# FINANCIAL ANALYSIS BASED ON THE ANNUAL BALANCE

**ILIE RĂSCOLEAN, ILEANA-SORINA RAKOS** [*]

**ABSTRACT:** *This article demonstrates the fact that an important place in the statistical analysis of the financial management of the company goes to the analysis of the balance of assets, this representing a certain state of the capital in point of its existence, material structure and financial results obtained. It represents as well a consequence of the development of the processes forming the activity object of the company, constituting its financial framework. The balance of assets relies on the analysis liquidities-exigibility and highlights the company's insolvency risk, namely the firm's incapacity of honouring its commitments to third parties. The financial analysis aims to research the company's balance statements and, especially, to measure the financial profitability starting from the balance sheet in the result account and from any other information given by the trading company or which could be obtained based on them. The authors of this article believe that by the financial analysis of the assets one can determine the net patrimony and also the accounting value of the shareholders' shares and, respectively, one can establish the liquidity and solvency of the company, and the evaluation of the financial performances, detecting eventual situations of financial imbalance that could affect the continuity of the activity.*

**KEY WORDS**: *assets, accounting balance, capitals, structure rates, financial balance.*

**JEL CLASSIFICATIONS:** *M4.*

## 1. INTRODUCTION

In a general sense, the **balance** is a work procedure specific of the accounting method, by which one presents the general assets and liabilities of the accounting documents in cash and the results obtained by the trading company at a certain moment [1,10,12]. Thus, the double representation of the assets is realized using the accounting balance, which reflects the situation of the company assets, assuring a separate description of the assets elements and liabilities elements. The assets group the

[*] *Assoc. Prof., Ph.D., University of Petroşani, Romania, ilierasolean@yahoo.com*
*Assist. Prof., Ph.D., University of Petroşani, Romania, nihilsinedeo_68@yahoo.com*

patrimony elements into real goods and credits and the liabilities into own capitals and debts. According to the regulations in force, the balance is the synthesis accounting document presenting the assets, debts and own capital elements of the entity at the end of the year and in the other situations foreseen by the law. Financially, the balance highlights the balance relation between the financial sources held and the uses or allocations of these funds. Thus, the liabilities of the balance assure the reflection of the incoming funds or funding sources held by a trading company, and in the assets of the balance are reflected the fund uses (allocations). For example, the realization of drafts from the credit line opened by a bank represents an operation with financial influence on the liabilities - obtaining a new funding source, and on the assets, the allocation of these funds to constitute merchandise stocks. At the same time, the acquisition of raw matters and materials from a provider, the payment remaining to be made according to the contractual clauses at a later moment has as a financial consequence the recording of a supply credit that, until its payment represents an attracted funding source, its use being substantiated in the constitution of raw matter stocks.

The internal structure of the balance can be presented based on the criterion of the duration of the assets and of the liabilities, thus the balance positions are structured according to the financial criteria: assets elements are structured depending on liquidity, and liability elements depending on exigibility, and based on them one can realize the diagnosis analysis [2,3,7, 8, 9]. Assets elements can be structured according to their degree of liquidity, which indicates their possibility of being turned into a form of cash, in a more or less near future and under normal conditions of use [1,10]. Liquidity represents the aptitude of an asset to turn into currency, with no deadline and also with no loss of value [14,15,16]. Depending on the liquidity degree, asset elements can be grouped into two categories: permanent and temporary allocations or uses. Permanent allocations are characterized by a low liquidity degree, having a duration of use of more than a year and including non-current assets. Non-current assets are assets generating future economic benefits and held for a period of over a year. This category includes corporal immobilized assets, non-corporal immobilized assets, financial immobilized assets. Immobilized assets are characterized by a low degree of liquidity, differentiated depending on their nature, amortizable or non-amortisable, and for the amortisable ones, depending on the normal duration of operation. The liquidity degree can be influenced by certain operations, such as ceding certain non-current assets. They are also called permanent or stable allocations due to the slower rotations of the capitals invested in them [12, 13].

Temporary allocations also called circulating or current assets are characterized by a high degree of liquidity, being consumed within an exploitation cycle having a duration of less than a year. Temporary allocations comprise stocks, credits and cash availabilities. Current assets meet the following conditions: are expected to be realized or held with the intent of being sold or consumed during the normal course of the exploitation cycle of the entity; are held, principally, for transaction; are expected to be realized within 12 months of the balance date; or are cash or cash equivalent whose use is not restricted [17]. Current assets are also called cyclic or temporary allocations because the recovery of the capitals invested in them is

realized at the end of an exploitation cycle (supply - production - sales) [11,13].

Liabilities can be structured according to their degree of exigibility, namely their trait of having a deadline [16]. Depending on their exigibility degree, liabilities can be grouped into the following categories: permanent and temporary sources. Permanent sources comprise own capitals and middle- and long-term debts whose deadline is over one year. Own capitals represent the shareholders' rights on the assets of an entity after the deduction of all the debts. Own capitals include: capital contributions, capital premiums, reserves, result reported, result of the annual balance [17]. The social capital represents an important element of the own capitals, being equal to respectively the nominal value of the shares or social parts, the value of the capital contribution, of the premiums and reserves incorporated or of other operations triggering its modification.

The regulations in force oblige or give the companies the possibility to constitute several types of reserves: legal reserves; statutary or contractual reserves; reserves from re-evaluation; other reserves. Some liabilities, of the nature of debts, include a strong reimbursement obligation, and their exigibility degree is different depending on their deadlines. Thus, medium and long term debts are also part of the permanent or stable sources, their exigibility degree being over one year. Medium- and long-term debts include credits for funding investments and other debts.

Depending on the origin of those who give them, long-term loans can be grouped into the following categories: loans from bond emission; loans from specialized public organisms; loans from the State; credits from credit institutions. Long-term credits are very varied as nature and object. Short-term debts or current debts include exploitation debts and short-term credits. They are characterized by a high exigibility degree, being also called cyclic or temporary sources and being generally contracted for needs of the exploitation cycle. Current debts meet certain criteria, namely: they are covered during the normal exploitation cycle of the company, being exigible within 12 months; the company does not have an irrevocable right to delay the payment 12 months after the balance date [19]. Exploitation debts include obligations resulted from the development of the exploitation cycle: debts to providers; debts to employees; obligations to the general consolidated State budget; debts to shareholders; other debts. Short-term credits are credits contracted from credit institutions for needs of the exploitation cycle, with deadline within one year.

## 2. CASE STUDY

A trading company has the following structure of the financial balance for two years of administration (table 1, figure 1 and figure 2).

**Table 1. Financial balance**

*- lei-*

| No. | Explanations | 2014 | 2015 |
|---|---|---|---|
| 1 | Constitution expenses | 33061 | 33061 |
| 2 | Advance money and intangible assets under execution | 165667 | 199506 |
| 3 | Intangible assets ( 1+2) | 198728 | 232567 |
| 4 | Lands and constructions | 330626 | 387772 |

| | | | |
|---|---|---|---|
| 5 | Technical installations and machines | 1616637 | 1855952 |
| 6 | Other installations, equipments and furniture | 59396 | 77900 |
| 7 | Tangible assets ( 4+5+6 ) | 2006659 | 2321624 |
| 8 | Participation interests | 137389 | 147958 |
| 9 | Shares held at related entities | 27950 | 30100 |
| 10 | Financial assets ( 8+9 ) | 165339 | 178058 |
| 11 | Non-current assets (permanent allocations) (3+7+10 ) | 2370726 | 2732249 |
| 12 | Raw matters and consumables | 356939 | 413916 |
| 13 | Products under execution | 403998 | 685602 |
| 14 | Finite products and merchandises | 74693 | 110165 |
| 15 | Stocks (12+13+14) | 835630 | 1219683 |
| 16 | Trading credits | 464995 | 420453 |
| 17 | Stocks and credits (15+16) | 1300625 | 1640136 |
| 18 | Cash and bank accounts | 22334 | 48426 |
| 19 | Current assets (cyclic allocations) (17+18) | 1322959 | 1688562 |
| 20 | Subscribed paid-in capital | 1895400 | 2456400 |
| 21 | Capital premiums | 25740 | 34500 |
| 22 | Reserves | 449245 | 449245 |
| 23 | Reported profit or loss | -33888 | 0 |
| 24 | Current profit or loss | 45030 | 95053 |
| 25 | Own capitals (20+21+22+23+24) | 2381527 | 3035198 |
| 26 | Sums owed to credit institutions, payable in more than one year | 11000 | 200860 |
| 27 | Permanent sources (25+26) | 2392527 | 3236058 |
| 28 | Exploitation debts | 1301158 | 1039753 |
| 29 | Short-term credits | - | 145000 |

*Source: data processed by the authors*

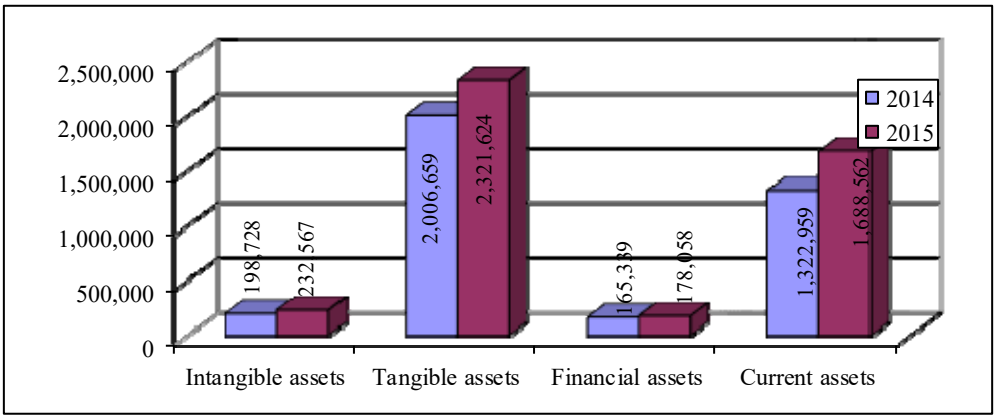


**Figure 1. Structure of assets in the years 2014 and 2015**

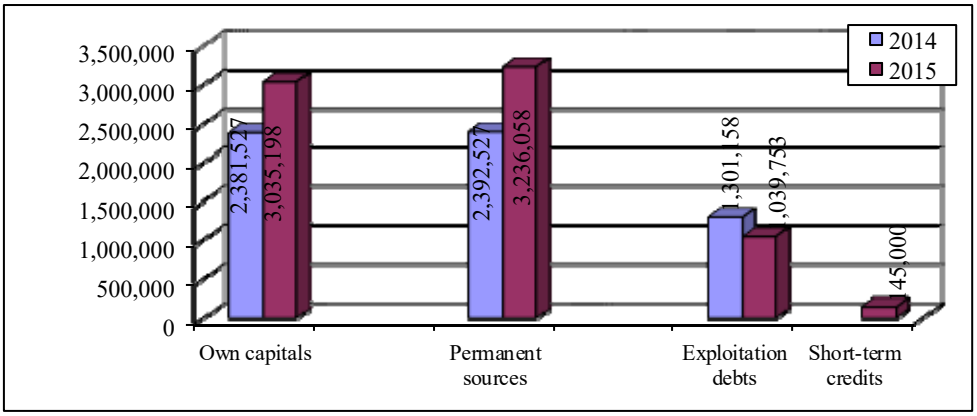


**Figure 2. Structure of liabilities in the years 2014 and 2015**

## 3. ANALYSIS OF THE STRUCTURE RATES OF THE ASSETS AND OF THE LIABILITIES

The assets structure rates are determined as a ratio between a position or a group of positions in the assets balance and the total assets or a group of assets in the assets balance. The assets structure rates offer the possibility of expressing the balance in percentages and permits identifying the major features of the balance structure, at the same time giving the possibility of making comparative analyses in time and space.

### 3.1. Assets rate analysis

a) Non-current assets rate

$$RAi_{2014} = \frac{Non-current\ assets\ 2014}{Total\ assets\ 2014} * 100 = \frac{2370726\ lei}{3698686\ lei} * 100 = 64.18\%$$

$$RAi_{2015} = \frac{Non-current\ assets}{Total\ assets} Non - current\ assets \frac{2015}{2015} * 100 = \frac{2782249\ lei}{4420811\ lei} * 100 = 61.80\%$$

This rate measures the relative importance of the long-term assets in the total assets of the company. As it results from the analysis of the non-current assets, we appreciate that the entity under analysis has a good financial flexibility, the capital invested in fixed assets being higher in the year 2014, compared to the year 2015 by 2.38%, which denotes an improvement of the need of capital invested in fixed assets. To complete the analysis of the non-current assets rate, we shall use the following rates:

b) Intangible assets rate

$$RInc_{2014} = \frac{Intangible\ assets\ 2014}{Non-current\ assets\ 2014} * 100 = \frac{198728\ lei}{2370726\ lei} * 100 = 8.38\%$$

$$RInc_{2015} = \frac{Imobilizări\ necorporale\ 2015}{Active\ imobilizate\ 2015} * 100 = \frac{232867\ lei}{2732249\ lei} * 100 = 8.51\%$$

The level of the indicator is significantly influenced by the amortization policy, investments policy or accounting choice between the historical cost and the just value for tangible assets.

c) Tangible assets rate

$$RIc_{2014} = \frac{Tangible\ assets 2014}{Non-current\ assets\ 2014} * 100 = \frac{2006659\ lei}{2370726\ lei} * 100 = 84.64\%$$

$$RIc_{2015} = \frac{Tangible\ assets\ 2015}{Non-current\ assets\ 2015} * 100 = \frac{2321624\ lei}{2732249\ lei} * 100 = 84.97\%$$

This rate indicates the firm's capacity to withstand an economic crisis, being known that a high level of non-current assets triggers a higher risk of non-transformation of these assets in liquidities.

d) Financial assets rate

$$RIf_{2014} = \frac{Financial\ assets 2014}{Non-current\ assets\ 2014} * 100 = \frac{166339\ lei}{2370726\ lei} * 100 = 6.97\%$$

$$RIf_{2015} = \frac{Financial\ assets 2015}{Non-current\ assets\ 2015} * 100 = \frac{178068\ lei}{2732249\ lei} * 100 = 6.52\%$$

By comparing the tangible assets rate to the financial assets rate, we can note that the firm has a good development strategy, investing with priority in the development of its internal technical potential.

e) Current assets rate

$$RAc_{2014} = \frac{Current\ assets\ 2014}{Total\ assets 2014} * 100 = \frac{1322969\ lei}{3693686\ lei} * 100 = 35.82\%$$

$$RAc_{2015} = \frac{Current\ assets\ 2015}{Total\ assets 2015} * 100 = \frac{1688662\ lei}{4420811\ lei} * 100 = 38.19\%$$

From the perspective of the current assets rate, we appreciate that current assets are under the minimum acceptable limit of 40%.

For a deeper analysis of the current assets, next we shall calculate the rates complementary to the current assets rate:

a) Stock rate

$$RSt_{2014} = \frac{Stocks 2014}{Current\ assets\ 2014} * 100 = \frac{836630\ lei}{1322969\ lei} * 100 = 63.16\%$$

$$RSt_{2015} = \frac{Stocks\ 2015}{Current\ assets\ 2015} * 100 = \frac{1219688\ lei}{1688662\ lei} * 100 = 72.23\%$$

The weight of the stocks in the company assets and their evolution in time constitute information of paramount importance for the substantiation of the company's trading policy. For the entity under analysis, this weight of the stocks is slightly high, in the year 2015 being recorded an increase of these stocks compared to the year 2014, namely of 9.07% which means a high stock of materials, raw matters etc., in the company.

b) Credit rate

$$RCr_{2014} = \frac{\text{Credits 2014}}{\text{Current assets 2014}} * 100 = \frac{464996 \text{ lei}}{1322989 \text{ lei}} * 100 = 35.15\%$$

$$RCr_{2015} = \frac{\text{Credits 2015}}{\text{ACurrent assets 2015}} * 100 = \frac{420458 \text{ lei}}{1688662 \text{ lei}} * 100 = 24.90\%$$

Out of the analysis carried out, it results that in the year 2015 the firm improved its activity, the credits decreasing compared to the year 2014 by 10.25%, this fact being due to the decrease of the number of days pertaining to the realization of a payment.

c) Cash availability rate

$$RDb_{2014} = \frac{\text{Cash availabilities 2014}}{\text{Current assets 2014}} * 100 = \frac{22334 \text{ lei}}{1322989 \text{ lei}} * 100 = 1.69\%$$

$$RDb_{2015} = \frac{\text{Cash availabilities 2015}}{\text{Current assets 2015}} * 100 = \frac{48426 \text{ lei}}{1688662 \text{ lei}} * 100 = 2.87\%$$

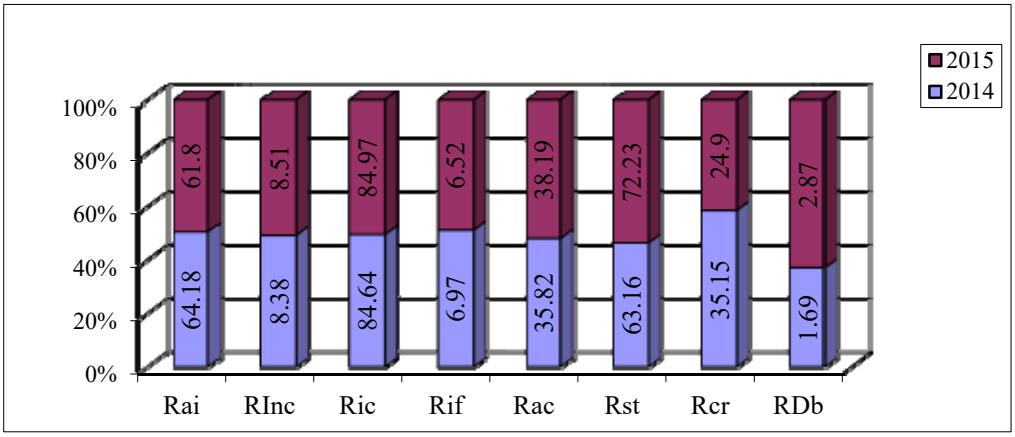


**Figure 3. Assets structure rates in the years 2014, 2015**

The calculated level of the cash availability rate indicates the fact that in the year 2015, this aspect improved compared to the year 2014, yet there are still problems regarding the financial resource of the company.

For a better reflection of the calculation of these rates for the two years under analysis, we shall represent graphically the results obtained (Figure 3).

### 3.2. Liabilities rates analysis

The structure rates of the liabilities allow appreciating the company's financial policy, by highlighting aspects regarding its financial stability and autonomy. The analysis of the financial structure aims to appreciate the financial structure of the company according to exigibility deadlines and sources of origin.

**a) In point of the exigibility degree**

- Analysis of the financial stability rate

$$RSf_{2014} = \frac{\text{Permanent capital 2014}}{\text{Total liabilities 2014}} * 100 = \frac{2392627 \text{ lei}}{3693686 \text{ lei}} * 100 = 64.77\%$$

$$RSf_{2015} = \frac{\text{Permanent capital 2015}}{\text{Total liabilities 2015}} * 100 = \frac{3236068 \text{ lei}}{4420811 \text{ lei}} * 100 = 73.20\%$$

In point of the financial stability, we can affirm based on the calculation of the financial stability rate that the firm has short-term debts with reasonably assumed deadlines, and the weight of the funding sources remaining available for the company for a period of more than a year in the total of the sources covering the economic means in the year 2015 increased by 8.43% compared to the year 2014, which means an improvement of the economic financial management by the company management.

- Current sources rate

$$RSc_{2014} = \frac{\text{Medium-term debts 2014}}{\text{Total liabilities 2014}} * 100 = \frac{11080 \text{ lei}}{3693686 \text{ lei}} * 100 = 0.30\%$$

$$RSc_{2015} = \frac{\text{Medium-term debts 2015}}{\text{Total liabilities 2015}} * 100 = \frac{200860 \text{ lei}}{4420811 \text{ lei}} * 100 = 4.54\%$$

In point of the average-term debts, the trading company under analysis turns to debts to a small extent.

**b) According to their origin, we have the following rates:**

Financial autonomy

a) Global financial autonomy rate

$$RAfg_{2014} = \frac{\text{Own capital 2014}}{\text{Total liabilities 2014}} * 100 = \frac{1301159 \text{ lei}}{3693686 \text{ lei}} * 100 = 35.23\%$$

$$RAfg_{2015} = \frac{\text{Own capital 2015}}{\text{Total liabilities 2015}} * 100 = \frac{1039783 \text{ lei}}{4420811 \text{ lei}} * 100 = 23.52\%$$

In point of the financial balance, one can note its deterioration in the year 2015, compared to the year 2014, yet on the whole the trading company has financial autonomy, presenting almost certain guarantees allowing it to benefit of medium- or long-term credits.

b) Financial autonomy rate in the long term

$$RAft_{2014} = \frac{\text{Own capital 2014}}{\text{Permanent capital 2014}} * 100 = \frac{2881627 \text{ lei}}{2892627 \text{ lei}} * 100 = 99.54\%$$

$$RAft_{2015} = \frac{\text{Own capital 2015}}{\text{Permanent capital 2015}} * 100 = \frac{3086198 \text{ lei}}{3286069 \text{ lei}} * 100 = 93.79\%$$

As solvency, the firm under analysis has no financial autonomy.

**c) Endebtment rate**

a) Global endebtment rate

$$Rîg_{2014} = \frac{\text{Total debts 2014}}{\text{Total liabilities 2014}} * 100 = \frac{1312159 \text{ lei}}{3693686 \text{ lei}} * 100 = 35.52\%$$

$$Rîg_{2015} = \frac{\text{Total debts 2015}}{\text{Total liabilities 2015}} * 100 = \frac{1386613 \text{ lei}}{4420811 \text{ lei}} * 100 = 31.34\%$$

Regarding the endebtment degree, the trading company presents an improvement of it in the year 2015, compared to the year 2014.

b) Rate of medium- and long-term endebtment

$$Rît_{2014} = \frac{\text{Medium and long-term debts 2014}}{\text{Permanent capital 2014}} * 100 = \frac{11000 \text{ lei}}{2892627 \text{ lei}} * 100 = 0.46\%$$

$$Rît_{2015} = \frac{\text{Medium and long-term debts 2015}}{\text{Permanent capital 2015}} * 100 = \frac{200860 \text{ lei}}{3286069 \text{ lei}} * 100 = 6.21\%$$

Graphically, these structure rates of the liabilities can be represented as in Figure 4.

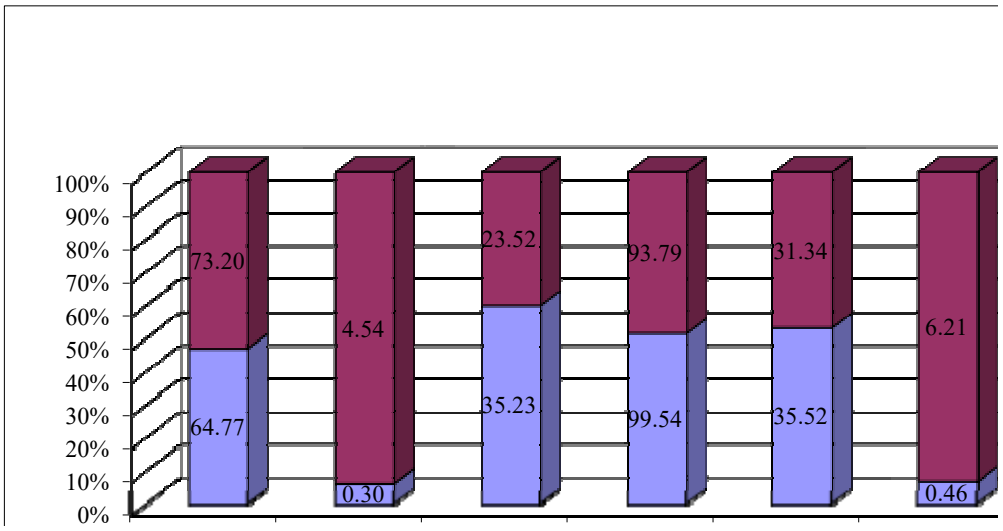


**Figure 4. Liabilities structure rates in the years 2014 and 2015**

**Financial balance indicators**

In the case of the financial balance, the analysis of the financial balance is realized using the indicators working capital (FR), need of working capital (NFR) and net treasury (TN).

FR = Own capitals + Long-term debts – Non-current assets; $FR_{2014}$ = 2381527 + 11000 – 2370726 = 21801; $FR_{2015}$ = 3035198 +200860 – 2732249 = 503809

FR = Current assets – Short-term debts; $FR_{2014}$ = 1322959 – 1301158 = 21801; $FR_{2015}$ = 1688562 – 1184753 = 503809

**The need of working capital (NFR)** highlights the relation that must exist between the funding needs pertaining to the exploitation cycle and the resources available for this purpose. NFR is determined as follows:

NFR = Stocks + Credits – Exploitation debts; $NFR_{2014}$ = 1300625 – 1301158 = - 533; $NFR_{2015}$ = 1641136 – 1039753 = 600383

NFR = (Current assets – Cash availabilities) – (Short-term debts – Current bank credits)

Nfr = 1322959 – 22334 - 1301158 = - 533;Nfr 2015 = 1688562 – 48426 – 1039753 = 600383

**The net treasury (TN)** is another indicator of the financial balance calculated as follows:

TN = FR – NFR; $TN_{2014}$ = $FR_{2014}$ (21801) - $NFR_{2014}$ (- 533) = 22334; $TN_{2015}$ = $FR_{2015}$ (503809) - $NFR_{2015}$ (600383) = - 96 574 TN = Cash availabilities + Short-term financial investments – Current bank credits $TN_{2014}$ = 22334; $TN_{2015}$ = - 96574

## 4. CONCLUSIONS

**The working capital (FR)** shows the long-term balance of the company, by the permanent sources (own capital and long-term debts) and net non-current assets [10]. **A positive working capital** means a state of financial balance in the long run, the surplus funding the short-term funding needs of the exploitation cycle [4,5,6].

Temporary needs represent funding for renewing the stocks and the credits and they must be covered from temporary sources, namely trading credits received from suppliers and creditors. A **positive NFR** shows that the temporary needs (stocks and credits) are bigger than the temporary resources, while a **negative NFR** means that there is a surplus of temporary resources compared to the temporary needs. The situation is positive if it is determined by: the acceleration of the rotation speed for stocks and credits (they are cashed in faster); the payment of the exploitation debts within a longer delay.

Thus, if the difference between the cyclical allocations and the cyclical sources is positive, it means a surplus of needs of the exploitation cycle compared to their formation sources. This situation can be appreciated as normal if it is due to the increase of the funding needs, determined by the development of the activity, otherwise it can be the result of an unfavourable gap between the stocks and credits liquidity, on the one hand, and debts exigibility, on the other hand. If the difference between cyclical allocations and cyclical sources is negative, this means a surplus of temporary sources compared to the current asset needs. This situation can be appreciated as normal if it is due to the acceleration of the rotation of the current assets and to the assuming of debts with a more relaxed delay, otherwise it can be only the result of temporary interruptions in stock supply and renewal or the increase of the exploitation

debts since they have not been paid in due time. Treasury elements are treasury assets and liabilities, among which cash availabilities occupy a main place. Out of the financial assets we shall also recall: securities, commercial bills, certificates of deposit. Treasury liabilities represent short-term credits, of which we shall recall: treasury credits, positive balance of the current account, receivables.

In the year 2014, NFR is negative, which reflects a surplus of current resources, as a consequence of the increase of the current assets' rotation speed in relation to the existence of exigible debts in profitable conditions for the trading company. This can be the consequence of temporary interruptions in stock supply and renewal or of certain situations when the payment deadlines for certain short-term debts have not been respected. In exchange, in the year 2015 NFR is positive, which means there is a gap between the stocks' and credits' liquidity degree and the current debts' exigibility degree, namely a slowdown of the cashing in and an increase in the payment rhythm.

A positive net treasury means a state of financial equilibrium on the level of the whole company. A positive treasury is the result of the realization of an efficient activity and reflects a state of financial balance of the company, which assures financial autonomy in the short run. Depending on the size of the treasury surplus, one can have in view the issue of investing it efficiently and securely on the financial-monetary market. A negative net treasury highlights a potential financial imbalance and means a cash deficit that must be covered from short-term credits which cost much and at the same time have a high exigibility degree.Between profitability and treasury there are mutual relations. Thus, the development of a profitable activity creates premises for obtaining a positive treasury, and a positive treasury directly influences the possibility of obtaining a degree of the desired profitability. Yet, a profitable trading company does not necessarily have a positive treasury, this depending on the variations of the funding needs and on the favourable or unfavourable gap between cash-in deadlines and payment deadlines.

For the two years under analysis, TN is positive in the year 2014, and negative in the year 2015. In this situation, the trading company has a surplus of liquidities allowing the realization of investments either on the monetary market or on the capital market. One can conclude that the variation is due to the substantial FR increase even though the company's NFR records a significant increase as well.

## REFERENCES:

**[1]. Dura, C., Isac, C. Răscolean I.** (2012) *Corporate Economy and Management,* Ed. Sitech, Craiova, pp. 162-174

**[2]. Balteş, N. (coord.),** (2003) *Corporate Economic-Financial Analysis* Ed. Universităţii "Lucian Blaga" din Sibiu, Sibiu

**[3]. Bărbulescu, C.** (2002) *Diagnosing Companies in Economic Difficulty. Strategies and Policies Meant to Redress and Dynamize the Activity,* Ed. Economică, Bucureşti

**[4]. Brezeanu, P.** (2005) *Financial Management. Financial Institutions Management* (vol. I), Cartea Universitară, Bucureşti

**[5]**. **Dragotă, V; Ciobanu, A.; Obreja, L. Dragotă, M.** (2003) *Financial Management*. Vol. I *Analiză financiară şi gestiune financiară operaţională*, Ed. Economică, Bucureşti

**[6]**. **Isfănescu Aurel, Vasile Robu, Anca Maria Cristea, Camelia Vasilescu**, (2002) *Economic-Financial Analysis,* Editura ASE, Bucureşti
**[7]**. **Mandache R.** (2000) *Economic-Financial Diagnosis*, Editura Muntenia, Constanţa
**[8]**. **Man M, Gădău** (2012) L.,*The adaptation of the balance sheet for a financial lecture: reevaluation and retreat. From balance sheet to financial and functional balance sheet.* Valahian Journal of Economic Studies, ISSN 2067-9440, vol.3 (17), Issue 1
**[9]. Niculescu, M.** (2003) *Financial Diagnosis*, Editura Economică, Bucureşti
**[10]**. **Răscolean I., Dura C, Isac, C.** (2014) *Corporate Economy and Management. Theoretical Bases and Case Studies,* Ed. Sitech, Craiova
**[11]**. **Spătaru L.** (2004) *Economic-Financial Analysis*, Editura Economică, Bucureşti
**[12]**. **Staicu F.** (2002) *Internal Diagnosis, Premise for Corporate Investment,* "Tribuna economică" no. 13
**[13]**. **Stancu, I.** (2002) *Finance*, Editura Economică, Bucureşti
**[14]**. **Vintilă, G. Vuţă, M.** (2000) *Corporate Financial Management. Applicative Works and Case Studies,* Ed. Rolcris, Bucureşti
**[15]**. **Vintilă G.,** (2002,2006) *Corporate Financial Management*, Editura Didactică şi Pedagogică, Bucureşti
**[16]**. **Măcriş, M., Man, M.** (2014) *Approaches to the International Capital Flows in globalizated Economy Internal Auditing & Risk Management*, Nr. 4 (36), ISSN 2065-8168, pag. 117-124
**[17]**. **Order of the Minister of Public Finance, no. 1802 / 29.12.2014,** *for the approval of the Accounting Regulations* on the individual annual financial statements and the consolidated annual financial statements, published in *Monitorul Oficial* (Official Journal), no. 963 / 30.12.2014