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Company and Cooperative Performance in 2010

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Summary

Companies and cooperatives drew up annual reports for 2010 in accordance with the Slovenian Accounting Standards 2006 (SRS 2006) or International Accounting Standards and the Companies Act (ZGD-1).

For statistical purposes, companies and cooperatives submitted data from their annual reports for 2010 to the Agency of the Republic of Slovenia for Public Legal Records and Related Services (AJPES) by 31 March 2011. Data were submitted by 55,734 companies with 462,643 employees and by 294 cooperatives with 3,312 employees. For the first time since 2001, companies recorded a negative difference between net profit and net loss in the amount of 256,496,512 EUR. The negative difference between net profit and net loss of cooperatives amounted to 509,233 EUR and was by 73.0 % lower than in 2009.

In 2010 compared to the previous year, the companies' net sales on the EU market increased the most (by 21.6 %), net sales outside the EU increased less (by 10.0 %) and net sales on the domestic market the least (by 3.4 %). Amid 7.4 % growth in total net sales, the positive difference between operating revenues and operating expenses remained at a similar level as in the previous year. The poor business results were largely incurred by the large negative difference between financial revenues and financial expenses, which increased by more than half compared to the previous year, particularly for the sake of high financial expenses. Financial expenses for financial liabilities contributed more than a half to financial expenses, while almost two fifths came from financial expenses due to impairment and write-offs of investments and more than one tenth from financial expenses for operating liabilities. Relative to the previous year, financial expenses for financial liabilities increased the most (by 27.9 %) and financial expenses due to impairment and write-offs of investments the least (by 12.6%). In total, financial expenses increased by 20.3 %, while financial revenues declined by 3.1 %. At the end of 2010, companies' assets were 0.6 % lower than at the end of the previous year. This can be partly explained by impairment of assets and partly by the sale of assets which the companies no longer needed for their operations. As regards the structure of assets, the share of long-term assets declined from 63.8 % to 62.0 % (particularly the shares of long-term investments and tangible fixed assets), while the share of current assets increased from 35.5 % to 37.3 % (especially the shares of short-term operating receivables and inventories). The structure of liabilities indicates, that the equity financing rate increased by 2.2 p.p. (from 35.6 % to 37.8 %), while debt financing rate declined by 2.4 p.p. (from 61.3 % to 58.9 %).

In 2010 compared to 2009 the negative difference between net profit and net loss of cooperatives declined by 73.0 %, particularly due to the large decrease in negative difference between operating revenues and operating expenses (by 65.2 %). At the end of 2010, cooperatives recorded by 1.6 % more assets and liabilities in their balance sheets than at the end of 2009. The equity financing rate dropped (from 61.8 % to 61.2 %), while debt financing rate increased (from 36.5 % to 37.1 %).

This Working Paper is divided into three parts:

- The first part analyses the performance of companies in 2010 as a whole, classified according to activity, number of employees, whether they are a micro-, small, medium-sized or large company, whether they export, the kind of ownership and origin of the capital.
- The second part analyses the performance of cooperatives in 2010.
- The third part analyses solvency of legal entities in 2010.