MINISTRY OF EDUCATION AND SCIENCE OF UKRAINE
UKRAINIAN-AMERICAN CONCORDIA UNIVERSITY

School of Management and Business
Department of International Economic Relations, Business & Management

Bachelor's Qualification Work

The role and organization of financial management in the company (based on the Business Media Network (BMN) case)

Bachelor's student of the 4th year study
Field of Study 07 – Management and Administration
Specialty 073 – Management
Educ. program – Management

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Research supervisor

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Ph.D. in Economics

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Annotation

The work focuses on financial management in enterprises. This study examines the important role and organization of financial management in the Business Media Network company. The research aims to highlight the complex dynamics of financial management in Business Media Network and provide practical recommendations for optimizing its financial performance and organizational sustainability. This work examines the theoretical and methodological foundations of financial management, covering its general characteristics, methodological approaches and features in various types of organizations. An economic analysis of Business Media Network's financial management is also conducted, providing an overview of the company, analyzing its financial position and identifying factors that influence financial management practices.

When writing the work, the materials of the Business Media Network company were used, and the organizational and financial management system was analyzed. Porter’s Five Forces and SWOT analysis were developed. Also, recommendations for improving Business Media Network 's financial management were presented, presenting suggestions for improvement, outlining specific recommendations, and forecasting the effectiveness of the proposed improvements.
Keywords: management, financial management, organizational structure, enterprises, micro and macro economy, economic factors

Анотація

Робота присвячена фінансовому менеджменту на підприємствах. У цьому дослідженні розглядається важлива роль та організація фінансового менеджменту в компанії Business Media Network. Дослідження має на меті висвітлити складну динаміку фінансового менеджменту в Business Media Network і надати практичні рекомендації щодо оптимізації його фінансової ефективності та організаційної стійкості. У даній роботі розглядаються теоретико-методологічні основи фінансового менеджменту, висвітлюються його загальна характеристика, методологічні підходи та особливості в різних типах організацій. Також проводиться економічний аналіз фінансового менеджменту

Business Media Network, що забезпечує огляд компанії, аналіз її фінансового стану та визначення факторів, що впливають на практику фінансового менеджменту.

При написанні роботи були використані матеріали компанії Business Media Network, проведено аналіз організаційно-фінансової системи управління. Розроблено п’ять сил Портера та SWOT-аналіз. Також були представлені рекомендації щодо покращення фінансового менеджменту Business Media Network, представлені пропозиції щодо покращення, окреслені конкретні рекомендації та прогноз ефективності запропонованих покращень.

Ключові слова: менеджмент, фінансовий менеджмент, організаційна структура, підприємства, мікро- та макроекономіка, економічні фактори

PHEE-institute «Ukrainian-American Concordia University»

School of Management and Business
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Educational level: **bachelor's degree**
Specialty: 073 "Management"
Educational Program "Management"

APPROVED
Head of Department
Prof. Zharova L.V.
"10" may 2024

TASK
FOR BACHELOR'S QUALIFICATION WORK

Liliia Liehkova

1. Topic of the work

The role and organization of financial management in the company (based on the Business Media Network (BMN) case)

Supervisor of the work Liudmyla Syerova PhD of Economics, Associate Professor
(surname, name, degree, academic rank)
Which approved by Order of University from ***"25" September 2022 № 22-09/2022-4c***
2. Deadline for bachelor's qualification work submission "***25" April 2024***
3. Data-out to the bachelor's qualification work

Materials from internship received during consultation with representatives of the company, alongside information sourced from open internet resources, articles, reports of the international organizations, and official financial and economic reports of the enterprise

4. Contents of the explanatory note (list of issues to be developed) *There are three main topics/tasks for the thesis: theoretical and methodical bases of financial management; economic analysis of financial management of Business Media Network; recommendations for enhancement of financial management of Business Media Network.*

5. List of graphic material (with exact indication of any mandatory drawings)
Graph for illustrating the dynamic of financial indicators of the company activity and schemes for visualization the organization management system of the company.

6. Date of issue of the assignment

Time Schedule

№	The title of the parts of the qualification paper (work)	Deadlines	Notes
1.	I part of bachelor thesis	*10.12.2023*	In time
2.	II part of bachelor thesis	*27.02.2024*	In time
3.	Introduction, conclusions, summary	*25.04.2024*	In time
4.	Pre-defense of the thesis	*29.04.2024*	In time

Student______________________________________

(signature)

Supervisor___________________________

(signature)

Conclusions:____

The bachelor thesis of Liehkova Liliia is relevant and devoted to role and organization of financial management in the enterprise. The reviewed bachelor thesis consists of content, introduction, 3 sections, conclusions, and recommendations. The content of the paragraphs is fully complied with the parts' titles and the topic of the bachelor thesis. The content and structure of the work meet the requirements and current standards for obtaining an educational bachelor's degree. Illustrative materials facilitate the perception of presented information and indicate persistence in the collection and processing (analyzing) of statistical data. The practical significance of this bachelor thesis is proved by the opportunity of using of a proposed improving set of measures on the company. Proposed recommendations will increase the efficiency of financial management system of the company. The bachelor thesis is a completely independent study of current theoretical and practical aspects of management. Her scientific article shows her proactive approach towards academic discourse and knowledge dissemination. Overall, Liliia's BQW holds significant promise, with the potential to achieve an "excellent" rating upon successful defense.

Supervisor___________________________

(signature)

CONTENT

INTRODUCTION

The effective activity of any receiving structure lies within the core of financial management. This necessitates the development and thorough development of theoretical approaches to financial management, such as the management of financial assets of enterprises.

In the minds of the globalization of the economy, the subjects of the state are responsible for the independent and independent problems of financial security of investment and government-government activity. Therefore, the role of financial management plays a role in managing their activities.

Financial management requires a good analysis of the level of solvency and financial stability, which provides the opportunity to more accurately assess the uncertainty of the situation through the use of modern analytical methods that are quantitative. These factors significantly increase the priority and role of the analysis of the company's financial position, the main content of which is a systematic study of the company's finances of a complex nature and the factors of their formation and assessment of the level of threat of financial risks.

Liquidity and solvency, together with financial stability, act as the most important characteristics of the financial and economic activities of a company in market conditions. In addition, the financial aspects of an enterprise's activities are one of the basic criteria to ensure its competitive status.

The purpose of the final qualifying work is to analyse and determine the role and organization of financial management in the company and develop recommendations for increasing the financial stability of the "BMN" company.

The research object of this work is financial management and his role in the company.

The research subject of this work is a collection of theoretical, methodological and practical methodologies in order to set the foundation for business development advancements which define the company's overall competitiveness for Business Media Network Company.

In this work, we will identify what financial management is, discuss the main approaches of Financial Management, and write about the peculiarities of Financial Management in different types of organizations.

In the second part, we will give general characteristics of the Business Media Network, after that, we will research and analyze the financial state of BMN company. After that, we will analyze the factors influencing financial management in Business Media Network and provide micro and macro environment analysis.

As a result of this work, some recommendations for the enhancement of the financial management of the Business Media Network will be provided.

In this work works such authors as Shehda A.V. Ivakhnenko S.V., Komarova K.V., Tymoshko G.M., Blank I.A. V.M. Sutomina, V.M. Fedosov and N.S. Ryazanova were analyzed.

Thus, the work contains not only the theoretical foundations of the issue under consideration but also a deep analysis of current practice, and reasonable proposals aimed at achieving the goal.

CHAPTER 1. THEORETICAL AND METHODICAL BASES OF FINANCIAL MANAGEMENT

1.1 General characteristics of the Financial Management

In recent years, enterprises have had to face new challenges in the field of legislation, crisis trends and business development. Managers and financial services acquired both positive and negative practical experience, developed approaches, and implemented innovative measures to solve problems that arose. Practice shows that even small but regular changes in the financial sector are transformed.

Financial monitoring and ensuring sustainable improvement in the efficiency of enterprises, therefore, the identification of financial services in commercial organizations and the further rationalization of their work are relevant.

Thus, the financial service of an enterprise is an organizational structure that proposes the development of functions for the formation of the financial policy of the enterprise, its implementation in financial, cash and other plans, control over their implementation and the movement of financial flows, adjustment of their correction, and preparation of financial statements.

The financial activities of the company are directly regulated owl management.

Management is a set of decisions, forms, methods, techniques and means enterprise management. In turn, financial management is a system for managing capabilities that combines financial policies, methods, tools, as well as people who make management decisions and implement them. The purpose of such activities is to achieve financial stability and growth of the company.

The implementation of financial management functions is assigned to specialized departments of companies - financial services.

The financial service of an enterprise is understood as an independent structural unit that performs certain functions in the enterprise management system. Typically this department is the finance department. Its structure and number depend on the organizational and legal form of the enterprise, the nature of economic activity, production volume and the total number of employees at the enterprise.

The financial service of an enterprise is an organizational structure that is entrusted with the functions of developing proposals for the formation of the financial policy of the enterprise, implementing it in financial, cash and other plans, monitoring their implementation and cash flows, and their timely correction (based on the current situation), reporting on financial results.

Financial service is a subsystem of the overall enterprise management system; it is an organization for managing the financial flows of an enterprise.

Organizing an effective financial service is one of the main tasks facing the financial director of an organization. The structure of the financial service depends on the financial strategy and the specific tasks facing the company. The organization of a financial service begins with defining the functions and tasks inherent in financial services. The functions and tasks of the financial service are standard and universal, but at the same time, they must take into account the specifics of the enterprise's activities and the owners' requirements.

Thus, it is possible to identify several main tasks facing financial services departments and are presented in Fig. 1.1.

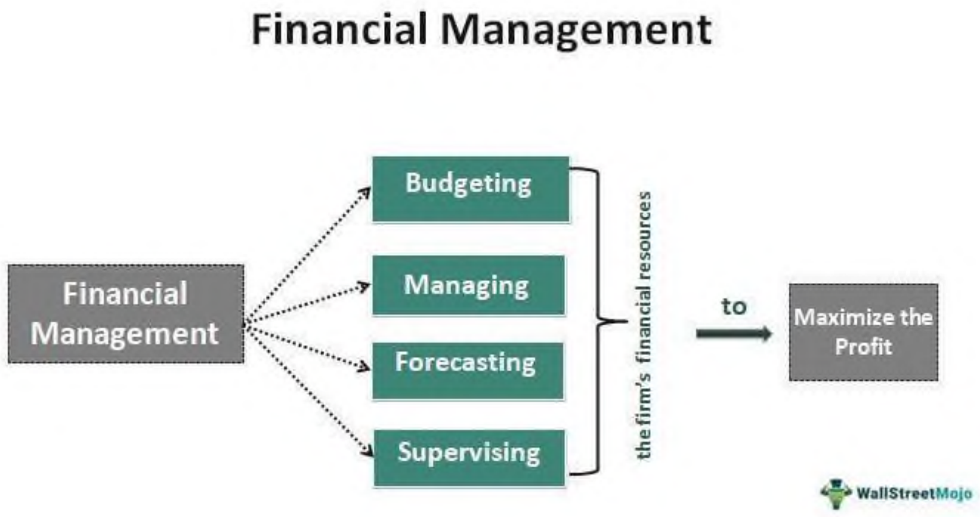

Fig. 1.1 Main Tasks of Financial Management

Source – based on the article (17)

The main differences between financial management and financial departments of companies and accounting are as follows:

- financial planning, management of temporarily available funds and tax planning lie outside the scope of accounting as such;
- not all methods used in financial analysis are typical for accounting and are familiar to an accountant (for example, comparing the profitability of various financial instruments goes beyond the scope of accounting itself as such).

The financial and economic service occupies a special place in the organizational structure of the company and plays a special role in its management system. It is, on the one hand, the executor of one of the main business processes - the process of carrying out settlements with counterparties, and on the other hand, the operator of the simultaneous but two most important management subsystems: the subsystem for planning financial and economic activities and the subsystem for management and accounting. As such, FES (Factor evaluation system) is a unique element of the organizational structure. The dual nature of the tasks solved by FES requires the correct distribution of works of different nature within the framework of FES and forms certain requirements for its organizational structure, presented in Fig. 1.2.

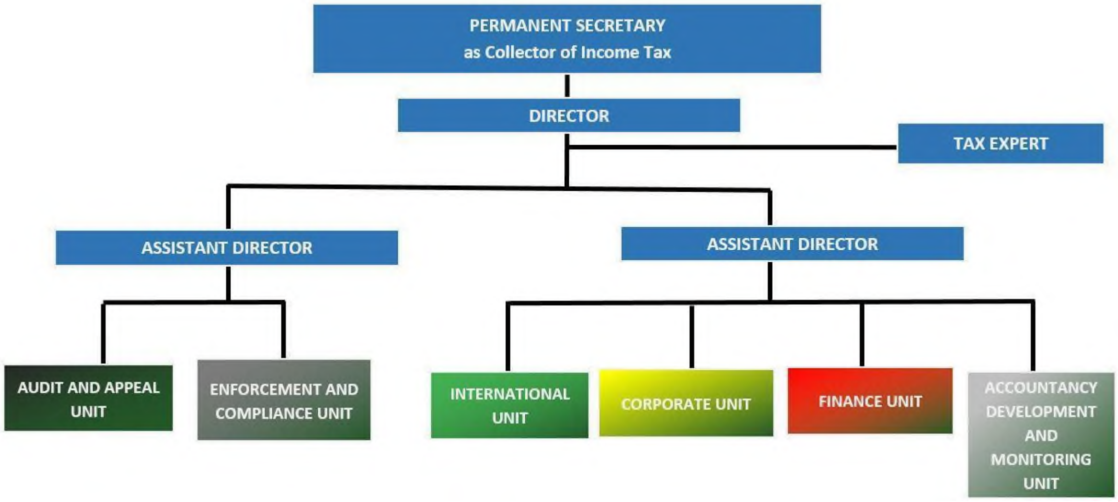

Fig. 1.2 Organizational Structure

Source: based on the article (17)

Financial planning, including the tool most used in the real sector - budgeting, allows you to identify the weak and priority competitive positions of an organization, determine the optimal directions for the formation and use of financial resources, effectively use existing internal reserves and external market opportunities, which ultimately contributes to growth financial stability of the organization. Achieving the main goal of financial management - maximizing the market value of an organization - is possible only if effective planning of cash flows and financial results is carried out in terms of its operating, investment and financial activities.

In financial management, it is traditionally believed that the financial mechanism of an organization includes four main elements: financial methods; financial instruments; regulatory framework; and information support.

Financial methods are specific ways of influencing financial relations, property (assets) sources of their formation, cash flows, risks, and financial results of an organization in order to achieve its goal. These methods of influence are varied and can be differentiated according to different characteristics. In particular, depending on the object of management, there are methods of managing non-current assets, current assets (inventories, accounts receivable, monetary assets), capital, profit of the organization, and others.

The availability of management tools determines the possibility of implementing specific financial methods. A management tool is a certain means or lever of influence of a subject on an object, with the help of which the solution of the task is ensured within the framework of the current market situation, resource and other restrictions. Each management method has its own tools. The organization's cash flow management tools include types and price levels, forms of non-cash payments, interest rates on concluded loan agreements, discount rates, etc.

The use of financial management methods and levers is carried out within the framework of current legislation - a set of regulations governing various aspects of business activity, financial relations of the organization with the budget system, financial institutions, employees, and market counterparties.

In addition, information support plays a significant role in organizing effective financial management. This is due to the fact that the management process requires the development and implementation of operational decisions that are adequate to the prevailing economic realities, that is, making a choice from a variety of alternative options. In choosing the most informed decision, along with the qualifications of management personnel, timely and reliable information about the factors of the internal and external environment of the organization plays an important role. The corresponding information support includes an array of forecast, current and retrospective information about the organization's operational, investment and financial activities in a constantly changing external environment.

However, for an organization's financial management system to be effective, its formation and operation must be based on a number of basic principles.

- The principle of integration with the overall management system of the organization - the financial management system is directly related to operational, innovation, strategic, investment, crisis management, personnel management, as it covers issues in all areas of organization management
- The principle of the integrated nature of the formation of management decisions - It assumes the presence of a complete set of control functions and supporting subsystems, a comprehensive study of phenomena and processes. The complex nature of the formation of management decisions in the financial management system is manifested in the multidimensionality of their assessment, taking into account the close connection of management decisions, each of which contributes to the financial condition of the organization
- Scientific principle - involves the use of scientifically based methods and approaches in the development and implementation of management decisions within the framework of financial management
- Highly dynamic control principle - It assumes, even in the event of a slight deterioration in the financial condition of the organization, a quick reaction on the part of management subjects in the form of the development and implementation of management decisions aimed at improving it

- The principle of variability of approaches to the development of management decisions - the development of management decisions in the financial management system should take into account alternative possibilities of action. The selection of the optimal option from several alternatives should be based on established performance criteria
- Principle of orientation for strategic development goals of the organization - the financial management system must correspond to the strategic development goals and contribute to the implementation of the overall economic development strategy of the organization
- Systematic principle - the organization is considered simultaneously as an independent system and as an integral element of a larger system (holding, industry, state). The principle of consistency involves the implementation of a comprehensive analysis of risk factors in the external and internal business environment
- The principle of adaptability (flexibility) - characterizes the necessary property of the financial management system to adapt to changes in environmental factors, which ensures the organization’s ability to continuously and effectively operate in conditions of permanent external changes
- Principle of adequacy - the financial management system must be consistent with current economic conditions, in which the organization operates, as well as its industry specifics
- Principle of economic efficiency – provides for the proper degree of effectiveness of the developed solutions within the framework of financial management from the standpoint of the optimal ratio of results obtained and incurred costs for the implementation of relevant measures

International business can be defined as the business interaction of firms of various forms of ownership or their divisions located in different countries, the main purpose of which is to make a profit due to the benefits and advantages of international business operations.

International business is an entrepreneurial activity associated with the use of capital in various forms and the benefits of increased business activity; is carried out to obtain profit and extends to the international economic sphere.

International business includes any economic transactions carried out by two or more countries. Such business relationships can arise at the level of both private and public organizations. In the case of the participation of private companies in international business, economic operations are usually carried out to obtain profit. The activities of state-owned firms are not always profit-oriented.

The economic essence of international business should be defined in terms of its phenomenon and process of international economic relations.

As a phenomenon of international economic relations, international business is a form of interaction between subjects of international economic activity aimed at obtaining benefits from cross-border cooperation.

International business has significant features compared to national business.

Main features of international business:

1. Making a profit in international business is achieved by using the advantages of going beyond national borders for economically efficient business operations.

2. Entrepreneurs seek to use additional economic opportunities resulting from resource features of foreign markets, capacity, legal features of foreign countries, specifics of interstate political and economic relations regulated by appropriate forms of interstate interaction.

3. International business is significantly variable depending on the level of internationalization. The axis of development "national business - multinational business" includes the stages of growth of this level: from one-time deliveries to a foreign market to a developed structure of transnational companies (TNCs), for which R&D, production and distribution are spheres that cover the entire globe and cover dozens of countries and hundreds of markets.

4. As a result of internationalization, a global business service becomes as accessible as possible for any business, that is, a package of various services that is completely independent of national ownership and focused only on economic efficiency: from

scientific to financial and from transport to the selection of international teams, which today allows maximum realize opportunities in business.

5. Taking into account the cultural factor in business, that is, the set of requirements and restrictions imposed by the culture of a given country on those who do business in it (or with it). This problem is acute to the extent that the cultures of the company's home country and its host country are different.

6. The global nature of international business is its most important feature: it covers the world system of information business exchange, the world financial market, the global structure of technological innovations, etc. As a result of advancing from level to level of internationalization, the importance of how this feature manifests itself in a given business increases , that is, how the efficiency of this business is determined by the use of globalization.

7. International business is a system of professional knowledge of a fundamentally higher level than is available in any national (domestic) business.

8. International business incorporates the best national models, all the best in world practice.

9. Information is the main strategic resource, and adaptation is the main strategic weapon of international business.

10. The fundamental difference between international business and national business lies in the inverse assessment of the domestic situation: negative trends in the country's economy (or its individual industry) may be assessed differently by an international firm, since they are the ones that can open up additional business opportunities for the firm.

11. Unlike domestic competition, international business can feel the support of its state in the fight against competitors in many hidden forms.

The most important feature of international business is its economic, legislative and political field of competition, as well as the socio-cultural background, which significantly distinguishes it from the domestic markets of countries. The modern global market, despite the saturation of norms and rules of behavior of economic subjects, the formation of international regulatory mechanisms and institutions, qualitatively and quantitatively differs from domestic national markets, the legal functioning of which has a legislative nature.

1.2. Methodological Approaches to Financial Management

Financial management is a set of techniques, methods and techniques that enterprises use to increase profitability and minimize the risk of insolvency.

In practical terms, financial management is a set of forms and methods of targeted influence of management subjects on the formation and use of financial resources.

The works of Honcharov A.B., Shehda A.V., Ivakhnenko V.M., Komarova K.V., Tymoshko H.M., and others are devoted to the problems of researching the essence of management in general and financial management in particular. However, the issue of the essence and principles of managing the financial condition of corporations remains understudied. In our opinion, the need to improve the theoretical principles of managing the financial state of the enterprise is determined by certain essential conditions of the current state of their activity, among which the intensity of the factors of the external environment, the existing internal contradictions, which have only an imbalance of the parameters of the financial state, the impossibility of adapting the main goal of management, which, accordingly, should be pointed out requires the strengthening of management actions to obtain an additional effect from ensuring proper financial management.

Undoubtedly, the basis of management consists of objective processes of development, approaches to determining their content, which must necessarily be coordinated by the management activities of people. This means that possible options for the development of the financial state and the system of its constituent elements acquire the status of objects of management.

In general, management is considered by scientists as a process of a certain activity, a higher type of information interaction or as a system of principles and methods affecting the managed system. Honcharov A.B. defines management as "the process of producing and implementing managerial influences". One should agree with these definitions, since managerial influence is exerted on the object to achieve the set goals.

The interpretation of this concept by Shehda A.V. differs in a somewhat different approach, in which management is defined as a higher type of information interaction, in the process of which, based on the available experience accumulated in the process of development and evolution of the system, in the form of a coded system that is stored in memory system, the movement characteristics of the specified system are changed. That is, the scientist defines management as the process of managing the movement of information, which in modern conditions is of great importance, but does not convey the features of the systemic nature of the management process.

Ivakhnenko S.V., in our opinion, defines the essence of management more broadly. He believes that this concept is multifaceted, and therefore it should be considered from different angles: as a process, as the organization of this process, and as a management style.

The above approaches to the interpretation of the essence of the concept of "management" as a process cannot fully reveal the essence of the management of the financial state of the corporation, since the latter must first of all have a methodological basis for this process. Therefore, there should be a different approach to considering this issue, which assumes the presence of a methodological basis.

Thus, Komarova K.V., considering management as a system of principles and methods, believes that management is "a system of ideas, principles, ideas that determine the purpose of the operation of the enterprise, the mechanism of interaction between the subject and the object of management, the nature of relations between individual links of its internal structure, as well as the necessary degree of consideration of the influence of the external environment and the development of the enterprise". It is worth agreeing with the opinion of the authors that management is determined by a system of principles and is a mechanism of interaction between the subject and the object of management. The purposefulness of management is emphasized by Tymoshko G.M., who claims that management is a purposeful influence on a certain object to change its state or behavior, but the purpose of such changes is not clearly identified.

When studying the management of the financial state of the corporation, it should be noted that each of the mentioned approaches can be applied to different aspects of such management. In order to outline the sphere of management of the corporation's financial condition, it is necessary to determine what are the peculiarities of financial management (management).

In the "Financial Manager's Dictionary" Blank I.A. The blank concept of financial management is defined as "a system of managing the formation, distribution and use of financial resources of a business entity and the effective circulation of its funds." In this definition, the subject of enterprise financial management is disclosed in more detail, but this management as a financial system is not considered at all. In addition, as already noted, the subject of financial management is financial (and not only cash) flows.

In the monograph V.M. Sutomina, V.M. Fedosov and N.S. Ryazanova's "Finances of Foreign Corporations" provides the following definition: "financial management, or financial management of corporations, is a system of principles, methods, means and forms of organization of monetary relations." In this definition, in our opinion, emphasis is placed on the content of financial management (financial management) of the corporation as a management system, but the subject of this management, which is considered as "money relations" (the term "financial relations", would be more correct, is not quite correctly defined and it does not fully characterize the subject of financial management).

Summarizing the results of the study of approaches to determining the essence of management in general and financial management in particular, we note:

1. The essence of corporate finance management can be considered in three aspects: as a practical system, as a science, as an educational discipline. In accordance with the purpose of our research, this entity will be considered in the following presentation only in a practical aspect - as a management system.
2. Management of the financial condition of the corporation is part of the overall system of its management and should closely interact with other management systems: operational management, investment management, personnel management, etc.

3. As part of the general management system, financial management should be aimed at achieving the general strategic and tactical goals of the corporation. However, as an independent management system, financial management should contribute to the implementation of strategic and tactical goals of the activities of corporations. The system of general goals of the corporation and its financial goals should not contradict each other.
4. As a management system, financial management is characterized by a complex (or system) of principles, methods, and forms of organization of the corporation's financial activities.
5. The subject of financial management of the corporation in a broad sense is financial relations, and in a narrower sense - the formation, distribution and use of its financial resources, and the organization of its financial flows. From these positions, the subject of financial management can be summarized as the management of all aspects of the corporation's activities. However, it should be taken into account that the purpose of the corporation's activity is not only to maximize profit, but also to increase the welfare of its owners.

That is why the management of the financial state of the corporation acquires a special nuance - the balancing of the interests of the top management of the corporation and its owners, which is achieved through optimal management of financial flows and rational distribution of financial resources.

Thus, the management of the financial state of the corporation is defined as a set of principles, methods and tools for making and implementing management decisions regarding the structure of assets and sources of their financing in order to ensure compliance with the interests of top management and ensure the growth of the owners' well-being.

Financial management methods are diverse, but specific methods and forms of financial management include:
- financial planning;
- forecasting;
- programming;
- financial regulation;

- operational management;
- financial control;
- Financial planning and forecasting

Financial planning occupies an important place in the financial management system. It is during planning that any business entity comprehensively assesses the state of its finances, and identifies opportunities to increase financial resources, and areas for their most effective use.

Types of goals:

- Short-term (up to 3 months);
- Intermediate (3-12 months);
- Long-term (over 12 months).

Fig. 1.3 Types of Financial Goals

Source: based on the article (19)

Financial forecasting is, first of all, the justification of financial plans, the prediction of the financial situation for a particular period of time. In theory and practice, there are intermediate term (3-12 months) and long-term (more than 12 months) financial forecasting.

The main goal of financial forecasting is to determine the realistically possible amount of resources and their needs in the forecast period. Financial forecasts are a necessary element and at the same time a stage in the development of financial policy. They make it possible to develop various scenarios for solving socio-economic problems facing all elements of the financial system.

Financial programming – a method of financial planning that uses a program-targeted approach, which is based on clearly formulated goals and means of achieving them, assumes:

- establishing spending priorities by area;
- increasing the efficiency of spending funds;
- termination of financing in accordance with the choice of an alternative option.
- financial regulation of socio-economic processes is an activity organized by the state to use all aspects of financial relations in order to adjust the parameters of reproduction. The subjects of financial regulation are government agencies, and the objects are the income and expenses of participants in the social system.

The main task solved in the course of financial regulation is related to the establishment of proportions for the distribution of savings that ensure the maximum possible satisfaction of the needs of society, both at the macro and micro levels.

- operational financial management is associated with the implementation of practical actions to implement the financial plan, making adjustments to its indicators taking into account new economic circumstances, finding other sources of financial resources and areas for their effective investment. Operational management is a set of measures developed on the basis of operational analysis of the current situation and pursuing aiming to obtain maximum effect at minimum costs through the redistribution of financial resources;
- financial control – a system of measures to verify the legality, feasibility and effectiveness of actions to form the distribution and use of financial resources at the disposal of the financial government, as well as regional and local authorities.

Main purpose: to ensure the efficiency of the process of generating and spending state funds.

An enterprise is solvent if its assets are sufficiently liquid. An analysis of the term “liquidity” shows that there is no single and unambiguous definition of it. This is due to the variety of approaches in the study of this category, as well as the complexity and complexity of this concept. First of all, the liquidity of an enterprise is a complex concept and includes:

- asset liquidity, which is understood as the ability to convert an enterprise's assets into cash without loss of market value to ensure the ability to finance its activities and pay off its obligations on time and in full;
- balance sheet liquidity, which is understood as the ability of assets, when they are converted into cash, to repay the corresponding obligations in full over a certain period of time, as well as to finance their activities;
- liquidity of an enterprise, which is the ability of an enterprise to convert its assets into cash without losing its market value, as well as to attract funds from external sources to fulfill all its obligations on time and in full, to finance its activities and constantly maintain a balance between the volumes of relevant groups of assets, separated by the timing of their transformation into money, and liabilities, separated by their maturity dates.

Thus, balance sheet liquidity is a particular concept of the solvency of an enterprise, and asset liquidity is a particular concept in relation to balance sheet liquidity. It is most appropriate to understand the liquidity of an enterprise's balance sheet as the ability and speed of converting current assets into cash in order to pay off current obligations both as they become due and overdue debts.

Thus, balance sheet liquidity is a particular concept of the solvency of an enterprise, and asset liquidity is a particular concept in relation to balance sheet liquidity. It is most appropriate to understand the liquidity of an enterprise's balance sheet as the ability and speed of converting current assets into cash in order to pay off current obligations both as they become due and overdue debts.

Solvency analysis is carried out using various methods. The method of financial analysis is a way of studying those economic processes and their development that occur within the framework of the object of study.

In order to carry out financial analysis it is necessary to use several methods and techniques. They are divided into traditional and mathematical.
The methods of financial analysis that are used must be divided into two groups: formalized and informal. Note that formalized methods are divided into two groups: traditional and non-traditional. Thus, modern theory and practice offers a wide range of

tools of various techniques and methods for analyzing financial condition, including analysis of financial stability.

Solvency is considered based on the main characteristics of balance sheet liquidity by comparing individual groups of assets and liabilities of the enterprise. The company's assets are divided into the following groups depending on the rate of conversion into cash:
A1 – assets that are considered absolutely liquid.
A2 – assets that are considered quickly realizable.
A3 – assets that are considered slow to be realized.
A4 – assets that are considered difficult to sell.

Liabilities are grouped according to the degree of urgency of obligations, and it is customary to distinguish the following groups:
L1 – obligations that are considered the most urgent.
L2 – obligations that are considered medium-term.
L3 – obligations that are considered long-term.
L4 – liabilities that are considered permanent.

In order to determine whether an enterprise is solvent or not, it is necessary to compare groups of assets with groups of liabilities. An enterprise is considered to be absolutely solvent if the following conditions are met.

The fulfillment of the first three inequalities indicates that the current assets of the enterprise are greater than all its liabilities. Consequently, the fourth inequality will also be satisfied, since the enterprise will have its own working capital. At the same time, the fourth inequality is very important, since its fulfillment indicates the presence of its own working capital, which is also the minimum condition for the financial stability of the enterprise.

If one of the first three conditions is not met, this indicates a different degree of solvency of the enterprise. For example, if the first condition is not met, it means that the company is not solvent at the current time. If the second condition is not met, it means that the company is not solvent in the medium term. Failure to comply with the third condition indicates insolvency in the long term. At the same time, the lack of current assets in one of the groups, as a rule, is compensated by the surplus in other groups.

Let us note that a comparison of quickly realizable assets with short-term liabilities reflects the enterprise’s ability to pay off current obligations for a period of 3 months to 1 year.

With a comparative analysis of long-term liabilities and slowly selling assets, it is possible to predict long-term solvency based on a comparison of future payments and receipts.

In the conditions of the investment crisis, when there is a need to improve approaches to reforming the economy and institutional structures that serve the economic sphere, one of the promising directions of economic transformations in Ukraine is entrepreneurship with the involvement of foreign capital. The organization and development of the activities of enterprises with foreign investments is a way for the state to get out of self-isolation, a means of integrating it into the world economic systems and the international division of labor. Enterprises with the participation of foreign capital are the most progressive, competitive form of business, a tool for the formation of market relations in the economy of Ukraine. Under favorable conditions and with the expansion of activities, enterprises with foreign investments can have a positive effect on economic development, inhibition of the decline in production, growth of the national economy.

Article 3 of the Law of Ukraine "On the Regime of Foreign Investment" specifies that one of the forms of foreign investment in Ukraine is the partial participation of foreign investors in enterprises created jointly with Ukrainian legal entities and individuals, or the acquisition of a share of existing enterprises.

Joint ventures, which are created by companies of two or more countries, provide an opportunity to combine resources, experience, and connections. The creation of joint ventures in Ukraine today is relevant and positive, as joint ventures provide significant investments and new management technologies, stimulate the process of production of competitive products in Ukraine, and facilitate their entry into international markets.

After choosing the optimal (from the point of view of the interests of Ukrainian and foreign partners) option of creating a joint venture, it is recommended to draw up a preliminary business plan according to the methodology adopted for both Ukrainian and foreign partners. The main sections of the plan include the number of necessary investments and technologies, the need for fixed and working capital, loan funds, calculations of production costs and prices for finished products, as well as other important indicators of the enterprise's activity (development of a marketing strategy, business insurance, development of a financial plan and financial strategy, etc.).

Based on research, the following system of operation of joint enterprises can be formed. First, such a system should be based on the following principles: the principle of independence, the principle of unity of interests, the principle of equality, the principle of profitability, the principle of voluntariness, the principle of compliance with current legislation. From the point of view of the external environment, this system is based on political-legal, economic and socio-cultural components. From the point of view of the internal environment, these are technological, material, informational, organizational, financial, labor, and environmental components. Only if the components of the system are united, a greater economic effect can be obtained than in their separation.

Thanks to the operation of such a mechanism of the functioning of joint enterprises, functions and aspects are optimized by the principles of their creation.

In addition, work according to such a scheme foresees the need and outlines directions for improving relations with the external environment, which will provide an opportunity to move to a qualitatively higher level of activity. It becomes clear that certain actions of the government, the readiness of domestic entrepreneurs to accept foreign experience, reduction of risks, and high return on capital investments are the driving forces of investment support in the agricultural sector of the economy.

1.3. Peculiarities of financial management in different types of organization

The current stage of tax reform is highly dynamic: fundamental amendments to certain types of taxes have been adopted, and the general concept of development of the tax system is being actively implemented. In these conditions, it is important to timely record and evaluate the most significant changes in taxation, and with them the quality of tax policy.

Legal support for the functioning of the financial mechanism includes legislative acts, regulations, orders and other legal documents.

Regulatory support is instructions: standards, norms, tariff rates, guidelines, and explanations.

Financial information includes information about the financial stability and solvency of partners and competitors. Prices, rates, dividends, interest on the commodity, stock, and foreign exchange markets, information on the state of affairs on the exchange and over-the-counter markets, financial and commercial activities of business entities.

Modern organizations' financial management must function within a complex legal and regulatory framework that influences many important choices and policies. It is essential for me to have a solid knowledge of the main laws and administrative regulations that finance departments need to implement into their policies and processes as an aspiring manager. This involves evaluating laws such as Dodd-Frank, Sarbanes-Oxley, and other laws implemented in response to financial crisis and accounting scandals in 2008.

The Dodd-Frank Act Dodd-Frank, often known as the Wall Street Reform and Consumer Protection Act, is a comprehensive financial regulation bill that was passed in 2010 in reaction to the 2008–2009 financial crisis. It shields customers against dishonest lending practices and attempts to increase accountability in the financial sector.

The following are some of the Dodd-Frank Act's main features:

1. The Consumer Financial Protection Bureau (CFPB) was established to uphold laws and shield customers from unscrupulous loans. Credit cards, mortgages, and other financial products are regulated by the CFPB.
2. Implementing the Volcker Rule, which prohibits banks from engaging in specific investing activities using their accounts, and limiting "risky" lending practises by banks. The goal of this is to lower the permitted level of risk that big banks can accept.
3. Controlling intricate financial products such as derivatives to lower systematic risk and promote transparency. Transactions involving derivatives must pass via centralised clearing houses.

4. Increasing openness by imposing new credit rating agencies, hedge funds, and private equity firms reporting obligations. Increasing credit rating organizations' responsibility is part of this.
5. Giving shareholders more say over matters of corporate governance, such as board director nominations and CEO compensation. By doing this, shareholders will have more control.

Major financial laws and consumer protections are implemented by the comprehensive Dodd-Frank Act, which decreases banks' dangerous proprietary trading, increases the transparency of complex assets, safeguards consumers, and gives shareholders more power. The ultimate goals are to avert financial crises and bailouts financed by the taxpayer in the future.

The 2002 Sarbanes-Oxley Act (SOX) was enacted in reaction to multiple significant corporate accounting scandals, including WorldCom and Enron. It attempts to improve public firms' financial reporting's transparency, dependability, and accountability.

Among the principal clauses of Sarbanes-Oxley are:

1. To maintain accountant independence from the corporations they audit and to enforce auditor compliance, the Public Company Accounting Supervisory Board (PCAOB) was established as an independent supervisory body.
2. Enforcing stricter internal controls over financial reporting in order to guarantee the dependability and correctness of business financial statements. Businesses are required to conduct yearly assessments and provide reports regarding the efficiency of these internal controls.
3. Strengthening the rules governing financial transparency, such as mandating officer certification of financial reports and offering whistleblower protections. The accuracy and completeness of financial accounts are now verified by top executives.
4. Defining guidelines for improving the independence of auditors from management, such as limitations on consulting agreements that can lead to conflicts of interest with auditing operations.

5. Strengthening the sanctions for breaking securities laws, both criminal and civil. Executives found guilty of misconduct may face penalties or more time in prison.

Following significant reporting problems, the Sarbanes-Oxley Act attempts to strengthen governance by promoting accuracy in financial reporting and the dependability of audits. Public companies must be held accountable due to the tighter sanctions, more transparent procedures, and more scrutiny.

We will have a better understanding of the legal responsibilities and liabilities financial managers have in maintaining accurate reporting, transparency for lenders and shareholders, and accountability in the event of fraud or misconduct by evaluating pertinent legislation such as these securities acts and financial regulations. The guidelines established by legal precedents regarding corporate compliance also limit managers' flexibility in how they organize financial operations and investments. Understanding how these legal principles are used in the real world also requires looking at the variety of administrative guidelines published by organizations like the Securities and Exchange Commission, in addition to statutes and case law. Over time, regulators' positions may change in response to political developments or as watchdogs sharpen their interpretations.

By combining the knowledge obtained by analyzing legislation, rulings from courts, and administrative stances, the conscientious manager can achieve budgetary goals while dutifully adhering to regulations in text and spirit. We understand that moral decisions must take into account societal obligations as well as the broad legal permissibility. In the end, current frameworks set limits yet grant latitude in advancing business objectives while maintaining integrity. Understanding these standards and principles will enable me to handle that complexity.

The analysis carried out in the thesis systematizes the factors of investment attractiveness of the enterprise according to the sources of their occurrence and duration of influence. The formation of an assessment of the investment attractiveness of the enterprise based on taking into account its internal and external factors is substantiated (fig. 1.4).

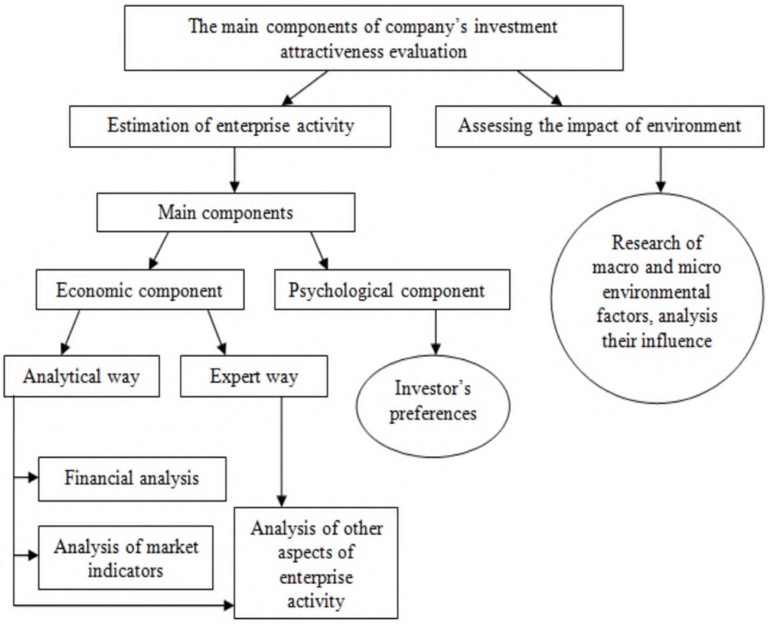

Fig. 1.4 Enterprise investment attractiveness evaluation

Source: based on the article (18)

The investment attractiveness of the enterprise can be presented in the form of a rating assessment or the value of a special index. The existing indices are based on a static base of coefficients that allow characterizing only certain aspects of the business entity in question. At the same time, it is not allowed to include other coefficients of financial and economic activity, which leads to a one-sided consideration of investment attractiveness.

In the diploma thesis, the index of investment attractiveness of an enterprise with an open architecture IAE (invest attractiveness of enterprises), given by formula 1, is substantiated and proposed.

$$IAE = \left(\sum_{i=1}^{n} C_i \cdot W_i \right). \tag{1.1}$$

Where –

IAE - invest attractiveness of enterprises

n - the number of the considered coefficients

C – coefficients

W – weights

Its application allows changing the number (n) of the considered coefficients C and their weights W, based on which the assessment of the investment attractiveness of the enterprise is formed and the individual preferences of the investor are taken into account.

The selection of the calculation based on the coefficients of the IAE index and giving them weight should be carried out based on a certain goal of investing in the enterprise.

Table 1.1

Interpretation of the main terms by the relevant provisions (standards) of accounting

Basic definitions	*Accounting regulations (standards)*	*International accounting standards*
Income	an increase in economic benefits in the form of an inflow of assets or a decrease in liabilities, which lead to an increase in equity (except for an increase in capital due to external owners)	it is an increase in economic benefits by reducing the increase in assets or liabilities, which increased before the growth of the company's equity capital. (by capital increase due to participants' contributions)
Expenses	a decrease in economic benefits in the form of the disposal of assets or an increase in liabilities, which lead to a decrease in equity (by a decrease in capital due to its withdrawal or distribution among owners)	it is a decrease in economic benefits in the form of assets or an increase in decreasing liabilities. to a decrease in the company's equity capital (according to a decrease in capital as a result of its withdrawal or distribution among owners)

Profit	the amount by which revenues exceed the costs associated with them	accounting profit - profit or loss for the period before deduction of tax expenses.
Loss	the excess of the amount of expenses over the amount of income for the production of which these expenses were incurred	it is total income less expenses for other components of other comprehensive income
The financial result	–	is the difference between the company's income and expenses over a certain period of time.

Source: made by author

The methodological bases of the formation of information about financial results in accounting and their disclosure in financial reporting are determined by the relevant provisions (standards) of accounting.

The composition of income and expenses related to the relevant types of activities is determined by the sub-accounts of the instructions on the application of the plan of accounts for the accounting of assets, capital, liabilities and economic operations of enterprises and organizations (hereinafter the Instructions) and the Regulations (standards) of accounting "Incomes", Regulations (standards) of "Expenses" accounting.

To determine the financial result of the reporting period, it is necessary to compare the income of the reporting period with the expenses incurred to obtain these revenues.

According to the "General requirements for financial reporting", income is an increase in economic benefits in the form of an inflow of assets or a decrease in liabilities, which lead to an increase in equity (except for an increase in capital due to owners' contributions) for the reporting period.

The formation of financial results in terms of types of activities is shown in Fig. 1.5.

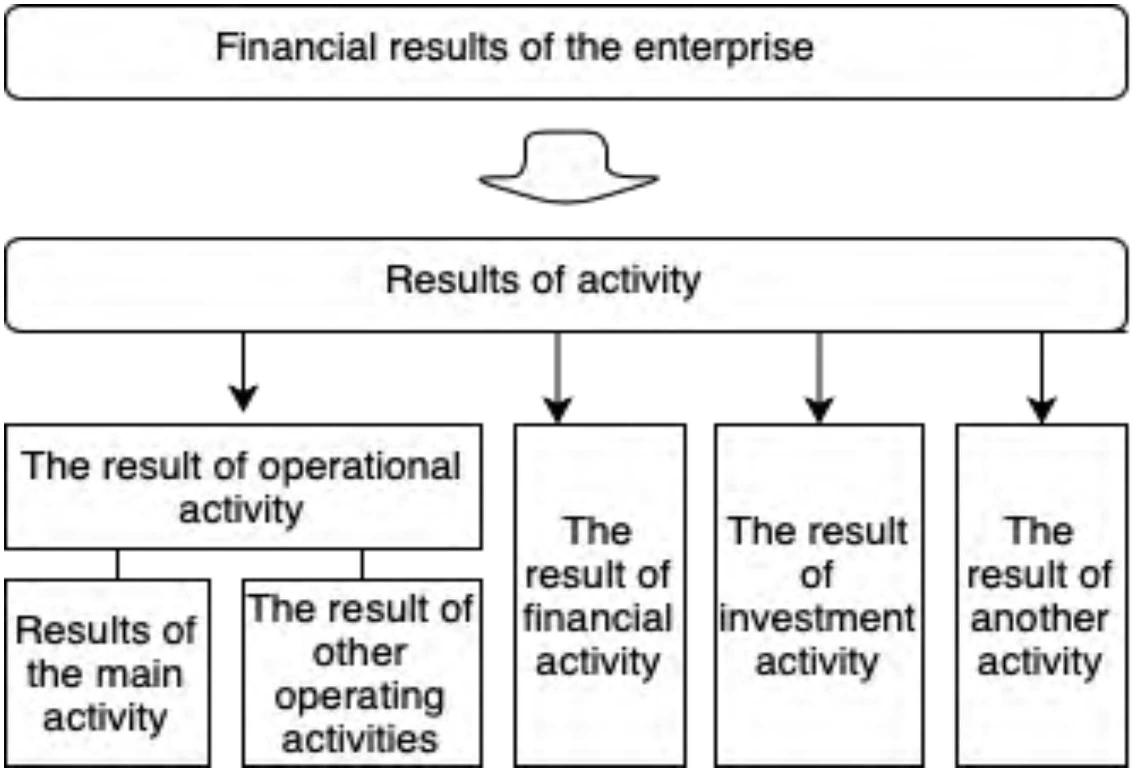

Fig. 1.5 Formation of financial results of an entity

Source: made by author

To determine the financial results from different types of activities, it is necessary to compare income and related expenses, following the accrual principle.

The purpose of the analysis of financial results is to characterize the obtained financial result of the company's activity and to justify the adoption of managerial decisions regarding the improvement of the performance of the activity.

The implementation of analysis tasks by calculating the necessary indicators, using appropriate techniques and methods of analytical research, forming conclusions, ensures the achievement of the set goal. At the same time, significant importance is given to information resources for its implementation.

It is advisable to detail the informational component of the organizational and informational model of the analysis of financial results by sources of formation. At the first classification level, economic information is grouped according to the environment in which it is formed, that is, it is divided into external and internal.

An important source of regulatory information regarding financial results is the Plan of Accounts of Accounting and the Instruction on its Application, Regulations (Standards) of Accounting, approved by order of the Ministry of Finance.

Planned information regarding financial results is formed directly at the enterprise, based on potential opportunities for its development, requirements of current legislation and relevant regulatory documents and is contained in financial plans, business plans, investment projects, and estimates.

Accounting is the main source of factual information about financial status.
Receiving, processing, transmitting and storing information on financial results of activity involves the use of a system of economic indicators. In the given organizational and information model, economic indicators are divided into two groups (absolute and relative indicators), which reflect the movement of information flows in the management system. The absolute indicator of profitability is the amount of profit. The relative rate of profitability is the level of profitability.

But at the same time, the indicated distribution of economic indicators is sometimes conditional, as it mainly concerns factual information. Normative data contain both of their types, and the sum of relative indicators forms absolute data.

An important element of the organizational and informational model is the methodical provision of analysis of the financial results of the enterprise. The methodical techniques included in the model allow to carry out a general and factor analysis of the dynamics of the research object, as well as an analysis of financial ratios.

Analytical work on financial results at all stages of their formation and accounting of individual components is important. Thanks to this, research is provided:

- changes in indicators, components of financial results;
- influence of factors on the size of financial results;
- structure of income and expenses and effectiveness of certain types of activities;
- revenues received and expenses incurred to ensure the relevance of these indicators in the formation of financial results;
- determination of directions for improving the value of financial results;
- study of directions of distribution and efficiency of profit use.

The conducted research allows us to generalize the stages of analytical work into four main stages: preparatory, implementation, effective and prospective. Each stage will correspond to certain stages of the analysis, which will generally determine the algorithm for organizing the analytical research

The preparatory stage is characterized by all the organizational stages that are necessary at the beginning of the research, that is, the answer to the question of what, who, how and why the analysis will be conducted. The implementation stage is based on the implementation of all possible analytical procedures using methodical support. Indicator systems, relationship models are formed here, the structure and dynamics of the indicator are studied.

The preparation of the results of the conducted analytical research is carried out at the productive stage.

It provides the informative (management) function of economic analysis. The final stage is a prospective one, which gives an answer to the question of why this research was organized. Implementation of the promising stage is ensured by the search for reserves and prospects for improving the state of the phenomenon under study and control over the effectiveness of the proposed management solutions. Based on the conducted research, it is advisable to indicate the purpose, tasks and sources of the analysis of the financial results of the enterprise, depending on their type (Fig. 1.6).

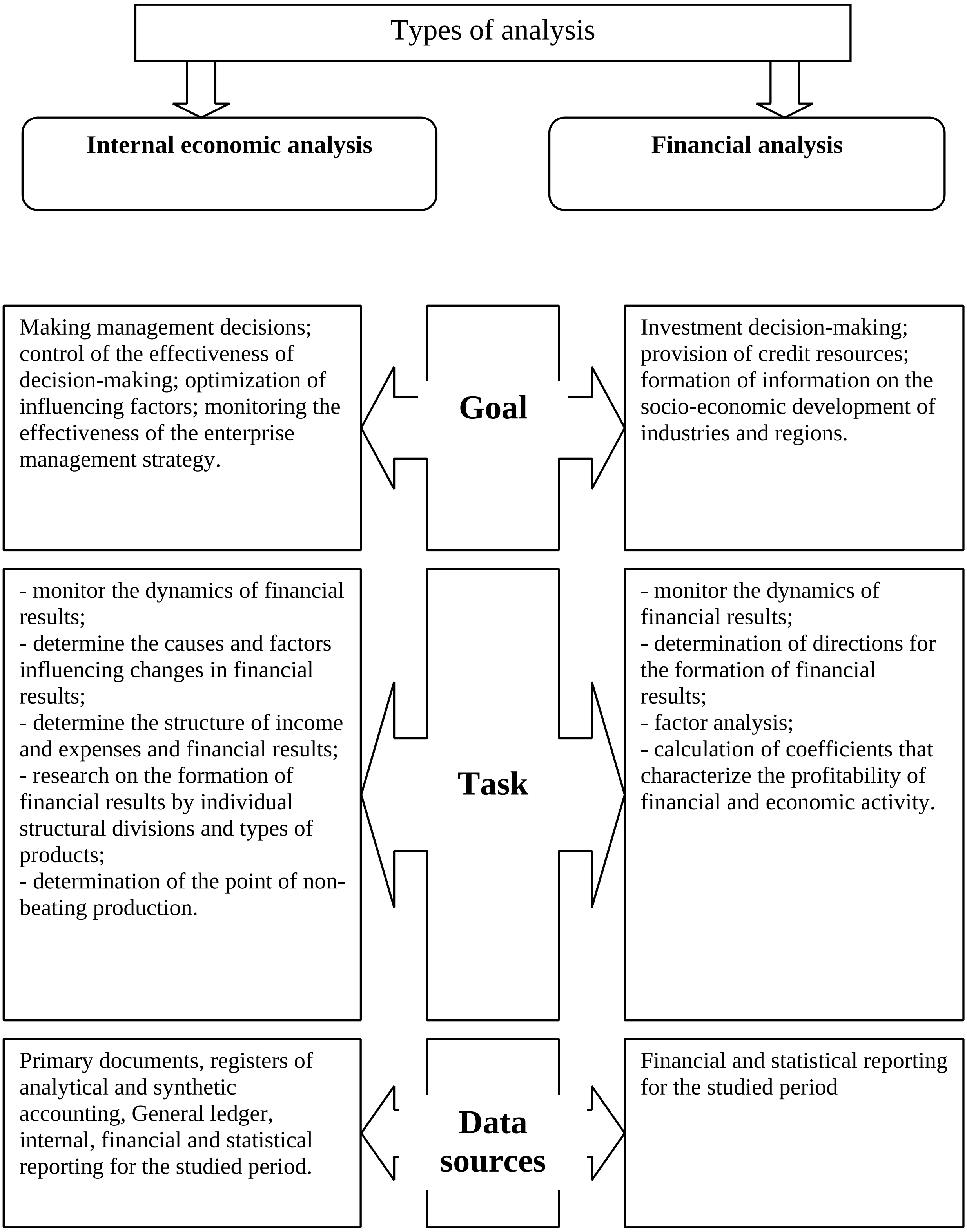

Fig. 1.6 Types of analysis of financial results and their organizational and informational component.

Source: made by author

Thus, the consistent implementation of the elements given in the organizational and information model of the analysis of the financial results of the enterprise ensures the achievement of the set goal.

1.4. Conclusion

We have laid the conceptual foundation for our investigation of efficient finance management in modern business environments in this first chapter. We tracked the evolutionary path of financial theory across several decades by examining foundational hypotheses derived from management science and economics. Throughout, the core principle has remained using financial resources wisely to advance overarching business objectives.

Next, we looked at the practical toolkit that practitioners might use, which includes qualitative frameworks for funding option weighing and quantitative indicators for investment analysis. Acquiring these techniques equips one with essential abilities to handle practical problems. When faced with situations involving the interpretation of legal boundaries or the balance of opposing interests, quantitative competency alone will not be sufficient without the ability to make informed ethical judgments. Even in situations when discretion is required, administrative procedures provide consistency.

We shall fully utilize these theoretical and methodological cornerstones to address real-world corporate issues in the upcoming chapters. We will develop our expertise in applying financial leadership procedures and concepts in a responsible and effective manner through interactive workshops and case analyses. We can develop the conceptual and practical skills required in managing funds, whether big and little, in support of organizational objectives and societal growth by consistently reviewing the foundations described here. Our remaining journey promises to convert knowledge into skills suitable for the problems of the twenty-first century.

CHAPTER 2. ECONOMIC ANALYSIS OF FINANCIAL MANAGEMENT OF BUSINESS MEDIA NETWORK

2.1. General characteristics and analysis of the economic activity of Business Media Network

The Business Media Network company was founded by the Association of Students of Ukraine, a professor of UACU University and the founder of Economy of Trust Company Alex Sheyner to create a global promotion platform for Ukrainian individuals and companies.

The Russian invasion of Ukraine, which began on 24 February 2022, leds to the destruction of Ukraine's infrastructure and the collapse of its economy. This provoked the suspension of Ukrainian President Volodymyr Zelenski's «Great Construction» project, which was supposed to mark the country's entry to the international arena. As a result, the Ukrainian Students' Association began to actively develop the BMN project, to help the country, small and medium-sized businesses. The war in Ukraine changed the concept of the BMN project. The priority became a desire to help the country. The company began to attract young Ukrainians who were looking for an opportunity to be useful to their country. The new goal of the project is to create a platform that facilitates financial support for small and medium-sized Ukrainian businesses to succeed in Ukraine and abroad.

The mission of Business Media Network is to unite businesses, the government and people of Ukraine. To organize, connect and manage content at the local level to promote Ukrainian entrepreneurs and cities around the world.

The vision of the Business Media Network of Ukraine is a comprehensive solution for Small & Medium size businesses in Ukraine.

With regard to company’s structure, all employees in our organization are given the same trust, and the same opportunity to participate in project decisions. Performance and goal achievement are more important, so the ability to solve problems creatively is encouraged.

Employees contribute to the success of our organization and our customers. Business Media Network fully supports that all employees should not be denied their basic human rights. In addition, our employees are held to high standards of honesty and fairness concerning the business, our customers and ourselves. Unlawful and unethical business practices undermine the trust of employees and customers.

With this information, we can say that the BMN company has a clear structure and their goal is of great importance to Ukraine. The owners of this company communicate with all their employees, which allows them to constantly develop the company and get a lot of new ideas.

Business Media Network is an organization that consists of three projects and three platforms that are interconnected. These are Marketplace, Deal Flow, and CityShowcase.

1. **Showcase**

City Showcase, a network of 1470 websites for each municipality of Ukraine, for the first time connecting the whole country. Each municipality will be able to present all local businesses and projects.

2. **DealFlow Weekly Digital Publication**

DealFlow is the digital publication that will be distributed via multiple channels globally to promote 8 industries and 4 cities, with 10 projects or companies on priority basis. This is the International Digital Weekly Publications platform. DealFlow is one of the most important details of our project - it is our face, how we are seen by national and international partners. In our opinion, it is DealFlow that should build a large and stable audience for active business and cooperation.
To execute we build 5 core products (Fig. 2.1)

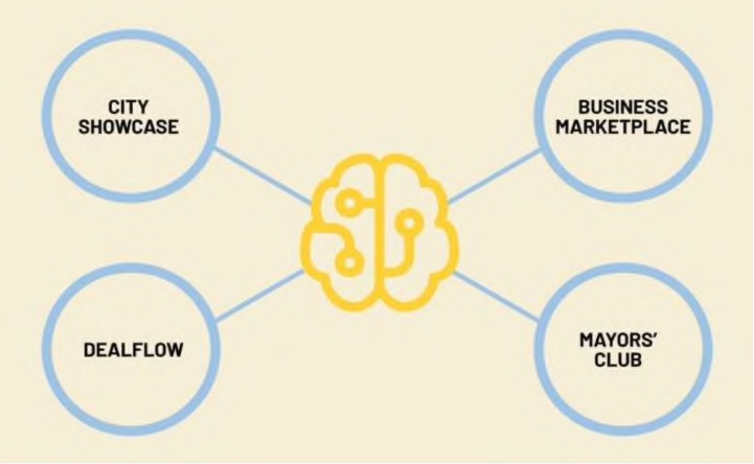

Fig. 2.1 Dealflow

Source: based on Business Media Network Brief

3. **Marketplace**

Marketplace is a national catalog of all Ukrainian businesses and projects, where the companies present their "showroom". With 1M+ businesses the market becomes a nationwide distribution network for international or domestic companies.

Business Showroom for businesses, projects, municipalities and mayors. It enables real- time communication with suppliers and customers. It is a digital network of sites of all cities, villages and territorial communities of Ukraine, which include all infrastructure and small and medium-sized businesses. Each site has all the necessary information for the implementation of new ideas and projects for the improvement and development of the city/village/territorial community.

Marketplace is a business & projects directory for every city and every business of Ukraine. Marketplace is a platform that provides an opportunity for any business in Ukraine to showcase themselves, their services, and goods to anyone in the world. The Marketplace forces full transparency from all parties and participants all the time. This proprietary technology we have developed, will help users understand very clearly which business they can trust. Inside the marketplace there will be a network with an implemented system of internal and external communication between Ukrainian and international businesses. It is for every business to demonstrate its goods and services in order to establish direct relations with suppliers or a customer. Within 12 months all members of our network will be able to conduct any transactions with each other right on the platform through smart contracts & proprietary payment systems.

We promote the companies in our marketplace to the global network of more than 320 World Trade Centers and the 10,000+ businesses they represent. And through the Economy of Trust Newsletter, every week the marketplace reaches over 250 business associations around the world representing more than 1 million companies. The EoT Marketplace does more than promote business. Our goal is to help them make deals. Companies in the marketplace identify their industry specializations, their current B2B needs, and the countries they are seeking to export to or partner with. And if they choose premium option, every month EoT staff will help them identify business leads, whether for financing, distribution or strategic partnerships

4. Mayor's Club

The Mayor's Club of Ukraine is a critical element of the EOT ecosystem. This is an association of former and current urban active heads, which include territorial communities and state administrations of all levels in order to solve local governing issues.

Missions of the club:

- Promoting the establishment of the rule of law, the development of a democratic society and the development of local self-government in Ukraine
- Promotion of the principles of the European Charter of Local Self-Government - Promotion of the best practices of local self-government
- Strategic planning of economic and infrastructural development of cities and communities of Ukraine

5. United Students of Ukraine

The system works like this: Anyone can go to the website and donate, and then the money goes to a pre-selected business, to produce necessities and distribute them for FREE to those affected by war and the USU army. This in turn will keep the businesses running, provide jobs, improve the supply chain and help people in need.

United students of Ukraine, first and foremost, are our students. We have recruited a team of young enterprising people who aim to help the country and develop their skills.

Here (Fig. 2.2) you can see the structure of the department, its potential and the responsible departments

Fig. 2.2 The structure of the department of Business Media Network

Source: based on Business Media Network Brief

On this chart (Fig. 2.3) you can see Business Media Network National Salesforce

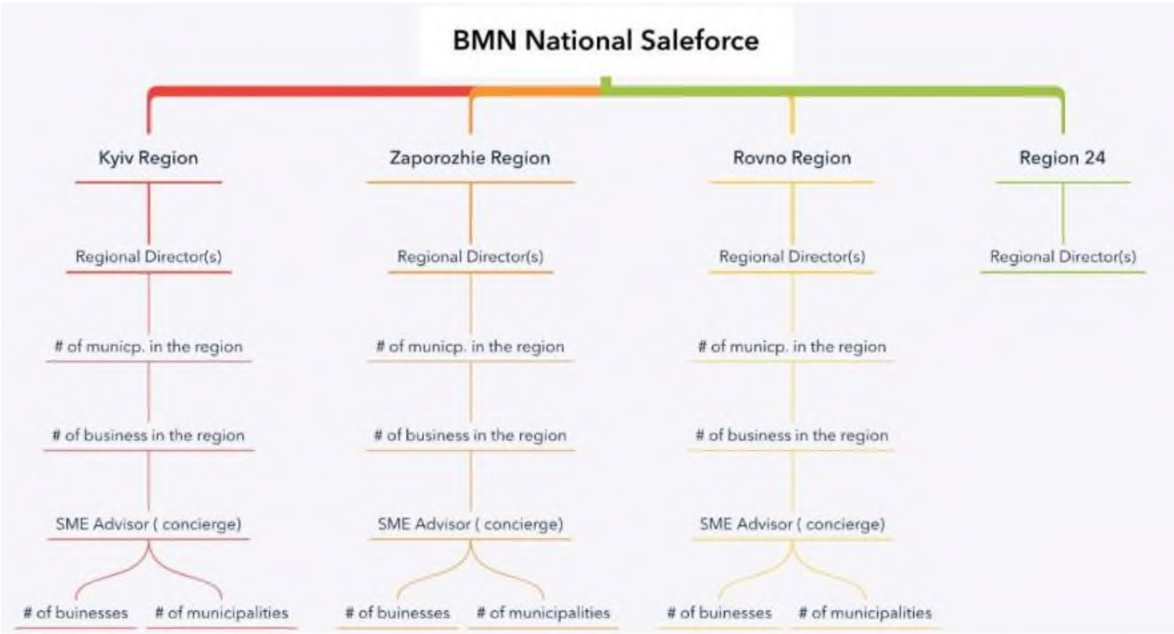

Fig. 2.3 Business Media Network National Saleforce

Source: based on Business Media Network Brief

The implementation of approaches to economic analysis in Business Media Network is ensured through its performance of its functions: evaluative, diagnostic and predictive (Fig. 2.4).

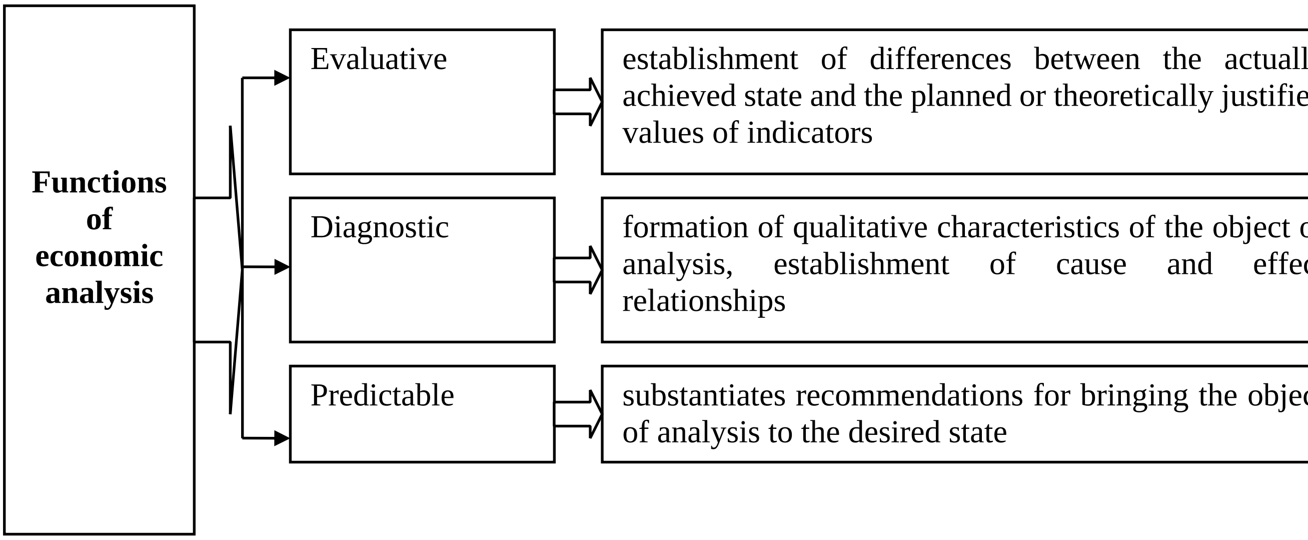

Fig. 2.4. Functions of economic analysis of financial management of Business Media Network

Source: made by author

In modern conditions, advantages in the Business Media Network company are given to the diagnostic and predictive functions of economic analysis. That is, the needs of users are aimed not just at the characteristics of the object of analysis, but at changing it to the appropriate level or forecasting the future. All defined functions are aimed at the economic analysis of the results of the financial and economic activity of the enterprise.

The analysis of the financial results of the Business Media Network enterprise in the conditions of the application of modern information technologies is based on the definition of the main elements of the process of researching income and expenses. On this basis, interrelated stages of performance of relevant analytical procedures are formed and logically based algorithms for generalization and assessment of relevant information are developed for the purpose of making managerial decisions regarding the further development of the enterprise.

The electronic information system for managing revenues and expenses of Business Media Network is built on three levels of economic information processing.

The first level of the electronic system for processing economic information corresponds to the stage of primary accounting of financial and economic transactions, which is a source of factual information used mainly in operational analysis.

Output documents of an analytical and control focus, which are formed at the first level of the electronic information processing system regarding the flow of income and expenses of the enterprise, are compiled in accordance with the purpose of operational management based on primary accounting data, legal and regulatory reference information.

The next level of the electronic information processing system corresponds to the stage of current accounting and allows summarizing accounting factual information, first of all, by relevant periods, using methodological techniques of retrospective (current) analysis.

Electronic registers of current accounting are the main source of current accounting information regarding the operational, investment and financial activities of the enterprise, summarized for the relevant period, mainly for a month.

The highest level of generalization of accounting information in the forms of financial reporting allows to carry out a retrospective and prospective analysis of the economic potential of the enterprise, to determine the efficiency of financial and economic activity, to assess the movement and intensity of use of funds placed in the assets of the enterprise, to give a general assessment of the enterprise's policy regarding the management of its income and expenses. It is this information, researched over a long period, that is the basis of forecasting the economic potential of the enterprise based on the indicators of the reporting forms.

The formalization of the analytical process in the management of Business Media Network revenues and expenses based on the construction of an organizational and informational model for the analysis of financial results is based on the definition of:

- goals and objectives;
- subjects and objects of research;
- system of indicators;
- informational and methodical analysis support (Table 2.1)

Table 2.1

Organizational and informational model of analysis of financial results of the Business Media Network activity

<table>
<tr><td colspan="2">1. The purpose and task of analyzing financial results</td></tr>
<tr><td>1.1. The Purpose</td><td>1.2 The Task</td></tr>
<tr><td>The purpose of the financial analysis of the company's activity is to create an information base for effective management of the company's income and expenses</td><td>● Determination of the degree of implementation of the plan
● Analysis of the dynamics of financial results
● Determination of technical and technological results (increasing the technical and technological level of the enterprise as a whole and in certain areas of technical development)
● Evaluation of management decisions made regarding income and expenses
● Development of a strategy (determining directions for increasing the company's profit)</td></tr>
<tr><td colspan="2">2. Objects and subjects of the analysis of financial results</td></tr>
<tr><td>2.1. Objects</td><td>2.2. Subjects</td></tr>
<tr><td>• Financial results, income, expenses
• Volumes of financial results, income and expenses
• Factors that influenced the determination of directions, types and volumes of financial results, income and expenses
Functions of management of financial results, income and expenses</td><td>• Senior officials of the enterprise
• Economic services of the enterprise
External users of information</td></tr>
<tr><td colspan="2">3. A system of economic indicators for the analysis of financial results</td></tr>
<tr><td>3.1. Absolute value indicators</td><td>3.2. Relative indicators that are the result of analytical processing of accounting information</td></tr>
<tr><td>● The absolute value of financial results, income and expenses
● Absolute indicators of the city's dynamics</td><td>● Relative indicators of the structure of financial results, income and expenses
● Relative indicators of the dynamics of financial results, income and expenses</td></tr>
</table>

	• Relative indicators of efficiency and intensity of processes
4. Information provision of analysis of financial results	
4.1. External information	***4.2. Internal information***
• Legal • Normative • reference	• Planned • Factographic
5. Methodical methods of primary (input) information processing	
5.1. Economic and logical methods	***5.2. Economic and mathematical methods***
• Grouping • Comparison • Calculation of relative indicators • Detailing	• Economic and statistical methods • Econometric methods • Methods of optimal solutions • Cybernetic methods
6. Generalization and implementation of the results of the analysis of financial results	
6.1. Generalization of results	***6.2. Implementation of results***
• Systematization of information • Development of multivariate measures to improve the results of the company's activities in the future • Drawing up the results of the analysis and transferring them to the management structures for the implementation of the proposed measures	• Evaluation of measures to improve performance results from the point of view of the greatest correspondence to the company's strategy • Choosing the best option for measures to improve the results of the enterprise • Making a decision on the implementation of the selected option of measures • Bringing the decision to the executors • Ensuring control over the implementation of the decisions made

Source: made by author

2.2. Research and analysis of the financial state of Business Media Network

In this section, we will analyze the commercial activities of an enterprise in the main areas of cross-border economic activity. We will also calculate the effectiveness of the concluded foreign trade contracts and analyze the effectiveness of various types of concluded cross-border contracts, their impact on the development of the foreign economic activity of the enterprise and on the results of its financial and economic activities.

Since our company is still on the start-up basis, we do not have an analysis of the results of the enterprise's economic activities based on the forms of annual financial and statistical reporting, an assessment of the volume and dynamics of the most important indicators, as well as the financial result from ordinary activities before taxation and its components, net profit and directions for its use

We have moved our Business Media Network into an active stage. Every day we are joined by new students who wish to support the project. The number of cities included in Business Media Network is rapidly growing, and with this the scale of our idea. Thanks to the team of students, the goal of helping Ukrainian individuals and businesses is becoming more real by the day.

Raising capital from foreign investors can go a long way in growing a business. In Business Media Network, the head of the company constantly travels to meetings with American investors and explains why the market in Ukraine is at the stage of development and why it is necessary to invest in our country. Soon, all investments from abroad to the country will pass through Business Media Network.

On the fig. 2.2 the investment phases are specified.

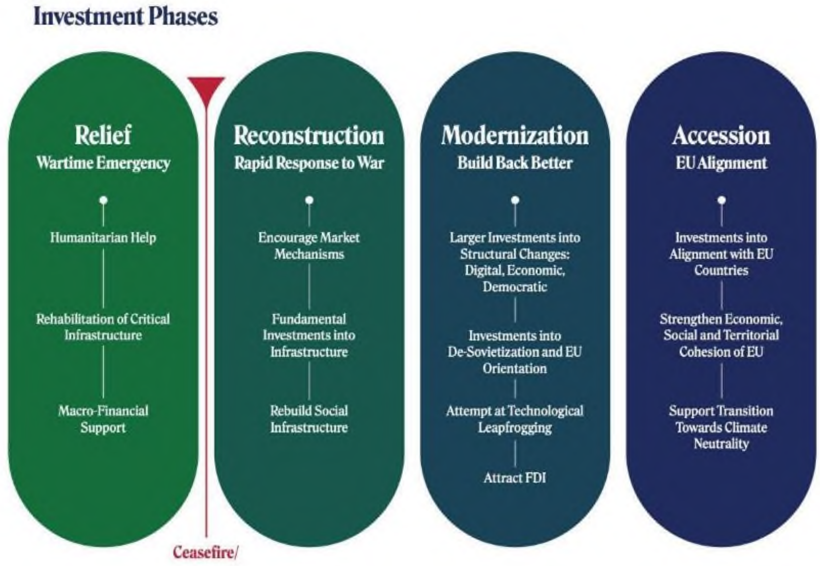

Fig. 2.2 Investment Phases of Business Media Network

Source: made by the author based on (11)

It contains such stages:

1. Relief
2. Reconstruction
3. Modernization
4. Accession

And on figure 2.3 we can see how we want to recover the Ukraine platform:

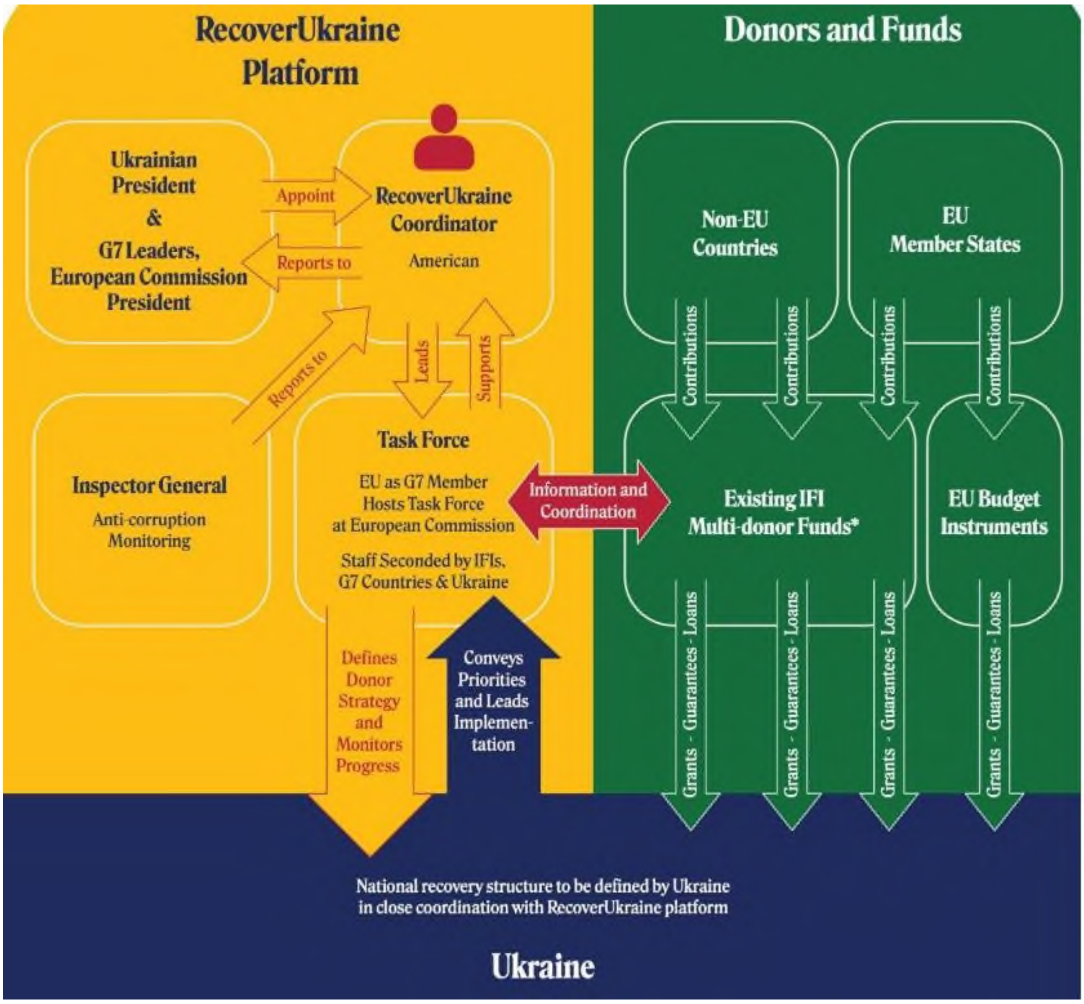

Fig. 2.3 National Recovery Structure

Source: based on the article (11)

All of the above will need our services:

- Projects
- Businesses
- Municipalities

That can be trustworthy, so now is the best time to develop it.

Business Media Network is financed with the help of foreign investors who want to help Ukraine. Many American investors want to support our country in such a difficult situation. Also, financing occurs with the help of our marketplace. Any business in Ukraine can buy advertising on our sites, which already number more than 1000. Now the company is at the start-up stage, so it has little financial support. Now the company is actively developing the sales department, and in the coming months it is planned to attract more investors, as well as advertising sales.

Now in Ukraine, there are many ways to finance projects. For example, such as:

To help start-up entrepreneurs, special platforms have been created that provide information, research and assistance in all aspects of launching a new project, including communication with investors. For example, Startups.co offers a convenient channel where you can quickly find a solvent investor. Today, Startups.co has 13.9 million users, it is the largest startup community in the world, offering exceptional opportunities to attract investors, both for project financing and as consultants. Another platform, Gust.com, has already invested $1.8 million in various startups. In Ukraine, the most popular platforms for finding investments for startups are InVenture and Startup Network.

- Crowdfunding sites

The most unexpected, non-standard investor can be found on crowdfunding platforms. Ranging from the widest Internet audience, when ordinary users support projects, they are interested in sites (like Kickstarter, Pererbackers and Indiegogo), and end with philanthropists wandering in search of those who will help them realize their long-held dream (Rocket Hub). There are also accredited investors, hunters for new ideas - for example, OurCrowd.

- Network of business angels

The advantage of “angelic” investing is that they don’t just give you money, but literally follow every step, suggest and guide, and most importantly, share contacts and introduce you to the business circle.

- Business incubators and accelerators

If you want the project to grow and prosper, consider partnering with an incubator or accelerator. These investors usually want to be actively involved in your idea, they want to help turn it into a viable business model, and they are willing to provide the funds to do so.

- Small Business Administration

You can find small loans or grants here, but don't expect the authorities to take risks or interfere significantly for your business.

- Social networks of professionals

Everyone knows the social network LinkedIn, where you can still find investors. In addition to it, there are many professional networks where you can cross paths with potential investors in your industry or find business partners. Many of these sites are ready to connect you with investors from other countries who want to get involved in the global business space, and are even ready to deliver your products to their country. Of these social networks, it is worth mentioning EFactor, Xing, Plaxo, Startup Nation, Cofounder and Meetup.

- Direct investment market

Sometimes the safest bet is to go the long way with a private equity firm. Moreover, the volume of these investments can be from several thousand to millions, depending on the potential that they see in your project. The goal of such companies in this case is to sell their stake a few years after the investment and thus profit from the development of a startup. According to the Private Equity Network, private equity firms invested $347 million in 2,100 U.S. companies during the year.

- Online loan platforms

Increasingly strict restrictions on obtaining bank loans make it much easier for a startup to raise funds from alternative funds - for example, on online platforms that perform the same functions as banks. These can be P2P sites, non-traditional funds, large investors who are ready to help small businesses and profit from loan conditions. Well-established platforms include Posper, TrustLeaf, Ondeck, and Lending Club.

- Do your own marketing

Without marketing, commercial success is impossible, while successful marketing, if you do it yourself and make it part of your personal brand, will not only save you money at first, but also attract the attention of serious investors. You need to position yourself on your personal website, on social media, in guest posts on authoritative blogs, in conversations on Quora, and in traditional media as well.

As for Ukrainian startups. Personal savings account for 84% of startup funding sources and are found in 39.2%. Every third startup received money from the Ukrainian Startup Fund. Another 18.4% received funding from other government grants.

Almost all startups have problems accessing external funding. Half also have problems finding clients and business partners for cooperatives.

This year, 4 main grant initiatives were carried out:
1. Google for Startups.

A fund for startups from Ukraine in the amount of $5 million will be distributed among about 50 companies based in our country. It also includes support from Cloud Credits and mentoring from Google. These investments are designed to help Ukrainian entrepreneurs support and develop start-ups, strengthen the community and build the foundation to rebuild the economy after the war.

2. Poland Prize Hub

Connect Poland Prize is an accelerator program to support foreign startups who want to develop their business in Poland. The opportunity will suit teams that come from abroad and are ready to register a company in the local jurisdiction.

3. Ukrainian Social Venture Fund

Grants to social enterprises that need to transform their production and focus on the needs of the civilian population or other people affected by the war. Smart grants can also be given to social enterprises that are trying to address the large needs of various vulnerable groups or other social or environmental problems and continue to operate under martial law.

4. Free Ukraine Foundation/UVCA

Support Ukrainian Startups Now is a grant support program for Ukrainian IT companies and start-ups that have suffered the most or are in a critical situation. This is not only finance, but also the help of specialists, consultants, technical support, as well as communications and additional contacts.
In conclusion, there are a lot of ways to fund new startups because now the market in Ukraine sharply increases.

Crowdfunding is a collective cooperation of people who voluntarily pool their money or other resources to support the efforts of other people or organizations. In fact, participants of crowdfunding projects make a delayed purchase. In addition to receiving this non- financial bonus, their motivation is the desire to realize the goal of the project, to join the team that works on it, as well as sympathy or attention to the author of the project.

Crowdfunding is implemented according to two models:

1) the use of specialized online fundraising platforms — sites for attracting funds to support creative projects under the crowdfunding scheme;

2) creation by the publisher of its own digital crowdfunding platform. The most popular foreign digital platforms for crowdfunding in the publishing industry have similar principles of operation and differ in service capabilities and financing schemes. Kickstarter is a platform for creative projects, including publishing ones, and its managers must review projects before launch for compliance with the service rules. The initiators of the project receive funds only if they can collect the entire declared amount. Indiegogo, unlike Kickstarter, funds any ideas, not just creative projects, and does not practice a system of preliminary evaluation of them. Important differences are the openness of the platform to world users and the availability of several financing models: the traditional "All or nothing" (5% commission) and the flexible "Keep everything for yourself", which consists in the possibility of receiving funds even if the financial goal of the campaign is not reached (commission 9%). The payment processing fee on both platforms is 3-5%.

A characteristic trend in the functioning of crowdfunding publishing houses is the convergence of the crowdfunding business model and digital self-publishing. The Spanish digital publishing company Pentian works according to this scheme, which positions itself as "A crowdfunding platform that enables every reader to become a publisher." "If you have a book written or if you want to get support for a certain project, register and join the publishing revolution," the founders of the company suggest. Important features of crowdfunding as a business model are the socialization of the publishing process, the ability to ensure direct interaction between the client and the founder, which is realized through the use of specialized digital platforms.

2.3. Factors Influencing Financial Management in Business Media Network

Financial management, or financial management, consists in the acquisition, financing and management of assets aimed at the realization of a certain goal. Thus, management decisions of financial management can be attributed to the following three main operations with assets: investment, financing and their management. Investment decisions are the most important of the three main areas of decision-making in terms of value creation and growth. Making investment decisions begins with determining the total amount of assets needed by the firm.

The second important type of decision that the management of the firm has to make is the decision about the financing of the business. Here, the CFO will have to think about the structure of the right side of the balance sheet.

In addition, the policy of paying dividends should be considered as an integral part of the decisions of the management of the firm on the financing of its activities. The dividend payout ratio (the percentage ratio of dividends to the company's profit) determines how much of the profit remains with the firm. The larger the share of current profit a company keeps, the less money it has to keep for dividends.

The third important decision that must be made by the company's management concerns asset management. Once the assets have been acquired and adequate financing has been secured for the development of the business, it is necessary to ensure that they are effectively managed. Different assets impose different degrees of responsibility on the financial manager.

Effective management of the company's financial activities is ensured by the implementation of a number of principles, the main ones of which are:

1. Integration with the general enterprise management system. In whatever field of activity of the enterprise, no matter the management decision is made, it directly or indirectly affects the formation of cash flows and the results of financial activity. Financial management is directly related to production management, innovation management, personnel management and other types of functional management.

This determines the need for organic integration of financial management with the general management system of the enterprise.

2. The complex nature of the formation of management decisions. All management decisions regarding the formation, distribution and use of financial resources and the organization of the company's cash flow are closely interdependent and have a direct or indirect impact on the results of its financial activities. In some cases, this influence can be contradictory. So, for example, the implementation of highly profitable financial investments can cause a deficit in the financing of production activities and, as a result, significantly reduce the size of the operating profit (that is, reduce the potential for the formation of own financial resources). Therefore, financial management should be considered as a complex management system that ensures the development of interdependent management decisions, each of which contributes to the overall effectiveness of the company's financial activities.
3. High management dynamism.
4. Variability of approaches to the development of individual management solutions. The implementation of this principle assumes that the preparation of each management decision in the field of formation and use of financial resources and organization of money circulation should take into account alternative possibilities of action. If there are alternative projects of management solutions, their choice for implementation should be based on a system of criteria that determine the financial ideology, financial strategy or specific financial policy of the enterprise. The system of such criteria is established by the enterprise itself.
5. Focus on the strategic goals of the company's development.

Effective financial management organized taking into account the stated principles, allows you to form resource potential for high growth rates of the enterprise's production activity, ensure constant growth of equity capital, significantly increase its competitive position on the commodity and financial markets, ensure stable economic development in the strategic perspective.

Taking into account the content and principles of financial management, its purpose and tasks are formed. The main goal of financial management is to ensure the maximization of the welfare of the owners of the enterprise in the current and prospective periods. This goal receives a concrete expression in ensuring the maximization of the market value of the enterprise, which realizes the ultimate financial interests of its owners.

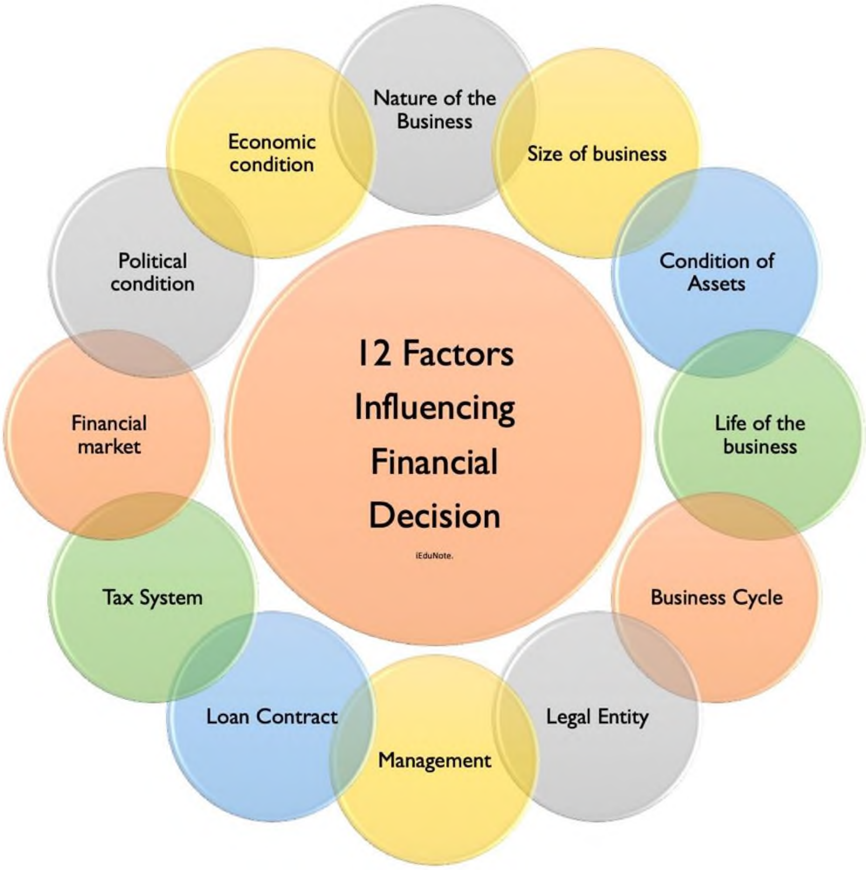

Fig. 2.4 12 Factors Influencing Financial Decisions of Business Media Network

Source: made by author based on the article [12]

A company's internal factors are those that have an impact on its financial decisions. The company has the last say on these matters. The following is a discussion of internal factors in Business Media Network:

- Character of the enterprise

Financial decisions are influenced by the kind of business. Depending on the nature of the business, the company may choose to keep money or provide dividends to its shareholders.

- The magnitude of the enterprise

Financial decisions are affected by a company's size. Owing to their substantial financial reserves, large corporations invest more money to purchase fixed assets. Small businesses, however, cannot follow suit.

- State of the Assets

A key factor in obtaining financing from lenders is the state of the assets. Thus, to benefit from funding from appropriate sources, the company should maintain both short- and long-term assets.

- The company's life

Investors remain confident in the operating company as opposed to a freshly established one. Thus, money was invested in the previous company by a potential investor.

- Business Cycle

The life cycle of a business is known as the business cycle. Depending on the stage of the economic cycle, choices should be made in a particular way.

- Organisation Legal

The legal structure of the company is another factor influencing the financial choice. The stock market is the only source of funding available to public limited enterprises.

- Supervisory

The management approach, whether it is aggressive or conservative, is another significant component that influences financial choices.

- Loan Agreement

Another important consideration when making financial decisions is the loan from the lender or financial market and the interest that must be paid.

External factors are those outside of a company that have an impact on financial decisions. Regarding those issues, the company has no control. The following is a discussion of external factors:

- Tax System

Financial and investment decisions are influenced by the tax system. Investment is encouraged by the tax holiday, tax incentive, tax exemption, and simple tax filing process.

- The financial sector

A well-functioning capital and money market can impact financial choices.

- State of politics

The stability of the government and the political climate affect a firm's financial decisions.

Economic situation Important external elements that affect financial decisions include inflation, export-import, balance of payments, balance of trade, and remittances. Decisions about strategic policies and other elements are managed by management.

Let’s make Porter’s Five Forces competitive analysis based on Business Media Network company (Appendice A).

We will review the SWOT analysis and a matrix of the Business Media Network. The matrix was made based on system analysis, taking into account enterprise potential and business environmental factors.

SWOT analysis is a tool that can help business owners and executives create an effective business strategy to maximize company growth. It includes specifying strengths, weaknesses, opportunities, and threats. The illustration of Business Media Network SWOT and a detailed explanation are provided below (Fig. 2.6).

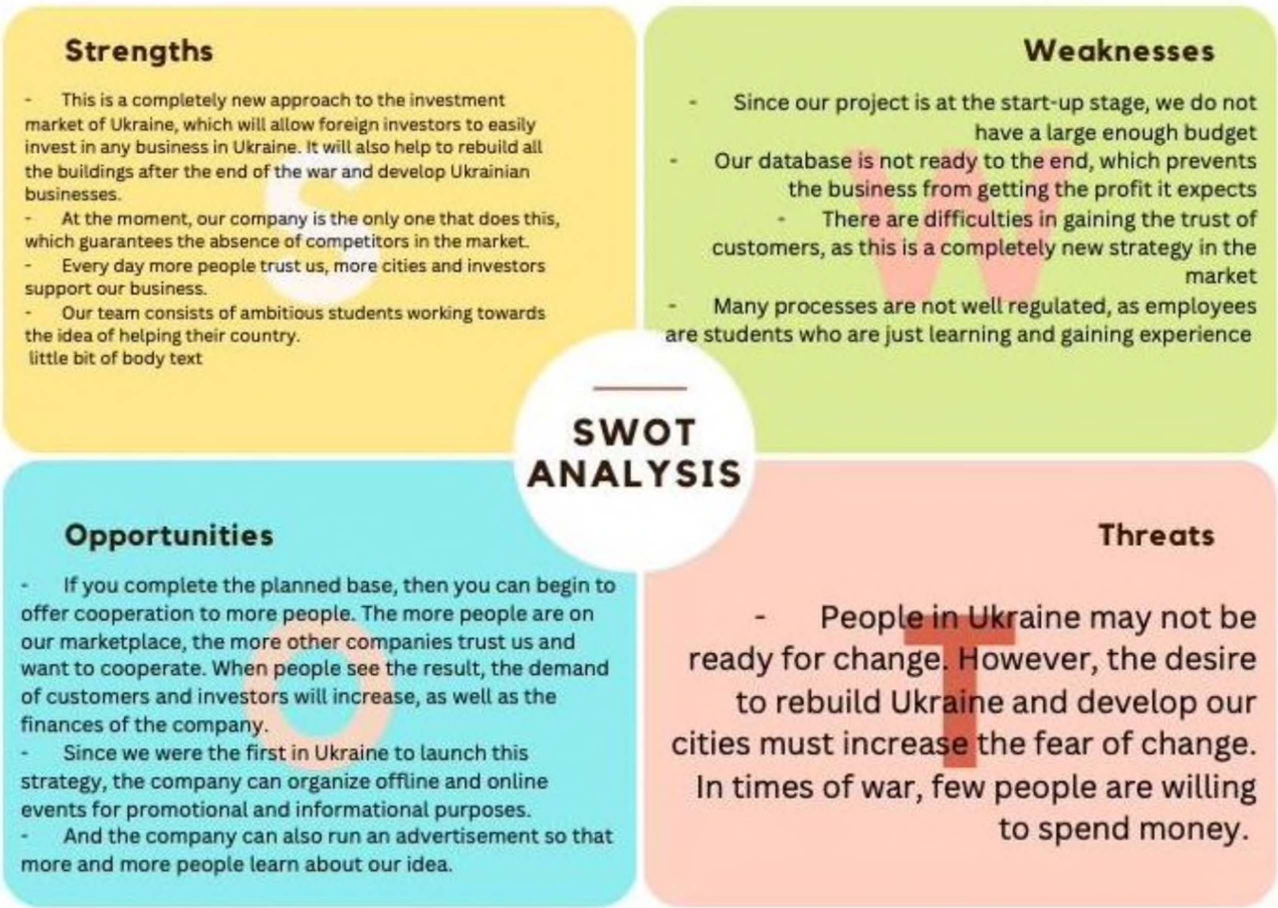

Fig. 2.6 Business Media Network SWOT Analysis, 2023

Source: made by author

SWOT analysis - is an analysis that can help entrepreneurs and business leaders create a solid business strategy for maximizing company growth. It includes identifying strengths, weaknesses, opportunities and threats.

Strengths:

1. This is a completely new approach to the investment market of Ukraine, which will allow foreign investors to easily invest in any business in Ukraine. It will also help to rebuild all the buildings after the end of the war and develop Ukrainian businesses.
2. At the moment, our company is the only one that does this, which guarantees the absence of competitors in the market.
3. Every day more people trust us, more cities and investors support our business.
4. Our team consists of ambitious students working towards the idea of helping their country.

Weaknesses:

1. Since our project is at the start-up stage, we do not have a large enough budget
2. Our database is not ready to the end, which prevents the business from getting the profit it expects
3. There are difficulties in gaining the trust of customers, as this is a completely new strategy in the market
4. Many processes are not well regulated, as employees are students who are just learning and gaining experience

Opportunities:

1. The more people are on our marketplace, the more other companies trust us and want to cooperate.
2. Since we were the first in Ukraine to launch this strategy, the company can organize offline and online events for promotional and informational purposes.

3. And the company can also run an advertisement so that more and more people learn about our idea.

Threats:

1. People in Ukraine may not be ready for change. However, the desire to rebuild Ukraine and develop our cities can decrease the fear of change.
2. In times of war, few people are willing to spend money.

After looking at SWOT analysis we can understand which main steps a company needs to follow. Here you can see the SWOT matrix (Fig 2.7).

	Strengths: - **This is a completely new approach to the investment market of Ukraine, which will allow foreign investors to easily invest in any business in Ukraine. It will also help to rebuild all the buildings after the end of the war and develop Ukrainian businesses.** - **At the moment, our company is the only one that does this, which guarantees the absence of competitors in the market.** - **Every day more people trust us, more cities and investors support our business.** - **Our team consists of ambitious students working towards the idea of helping their country.**	**Weaknesses:** - **Since our project is at the start-up stage, we do not have a large enough budget** - **Our database is not ready to the end, which prevents the business from getting the profit it expects** - **There are difficulties in gaining the trust of customers, as this is a completely new strategy in the market** - **Many processes are not well regulated, as employees are students who are just learning and gaining experience**
Opportunities: - *Increases the demand of customers and investors will increase, as well as the finances of the company.* - *organize offline and online events for promotional and informational purposes.* - *And the company can also run an advertisement so that more and more people learn about our idea.*	The more people trust us, the more other companies want to cooperate. Our strategy is unique, so it will be easy to develop our company. Since we were the first in Ukraine to launch this strategy, the company can organize offline and online events for promotional and informational purposes.	If you complete the planned base, then you can begin to offer cooperation to more people. The more people are on our marketplace, the more other companies trust us and want to cooperate. When people see the result, the demand of customers and investors will increase, as well as the finances of the company.
Threats: - *People in Ukraine may not be ready for change. However, the desire to rebuild Ukraine and develop our cities must increase the fear of change.* - *In times of war, few people are willing to spend money.*	To explain clearly people how work our structure and that it is new and really good opportunity for business to avoid misunderstanding and fears To explain that businesses have a lot of opportunities for very cheap price	We need to work hard and quickly finish all unfinished process To search a lot of ambitious workers, who can sell our products and improve some structure moments

Fig. 2.7 Business Media Network SWOT-matrix, 2023

Source: made by the author

Financial results are included in the enterprise development program, showing the final value of the implementation of a set of strategic and tactical tasks. In connection with the above, the procedure for the formation and analysis of financial results, forecasting the results of the activities of enterprises.

Table 2.2

Dynamics of financial results of Business Media Network for 2019-2023

Indicator	Absolute deviation, thousand UAH				Relative deviation, %			
	2019/ 2020	2020/ 2021	2021/2022	2022/ 2023	2019/ 2020	2020/ 2021	2021/2022	2022/ 2023
1.	2.				3.			
Net income from sales of products (goods, works, services)	267564	- 703	-16 501	68 765	58,93	-0,10	-2,29	9,76
Cost of goods sold (goods, works, services)	- 109770	-208 855	-10 474	-93 215	45,79	59,76	1,88	16,39
Gross: profit	157794	-209 558	-26 975	-24 450	73,63	-56,32	-16,59	-18,03
loss	-	-	-	-	-	-	-	-
Other operating income	135 304	62 729	-32 548	- 142459	360,71	36,30	-13,82	-70,18
Administrative expenses	-29 945	36 194	1 862	3 531	69,25	-49,45	-5,03	-10,05
Selling expenses	4 061	363	-26 914	14 624	-5,36	-0,51	37,75	-14,89
Other operating expenses	-37 214	-138 158	81 169	49 455	152,44	224,18	-40,63	-41,69
Financial result from operating activities:	289 890	-278 375	-3 406	-99 299	369,19	-75,56	-3,78	-114,63
profit	-							

loss		-	-	-		-	-	-
Income from equity participation	-	-	-	-		-	-	-
Other financial income	14 679	-28 480	-12	260	106,27	-99,96	-100,00	89,32
Other income	2 938	206 368	-143 390	-53 238		-	-	
Financial expenses	- 73 356	63 878	-1 641	2 239	203,82	0	0	0
Losses from equity participation	-	-	-	-		-	-	-
Other expenses	13 001	140 262	0	0		0,00	0,00	0,00
Financial result before tax:	247 152	40 055	-122405	71 665	-265,36	26,01	-63,07	-56,58
profit								
loss		-	154 015	-		-	-	-
Expenses (income) from income tax	89 944	-49 588	99	-99	-222,33	0,00	0,00	0,00
Net financial result:	-							
profit	256 186	0	71 665	31 116	-486,29	-4,64	-63,07	-56,58
loss	-							

** Source: calculated on the basis of annexes B.*

Dynamics of financial results, tab. 2.2 Business Media Network tells us about a rather unstable state of the enterprise, over the past 5 years the volume of the company's net income has grown by 319,100 UAH.

It should be noted that during the period under study, net income grows more slowly than the cost price is a negative value.

It should be noted that Business Media Network reduces administrative costs, speaks of a decrease in funding by personnel, also a negative indicator. Also, it should be noted a negative trend in the indicator of net financial result, which tends to a rapid reduction, from 203,504 thousand UAH in 2020 to 31,116 thousand UAH in 2022, by 84.7%. In general, we observe negative dynamics of indicators of the financial condition of the enterprise, for a more detailed analysis we need to evaluate other indicators.

In order to determine the financial condition of the enterprise, we will calculate the solvency ratios and performance indicators of the enterprise for Business Media Network and analyze them (table 2.3)

Table 2.3

Solvency ratios of BMN for 2019-2023

№	Indicators	On 31.12								
		2019	2020		2021		2022		2023	
		Fact	Fact	absolute deviation, +/-	Fact	absolute deviation, +/-	Fact	absolute deviation, +/-	Fact	absolute deviation, +/-
1	Cash Ratio	0,0038	0,0043	0,0005	0,0003	-0,0041	0,0184	0,0181	0,0018	-0,0166
2	Current Ratio	1,6674	1,9421	0,2747	1,5125	-0,4296	1,4007	-0,1118	0,5151	-0,8856
3	Coefficient of own working capital	0,1146	0,2638	0,1492	0,0012	-0,2626	-0,0534	-0,0546	-3,1602	-3,1068
4	Equity to Debt Ratio	0,3250	0,376	0,0510	0,2539	-0,1221	0,2427	-0,0112	0,7381	0,4954
5	Financial dependence Ratio	3,0768	2,6598	-0,4170	3,9388	1,2789	4,121	0,1823	1,3548	-2,7662
6	Equity maneuverability ratio	0,9443	1,113	0,1687	0,9993	-0,1134	0,8476	-0,1517	-0,0800	-0,9276

* *Source: calculated on the basis of Annexes B.*

So, having analyzed the data (table 2.3), we can draw the following conclusions. First of all, Cash Ratio shows us that as of 2023, the company has no opportunity to pay off debts in case of urgent need. Cash Ratio characterizes that part of the company's short-term financial liabilities that can be paid using first-class liquid assets (cash and cash equivalents), that is, the company's ability to immediately pay off its short-term accounts payable [2]. The theoretical optimum value for this indicator is approximately 0.2-0.25. Secondly, due to the pandemic, we see that the Current Ratio is also below the optimal value. Current Ratio shows the ratio of current assets and current liabilities and normative value is within 1-3 [3]. As of 2023, the indicator is 0,5151, so it indicates a problematic state of solvency of the BMN, because current assets are not enough to cover current liabilities. This leads to a decrease in the credibility of the company on the part of lenders, suppliers, investors and partners. Thirdly, Coefficient of own working capital is an indicator of the company's ability to finance working capital from its own working capital and the normative value is 0.1 or higher [4]. We can trace the negative dynamics of values from 2019 to 2023. The most negative value in 2019 is -3,16. Based on this indicator, it can be concluded that the company is significantly financially dependent on external creditors. Equally important is the financial dependence ratio, which is an indicator of financial stability, in 2016 it had a standard value of 2.66, and an increase of 1.46 in 2022 indicated an increase in the share of borrowed funds in enterprise financing. However, in 2023, the value of the indicator decreased to 3.15, which means that low dependence may indicate that the company is not fully utilizing opportunities. Equity maneuverability ratio indicates what part of equity capital of the enterprise can be used to finance current assets, and what part is directed to financing non-current assets, the normative value is 0,1 and more [5]. We see that up to 2023, the index values were in the normal range. In 2023 we had the negative index value which indicates that equity and funds attracted on a long-term basis are aimed at financing non-current assets, therefore, to finance current assets, it is necessary to turn to loan sources of financing.

Table 2.4

Analysis of profitability ratios of Business Media Network on the basis of assets for 2019-2023

Indicator	Year					Absolute deviation			
	2019	2020	2021	2022	2023	2019 / 2020	2020 / 2021	2021/2022	2022 / 2023
Return on assets	0,45	0,52	0,35	0,31	0,25	0,06	-0,17	-0,04	-0,06
Return on equity	1,40	1,38	1,37	1,27	0,34	-0,02	-0,01	-0,10	-0,93
Product profitability ratio	-11,60	28,20	26,92	10,17	4,02	39,81	-1,28	-16,75	-6,15
Profitability ratio	-0,22	0,58	0,35	0,13	0,05	0,80	-0,23	-0,22	-0,08

** Source: calculated on the basis of Annexes B and C.*

Based on the analysis of the profitability of Business Media Network it can be concluded that the company is profitable, as evidenced by the positive value of the profitability of products, which notes growth every year, but the dynamics show a decline of 0.2.

The product profitability indicator characterizes the most important aspect of the company's activities - the sale of basic products, as well as estimates the share of cost in sales. It is on this indicator that there is a growing trend. Thus, in 2019, compared to the previous year, the profitability of sales increased by 31%. If we take into account that Dryada Ltd. is a very large enterprise with significant sales volumes, this 31% significantly affects the profit from the main activity as a whole. However, it should be noted that there is a decrease in return on assets. This means that the company is not efficient enough to manage investment assets and loses its investment attractiveness.

Table 2.5

Analysis of business activity indicators of Business Media Network BMN on the basis of assets of 2019-2023

Indicators	Year					Absolute deviation			
	2019	2020	2021	2022	2023	2019/ 2020	2020/ 2021	2021/2022	2022/ 2023
1.	2.					3.			

Asset turnover ratio	0,46	0,52	0,83	0,68	24,82	0,05	0,31	-0,15	24,14
Turnover of receivables	-0,23	0,58	0,52	0,17	0,69	0,81	-0,06	-0,35	0,52
Accounts payable turnover	0,35	0,40	0,36	0,33	0,81	0,05	-0,04	-0,03	0,48

Continuation of table 1.5

1.	2.					3.			
Maturity of receivables, days	177,9	176,2	188,2	220,9	21,04	-1,74	11,99	32,73	-199,87
Maturity of accounts payable, days	332,4	291,8	343	356,4	237,3	-40,62	51,21	13,41	-119,12
Inventory turnover ratio	0,46	0,52	0,83	0,68	24,8	0,05	0,31	-0,15	24,14
Fixed assets turnover ratio (return on assets)	4,79	8,27	8,54	7,03	0,28	3,48	0,27	-1,51	-6,75
Equity turnover ratio	1,40	1,38	1,37	1,27	0,34	-0,02	-0,01	-0,10	-0,93

** Source: calculated on the basis of Annexes B and C.*

After analyzing the business activity of Business Media Network for 2019-2023, it should be noted the growing trend of turnover of receivables and growth of accounts payable, as indicated by the growth of turnover of receivables, increase in accounts payable, and decrease in average terms of turnover of receivables and accounts payable. Because the duration of the turnover of receivables is shorter than the duration of the turnover of accounts payable, the company uses the funds of creditors free of charge much longer than it allows its debtors to do, which indicates the effectiveness of the management of receivables and payables.

Indicators of the property status of the enterprise reflect the overall value of assets that are on the balance sheet of the enterprise, table 1.6.

Table 2.6

Analysis of property indicators of Business Media Network for 2019-2023

Indicators	31.12					Absolute deviation			
	2019	2020	2021	2022	2023	2019/ 2020	2020/ 2021	2021/202 2	2022/ 2023
The depreciation rate of fixed assets	0,51	0,56	0,59	0,57	0,00	0,05	0,03	-0,02	-0,57
The shelf life ratio of fixed assets	-	0,92	0,96	1,18	27,54	-	0,05	0,22	26,35

The ratio of the real value of fixed assets in the value of the property of the enterprise	0,41	0,50	0,23	0,20	0,001	0,08	-0,27	-0,03	-0,20

**Source: calculated on the basis of Annexes B and C.*

The depreciation rate of fixed assets shows us a tendency towards a decrease in the level of usability of fixed assets of the enterprise. The shelf-life ratio of fixed assets shows a tendency to increase, which indicates an increase in the share of the residual value of the original cost for 2019-2023, that is, the technical condition of the equipment is satisfactory, but it should be noted that it is periodically updated. The coefficient of the real value of fixed assets in the value of the property of the enterprise during 2019-2023 shows us a decrease in the share of the residual value of fixed assets in the total value of the enterprise, from 0.41 to 0.001.

CHAPTER 3. RECOMMENDATIONS FOR ENHANCEMENT OF COMPETITIVENESS FINANCIAL MANAGEMENT

3.1. Introduction to Improvement Proposals of Business Media Network

It gives me great pleasure to offer this extensive list of suggestions for Business Media Network Company improvement. Companies need to continuously innovate and adapt in today's fast changing business environment if they want to sustain growth and keep a competitive advantage. Being a major player in the Ukrainian market, BMN is aware of the importance of taking a proactive approach to addressing the opportunities and difficulties facing its sector.

After conducting a comprehensive evaluation of Business Media Network's internal and external competitive landscape, we have formulated a range of strategic enhancement recommendations aimed at driving the organisation towards greater success. This chapter is meant to act as Business Media Network's road map, directing it in the directions of improving its unique selling proposition, fortifying its bonds with clients, encouraging creativity, streamlining its supply chain, venturing into uncharted territory, and putting competitive pricing tactics into practice.

Based on thorough study and analysis, each suggestion made here is intended to capitalise on Business Media Network's core competencies and tackle the main issues found by the Porter's Five Forces and SWOT analyses. The three parts of the framework that organises the improvement ideas are the general strategic directions, particular implementation recommendations, and an evaluation of the initiatives' possible efficacy and quantifiable results.

Accepting these suggestions for improvement will put Business Media Network in a better position to grow its client base, innovate, secure its place in the market, and maintain long-term financial stability. The company will profit from the effective use of these tactics, which will also support Ukraine's entrepreneurial ecosystem and wider economic development.

We have thoroughly examined Business Media Network's present situation and standing using the SWOT and Porter's Five Forces analyses that you have supplied. Drawing on these observations, we would like to recommend the following enhancements for the business:

Approach to differentiation: Business Media Network ought to leverage its different offerings in the industry by augmenting and publicising the unique features of its goods and services. To stay ahead of industry competition, the organisation should prioritise quality, innovation, and customer experience. This could entail making research and development investments in order to consistently release updated features that meet changing user preferences.

Customer retention focus: Business Media Network should put plans in place to raise customer satisfaction and resolve any issues in order to lessen the risk of losing present clients. This could entail raising the calibre of the products, giving superior customer service, and presenting rewards schemes or loyalty plans to keep important customers. By maintaining the satisfaction of its current clientele, Business Media Network can create a solid basis for future expansion.

Innovation and adaptation: Business Media Network needs to continuously innovate and adjust to shifting customer preferences and market trends in order to stay ahead of new competitors. The business should spend money on R&D to create new goods and services that cater to customers' changing wants. Business Media Network will be able to preserve its competitive advantage and firmly establish its place in the market thanks to its agility and responsiveness.

Strategic alliances: To guarantee a steady and dependable supply chain, Business Media Network should have solid ties with dependable suppliers. Minimising the chance that supplier volatility would negatively impact the company's operations can be achieved by looking into prospects for collaboration or long-term contracts with reliable suppliers. A dependable supply chain can help Business Media Network reduce the risk of supplier dominance and guarantee the timely delivery of its goods and services.

Market expansion and diversification: Business Media Network should look for ways to grow into new markets or broaden the range of products and services it offers to become less dependent on its current clientele or markets. This could entail growing geographically, entering unexplored business areas, or broadening the clientele. Business Media Network can reduce the risks involved with a concentration in a particular market or customer niche by diversifying its sources of income.

Competitive pricing strategies: To stay profitable while remaining competitive, Business Media Network needs to carefully assess its pricing strategies, even in light of industry competition's limitations on price rises. If the business wants to attract clients without compromising its profitability, it should think about value-based pricing, bundle pricing, or special discounts. Business Media Network can secure its long-term viability in the market by precisely balancing profitability and competitiveness.

Based on the SWOT analysis, we also have the following specific recommendations in addition to these strategic recommendations:

Making use of cooperation and trust: The business should take advantage of the growing confidence and willingness to work together from other businesses as it completes the intended base and extends cooperation to more individuals. The more businesses that interact with the Business Media Network marketplace, the more likely it is that other businesses will want to collaborate with the business, which will boost revenue and demand from clients.

Accelerate unfinished procedures: The business should make a concerted effort to finish any unfinished procedures as soon as feasible. This will enable Business Media Network to promptly satisfy client expectations and fully realise the benefits of its solutions.

Attract ambitious talent: Business Media Network needs to find and employ aspirational employees who can boost the company's sales and organisational design. For the business to succeed and grow, it will be essential to invest in knowledgeable and driven employees.

Events for promotion and information: Since Business Media Network was the pioneer in Ukraine to implement this novel approach, the business ought to plan offline and online gatherings for informational and promotional purposes. These gatherings can be used to develop relationships with possible partners and clients, increase awareness, and highlight the company's services.

Moreover, we analyzed financial situation of the Business Media Network company and want to provide my recommendations regarding to financial management of the company.

- Development of a detailed financial plan and budget
- Cash management optimization
- Increasing the effectiveness of financial supervision
- Process automation
- Improving financial management's accountability and transparency
- Optimization of financing sources and capital structure

We propose the Business Media Network company to implement the financial system analysis.

Structural analysis represents a set of methods of structure research. It is based on the presentation of accounting statements in the form of relative values characterizing the structure, that is, the share of indicators in the summarizing summary data. Dynamic analysis makes it possible to identify trends of changes in individual articles of the report or their groups, which are included in the accounting statements. Ratio analysis is a leading method of analyzing the efficiency of using the company's profit, used by different groups of users: managers.

Therefore, five main systems of its implementation have been defined:

- horizontal analysis;
- vertical analysis;
- comparative analysis;
- analysis of coefficients and analysis of break-even production.

A number of analysis methods (techniques) are defined for each system (Fig. 3.1).

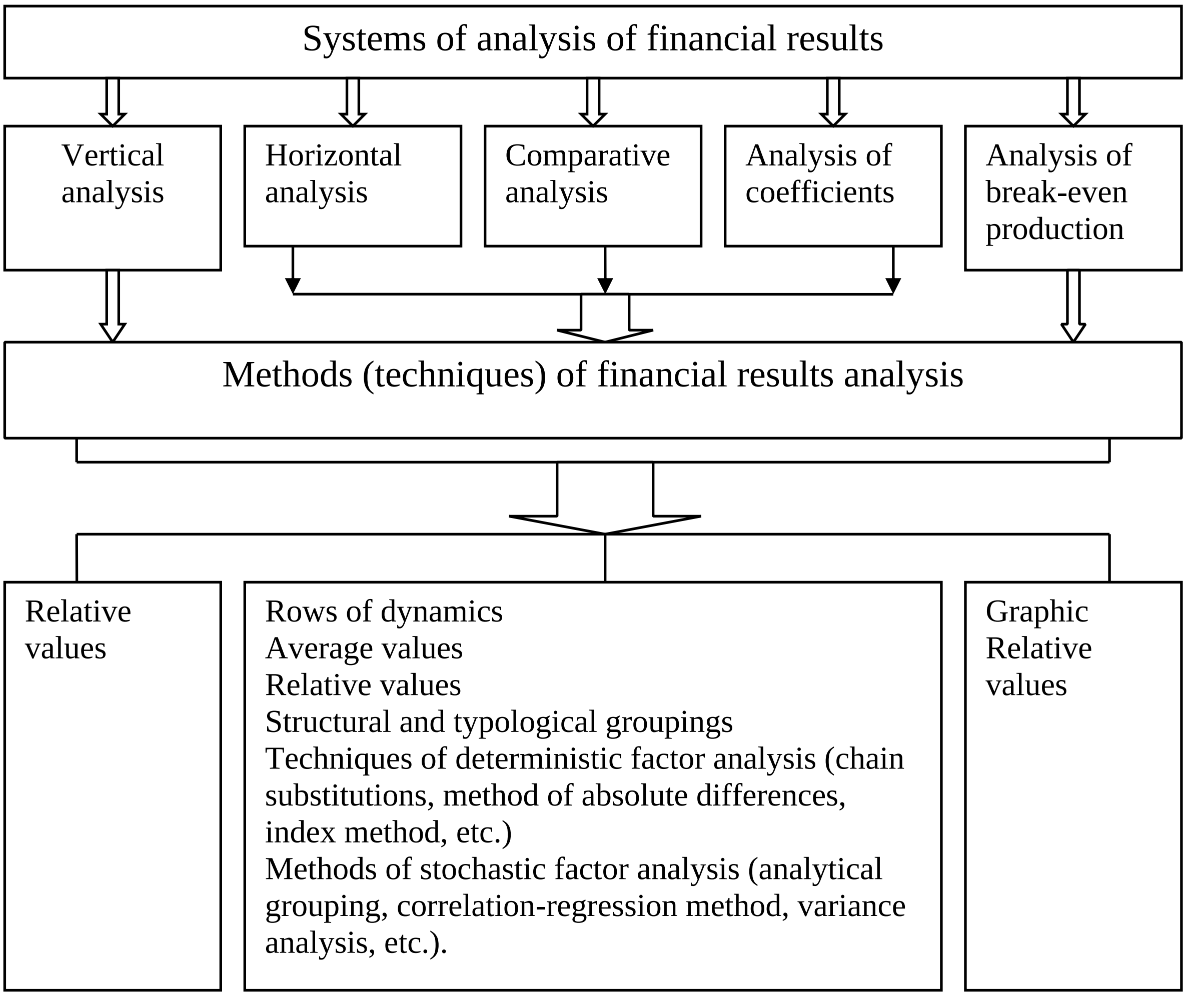

Fig. 3.1 Proposed methodological support of systems for analyzing financial results of Business Media Network company.

Source: made by author

We suggest conducting an analysis of financial results in such areas as:

1) general assessment of the implementation of the profit plan;

2) change in individual components of profit and the impact of this change on the total amount of profit;

3) change in the rate of growth of the total amount of profit due to the influence of individual parts.

At the same time, the analysis will include such mandatory elements as: "horizontal" analysis of financial results for the reporting period; "vertical" analysis of indicators; "trend" analysis.

The first direction of analytical research is horizontal analysis, which involves the study of changes in the indicator over time. The study of the dynamics of changes in financial results gives the analyst the opportunity to follow how the studied indicator changed over a certain period of time and what trends in its changes are observed. This is necessary in order to determine the most productive period and the period of low results in order to determine the conditions for achieving such results.

The second and third stages of the proposed algorithm are the determination of the deviation of the obtained financial result and the assessment of the structure of the articles of form No. 2 "Report on financial results", i.e. conducting a vertical analysis.

We think Business Media Network can improve customer happiness, foster innovation, fortify its competitive position, and achieve sustainable growth in the Ukrainian and global markets by putting these improvement suggestions into practice. We have no doubt that these suggestions will have a big impact on the business's ongoing success.

4. Specific Improvement Recommendations

Drawing from the strategic directions described in the preceding chapter, we aim to provide the Business Media Network Company more comprehensive improvement suggestions:

Development of a detailed financial plan and budget

Creating a thorough financial plan and budget is one of the most important stages towards enhancing a business's financial management. As a result, financial management will operate more effectively and serve as a foundation for wise managerial choices.

Projecting the company's future earnings is a good place to start. This calls for a thorough examination of the competition, costs, past performance, and other elements influencing the sales of particular goods and services. Seasonality, cyclical swings, and macroeconomic patterns are all significant factors to take into account when analysing revenue.

Making an expense budget is the next stage. Here, every operational expense—including those for hiring staff, production, marketing, and purchasing—must be carefully planned. Aside from overhead, administrative expenses, and capital investments for asset development and renewal must be budgeted for.

Cash flow forecasting is a crucial component of the financial strategy. A cash collections and payments plan must be created, together with an assessment of any changes in accounts receivable and payable, funding sources, and a debt servicing schedule.

The creation of budgeting financial statements, including a cash flow statement, profit and loss statement, and balance sheet, is the last phase. Important financial metrics and benchmarks for evaluating the success of the business should be chosen based on these records.

The financial strategy needs to be reviewed and updated regularly in order to react swiftly to changes in both the internal and external environment. The organisation will be able to optimise expenses, manage financial resources more flexibly, and make well-informed strategic decisions as a result.

- Cash management optimization

An essential component of a business's financial management is efficient cash flow management. In this field, the adoption of contemporary techniques and instruments will boost liquidity, lower risks, and maximise the utilisation of financial resources.

The implementation of a system for forecasting and monitoring cash flow is a crucial step in this direction. The business can efficiently manage liquidity by regularly analysing projected cash receipts and payments along with their actual implementation. By doing this, you can minimise losses on unused balances, optimise the amount of debt financing, and prevent a shortfall or excess of money.

Formulating a policy for handling payables and receivables is also a crucial part of optimising money management. Clear terms and conditions must be established before offering clients commercial loans, and efficient debt collection methods must be implemented. However, it's crucial to establish the best possible contractual arrangements with vendors and contractors and figure out the best terms and conditions for settlements.

The business should also make active use of contemporary financial technologies and instruments to enhance cash management procedures. This could include cash pooling technology, electronic payment systems, treasury solutions, internet banking, and other tools that improve the efficiency, visibility, and control of financial activities.

By taking a comprehensive approach to cash management optimisation, the company may enhance its liquidity management, minimise losses resulting from inefficient use of financial resources, and boost its overall financial stability.

- Increasing the effectiveness of financial supervision

A company's ability to manage its finances well depends on its ability to exercise effective financial control. Transparency, accountability, and efficiency in the making of management choices will be ensured by the use of explicit processes and systems for tracking financial indicators.

Establishing and implementing precise protocols and key performance indicators (KPIs) to monitor financial outcomes is essential to enhancing the efficacy of financial controls. This could entail routinely keeping an eye on earnings, costs, profitability, liquidity, asset turnover, and other crucial financial indicators. By establishing goals for these indicators, you'll be able to see deviations and take action right away.

Financial audits must also be performed on a regular basis, and any discrepancies between planned and actual indicators must be examined. This will assist in identifying shortcomings, assessing the efficiency of financial procedures, and pinpointing areas in need of development. Appropriate corrective actions ought to be created and put into effect in light of the audit results.

Ensuring access to all relevant information and openness in financial reporting is a crucial component of efficient financial control. Management and finance managers need to be able to get trustworthy information on the company's cash flow, liquidity, and resource utilisation in a timely manner. They will be able to make wise management judgements as a result.

Enhancing the efficacy of financial controls through the creation of explicit protocols, the application of KPIs, frequent audits, and openness would enable the business to boost financial discipline, lower risks, and enhance accountability. Consequently, this will establish a strong basis for the growth of a sustainable firm.

- Optimization of capital structure and sources of financing

One of the most crucial aspects of a company's financial management is the efficient management of its capital structure and financing sources. By handling this matter expertly, you can minimise the expense of obtaining capital, lower financial risks, and boost your company's earnings.

Conducting a comprehensive evaluation of the ideal balance between debt and equity capital for the organisation ought to be the initial move in this direction. The effects of various capital structure options on important financial measures, including shareholder return, cost of capital, and financial health, must be assessed. This will enable us to ascertain the ideal debt-to-equity financing ratio.

Apart from scrutinising the capital structure, it's crucial to contemplate the potential for drawing in supplementary funding sources. This could include borrowing money from banks, issuing bonds or shares, leasing, or using other financial instruments. To select the optimal solution depending on the demands of the business, it is essential to carefully consider the terms, expenses, and timing of each of these sources.

Regular reviews of the efficacy of current funding sources are also necessary. Assessing the present optimality of interest rates, payback terms, covenants, and other loan and credit parameters is crucial. Work should be done to refinance or restructure debt obligations if necessary. The organisation will be able to lower the cost of raising money, improve financial stability, and provide more chances for business expansion through careful capital structure optimisation and the selection of the best sources of funding. Consequently, this will enhance the company's financial performance and establish the foundation for long-term, sustainable growth.

- Increasing transparency and accountability in financial management

One of the most important components of good financial management in a business is guaranteeing the transparency of financial reporting and having an efficient management reporting system. As a result, there can be more accountability, better decision-making procedures, and more trust among stakeholders.

Ensuring that management and financial managers have access to accurate and current information regarding the company's financial health is a crucial component of transparency. It is imperative to put in place mechanisms for gathering, analysing, and compiling financial data so that you can rapidly get a comprehensive view of cash flows, the existence of assets and liabilities, and profits and losses.

The frequent creation and publication of financial statements is another essential component of transparency. The business must produce management reporting that includes important financial and operational indicators in addition to the required financial reporting required by RAS or IFRS. These reports ought to have a clear format, analysis of trends and variances, and projection data.

It is important to note separately that more thorough financial reports must be created. More comprehensive financial information, such as statements of income and expenses for specific projects, business lines, or geographic divisions, should be made available to investors and other stakeholders by the company. As a result, investors will be able to evaluate the performance of the company and make wise investment decisions with greater accuracy.

Ensuring the reliability of financial information through routine audits is crucial for boosting public trust in it. In addition to confirming that reporting adheres to current requirements, an independent audit can point out areas where financial processes might be improved. The suggestions made by auditors ought to be properly considered and put into practice.

The business must also make sure that the key performance metrics of its initiatives are visible to investors on a dedicated platform. Data about profitability, payback times, investment volumes, anticipated cash flows, and other parameters might be included in this. Giving investors access to such comprehensive data will enable them to choose financing options with more knowledge.

Assuring the prompt and thorough disclosure of financial information to all relevant parties, including creditors, shareholders, investors, and regulators, is a crucial component of transparency. This lowers information risks and boosts customer confidence in the business.

A company can enhance its financial discipline, improve the caliber of its decision-making, and lay the groundwork for long-term sustainable development by implementing a comprehensive approach to improving financial management transparency. This approach should include disclosure, regular reporting, independent auditing, access to data, and detailed financial reporting.

- Process automation

Putting in place automated mechanisms for project accounting and financial data analysis.

The implementation of automated systems that will streamline the procedures for handling financial data and boost the effectiveness of management decision-making is one of the main strategies for improving the efficiency of financial management.

The implementation of specialized software for thorough accounting and project financial indicator analysis would enable the business to greatly boost investment management effectiveness. These systems have to offer:

1. Gathering and compiling financial data for every project into a single database. This will give you access to accurate and current data regarding actual spending, cash flows, profitability, and other important metrics for the whole portfolio of investment projects, as well as budgets and other related information.
2. Process automation for project budgeting and financial planning. The system ought to have the ability to anticipate cash flows, create financial models, and compute performance metrics (NPV, IRR, PI, etc.).
3. Financial information visualisation and operational analytics. Opportunities for prompt study of real project performance, comparison with projected values, deviation identification, and management report preparation must be made available.
4. Integration with additional company systems (project management, CRM, ERP, etc.). Data synchronisation and complete business process automation will be ensured as a result.

The implementation of an all-inclusive automated system for project finance management will enable the organisation to greatly improve decision-making quality and efficiency. This will therefore result in better financial performance and a more effective use of investment resources.

Additionally, the transparency of financial data will rise with the introduction of a centralised accounting and analytics system for projects, boosting the trust of stakeholders and investors alike. By automating financial procedures, the business will be able to streamline investment management, save money on labour, and make decisions more quickly.

3.3. Analysis of the effectiveness of the proposed improvements

It is imperative to assess the possible efficacy of the precise improvement ideas that have been meticulously crafted for the Business Media Network Company. This study will assist in making sure that the suggested courses of action are in line with the strategic objectives of the business and result in observable, quantifiable enhancements to its competitive standing and performance.

Table 3.1

Proposals to Business Media Network, 2024-2026

	Proposal	Anticipated result
1	Improving the distinctiveness of products and services	A larger portion of the market, more devoted and satisfied customers, and the capacity to charge more for products.
2	Increasing the effectiveness of customer retention strategies	Positive word-of-mouth recommendations, improved customer retention rates, and higher client lifetime values.
3	Promoting an innovative and adaptable culture	Faster innovation time-to-market, better ability to adjust to market changes, and successful introduction of new goods or services.
4	Entering new markets and broadening the range of products/services offered	Better financial stability, less revenue concentration, and a rise in market share in new markets or industry sectors.
Financial Management Proposals		
1	Development of a detailed financial plan and budget	the business will be able to optimize expenses, make better managerial decisions, and use its financial resources more effectively.
2	Cash management optimization	The company's financial resources will be used more sensibly and adaptably as a result of this cash flow management strategy.

3	Increasing financial supervision's effectiveness	Thorough financial control will serve as the cornerstone for bolstering the company's financial stability and long-term growth.
4	Optimization of financing sources and capital structure	A thorough approach to capital structure management will improve the company's financial resource utilisation and lay the groundwork for future expansion.
5	Improving financial management's accountability and transparency	Improving the financial management's transparency will be essential to bolstering the business's long-term viability and reputation.
6	Automation of processes	Financial process automation will improve overall financial management quality, lower labour costs and errors, and enable more efficient investment management.

Source: made by author

1) Improving the distinctiveness of products and services:
Efficiency: Enhancing the distinctive features of Business Media Network's products will help the business stay ahead of the competition and draw in more clients. Constant innovation along with a focus on technology, quality, and customer experience can set the business apart from its rivals.
Measurable Results: A larger portion of the market, more devoted and satisfied customers, and the capacity to charge more for products.

2) Increasing the effectiveness of customer retention strategies: Raising customer satisfaction and loyalty will stabilise the business's revenue stream and lower the chance of customer attrition. Exceptional customer service and customised rewards programmes may build enduring, mutually beneficial partnerships.
Measurable Results: Positive word-of-mouth recommendations, improved customer retention rates, and higher client lifetime values.

3) Promoting an innovative and adaptable culture: Business Media Network will be able to keep ahead of market trends and react swiftly to changing client needs if it cultivates an innovative and adaptable mindset. By doing this, the business will be able to take advantage of new opportunities and preserve its competitive advantage.

Measurable Outcomes: Faster innovation time-to-market, better ability to adjust to market changes, and successful introduction of new goods or services.

4) Entering new markets and broadening the range of products/services offered: Practicality: By extending the company's income sources and clientele, it can lessen its dependence on any one product or service. This will boost Business Media Network's resistance to changes in the industry and present chances for long-term expansion.
Measurable Results: Better financial stability, less revenue concentration, and a rise in market share in new markets or industry sectors.

Overall, the Porter's Five Forces analysis and SWOT analysis reveal important areas of concern that are addressed by the suggested improvement recommendations. Through the efficient execution of these tactics, Business Media Network can fortify its competitive edge, augment patronage, cultivate inventiveness, and strive for enduring expansion. The quantifiable results listed for every suggestion offer precise benchmarks and measurements to assess the suggested enhancements' efficacy over time.

It is crucial to remember that carrying out these ideas successfully will call for a well-organized, internal effort that is supported by committed resources, strong leadership, and a dedication to ongoing improvement. To ensure the long-term success of these initiatives, it will be imperative to regularly review the implementation status and make necessary adjustments to the strategy.

Let's analyze the proposal ideas of improvement in financial management:

- Development of a detailed financial plan and budget

One of the most important things to do to increase the efficacy of the company's financial management is to put comprehensive financial planning and budgeting into practice. This will enable:

- Increasing the predictability of cash flow, expenses, and revenue, which will improve liquidity management.
- Ensuring resource allocation that is more organized and informed.

Establishing a framework for consistent oversight and management of fiscal outcomes.

- Improving financial data openness for both internal and external use.

By putting thorough financial planning into practice, the business will be able to optimize expenses, make better managerial decisions, and use its financial resources more effectively.

- Cash management optimization

The implementation of efficient procedures for cash flow forecasting and monitoring, along with guidelines for handling accounts receivable and payable, will enable the business to:

- Prevent shortages or excesses of liquidity by making the best use of cash.
- Minimize the damage caused by ineffective working capital management.
- Strengthen financial stability and payment discipline.
- Boost the effectiveness of borrowing money.

The company's financial resources will be used more sensibly and adaptably as a result of this cash flow management strategy.

- Increasing financial supervision's effectiveness

Clear processes, KPIs, and frequent financial audits will enable the business to:

- Assure more stringent accountability and budgetary discipline.
- Quickly detect and get rid of mistakes, abuses, and inefficient procedures.
- Make management's access to financial data more transparent.
- Based on trustworthy facts, make more knowledgeable managerial judgements.

Thorough financial control will serve as the cornerstone for bolstering the company's financial stability and long-term growth.

- Optimization of financing sources and capital structure

By carefully examining the ideal balance between debt and equity capital and looking for additional funding sources, the business will be able to:

- Lower the price of obtaining capital and boost earnings.
- Boost creditworthiness and financial stability.
- Acquire more chances to fund the expansion of your company.
- Make the capital structure more adaptable so that it can react to changes fast.

A thorough approach to capital structure management will improve the company's financial resource utilisation and lay the groundwork for future expansion.

- Improving financial management's accountability and transparency

Regular reporting and ensuring the openness of financial data will enable the business to:

- Increase the confidence of lenders, investors, and other relevant parties.
- Raise the standard and reliability of managerial judgements.
- Establish a foundation for improved internal control and auditing.
- Adhere to company governance best practices and regulatory agencies' mandates.

Improving the financial management's transparency will be essential to bolstering the business's long-term viability and reputation.

- Automation of processes

The implementation of all-inclusive automated project finance management systems will enable the organisation to:

- Simplify the procedures for gathering, handling, and evaluating financial data.
- Make managerial decision-making more flexible.
- Boost the effectiveness with which investment resources are used.
- Assure increased financial data transparency.

Financial process automation will improve overall financial management quality, lower labour costs and errors, and enable more efficient investment management.

Together, the suggested enhancements in several areas of financial management will enable the organisation to fortify its financial stability, greatly improve the efficiency with which it uses its financial resources, and lay the groundwork for future expansion and corporate development.

CONCLUSIONS

Effective financial management is essential to the prosperity and longevity of any company, including Business Media Network (BMN). We have examined the theoretical underpinnings of financial management, thoroughly examined BMN's financial performance, and made suggestions for improving its financial management procedures throughout this study.

Business Media Network company's financial management procedures have been thoroughly examined in this extensive study. Examining the theoretical underpinnings, methodological strategies, and particular economic analysis of Business Media Network's operations, the work has analysed and determineed the role and organization of financial management in the company analyse and determine the role and organization of financial management in the company produced a comprehensive evaluation of the company's financial management competencies as well as the areas in need of development.

The theoretical chapter emphasised the significance of financial management in guaranteeing the effective and efficient use of financial resources within an organisation. A number of methodological techniques were covered, with an emphasis on their importance in preserving financial stability and accomplishing organisational objectives. These techniques included financial planning, financial control, and financial decision-making. The chapter also highlighted the distinct financial management issues that apply to various kinds of organisations, emphasising the necessity of customised approaches based on their particular traits and operational contexts.

In this work, we identified what financial management is, discussed the main approaches of Financial Management, and wrote about the peculiarities of Financial Management in different types of organizations.

In the second part, we gave general characteristics of the Business Media Network, researched and analyzed the financial state of BMN company. After that, we analyzed the factors influencing financial management in Business Media Network and provided micro and macro environment analysis.

This work include Porter’s Five Forces competitive analysis based on Business Media Network company as well as SWOT Analysis and SWOT Matrix. ALso, we analyses the dynamic of financial results of Business Media Network.

An improvement plan for Business Media Network's financial management procedures is given in the last chapter's recommendations. The company's financial performance and resilience might be greatly enhanced by implementing these suggestions, which range from improving capital structure and cash flow management to encouraging a more data-driven decision-making culture.

By putting the recommended changes into practice, Business Media Network will be able to lower financial risks, boost its competitiveness, and open up new opportunities for long-term growth. The feasibility and significance of the suggested modifications are further supported by the thorough examination of the proposals' expected efficacy.

As a result, this study has provided a thorough evaluation of Business Media Network's financial management, pointing out both its advantages and disadvantages. The management team of the organisation can benefit greatly from the insights obtained and the useful suggestions made, which can also help shape comparable assessments in other business scenarios. In the end, Business Media Network's ability to successfully implement the suggested improvements will be essential to navigating the shifting financial landscape and accomplishing its long-term strategic goals.

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ANNEXES

Annex A

Porter's Five Forces Analysis

TEMPLATE FOR Porter's Five Forces

Company:	*Business Media Network*			
Market:	*business network*			

Substitute Products

Evaluation parameter	Comments	Estimation		
		3	2	1
Substitute Products "price-quality"	*able to provide the same quality at lower prices*	exist and have a high market share	exist, but have just entered the market and their share is small	do not exist
				1
FINAL SCORE		1		
1 point		low level of threat from substitute products		
2 point		medium level of threat from substitute products		
3 point		high level of threat from substitute products		

Threats of New Entrants

Evaluation parameter	Comments	Estimation		
		3	2	1
Economies of scale in the production of a product or service	*If the volume of production is large, then the cost of purchasing materials for the production of goods is lower and fixed production costs have little effect on the unit of production.*	missing	exists only for a few market players	significant
		3		
Strong brands with a high level of knowledge and loyalty	*If the existing brands in the industry are strong, then it is difficult for new players to enter the industry.*	there are no major players	2-3 large players hold about 50% of the market	2-3 large players hold more than 80% of the market
		3		
Product differentiation	*If the variety of goods and services in the industry is high, then it is difficult for new players to enter the market and to occupy a free niche.*	low level of product variety	there are micro-niches	all possible niches are occupied by players
			2	
Investment and costs to enter the industry	*If the investment level to enter the industry is high, then it is difficult for new players to enter the industry.*	low (pays off in 1-3 months)	medium (pays off in 6-12 months)	high (pays off in more than an year)
			2	
Access to distribution channels	*If it is difficult to reach the target audience in the market, then the attractiveness of the industry is low.*	access to distribution channels is completely open	access to distribution channels requires moderate investment	access to distribution channels is limited
		3		
Government policy	*The government can restrict and close the possibility of entering the industry through licensing, restricting access to sources of raw materials and other important resources, regulate the price level*	no restrictions	low level of restrictions	the state fully regulates the industry and sets restrictions
		3		
Willingness of existing players to reduce prices	*If players can lower prices to maintain market share, then this is a significant barrier to entry for new players.*	players will not go for price reductions	major players will not go for price reductions	any attempt to enter a cheaper offer, existing players reduce prices
			2	
Industry growth rate	*If the growth rate of the industry is high, then new players are willing to enter the market*	high and increasing	deceleration	stagnation or decline
				1
FINAL SCORE		19		
8 point		low level of threats of new entrants		
9-16 point		medium level of threats of new entrants		
17-24 point		high level of threats of new entrants		

Rivalry among existing competitors

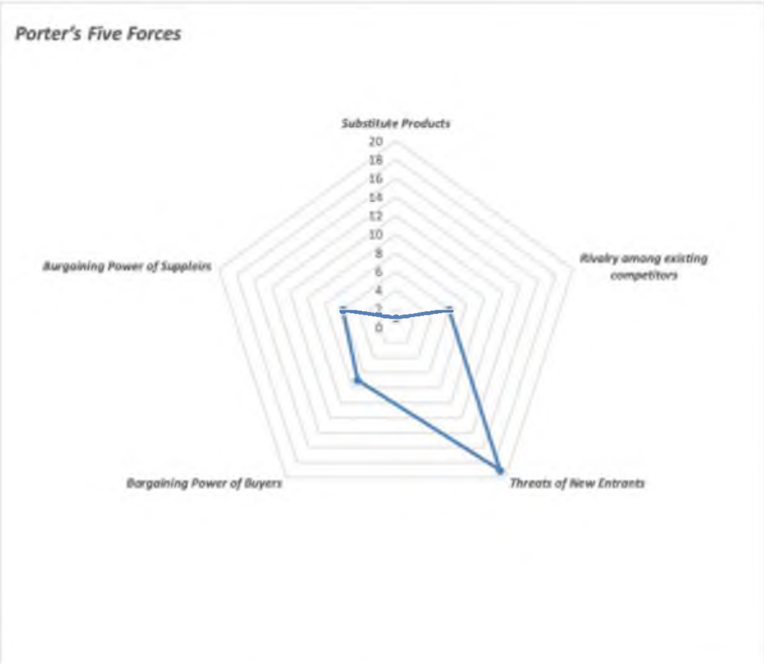
Evaluation parameter	Comments	Estimation		
		3	2	1
The number of players	*If there are many players in the market, then the level of competition and the risk of losing market share are higher*	High level of market saturation	Medium level of market saturation (3-10)	Small number of players (1-3)
				1
The growth rate of the market	*If the market growth rate is low, then the risk of permanent redistribution of the market is higher*	Market stagnation or decline	Slowing down but growing	High
				1
Level of product differentiation in the market	*If product differentiation is low and product standardization is high, then the risk of consumer switching between different market companies is higher.*	Companies sell standardized goods	The product on the market is standardized in terms of key properties, but differs in additional advantages	Companies' products differ significantly from each other
			2	
Restriction on price increases	*If there are few opportunities to raise prices, then the risk of losing profits with a constant increase in costs is high*	Hhigh level of price competition in the market, there are no opportunities to raise prices	There is a possibility of price increases only to cover cost increases	There is a possibility for higher prices to cover cost increases and profit margins
			2	
FINAL SCORE		**6**		
4 point		low level of rivalry among existing competitors		
5-8 point		medium level of rivalry among existing competitors		
9-12 point				

Burgaining Power of Suppleirs

Evaluation parameter	Comments	Estimation	
		2	1
Number of suppliers	*If there are few suppliers, then the probability of unjustified price increases is high.*	a small number of suppliers or a monopoly	a wide range of suppliers
		2	
Limited supplier resources	*If the limited volumes of suppliers' resources are high, then the probability of price increases is high*	limited in volume	unlimited in volumes
			1
Switching costs	*If switching costs are high, then the threat to price increases is high*	high costs to switch to other suppliers	low cost of switching to other suppliers
			1
Priority for supplier	*If the priority of the industry for the supplier is low, then he invests less attention and effort in it and the risk of low-quality work is high.*	low industry priority for supplier	high industry priority for supplier
		2	
FINAL SCORE		**6**	
4 point		low level of suppliers impact	
5-6 point		medium level of suppliers impact	
7-8 point		hogh level of suppliers impact	

Bargaining Power of Buyers				
Evaluation parameter	**Comments**	**Estimation**		
		3	**2**	**1**
Percentage of buyers with high sales	*If buyers are concentrated and make large purchases, the company will be forced to constantly make concessions to them*	more than 80% of sales are made by several customers	a small proportion of customers hold about 50% of sales	sales volume is evenly distributed among all customers
		3		
The propensity to switch to goods substitutes	*If the uniqueness of the company's product is low, the probability that the buyer will be able to find an alternative and not incur additional risks is high.*	the company's product is not unique, there are complete analogues	the company's product is partially unique, there are distinctive characteristics important to customers	the company's product is completely unique, there are no analogues
				1
Price sensitivity	*If the sensitivity to the price is high, the probability that the buyer will buy the goods at a lower price from competitors is high.*	the buyer will always switch to a product with a lower price	the buyer will switch only at a significant difference in price	the buyer is absolutely not sensitive to the price
				1
Consumers are not satisfied with the product quality in the market	*Dissatisfaction with quality creates hidden demand that can be met by a new market player or competitor*	dissatisfaction with key product characteristics	dissatisfaction with the non-key characteristics of the product	total quality satisfaction
			2	
FINAL SCORE		**7**		
4 point		low level of buyers exit		
5-8 point		medium level of buyers exit		
9-12 point		high level of buyers exit		

Parameter	Meaning	Description	Directions
Substitute products threats	Low	The company has a unique offer in the market that has no analogues	**Differentiation Strategy:** Capitalize on the unique offer in the market by further enhancing and advertising the distinctive aspects of the company's products or services. This can include emphasizing quality, innovation, and customer experience to maintain a competitive edge despite industry competition. **Customer Retention Focus:** Implement strategies to mitigate the threat of losing current customers by improving customer satisfaction and addressing any dissatisfaction points. This could involve enhancing product quality, providing excellent customer service, and offering loyalty programs or incentives to retain key clients. **Innovation and Adaptation:** Stay ahead of new players entering the market by consistently inventing and adapting to changing client preferences and market trends. Invest in research and development to introduce new products or services that meet evolving consumer needs and preferences.Strategic Partnerships: Establish strong relationships with stable suppliers to ensure a consistent and reliable supply chain. Explore opportunities for collaboration or long-term contracts with trusted suppliers to minimize the risk of supplier instability affecting operations. **Market Expansion and Diversification:** Explore opportunities to expand into new markets or diversify the product/service offerings to reduce reliance on existing markets or customers. This could entail diversifying the customer base, breaking into untapped market niches, or expanding geographically. **Competitive Pricing Strategies:** Despite restrictions on price increases due to industry competition, carefully evaluate pricing strategies to remain competitive while maintaining profitability. Consider value-based pricing, bundle pricing, or promotional discounts to entice customers without jeopardising profitability.
Industry competition threats	Medium	The company's market is highly competitive and promising. There is no possibility of a complete comparison of products from different firms. There are restrictions on price increases.	
New players threats	High	The risk of new players entering is high. New companies are constantly emerging due to low entry barriers and low initial investment.	
Threat of current customers loss	High	The client portfolio has high risks (key clients leave - a significant drop in sales). The existence of lower quality but economical offers. Dissatisfaction with the current level in certain areas.	
Threat of supplier instability	Low	Stability of suppliers	



Annex B

Balance Sheet of BMN (Statement of Financial Position), 2019 – 2023

I. Fixed assets	Line code	2019	2020	2021	2022	2023
Intangible assets:	1000	655	797	1054	2972	8979
initial value	1001	2156	2868	8186	10812	15012
accumulated depreciation	1002	1501	2071	7132	7840	-6033
Incomplete capital investments	1005	0	576	58	1577	35811
Fixed assets:	1010	94759	87292	84438	100171	2758410
initial value	1011	193439	198290	206787	231991	2758410
depreciation	1012	98680	110998	122349	131820	0
Investment Property:	1015	4242	3911	973	926	114552
initial value	1016	0	0	1671	1671	0
depreciation	1017	0	0	698	745	0
Long-term biological assets:	1020	94384	76865	0	0	0
initial value	1021	0	0	0	0	0
accumulated depreciation	1022	0	0	0	0	0
Long-term financial investments:	1030	0	0	437978	539014	0
that records under the equity method other enterprises						

other financial investments	1035	0	0	0	0	653

Continuation of Appendices A

Long-term receivables	1040	0	0	0	0	0
Deferred tax assets	1045	44127	53161	0	0	0
Goodwill	1050	0	0	0	0	0
deferred acquisition costs	1060	0	0	0	0	0
Balance in centralized insurance reserve funds	1065	0	0	0	0	0
Other fixed assets	1090	0	0	0	0	0
Total for Section I	1095	238167	222602	524501	644660	2918405
II. Current assets						
Inventories	1100	516340	673823	675405	835741	26676
Inventories	1101	0	0	47948	60559	0
Unfinished production	1102	0	0	586956	632441	0
final product	1103	0	0	39886	51150	0
merchandises	1104	0	0	615	91591	0
Current biological assets	1110	0	0	0	0	0
Reinsurance deposits	1115	0	0	0	0	0
Promissory notes received	1120	0	0	0	0	0
Accounts receivable for	1125	218206	348488	374004	428208	36420

products, goods, works, services						
Accounts receivable by calculation:	1130	6196	4664	2808	4015	8760
for advances paid						

Continuation of Appendices A

with a budget	1135	850	25871	3857	4148	8877
including income tax	1136	847	0	0	0	1192
from accrued income	1140	0	0	0	0	0
from internal calculations	1145	0	0	490011	211584	110932
Other current receivables	1155	755	12180	11886	139576	2974
Current financial investments	1160	0	0	0	0	0
Money and cash equivalents	1165	1712	2549	284	21684	703
Cash	1166	0	0	51	45	0
Bank accounts	1167	0	0	233	21639	0
Prepaid expenses	1170	1588	0	246	240	489
The reinsurer's share in insurance reserves	1180	0	0	0	0	0
including in:	1181	0	0	0	0	0
long-term liabilities reserves						

loss reserves or reserve for due payments	1182	0	0	0	0	0
reserves for unearned premiums	1183	0	0	0	0	0
other insurance reserves	1184	0	0	0	0	0
Other current assets	1190	13408	72822	2605	3830	120
Total for Section II	1195	759055	1140397	1561106	1649026	195951

Continuation of Appendices A

III. Non-current assets held for sale and disposal groups	1200	3236	29248	1891	0	490
Balance	1300	1000458	1392247	2087498	2293686	3114846
I. Equity						
The registered capital	1400	20327	20327	20327	20327	60000
Contributions to unregistered authorized capital	1401	0	0	0	0	0
Capital in revaluation	1405	4650	4650	4629	4609	1766214
Additional capital	1410	1469	1421	4797	4093	2475
Issue income	1411	0	0	0	0	2475
Accumulated exchange rate differences	1412	0	0	0	0	0
Reserve capital	1415	27671	27671	27671	27671	0
Retained earnings (uncovered loss)	1420	271043	469362	468767	499883	489046
Unpaid capital	1425	0	0	0	0	0
Withdrawn capital	1430	0	0	0	0	0
Other reserves	1435	0	0	0	0	-18582
Total for Section I	1495	325160	523431	526191	556583	2299153
II. Long-term liabilities and ensuring						

Deferred tax liabilities	1500	0	0	0	0	385716
Pension obligations	1505	0	0	0	0	25405
Long-term bank credits	1510	205207	276809	326659	350972	22766

Continuation of Appendices A

Other long-term liabilities	1515	4072	0	200668	207135	1409
Long-term ensuring	1520	0	0	1771	1750	0
Long-term staff costs	1521	0	0	0	0	0
Targeted financing	1525	10788	4819	0	0	0
Charity	1526	0	0	0	0	0
Insurance reserves, including:	1530	0	0	0	0	0
reserve for long-term liabilities; (At the beginning of the reporting period)	1531	0	0	0	0	0
loss reserve or due payments reserve; (At the beginning of the reporting period)	1532	0	0	0	0	0
reserve for unearned premiums; (At the beginning of the reporting period)	1533	0	0	0	0	0
other insurance reserves; (At the beginning of the reporting period)	1534	0	0	0	0	0
Investment contracts;	1535	0	0	0	0	0

Prize fund	1540	0	0	0	0	0
Reserve for jackpot payout	1545	0	0	0	0	0
Total for Section II	1595	220067	281628	529098	559857	435296
III. Current liabilities and ensuring						
Short-term bank credits	1600	0	20000	19794	0	61465
Promissory notes issued	1605	89283	32365	0	0	0
Current accounts payable	1610	0	177124	0	0	96862

Continuation of Appendices B

for the long term obligations						
for goods and services	1615	193306	211902	133660	419585	120464
for payments to budget	1620	25947	22550	25570	24286	7422
including income tax	1621	0	0	0	0	2548
for insurance payments	1625	3158	2878	572	498	11912
for payments of wages	1630	3284	3262	1528	1433	7766
on received advances	1635	351	634	839	39	52
according to calculations with participants	1640	0	0	0	0	0
from internal calculations	1645	0	0	728069	608982	3772

for insurance activities	1650	0	0	0	0	0
Current ensuring	1660	2886	2991	0	0	10167
Deferred income	1665	0	0	0	0	0
Deferred commission income from reinsurers	1670	0	0	0	0	0
Other current liabilities	1690	137015	113482	122177	122423	57967
Total for Section III	1695	455230	587188	1032209	1177246	380397
IV. Liabilities related to non-current assets held for sale and disposal groups	1700	0	0	0	0	0
V. Net asset value of a private pension fund	1800	0	0	0	0	0
Balance	1900	1000458	1392247	2087498	2293686	3114846

APPENDICES C

Financial statement of BMN, 2019 – 2023 years

Indicator	2019	2020	2021	2022	2023
Net income from sales of products (goods, works, services)	454 022	721 586	720 883	704 382	773 147

Cost of goods sold (goods, works, services)	- 239 701	- 349 471	- 558 326	- 568 800	- 662 015
Gross:	214 321	372 115	162 557	135 582	111 132
profit					
loss		-	-	-	-
Other operating income	37 510	172 814	235 543	202 995	2 355
Administrative expenses	- 43 242	- 73 187	- 36 993	- 35 131	478 512
Selling expenses	- 75 711	- 71 650	- 71 287	- 98 201	285
Other operating expenses	- 24 413	- 61 627	- 199 785	- 118 616	12 783
Financial result from operating activities:	78 520	368 410	90 035	86 629	26 355
profit					
loss		-	-	-	-
Income from equity participation		-	284 489	82 631	-
Other financial income	13 813	28 492	12	-	-
Other income	3 783	6 721	213 089	69 699	-

Continuation of Appendices C

Financial expenses	- 35 990	- 109 346	- 45 468	- 47109	15 420

Losses from equity participation		-	-	-	-
Other expenses	- 153 263	- 140 262	-	-	-
Financial result before tax:	- 93 137	154 015	194 070	71 665	179 850
profit					
loss		-		-	-
Expenses (income) from income tax	- 40 455	49 489	- 99	-	- 40 253
Net financial result:					
profit	- 52 682	203 504	194 070	71 665	157 580
loss				( )	( )