

The Importance of the Implementation of Capital Evaluation Medium-Sized Enterprises in Serbia

Slobodan Popovic^{1}, Dragan Djuranovic² and Ratko Garic³*

¹*JKP Gradsko Zelenilo, Novi Sad, Sutjeska 2, 21000 Novi Sad, Serbia*

E-mail: slobodan.popovic49@gmail.com

²*University of Novi Sad, Faculty of Economics In Subotica, Segedinski put 9-11, 24000 Subotica, Serbia,*

³*PHD, CRCO, Nemanjina 60, 74000 Doboj, Bosnia and Herzegovina*

** Corresponding author.*

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Summary: *Implementation evaluation medium enterprises in the Republic of Serbia, as well as a larger number of countries in transition are increasingly coming to the fore in the years after the occurrence of the economic crisis. In recent years, the evaluation of all sizes including the enterprise as a whole has a steady job, which requires the use of standard methods. There is no best way to express the evaluation, but in this paper, the authors give an overview of some of the main tasks that must be respected appraisers. Also provided is a model to consider in the context of a comprehensive process of evaluating a large number of medium-sized enterprises.*

Key words: *Evaluation, assessment, value, financial report.*

1. INTRODUCTION

Management of the company may be in a variety of ways to speed up the management of the company which operates on the basis of the decision of the owner, shareholder assembly, or on the basis of an act of state authority. Regardless of the way the organization is constantly on ways to improve governance. In order to obtain security management must have valid financial and other reports.

The authors draw attention to the management that takes into account the issue of evaluation of companies, especially mid-level. Regardless of the method of assessment [1], and methods of organization of assessment [2], all of the above is part of improving the financial reporting of a

large number of companies [3]. Thus Finance becomes a significant factor by which classical corporate governance can have far better results [4].

Implementation of such works increasingly requires management to standardize operations and use of international accounting standards [5,6] as well as other adopted accounting standards [7], in order to achieve a good basis for auditing [8] in any segment of business organization. Such observation management, standardization, finance and audit will surely keep changing socio-economic widely observed economic conditions [9] to change the socio-economic understanding in the broadest sense.

Based on these findings it can be concluded that the assessment of the valuation of companies is one of the most important segments of each enterprise organization [10,11,12]. Assessment as an independent and responsible function can be seen as the first stage for the introduction of modern management organization. The next step is a review of all parts of [13], the system of an organization [14,15], which is subject to management and management can be used to achieve better and more successful business results.

2. IMPLEMENTATION OF EVALUATION IN ENTERPRISES TRANSITION COUNTRIES

Implementation evaluation medium enterprises in the Republic of Serbia, as well as a larger number of countries in transition are increasingly coming to the fore in the years after the occurrence of the economic crisis. In recent years, the evaluation of all sizes including the enterprise as a whole has a steady job, which requires the use of standard methods.

There is no best way to express the evaluation, but in this paper, the authors give an overview of some of the main tasks that must be respected appraisers. Also provided is a model to consider in the context of a comprehensive process of evaluating a large number of medium-sized enterprises. Estimation of capital to medium-sized businesses in transition countries such as the Republic of Serbia is coming increasingly to the fore in recent years. To be done properly it is necessary to take into account:

- economic and business positions the company,
- financial analysis,
- assessment of value capital structure.

These jobs are done based on the assessment certified appraiser, which can be based on the request of the Privatization Agency of the Republic of Serbia. Therefore an objective evaluation can give a fair value of what is estimated. Object assessment makes capital value of the company on a certain day. That date is the date the required assessment. In addition it should be noted that the assessor used a particular method of evaluation.

In addition, in order to determine the total amount of capital that may be subject to assessment, it is necessary to examine the relevant information and circumstances that affect the value of what is estimated. Accordingly, the aforementioned process is based on research undertaken by appraisers to do the required assessment of the asset's fair value of equity.

Limit the purposes of this evaluation are essentially determined by the purpose for which it is performed, based on the aforementioned request of the Privatization Agency of the Republic of Serbia, as well as the set deadline which must be done assessments. Therefore, we present the result of the valuation of the capital is limited and torque given time to which it refers. It is necessary to take into account document basis.

Assessment includes:

- financial statements of the company,
- accounting documentation that supports the statements in the financial statements in the period analyzed in the custom needs of the objectives of the assessment,
- non-financial information obtained from the contracting authority,
- information received by permanent workers and responsible managers in order to strengthen assessment beliefs,
- legal documentation regarding capital,
- information in public documents regarding registration,
- creditworthiness with the National Bank of Serbia,
- with information of actual real estate market,
- specialist opinions related to the assessment of the equipment.

In addition it should be noted that the assessor is responsible for the quality of the evaluation. Purchaser is responsible for the quality of information presented and delivered. The amount of compensation which he contracted assessor, cannot be grounds for the contracting authority to influence the estimated value of the transaction by the assessor expressed in this report.

The structure of materials evaluation logic has a few basic units and to:

- economic and business positions the company,
- financial analysis,
- the basis for the preparation and presentation of financial statements,
- assessing the value and structure of capital by DNT.

Within this display using the equity valuation, the same was done by the method of discounted cash flow and this part refers to the display of the results obtained by the assessor.

Position assessor who made the assessment of the needs of society is basically governed by a code of conduct applicable to the profession of an independent and responsible assessor. Assessor who signed and certified by the assessment of the customer, is in the business of evaluating capital of the company in the capacity of: autonomous, independent and impartial appraiser capital.

In his work he was guided by codes of conduct applicable to the profession appraiser. The appraiser should emphasize that it is of interest independent of the company. Assessor performs with full absence of interest.

The appraiser should emphasize that the contracted price of services is not in any way depending on the view and the possibility of influencing it to the size of the estimated equity value would be different from the actual and presented in this report.

The appraiser should emphasize that all findings it has come about estimating the company will keep following the principles and respect as strictly confidential guards trade secrets. The appraiser should emphasize that all materials, findings and opinions concerning the present society, and to keep and will not disclose, and eventually will do so only with the approval pronounced.

3. ECONOMIC AND COMMERCIAL POSITION COMPANY

Assessor within the economic-business positions the company gave an overview of several important indicators have an impact on the entire business of the contracting authority estimates. Only possible evaluation of capital on the basis of realistic display of the author gives in the form of Table 1.

Table 1. Only in Dinars of Capital in the Business Books and the Situation in the APR, with a Difference

Serial number	Description	Paid cash capital	Entered cash capital in assets and rights	Total
		RSD	RSD	RSD
1	Situation in Books	47.412.792,72	128.920.056,80	176.332.849,62
2	Situation in APR	48.496.456,07	168.776.961,80	217.273.417,87
	Difference	1.083.663,35	39.856.905,00	40.940.568,25

The estimated location of the enterprise may be displayed as an Figure 1.

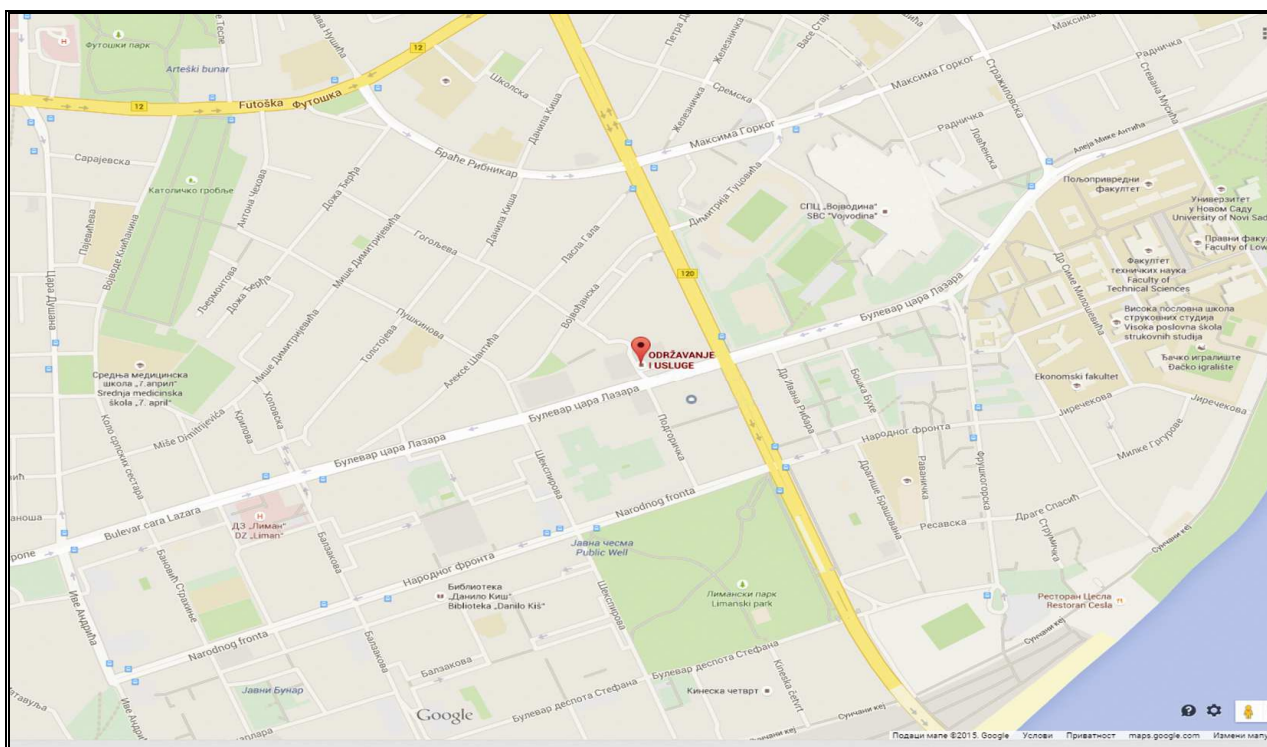


Figure 1. Location Map of the City Where it is Located Assessed Company

In addition it is necessary to point out where the primary and other industry operates and exists as a company:

- department of maintenance,
- electrical jobs,
- assembly and installation operations,
- jobs Telecommunications and Informatics,
- machining operations,
- construction and craft jobs,
- green jobs,

- department of hospitality,
- hotel services,
- restaurant services,
- jobs canteens,
- department for safety,
- jobs property and personal security.

Only customers with high turnover in the last business year can be expressed and summary, as shown in tabular Table 2.

Table 2. Overview of Customers with the Highest Turnover Synthetic Records Display

Synthetic display all accounts	The percentage share (%)	Owes account
Total turnover covered by buyers		383.887.478,37
Total turnover		472.169.580,85
	81,30	

In addition authors to the present can be given demonstrations of the table customers. There are thought to be to show e.g. 10 largest customers. They make up 81.30% of purchased services and products of the analyzed companies. It is good to give a comment in this case, it is that compared to the previous year can be seen a slight increase of 1.43% of the share shown 10 largest customers.

4. BRIEF EXPLANATIONS AS PART OF THE REPORTING

Based on the display of the 10 largest suppliers of the situation is much better. The 43,41% of the 398 active suppliers makes the 10 largest suppliers of the company. It is good to give feedback: the situation compared to last year is almost unchanged since the aforementioned 10 suppliers observed in total recorded a drop in relation to the date displays for about 2%, thus continuing the diversification that was made in relation to suppliers, which is a boon for Purchaser's evaluation.

Management bodies are important to indicate in the notes, such as the following: Management of the company is carried out through administration bodies. Bodies are:

- assembly society,
- general manager.

Last show refers to the organization, such as show how the company, as a single unit, except that the technology has caused the organization of activities within the company by wards. The authors give a possible and realistic representation of parts of such observations with the division at:

- management,
- economic and financial affairs,
- maintenance,
- hospitality,
- fleet,
- legal, personnel and job security.

Table 3. Overview of the Vendors with the Highest Turnover

Serial number	Code	The name of the account	Name of the seat of the city where the company is registered	Debit side of the account
1	10218	Auto promet	Novi Sad	14.277.767,54
2	13516	Optimum MV-NS d.o.o.	Novi Sad	25.539.249,96
3	9935	Wurth doo - Beograd	Novi Sad	13.254.980,03
4	1	EPS distribucija d.o.o.	Novi Sad	7.676.211,15
5	10220	M-S Hermes	Novi Sad	11.602.345,37
6	9832	Strand mesara	Novi Sad	11.206.206,59
7	13487	Securitas services d.o.o. Beograd	Novi Sad	7.637.304,00
8	11080	Vujmilovic company	Novi Sad	7.451.192,40
9	9041	Nis-a.d. Novi Sad Nis-Petrol, NIS-NAP	Beograd	7.690.341,07
10	12315	Drina Coop d.o.o.	Beograd	7.461.733,95
Total turnover covered by suppliers				113.797.332,06
Total turnover				262.149.030,27
Assessment of market share				43,41%

5. CONCLUSION

With this work the authors point to the practical nature of governance applied by evaluating the basis of their performance. This is one of the important issues that can be achieved with small investments improving the lot of management functions in the company.

In this paper, through practical examples the authors point to three important segments I to the economic analysis, financial analysis and financial evaluation of the company's value. In order to achieve this must be taken of the documentation that accompanies all of these activities in order to manage any better.

Moreover, the authors point to two important works and to the position of assessor who assesses the value of the company and to position the company in all circumstances in which it exists. Besides from work is clearly evident in das necessary for consideration of enterprise management authorities as well as the position of director general improvement of the business function.

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