



ANALYSIS OF THE FINANCIAL CONDITION OF INSURANCE COMPANIES ON THE BASIS OF METHODS OF FINANCIAL ANALYSIS

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ABSTRACT

The article analyzes the financial condition of insurance companies operating in the insurance market of Uzbekistan on the basis of traditional (horizontal, vertical, comparative, trend) methods of financial analysis. Based on the results of this analysis, recommendations are made for effective management decisions to improve the financial condition of insurance companies.

Insurance companies provide healthy and effective services to entrepreneurs and the population, contribute to the development of business and entrepreneurship, which is one of the highest goals of our state, and lead a healthier lifestyle. To do this, it is necessary to regularly analyze the financial condition of insurance companies. The article analyzes the financial statements of leading insurance companies in the insurance market of Uzbekistan and draws relevant conclusions.

KEYWORDS: *insurance, insurance companies, financial condition, financial analysis, horizontal, vertical, comparative, trend.*

INTRODUCTION

Social insurance and social security issues are one of the most pressing issues in the social policy of any state. Especially in today's pandemic, the state's social protection of the population is becoming more important.

According to the Decree of the President of the Republic of Uzbekistan dated August 2, 2019 No. PP-4412 "On measures to reform and provide accelerated development of the insurance market of the Republic of Uzbekistan", "measures are being taken to further develop the financial market, expand the coverage of the population with high-quality financial services, and also create favorable conditions for protecting the observance of the rights and legitimate interests of consumers.

At the same time, at the current stage of reforms, the active development of financial services aimed at ensuring sustainable economic growth, improving the quality and standard of living of the population requires strengthening the role of the insurance market and the widespread use of insurance." [1]

Insurance is an effective means of protecting the interests of the state, citizens and businesses in the transition to market relations.

The modern national insurance system depends on improving the legal framework, the effectiveness of financial and monetary policy of the state, the quality of control over insurance activities and the reliability of insurance companies.

As of January 1, 2021, there are 40 insurance companies operating in Uzbekistan, which have the right to carry out insurance activities.

If we look at the world data, according to the New Frontier organization in the UK, the Insurance Penetration Rate, which is determined by the ratio of total insurance premiums to GDP, is 6.35% worldwide and only 0.35% in Uzbekistan. In the world, insurance premiums per capita amounted to 847 euros, while in Uzbekistan this figure is 5 euros.

This means a low level of this service. Among the countries, the leadership belongs to Hong Kong, where the insurance premium is 7.5 thousand euros per capita, and the minimum is 5 euros, which belongs to the state of Nigeria. [2]

Taking into account the above, in the development of the insurance market of Uzbekistan it is expedient to study the financial condition of insurance companies on the basis of methods of financial analysis and make effective management decisions.



LITERATURE REVIEW

It is known that the acquisition of new knowledge in the field of analysis requires a methodology for solving problems in the field. It uses different approaches, methods and techniques. It is important to classify them.

In the "Theoretical Foundations of Property, Value and Price" by Sh.Sh.Shahazami, the mathematical apparatus used in systematic analysis and forecasting includes many complex research methods and the system of indicators used in them, while the choice and combination of research methods and indicators are determined by knowledge and the practical experience of the researcher. However, all currently used research methods are conventionally divided into four major groups:

- methods based on the researcher's knowledge and intuition (brainstorming, scenarios, expert evaluation (SWOT-analysis), dolphin, morphological approach, work games);
- methods based on the formal representation of the object of research (analytical, statistical, theoretical collections, logical, linguistic, semiotic, graphical, structural linguistic modeling, simulation dynamic modeling);
- combined methods (combinatorics, situational modeling, topology, grapho-semiotic modeling, information flow research, agent modeling);
- specialized methods (econometrics, marketmetry, financeometry, securimetry, qualimetry, technical analysis, fundamental analysis, portfolio analysis, approaches and methods of property valuation).[3]

Dr. Donthi Ravinder, Financial Analysis - A Study by Muskula Anitha, outlines two types of methods for interpreting an enterprise position: vertical and horizontal.[4]

In his Business Ratio Guidebook, Steven M. Bragg emphasizes the need to use two methods, the vertical and the horizontal, in analyzing the financial situation. In this case, the horizontal analysis method is a periodic comparison of financial data, while the vertical analysis method is a collection and comparison of each financial statement as a percentage. A and B stated what percentage of the case would be found. [5]

L.N. Chechevitsyna's book "Analysis of financial and economic activity" provides a more in-depth and comprehensive analysis of all methods of solving the situation in practice in the enterprise or industry. Based on the comparative analysis in economic analysis, it suggests the following methods: horizontal (temporal) analysis, vertical (structural) analysis, trend analysis, one-time comparative analysis, multi-comparative comparative analysis. [6]

Another Russian economist, one of the leading scientists in the field of accounting, economic

analysis and auditing V.V.Bocharov in his book "Financial Analysis" said that the main purpose of financial analysis is to obtain an objective (accurate) information based on the analysis of key indicators of the financial condition of the business entity: changes in the structure of assets and liabilities; dynamics of accounts receivable and accounts payable; profit or loss growth, trade and asset profitability growth can be seen. The following basic methods of financial analysis, which have been used in practice and can be selected, can be selected. These include: horizontal analysis, vertical analysis, trend analysis, comparative (spatial) analysis, factor analysis, and the method of financial ratios. [7]

Economist G.V.Savitskaya, who has a similar position among Russian scientists, in his work "Theory of analysis in economic activity" divided the methods of complex analysis into four groups. These are: traditional methods of data processing (comparison, financial allocations, relative and average quantities, tables and graphs, grouping, balanced, heuristic), determinant factor analysis methods (chain displacement, relative differences, absolute differences, index, integral, equal distribution, logarithm), stochastic factor analysis methods (correlation analysis, variance analysis, discriminant analysis), methods of optimizing economic tasks (linear and nonlinear programming, theoretical game, public service theory, process research, etc.). One of the important elements of the methodology in the analysis of economic activity is that these technical applications and analytical methods (analytical tools) are used in research at different stages of analysis.[8]

In the work of Russian scholars LVDontsova and N.A.Nikiforova "Analysis of financial statements" it can be seen that different (logical, formal) methods were used in the analysis of financial statements. But most often the following methods are used: absolute method, relative and average values; method of comparison; vertical analysis; horizontal analysis; trend analysis; factor analysis; analysis of the use of financial ratios and the method of expert assessment. [9]

In N.P.Lyubushin's book "Analysis of the financial situation of organizations" he presented the methods of analysis of horizontal, vertical, relative indicators (analysis of coefficients), comparison, analysis of determinant factors, chain linkages, absolute differences, index, logarithm, integral. At the same time, stochastic methods were discussed in detail, and their separate methods were used to solve the problem and where they were applied. To stochastic methods: correlation, regression, variance, component, discrimination, cluster and factor analysis. [10]

T.A. Molibog's book "Complex economic analysis of financial and economic activities of organizations" divides the methods and tools used in



the analysis of financial and economic activities of the enterprise into two groups: formed and incompletely formed (not used). The group of formed methods itself is also divided into five groups. These are: elementary methods in microeconomic analysis (balance method, chain link and absolute difference method, method for determining isolated factors, differential method, integral method, percentage ratio method); traditional methods of economic statistics (method of using relative and average quantities, method of grouping, method of processing dynamic series, index method); Mathematical and statistical methods in scientific research (stochastic methods: correlation analysis, regression analysis, dispersion analysis, cluster, modern factor analysis method, method of processing spatial-periodic sets); decision-making methods (situational analysis and forecasting method, simulation modeling, solution tree construction method, linear programming, sensitivity analysis); financial calculation methods (discounting and construction method, cash flow estimation method). It is noted that the group of incomplete methods consists of: the method of processing systematic indicators, the method of comparison, the method built on analytical tables, the method of detailing, the method of expert evaluation, methods of reading and analyzing financial statements. [11]

In the work of M.Yu. Rakhimov "Analysis of the financial condition of economic entities" methods of analysis, which determine the ways to obtain objective information on the financial condition of business entities, namely: reading financial statements, horizontal analysis, vertical analysis, trend analysis, comparative analysis, financial ratios, the introduction of factor analysis methods, and each of these methods. [12]

From the methods presented in the literature of economists we give descriptions of the methods of horizontal analysis, vertical analysis, trend analysis, comparative analysis.

Horizontal analysis method. Horizontal analysis is a method of assessing changes in financial position by comparing individual financial indicators. On the basis of a horizontal analysis of the elements and items of financial reporting, financial indicators, their change is assessed in absolute and relative terms. The following forms of horizontal analysis are used in financial analysis: comparison of reporting indicators at the beginning and end of the period; comparison of reporting indicators with the same period last year; dynamic comparison of reporting indicators; a comparative comparison of the financial performance of different organizations.

Vertical analysis method. Elements of financial reporting as a complementary method of vertical analysis characterize the assessment of the structural aspects of the items. These aspects can be applied to all forms of financial reporting. Analysis of the financial condition of the enterprise on the

basis of the weight of individual units in the overall composition and their changes, ie diagnosis, is evidence of its validity. Understanding the financial condition of the enterprise, the main aspects of knowledge are focused on the correct ratio of units in the total composition.

Vertical analysis achieves integrity only on the basis of horizontal analysis. Therefore, their joint and common use is always observed. The completeness of the analysis cannot be ensured by applying them independently of each other.

Trend analysis method. Trend analysis is the most widely used method of estimating dynamic changes as a baseline analysis. Using this method, changes in the near and long periodicity are evaluated in absolute and relative terms. Trend analysis is often used to assess the change in assets, to assess profit and its growth, to assess the volume of investments. Based on the analysis of trends, it is possible to predict some aspects of changes in the financial position.

Comparative analysis method. Comparative analysis is a method of comparing a system of one or more indicators across different objects.

Based on the methods described above, we analyze the example of insurance companies operating in the insurance market of Uzbekistan, draw conclusions and propose effective management decisions.

ANALYSIS AND RESULTS

The financial condition of the enterprise as an economic category characterizes the state of capital in terms of the ability of the enterprise to conduct, develop and self-finance its activities. [13]

Analysis of the financial condition of enterprises, ie financial analysis - through a broad system of indicators, using complex methods, represents the availability of financial resources of economic entities, their status, location and level of use. [14]

The financial position of an enterprise is the placement, distribution and use of funds at an existing risk level, based on the growth of profits and capital, which ensures the development of the enterprise. [15]

Among the insurance companies operating in the insurance market of Uzbekistan, Uzagrosugurta is analyzed based on horizontal analysis, vertical analysis, trend analysis and comparative analysis on the basis of Kafolat JSC, Gross Insurance LLC, Universal Sugurta JSC, Ingo-Uzbekistan. using analytical methods to review analytical practices, draw conclusions, and make effective management decisions based on the findings presented. First, we start with the horizontal analysis method.



Table 1

Horizontal analysis based on the indicators of the balance sheet of the State Joint-Stock Insurance Company "Uzagrosurta" (at the end of 2020)

№	Name of indicators	Per reporting period		At the end of the reporting period		Difference (+ ; -)	Growth rate %
		Sum	%	Sum	%		
Balance sheet assets							
1.	Long-term assets	118515549,00	41,17	142081280,90	48,34	23565731,90	119,88
1.1.	Fixed assets (at residual value)	56583872,40	19,65	55211663,40	18,78	-1372209,00	97,57
1.2.	Intangible assets (at residual value)	0,00	0,00	201802,60	0,07	201802,60	-
1.3.	Long-term investments	55304735,80	19,21	75299067,70	25,62	19994331,90	136,15
1.4.	Capital investments	2915882,70	1,01	7314338,10	2,49	4398455,40	250,84
1.5.	Long-term receivables	3217975,10	1,12	3561326,10	1,21	343351,00	110,67
1.6.	Long-term deferred costs	493083,00	0,17	493083,00	0,17	0,00	100,00
2.	Current assets	169378268,70	58,83	151845216,90	51,66	-17533051,80	89,65
2.1.	Commodity inventories	3252346,90	1,13	3561639,10	1,21	309292,20	109,51
2.2.	Deferred expenses	208729,50	0,07	141339,80	0,05	-67389,70	67,71
2.3.	Short-term receivables	56884235,60	19,76	55600125,20	18,92	-1284110,40	97,74
2.3.1.	Short-term receivables on insurance transactions	747061,20	0,26	1542474,10	0,52	795412,90	206,47
2.4.	Cash	8732956,70	3,03	4272112,80	1,45	-4460843,90	48,92
2.5.	Short-term investments	100300000,00	34,84	88270000,00	30,03	-12030000,00	88,01
Total assets on the balance sheet		287893817,70	100,00	293926497,80	100,00	6032680,10	102,10
Balance sheet liabilities							
3.	Sources of own funds	73780619,10	25,63	78392141,60	26,67	4611522,50	106,25
4.	Insurance reserves (4 = 4.1. - 4.2.)	158429039,80	55,03	153270109,50	52,15	-5158930,30	96,74
4.1.	Insurance reserves	161953937,00	56,25	162604363,00	55,32	650426,00	100,40
4.2.	The share of reinsurers in insurance reserves	3524897,20	1,22	9334253,50	3,18	5809356,30	264,81
5.	Liabilities	55684158,80	19,34	62264246,70	21,18	6580087,90	111,82
5.1.	Long-term liabilities	25176,00	0,01	4087,50	0,00	-21088,50	16,24
5.2.	Current liabilities	55658982,80	19,33	62260159,20	21,18	6601176,40	111,86
Total liabilities on the balance sheet		287893817,70	100,00	293926497,80	100,00	6032680,10	102,10



Conclusion. According to Table 1, the results of 2020 were analyzed on the basis of the method of horizontal analysis of the balance sheet of the insurance company "Uzagrosugurta". According to it, the total assets of the balance sheet changed from 287893817.7 to 293926497.8, an increase over the beginning of the year by 6032680.1 thousand soums, and in percentage terms by 2.1. The growth of assets was positively influenced by long-term assets, which increased by 23565731.9 thousand soums compared to the beginning of the year, by 19.88 percent. At the same time, long-term investments amounted to 19994331.9 thousand soums, 36.15%; capital investments in the amount of 4398455.4 thousand soums, as a percentage of 150.84; long-term receivables increased by 343,351 thousand soums, an increase of 10.67 percent. Fixed assets decreased by 1372209 thousand soums, by 2.43%. Current assets decreased by 17533051.8 thousand soums compared to the beginning of the year, by 10.35%. To see which indicators decreased in return, let's look at the indicators in the current asset structure. These are: expenses for the next period compared to the beginning of the year 67389.7 thousand soums, 32.29 percent; short-term (up to one year) receivables 1284110.4 thousand soums, at 2.26 percent; cash 4460843.9 thousand soums, as a percentage of 51.08; short-term investments decreased by 120.3 million soums, or 11.99 percent. While a reduction in future expenses and short-term receivables is a good thing, a decrease in cash and short-term investments is not a good thing. Inventories increased by 309292.2 thousand soums, by 9.51%, and short-term receivables on insurance operations increased by 795412.9 thousand soums, by 106.47%. This of course means that the company's liabilities has increased.

If we look at the liabilities side of the balance sheet, the sources of own funds increased by 4611522.5 thousand soums, by 6.25% and liabilities increased by 6580087.9 thousand soums, by 11.82%, insurance reserves increased by 5158930.3 thousand soums, by 3.26%. decreased. In this case, an increase in equity is a good thing, while an increase in liabilities further increases the responsibility in the company. The main reason for the decrease in liabilities on insurance reserves by 5158930.3 thousand soums, or 3.26 percent, was the increase in the share of reinsurers in insurance reserves by 5809356.3 thousand soums, 164.81 percent compared to the beginning of the year. How much do insurance companies increase the share of reinsurers in insurance reserves in order to reduce the risk of default. They are reinsured, especially by insurance companies operating in the developed countries of the world.

In conclusion, in order to further increase the assets of the insurance company "Uzagrosugurta" it is necessary to create new insurance services or introduce in Uzbekistan the insurance services created by the world's leading insurance companies. At the same time, it is necessary to develop measures to effectively increase the proceeds from insurance services in the global securities market.



Table 2
Vertical analysis based on the indicators of the balance sheet of IC "Uzagrosugurta" (according to the results of 2020),

№	Name of indicators	Per reporting period		At the end of the reporting period		Difference (+;-)	
		Sum	%	Sum	%	Sum	%
Баланс активлари							
1.	Long-term assets	118515549,00	41,17	142081280,90	48,34	23565731,90	7,17
1.1.	Fixed assets (at residual value)	56583872,40	19,65	55211663,40	18,78	-1372209,00	-0,87
1.2.	Intangible assets (at residual value)	0,00	0,00	201802,60	0,07	201802,60	0,07
1.3.	Long-term investments	55304735,80	19,21	75299067,70	25,62	19994331,90	6,41
1.4.	Capital investments	2915882,70	1,01	7314338,10	2,49	4398455,40	1,48
1.5.	Long-term receivables	3217975,10	1,12	3561326,10	1,21	343351,00	0,09
1.6.	Long-term deferred costs	493083,00	0,17	493083,00	0,17	0,00	0,00
2.	Current assets	169378268,70	58,83	151845216,90	51,66	-17533051,80	-7,17
2.1.	Commodity inventories	3252346,90	1,13	3561639,10	1,21	309292,20	0,08
2.2.	Deferred expenses	208729,50	0,07	141339,80	0,05	-67389,70	-0,02
2.3.	Short-term receivables	56884235,60	19,76	55600125,20	18,92	-1284110,40	-0,84
2.3.1.	Short-term receivables on insurance transactions	747061,20	0,26	1542474,10	0,52	795412,90	0,27
2.4.	Cash	8732956,70	3,03	4272112,80	1,45	-4460843,90	-1,58
2.5.	Short-term investments	100300000,00	34,84	88270000,00	30,03	-12030000,00	-4,81
Total assets on the balance sheet		287893817,70	100,00	293926497,80	100,00	6032680,10	0,00
Balance sheet liabilities							
3.	Sources of own funds	73780619,10	25,63	78392141,60	26,67	4611522,50	1,04
4.	Insurance reserves (4 = 4.1. - 4.2.)	158429039,80	55,03	153270109,50	52,15	-5158930,30	-2,88
4.1.	Insurance reserves	161953937,00	56,25	162604363,00	55,32	650426,00	-0,93
4.2.	The share of reinsurers in insurance reserves	3524897,20	1,22	9334253,50	3,18	5809356,30	1,95
5.	Liabilities	55684158,80	19,34	62264246,70	21,18	6580087,90	1,84
5.1.	Long-term liabilities	25176,00	0,01	4087,50	0,001	-21088,50	-0,01
5.2.	Current liabilities	55658982,80	19,33	62260159,20	21,18	6601176,40	1,85
Total liabilities on the balance sheet		287893817,70	100,00	293926497,80	100,00	6032680,10	0,00



Conclusion. According to Table 2, the results of 2020 were analyzed on the basis of the method of vertical analysis based on the indicators of the balance sheet of the insurance company "Uzagrosugurta". According to it, the total assets of the balance sheet changed from 287893817.7 to 293926497.8 and increased by 6032680.1 thousand soums compared to total assets. Long-term assets had a positive impact on the growth of assets, total assets increased by 23565731.9 thousand soums compared to the beginning of the year, interest rate increased by 7.17. In this case: long-term investments 19994331.9 thousand soums, interest rate change 6.41; capital investments 4398455.4 thousand soums, interest rate change 1.48; long-term receivables amounted to 343,351 thousand soums, the interest rate changed by 0.09. Fixed assets decreased by 1372209 thousand soums, interest rate decreased by 0.87. Current assets decreased by 17533051.8 thousand soums compared to the beginning of the year, interest rate decreased by 7.17 soums. The following indicators have contributed to such a decrease in current assets. These are: expenses for the next period 67389.7 thousand soums, interest rate change by 0.02 ha; short-term (up to one year) receivables 1284110.4 thousand soums, interest rate change by 0.84; cash 4460843.9 thousand soums, interest rate change by 1.58 ha; short-term investments amounted to 12030000 thousand soums, interest rate decreased by 4.81. At the same time, the reduction in future expenses and short-term receivables is not a good thing for the company, but a decrease in cash and short-term investments is not a good thing. It should be noted that in order to increase cash and short-term investments, the insurance company needs to increase the range of insurance services and reconsider the existing insurance services. It is necessary to study the global and national stock market and effectively attract idle funds. Inventories increased by 309,292.2 thousand soums, interest rate increase by 0.08 soums and short-term receivables on insurance operations increased by 795412.9 thousand soums, interest rate change increased by 0.27 soums. This of course means that the company's liabilities have increased.

If we look at the liabilities side of the balance sheet, the sources of own funds increased by 4611522.5 thousand soums, interest rate increased by 1.04 soums, and liabilities increased by 6580087.9 thousand soums, interest rate increased by 1.84 soums, insurance reserves increased by 5158930.3 thousand soums, interest change decreased by 2.88. In this case, an increase in equity is a good result, while an increase in liabilities increases the level of responsibility in the company. The main reason for the decrease in liabilities on insurance reserves by 5158930.3 thousand soums, interest rate change by 2.88 was the increase in the share of reinsurers in insurance reserves by 5809356.3 thousand soums, interest rate change by 1.95% compared to total liabilities.

In conclusion, in order to further increase the assets of the insurance company "Uzagrosugurta" it is necessary to create new insurance services or introduce in Uzbekistan the insurance services created by the world's leading insurance companies.



Table 3

Trend analysis based on the indicators of the balance sheet of the insurance company "Uzagrosugurta" (at the end of 2016-2020),

№	Indicators	2016		2017		2018		2019		2020	
		million soums	%	million soums	% compared to 2016	million soums	% compared to 2016	million soums	% compared to 2016	million soums	% compared to 2016
1.	Long-term assets	70261233,4	100,00	78464100,1	11,67	102971557,3	46,56	114137662,7	62,45	142081280,9	102,22
1.1.	Long-term investments	34479048,3	100,00	37982031,1	10,16	47691271,8	38,32	55304735,8	60,40	75299067,7	118,39
1.2.	Capital investments	5046129,1	100,00	4804734,3	-4,78	8387138,9	66,21	2740617,9	-45,69	7314338,1	44,95
2.	Current assets	79045056,1	100,00	112392110,1	42,19	129765233,1	64,17	169378268,7	114,28	151845216,9	92,10
2.1.	Commodity inventories	2399519,8	100,00	1815183,7	-24,35	2455594,8	2,34	3252346,9	35,54	3561639,1	48,43
2.2.	Accounts receivable	33194093,4	100,00	106874078,3	221,97	54342746,1	63,71	56884235,6	71,37	55600125,2	67,50
2.3.	Cash	5194183,5	100,00	2264751,8	-56,40	6110342,0	17,64	8732956,7	68,13	4272112,8	-17,75
2.4.	Short-term investments	37560943,2	100,00	1242007,0	-96,69	66650000,0	77,44	100300000,0	167,03	88270000,0	135,00
Total balance sheet assets		149306289,5	100,00	190856210,2	27,83	232736790,4	55,88	283515931,4	89,89	293926497,8	96,86
3.	Sources of own funds	47372989,1	100,00	-29927795,4	-163,17	60990308,2	28,74	69402732,8	46,50	78392141,6	65,48
4.	Insurance reserves	82403543,2	100,00	109704366,9	33,13	123740109,6	50,16	161953937,0	96,54	162604363,0	97,33
5.	Liabilities	35419123,0	100,00	125095461,2	253,19	53037382,7	49,74	55684158,8	57,21	62264246,7	75,79
Total balance sheet liabilities		149306289,5	100,00	190856210,2	27,83	232736790,4	55,88	283515931,4	89,89	293926497,8	96,86



Conclusion. According to Table 3, the data of the final annual financial statements for 2016-2020 were analyzed on the basis of the trend analysis method based on the indicators of the balance sheet of the insurance company "Uzagrosugurta". Total assets grew during the year. If we look at its composition:

- Long-term assets increased from 70261233.4 thousand soums in 2016 to 142081280.9 thousand soums by 2020. Looking at the growth rate over the years, it grew by 11.67% in 2017, 46.56% in 2018, 62.45% in 2019, and 102.22% in 2020 compared to 2016. Compared to 2016, in 2020, long-term investments increased by 75299067.7 thousand soums, an increase of 118.39 percent, capital investments by 7314338.1 thousand soums, an increase of 44.95 percent;

- Current assets increased from 79045056.1 thousand soums in 2016 to 151845216.9 thousand soums by 2020. Looking at the growth rate over the years, it grew by 42.19% in 2017, 64.17% in 2018, 114.28% in 2019 and 92.10% in 2020 compared to 2016. In comparison with 2016, in 2020, inventories amounted to 3561639.1 thousand soums, by 48.43 percent, short-term receivables by 55600125.2 thousand soums, by 67.50 percent, short-term investments by 88270000.0 thousand soums, by 135.00 percent current assets increased in exchange for an increase. Cash changed by 4272112.8 thousand soums and decreased by 17.75%. Given the above, it is not a good thing for commodities to increase inventories and receivables, but it is natural for revenues to increase in the course of operations. The 135% increase in short-term investments is an indication of the effective use of available funds. A 17.75 percent reduction in cash can be seen as a re-mobilization of funds in the account or a reorientation to short-term investments.

It is known that the increase in total liabilities by 293926497.8 thousand soums and by 96.86% was influenced by three major indicators. That is, one of them is the sources of own funds, which in comparison with 2016 increased by 78392141.6 thousand soums in 2020, by 65.48% in terms of interest, insurance reserve liabilities increased by 162604363.0 thousand soums, by 97.33% in terms of interest, liabilities amounted to 62264246.7 thousand soums and increased by 75.79%. We can say that all the indicators on the passive side have grown, the insurance company has grown or the liabilities have exceeded the norm.

Taking into account the fact that the insurance company "Uzagrosugurta" provides financial services, it can be said that an increase in each type of service or an increase in the volume of services will lead to an increase in liabilities. Currently, all insurance companies (organizations, enterprises) are engaged in the creation of new products for voluntary health insurance.



№	Insurance companies	Balance sheet indicators							
		Long-term assets	Current assets	Total balance sheet assets	Sources of own funds	Insurance reserves	Liabilities	Total balance sheet liabilities	
1.	"Uzagrosugurta"	Sum (a)	142081280,9	151845216,9	293926497,8	78392141,6	153270109,5	62264246,7	293926497,8
		Compared to the beginning of the year, %	119,88	89,65	102,10	106,25	96,74	111,82	102,10
2.	JSC "Kafolat"	Sum (b)	142637403,2	36821450,5	179458853,8	54263888,6	113479780,7	18206474,1	179458853,8
		Compared to the beginning of the year, %	117,71	105,72	115,03	97,71	118,24	166,03	115,03
	Compared to Uzagrosugurta, %	Sum (a-b)	556122,3	-115023766,4	-114467644	-24128253	-39790328,8	-44057772,6	-114467644
	%, ((a-b)/a)	0,39%	-75,75%	-38,94%	-30,78%	-25,96%	-70,76%	-38,94%	
3.	LLC "Gross Insurance"	Sum (c)	38843486,0	172139620,0	210983106,0	49332135,6	167008605,0	13325753,8	210983106,0
		Compared to the beginning of the year, %	85,14	132,95	120,48	113,27	121,8	90,67	120,48
	Compared to Uzagrosugurta, %	Sum (a-c)	-103237794,9	20294403,1	-82943391,8	-29060006	13738495,5	-48938492,9	-82943391,8
	%, ((a-c)/a)	-72,66%	13,37%	-28,22%	-37,07%	8,96%	-78,60%	-28,22%	
4.	"Инго-Узбекистан" САЖ	Sum (d)	2539725,8	73979029,2	76518755,0	51691129,7	27209448,1	4801450,8	76518755,0
		Compared to the beginning of the year, %	92,85	123,11	121,79	124,54	89,24	165,29	121,79
	Compared to Uzagrosugurta, %	Sum (a-d)	-139541555,1	-77866187,7	-217407742,8	-26701011,9	-126060661,4	-57462795,9	-217407742,8
	%, ((a-d)/a)	-98,21%	-51,28%	-73,97%	-34,06%	-82,25%	-92,29%	-73,97%	
5.	"Universal Sug'urta" АЖ	Sum (k)	28315962,06	43496034,04	71811996,1	35566345,17	35399707,29	965543,22	71811996,1
		Compared to the beginning of the year, %	97,18	140,14	119,34	122,78	123,72	35,94	119,34
	Compared to Uzagrosugurta, %	Sum (a-k)	-113765318,8	-108349182,9	-222114501,7	-42825796,43	-117870402,2	-61298703,48	-222114501,7
	%, ((a-k)/a)	-19,93%	-28,64%	-24,43%	-45,37%	-23,10%	-1,55%	-24,43%	

Table 4

Use of the method of comparative analysis in the analysis of the balance sheet of insurance companies (comparison of "Uzagrosugurta" with JSC "Kafolat", LLC "Gross Insurance", JSC "Universal Insurance", JSC "Ingo-Uzbekistan" in 2020),



Conclusion. According to Table 4, Uzagrosugurta was assessed by Kafolat JSC, Gross Insurance LLC, Universal Sugurta JSC, Ingo-Uzbekistan insurance companies using the method of comparative analysis of the final annual financial results for 2020. analytical operations were performed on the basis of report data. According to him, total assets increased by 2.1% compared to the beginning of the year. This was influenced by two factors. Long-term assets increased by 19.88%. Current assets decreased by 10.35%. Turning to the liabilities side of the balance sheet, total liabilities increased by 2.1% compared to the beginning of the year. Three factors contributed to this. Sources of own funds increased by 6.25%, liabilities increased by 11.82%, while liabilities on insurance reserves decreased by 3.26%.

In addition, the financial statements of 4 insurance companies for 2020 were analyzed, and compared with the financial statements of Uzagrosugurta for 2020. Accordingly, the total assets of JSC "Kafolat" are lower than the insurance company by 38.94% (long-term assets are higher by 0.39%, current assets are lower by 75.75%). Looking at the liabilities side of the balance sheet, total liabilities are also lower by 38.94% (own sources of funds by 30.78%, insurance reserve liabilities by 25.96%, liabilities by 38.94%).

The second insurance company selected was Gross Insurance LLC, according to which total assets are low by 28.22% (long-term assets are low by 72.66% and current assets are high by 13.37%). If we look at the liabilities side of the balance sheet, total liabilities are also low by 28.22% (own sources of funds by 37.07%, liabilities by 78.6%, and insurance reserve liabilities by 8.96%).

The third insurance company selected was Ingo-Uzbekistan, according to which total assets were lower by 73.97% (long-term assets by 98.21%, current assets by 51.28%). Looking at the liabilities side of the balance sheet, total liabilities are also low at 73.97% (equity sources at 34.06%, liabilities at 92.29%, and insurance reserve liabilities at 82.25%).

The fourth insurance company selected was Universal Insurance JSC, according to which total assets are lower by 24.43% (long-term assets by 19.93%, current assets by 28.64%). Looking at the liabilities side of the balance sheet, total liabilities are also lower by 24.43% (own sources of funds by 45.37%, liabilities by 1.55%, and insurance reserve liabilities by 23.1%).

In general, it is necessary to increase the number of insurance services and work on improving existing insurance services. Proceeds from insurance services are invested in long-term and short-term securities and deposits. It is necessary to analyze the level of efficiency of these long-term and short-term securities and search for and direct the highest percentage of deposits.

CONCLUSIONS

The following key areas for reform and accelerated development of the insurance market of the Republic of Uzbekistan should be identified on the basis of the latest regulations:

- Improving the regulatory framework in the field of insurance, including the consistent introduction of standards and recommendations of international organizations and best international practices in this area;
- Institutional development of the insurance regulatory system aimed at ensuring the reliability and stability of the insurance market through the introduction of effective mechanisms of regulation and prudential supervision;
 - increase the level of capitalization, solvency and financial stability of professional participants of the insurance market, improve the quality of their assets, as well as the development of investment activities of insurers;
 - Development and expansion of the insurance market infrastructure by intensifying the activities of insurance brokers, improving the system of insurance agents, introducing banks insurance mechanisms, as well as increasing the role of professional participants in the insurance market in general;
 - strengthening the protection of the rights of consumers of insurance services and other subjects of insurance activity, increasing insurance literacy and public confidence in insurance, ensuring openness and transparency of the insurance market;
 - expansion of the volume, type and quality of insurance services provided through the introduction of new innovative insurance products and the development of traditional products in high demand;
 - extensive use of modern information technologies in the field of organization and regulation of insurance activities, active introduction and development of electronic types of insurance services;
 - Improving the system of training, retraining and advanced training of insurance market specialists, the use of modern methods of education in the field of insurance, the promotion of research activities;
 - Forming and maintaining a positive image of the national insurance market and increasing its investment attractiveness, including through the integration of the national insurance market with international and foreign insurance markets.

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