

INSTRUMENTS FOR THE QUANTIFICATION OF ECONOMIC PERFORMANCES OF THE ENTERPRISE

Carmen Luiza COSTULEANU¹, Diana DUMITRESCU², Gabriela IGNAT¹, Nicolae BOBIȚAN²

e-mail: ccostuleanu@yahoo.com

Abstract

Financial analysis is characterized by interpretative approach based on the data provided by the accounting process. It tries to make assessments of the situation and enterprise performance with particular emphasis on their relevance. A proper financial analysis involves not only a flawless calculation of indicators or a flawless presentation of tables and diagrams. Using financial analysis as a management tool for monitoring the enterprise, as well as a system for moving the mechanisms contributing to increased performance and economic efficiency in order to ensure competitive advantage will confer a privileged position in all disciplines involving dynamic management processes. The company's profitability is the most important qualitative index of the economic activity that expresses the capacity of making profit. The rates that describe profitability are: the Sales Profit Rate (SPR), the Excess of Gross Profit (EGP), the Rate of Economic Profit (REP), the Self-financing Capacity (SFC), Financial Profitability (FP) and Global Profitability (GP). We took into account the case of S.C. AGRO**** S.R.L. Iași. We followed the evolution of the main economic-financial indicators between 2011 and 2013. Despite some good indicators (SRP, EGP, REP, SFC and FP), in the case of S.C. AGRO**** S.R.L. Iași one can really notice a low overall profitability, which means that the company's capacity to create value is low.

Key words: economic performances, indicators, profitability, agricultural company
