

Финансовое состояние компании "АВТОВАЗ" и рекомендации по улучшению ее деятельности

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Аннотация

Актуальность статьи заключается в том, что в настоящее время предприятия хотят увеличить свою эффективность и качество работы. В статье проанализированы показатели ликвидности компании АВТОВАЗ и сделаны основные выводы из анализа. На основе сделанных выводов предложены рекомендации по совершенствованию этих показателей.

Ключевые слова: анализ, ликвидность, автомобильная промышленность, финансовая стабильность

The financial situation of the company "AVTOVAZ" and recommendations for improving the activity

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Annotation

The relevance of the article is that at present the enterprises are interested in increasing the efficiency and quality of their activities. The criterion for assessing the financial condition of an enterprise is such an indicator as liquidity. This article analyzes the liquidity indicators of the enterprise and draws the main conclusions from the analysis. Based on the conclusions made, recommendations are proposed for improving these indicators of the enterprise.

Keywords: analysis, liquidity, automotive industry, financial stability.

«AVTOVAZ» is the Russian automobile manufacturer formerly known as VAZ: Volzhsky Avtomobilny, but better known to the world under the trade name Lada. The current company name is «AVTOVAZ».

AVTOVAZ's majority owner is Alliance Rostec Auto B.V. with 64,6%, which is a joint venture of the Renault-Nissan Alliance with 40,7% and Russian company Rostec with 21,2% of shares, which means that the Renault-Nissan-Alliance owns about 26.3% of AVTOVAZ' shares.

Following the latest recapitalization of the company in 2016, Renault holds over 50% of the company, making it a subsidiary of the French group.

Companies included in the Group of AVTOVAZ, conduct business in more than 17 countries, with around 270 subsidiaries and the total workforce exceeds 20,000 people. All of these resources provide the company with global opportunities. Group companies are actively involved in areas such as telecommunications, energy, construction, as well as provides financial and insurance services" [1].

The most important achievement of the new AvtoVAZ team was the deepening of the strategic partnership with the Renault-Nissan Alliance. Three years, from the time of the withdrawal of the enterprise from the crisis, since the beginning of the reform of all production processes, "AvtoVAZ" brings profit to shareholders.

According to the official data of the company: "AVTOVAZ is currently the largest automaker in Russia and a company active in 46 countries. The companies of the AVTOVAZ Group operate in more than 17 countries; it includes about 200 subsidiaries; the total number of its staff exceeds 20,000 people. All these resources have global capabilities. The Group's enterprises are actively involved in such areas as telecommunications, energy, construction, as well as providing financial and insurance services. "

Since 1970 the plant produced more than 28.5 million cars LADA, 40 different models. Today in Russia, 14 million owners of cars LADA, which is 33.3% of the vehicle fleet of the country. The market share of LADA sales in Russia is about 20%.

AvtoVAZ today is hundreds of suppliers and millions of jobs throughout the country. The enterprise has about 4 million square meters of production and storage space, about 300 km of conveyor lines, about 800 suppliers and subcontractors, and more than 430 dealer companies in Russia.

Let's proceed to the analysis of the company and its financial performance. View whether the company has any problems and suggest solutions.

Table 1: The main financial indicators of the company for the year 2015-2016

Indicator	2015	2016	Variation in the indicator in thousand rubles.	Variation in the indicator in %
Revenue	170452	189974	+19 522	+11,5
Expenses for ordinary activities	190073	207700	+17 627	+9,63
EBIT	-37171	-28532	+8 639	-

From the analysis, we see that in 2016 the annual revenue was 189,974 thousand rubles. Also, let's pay attention to line 2220 "Managerial expenses" of the form "Statement of financial

results". Here we can note that the Company took into account general economic expenses as conditionally permanent, including them on the basis of the results of the reporting period on the account of the sale. There is also a trend of increasing expenses for the company's ordinary activities. In 2016 this article increased by 9.3%.

As for the indicator, such as EBIT, its value in 2016 increased compared to 2015 by 8 639 thousand rubles. But even with this growth in 2016, the value of this indicator is negative.

As already noted, the solvency of the enterprise depends heavily on the liquidity of the balance sheet. At the same time, other factors, such as the political and economic situation in the country, the state of the money market, the availability and perfection of the collateral and banking legislation, the availability of own capital, the financial condition of the debtor enterprises, and other factors also have a significant influence on the solvency of the enterprise. But still the key characteristic of the balance structure, which determines the solvency of the enterprise is liquidity. For this reason, let's analyze the company's performance and draw conclusions about the state in which the company is located.

Consider how optimal the structure of the balance sheet of PJSC AVTOVAZ is from the point of view of liquidity indicators. The liquidity of assets is understood as their ability to transform into cash, and the degree of liquidity of assets is determined by the time interval necessary to turn them into cash. The most liquid assets are cash and investments in short-term securities. They should exceed by their size the most urgent liabilities represented by accounts payable. Quickly realized assets, such as accounts receivable, should be more short-term loans; Slowly implemented - more long-term and medium-term; Hard-to-sell assets - more permanent liabilities.

Table 2: Coefficient of current liquidity, coefficient of quick liquidity, absolute liquidity ratio of the company for the year 2015-2016

Indicator	2014	2015	2016	Variation
Coefficient of current liquidity	0,57	0,36	0,47	-0,1
Coefficient of quick liquidity	0,39	0,19	0,34	-0,05
Absolute liquidity ratio	0,11	0,04	0,14	+0,03

"AVTOVAZ" company has one problem - it is insufficient current liquidity of assets. Hence, there is not enough money and assets that can be quickly converted into cash

Based on the results of the analysis, one can come to the following conclusion. We see that in 2016 the current liquidity ratio (0,47) does not correspond to the normative value. Coefficient of coverage or current liquidity gives an overall assessment of the liquidity of assets, showing how many rubles of current assets account for one ruble of current liabilities. In addition, we note the negative dynamics of the current liquidity ratio - for the whole analyzed period the coefficient

decreased by -0.1. Also, the value of the fast (intermediate) liquidity ratio does not correspond to the normative value -0,34 (the normative value is 1). This indicates that the company lacks liquid assets, which can pay off its most urgent obligations. The quick liquidity ratio kept a value that does not correspond to the normative value. Also, the coefficient of absolute liquidity has a value below the normative, namely 0.14. At the same time, we note the positive dynamics - for the whole period the value of this coefficient increased by 0.03. The presence of a sufficient cash balance is a prerequisite for the normal conduct of current settlements with suppliers and contractors, personnel, and the budget "[2].

In 2016, the current liquidity ratio is 0.47. The normative value of this ratio is at least 2. That is, the current assets should be 2 times more short-term liabilities. In 2016 they make up only 47%. The current and liquidity ratio of an enterprise is affected by the sectoral and other features of its activity, but its fall below 2 is highly undesirable.

Many indicators that characterize the financial stability of the company do not meet the regulatory values. All this indicates a "bad" financial condition of the company.

Let's enumerate the ways that will improve the current liquidity of the enterprise:

- Reduce the share of short-term liabilities in the Company's liabilities. In our case, 89820 thousand rubles. This implies transferring part of the short-term debt to long-term debt, that is, attracting long-term loans and loans in exchange for short-term loans.
- Increase the share of liquid assets by reducing the share of non-current assets. For example, by selling unnecessary, non-core, unused fixed assets.

In addition, to increase the solvency of the enterprise can be through accelerating the turnover of assets.

The turnover of assets largely depends on the production cycle. Reducing the cycle allows less liquid assets (stocks) to quickly turn into highly liquid assets, that is, receivables, cash. This increases the ability of the enterprise to settle for its obligations.

Financial condition can be stable, unstable (pre-crisis) and crisis. The ability of the enterprise to make payments on time, to finance its activities on an expanded basis, to bear unforeseen shocks and to maintain its solvency under adverse circumstances testifies to its stable financial condition, and vice versa.

At the moment, AVTOVAZ demonstrates deteriorating development indicators both in terms of absolute figures (volume of production and sales) and relative indicators that affect its cost and investment attractiveness.

Well, for increasing the indicators of fast and absolute liquidity can be as follows:

1. You can reduce the company's short-term accounts payable. This can be achieved by attracting long-term borrowings.

2. Reduce the share of less liquid assets. We suggest that they be transferred to more liquid assets. For example, reduce the grace period for customers. This will increase the turnover of receivables. And then, to realize surplus stocks and get rid of unused fixed assets.

Well, based on the analysis carried out in this article, in order to improve the financial standing of the Company's management, it is necessary:

- Reduce short-term accounts payable for example, transfer it to long-term debt.
- Reduce the share of less liquid assets. It is necessary to transfer them to more liquid assets. For example, reduce the grace period for customers. This will increase the turnover of receivables. And then, to realize surplus stocks and get rid of the fixed assets that are not used in the production process.

And also, to ensure the profitability of their activities, managers of companies need to constantly analyze the current situation in the services market, as well as within their company. Furthermore, achieving the main goal, namely, profit maximization is possible with the proper planning of the financial activities of the company. Using the transformation of the structure of enterprise management, attracting loyal customers and increasing the choice of products can improve the quality of the company. Therefore, it can be said that the company has the potential to increase costs when reforming the management structure (attracting foreign specialists, skillful management of the company), increasing demand for products in accordance with a worthy offer.

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