

INDICATORS OF FINANCIAL VIABILITY OF NON-FINANCIAL COMPANIES

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Annotation

This article deals with understanding of financial viability (stability) of a company, as well as with practical introduction of methodology of evaluation of company's financial viability, suggested by International Monetary Fund (IMF). Financial viability – is the ability of an entity to continue to achieve its operating objectives and fulfill its mission over the long term. Ensuring of financial viability is crucial for any company in achieving its sustainability. The main questions examined are: 1) studying the meaning of the company's financial viability and indicators for its measuring 2) practical introduction and development of the methodology of IMF; 3) elaboration of principles for analyzing adequacy of indicators of financial viability 4) evaluation of Latvian companies' financial viability operating in service sector in Riga region.

Implementation the results of current research into business practice will enable to decrease risk of bankruptcy.

Keywords: financial viability, indicators of financial viability, adequacy of indicators of financial viability, bankruptcy, profitability.