

THE CONCEPT OF THE CASH FLOW OF ENTERPRISES

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Determined the necessity for a clear definition of the concept of cash flow. The opinions about the definition of the economic categories of native and foreign scientists are considered.

Cash flow describes the movement of capital, cash funds as cash and non-cash and turnover of certain financial instruments. Cash means cash, funds on bank accounts, and demand deposits. Cash equivalents are short-term, highly liquid investments that are freely convertible into certain amounts of cash and have a minor risk of changes in value. All the approaches to the interpretation characterize the significance of the cash flow for the operation of business entities, ensuring the growth of the value of the enterprise as an integral property complex in the long term and the prosperity of the owners of such a subject.

The concept of "cash flow of enterprise" is aggregated, including in its composition many kinds of these flows that serve economic activity.

In order to ensure efficient and purposeful management of cash flows, their classification is given. Cash flows are a multifaceted economic category, which includes its various types.

The classification allows doing more purposeful accounting, analysis, and planning of cash flows of various types at the enterprise.

Effective cash flow management allows the company to realize the strategic goals of its operations, ensure a high level of capital turnover, the rhythm of activity, increase the degree of financial balance and earn additional profit, and also contributes to the formation of additional investment resources for financial investments.

The main purpose of cash flow management is to ensure the financial balance of the enterprise in the process of its activity and development by balancing the volumes of receipt and expenditure of the company's cash. All the tasks of managing cash flows, which are set forth in the article, are closely related and only together can ensure the fulfillment of the set goal.

In the process of managing cash flows, the company is proposed to implement such functions, the implementation of which will allow achieving the assigned tasks of managing cash flows. An analysis of cash flow efficiency and prospects for their development allows justifying the types of cash management policies at the enterprise.