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**FINANCIAL STATEMENTS ANALYSIS AS A TOOL FOR DECISION-MAKING: CASE OF “NEMETALI”**

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**Abstract.** In this article we sought to demonstrate how financial statements analysis can be implemented as a tool for a sound decision-making. For this purpose we have selected “Nemetali” as a small business company. The data used for the empirical analysis cover the period of 2001-2005 and were derived from company’s financial statements. Different financial techniques and methods, and financial ratios analysis were used. Detailed analysis was performed in function of finding whether there was a necessary reconstruction of business activities. Results showed that white marble production line and lamp-shade segment should be closed. Composition of assets and liabilities were confirmed that they need to be changed. The study also confirmed that financial reporting should not be only for tax oriented, but for the company itself.

**JEL Classification:** M490, G310, G320

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