JOURNAL OF APPLIED SCIENCE AND SOCIAL SCIENCE
eISSN 2229-3113 pISSN 2229-3205

**Volume 14 Issue 06, June 2024**
Impact factor: 2019: 4.679 2020: 5.015 2021: 5.436, 2022: 5.242, 2023: 6.995, 2024 7.75

# HEORETICAL ASPECTS OF ANALYZING OF THE CONDITION AND EFFECTIVE USE OF FIXED ASSETS AT THE ENTERPRISE

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**Abstract:**The article researches the essence and composition of the main assets used in industrial enterprises and theoretical aspects of the analysis of the effectiveness of their use.
**Key words:**main assets, the structure of the main assets, the state of the main assets, classification of the main assets, the effectiveness of the use of the main assets.

## INTRODUCTION

Analysis of the condition and effective use of fixed assets in an enterprise is a fundamental part of strategic management, which covers a wide range of economic, technical and organizational aspects. Fixed assets, including buildings, structures, machinery and equipment, play a critical role in ensuring the continuity of the production process and achieving the strategic goals of the enterprise.

Effective use of fixed assets is a multifaceted process that includes optimizing equipment utilization, reducing downtime, rational use of production space and implementing preventive maintenance systems. Systematic monitoring and analysis of data on the condition of fixed assets allows us to timely identify problem areas and make informed management decisions aimed at improving their use.

## METHODOLOGY

In the research work, used monographic research, systematic analysis and comparison methods, which made it possible to theoretically surround the state and composition of the main tools in industrial enterprises and the effectiveness of their use.

## LITERATURE ANALYSIS

The analysis of the formation of the main assets in industrial enterprises, their essence, classification and effectiveness of the use of the main assets are studied theoretically and practically in the scientific work of various researchers.

In the theoretical research of A.A.Karimov and G.S.Djambakieva have been studied the existing methodologies for determining the effectiveness of the use of basic tools in the complex case [1].

In the G.V.Saviskaya's theoretical researches studied new approaches to determining the state and effectiveness of the use of main assets of industrial enterprises today [2].

And by A.D.Sheremet has been improved the methodology for determining the essence, classification of the main tools and the effectiveness of their use [3].

An attempt has been made to determine for private cases the validity of the aspects of the researchers' theoretical and applied research mentioned in this article in specific enterprises.

## ANALYSIS AND RESULTS

The main objectives of the analysis of fixed assets are [4]:

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– determining the provision of the enterprise and its structural divisions with fixed assets and the level of their use according to general and specific indicators;
– identifying the reasons for changes in their level;
– assessment of the sensitivity of production volume and other indicators to the degree of use of fixed assets;
– studying the degree of utilization of the production capacity of the enterprise and equipment;
– establishing reserves for increasing the efficiency of use of fixed assets.

The structure of fixed assets can be more clearly presented in the form of a diagram with percentage distribution.

As part of fixed assets, a little more than half of the book value of all fixed assets is occupied by buildings and structures (53.48%). Further 42.17% are transmission devices, working machines and equipment. Servers account for 3.37% of the total cost of fixed assets.

Let's look at fixed assets in dynamics, that is, compare them with the indicators for 2022.

Looking at 2022, it is clear that, just like 2023, the passive part (54.07%) still exceeds the active part of fixed assets (45.61%). Passive fixed assets tend to have a long service life and depreciate more slowly than active ones. This may impact the company's financial performance as depreciation expenses will be spread over a longer period of time.

Changes in the size of fixed assets are identified by comparison with reporting data for previous years, comparing their availability at the end of the year with the beginning. To analyze changes in the composition of fixed assets, consider their structure presented in Table 1.

**Table 2.5.**

**Analysis of changes in the composition of fixed assets[1]**

| Name | At the end of 2022 | | At the end of 2023 | | Changes for 2023 relative to 2022 | |
|---|---|---|---|---|---|---|
| | Amount thousand soums | Ud. weight, % | Amount thousand soums | Ud. weight, % | Amount thousand soums | Ud. weight, % |
| Building | 39,988,845.95 | 15.45% | 40 495 349.91 | 16.75% | 506 503.96 | 1.30% |
| Facilities | 98 733 643.48 | 38.16% | 88 792 764.50 | 36.73% | -9 940 878.98 | -1.42% |
| Transmission devices and machinery | 55 946 713.97 | 21.62% | 51 458 528.16 | 21.29% | -4 488 185.81 | -0.33% |
| Power machines and equipment | 27,919.86 | 0.01% | 25 670.75 | 0.01% | -2 249.11 | 0.00% |

[1]Developed by the author.

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| | | | | | | |
|---|---|---|---|---|---|---|
| Working machines and equipment | 60 480 144.77 | 23.37% | 50 466 195.50 | 20.88% | -10 013 949.27 | -2.50% |
| Other machines and equipment | 395 950.23 | 0.15% | 786 915.96 | 0.33% | 390 965.73 | 0.17% |
| Furniture | 4 302.11 | 0.00% | 2 237.10 | 0.00% | -2 065.01 | 0.00% |
| Household equipment | 218 751.87 | 0.08% | 183,992.93 | 0.08% | -34,758.94 | -0.01% |
| Other office supplies | 994 927.89 | 0.38% | 702 803.71 | 0.29% | -292 124.18 | -0.09% |
| Computers | 460 238.58 | 0.18% | 258 541.71 | 0.11% | -201 696.87 | -0.07% |
| Servers | 528 599.08 | 0.20% | 8 135 146.17 | 3.37% | 7 606 547.09 | 3.16% |
| Other computing equipment | 44 682.08 | 0.02% | 34 922.08 | 0.01% | -9 760.00 | 0.00% |
| Passenger vehicles | 936 499.54 | 0.36% | 389 914.04 | 0.16% | -546 585.50 | -0.20% |
| Perennial plantings | 6,819.41 | 0.00% | 2 655.58 | 0.00% | -4 163.83 | 0.00% |
| **Bottom line** | **258 768 038.82** | **100%** | **241 735 638.09** | **100%** | **-17 032 400.73** | **0.00%** |

Thus, according to table 2, the book value of fixed assets as of December 31, 2023, decreased by 17,032,400.73 thousand soums. Changes in the structure of the company's fixed assets for 2023 indicate a redistribution of investments. An increase in the share of passive assets (buildings) and IT infrastructure (servers) may indicate the company's strategic decisions in the field of long-term investments and technological modernization. At the same time, a reduction in active assets, such as work machinery and equipment, may indicate a decline in production activity or the end of the depreciation period for a number of assets.

The study of the movement and technical condition of fixed assets, carried out on the basis of financial statements, is important. Various indicators are analyzed in this context, including:

renewal coefficient, reflecting the percentage of new fixed assets in the total cost of fixed assets at the end of the year:

$$C_{rn} = \frac{\text{Cost of received fixed assets Cost}}{\text{of fixed assets at the end of the period}};$$

fixed assets renewal period:

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$$FA_{rn} = \frac{\text{Cost of fixed assets at the beginning of}}{\text{the period Cost of received fixed assets}};$$

retirement rate:

$$(R_r) = \frac{\text{Cost of retired fixed assets Cost of}}{\text{Cost of retired fixed assets Cost of}};$$

gain factor:

$$G_f = \frac{\text{Amount of increase in fixed assets}}{\text{Cost of fixed assets at the beginning of the period}};$$

wear factor:

$$W_f = \frac{\text{Amount of depreciation of fixed assets}}{\text{Initial cost of fixed assets as of the corresponding date technical}};$$

technical suitability coefficient:

$$C_{ts} = \frac{\text{Residual value of fixed}}{\text{assets Initial cost of fixed assets}};$$

Based on the presented coefficients, it is possible to analyze changes in the state of the main ones. The renewal period coefficient shows how many years it will take to completely replace fixed assets at the current level of income. The coefficient for 2023 decreased to 58.086, indicating a significant acceleration in the renewal of fixed assets. The renewal rate increased from 0.011 to 0.017 in 2023. This indicates an increase in the share of new fixed assets in the total cost of fixed assets. Failure to change the retirement rate to zero can lead to the accumulation of obsolete and ineffective fixed assets, reduced productivity and the risk of technological lag. The depreciation coefficient at the beginning of the year remained almost at the same level, decreasing from 0.779 in 2022 to 0.774 in 2023.

**Table 2.**

**Calculation of movement indicators and technical condition of fixed assets at Fergana Oil Refinery LLC**

| **Index** | **As of 12/31/2022 in thousand soums** | **As of 12/31/2023 in thousand soums** | **Change (+, -) 2023 to 2022** |
|---|---|---|---|
| **Initial data, thousand soums.** | | | |
| 1. Availability at the beginning of the year, thousand soums. | 1,368,925,073.00 | 1,305,348,524.00 | -63,576,549.00 |
| 2. Receipt, thousand sum. | 14,478,978.00 | 22,472,509.00 | 7,993,530.00 |
| 3. Disposal, thousand soums. | - | - | - |
| 4. Availability at the end of the year, thousand soums. | 1,305,348,524.00 | 1,320,259,789.00 | 14,911,265.00 |
| 5. Depreciation at the beginning of the year, thousand soums. | 1,065,855,260.00 | 1,022,743,387.00 | -43,111,873.00 |
| 6. Depreciation at the end of the year, thousand soums. | 1,022,743,387.00 | 1,063,612,886.00 | 40,869,499.00 |
| 7. Annual growth | 14,478,978.00 | 22,472,509.00 | 7,993,530.00 |
| **Coefficients:** | | | |

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| | | | |
|---|---|---|---|
| - update period | 94,546 | 58,086 | -36.459 |
| - updates | 0.011 | 0.017 | 0.006 |
| - disposals | 0.000 | 0.000 | 0.000 |
| - growth | 0.011 | 0.017 | 0.007 |
| - depreciation at the beginning of the year | 0.779 | 0.784 | 0.005 |
| - depreciation at the end of the year | 0.784 | 0.806 | 0.022 |
| - validity at the beginning of the year | 0.221 | 0.216 | -0.005 |
| - expiration date at the end of the year | 0.216 | 0.194 | -0.022 |

The year-end depreciation rate was also little changed, falling from 0.784 in 2022 to 0.766 in 2023, a decrease of 0.018. This indicates a slight improvement in the condition of fixed assets by the end of the year. The suitability coefficient at the beginning of the year remained practically unchanged; a decrease of 0.005 indicates minimal changes in the suitability of fixed assets at the beginning of the year. The year-end stock ratio also changed slightly, decreasing from 0.216 in 2022 to 0.194 in 2023. A decrease of 0.022 indicates some deterioration in the condition of fixed assets by the end of the year, although this deterioration is not critical.

In general, the analysis of the coefficients shows that, despite some deterioration in the condition of fixed assets according to certain indicators, there have been positive changes in terms of renewal and growth of assets. Accelerated renewal of fixed assets and an increase in the growth rate indicate positive trends in asset management. It is important to continue monitoring and take action to further improve the condition of fixed assets.

## CONCLUSIONS

Based on the analyzes performed, it can be concluded that in 2023 there was a redistribution of investments, which led to an increase in the share of buildings and servers in the total volume of fixed assets. At the same time, a reduction in active assets, such as work machinery and equipment, may indicate a decline in production activity or the end of the depreciation period for a number of assets.

A comparison of data for 2022 and 2023 shows a decrease in the book value of fixed assets, which is associated with a decrease in the cost of structures and transmission devices. However, the increase in the share of new fixed assets and the acceleration of their renewal indicate strategic efforts to modernize and long-term investments in IT infrastructure.

Renewal, disposal and depreciation ratios show positive trends in asset management, despite a slight deterioration in the condition of fixed assets. Overall, the company is taking active steps to modernize and improve its asset management, which should have a positive impact on its future productivity and efficiency.

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