Key words: *performance, ratio, financial position, statements*
Abstract: This paper sets out to analyze the main information that financial statements must contain, as well as the main evaluating indicators of the financial performance.

The increase of the information needs of the users for the financial statements concerning the performance of the company has determines an increase of the role that it has begun to play the account of profits and loss in the structure of the financial statements, the enterprise offering in this manner information presented and recognized in an unitary way regarding the performance.

Any successful business owner is constantly evaluating the performance of his company, comparing it with the company's historical figures, with its industry competitors, and even with successful businesses from other industries. To complete a thorough examination of your company's effectiveness, however, you need to look at more than just easily attainable numbers like sales, profits, and total assets. You must be able to read between the lines of your financial statements and make the seemingly inconsequential numbers accessible and comprehensible.

There are many well-tested ratios out there that make the task a bit less daunting. Comparative ratio analysis helps you identify and quantify your company's strengths and weaknesses, evaluate its financial position, and understand the risks you may be taking.