
The background is a solid dark blue. In the top-left corner, there are several parallel lines forming a right-angled corner shape. In the bottom-left corner, there are several parallel lines forming a right-angled corner shape. In the bottom-right corner, there are several parallel lines forming a right-angled corner shape.

# FINANCE OF ECONOMIC ENTITIES (ENTERPRISES, ORGANIZATIONS).

# Finance of economic entities (enterprises, organizations).

- 1. Features of the organization of finance at enterprises of various organizational and legal forms of management.
  - 1.1 The essence of enterprise finance. Forms of financial enterprises.
  - 1.2. Forms of enterprises.
  - 1.3 Features of the organization of finance at enterprises of variously organized legal forms of management.
- 2. Finances of the enterprise.
  - 2.1. Fundamentals of organization of enterprise finance.
  - 2.2. Planning of finances.
  - 2.3. Financial management.




The finance of enterprises (organizations, institutions) is monetary relations associated with the formation and distribution monetary funds and savings from economic entities and their use for economic activities and to fulfill their obligations to the state, financial and credit institutions and partners.


There is a specific specificity of the finance of commercial enterprises, non-commercial enterprises and public organizations, which will be shown below.

# Finance of enterprises

- This is primarily determined by the fact that they serve the sphere of material production, in which the gross domestic product, national income and national wealth are created.
- The most important component of the unified system of state finance. the totality of economic, monetary relations arising in the process of production, distribution and use of the aggregate social product, national income, national wealth and are associated with the formation, distribution and use of gross income, cash savings and financial resources of enterprises. These relations, which determine the essence of this category, are mediated in monetary form



Finance of organizations (enterprises) is a relatively independent sphere of the state's financial system, covering a wide range of monetary relations associated with the formation and use of capital, income, money funds in the process of circulation of enterprise funds.

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- Finance is the aggregate of all money resources at the disposal of the enterprise, the state, as well as the system of their formation, distribution and use.
  - The movement of the income of organizations is accompanied by the formation of their financial relations with other economic entities.

# Types of financial relations in the areas

- with the financial and credit system of the state.
- within the associations of enterprises and organizations
- with other enterprises and organizations;
- within the enterprise;

## Financial relations with other enterprises and organizations include

- suppliers,
  - buyers
  - construction and transportation organizations
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- mail and telegraph
  - foreign trade and other organizations
  - customs
- 
- enterprises,
  - organizations and firms of foreign countries



# Form of enterprise


- Formation of an enterprise of any organizational form of entrepreneurial activity begins with the formation of the statutory fund.
- The statutory fund is the financial resources allocated or attracted by the enterprise in the form of money resources, property, other material assets, intangible assets, securities, which are assigned to the enterprise as ownership and full economic ownership. Due to the statutory fund, the company creates its own funds.



The enterprise is an independent, organizationally separate economic entity with the rights of a legal entity that produces and sells goods, performs work, renders services

By form of ownership, enterprises can be:

- private,
- collective,
- public,
- mixed (that is, combining the above-mentioned forms of ownership in different ways and proportions).

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- individual possession
  - partnership
  - corporation
  - on the basis of various forms of ownership, the modern economy has three legal forms of organization of enterprises

# Individual possession

- It has separate commodity producers, which simultaneously act as physical and legal persons, i.e. they are both owners of the means of production and labor power. In this form, the work of members of the host family is widely used (for example, a shoemaking workshop or a farm). Simultaneously, a single form of ownership can be represented as the property of an individual, under which it is possible to attract hired labor.

# Partnership

- It occurs when the capital of several legal entities and individuals is merged in order to increase the capital for further entrepreneurial activity.
- Each participant (founder) of this association contributes its share (contribution). Depending on the charter of the company being established, the share may be in the form of money, land, means of production, innovative technologies or ideas and other tangible or intangible assets (assets).
- Such enterprises can be established in accordance with the charter on the basis of full or limited liability.

# Corporation

- The form of collective ownership in industry, banking, trade and other spheres of the economy. Unlike the partnership form of ownership, corporate is an open property. This form of ownership is formed on the basis of equity participation, i. possession of shares (securities) of this company, which gives the right to receive a dividend. Shares are freely traded and bought on the markets, which creates conditions for a constant change of shareholders. However, this does not affect the functioning of the corporation, unless, of course, bankruptcy has come. Today, this form of ownership is widespread throughout the world, because gives an opportunity to concentrate huge capital from the sale of shares, which allows society to solve complex economic issues.

Entities can be united in:

- associations - contractual associations established for the purpose of continuous coordination of economic activities. The Association has no right to interfere in the production and commercial activities of any of its participants;
- consortia - temporary, statutory associations of industrial and banking capital to achieve a common goal;
- concerns - statutory associations of industrial enterprises, scientific organizations, transport, banks, trade, etc. on the basis of full financial dependence on one or a group of entrepreneurs;
- other associations on sectoral, territorial and other principles.

# Features of the organization of finance at enterprises of variously organized legal forms of management

The organizational and legal form of the enterprise, fixed in its constituent documents, must fully comply with the requirements of legislative acts.



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- commercial enterprises
    - Business Companies
  - Business partnerships
  - Production cooperatives (artel)
  - State and municipal unitary enterprises

# An individual entrepreneur

- An individual entrepreneur (abbreviated as IP) is a natural person registered in accordance with the procedure established by law and carrying out entrepreneurial activities without forming a legal entity.

## 2. Finances of the enterprise.

- The enterprise is an independent, organizationally separate economic entity with the rights of a legal entity that produces and sells goods, performs work, renders services.
- In modern conditions, the enterprise is the main link in the market economy, since it is at this level that the goods needed by society are created, the necessary services are provided. An enterprise as a legal entity has the right to engage in any economic activity that is not prohibited by law and is consistent with the objectives of the establishment of the enterprise as provided for in the company's charter. The enterprise has an independent balance sheet, settlement and other accounts in banks, a seal with its name

# Financial resources of the enterprise

- depreciation charges;
- The profit received from all kinds of economic and financial activity; additional share contributions of participants in partnerships;
- funds received from the bond issue;
- funds mobilized through the issuance and placement of shares in joint stock companies of public and private types;
- long-term loan of the bank and other creditors (except bonded loans);
- other legal sources (for example, voluntary gratuitous contributions of enterprises, organizations, citizens).

# Planning of finances.

- Financial planning is the planning of financial resources and funds of the enterprise.
- The purpose of financial planning is to forecast the solvency and financial stability of an enterprise. Planning of financial resources and investments guarantees fulfillment of obligations to the budget, creditors and shareholders, provides financing for business activities.

## 2.3. Financial management.

There are following main directions of spending of funds of the majority of enterprises:

- purchase of raw materials, parts, stocks;
- salary for workers and employees;
- percent;
- payment of utility bills, taxes.



The main ways of financial recovery by a production

Creation of financial, legal accounting and control conditions for the formation and use of depreciation deductions funds for the purpose.

overcoming the diversion of capital from the branches of material production into the sphere of circulation and abroad. accumulation of ruble and currency savings of the population for their subsequent transformation into real industrial and financial capital;

the removal of barriers to the unification of banking and industrial capital in the conditions of the formation of large financial and industrial groups. ensuring the capitalization of income from the sale of shares of privatized enterprises belonging to labor collectives, management nomenclature, third-party holders, including large blocks of shares owned by federal and regional authorities; t

aking measures to improve the current financial situation of enterprises by creating a state system of supervision for the fulfillment of their financial obligations to suppliers, and the budgetary system for enterprises. especially the military-industrial complex, as well as the investigation of each case of a long delay in arriving budget and other amounts. due to enterprises, on accounts of commercial banks.