

FINANCIAL MANAGEMENT ACTIVITIES OF ENTERPRISES IN THE MODERN ECONOMIC CONDITIONS

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Abstract. The *purpose of the study* is to deepen the theoretical and methodological foundations and improve the practical recommendations regarding the financial management of companies in modern economic conditions. *Results.* Thus, it can be argued that modern crisis management of enterprises should be preventive in nature and be carried out in anticipation of negative crisis phenomena that lead to a loss of financial stability and solvency. According to the authors, the changing market environment creates an objective need to consider crisis management not as a one-time problem-oriented action, but as a continuous process, since it is known that it is easier to prevent a problem than to eliminate its consequences. It is evident that the practical implementation of management decisions necessitates the availability of appropriate sources of funding. These can be mobilised through the effective functioning of the financial mechanism, which comprises financial methods, financial levers, regulatory and information support. The efficacy of crisis management in enterprises hinges on the sufficiency of financial resources, which in turn depends on the selection of an appropriate method and instrument. Hence, the issue of optimal choice and feasibility of using financial methods in the context of crisis management of enterprise is a promising area for further research. The economic performance of the private company (PC) for the period 2021-2023 is positive, with an acceptable level of profitability. There is a threat of financial risk for the PC due to an increase in the amount of funds raised. At the same time, equity's manoeuvrability is increasing, indicating effective management of financial flows. Despite certain downward trends in the financial condition, the company has a significant margin of safety due to the fact that fixed costs are 21% or more. It follows that the main objective of financial management is to ensure growth in net income and profit, which can be achieved by increasing the production of veterinary drugs, growing sales of feed additives and providing services. Consequently, the most pressing objective of financial management at PC "O.L.KAR.-AgroZooVet-Service" is to enhance revenue generation and align financial flows. *Methodology.* The article develops methods of financial management of an enterprise, which envisage identification, analysis and development of models of anti-crisis management. *Value / Originality.* The management of the enterprise of wholesale trade in intermediate products is currently considered one of the most important and complex areas of activity and requires detailed consideration from the point of view of financial activity. The results of financial activity of PC "O.L.KAR.-AgroZooVet-Service" prove its efficiency. However, there is a clear tendency towards a certain complication of the efficiency of work, which is mainly connected with the influence of military events, the crisis state of the economy in general, the divergence of the trends in the price of the company's products and its costs, and fluctuations in the exchange rate. At the same time, the management of the PC conducts a financial policy aimed at development, accumulating profits in its capital and providing the necessary funds for the development of the company's fixed assets. Therefore, measures of anti-crisis management of the enterprise are proposed after calculating the bankruptcy model of the enterprise. *Prospects for further research* are related to the development of optimal solutions for managing the finances of business entities in Ukraine. Summing up the above, it can be noted that during the analysed period, the financial condition of a private enterprise did not deteriorate significantly: the company makes profits, but the indicators of financial stability and solvency attract special attention. Guided by these instructions and instructions for increasing the level of financial stability and

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improving financial management, PC "O.L.KAR.-AgroZooVet-Service" will maintain a stable and competitive level of financial and social activity on the market under proper financial management under the management, even in difficult times of martial law in Ukraine.

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JEL Classification: G32, H12, G14

1. Introduction

The current state of economic development can undoubtedly be called a new era of economic thinking in terms of the philosophy of entrepreneurship and the formation of its management. The ability of enterprises to function and be competitive in certain economic chains is a parallel of constant development towards meeting the needs and expectations of customers, adapting to changes in the external environment, which provokes daily changes in the average financial management of an enterprise with a terrible date for Ukraine and the entire conscious world – February 24, 2022, when Russian troops invaded the holy Ukrainian land, almost the entire economic environment of the country experienced significant shocks, especially in the market business. The issues of enterprise financial management today are of utmost relevance for every business entity in the extreme market environment, preserving the competitiveness and value of the enterprise. Financial management in modern conditions cannot be a static subsystem and manipulate only traditional indicators, but requires constant updating of financial ideology and strategy, search for new financial instruments and methods of management decisions.

The changes taking place in the country's economy will require business leaders to review their financial management functions. In a market economy, the focus of attention is gradually shifting from purely production management to financial management, as any company can compare certain financial results and calculate the relevant indicators to assess its performance. The lack of a systematic approach to the financial management of business activities leads to the aggravation of an already difficult situation and the dispersion of the availability of financial resources of enterprises. In order to avoid a significant part of the financial difficulties faced by enterprises, it is necessary to form an effective system of financial management. An enterprise can operate effectively in the market in a fiercely competitive environment only through rational financial management. The level of organisation of the company's financial management will show how timely, with minimal costs, without losing independence, the company will be provided with the funds necessary for its rational equipment and normal ongoing business activities.

Despite the large number of researchers and scholars on this issue, management studies in the financial environment of enterprises and organisations are being traced and further studied, improved and adapted to external changes, both on the theoretical and practical basis of the financial management system, including the study and research of global practices, trends and experience.

The study is aimed at deepening the theoretical and methodological foundations and improving practical recommendations for managing the finances of enterprises in the current economic environment.

2. Economic Crisis Impact on Consumer Behaviour

The object of the study is a Private Company "O.L.KAR.-AgroZooVet-Service", which is an independent legal entity, has an independent balance sheet, a current account in a bank, a stamp, and a seal. The private company is engaged in wholesale trade of semi-finished products in Vinnytsia region and other regions. The company is a manufacturer of modern veterinary drugs and feed additives in Ukraine. The company was founded in 2003, at a time of crisis in the country's agriculture and chronic shortage of funds for animal treatment. The company produces more than 1,000 types of high-quality products for veterinary medicine and agriculture, has 20 workshops with a total area of 50,000 square metres, and its own logistics fleet consists of 120 vehicles.

The private enterprise operates in accordance with the Law of Ukraine "On Business Associations", the Commercial Code of Ukraine and other regulatory legal acts, the Charter and the Memorandum of Association. The head of PC "O.L.KAR.-AgroZooVet-Service" is Yaremchuk Oleh Yakovych. As of January 1, 2024, the number of employees was 109. In addition to the director and chief accountant, the company's management team includes 10 people. The company engages a lawyer for legal support of its activities, but he is not a full-time employee of the company.

The privately owned company manufactures 2,000 product names and distributes 4,000 product names from other manufacturers: vaccines, antimicrobials, antiparasitics, anti-inflammatories, hormones, vitamins and feed additives, pet products, etc. All products comply with GMP standards.

The goods of PC "O.L.KAR.-AgroZooVet-Service" are sold in many countries of the EU and Asia.

The results of the company's operations are detailed in its public financial statements, which served as the information base for this paper.

Enterprises of various forms of management in the modern business environment set the main goal of ensuring a stable and continuous production and sales process with a high level of profitability and a timely process of settlement with counterparties, the state and employees in the process of conducting business activities. In order to achieve this goal, it is necessary to constantly analyse the financial situation of the company, which helps to react quickly to external factors and increase the level of competitiveness on the market. Therefore, the issue of a comprehensive and regular assessment of the financial situation in order to make effective management decisions is becoming increasingly important.

In view of the above, here is an analysis of the key performance indicators of a private enterprise for 2021-2023, as shown in the table. The private company operates stably, but there is a tendency to increase sales volumes. The net income of the PC increased 1.27 times, the cost of production increased 1.45 times, and net profit increased 5.8 times compared to 2022 and 3 times compared to 2023. Comparing the dynamics of production cost growth with the dynamics of revenue growth, it is natural to strengthen the company's financial work.

Thus, PC "O.L.KAR.-AgroZooVet-Service" is gradually improving its financial results, making a profit during the period under study and increasing its sales volume. It is expected that the financial results will improve in 2022, but it is too early to draw conclusions on the basis of one year's analysis.

If one take into account the level of inflation, the results of the financial work of PC are somewhat different. When calculating the impact of inflation on its performance, the following results were obtained: according to the State Statistics Service of Ukraine, the consumer price index in Ukraine for the same period was 110% in 2021, 126.6% in 2022, and 105.1% in 2023. Such fluctuations in the inflation index lead to uneven net income of PCs, rapid growth in production costs and other indicators. Given the financial and economic crisis and military events, this financial result is expected. However, the fluctuations in net income indicate that the risks and threats to the activities of the PC in the period under review were realised.

Assessment of the financial position is a key element in identifying problems in the company's operations and opportunities for improvement. The assessment of the financial position will include the usual analysis procedures: horizontal and vertical, ratio analysis of liquidity and financial stability.

It is advisable to start assessing the financial condition of a PC by evaluating the dynamics of assets and analysing changes in their structure.

The decline in the growth rate of non-current assets is explained by the fact that, while constantly renewing fixed assets, a trading company has a large number of valuable old assets, especially buildings and structures. In addition, an increase in the total value of non-current assets leads to a decrease in the growth rate in the calculations (Table 2).

The analysis of non-current assets of a private enterprise, which account for 98% of the balance sheet currency, is of great importance in asset valuation.

The growth of current assets is variable, but positive, which is mainly due to fluctuations in sales

Table 1

Dynamics of the main indicators of the activity of PC "O.L.KAR.-AgroZooVet-Service"

Indicator	2021	2022	2023	Deviation of 2023 from 2021, (+;-)
Net sales revenue	379994	697160	482409	+102415
Cost of goods sold	330135	614050	479544	+149409
Gross profit	49859	83110	2865	-46994
Financial result from operating activities	6956	38933	20502	+13546
Net profit (loss)	5175	30305	15468	+10293

Source: created by the authors based on the company's financial statements

Table 2

The dynamics of the formation of non-current assets of PC "O.L.KAR.-AgroZooVet-Service"

Articles of balance	2021	2022	2023	Absolute deviation, 2023 from 2021 (+,-) thousand UAH
	thousand UAH	thousand UAH	thousand UAH	
Intangible assets	2	2	2	-
Unfinished capital investments	-	1537	-	-
Fixed assets	5175	3549	4785	-390
Total	5177	5088	4787	-390

Source: created by the authors based on the company's financial statements

Table 3

The dynamics of the formation of current assets of PC "O.L.KAR.-AgroZooVet-Service"

Articles of balance	2021	2022	2023	Absolute deviation, 2023 from 2021 (+,-) thousand UAH
	thousand UAH	thousand UAH	thousand UAH	
Reserves	123700	88254	129165	+5465
Receivables for products	57544	115289	99281	+41737
Receivables from settlements with the budget	864	10522	13886	+13022
Other current receivables	28273	40420	35404	+7131
Current financial investments	24996	899	899	-24097
Money and its equivalents	5504	7461	9191	+3687
Other current assets	14280	41344	53911	+39631
Total	255161	304189	341743	+86582

Source: created by the authors based on the company's financial statements

volumes, an increase in receivables, etc. At the same time, other current assets grew significantly – by 3.8 times. From the table, one can see the growth of accounts receivable and its share in the current assets of the PC. This means that funds are being diverted from the business turnover and in the future may lead to the need to attract expensive bank loans to ensure the current production and business activities of the enterprise. Such growth may threaten the financial stability of the enterprise.

A positive trend is the almost twofold increase in cash over the analysed period. This is because cash is the most mobile asset with high liquidity.

It should be noted that an increase in accounts receivable in current assets may indicate an increase in sales, an inefficient credit policy of the company towards customers, as well as insolvency of some customers. Therefore, it is necessary to calculate the ratio of accounts receivable to accounts payable.

Table 4

Analysis of the ratio of accounts receivable and accounts payable of PC "O.L.KAR.-AgroZooVet-Service"

Indicator	2021	2022	2023
Receivables	86681	166231	148571
Payables	40463	39405	50161
Correlation	2.14	4.21	2.96

Source: created by the authors based on the company's financial statements

This ratio shows whether the company has sufficient funds to receive from its debtors to repay its most recent obligations. If the company has a ratio of receivables to payables equal to 1, this is considered to be a normal accounting situation. In such a situation, the funds received by the enterprise from its debtors are fully sufficient to cover the most timely obligations of the enterprise to its creditors. At PC "O.L.KAR.-AgroZooVet-Service", the value of this coefficient fluctuated during the period under review from 2.14 in 2021 to 4.21 in 2022.

Such fluctuations in debt may lead to a deterioration in the company's financial position. The dominance of one or the other type of debt ultimately leads to an imbalance.

In determining the structure of assets, their value has been taken as the arithmetic average over the period. However, significant changes in the absolute value of assets and their growth rates do not lead to significant changes in the structure. The specific weight of non-current assets ranges from 2 to 3% and that of current assets from 97 to 98%. The overall structure of the company's assets is similar to that of a trading company. In general, based on the asset structure, the PC should have good liquidity.

Consider the dynamics of the elements of PC capital. The dynamics of the elements of the enterprise's capital differs significantly from the dynamics of the elements of assets. Thus, the growth rate of equity capital is significant with a tendency to increase by 38% during the study period due to an increase in the amount of retained earnings (Table 5).

During the period under review, the registered and unpaid capital did not change, and the amount of retained earnings increased by 45,773 thousand UAH.

The reason for the increase in undistributed profit of the PC is the increase in the amount of net profit from 5,175 thousand UAH in 2021; 30,305 thousand UAH in 2022 and 15,468 thousand UAH in 2023, which in turn is connected with the slow growth of production costs. It is possible to reduce the cost level by implementing new logistics systems, reducing the distance of goods delivery, full use of stocks and material resources, improvement of specialisation with orientation to the demand of potential buyers.

3. Differences in Consumer Spending Behaviour Among Age Groups

The company's needs for current assets should be met primarily through equity, followed by accounts payable and short-term loans.

Table 5

Composition and dynamics of equity capital of PC "O.L.KAR.-AgroZooVet-Service"

Articles of balance	2021	2022	2023	Absolute deviation, 2023 from 2021 (+,-) thousand UAH
	thousand UAH	thousand UAH	thousand UAH	
Registered capital	88000	88000	88000	-
Retained earnings (uncovered loss)	35100	65405	80873	+45773
Non-payable capital	3441	3441	3441	-
Total equity	119659	149964	165432	+45773

Source: created by the authors based on the company's financial statements

During the period under review, the amount of current liabilities increased significantly by 40,419,000 UAH or 28%, respectively. This was due to a 2.43-fold increase in other current liabilities, a 26% increase in current accounts payable for goods, works and services, and a 57% increase in insurance payments.

A positive trend is the decrease in payables for wages and salaries by 53,000 UAH. This indicates a decrease in the amount of liabilities to its employees for the payment of wages.

Other current liabilities have the largest specific weight in the overall composition in 2023, although their specific weight was also large in 2021-2022. Such an increase in other current liabilities indicates an increase in liabilities for securities, settlements with depositors, deposits, special types of payments and to other creditors. Thus, the growth rate of own funds is significant and tends to increase gradually. On the other hand, current liabilities and provisions increased by 29% over the same period. However, significant differences in the growth rates of equity and liabilities do not lead to significant changes in the capital structure of the company during 2021-2023. In general, the amount of equity is lower than current liabilities.

Having analysed the economic literature, it is possible to distinguish that a sufficient level of own and borrowed funds contributes to the continuous flow of current assets at all stages of the circulation, which solves the need for material and cash resources for the production process, and ensures timely and complete settlements with suppliers, the budget, banks and other intermediaries.

There are a large number of different ratios that can be used to assess the financial health of an enterprise.

Using the data from the previous section, the following figures will be calculated. In the short term, liquidity and solvency are the criteria for assessing the financial position.

Scholars believe that different categories of business entities need different liquidity ratios: for example, suppliers of raw materials need an absolute liquidity ratio, banks need a quick liquidity ratio, and buyers and holders of the company's securities need a current liquidity ratio (also called a coverage ratio). The coverage ratio must be greater than 1.

The current ratio is desirable to be in the range of 1-3, as shown by liquidity indicators ranging from 0.047 in 2021 to 0.26 in 2023. The value of this indicator has been decreasing every year. The calculated indicators do not meet the norm and indicate an existing financial risk for the PC.

Quick liquidity is 0.83 UAH for each hryvnia of current liabilities in 2021; 1.09 UAH in 2022 and 0.87 UAH in 2023 for each hryvnia of highly liquid current assets. With a normative value of 0.5 and above, it can be concluded that PC "O.L.KAR.-AgroZooVet-Service" did not have solvency problems in the period under review and had sufficient working capital to meet all its obligations.

The absolute liquidity ratio shows that for every hryvnia of current liabilities, there are 0.26 UAH in 2021, 0.057 UAH in 2022, and 0.062 UAH in 2023 of cash and equivalents. With a normative value of 0.2, it can be assumed that the PC's financial management is inefficient. The calculated indicator indicates a deterioration in the overall situation starting in 2022.

At the same time, it is necessary to note the uneven turnover of inventories, which creates the basis for the financial risk of the PC. Also, the value of the equity-to-borrowings ratio indicates that most

Table 6

Dynamics of liquidity indicators of PC "O.L.KAR.-AgroZooVet-Service"

Indicator	2021	2022	2023	Absolute growth from 2023 to 2021
Current liquidity ratio	0.047	0.031	0.026	-0.021
Quick liquidity ratio	0.83	1.09	0.87	+0.04
Absolute liquidity ratio	0.26	0.057	0.062	-0.198
Inventory turnover	3.07	7.9	3.73	+0.66
Ratio of equity to borrowed funds	1.12	1.06	1.09	-0.07

Source: created by the authors based on the company's financial statements

of the financial resources of the PC are borrowed (attracted). In turn, this may lead to a decrease in the financial independence of the PC.

During the period under review, the value of the financial independence ratio of the PC is below its minimum threshold value. Such values indicate that the PC is not financially independent. However, there is an increase in the value of this indicator by 0.01-0.02 during 2022-2023, as the amount of retained earnings increased significantly during this period.

The leverage ratio shows a high dependence on borrowed capital, but it is expected to decline significantly by 0.02 in 2023.

The financial risk ratio ranges from 1.17 in 2021 to 1.094 in 2023. According to recommendations, its value should be below 0.7. Therefore, according to the authors' opinion, PC "O.L.KAR.-AgroZooVet-Service" has signs of financial risk, which was confirmed by the calculation of liquidity indicators. Therefore, the PC should pay attention to inefficient capital structure, insufficient liquidity of assets, low turnover of current assets.

The equity manoeuvrability ratio determines the share of equity invested in current assets. The value of this indicator is high, but there is an upward trend, which is a positive aspect of the PC's financial performance.

The investment ratio indicates the investment activity of the PC. The value of this indicator increased by 2 times, which indicates investment processes at the enterprise and business development. Thus, the following conclusions can be drawn: during the analysed period, the financial condition of the private enterprise did not deteriorate significantly: the enterprise makes profits, but the indicators of financial stability and solvency attract special attention.

4. Research Methodology

At this stage, the study of the functioning of the financial management of PC should be supplemented with the calculation of the probability of bankruptcy threat using E. Altman's five-factor model.

The Altman model (Altman Z-Score) is the result of the authors' survey and research of 66 enterprises

(of which 50% were declared bankrupt and the rest continued to operate) using 22 financial indicators and represents a five-factor model of descriptive diagnostics of the probability of enterprise bankruptcy – the object of research is the set of the most important factors for assessing the level of probability of bankruptcy of the studied enterprises.

The model has the following form:

$$Z = 1.2 X_1 + 1.4 X_2 + 3.3 X_3 + 0.6 X_4 + X_5,$$

where X_1 = Working capital / Total value of assets;

X_2 = Net profit / Total value of assets;

X_3 = Net income / Total value of assets;

X_4 = Market capitalization of the enterprise / Amount debts;

X_5 = Sales volume / Total value of assets.

Practical studies on a sample of enterprises show that if the calculated value of the *Z-score* is below the critical value of 2.7, the enterprise under study is practically bankrupt. According to some sources, the reliability of this model is estimated at 95%.

$Z < 1.8$ - very high

$1.81 < Z < 2.70$ – high

$2.71 < Z < 2.99$ – possible

$Z > 3.00$ – very low

As can be seen from Table 7, the probability of bankruptcy of PC "O.L.KAR.-AgroZooVet-Service" according to the Altman model for the last three years is characterised as high in 2021 and possible in 2023, but low probability of bankruptcy in 2022. During the period under review, the value of the *Z-score* fluctuates, indicating the need to stabilise the financial situation.

Thus, according to the results of the study of the financial situation of the wholesale enterprise and the results of its economic activity, the following positive aspects of the activity of PC "O.L.KAR.-AgroZooVet-Service" can be determined: stability of the capital structure; financial stability of the commercial organisation; insignificant risk of liquidity loss; the fact of increasing own working capital.

The dynamics of the results of the PC activity show that the company is expanding the volume of product sales. However, according to the calculation results, there are signs of financial risk in 2021-2023.

Table 7

Calculation of the probability of bankruptcy of PC "O.L.KAR.-AgroZooVet-Service"

Indicator	2021	2022	2023
Ratio of working capital to total assets	0.46	0.48	0.47
Return on assets based on retained earnings	0.134	0.21	0.23
Return on assets based on net profit	0.0198	0.097	0.044
Current liabilities to equity ratio	0.85	0.94	0.91
Transformation ratio	1.45	2.25	1.39
Z-score: $1.2X_1 + 1.4X_2 + 3.3X_3 + 0.6X_4 + X_5$	2,594	3,486	2.78

Source: created by the authors based on the company's financial statements

It is appropriate to analyse the financial efficiency of the wholesale company in more detail.

Next, in the process of analysing the financial condition of PC "O.L.KAR.-AgroZooVet-Service" the profitability indicators will be considered, since these indicators allow assessing the company's ability to generate profits in the future. It is generally known that an enterprise is considered profitable if the income from the sale of products (works, services) not only covers the production costs, but also brings the amount of net profit that is sufficient for the effective functioning of the enterprise. The coefficients of capital profitability assessment characterise its ability to generate the necessary profit in the process of economic activity of the enterprise and determine the overall efficiency of its use. In order to carry out its evaluation, indicators of profitability of own and borrowed capital are used.

Table 10 above shows that the return on equity increased by 4.98 units compared to 2021 and decreased by 10.9 points, due to a decrease in net profit in 2021 and 2023. These fluctuations resulted in low return on equity. Reducing sales, logistics and other expenses will help increase the net profit of a private trading company.

Return on working capital characterises the level of profitability of working capital used. The private company has low values of this indicator, which fluctuates significantly. At the same time, the return on working capital was 1.9 in 2021; 10.8 in 2022; 4.7% in 2023, which indicates the efficient use of working capital in unstable economic conditions (war, coronavirus infection, etc.).

The profitability of sales shows how much operating profit the company makes from each hryvnia of product sold. In other words, how much remains in the company after production costs are covered. Since the average level of sales in different industries varies, there is no single standard for this indicator. At PC "O.L.KAR.-AgroZooVet-Service" the value of this indicator fluctuated significantly, which indicates an increase in the cost of goods and a decrease in the volume of sales.

The management of the enterprise of wholesale trade in intermediate products is one of the most important and complex branches of activity at present and requires detailed consideration from the point of

view of financial activity. Results of financial activity of PC "O.L.KAR.-AgroZooVet-Service" prove its efficiency. However, there is a clear trend towards a certain complication of the efficiency of work, which is mainly due to the impact of military events, the crisis in the economy as a whole, the divergence of trends in the price of the company's products and their cost, and currency fluctuations. At the same time, the management of the PC pursues a financial policy aimed at development, accumulation of profit in its capital and provision of necessary funds for the development of fixed assets of the enterprise.

The results of economic activity at the PC for the period 2021-2023 are positive, with an acceptable level of profitability. It should be noted that during the analysed period, the PC increased its net profit by 10,293 thousand UAH. Currently, there is a tendency to increase the volume of sales of own products and sales of other products, as well as an increase in the volume of services. An analysis of the PC's financial position will confirm that there is a positive development trend. The construction of assets is permanent, and fixed assets are constantly updated. Among the sources of financing, equity prevails, the amount of which is constantly growing due to an increase in retained earnings. Thus, the PC's equity increased by 45,773,000 UAH. However, the current and absolute liquidity ratios are low, and the quick liquidity ratio is relatively high, indicating that the PC has no solvency problems. The financial independence indicators are below the thresholds (0.47-0.49), but show slow growth. There is a threat of financial risk for the PC due to the increase in the amount of borrowed funds. At the same time, equity's manoeuvrability is growing, which indicates effective management of financial flows. Despite certain downward trends in the financial position, the company has a significant safety margin due to the fact that fixed costs are 21% or more. Therefore, the main task of financial management is to provide the latter with net income and profit, which can be covered by expanding its own production of veterinary drugs, increasing sales of feed additives and providing services. Therefore, the most urgent task of financial management at PC "O.L.KAR.-AgroZooVet-Service" there is to improve income generation and harmonisation of financial flows.

Table 8

Dynamics of profitability indicators of equity, working capital and borrowed capital of PC "O.L.KAR.-AgroZooVet-Service"

Indicator	2021	2022	2023	Deviation of 2023 from 2021, (+;-)
Return on equity, %.	4.32	20.2	9.3	+4.98
Return on working capital, %.	1.9	10.8	4.7	+2.8
Return on sales, %.	13.1	11.9	0.6	-12.5

Source: created by the authors based on the company's financial statements

5. Findings

Conducting business activities in unstable economic conditions objectively requires recognition that crisis management from a specific problem-oriented type of management takes the form of a permanent process that should take place not only in the event of problems and elimination of negative consequences, but rather for preventive purposes, in order to prevent crisis phenomena or minimise their consequences. Undoubtedly, the material basis of any activity, including management, is the availability of financial resources that serve as financial support. At the same time, it is important not only to mobilise the necessary funds based on a wide range of financial methods, but also to use them rationally, i.e., to apply the necessary financial instruments.

The determining factor in the implementation of crisis management of enterprises is the formation of an effective financial mechanism that would take into account the specific goals and objectives of a particular enterprise. Traditionally, in scientific circles, the concept of "mechanism" is interpreted as a system, means and tools that determine the procedure for carrying out specific activities, as well as the relevant regulations and decision-making procedures. The financial mechanism is a separate independent economic category that has an impact on all levels of economic life in society.

In modern conditions, the enterprise crisis management system operates on the basis of using the full potential of modern management, which involves the development and implementation of a special programme of strategic actions at the enterprise aimed at eliminating difficulties, maintaining and strengthening market positions even in difficult conditions, relying mainly on its own resources.

The task of anti-crisis financial management of an enterprise is the timely application of specific methods and techniques of financial management, as well as diagnostics of the financial condition of an enterprise, which allows to ensure the continuous operation of the enterprise on the basis of managing external and internal risks and neutralising crisis phenomena.

Practice shows that the required level of competitiveness can be achieved only by those enterprises that respond to innovative requirements in a timely manner, successfully solve the problems of financial support and high-quality information support for relevant management decisions. All other business structures find themselves in a state of struggle for survival.

According to the authors, the main task of anti-crisis financial management is timely diagnostics of the financial condition of an enterprise and application of necessary anti-crisis financial measures to prevent a financial crisis.

The criterion classification of enterprise crisis management is as follows:

1. In order to implement measures, crisis management action programmes consider reactive and preventive management. Reactive crisis management takes place in those circumstances when negative events have already occurred and therefore there is an urgent need to immediately take appropriate measures to eliminate the consequences of these events (i.e., response measures in accordance with the prevailing conditions). Preventive crisis management involves taking appropriate measures to prevent possible negative events, that is, preventive management. The authors suggest that companies should prioritise preventive crisis management measures.

2. Crisis management is divided into preventive, anti-crisis and post-crisis management in accordance with the peculiarities of development and type of financial condition of the enterprise. Preventive crisis management is carried out in accordance with the defined preventive goal of such management. If the measures to prevent negative phenomena were not implemented or did not produce the expected result, then in the event of a crisis, reactive measures are taken, i.e., activities are focused on "weak" areas and "hot" spots and are aimed at stopping the development or deepening of the crisis. After the crisis is localised, crisis management becomes post-crisis, meaning that measures are taken to eliminate and/or minimise the negative effects of the crisis.

3. According to the presence or absence of signs of a crisis, active and, accordingly, passive crisis management are distinguished. These types differ both in the scale of the action programme and the degree of intensity of their implementation, depending on the conditions and difficulties faced by the company.

The anti-crisis financial management of an enterprise achieves its objectives by performing certain functions.

They are divided into two main subgroups, namely: general functions of crisis financial management and specific functions.

In the group of specific functions of anti-crisis financial management of an enterprise, the main ones are as follows:

- Diagnostics of the symptoms of the crisis of financial development of an enterprise, which involves the formation of a system of key indicators of the threat of a financial crisis of an enterprise, diagnostics of such indicator indicators, identification of the main factors of the external and internal environment of the enterprise that generate threats to its financial interests, and a comprehensive assessment of the scale of the crisis of financial development of an enterprise;
- development of a general strategy for the financial recovery of the enterprise, which, based on the results of a comprehensive assessment of the scale of

the crisis financial development of the enterprise and the forecast of crisis factors of the external and internal financial environment of its functioning, forms a system of goals and target benchmarks for the financial recovery of the enterprise for the long term; identifies and develops priority tasks to be solved in this area in the near future;

- the company's policy of actions in the main areas of its financial recovery;
- elimination of the company's insolvency, which ensures the creation of a system of the most urgent measures for the financial rehabilitation of the company;
- restoration of the company's financial stability, which determines the target capital structure of the company, taking into account the crisis factors of its development;
- ensuring financial balance in the process of enterprise development, i.e., forming the main proportions of its financial development that are most consistent with the chosen anti-crisis financial strategy and aimed at preventing a financial crisis in the future.

It is generally recognised that anti-crisis management involves the implementation of a set of rehabilitation measures: financial and economic, production and technical, organisational, legal and social. Among the above list, financial and economic measures are crucial, since their effective implementation will ensure financing of further anti-crisis management measures.

Working with money in external markets is not management in the full sense of the word until there is full control over cash flows within the organisation. The way out is in budgeting, i.e., creating a technology for planning, accounting and controlling money and financial results. Many experts say that budgeting is the first systemic task that needs to be solved. In the authors' opinion, it is financial relations in the process of crisis management that are crucial in terms of preventing crises and eliminating negative consequences in case of their occurrence.

In order to effectively diagnose the threat of bankruptcy of an enterprise and implement mechanisms for its financial stabilisation, anti-crisis financial management of an enterprise should be based on certain principles and functions of its implementation. Consider the content of each of the principles of crisis financial management in more detail:

- a) The principle of constant readiness to respond determines the objective probability of a crisis at an enterprise and necessitates constant readiness of managers to a possible violation of the financial balance of the enterprise at any stage of its operation;
- b) the principle of preventive action stipulates that it is better to prevent the threat of a financial crisis than to localise it and ensure that its negative consequences are neutralised;

c) the principle of urgency of response implies that the sooner the elements of anti-crisis financial management are applied in relation to each identified symptom of the crisis, the more opportunities the company will have to restore the disturbed balance more quickly;

d) the principle of adequacy of response determines the possibility of "including" certain elements of neutralising the threat of a financial crisis and its elimination, which should be based on the actual level of such a threat and be of an adequate level;

e) the principle of complexity of decisions states that almost every financial crisis is complex, i.e., it concerns the functioning of various subsystems of the enterprise, and therefore requires a comprehensive nature of the existing system of anti-crisis financial measures that are developed and implemented;

f) the principle of alternative actions implies the availability and consideration of the maximum possible number of alternative projects to neutralise a particular crisis;

g) the principle of adaptability is driven by the need for a high level of flexibility in crisis financial management, its rapid adaptation to a particular form of crisis, and changing conditions of the external and internal financial environment;

h) the principle of priority use of internal resources implies that in the process of anti-crisis financial management, especially in the early stages of diagnosing a financial crisis, an enterprise should rely primarily on internal financial capabilities to neutralise it;

i) the principle of optimality of external rehabilitation stipulates that in the process of choosing the forms of external rehabilitation and the composition of external rehabilitators at the stage of a deep financial crisis, one should proceed from a system of certain criteria developed in the course of anti-crisis financial management and should be sufficient and necessary for timely repayment of crisis debt;

j) the principle of effectiveness determines the need to compare the effect of anti-crisis financial management with the costs of implementing its measures and with available financial resources;

k) the principle of management by the first symptoms determines that the effectiveness of anti-crisis financial management depends on the timely detection of the first symptoms of a crisis. The first manifestations of a crisis can be seen by continuously monitoring the processes taking place within the company and signals from the external environment;

l) the principle of introducing innovations into the company's activities stipulates that the effectiveness of anti-crisis financial management depends on innovative technologies that should be implemented in a timely manner in all departments of the company.

According to the authors, the methods of the financial mechanism of crisis management deserve special

attention, since the effectiveness of the entire financial mechanism and the efficiency of crisis management in general depend on their choice and method of application. The budgeting method consists in creating and using the technology of forecasting, planning, accounting and control of money and financial results. Many specialists believe that budgeting is a primary systemic task that must be solved in the process of anti-crisis management of the enterprise. Investing in the process of anti-crisis management should be considered as attracting external financial sources of financial stabilisation. Such sources can be contributions of the owners themselves, personnel funds, creditors' funds, state funds. The restructuring loan is exclusively targeted, i.e., it is intended to finance specific production and technological measures within the anti-crisis action programme.

The mobilisation of additional funds to finance the anti-crisis programme will be facilitated by leasing out property that is not used in the production process or by using leaseback. The use of leaseback involves the sale of fixed assets with the simultaneous return of such fixed assets to an operating or financial lease. Factoring, as a transaction for the sale of existing receivables to a factoring company or bank, makes it possible to refinance receivables, which helps to mobilise financial resources for the implementation of anti-crisis measures of a production, technical and other nature. As a result of the relationship between the founders, a decision may be made to reduce the company's charter capital or to make voluntary additional payments by the owners of its corporate rights, which makes it possible to obtain a balance sheet (rehabilitation) profit that is used to cover accumulated losses. The effectiveness of the above-mentioned financial methods is ensured by such financial levers as the amount of income, price, investment, interest, types of loans, forms of payment, discount, exchange rates, etc.

Modern crisis management of enterprises should be preventive in nature and be carried out in anticipation of negative crisis phenomena that lead to a loss of financial stability and solvency. The changing market environment creates an objective need to consider crisis management not as a one-time problem-oriented action, but as a continuous process, as it is known that it is easier to prevent a problem than to eliminate its consequences. Obviously, the practical implementation of management decisions requires appropriate sources of funding, which can be mobilised through the effective functioning of the financial mechanism, the structural elements of which are financial methods, financial levers, regulatory and information support. The effectiveness of crisis management of enterprises depends on the adequacy of financial resources, and thus on the choice of a particular method and instrument, so the problem of optimal choice and feasibility of using financial methods in the process

of crisis management of enterprises is a direction for further research.

6. Conclusions

The evolution of finance has centred on a shift from the correct parts of the balance sheet, i.e., the sources of assets, to the direct management of those assets, with computers and modern communications being used to deal with receivables, inventory and cash. Information from financial statements is needed by those who deal with cash payments or directly with funds to meet their needs: investors, managers, government agencies and others. The company is managed as follows: Form No. 1 Balance Sheet and Form No. 2 Income Statement, Notes to the Accounts, Form No. 3 Cash Flow Statement and Form No. 4 Statement of Equity. For small businesses, it is enough to fill in the first two forms. During the war, it will be advisable to determine the required level of investment in the restoration of various types of existing non-current assets to ensure their timely restoration. The total amount of assets, the main forms and costs of restoring various types of assets, and the need for assets in the future are determined. The analysis of financial and economic activities with a view to generalising the work will be rationally carried out in the following areas: analysis of the financial results of the company's activities, its profitability; analysis of the property status and sources of its formation (which allows to identify the production potential of the company or enterprise); assessment of the company's solvency and liquidity; assessment of financial stability, etc. On the basis of the completed comprehensive assessment of PC "O.L.KAR.-AgroZooVet-Service" it is possible to say that rationally formed structure of funds shows positive trend of changes in the company's own capital, reducing dependence on external sources of financing. As for the profitability indicators, they remain at a sufficient level to consider the firm sufficiently solvent, as there is a positive shift in the ratio of profit to expenses expressed as a percentage. The financial sustainability indicators also demonstrate a stable level. Nevertheless, in order to stimulate further improvement of the financial condition of PC "O.L.KAR.-AgroZooVet-Service", it is recommended to take the following measures: reduce the costs of sales and the production process, optimise the capital structure, and thus establish the optimal level of the ratio of equity and debt. After analysing and comprehending the meaning of implementing a strategically oriented planning tool on the platform of a company or enterprise, it is possible to conclude which technology of strategically oriented planning is able to save money more efficiently, use and accumulate enterprise resources more effectively,

manage pricing policy and staff motivation, especially in the painful period of 2022 for each enterprise. Having conducted the relevant facts and recommendations for improving the level of financial management at the PC "O.L.KAR.-AgroZooVet-Service", in the authors' opinion, the basis for the best stimulation of economic growth of the enterprise is the introduction of a number of changes to revise the relations and changes in the participants of the financial process at the enterprise in order to reduce costs and increase profits, as well as social development of thoughts. It is necessary to reduce the cost of production and look for modern tools to immediately improve quality.

A modern crowdfunding tool should be used to attract additional foreign funds or any other investors.

During the analysed period, the financial condition of the private company did not deteriorate significantly: the company is making profits, but the indicators of financial stability and solvency are of particular note.

By adhering to these recommendations, levelling financial stability indicators and improving financial management, the PC "O.L.KAR.-AgroZooVet-Service" will maintain a stable and competitive level of financial and social activity in the market even in the difficult times of martial law in Ukraine.

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