

Forming and Using the Financial Management System to Make the Travel Enterprises More Stable Economically

Leysan Ismagilovna Galimova^a and Shamil Sahitovich Galimov^b

Kazan Federal University, Kazan, Russia

Leysan.Abinova@mail.ru

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Abstract: The paper covers the study of financial state of the travel enterprises, especially small enterprises, which are the majority of travel agencies, for working out measures to make them more stable financially. The main goal is to work out certain recommendations for the travel enterprises to strengthen the financial stability during the crisis related to spreading of the coronavirus pandemia. When studying the problem to be researched, the authors used an axiomatic method and methods of aspectual analysis of the available data on the branch financial problems. The statistical data are the basis for the economic situation analysis. The main results of the research are supposed to be detecting the internal reasons for weakening of the financial stability and working out certain recommendations to bring the enterprises out of the crisis. The research, which was conducted on this topic, allowed coming to realize the main reasons for weakening of the financial stability of the travel enterprises and working out certain recommendations. It is offered to use the budgeting method in managing the enterprise finances and to use the state support proposals competently.

1 INTRODUCTION

The trade war, which the USA declared on their business competitors, for instance, China, and their allies, the European countries in gas and other aspects, continues to hamper the world economies development. Spreading of “coronavirus” from China creates additional problems in the world economy development. As a result, in connection with the world economic crisis stagnation, the travel industry also has crisis phenomena. Over the last years, the travel branch and the hospitality industry have crisis phenomena expressed, above all, in decreasing the occupancy rate of hotel room capacity of accommodation means, and especially which were reflected in the travel branch. Chain of bankruptcies of a number of well-known travel companies is evidence of the crisis development in the branch. Over the last years, a lot of Russian tourism operators has become bankrupts, including the world-famous “Neva tour”, “Labyrinth”, “Wind Rose”, “Expo tour” and many other companies. In January, 2020 Federal

Agency for Tourism struck 58 tourism operators off the register. “Echo” of bankruptcies also reached thousands of travel agencies, some of which could not stand that and were closed down, still more enterprises had to reduce their business, shut their branches down and dismiss their employees. The financial stability problems affected the majority of travel agencies, over the last years the sales have decreased by a factor of two or three. Each enterprise was influenced by the crisis. In order to determine weak points, it is necessary to start the work with analyzing financial potential of the enterprises. Determining the financial potential is needed to carry out the financial analysis of an enterprise. The economic literature includes various definitions of the financial analysis. O.E. Efimova regards the financial analysis as a process based on studying the data on financial standing and results of the enterprise activities in the past to assess the prospects of its development, in other words, she turns it into extrapolation (Glazov, 1999).

^a  <http://orcid.org/0000-0002-1085-4072>

^b  <http://orcid.org/0000-0003-2324-1344>

2 METHODS

The research uses various methods of financial and economic analysis of the small enterprises activities, statistical methods and methods of comparative analysis. When using a method of aspectual analysis, the authors researched, first of all, analysis of the financial and economic activities of an enterprise, studied the financial potential. On the basis of these data, the enterprise financial stability is analyzed. Then, coefficients of the funds turnover, lucrativeness and profitability of the work are determined. Considering that the travel enterprises work is seasonal, it is necessary to take into account the funds turnover velocity too. Supposing that the majority of travel enterprises are small enterprises, it is reasonable to determine the profitability of labor expenses, material expenses and other resources. Indicators of profitability of the sales and the working capital are the most important for small enterprises. Important materials are the obtained coefficients of the absolute and interim liquidity of the enterprise. A level of the circulating funds to current assets coefficient can be crucial for increasing the financial stability in the context of the crisis. As a result, it is possible to determine the main symptoms of the solvency level. All of that makes it possible for us to establish full or partial financial insolvency that results from the sales unprofitability. Degrees of decreasing the business activity were determined. Considering all the above mentioned, the possibilities are offered to credit the business, especially with the

use of options of the state support, the taxes and borrowings debt restructuring conditions. In particular, A.D. Sheremet and R.S. Saifulin propose analyzing the financial and economic activities and carrying out the express-diagnostics of financial standing of the enterprise by seasons or by quarters. Apart from these authors, the paper uses the materials and methods of calculation of N.E. Zimin, E.A. Vyborova, N.M. Glazov and others.

3 RESULTS AND DISCUSSION

In an extended sense, the analysis is to become a foundation of the managerial decision making to make the travel agencies more stable financially, which consists of the following stages:

- to research the economic phenomena and processes in their interconnection and interdependence that are formed under influence of objective economic laws;
- to substantiate the plans and obligations scientifically and to assess their fulfillment objectively;
- to detect positive and negative factors and to change their influence;
- to disclose trends of the economic development;
- to determine the unused internal reserves;
- to generalize experience of the travel enterprises;
- to make optimal managerial decisions.

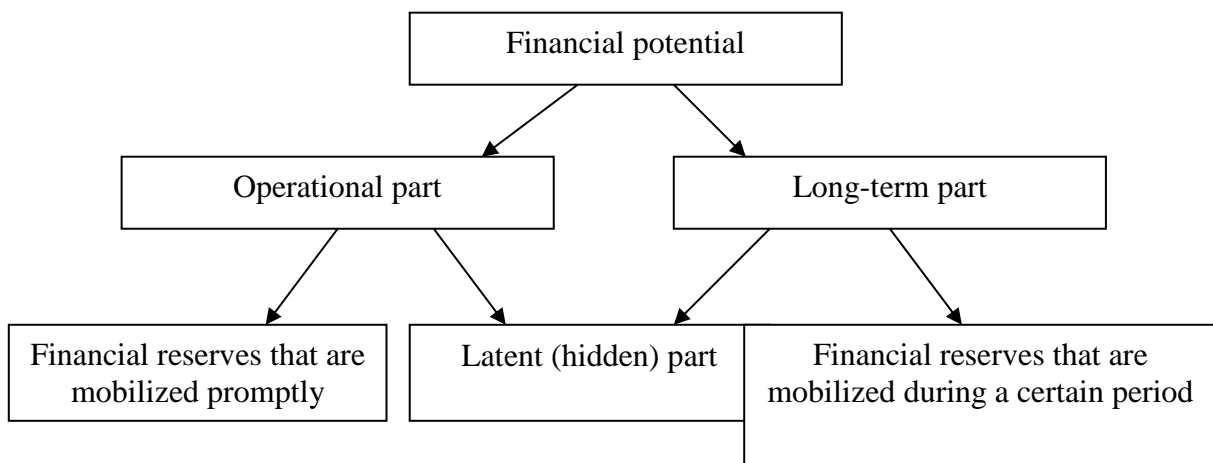


Figure 1: Financial potential structure.

The small enterprises finances analysis includes the analysis of financial potential (Fig. 1) and efficiency of its using. The small enterprises financial potential analysis includes the following major stages:

- to determine the financial potential sizes;
- to research a dynamics of the financial potential change;
- to assess the financial potential use efficiency.

A.D. Sheremet and R.S. Saifullin determine the financial analysis goal as “obtaining a number of the key parameters giving an objective and exact picture of the financial standing of an enterprise” (Sheremet, Saifullin, Negashev, 2001).

The main goals of financial analysis of the small

travel enterprises activities are as follows:

- to assess the small enterprises financial stability;
- to detect reasons for the financial stability change;
- to detect reasons for deviations from optimal state of the financial indicators;
- to substantiate decisions to stabilize the financial stability.

It is reasonable to mark out the diagnostics of static state and trends of the small enterprises development as well as the business diagnostics (analysis of the current financial and economic situation) and analysis of investment activities of the enterprise.

The content of the small enterprises financial stability analysis is given in Fig.2.

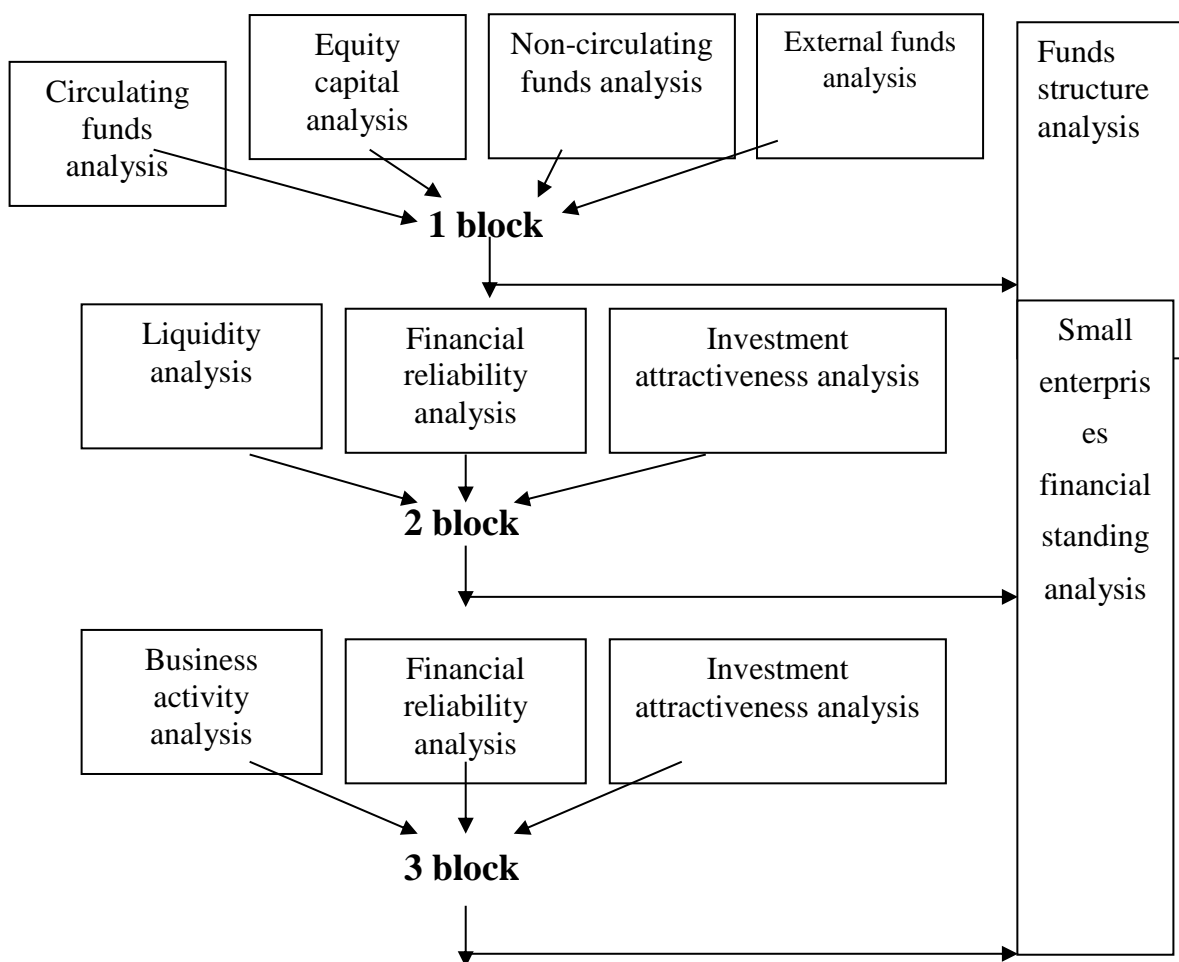


Figure 2: Content of the small enterprises financial stability analysis (Zimin, 2002)

The small enterprises activities research in the crisis and problem situations are of particular significance to the small enterprises. Crisis situations in the travel industry are, in the main, related to

general economic and financial crises. Financial problems at enterprises appear, in a greater degree, due to force-majeure situations with payments or with funds non-repayment, etc. For instance, the

coronavirus pandemia struck a crushing blow to the travel branch. In 2020 the tour sales decreased by 90%, especially in the outbound tourism sector. Only at the end of the year some directions started to be opened, but with a number of restrictions, such as PCR tests, quarantines in the vacation places if the tests are not confirmed and quarantines after the vacation. Then the second and the third waves of coronavirus came, and new virus strains appeared. Countries were opened and then closed for tourists again. The countries visiting rules became stricter and stricter, some countries introduced “covid” passports and other new restrictions. Refusal to acknowledge the national vaccines for various reasons, which included political and economic reasons, lead to the outbound tourism decrease again. The domestic and inbound tourism also suffered from the pandemia. The complete lockdown in 2020 and imposition of regional restrictions hit the tourism and the hospitality industry. For instance, in Kazan within two years more than a half of travel agencies and their branches, 40% of hostels and small hotels, 4 large hotels, including network ones, were closed down. The public catering branch goes through a heavy crisis, the situation deteriorates due to introduction of QR codes for visitors too. The existing uncertainty is a constraining factor for the enumerated enterprises. Partially the constant change of restrictions does not allow people to plan their vacation for the future.

Research of structural equilibrium of small enterprises is closely related to the development forecast of the small enterprises as a system. Coefficients of proportion, dynamics as well as private indicators (an average value of financial receipts and applied funds, a time interval between financing and obtaining the financial results, etc.) are used.

M.M. Glazov said that it is reasonable to mark out analysis of exterior medium changes, diagnostics of

marketing of the problem situations and the management functions (supply, social, technical and production development of the enterprise) (Glazov, 1999).

The coefficients, which are used in assessing the funds structure of the small enterprises, include the proportion indicators, for instance, a proportion of circulating funds in the balance sheet total (total assets, balance sheet total).

$$\text{Proportion} = \frac{\text{CF}}{\text{Balance sheet total}} \quad 100\%$$

The analysis also assesses the proportion of individual components of the circulating funds (stocks, accounts receivable (AR) etc.) in the total assets and in the circulating funds (CF) of the small enterprises.

$$\begin{array}{l} \text{Proportion}_s = \frac{\text{Stocks}}{\text{Balance sheet total}} \quad 100\% \\ \text{Proportion}_{sc} = \frac{\text{Stocks}}{\text{CF}} \quad 10\% \\ \text{Proportion}_a = \frac{\text{AR}}{\text{Balance sheet total}} \quad 10\% \\ \text{Proportion}_{ac} = \frac{\text{AR}}{\text{CF}} \quad 0\% \end{array} \quad \text{etc.}$$

The coefficients, which are used in analyzing the funds turnover of the small enterprises, include the indicators of the velocity of assets circulation as a ratio of receipts (or commodity turnover) to an average value of the circulating funds (CF) and their components (stocks, accounts receivable (AR)).

$$V_{CF} = \frac{\text{Commodity turnover}}{\text{CF}} ; \quad V_{Stocks} = \frac{\text{Commodity turnover}}{r \text{ Stocks}} ; \quad V_{AR} = \frac{\text{Commodity turnover}}{AR} \quad \text{etc.}$$

An average value of the funds and stocks is determined in different ways. It can be calculated as an arithmetic mean value, an average harmonic value, etc, while the turnover (in days) can be calculated as

a ratio of the period analyzed (P = 30, 60, 90, 180, 365 days, etc.) to the turnover velocity. In this case, it is necessary to take into account a seasonal nature of work of the small travel enterprises.

$$O_{CF} = \frac{P}{V_{CF}} ; \quad O_{Stocks} = \frac{P}{V_{Stocks}} ; \quad O_{AR} = \frac{P}{V_{AR}} \quad \text{etc.}$$

The lucrativeness and profitability coefficients are often based on the lucrativeness definition as a ratio of a result of activities (profits) to resources, and the profitability definition as a ratio of profits to the costs. However, it is more rational to mark out the sales profitability (R_{o6}) as a ratio of the profit (P) to the costs (C)

$$R_{o6} = \frac{P}{C} \cdot 100\%$$

while the assets profitability (Pmp) as a ratio of

$$R_L = \frac{P}{L} \cdot 100\%; \quad R_{m3} = \frac{P}{M_3} \cdot 100\%; \quad Sales_{ci} = \frac{P}{P_{ci}} \cdot 100\% \text{ etc.}$$

$$R_{sales} = \frac{P}{V_p} \cdot 100\%; \quad R_{fk} = \frac{P}{FC} \cdot 100\% \text{ where}$$

V_{sales} is sales volume;

FC is functioning capital.

A very important group of indicators characterizes relations between different parts of financial resources of the small enterprises. This group includes the absolute liquidity coefficient (Alc) determined a ratio of the funds to the short-term liabilities (SI).

$$Alr = \frac{\text{Funds}}{SI}$$

The absolute liquidity coefficient is one of the main indicators of the small enterprises solvency and liquidity. While assessing the current solvency of the small enterprises, private indicators of the absolute liquidity are calculated, which are determined by a ratio of the funds to the maturing liabilities (ML), to the long-term liabilities (LL), to the accounts payable (Ap) and to the joint liabilities (JL).

$$Alc = \frac{\text{Funds}}{ML}; \quad Alc = \frac{\text{Funds}}{LL}$$

$$Alc = \frac{\text{Funds}}{Ap}; \quad Alc = \frac{\text{Funds}}{JL}$$

The intermediate liquidity coefficient is determined by a ratio of the funds and the accounts receivable (AR) to the short-term liabilities (SL), while the coverage coefficient (of current liquidity) is determined by a ratio of the circulating funds (CF) to the short-term liabilities. When determining the intermediate liquidity, it is necessary to take into account a seasonal nature of the tourism and hospitality branch activities, and of the public catering.

$$Cc = \frac{CF}{SL}$$

The circulating funds to current assets coefficient is a ratio of equity circulating funds, which is

the profit to the cost of material resources (Mr).

$$Pmp = \frac{P}{Mr} \cdot 100\%$$

With regard to the small enterprises, it is reasonable to determine profitability of labor costs (L), material costs (Mc) and other resources (Rci). However, indicators of profitability of sales (Rsales) and working capital are the most important to the small enterprises.

determined as a difference between the equity capital and the non-circulating assets, to the current assets. The circulating funds are frequently replenished through additional contributions of the enterprises owners or through using a part of the profit for a period.

The main goal of analyzing the small enterprises finances is to forecast their financial instability. It is necessary, while using the enterprise finances analysis data, to divine the start of financial instability or, in other words, the financial stability weakening. Economists have not worked out yet a concurrent point of view on the “financial instability” notion interpretation.

In most cases, the stability implies a system ability to return to the equilibrium state during disturbance effects of the exterior medium. But the equilibrium and the stability are different definitions.

N.E. Zimin defines the stability as “... state of financial resources, their distribution and their use, which ensures the enterprise development on the basis of the profits and capital growth when the solvency and the creditworthiness are preserved in the context of a reasonable (allowed) economic risk” (Zimin, 2002).

The authors believe that the enterprise’s financial stability, whose assessment is the analysis goal, can be interpreted as its ability to function in a state of financial equilibrium in the context of permanent external and internal influences, in spite of which the small enterprise continues to be liquid and solvent as well as has financial resources sufficient for the production renovation and the competitiveness maintenance in the context of the crisis.

A list of symptoms of the unstable and crisis financial standing of the small enterprises is given in Table 1, with full and partial solvencies to be marked out in the current or only in the prospective period.

Table 1: List of symptoms of crisis financial standing of the small enterprises (Vybornoba, 2003).

Symptoms	Full solvency		Partial solvency	
	current	prospective	current	prospective
A	1	2	3	4
1. Lack of circulating funds for settlement of liabilities	Inability to pay all the short-term liabilities (CF/SL is less than or equal to 1)	Inability to pay all the short-term liabilities in the near future	Ability to pay the short-term liabilities, with a lack of circulating funds for proper functioning (CF/SL is more than 1, but less than a real level of the coverage coefficient)	Ability to pay the short-term obligations, with a lack of funds for the production renovation and expansion
2. Arrears in labor and taxes payment	Available	Available	May be available	May be available
3. Optimal structure of the circulating funds	Absent	Absent	Violated	Violated insignificantly
4. Low indicators of turnover	All the elements of circulating funds	All the elements of circulating funds	The stocks and the accounts receivable	The stocks and the accounts receivable

Proceeding from a life cycle theory of the enterprise, it is possible to mark out 3 stages of the small enterprise crisis.

At the first stage, the financial stability indicators become worse, at the second stage, the insolvency starts, which leads to bringing in actions for financial insolvency of the small enterprises, at the third stage, if the financial recovery is impossible, the small enterprise becomes bankrupt and is liquidated as a legal entity.

Symptoms that are displayed at the first stage:

- sales volume reduction;
- decrease in incomes (profits) from basic activities;

- capital turnover duration increase;
- availability of surplus inventories of the unsold tourist products
- increase in a share of the borrowed capital in its total amount up to dangerous points;
- using the new sources of the financial resources on unprofitable conditions;
- disruption of fulfillment of the orders that are of importance to the enterprise;
- unfavorable changes in the orders portfolio;
- unfounded change of the tourist products suppliers;
- delays in submitting the reports and worsening of the reports quality;

- capital investments decrease, premises rent difficulties;

Symptoms that are displayed at the second stage:

- decrease in the funds receipt from economic operations, which leads to the bill payment difficulties, late payment of salaries, taxes, etc;

- setting the dumping product prices, competition;

- negative changes in the balance structure; drastic decrease in the money balance on the accounts; increase in the accounts receivable and the accounts payable, their unbalancing; losses occurrence;

- low values of the liquidity coefficients and a trend to their decrease; equity circulating capital deficit; more difficult obtaining of commercial credits;

- conflicts in the small enterprises management; loss of experienced employees; personnel turnover growth; worsening of the social and psychological climate in the labor collective, etc.

Symptoms that are displayed at the third stage:

- unsatisfactory balance sheet structure;

- dislocation of the accounts receivable and the accounts payable balance;

- chronic production volume decrease or the activities suspension;

- accumulation of finished products on a warehouse, which is not sold knowingly;

- losses increase; lack of circulating funds; inability to discharge accrued liabilities;

- long forced downtime, reduced working day (week);

- mass discharge of employees, industrial conflicts, etc. (Galimov, 2006)

The small enterprises financial insolvency is also indicated by the economic activities unprofitability and refusal from profitable orders, since the circulating funds are insufficient to meet the short-term liabilities ($CF/SL < 1$) and purchases of required materials and complementary articles. The last part has to do with the public catering sphere in a greater degree. The travel agencies are in a simpler situation here, since they work, in the main, with tourism operators under the agency agreements and take the products for sale, which makes it possible not to attract large financial assets.

Financial insolvency can be full (absolute), (when a small enterprise requires external assistance for the whole amount of the circulating funds lack), and partial, when financial recovery of a small

enterprise can be reached through mobilizing its own resources and partial attracting the external assistance. If a small enterprise cannot settle its liabilities, cannot carry out the financial recovery using its own resources, the bankruptcy proceedings start.

Various kinds of models are used in adapting the financial stability of the enterprise. The most widespread ones in Russia are E.I. Altman's credit worthiness index that has a common serious shortcoming — it can be used successfully only in relation to big listed companies. These are open joint stock companies. For these companies it is possible to receive a quite objective market assessment of the equity capital (Altman's methods of credit worthiness assessment). Its modifications, Taffler and R. Lis' models are used too.

The main indicator of credit worthiness of the small enterprises is the $CF/SL > 1$ ratio and the financial resources lack size. E.A. Vyborova determines a degree of insolvency in the following way (Galimov, Galimova, 2017):

The first degree of $CF/SL > 1$, lack size is 20%-30%.

The second degree of $CF/SL > 1$, lack size is 30%-50%.

The third degree of $CF/SL > 1$, lack size is 50%-80%.

The fourth degree of $CF/SL > 1$, lack size is more than 80%.

The operational, fragmentary insolvency corresponds to the first degree, the current insolvency corresponds to the second degree, the prospective insolvency corresponds to the third degree, and the chronic insolvency corresponds to the fourth degree. The authors' research showed that this division can be accepted for the tourism and hospitality enterprises.

Absolute insolvency of the small enterprises means that it is impossible to restore the financial stability without external financing. If a small enterprise is able to divert some funds from turnover, this is partial insolvency.

The first sign of the small enterprise financial stability violation is decrease in the business and financial activity of the enterprise. The analysis is to detect a change in indicators of the turnover of various funds, lucrativeness and profitability. According to E.N. Vybornova's assessment, a degree of the business activity decrease is determined in the following way:

The first degree of the business activity decrease consists in slower turnover of the main part of the stocks by 20% - 30%, the short-term liabilities

in terms of the accounts payable by 5% - 10%, a varying part of the circulating funds and the accounts receivable by 3% - 5%, and the profitability decrease by 0.4% - 1%.

The second degree of the business activity decrease consists in slower turnover of the main part of the stocks by 30% - 50%, a varying part of the circulating funds and the accounts receivable by more than 5%, the short-term liabilities in terms of the credit and loan payments by 10% - 20%, the profitability decrease by 1% - 2%.

The third degree of the business activity decrease consists in slower turnover of the main part of the stocks by 50% - 80% and more (Vybornoba, 2003).

The small enterprise financial standing stability in the context of the market economy is due to its business activity. It is characterized by intensity of using the internal capital, the entity goodwill that is expressed, in particular, in availability of regular customers, a degree of the strategy implementation, assurance of a set rate of the sales volume growth; a level of efficiency of using the enterprise resources.

The enterprise business activity are assessed, first of all, by dynamics of the major economic and financial indicators of the enterprise operation in a certain period, availability of real and efficient investment and innovation projects. In the tourism, this is, first of all, gradual transition to the on-line trade. The public catering and trade enterprises in the context of the pandemia are switching over to the goods and dishes delivery to the buyers. Public opinion polls in Kazan showed that 84% of pizza are delivered, up to 40% of baked goods and dishes are ordered to home or to workplaces of the customers. A number of people, who are involved in delivery, increased almost in 8 times for a year (according to public opinion polls held by the authors). A number of all-Russian and regional (in our case, city and republican) internet trade and delivery enterprises appeared and developed rapidly.

The enterprises business activity in a financial aspect is displayed in its funds turnover. That's why the enterprises business activity financial analysis consists in researching the dynamics of the indicators of turnover and profitability of the enterprise operation.

The general turnover formula appears as follows:

Funds turnover = Sales revenue / The period-average funds value. Here it is necessary to take into account influence of the travel agencies work seasonality. The research showed that the seasonality is expressed more clearly in the outbound

tourism in Tatarstan and in Kazan in particular. A number of tourists, going to the warm countries, such as Turkey and Egypt in peak season is higher, on the average, in 4.5 times than in off-season. The domestic and inbound tourism also has seasonality, but it is not so clear-cut. (According to public opinion polls held by the authors).

The general circulation time (turnover) formula appears as follows:

The circulation time of funds or their sources = The average-period value of funds or their sources/ Sales revenue * A number of days in the period. The circulation time increase indicates the turnover decrease. The authors' research showed that the funds turnover in the outbound tourism is less than in the domestic tourism because in Tatarstan's domestic tourism a number of tour-days per a tourist is one third of that in the outbound tourism.

Decrease in the business activity and the prospective financial stability of the small enterprises is also indicated by

- a low (less than 30% - 25%) share of equity circulating funds;

- low (up to 1%) sales profitability;

- increase in the cost (circulation expenses) with the unchanged or decreasing sales amount and the profitability rate;

- violation of the rational liabilities structure – increase in a share of the long-term liabilities - more than 10% - 12%, credits and loans – more than 20% - 25%, the accounts payable – more than 30% - 35% (the data is obtained on the basis of analysis of reasons for the bankruptcy of the small enterprises in the Republic of Tatarstan in 2010-20195);

- increase in a debt to the budget and the non-budgetary funds, to the employees in more than 10%. As of February, 01, 2021 the enterprises debt (in the main, these are small enterprises) in labor payment stood, according to Federal State Statistics Service, at more than RUB 4.3 billion in comparison with RUB 2.2 billion a year earlier. Most of the debt was formed because they had no their own funds.

A large proportion of the overdue liabilities to the budget and the non-budgetary funds as well as to the employees (internal debt) is evidence of the heavy deficit and low indicators of the circulating funds turnover, a high share of the short-term liabilities and the accounts receivable of the small enterprises, decrease in the financial and business activity, significant increase in volume of financial resources, which were diverted to non-production purposes or unallocated, and slowdown in rate of growth or decrease in volumes of the financial and economic activities of the gross national product. Frequently this is transfer of the small enterprises financial

resources to the personal fund of their owners (Galimov, Galimova, 2017).

The small enterprises financial insolvency, or inability to carry out financial and economic operations in previous volume, means that a small enterprise is on the brink of bankruptcy, but in the event of financial recovery its financial stability can be restored.

As small enterprises do not have significant financial reserves, their financial stability changes quickly. The insolvency degree determination is of particular importance to the financial analysis. There is chronic insolvency (for several months – the time period is sufficient for initiating the bankruptcy), current insolvency (for 1-2 months) and operational insolvency (for a week or a month). Regularity and evenness of the funds receipt to accounts are assessed.

The small enterprise assets illiquidity is assessed in the same way:

$1 < CF/SL < 1 + Stocks/SL$ is prospective illiquidity

$1 < CF/SL < 1 + Stocksc/SL$ is chronic illiquidity

$1 < CF/SL < 1 + Stocksv/SL$ is current illiquidity,

where

CF is circulating funds, SL is short-term liabilities, Stocksc is a constant component, and Stocksv is a variable component of the stocks, Stocks is their combined value.

Lack of funds size (LF): $LF = CF - SL - Stocks$

With $CF - SL > 0$, $CF - SL - Stocks < CF - SL$ in the event of $CF - SL - Stocks < 0$ – the prospective illiquidity takes place, with $CF - SL - Stockv < 0$ – the current illiquidity takes place, and with $CF - SL - Stockc < 0$ – the chronic illiquidity of the small enterprise assets takes place. There is sufficient quantity of the funds during the whole period researched.

A procedure of analyzing the financial stability of the small enterprises consists of four stages. The first stage determines availability or lack [$\pm E_1$] of the equity circulating funds by deducting the noncirculating assets value from the equity capital.

$$\pm E_1 = EC - NA$$

The second stage determines availability or lack [$\pm E_2$] of the equity and long-term external funds as a difference between the sum of the equity capital (EC) and the total value of the long-term external funds (LE) and the noncirculating assets (NA).

$$\pm E_2 = EC + LE - NA$$

The third stage determines availability or lack [$\pm E_3$] of the equity, long-term, medium-term (ME) and short-term external and loan funds (SE) as a difference between the sum of the above-mentioned funds and the noncirculating assets.

$$\pm E_3 = EC + LE + ME + SE - NA$$

The fourth stage determines a degree of the small

enterprises financial stability, 4 basis situations are marked out:

1. Absolute stability

$$\begin{aligned} \pm E_1 &> 0 \\ \pm E_2 &> 0 \\ \pm E_3 &> 0 \end{aligned} \quad S = (1;1;1)$$

2. Normal stability

$$\begin{aligned} \pm E_1 &\leq 0 \\ \pm E_2 &\geq 0 \\ \pm E_3 &\geq 0 \end{aligned} \quad S = (\overline{0};1;1)$$

3. Unstable state

$$\begin{aligned} \pm E_1 &\leq 0 \\ \pm E_2 &\leq 0 \\ \pm E_3 &\geq 0 \end{aligned} \quad S = (\overline{0};\overline{0};1)$$

4. Crisis state

$$\begin{aligned} \pm E_1 &\leq 0 \\ \pm E_2 &\leq 0 \\ \pm E_3 &\leq 0 \end{aligned} \quad S = (\overline{0};\overline{0};\overline{0})$$

For the small enterprises, which have no real estate and who lease the fixed assets, instead of the noncirculating assets, in the mentioned calculations, the circulating funds (CF) are used, a value that is to be sufficient for forming a minimum required size of the circulating funds and ensuring the proper functioning of the small enterprises.

$$\pm E_1 = EC - CF$$

$$\pm E_2 = EC + LE - CF$$

$$\pm E_3 = EC + LE + ME + SE - 2CF$$

With the first degree of the financial instability $E_1 < 0$, $E_2 > 0$, $E_3 > 0$, with the second degree - $E_1 < 0$, $E_2 < 0$, $E_3 > 0$, and with the third degree - $E_1 < 0$, $E_2 < 0$, $E_3 < 0$.

The authors' research showed that 28% of travel agencies and 15% of their branches were located in their owners' offices, while others leased the real estate. The authors' calculations showed that companies located in their own premises have more stable financial state and these companies have the smallest share of those becoming bankrupt in the coronavirus pandemia. The majority of such enterprises closed their branches down in districts of Kazan and other towns of the republic, which were leased. Apart from that, the remaining enterprises reduced the number of staff, on the average, of more than 30%. This was a way to cut down their expenses too, thus making the enterprises more stable financially. But it is necessary to note that some enterprises did not take advantage of this opportunity, because the RF government-proposed non-interest bearing credit demanded the number of staff to be preserved. Thus, the travel agencies, which took such a credit, had to preserve their staff, otherwise, there was interest in the credits.

4 SUMMARY

It is especially important for the small enterprises to carry out operational express-diagnostics, together with the financial analysis, according to the results of the year and the quarter. A.D. Sheremet and R.S. Saifulin consider the financial diagnostics as a part of the external financial analysis. The express-diagnostics allow marking out the “pain points” of the small enterprises current activities and representing options of overcoming the crisis, the bankruptcy prevention. The financial diagnostics are a kind of the financial analysis detecting omissions in the enterprise activities, which are dangerous in terms of the bankruptcy start. It is necessary to note that the travel agencies work organization in the ready tourism-recreational complexes gives more possibilities for financial success of an enterprise. The Republic of Tatarstan is an excellent example of this statement (Analysis of the enterprise financial standing).

The financial diagnostics are considered as a part of the anti-crisis management system, which is of particular importance to forming the company financial policy, recognizing the crisis in the enterprise activities, assessing the financial accounting and reporting reliability, detecting the cause-effect relationship in the checking. The analytical procedure, which makes it possible to establish the “pain points” of the financial mechanism, to forecast the developments, to develop necessary managerial decisions for the enterprise financial recovery, is of particular importance for small enterprises (Galimova, Galimov, Gainetdinov, 2018). The express-diagnostics are aimed at detecting the economic contradictions in the enterprise activities as well as at developing methods of their decision.

E.N. Vybornova believes that the enterprise finance state is proper if it is characterized by liquidity, solvency, financial stability and a profitability level that is closed to the industry average level. The enterprise state is optimal if it is characterized by absolute liquidity, solvency, absolute financial stability, a maximum level of profitability for a long time.

It is necessary to optimize the circulating assets in terms of the accounts receivable by means of their sped up collection and cutting the time of their return, reducing the debts, partially by means of the offsetting and on the basis of using the bills of exchange, the customers' prepayment under the agreements concluded. Since the “Accounts receivable” item is of great importance to the small enterprises in accordance with the liquidity parameters, it is reasonable to develop a standard and to form the item only within this standard by prospective kinds of the products that are not sold quickly. It is necessary to quickly sell superfluous tourist products, after the tourism operator's approval, for reduced prices. (These are the so-

called “tours on last-minute sale”).

5 CONCLUSIONS

Analysis of financial stability of the small travel enterprises on the basis of a system of indicators taking into account peculiarities of the financial accounting for various kinds of the small enterprises, allows organizing the efficient financial results management that indemnifies for the financial resources limitedness. The financial resources limitedness in the small travel enterprises is explained, first of all, by a specific character of the enterprise operation organization. This consists in organizing the tour products sale that is built, in the main, on the full prepayment. A specific character of the tour products is that the products cannot be stored and can be sold only within a certain period of time. That's why during the crisis the majority of travel agencies try to sell tours from the tourism operator, in other words, to take the tour packages for sale and to settle accounts with the tourism operator after the tour products are sold. On the basis of the research the authors concluded that during the travel business crises it is necessary to address the issues of the circulating funds savings more specifically, with using the budgeting mechanism. The budgeting is considered as a method of financial planning. However, the method is a way, a planning tool allowing the small enterprises to calculate an indicator of the financial plan - the breakeven point, the accounts payable and the accounts receivable, the funds balance as at the end of planning period. The small enterprises budgeting allows calculating all three main components of the financial plan – the forecast balance, the flow of funds plan, the profit and loss plan (Savina, Tsvetkova, Galimova, Avezov, Nazarov, 2020).

This method helps to determine a costs hierarchy in the business organization, to build a scheme of priority and volumes of the costs. As a result, it is possible to refuse some cost items for some periods. The financial service of an enterprise must watch the tax and levies news, the government authorities' proposals on overcoming the crises in the country and develop a correct strategy for surviving during the crisis. In the context of the crisis, a possibility of small enterprises to create new resources is limited significantly or minimized. That's why in order to restore the small enterprise financial stability it is necessary to decrease the consumed resources volume. The wider the money flows gap (input - output) is, the quicker the small enterprise reaches the financial equilibrium point. In order to increase one's own created financial resources, it is necessary to focus on “Profit and loss statement” analysis (Form No. 2) in order to establish what to do for gaining the set profit. In order to decrease the prime cost, it

is necessary to optimize, first of all, the price policy, to reduce an amount of fixed and variable costs. Pursuing the efficient tax policy will minimize the tax payments in relation to the enterprise income amount (Galimov, 2006).

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