

Inventory Management Of An Enterprise In Order To Improve Its Financial Condition

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Abstract: *The efficiency of inventory management is of great importance, especially in enterprises where large flows of inventories are concentrated. Carrying out activities in the conditions of market relations requires the development and implementation of innovations for the organization of accounting for inventories in the warehouses of enterprises and organizations. This predetermines the need to implement proposals to improve the organization of inventory accounting in the warehouses of enterprises in order to achieve the most effective results of activities.*

Keywords—production stocks, workflow, documentation, nomenclature.

1. INTRODUCTION

One of the main ways to improve the financial condition of trade enterprises is inventory management. Stocks have a direct impact on the financial condition of the enterprise, its liquidity, profitability and turnover.

At trade enterprises, the share of stocks is higher than at other enterprises in general, therefore, special attention should be paid to inventory management in trade.

The purpose of management is to effectively influence the object of management - stocks, allowing the company not to create a shortage of goods and create such stocks that have a positive effect on the financial condition of the company.

Depending on the intended purpose, the reserves are divided into the following categories:

- current (cyclical) stocks of 1 batch. Enterprises, as a rule, order goods in quantities that are surplus in relation to the volumes required at the moment. There are a number of reasons for this - delays in receiving the next batch of goods, the ability to choose suppliers, restrictions on the minimum batch and discounts when purchasing significant volumes;

- preparatory stocks are allocated from the current stocks when additional preparation for consumption is required;

- safety stocks serve as a source of supply when the demand for goods from buyers exceeds expected, in case of possible interruptions in the supply of raw materials;

- Seasonal stocks are formed when the consumption pattern is seasonal or there are significant fluctuations in the price of a product during the year. Food retailers maintain seasonal stocks. Thus, in the summer period sales of water, beer and other soft drinks increase, so the stocks of these goods are especially large. Seasonal stocks provide continuity of product sales and result in savings if there is a significant change in product prices.

2. MAIN PART

The organization of accounting has recently attracted more and more attention in the works of domestic scientists. However, at present, a number of fundamental issues, in particular the organization of accounting for inventories in warehouses, remain controversial and require improvement on the ground, depending on the industry and the types of activities of the enterprise. To achieve this goal, it is necessary to determine the direction of management of industrial stocks of enterprises and organizations. For the correct organization of inventory accounting at the enterprise, first of all, it is necessary to answer a number of questions:

- where, when, how much and for what amount were the stocks received, how the delivery programs are carried out;
- to whom, when and how much stocks were released;
- how the production consumption program is carried out;
- what is the remainder of certain types of stocks and how the established limits are observed, etc.

The necessary prerequisites for the correct organization of inventory accounting are:

- rational organization of storage facilities;
- development of the nomenclature of reserves;
- availability of instructions for accounting production stocks;
- correct grouping (classification) of reserves;
- development of norms for the consumption of stocks.

For the organization of uninterrupted supply, placement, storage and issuance of material stocks for production, a rationally organized warehouse economy plays an important role, because in the activities of an enterprise or organization it is not always possible to achieve complete coordination of the rates of supply of material resources, rates of production,

and sale of finished products. The main functions of the warehouse are:

- accumulation of material resources in volumes and nomenclature sufficient for the continuity of the production process;
- proper storage and accounting of materials;
- systematic and uninterrupted supply of workshops and sections with production stocks;
- preparation of materials for their direct consumption;
- implementation of a set of operations related to the implementation of control, sorting of inventories.

Analytical accounting of inventories is carried out in warehouses using inventory control cards, which are placed in a card index by technical groups of industrial stocks according to the nomenclature-price tag. Analytical accounts are grouped by material groups, storage locations, financially responsible persons, synthetic accounting accounts and sub-accounts. Data on analytical accounts are summarized in balance sheets. Analytical accounts are used to monitor the storage and movement of inventories, their assessment, comparison with warehouse accounting data, and also to summarize the inventory. Accounting is greatly simplified when using computer equipment in warehouse accounting. In this case, all incoming and outgoing documents are processed daily or as they arrive from warehouses. Previously existing methods of accounting for inventories, which were developed by science and practice, over the past years, to some extent have lost their relevance and were mainly focused on the system of manual labor in the conditions of the so-called firm (planned) state-regulated prices. Therefore, today all this requires improvement and new approaches to the organization and methods of conducting analytical accounting of the availability and movement of inventories, which is one of the most important and most labor-intensive areas of accounting. The importance and laboriousness of conducting quantitative analytical accounting of industrial stocks, their significant qualitative indicators made it necessary to search for more rational methods of accounting for inventories in order to eliminate duplication of the same operations.

To increase the efficiency of the operational accounting method of accounting for inventories, it is advisable to detail their groups into several subgroups so that the number of items of inventories in the subgroup does not exceed one hundred items, which will allow controlling the volume of inventories to record their movement and check. This can be achieved by monthly compilation of consignment notes, limit pick-up cards, invoice for the release of materials to the outside and information on the receipt and disposal of inventories for each subgroup of inventories, which increases the efficiency of identifying possible errors in warehouse and accounting. In addition, it should be noted that with automated accounting, the program allows you to easily

generate data in an analytical context, both by groups and subgroups of materials, and by their individual types and grades for any period.

Warehouse management of most enterprises is rather complicated and consists of a network of warehouses with special devices and equipment for moving, storing production stocks (racks, handling, weighing, measuring, etc.). At present, many organizations are constantly working on improving the warehouse economy using various means of mechanization and automation of warehouse operations, usually using computers, and automated control systems for the technological processes of warehousing are being introduced. Enterprises and organizations need a perfect inventory management system, when the complexity of management increases sharply, the requirements for the efficiency of solving traditional planning and accounting problems become significantly more complex and increase. In the management of production inventories today, there is a need for fundamental changes in the methods of their implementation.

Taking into account all factors in the material and technical support of organizations and enterprises, as well as the need to solve the assigned tasks, also required structural transformations, expressed in the unification of the functions of management of material and technical support, warehousing, marketing and sales under a single leadership. Acting together, within the framework of the organization's material resources management system, the warehouse management system is aimed at meeting the demand of the organization's divisions in the diversified production stocks necessary for the uninterrupted operation of production with the maximum rhythm of work and minimum total costs at any time.

The object of management of the system is the procurement and procurement process at the warehouses of the organization: receipt and release of materials; storage, placement of materials inside the warehouse; search for the necessary materials; intra-warehouse movements, etc. The main functions of the warehouse management system are: forecasting, planning, accounting, control and regulation. In real time, the functions of the warehouse management system are detailed by managed items, and the level of detail should be no less than the level of detail of the nomenclature of production stocks. These functions are very closely related to each other and to other management systems in the organization. A necessary condition for maintaining the production process at the enterprise is the availability of a warehouse with a sufficient amount of production reserves. To carry out the production process, a manufacturing enterprise must have the necessary stocks of raw materials, materials, fuel, building materials, spare parts, and other production stocks in the warehouse. Consequently, inventories are a significant part of the assets of a production enterprise, they occupy a special place in the composition of property and dominate positions in the structure

costs of enterprises in various fields of activity; as well as when determining the results of economic activities and when covering information about the financial condition. This, in turn, requires complete, reliable information about the availability and movement of inventories, which can be provided by a properly organized warehouse management system, which generates and interprets the entire information flow base provided by various market systems for effective management of manufacturing inventories.

3. CONCLUSION

In the process of performing research work, we examined the organization of accounting, movement and control of inventories at enterprises, as well as ensuring the safety of inventories based on the study of materials and analysis of economic practices. Based on the results of the work carried out, a number of positive moments can be distinguished. First, on a monthly basis, the senior storekeeper draws up certificates of stale and original goods, which allows the head of the LLP and OMTS to more effectively coordinate the supply of the flax mill, and also allow control over the state of production stocks. It should be noted that the enterprises keep records of incoming and outgoing documentation, and also draw up reconciliation statements for sold inventories.

Negative aspects in the work of the organization can be incorrect execution of primary documents, inconsistency of prices in the contract and supplier's documents, and the company does not carry out an inventory of settlements with all suppliers and buyers. As a result, it is necessary to carry out constant control over the fulfillment of contractual obligations, to strengthen control over inventories coming through accountable persons, and it is also necessary to raise the role of control in the preparation of primary documents for accounting for material values.

Strengthening control over the state of inventories and their rational use has a significant impact on the profitability of the enterprise and its financial position.

The main direction of increasing the efficiency of using production stocks is the introduction of resource-saving, low-waste and non-waste technologies.

Rational use of stocks also depends on the completeness of the collection and use of waste and their reasonable assessment.

Of great importance for the safety of materials is the availability of technically equipped warehouse facilities with modern weighing instruments and devices that allow mechanizing and automating warehouse operations and warehouse accounting.

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