

PRACTICAL STUDY CONCERNING THE INFLUENCE OF THE FINANCIAL RESULT AND THE VALUE OF THE HERITAGE ON THE VALUE OF A SHARE

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***Abstract:** In resolving a dispute between the trading company SC Acdemica Ex S.R.L; and one of the four shareholders of this company with limited liability, it has been turned to an expertise for an extrajudicial accounting report. By objectives set it has been intended to clarify: 1. The value of company patrimony SC Acdemica Ex S.R.L; 2. Economic and financial results of SC Acdemica Ex S.R.L; 3. share capital value of SC Acdemica Ex S.R.L; at 30.11.2015, 31.12.2015, 30.11.2016, 31.12.2016 and the nominal value of the shares at these dates. 4. To what extent the value of shares is influenced by its heritage value of SC Acdemica Ex S.R.L and the positive financial results achieved, respectively the profit that would result in a higher value on the social part. Accounting expertise as means of evidence are useful in solving cases requiring specialized knowledge strictly from persons who are chartered accountants. Accounting expertise ordered ex officio or accepted at the request of the parties at the stages of instrumentation and judgment of some civil and / or commercial, attached or not to a criminal process are called judicial audit expertise. All other accounting expertise are extrajudicial. [8]*

***Keywords:** Extrajudicial accounting expertise, social capital, value of a share, net assets.*

INTRODUCTION

Accounting expertise has as a support primary documents and registration of events and transactions in the accounts. As a result, the chartered accountant asked in proceeding accounting expertise must possess solid and updated knowledge in the economic field in general, and especially in financial and accounting field. [8]

In order to respond to the objectives formulated by the shareholder SC Acdemica Ex S.R.L; the chartered accountant concluded with the beneficiary a contract to perform extrajudicial accounting expertise through which he was obliged to examine financial documents and records, reported to the professional rules, to formulate answers to specific objectives concerning extrajudicial accounting expertise mission in full compliance with the principles of the accounting profession deontology. Documentary material which formed the basis for carrying out extrajudicial accounting expertise materialized in: Balance sheet at 31.12.2015; Balance Sheet to 31.12.2016; Trial balance for November

2015 and November 2016. According to the documents made available to professional norms concerning professional expertise, there have been formulated answers to the objectives laid by the shareholder of the firm on the patrimony value of SC Acdemica Ex S.R.L.; to economic financial results; determining the value of a share and if the value of shares is influenced by its heritage value and positive financial results achieved in the sense of generating a higher value on the social side than the value of shares entered in the accounting firm. In the approach by means of assets, the balance sheet prepared in accordance with accounting policies adopted by the enterprise is adjusted to reflect all tangible, intangible and financial assets and all liabilities at their market value or other suitable value. It may be necessary to consider the impact on tax adjustments. In specific cases (eg evaluation in the event of cessation) it may be necessary to consider the costs of sales and other expenses[6].

PROCEEDINGS OF EXPERTISE. TECHNIQUE AND METHODOLOGY OF WORK IN FORMULATING RESPONSES

To respond to the objectives sought, there were examined documents provided by Parties.

According to the documents made available of the professional norms concerning professional expertise, there have been formulated answers to the requisite targets:

1. The value of company assets of SC Acdemica Ex S.R. L;
2. Economic and financial results of SC Acdemica Ex S.R. L.;
3. Value of a share;
4. To what extent the value of shares is influenced by its heritage value of Acdemica Ex SC LLC and the positive financial results achieved, respectively the profit that would result in a higher value on the social part;
5. The share capital value of SC Acdemica Ex S.R.L, on 30.11.2015, 31.12.2015, 11.30.2016, 31.12.2016 and the nominal value of the shares at these dates.

Objective no. 1.

The value of company assets SC Acdemica Ex S.R.L. Response:

The value of company assets, according to company documents, at the reference date 31.12.2016 is 816.310 RON, as shown in Table 1, drawn up on the basis of documents received from commercial companies:

Objective no. 2.

Economic and financial results of SC Acdemica Ex S.R.L. Response:

Economic and financial results of SC Acdemica Ex S.R.L., as shown in Table 2, drawn up on the basis of documents received from commercial companies is profit:

The financial result	31.12.2015	30.11.2016	31.12.2016
Result of the exercise - profit	47,764	51,438	77,344

SC ACADEMICA EX S.R.L.

Table no. 1 Statement of patrimonysassets

Lei

	ACTIVE	Nr.	Year 1	Year 2	Year 2
		rd.	31.12.2015	30.11.2016	31.12.2016
A	FIXED ASSETS				
	Intangible assets	1	59,030	58,384	55,300
	Tangible assets	2	250,000	250,000	250,000
	Financial assets	3	111	111	111
	FIXED ASSETS-TOTAL (1 la 3)	4	309,141	308,495	305,411
B.	CURRENT ASSETS				
	Stocks	5	105,324	101,277	134,505
	Receivables	6	256,627	275,129	299,221
	Short-term financial investments	7	11,200	11,200	11,200
	Cash and deposits	8	43,314	42,553	64,623
B.	CURRENT ASSETS-TOTAL /Ac	9	416,465	430,159	509,549
	Cash (cash flow surplus)Db	9	43,314	42,553	64,623
C.	Expenses in advance	10	125	1,350	1,350
	TOTAL ACTIVE (A+B+C)		725,731	740,004	816,310

Source: SC ACADEMICA EX S.R.L. Trial balance at 30.11.2016 and Balance Sheet at 31.12.2015 and 31.12.2016

Objective no. 3.

The share capital of SC Acdemica Ex S.R.L, on 30.11.2015, 31.12.2015, 30.11.2016, 31.12.2016 and the nominal value of the shares at these dates.

Response:

Capital value at the reference date, 30.11.2015, 31.12.2015, 11.30.2016, 31.12.2016, according to the certificate issued by ORC of the Tribunal, is 200 RON, for a total of 20 shares.

The nominal value of the shares at the reference date, 30.11.2015, 31.12.2015, 11.30.2016, 31.12.2016, according to the certificate issued by ORC of the Tribunal, is 10 RON and a total of 20 shares.

Table no.2 The situation of patrimonial liability

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	PASIVE	Nr. rd.	Anul 2		
			31.12.2015	30.11.2016	31.12.2016
D	Debts to be paid up to a year	11	361,510	370,884	423,076
E.	Debts to be paid more than a year	14			
F.	Provisions risks and charges	15			
G	Income in advance	16			
H	CAPITAL AND RESERVES				
I	Social capital	19	200	200	200
II	Share premiums	23			
III	Revaluation reserve - sold C	24			
	Revaluation reserve -sold D	25			
IV	Reserves	26	195,000	195,000	195,000
V	Reported result-sold C	27	121,257	122,482	120,690
	Reported result-sold D	28			
VI	Result of the exercise-sold C	29	47,764	51,438	77,344
	Result of the exercise-sold D	30			
	Distribution of profit	31			
J	OWN CAPITALS-TOTAL	32	364,221	369,120	393,234
K	Public patrimony	33			
L	CAPITALS-TOTAL	34	364,221	369,120	393,234
	TOTAL PASIVES(D+E+F+G+L)		725,731	740,004	816,310

Source: SC ACADEMICA EX S.R.L. Trial balance at 30.11.2016 and Balance Sheet at 31.12.2015 and 31.12.2016

Table 3. Statement of assets

		STATEMENT OF ASSETS			
SC ACADEMICA EX S.R.L.		31.12.2015 - 31,12,2016		LEI	
INDICATORS	N o.	30.11.2015	31.12.2015	30.11.2016	31.12.2016
FIXED ASSETS	1	306,412	309,141	308,495	305,411
Intangible assets	2	56,301	59,030	58,384	55,300
Tangible assets	3	250,000	250,000	250,000	250,000
Financial assets	4	111	111	111	111
	5				
STOCKS	6	119,985	105,324	101,277	134,505
Raw materials and consumables	7				0
Stocks	8	119,985	105,324	101,277	134,505
Finished product	9				0
Goods	10				0
Packaging	11				0
RECEIVABLES	12	452,989	311,141	330,232	375,044
- Suppliers debtors	13				0
- Customers and assimilated accounts	14	401,220	256,627	275,129	299,221
- Other receivables	15	11,325	11,200	12,550	11,200
- Bank accounts and home	16	40,444	43,314	42,553	64,623
ACCOUNTS REGULARIZATION	17	125	125	1,350	1,350
TOTAL ACTIVE	18	879,386	725,731	740,004	816,310
PERSONAL CAPITAL	19	398,889	364,221	369,120	393,234
Social capital	20	200	200	200	200
Share premium	21	0	0	0	0
Revaluation reserves	22	0	0	0	0

Reserves	23	195,000	195,000	195,000	195,000
Reported result	24	145,610	121,257	122,482	120,690
Result of the exercise	25	58,079	47,764	51,438	77,344
Distribution of profit	26	0	0	0	0
Public patrimony	27	0	0	0	0
TOTAL SHAREHOLDERS	28	398,889	364,221	369,120	393,234
LIABILITIES	29	480,497	361,510	370,884	423,076
Debts to be paid up to one year	30	480,497	361,510	370,884	423,076
Debts to be paid more than a year	31	0	0	0	0
Provisions for liabilities and charges	32	0	0	0	0
Other liabilities	33				
	34				0
ACCOUNTS REGULARIZATION	35	0	0	0	0
Deferred Revenues	36	0	0	0	0
	37				
TOTAL PASIVE	38	879,386	725,731	740,004	816,310

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Source: SC ACADEMICA EX S.R.L. Trial balance at 30.11.2016 and Balance Sheetat 31.21.2015 and 31.12.2016

Objective no. 4.

To what extent the value of shares is influenced by its heritage value of SC Acdemica Ex S.R.L; and the positive financial results achieved, respectively the profit that would result in a higher value on the social part.

Legal basis:

Asset Valuation Standard edition 2016 issued by ANEVAR;
Guide of Evaluation, 600 GEV, and business valuation;

Under this approach, the value of a company, or the value of society heritage is the result of adding the values of assets less liabilities of the company. This is called THE NET ASSET APPROACH or **asset approach**.

Thus:

$$ANC = \text{the market value of assets} - \text{the market value of debt}$$

where:

ANC= Accounting Net asset;

ANC application method involves the following steps:

- getting the balance sheet and balance verification, on the valuation date;
- checking the factual existence of assets and liabilities on the balance sheet;
- Valuation of assets and liabilities, which could mean:
 - taking over the carrying amount if corrections are not justified on this valuable;
 - transforming the carrying amount of assets and liabilities in Market Value;
- evaluating unrecorded assets and liabilities in the balance, found on the valuation date;
- developing "the economic balance sheet" and calculate Adjusted Net Asset.

Thus, the evidence underlying this determination, the net asset value for SC ACADEMICA EX SRL, at the reference date 31.12.2015 and 31.12.2016 are as follows:

- Balance Sheet - Form Code 10;
- Profit and loss account - code 20;
- Trial balance for November 2015 and 2016;

The carrying amounts were taken as a result of the trial balance were presented on **11.30.2015 and 30.11.2016**, without making corrections to these values, these corrections are not justified.

By analyzing documents and evidence, it results the following:

Table No.4 net asset situation

INDICATORS	No.	30.11.2015	31.12.2015	30.11.2016	31.12.2016
Accounting Net asset	40	398,889	364,221	369,120	393,234
Net assets adjusted	41	398,889	364,221	369,120	393,234

Source: SC ACADEMICA EX S.R.L. Trial balance at 30.11.2016 and Balance Sheet at 31.12.2015 and 31.12.2016

Table No.5 number of shares istuation

INDICATORS	No.	30.11.2015	31.12.2015	30.11.2016	31.12.2016
Number of shares	20	20	20	20	20

Source: SC ACADEMICA EX S.R.L. Trial balance at 30.11.2016 and Balance Sheet at 31.12.2015 and 31.12.2016

Table 6 Situation of value of shares influenced by the heritage value and financial results

INDICATORS	No.	30.11.2015	31.12.2015	30.11.2016	31.12.2016
Social Part value (accounting)	43	19,944	18,211	18,456	19,662
Social Part value	44	19,944	18,211	18,456	19,662

Source: SC ACADEMICA EX S.R.L. Trial balance at 30.11.2016 and Balance Sheet at 31.12.2015 and 31.12.2016

CONCLUSIONS

Besides the fact that Accounting expertise ordered ex officio or accepted at the request of the parties at the stages of instrumentation and judgment of some civil and / or commercial, attached or not to a criminal process are called judicial audit expertise. All other accounting expertise are extrajudicial. All others are extrajudicial accounting expertise. "[8], accounting expertise have a particular character. So, formulating responses implies reporting to specific professional standards and ethical principles to be respected, the use of appropriate documentary material, interdisciplinary and professionalism. In order to meet the objectives, required documents have been examined and documents were communicated to the parties. According to documents made available to professional norms on professional expertise we formulate responses to the requisite targets. According GEV 600, active approach, "When evaluating a company's issued share capital achieved for its withdrawal from trading does not apply discounts for lack of control, namely the lack of liquidity / marketability." [6].

References

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