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IMPROVEMENT OF THE FINANCIAL ANALYSIS OF INSURANCE OF THE ORGANIZATION

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Abstract. This article analyzes changes in the insurance market of Uzbekistan for 2007-2017, that is, the formation of insurance premiums, insurance payments, insurance reserves, assets and capital is analyzed. The calculations indicate the improvement in financial analysis of the unpaid insurance premium, the profitability ratio and the profitability of investment profitability. The result is a recommendation of the calculation methodology for increasing the solvency and liquidity of insurance organizations.

Key words: Financial analysis of insurance of the organization, horizontal analysis, vertical analysis, trend analysis, the method of financial ratios, comparative analysis, factor analysis, coefficient of liquidity, level of unpaid insurance premiums, coefficient of unprofitable, coefficient of investment return, financial stability.

Introduction. Over the years of independence, insurance in the economy of the Republic of Uzbekistan has firmly taken the place of the necessary tool to ensure social and economic stability, effective protection of the property interests of citizens and organizations against natural, techno genic, economic and other risks, and the implementation of the state policy of social and economic protection of the population. The role of insurance is especially important in the context of economic reforms in Uzbekistan, since the availability of insurance protection stimulates the development of market relations and business activity, improves the investment climate in the country. The development of insurance, in turn, depends on the perfection of the

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legislative framework, the effectiveness of the fiscal and monetary policy of the state, the quality of supervision of insurance activities and the reliability of the work of insurance organizations. In any developed country, almost all spheres of business activity depend on the state of the insurance market. The current state of the insurance market in Uzbekistan, the degree of development of its infrastructure already now require further improvement of the existing system for the formation and use of financial resources.

Literature Review. Shaposhnikova I.V. As the world practice shows, one of the ways to protect against risks is the availability of a system of reserves. Formed and used in accordance with legislative, statutory and constituent documents, reserves are designed to cover unforeseen needs, expenses for insurance of risks, i.e. future expenses. The reserves have a completely different economic meaning, but in any case, the main purpose of the reserves is to increase the financial stability of the organization[2]. This cost is considered to be a reduction in economic benefits, as a result of asset retirement or the occurrence of liabilities that lead to a decrease in capital. Gvarliani T.V. Adopting managerial decisions with financial resources, it is necessary to be able to analyze external and internal factors affecting the efficiency of the insurer's activities and classifying income and expenses, profits and losses, in order to determine the sources of income and the directions of their use[3]. Zhoulega I.A. Financial stability and insolvency risk largely depend on the structure of the enterprise's capital, on the type of its assets and the relationship between them. For the enterprise, the borrowed capital carries a certain portion of the risk, since regardless of the financial position of the enterprise, loans and interest on them must be paid in a timely manner[1]. The inability of the enterprise to fulfill its obligations leads to the occurrence of losses and, as a result, the absorption of the whole of its own capital.

For the company, this situation can turn into bankruptcy. I would like to note that external users of financial statements currently do not have an information base for an expanded analysis of the company's solvency. The main target of financial analysis is expressed in the formation of the user, as far as possible, a complete view of the object of analysis. The objects of financial analysis are different social and economic systems. Kulikov S.V. In the event that such a system is a commercial organization, the purpose of the analysis can be reduced to an assessment of the financial position of this business entity, and from the position of intra-company analysis – to finding ways and reserves to improve the efficiency of the organization[4].

Solovieva O.V. Methods of analyzing the profit of insurance organizations, we must take into account the specifics of insurance activities. The purpose of analyzing the profits of insurance organizations will be to find ways to achieve the maximum possible amount of profit within the social aspect of activity. Speaking of the social aspect, we mean that a commercial organization that carries out insurance activities has no right to maximize its profits to the detriment of the interests of policyholders, insured, beneficiaries, the state and society. The periodicity of the analysis will be determined for each particular insurance organization individually according to the following principle: the minimum possible time interval that ensures analyticity[5]. Redkina O.A. Factor analysis of financial results should be carried out through the calculation of the margin profit (income and cost difference) in the lines of activity of the insurance organization[16]. Isakova T.M. Analysis of methods for determining the amount of reinsurance indicates a close relationship of reinsurance operations with the volume of incoming premiums and insurance payments, the structure of the insurance portfolio, as well as the amount of costs for conducting business in certain areas of the insurer's business[6]. This allows us to conclude that reinsurance operations are an important instrument for regulating the financial flow of insurance activities of the company, affect the financial flows of investment activities and the management financial flow (the amount of costs for conducting business). Vinnikova I.S. Financial analysis reveals the degree of balance between the movement of material and financial resources, estimates the flows of own and borrowed capital in the process of economic circulation, aimed at extracting maximum or optimal profits, increasing financial stability[7]. Gorodetskaya O.S. The basis for a comprehensive analysis of the financial aspects of the insurance organization's activities developed a methodology for assessing the effectiveness of insurance activities. The model and the methodology developed on its basis allow to quickly identify bottlenecks in insurance activity at the level of management of the municipal insurance company, leading to a decrease in liquidity, solvency and financial stability[8].

Main part. The insurance is in the stage of youth at the moment in our country, however it is a very dynamically developing sphere of activity. If you look at the structure of the insurance market in Uzbekistan, as of January 1, 2017, 26 insurance companies (insurers), 1123 insurers, 5800 insurance agents, 3 insurance brokers, 4 actuaries, 18 assistants, adjusters, surveyors are registered and operating in the republic. and other professional participants of the insurance market of Uzbekistan[17]. It can be stressed that the ratio of the number of insurers operating in different branches of the insurance industry clearly reflects the level of development of these industries in the country.

The volume of collected premiums grow from year to year, as evidenced by official statistics, new insurance products are emerging, quality characteristics are improving, cost-effective insurance companies are growing, constantly increasing their turnover.

Analyzing the dynamics and composition of insurance companies in the insurance market in Uzbekistan, it can be noted that insurance is a very attractive area for various investment banks. This is due to the creation of the most favorable conditions for the development of insurance companies by the government. At the same time, it should be noted, along with the provision of favorable conditions for the insurance market, also the requirements for financial stability are gradually increased in order to monitor the maintenance of the relevant level of solvency by insurers.

In 2017, the insurance companies of the republic collected 927.4 billion soums of insurance premiums. Compared to 2007, the volume of insurance premiums increased by 853.8 billion soums. or almost 12.6 times. Compared to 2016, the volume of insurance premiums increased by 234.8 billion soums. or almost 1.3 times (see Figure 1)

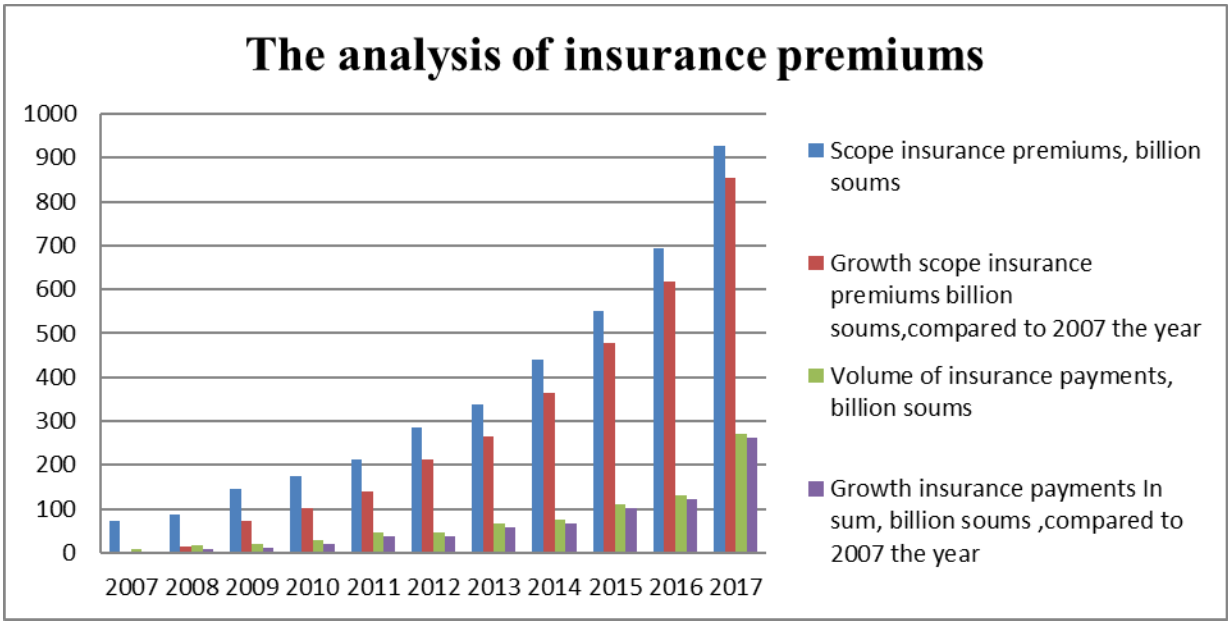

Figure 1. The analysis of insurance premiums collected by insurance companies of the Republic Uzbekistan for 2007-2017 [17]

The analysis of insurance premiums shows that, in its turn, high growth rates are observed in the volume of insurance premiums. The growth of indicators and the development of insurance in the country are mainly stimulated by structural changes in the economy aimed at the development of small business and private entrepreneurship.

In the total volume of insurance premiums, the bulk share falls on voluntary insurance, its share in 2007 was 95.5% and the mandatory 3.5% of the total volume of insurance premiums. In the structure of insurance premiums in recent years there have been changes so the share of voluntary insurance has decreased by 68.9% and mandatory increased to 31.1%.

The insurance market of the Republic Uzbekistan rises from year to year the total volume of insurance payments paid (see Figure 2). The total volume of insurance payments for all types of insurance in 2017 increased by 31.0 times compared to 2007, from 8.7 billion soums to 269.9 billion sums. In particular, in 2017 this indicator increased in relation to the level of 2016 by more than 2.0 times and amounted to more than 138.7 billion soums. The largest growth rate of insurance payments occurred in 2017 (205.7.2%) and in 2011 (163.4%).

Despite the significant growth rates of the main indicators of the activity of insurance organizations for the period 2007-2017, the need to bring the national insurance market in line with the requirements of the market economy, create conditions for the development of the insurance services market that meets international financial reporting standards and in accordance with the professionalism of national insurers.

For the period from 2007 to 2017, the structure of insurance payments has also changed significantly. As can be seen from the data in 2007 the share of payments for voluntary and compulsory insurance was, respectively, 87.4% and 16.6%. In 2016, this ratio between voluntary and compulsory types of insurance was, respectively, 74.2% and 25.8%. In 2017 this ratio was, respectively, 70.6% and 29.4%. Consequently, during these years, the share of payments for compulsory insurance increased by more than +16.8 points (29.4% - 12.6%) and the decrease in the share of voluntary insurance payments by -16.8 points (70.6% - 87.4%). (see Figure 2)

As can be seen from the data of over the past 10 years, the volume of insurance payments for compulsory types of insurance increased the amount of insurance compensation paid by 72.0 times, increasing from 1.1 billion soums in 2007 to 79.3 billion soums in 2017 year. (see Figure 2)

For Voluntary types of insurance, the amount of insurance compensation paid increased 25.7 times, increasing from 7.6 billion soums in 2007 to 190.6 billion soums in 2017. An important indicator that characterizes the development of the insurance market is the ratio of the growth rates of insurance fees and insurance payments. In the period from 2007 to 2017, there have also been major changes in these indicators. In particular, as can be seen from the data in Table 3, during this period, with the growth of the general premium collection 12.6 times, the total amount of insurance compensation paid increased by more than in 31,0 times.(see Figure 1)

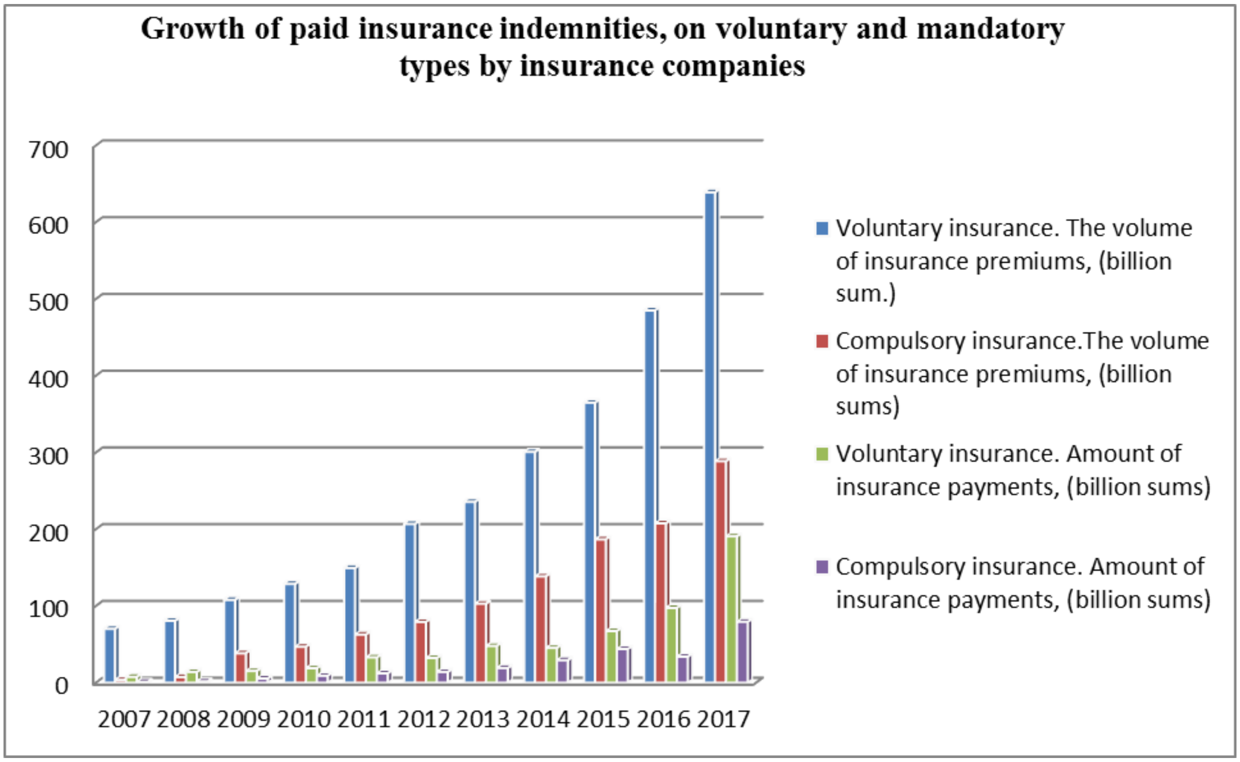

Figure 2. Growth of paid insurance indemnities, on voluntary and mandatory types by insurance companies of the Republic Uzbekistan for 2007-2017[17]

In voluntary insurance, for the period from 2007 to 2017, with the growth of the premium collection 9.1 times, the amount of insurance compensation paid increased almost 25.8 times, that is, the excess of the growth rate of insurance payments over the growth rate of the collection of insurance premiums was more than 2.8 times (25.8/9.1 = 2.8). In compulsory insurance, when the insurance premium was increased by 82.4 times, the amount of insurance compensation paid increased only 72.1 times, the excess of the insurance premium collection was almost 0.8 times. Capitalization of the insurance market in turn ensures an increase in the solvency of insurers and the financial stability of their operations. The development of the insurance market is also characterized by indicators such as the size of the authorized capital, the size of the insurance reserve, equity and the total assets of insurers. Capitalization of the insurance market is provided by increasing these sources of education of funds. They are the main guarantee of solvency and financial stability of insurance companies.

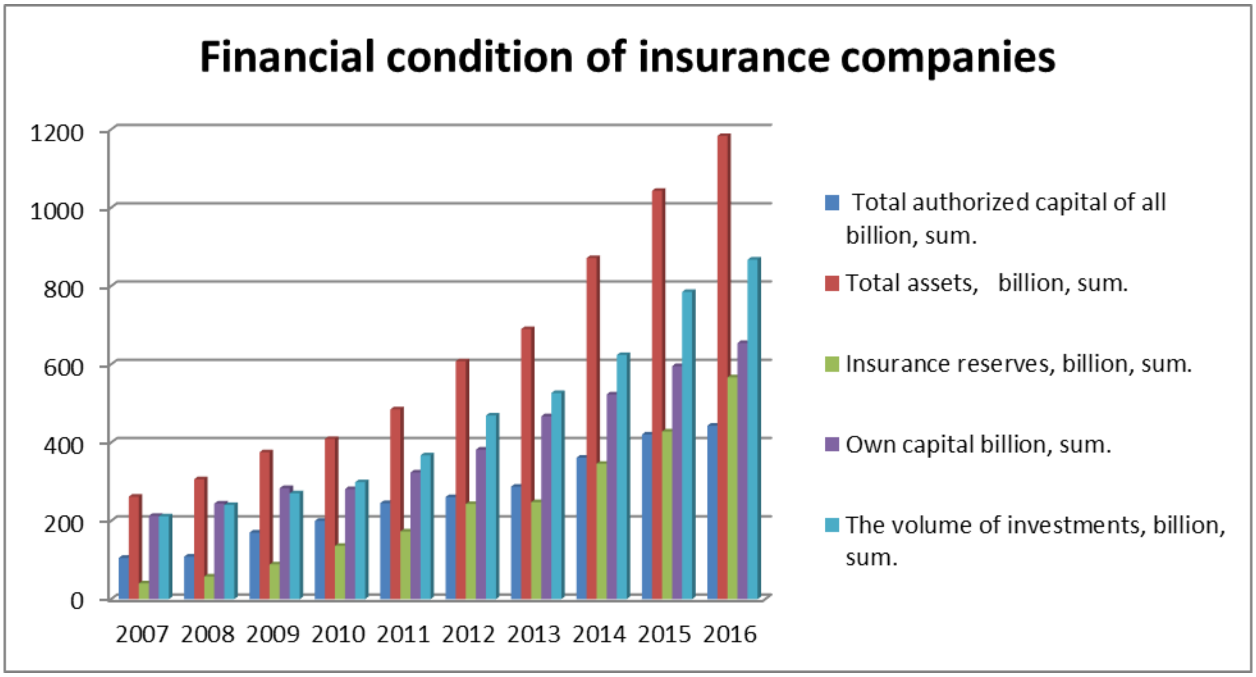

Figure 3. Financial condition of insurance companies of the Republic Uzbekistan for 2007-2016[17]

As can be seen from the data in (see Figure 3), by the end of 2016 the aggregate amount of the authorized capital of all insurers of the republic amounted to more than 443.1 billion soums, compared to the size of the authorized capital since 2007, it grew by 337.1 billion soums, or nearly grew by 4 , 2 times (or 420%). The aggregate size of the insurance companies' assets amounted to 1183.5 billion soums, compared with 2007 it grew by 921.7 billion soums, or almost 4.5 times (or 452%). In 2016, the shareholders' equity of the insurers of the republic amounted to 654.5 billion soums, compared to 2007, the amount of the insurer's own capital increased by 441.8 billion soums or sum, or almost 3.1 times (307.7%). The total amount of insurance reserves formed by the republic's insurers to ensure the fulfillment of the accepted insurance obligations under the current insurance contracts The amount of the insurance reserve of insurance companies reached 566.7 billion soums at the end of 2016, its growth in 2016 compared to 2007 amounted to more than 14 , 1 time (or 1406.2%).

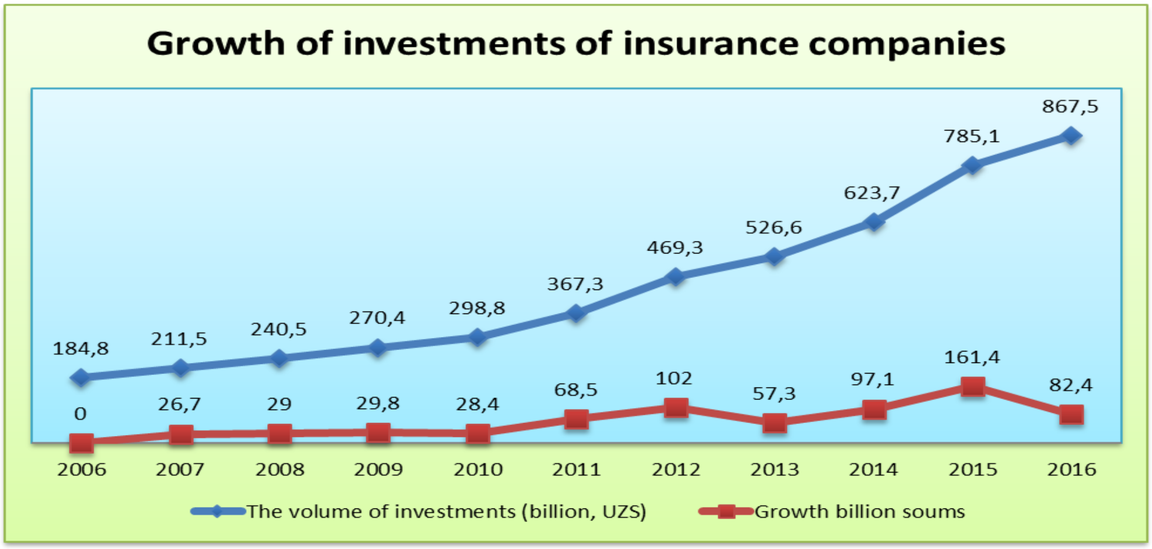

Figure 4. Growth of investments of insurance companies of the Republic of Uzbekistan for 2006-2016[17]

The gradual increase in minimum requirements is primarily aimed at transforming insurance companies into powerful financial institutions that will not only be able to meet their obligations with any assets, but will also turn into a significant source of investment resources in the economy.

With the growth of the insurance market, the investment activity of insurance companies became more active. In 2006, the funds of the insurance companies invested in the real sector of the economy amounted to 184.8 billion soums. The financial stability of insurance companies increases their investment opportunities. In 2016 the volume of investments of insurers of the republic amounted to 867.5 billion soums, which is 4.7 times higher than in 2006(see Figure 4)
In 2016, in the investment portfolio of insurers (see Figure 5), bank deposits of 45.0%, shares and other securities account for 41.4%, contributions to the authorized capital of other enterprises 7.0%, real estate 5.7% loans 1%, and other 1.0%.

Thus, the analysis of trends in the formation of the insurance market in the conditions of economic modernization, the study of its features shows that the domestic insurance market has a powerful potential for further development.

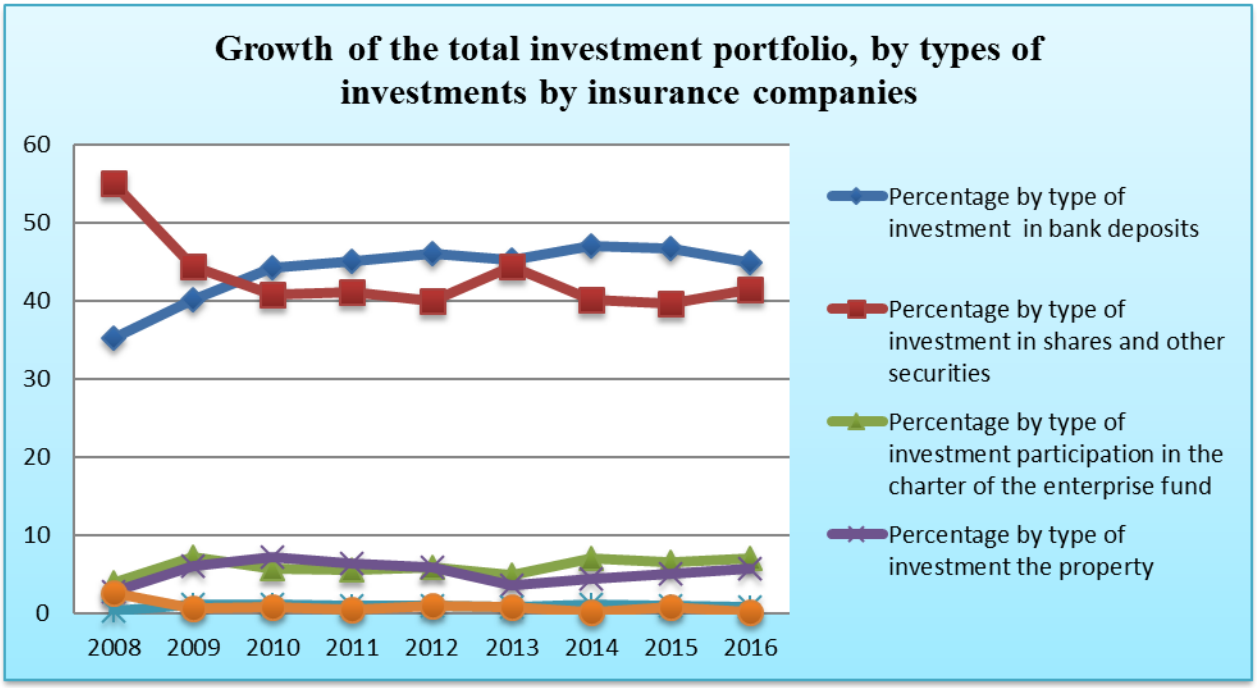

Figure 5. Growth of the total investment portfolio, by types of investments by insurance companies of the Republic of Uzbekistan for 2008-2016[17]

This situation dictates, in turn, the conditions that are the guarantee of the effective functioning of such a catalyst of economic relations, as an insurance company. The need for competent and highly qualified specialists, for managing the finances of insurers, is constantly growing. Due to the specifics of insurance activities, the accounting system in the insurance sector differs significantly from other branches of the economy. In view of the absence until 2009 of the normative documents regulating a unified approach and the principles of accounting, the forms and rules for the compilation of financial statements specifically for insurance activities, insurance organizations maintained an accounting report and presented financial statements with respect to insurance operations, each according to its vision.

The beginning of 2009 was marked by the entry into force of a number of regulatory acts relating to accounting in insurance organizations.

From June 1, 2009, insurance organizations reflect financial transactions guided by the Chart of Accounts for the Accounting of Financial and Business

Activities of Insurers and the Instruction for its Application approved by Order of the Minister of Finance of 05.05.2008 N 47, registered by the MoJ on May 22, 2008 N 1813.

Since 2009, they have been forming and compiling financial statements in accordance with Order No. 37 of the Ministry of Finance of March 19, 2009, registered by the Ministry of Justice on April 20, 2009, No. 1945 "On approval of forms of financial reporting of insurers and rules for their completion".

The introduced account plan clearly defines the order of reflection of insurance transactions, such as:

- Operations for the receipt of insurance premiums;
- Operations on the result of changes in insurance reserves;
- Reinsurance operations;
- Operations on insurance payments.

The approved form of financial statements allows you to obtain more detailed information on financial results from insurance activities.

In the report on financial results, indicators such as the amount of insurance premiums received, the amount of change in insurance reserves, the amount taken into reinsurance and insurance premiums transferred for reinsurance are highlighted in separate lines.

In the balance sheet itself, the indicators of the formed insurance reserves and the share of the reinsurer in insurance reserves are singled out in a separate section, as well as the indicators of the existing receivables and payables for insurance operations.

Further improvement of accounting and financial reporting in insurance organizations, assumes bringing them in full compliance with International Financial Reporting Standards.

If we take into account the specifics of insurance activity, then when analyzing the solvency of an insurance organization, it is advisable to analyze the technical and long-term solvency of the insurance organization.

According to Article 22 "Guarantees of solvency of insurers" insurers can not assume obligations that exceed the maximum allowable size for individual risks and the maximum permissible aggregate amount of liabilities. When regulating insurance activities, the state sets some solvency requirements, and insurance organizations are required to comply with these requirements.

The technical solvency of an insurance organization is its ability to meet the requirements established by the state, and the adequacy of the corresponding insurance reserves to support the activities of the insurance organization. Accordingly, technical insolvency means failure by the insurance organization to meet the requirements established by the state. It should be noted that this situation does not mean that the insurance organization is bankrupt or completely insolvent. If technical insolvency of insurance companies is revealed, the regulatory bodies strengthen supervision over their activities and give instructions on restoring the financial state of the organization.

Long-term solvency can be determined by two conditions:

A) Cash flow. The insurance premiums accumulated by the insurance organization should be sufficient to cover the costs of conducting business and expenses for the implementation of compensation in connection with the occurrence of insured events.

B) Own funds. To ensure long-term solvency, the insurance organization must comply with the requirements established by the state on minimum rates of own funds.

When the insurance organization fulfills the above conditions, its long-term solvency can be ensured. When carrying out an insurance organization of its activities, without violating the requirements of the legislation, the risk of insolvency remains at a minimum level. But it should be noted that the factors coming from the specifics of insurance activities can have a significant impact on solvency (Figure number 6).

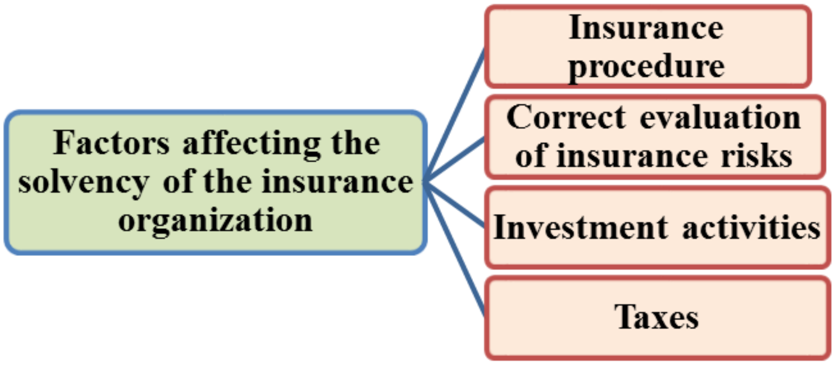

Figure 6. Factors affecting the solvency of the insurance organization of the Republic of Uzbekistan

1. **Insurance procedure** - The insurance organization must continuously optimize the level of insurance premiums on the basis of a permanent analysis of insured risks. To form the necessary volume of insurance reserves for making payments.

2. **Correct evaluation of insurance risks.** In insurance activities, the price of an insurance policy is set taking into account the level of expenses for business management, the level of costs for past periods and in the future. And the volume of real losses can vary depending on the influence of factors that do not depend on the insurance organization. In this regard, the insurance organization needs to evaluate in more detail the expected level of costs and expenses for insurance activities.

3. **Investment activity** - An insurance organization may invest its assets for profit. In this case, the insurance organization faces investment risk. A sharp decline in interest rates and the value of assets in investment markets can have a negative impact on the solvency of the insurance organization.

4. **Taxes** - Insurance premiums can not be immediately attributed to income. Insurance premiums with the expiration of time are gradually attributed to income. The insurance organization, "recognizing" future expenses, forms insurance reserves. In insurance organizations, in contrast to other activities, a special method of calculating the tax base is used. This, in turn, significantly affects the solvency of the organization. On the basis of the above scheme, it should be noted that the insurance organization must establish the level of insurance premiums based on the volume of accepted insurance obligations, invest insurance reserves for profit and save these funds for the purpose of making insurance claims in the event of insured

events. This, in turn, means that the insurance organization must have financial capacity covering all insurance payments and current expenses of the organization.

The level of solvency of an insurance organization is determined using solvency indicators. When analyzing the solvency of an insurance organization, it is considered appropriate to divide the solvency indicators into two groups:

1. Normative indicators of solvency, which determine the ratio between normative and real indicators of solvency.
2. Indicators of solvency non-normative nature. Normative indicators of solvency are usually established by the state in order to control the financial stability of insurance organizations and are mandatory for implementation. In our country, insurance companies are regulated by the state and regulatory indicators of solvency are established.

In particular, the Regulation "On the solvency of insurers and reinsurers" approved by the Ministry of Finance of the Republic of Uzbekistan and registered by the Ministry of Justice of the Republic of Uzbekistan on 12.05.2008. for number 1806, set a number of regulatory indicators of solvency.According to this Regulation:

1. The total amount of assets of the insurer (reinsurer) placed in the authorized capitals of other legal entities is limited to 50% of the charter capital of the insurer (reinsurer), unless otherwise provided by law.
2. The share participation of the insurer (reinsurer) in the authorized capital of any one legal entity shall not exceed 30% of the authorized capital of this legal entity (unless otherwise provided by law), except for subsidiaries engaged in insurance activities, as well as activities aimed at providing insurance activities.
3. When placing the assets of an insurer (reinsurer) in bank deposits (deposits), the contribution to one commercial bank must not exceed 40% of the assets of the insurer (reinsurer).
4. When placing the assets of an insurer (reinsurer) in deposits (deposits) with credit institutions (other than commercial banks), the total amount of deposits (deposits) must not exceed 10% of the assets of the insurer (reinsurer).

Based on the above indicators, we can estimate the ratio of the real volume of assets to the regulatory asset size or by calculating the difference between these values to assess their state.

Abnormal indicators of solvency determine the different aspects of the solvency of the insurance organization. When determining the solvency of an insurance organization, relative indicators are usually used. In this case, for a full study of the solvency of insurance organizations, it is advisable to divide the indicators into two groups based on the liquidity and profitability criteria.
Liquidity, being one of the main factors ensuring solvency, determines the level of sufficiency of easily sold assets to ensure insurance payments and other current liabilities. In the insurance organization liquidity is provided at the expense of two sources:

1. Cash flow. Monetary funds are received by the insurance company in two directions. First, on insurance operations, secondly, income in the form of interest, dividends, rent from real estate and other forms of income as a result of investing the funds of the insurance organization.
2. Sale of assets. This source of liquidity covers investment assets. The organization can provide securities, real estate or other types of assets in order to provide money.

Cash flows, the level of asset security and the need for cash are determined by calculating a number of liquidity ratios.

The level of assets required to provide cash in the future can be determined by comparing the liquid assets and liabilities of the insurance organization. This coefficient is the coefficient of liquidity (Table 1). Liquid assets include cash and securities at market prices. The total reserves consist of an unearned premium reserve, loss reserves and cost management reserves.

The liquidity ratio determines the level of sufficiency of easily sold assets to cover costs and expenses in the future. Equating this coefficient by 1 is considered sufficient.

№	The name of indicators	Calculation formula	Note
1	Coefficient of liquidity	Kl = Abb / Zr	Kl – liquidity ratio; Abb – market value of liquid assets; Zr – general reserves.
2	Level of unpaid insurance premiums	Tsmd = Tsm / Tf	Tsmd – level of unpaid insurance premiums; Tsm – unpaid insurance premiums; Tsm – undestributed profits.
3	Coefficient of	Kz = Zu+Ix / Itm	Kz – loss ratio;

	unprofitableness		Zu – damages; Ix – business expenses; Itm – amount of premiums earned.
4	Coefficient of investment return	Ind= Id / Iya	Ind – investment yield; Id – investment income; Iya – average value of invested funds.

Table №1. Indicators of determining the solvency of an insurance organization of the Republic of Uzbekistan

When securing the solvency of an insurance organization, the amount of retained earnings also has a significant place. In joint-stock insurance companies, net profit is usually distributed among shareholders, but upon agreement of shareholders, such organizations can also form retained earnings. When studying the effect of retained earnings on the solvency of an insurance organization, it is considered appropriate to compare it with unpaid insurance premiums. Unpaid insurance premiums are premiums paid by policyholders, agents and other organizations and those that are receivables. This situation can arise when the insurance contracts are prolonged and the insurance premium is not paid within the timeframe, as well as when the insurance premium is not paid by insurance agents. If the insurance company has receivables for insurance premiums, it can cover costs and expenses at the expense of retained earnings. Usually, the level of unpaid insurance premiums of 0.4 is not assessed as positive.

Profitability is defined as the excess of funds received as income over money paid for as expenses of the insurance organization. This, accordingly, has an impact on solvency. The profit of an insurance organization is defined as the difference between insurance premiums, investment income, other income and all expenses. To determine the profitability of the activities of the insurance organization, you can calculate different coefficients. Below we consider the basic coefficients of profitability.

The main factors affecting the amount of profit are insurance losses and the level of expenses for business management. The level of unprofitableness of activity of the insurance organization is determined with the help of the loss ratio (Table 1). Calculation of this coefficient allows you to

compare the losses and expenses for dealing with the earned premiums. The loss ratio does not take into account investment income. In this regard, it is advisable to use this indicator for those types of insurance, in which the profitability is provided by earned premiums. If you take into account the investment return in this ratio, then the level of unprofitability for long-term types of insurance will be lower relative to other types of insurance. Therefore, this coefficient is not set.
The profitability of the activities of the insurance organization is also greatly influenced by its investment activities. For example, in advanced economies, such as the United States, insurance is not the main source of profitability. The main source of income is investment activity. In this regard, when determining the profitability of the activities of an insurance organization, it is necessary to take into account the investment profitability. The investment yield is calculated using the investment return ratio (Table 1). This ratio calculates the level of investment return by comparing percentages, dividends, rents and other investment income with the average annual amount invested. But this indicator can not fully reflect the investment return. When calculating this indicator, it is also necessary to take into account other factors influencing investment returns, such as fluctuations in the price of securities and real estate prices.

It is also considered important to calculate the ratio of the two sources of profitability of the insurance organization. This indicator can be calculated using the investment return ratio. In case of losses, the insurance organization may also use investment income. Based on this, by calculating this indicator it is possible to estimate and determine the significance of sources of income.

The foregoing shows that the profitability of the activities of the insurance organization is also one of the main factors ensuring solvency.

The insurance organization is interested in analyzing and strengthening its solvency. This analysis can be performed on the basis of the above indicators on the basis of liquidity or profitability criteria. The analysis of the activity by a criterion and the choice of indicators used depends on the purpose of this analysis.

Conclusion and Recommendations

Insurance business in many respects differs from other kinds of enterprise activity. Thus, the financial activity of the insurer affects the interests of a significant number of persons. That is why, the regulation of accounting, financial analysis and reporting of insurance organizations, is so relevant to date.

In general, the insurance organization must constantly have a secured level of solvency. The insurance organization must independently analyze its financial condition and take appropriate measures based on the results of the analysis.

In connection with the above ambiguous interpretation of the profitability index of insurance organizations, as well as for comparison purposes of the subjects of the insurance market, it is required to use a combination of financial coefficients adequately characterizing the results of conducting insurance operations.

The result of the analysis is an assessment of the financial well-being of the enterprise, the state of its assets, assets and liabilities of the balance sheet, the speed of turnover of all capital and its individual parts, the profitability of the funds used Financial analysis is considered as a type of services of an auditor or an audit firm.

The insurer's administration, founders, owners and shareholders need full and detailed information about the financial position of the enterprise at the end of the reporting period, the revenues received and their use. Such information can be obtained as a result of a comprehensive analysis of financial statements based on a scientifically sound methodology.

Having perfected the elements of the methodology for analyzing the financial state of the enterprise, it is possible to introduce changes in the methodology of the company's financial condition in relation to the requirements of external and internal users.

Industrialized countries have accumulated a wealth of experience in state regulation of the formation and allocation of insurance reserves. The need to use this experience in domestic practice is due to a number of reasons.

First, in modern conditions, insurance in a single country can not develop in isolation, without participating in an international redistribution of risks through reinsurance channels.

Secondly, in the modern insurance activity, numerous international insurance and reinsurance organizations participate, possessing a developed network of branches, subsidiaries and representative offices in different countries of the world.

Thirdly, at the present stage, Uzbekistan, in the process of integration into the international insurance market, faces the need to introduce international standards of insurance business and financial analysis, including the introduction of practice of insurance organizations to IFRS and its regulation

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