhidnoyi, rotary lines, chemicalization production);

• Development of standardization, unification, typification; • Improving the form of industrial production, the use of cheaper structural materials; • Improving the system of economic stimulating economic usage of raw materials and energy resources;

• Increase the share of products high demand. At the stage of treatment: • The approach to its consumer products manufacturers;

• Improving the system of payments;

• Increased sales due execution of orders for direct call, early production, making products with savings of materials;

• Thorough and timely selection of products shipped for parties, range, normal transit, shipment in strict accordance with concluded agreements. Improved utilization of current assets frees them. This release may be absolute and relative.

Absolute release of working capital - a direct reduction in the need for working capital against the previous period and a simultaneous increase in output (sales). Relative release of working capital arises when the improved use of their enterprise with the same amount of working capital or with a slight increase in their planned increases, the volume of production. [10, sec. 79 - 80]

Under present conditions is because inflation is most likely a relative release of working capital.

Also, companies use these ways to improve the use of company- defense funds and current assets:

- Introduction of non-waste production technologies;

- Complex use of raw materials;

- High-quality preparation of raw materials for production; - Improving the regulatory framework;

- Support equipment in proper working order and strict observance-ing requirements of the process;

- Reduce production time product (reducing production nychoho cycle);

- Reducing inventory by improving organizing logistics, reduce dal Nosta their transportation;

- Improvement of settlements with customers and other measures that to improve the financial and payment discipline. [10, sec. 79]

Acceleration of turnover and current assets under vyrobnytsva achieved mainly by reducing the production cycle. The desire to save material resources leads to the introduction of new techniques and improvement processes. Savings in the consumption of material resources promotes better use of production capacity and improve social productivity. Economic efficiency of improving the use and cost of working funds is quite large, since they affect all the parties to the industrial and business enterprises.

**Conclusions**

For the normal functioning of every company needed working capital, representing cash used for purchase now circulating funds and funds turnover. Current Assets, ie, material resources as opposed to fixed assets used in one production cycle, and their cost is transferred to the product immediately and completely. For objective evaluation of current assets at the present stage of economic development should apply a system of indicators: indicators of turnover, performance materials consumption expenditures, liquidity ratios, performance of investments in accounts receivable, your return on assets. Using these figures the economy will be able to fully analyze the efficiency of using circulating assets and based on it seek to increase their use. The availability of sufficient working capital enterprises optimal structure - a necessary prerequisite for its normal functioning and financial stability in a market economy. In turn, the effectiveness of the organization and management of circulating capital depends on the level and consistency of processes orhanizatsiynosti analysis of circulating capital in the previous period, working capital planning, monitoring implementation and management decisions for how to improve working capital.

Release of working capital provides a range of positive effects:

- Production is at a lower cost of working capital;

- Released material resources;

- Accelerating revenue in the budget allocations from the profit; Improve the financial situation of enterprises, because the financial resources released as a result of accelerated turnover of excess funds, they remain to the end of the year before the company and can be happily used (profitably invested). Thus, an important issue for enterprises is to ensure the preservation of working capital. While financial planning is important to determine the possible presence of excess or shortage of working capital at the end of the scheduled period.

This amount is expected urivnyuyetsya availability of their own company's current assets at the end of the planned period of its aggregate demand for current assets. If demand exceeds the planned amount of their circulating capital, shortages in their own working capital. Companies who have committed a lack of working capital, can eliminate it from their own and temporarily by borrowed funds, choosing the optimal structure to raise funds.

The main purpose of asset management businesses, including working capital, is to maximize return on invested capital while providing stable and adequate solvency. Moreover, these problems to some extent opposed to each other. Thus, to maximize your return funds should be invested in various working and non-current assets, with several more deliberately than money liquidity.

And to sustain the solvency of the enterprise should constantly be on account of some amount of funds actually withdrawn from circulation for current payments. An important task in working capital management is to ensure optimal balance between solvency and profitability by supporting the appropriate size and structure of current assets. It should also be noted that the company should maintain the optimal mix of own and borrowed current assets, because this depends on its financial stability and independence and the possibility of obtaining new loans.

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