

## 6. Indicators of the technical condition, movement and efficiency of the fixed assets use.

### 1. The indicators that define the technical condition of fixed assets:

- The amortization factor - shows the degree of deterioration of fixed assets at the beginning and the end of the year and it is determined by a formula:

$$Af = A/Si$$

- The lower the amortization factor, the better condition is for the fixed assets. The reduction of this factor means that there was an updating of fixed assets.

- Factor of the validity:

$$Fv = 1 - Af$$

### 2. The indicators that define the movement of fixed assets:

- The factor of leaving - shows which part of fixed assets has left within the reporting period, and it is defined by the relation of cost of the left fixed assets to their cost for the beginning of the reporting period.

$$Fl = Sd-Si$$

- The factor of updating - shows in what measure fixed assets have been updated within the reporting period, and it is defined by the relation of cost of the fixed assets placed in operation to their cost for the end of period.

$$Fl = Si/Sf$$

### 3. The indicators that define the efficiency of use of fixed assets:

- capital productivity - characterises the correlation of the realisation of production volume or the production volume for 1 MDL of the production fixed assets.

$$Cp = \text{Income}/Sfa$$

The higher capital productivity, the higher is the technical equipment of the enterprise. The indicator of capital productivity can be determined either by the relation to all cost of fixed assets or to cost of their active part, which allows to analyze the efficiency of use of the most mobile part of the fixed assets.

- The capital intensity - characterises the average cost of fixed assets which is the share of 1 MDL production realisation (return of capital productivity ).

$$Ci = Sfa/ \text{Income}$$

- The capital-labor ratio - reflects the degree of guarantee of fixed assets for workers.

$$\text{CIR} = \text{Sfa}/\text{Nw}$$

- Profitability of fixed assets - reflects the profit size of fixed assets for 1 MDL.

$$\text{R} = \text{EBIT}/\text{Smf} * 100\%$$

The high indicator of profitability of fixed assets is caused by high profitability of production and the high capital productivity.