



Montenegro  
Statistical office

# Analyze of business activity in Montenegro

2010



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***Preface,***

*Statistical Office of Montenegro - MONSTAT in order to harmonize with international standards and European statistical system continued to work on monitoring, collecting and publishing data on market economy which are internationally comparable.*

*In accordance with the standards and the European statistical system Statistical Office of Montenegro - MONSTAT has prepared a publication \ "Business enterprises in Montenegro in 2010 \".*

*The development of structural business statistics is in accordance with EU Regulation No. 295/2008, which established a single framework for collecting, processing and publishing data on the activities of the company.*

*Calculation of indicators is based on statistical survey "Annual structural business statistics research" (SBS01) for micro, small, medium and large enterprises.*

*Shown here are the basic results of business operations that are in line with the European statistical standards in the field of structural business statistics. Results are given collectively to the level of activity.*

*Publication contains methodological notes on statistical indicators to facilitate proper and easy use of information presented, and the main results of this research are presented in tabular and graphical representation.*

**1. Methodology of SBS survey**

*SBS research objective is to describe the economy by observing the activities of units engaged in economic activity.*

*The purpose of the research is the calculation of indicators that are needed for the analysis of the structure of company activities, the structure of inputs and outputs in the manufacturing process, business success and competitiveness of economic agents at a certain level of activity.*

*The legal basis for conducting SBS statistical survey is Law on Statistics and Statistical System of Montenegro "Official Gazette of RCG" no. 69/2005. In addition to this law, it is also in line with the national classification of activity that is incompatible with the European classification NACE rev.1.1.*

*Included are all companies registered in the sectors:*

- \* Mining and quarrying*
- \* Manufacturing*
- \* Construction*
- \* Wholesale and retail trade*
- \* Hotels and restaurants*
- \* Transport, storage and communications*
- \* Real estate activities*
- \* Education*
- \* Health and social work*
- \* Other community, social and personal service activities.*

*Units used for reporting are companies which are listed in accordance with the requirements of statisticians taken from the business register. After that by the method of stratified sample determinates sample, the list of companies that will be real reporting units. These are all companies that are active in the above sectors. This survey doesn't include companies from sector K (financial and insurance activities).*

*Covered classes by number of employees in the company, are divided in:*

- \* Class 1 - micro enterprises: from 1-9 employees,*
- \* Class 2 - small enterprises: from 10- 49 employees,*
- \* Class 3 - medium-sized enterprises: from 50-249 employees,*
- \* Class 4 - Large enterprises: over 250 employees.*

*Coverage of enterprises that belong to classes 3 and 4 is complete, but the selection of companies longing to class 1 and 2 was performed on a sample basis.*

*The number of companies - number of companies registered under the gathering from business register corrected for errors, especially errors in selecting the sampling frame. These statistics include all units that were active at least part of the reference period.*

**Table 1: Number of enterprises in sample, year 2010**

Classes	Response	Number of enterprises in sample
Micro enterprises	125	326
Small enterprises	291	450
Medium enterprises	180	236
Big enterprises	40	45
<b>Total</b>	<b>636</b>	<b>1 057</b>

Table 1 shows the number of companies in the sample and the response by classes. The largest number of enterprises in the sample is in class 2, small businesses, 450 companies of which 291 company submitted a completed questionnaire.

The smallest number of enterprises is found in class 4 , big enterprises where number of enterprises is 45 from which 40 enterprises submitted a completed questionnaire. In structural business survey sample is in class 1 and 2 while in classes 3 and 4 is total coverage.

The share of answers in total enterprises in the sample was 60.17%.

**Chart 1: The percentage of response / non-response in year 2010**

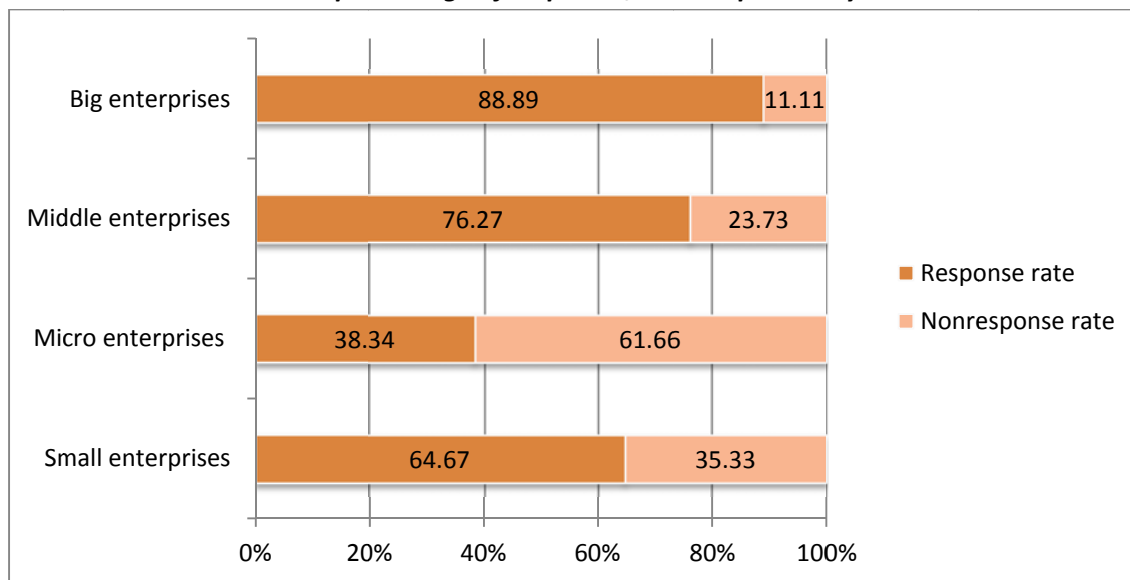


Chart 1 shows the percentage of response / non-response by classes. From chart we can see that the biggest response was in class 4, big enterprises, even 88.89%. The lowest response was in class 1 ,micro enterprises with 38.34%.

*In this study geographically are covered all municipalities in Montenegro, which are: Andrijevica, Bar, Budva, Bijelo Polje, Berane, Danilovgrad, Žabljak, Kolašin, Kotor, Mojkovac, Nikšić, Plav, Plužine, Pljevlja, Podgorica, Rožaje, Tivat, Ulcinj, Herceg Novi, Cetinje and Šavnik.*



**2. Employment**

Number of persons employed is defined as the total number of persons working in the respective unit (including working owners, regular partners in the unit and unpaid family workers) and persons who work outside the unit to which they belong and who pays them (eg the seller, the delivery, repairs and maintenance staff). Include the persons absent for a short period (eg sick leave, paid leave or special leave), as well as persons on strike, but not those that are absent for an indefinite period. It also includes workers with part-time (which to exercise that right under the law of the country) who are on the payroll, as well as seasonal workers, apprentices and family workers who are on the payroll.

Looking at the graph of 2 which is showing the number of employees by sectors shows that the majority of employees is in the wholesale and retail trade, repair of motor vehicles with 42,850 employees.

**Chart 2: Number of employees per activity in year 2010**

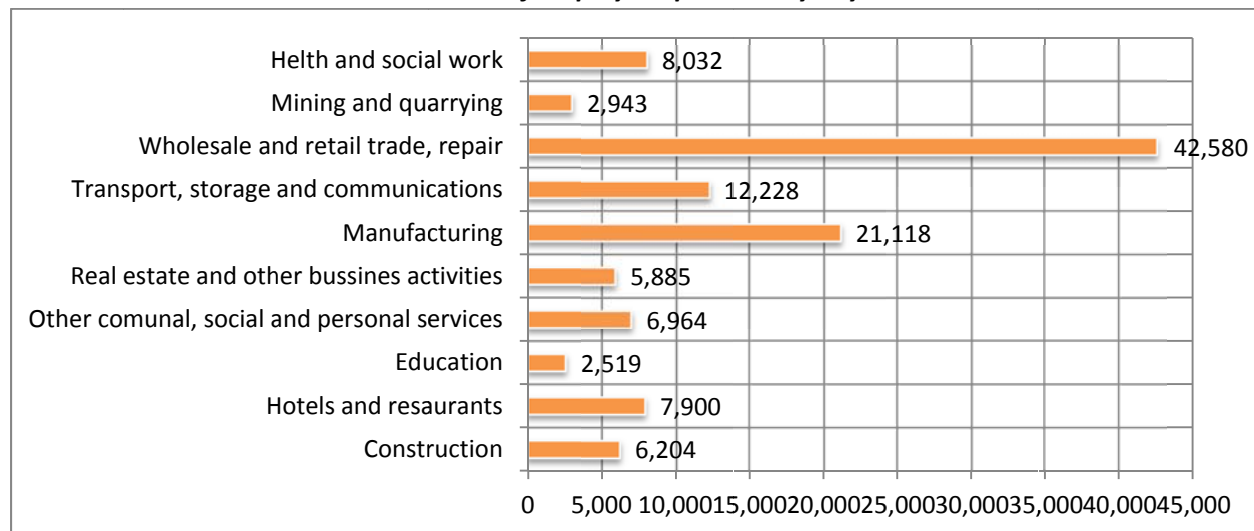


Table 2 shows the number of employees and working hours by class of employees in 2010. The largest number of employees was in class of small enterprises, enterprises with the number of workers from 9 to 49, 33 086 workers or 28.43% of total workers. The lowest number of employees was in class of medium-sized enterprises, enterprises with the number of workers 50 to 249, 22 633 workers or 19.45% of total employees.

**Table 2: Number of employees and working hours by class of employees in 2010**

Class	Number of employes	Number of working hours
<b>Micro enterprises</b>	28 128	55 297 642
<b>Small enterprises</b>	33 086	64 165 469
<b>Medium enterprises</b>	22 633	44 097 816
<b>Big enterprise</b>	32 526	63 409 433
<b>Total</b>	<b>116 373</b>	<b>226 970 360</b>

### 3. Personnel costs

*Personnel costs are defined as the total wages paid to employees (regular, temporary employees and employees of the households), in cash or in kind, by employers, for previously performed work during the reference period. Personnel costs also include taxes and social security contributions of employees in the company, as well as mandatory and voluntary social contributions for the employer.*

*In Table 3 are shown: the cost of employees, gross wages and the cost of contributions, surtax and sales tax borne by the employer.*

*Personnel costs are the largest in the manufacturing sector, 208 775 euros, while the lowest are in the education sector, 14 330 euros. The second sector with the large cost of employees is sector of wholesale and retail trade, repair – 178 367 euros.*

**Table 3: Personnel costs in year 2010, in 000 EUR**

<i>Activities</i>	<i>Personnel costs</i>	<i>Gross earnings</i>	<i>Surtax and sales tax borne by the employer</i>
<i>Mining and quarrying</i>	36 752	32 755	3 997
<i>Manufacturing</i>	208 774	181 712	27 062
<i>Construction</i>	36 633	33 051	3 582
<i>Wholesale and retail trade, repair</i>	178 367	156 749	21 618
<i>Hotels and resaurants</i>	48 805	41 860	6 945
<i>Transport, storage and communications</i>	152 402	136 693	15 709
<i>Real estate and other bussines activities</i>	37 127	31 626	5 501
<i>Education</i>	14 330	13 105	1 225
<i>Helth and social work</i>	50 777	45 419	5 358
<i>Other comunal, social and personal services</i>	46 291	40 873	5 418
<b>Total</b>	<b>810 258</b>	<b>713 843</b>	<b>96 415</b>

*Wages and salaries are defined as total payments, in cash or in kind, paid to all persons on the payroll (including persons employed in the household), in exchange for work done during the accounting period, regardless of whether they were paid on the basis of working time, results (performance) of work or work in the norm and regardless of whether they are paid regularly or not.*

*In Table 4 are shown the following variables: gross wages, contributions paid by employee, the cost of taxes on wages and salaries and wages (net earnings).*

**Table 4: Gross earnings in year 2010, in 000 EUR**

<i>Activities</i>	<i>Gross earnings</i>	<i>Contributions paid by employee</i>	<i>The cost of taxes on wages</i>	<i>Net wages</i>
<i>Mining and quarrying</i>	32 755	8 449	3 252	21 054
<i>Manufacturing</i>	181 712	44 135	13 280	124 298
<i>Construction</i>	33 051	7 340	2 783	22 928
<i>Wholesale and retail trade, repair</i>	156 749	41 894	13 353	101 502
<i>Hotels and resaurants</i>	41 860	9 156	2 561	30 143
<i>Transport, storage and communications</i>	136 693	26 439	11 236	99 018
<i>Real estate and other bussines activities</i>	31 626	8 116	2 804	20 706
<i>Education</i>	13 105	4 461	1 084	7 560
<i>Helth and social work</i>	45 419	10 529	3 905	30 984
<i>Other comunal, social and personal services</i>	40 873	9 225	3 617	28 031
<b>Total</b>	<b>713 843</b>	<b>169 744</b>	<b>57 875</b>	<b>486 224</b>

In Table 5 are presented earnings per employee per year. Highest salaries were in sector of Transport, storage and communications with 11,179 euros per annum, followed by the mining and quarrying with 11,130 euros per employee. Lowest salaries were in the sector of Wholesale and retail trade, repair with 3,681 euros per year per employee.

The average annual salary in 2010 was 6,134 euros per employee.

**Table 5: Earnings per employee in year 2010, in EUR**

<i>Activities</i>	<i>Gross earnings</i>	<i>Total number of employees</i>	<i>Earnings per employee (annually)</i>
<i>Mining and quarrying</i>	32 754 555	2 943	11 130
<i>Manufacturing</i>	181 712 322	21 118	8 605
<i>Construction</i>	33 051 167	6 204	5 327
<i>Wholesale and retail trade, repair</i>	156 749 076	42 580	3 681
<i>Hotels and resaurants</i>	41 860 123	7 900	5 299
<i>Transport, storage and communications</i>	136 693 457	12 228	11 179
<i>Real estate and other bussines activities</i>	31 625 916	5 885	5 374
<i>Education</i>	13 104 795	2 519	5 202
<i>Helth and social work</i>	45 418 702	8 032	5 655
<i>Other comunal, social and personal services</i>	40 872 694	6 964	5 869
<b>Total</b>	<b>713 842 807</b>	<b>116 373</b>	<b>6 134</b>

**4.Assets**

*Current assets is money that is needed for current payments, materials and raw materials held for investment in production, the value consumed in producing and selling products that are awaiting sale. Current assets is also money given to suppliers prior to shipment of goods and accounts receivable from the moment of delivery of goods or providing services to the moment of collection. This means continually revolving (circulating) in the business process. However, there is always need for one their part in order to smooth the business process unfolded.*

*Forms of current assets are:*

- \* Cash form (cash, bank accounts, short-term securities)*
- \* The things (stocks of raw materials, work in progress and finished goods)*
- \* Rights (accounts receivable, on the basis of advances and short term investments)*

*Table 6 shows the current assets divided into: cash and cash equivalents, stocks, other securities market, short-term receivables and inventories.*

*The highest amount of current assets was in the sector of Wholesale and retail trade, repairs in the amount of 1 499 176 euros. The lowest amount of current assets was in the education sector in the amount of 47 284 euros.*

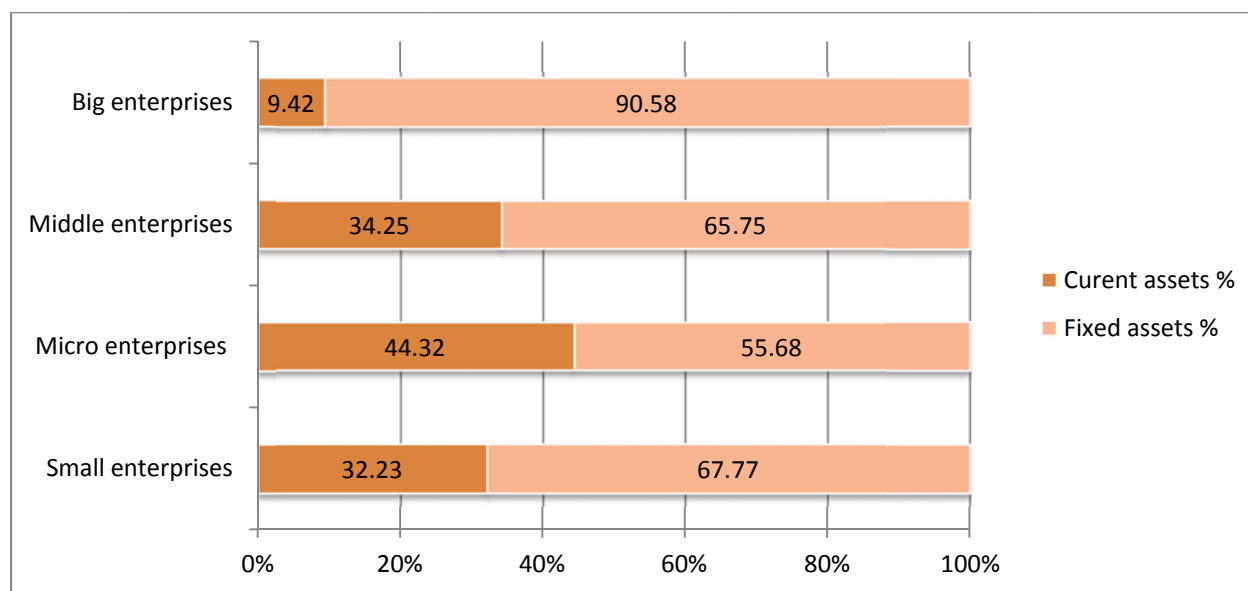
*Accounts receivable represent amounts receivable for a period shorter than one year. Here are included in receivables of exporters, imports for somebody else's account, the commission and consignment sales, receivables from specific operations, employee claims, claims of state institutions, interest receivable and other receivables.*

*From the table 6 we see that these claims were highest in the sector of wholesale and retail trade, repairs in the amount of 728 392 euros. The smallest amount of the claim was in the health and social work and to 27 822 euros.*

**Table 6: Current assets by activities in year 2010, in 000 EUR**

Activities	Cash and cash equivalents	Stocks, shares	Other market securities	Accounts receivable	Inventories total	Current assets
<i>Mining and quarrying</i>	419	464	1 413	35 294	60 641	98 231
<i>Manufacturing</i>	101 461	2 632	437	372 160	156 240	632 929
<i>Construction</i>	28 049	2 085	418	160 151	152 612	343 315
<i>Wholesale and retail trade, repair</i>	90 972	17 136	19 746	728 392	642 930	1 499 176
<i>Hotels and resaurants</i>	12 027	0	2 684	82 588	11 685	108 984
<i>Transport, storage and communications</i>	204 398	4 883	2 274	230 306	61 168	503 029
<i>Real estate and other bussines activities</i>	18 937	309	6	163 134	37 757	220 141
<i>Education</i>	339	0	0	43 160	3 785	47 284
<i>Helth and social work</i>	4 821	0	0	27 822	15 952	48 596
<i>Other comunal, social and personal services</i>	8 884	739	6 471	35 270	5 919	57 284
<b>Total</b>	<b>470 307</b>	<b>28 248</b>	<b>33 449</b>	<b>1 878 277</b>	<b>1 148 689</b>	<b>3 558 970</b>

Chart 3 shows the participation of current and fixed assets to total assets by class of employees. The highest percentage of fixed assets in total assets was recorded in large companies, with 90.58%. The highest percentage of current assets in total assets was made by micro enterprises, with more than 44.32%.

**Chart 3: The share of current and fixed assets in total assets in year 2010, in percent**


### 5. Inventories

Inventories include:

- \* the value of goods purchased for resale without further processing. This includes the value of the stock in the warehouse, the value of stocks traded on the wholesale value of goods in the warehouse, warehouse stores and other legal persons, goods in retail trade, goods in transit;
- \* work in progress, which belongs to the unit, even if these products are for third parties
- \* inventories of finished goods;
- \* inventories of raw materials with which the company dispose.

In Table 7 are given inventories by activities. Looking at part of the inventory relating to goods purchased for resale, we see that the largest amount was in the retail sector and wholesale with 505 524 euros. Part of inventory related to the production was the largest in the sector of wholesale and retail trade with amount of 58 221 euros. In the construction sector was the largest amount of finished products, 38 774 euros. Part of inventories related to raw materials was the largest in the manufacturing sector, 87 638 euros.

**Table 7: Inventories in year 2010, in 000 EUR**

Activities	Inventories total	Goods purchased for resale	Production	Finished products	Raw material
<b>Mining and quarrying</b>	60 642	16 573	38 612	4 228	1 229
<b>Manufacturing</b>	156 239	35 993	9 120	23 488	87 638
<b>Construction</b>	152 612	13 387	46 393	38 774	54 058
<b>Wholesale and retail trade, repair</b>	642 931	505 524	58 221	28 754	50 432
<b>Hotels and resaurants</b>	11 684	5 520	324	1 325	4 515
<b>Transport, storage and communications</b>	61 168	17 294	21 315	10 891	11 668
<b>Real estate and other bussines activities</b>	37 756	15 353	13 402	8 744	257
<b>Education</b>	3 785	3 785	0	0	0
<b>Helth and social work</b>	15 953	15 489	0	464	0
<b>Other comunal, social and personal services</b>	5 919	3 222	269	1 474	954
<b>Total</b>	<b>1 148 689</b>	<b>632 140</b>	<b>187 656</b>	<b>118 142</b>	<b>210 751</b>

### 6. Capital, liabilities

Capital represents the total value of domestic and foreign capital, which is shown in Table 8.

The total amount of capital in 2010 was 5 560 639 euros. Of these 4 511 003 euros is domestic capital and foreign capital 1 049 636 euros. The share of domestic capital in total capital was 81.12% and the foreign capital 18.88%.

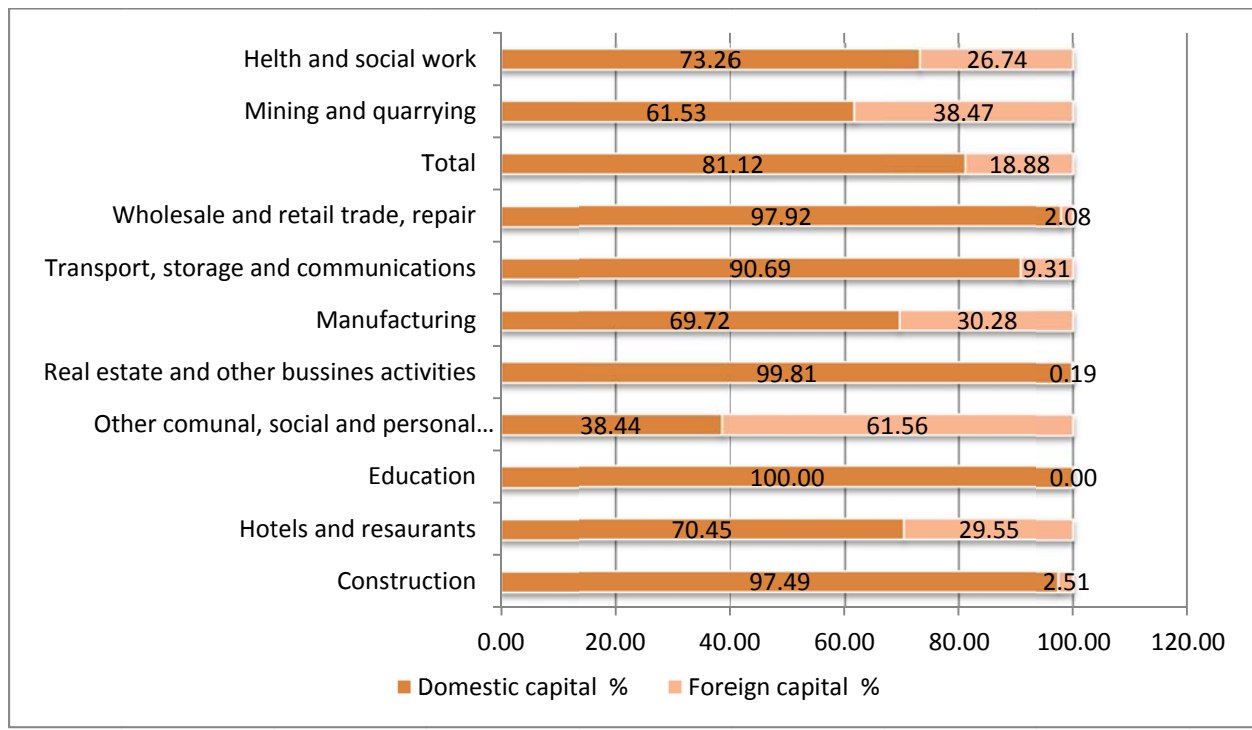
We see that in the manufacturing sector was largest amount of registered capital and the value of it was 1 525 239 thousand euros while the lowest amount of capital was in the education sector in the amount of 14 080 thousand euros for year 2010.

**Table 8: Capital in year 2010, in 000 EUR**

Activities	Capital	Domestic capital	Foreign capital
<i>Mining and quarrying</i>	34 195	21 040	13 155
<i>Manufacturing</i>	1 525 239	1 063 407	461 832
<i>Construction</i>	266 472	259 778	6 694
<i>Wholesale and retail trade, repair</i>	784 394	768 070	16 324
<i>Hotels and resaurants</i>	696 482	490 669	205 813
<i>Transport, storage and communications</i>	1 469 290	1 332 523	136 767
<i>Real estate and other bussines activities</i>	158 459	158 159	300
<i>Education</i>	14 080	14 080	0
<i>Helth and social work</i>	482 601	353 531	129 070
<i>Other comunal, social and personal services</i>	129 427	49 746	79 681
<b>Total</b>	<b>5 560 639</b>	<b>4 511 003</b>	<b>1 049 636</b>

Graph 4 shows the share of domestic and foreign capital in total capital in 2010. Sector of Education did not have foreign capital, noting that the study "Structural Business Statistics" follows the private sector. The largest share of domestic capital in total capital was in sector of Real estate and other business activities with a share of 99.81%.

**Chart 4: Share of domestic and foreign capital in total capital in year 2010**



*Liabilities are the sum of short-and long-term liabilities.*

*Current liabilities include borrowings, securities and other short-term obligations due within one year from the performance date.*

*Long-term liabilities include liabilities to related parties, long-term loans, long-term liabilities on securities and other long-term obligations. Long-term liabilities are obligations due within one year longer than the performance date.*

*Table 9 shows the liabilities divided into short and long term liabilities. Obligations at the aggregate level are the highest in the sector of wholesale and retail trade, repairs in the amount of 1 753 539 thousand euros. The second big part of the obligation is in the manufacturing sector in the amount of 1 014 171 thousand euros. The lowest amount of liabilities was in the education sector in the amount of 36 371 thousand euros.*



**Table 9: Liabilities in year 2010., in 000 EUR**

<i>Activities</i>	<i>Liabilities total</i>	<i>Short term liabilities</i>	<i>Long term liabilities</i>
<i>Mining and quarrying</i>	208 644	105 023	103 621
<i>Manufacturing</i>	1 014 171	621 762	392 409
<i>Construction</i>	435 995	317 292	118 703
<i>Wholesale and retail trade, repair</i>	1 753 539	1 064 618	688 921
<i>Hotels and resaurants</i>	428 285	144 482	283 803
<i>Transport, storage and communications</i>	705 947	261 580	444 367
<i>Real estate and other bussines activities</i>	297 937	128 577	169 360
<i>Education</i>	36 371	17 220	19 151
<i>Helth and social work</i>	99 254	41 714	57 540
<i>Other comunal, social and personal services</i>	152 549	107 980	44 569
<b>Total</b>	<b>5 132 692</b>	<b>2 810 248</b>	<b>2 322 444</b>

Chart 5 shows the participation of short and long-term liabilities in total liabilities. The biggest percentage of short-term liabilities in total liabilities was in the construction sector, 72.77%. The sector with the highest percentage share of long-term liabilities in total liabilities was hotel and restaurant sector with 66.26%.

**Table 10: Liabilities in year 2010, by classes, in 000 EUR**

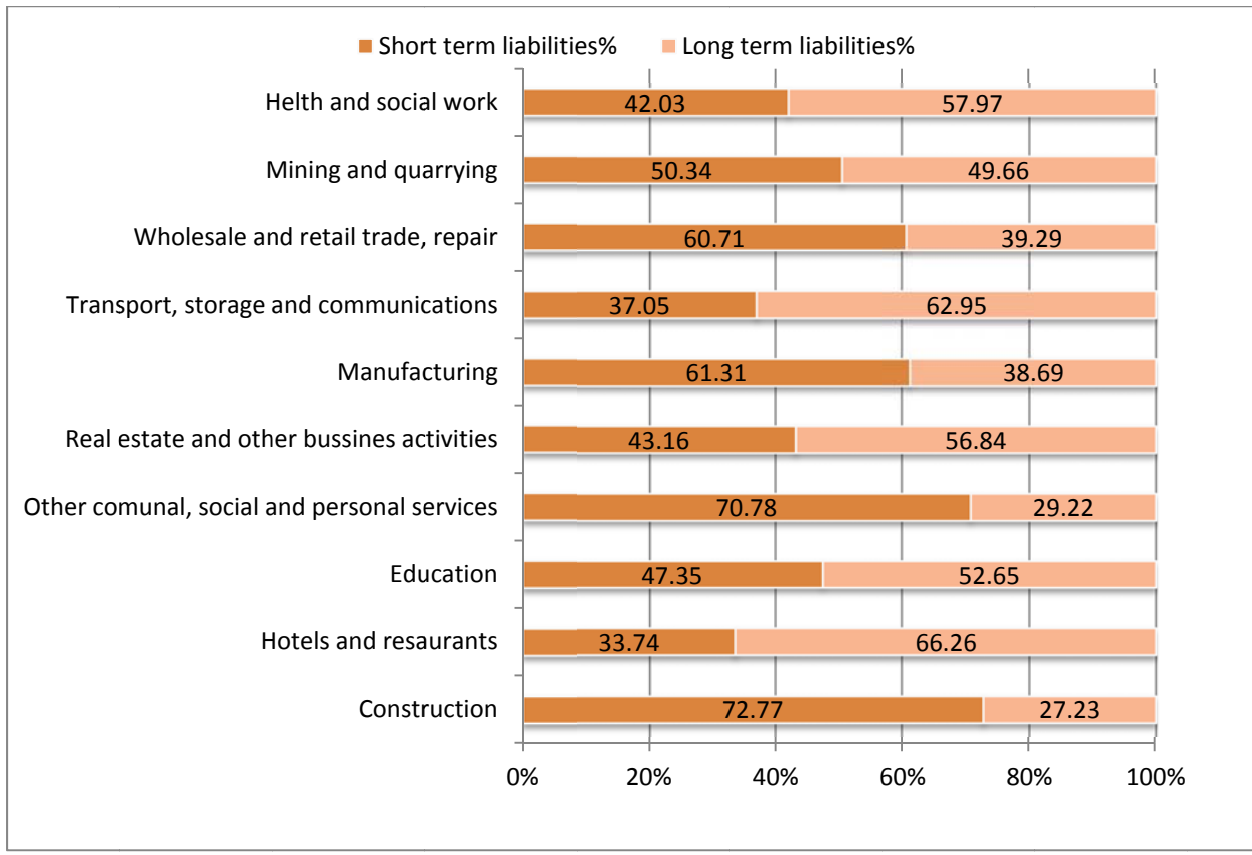
<i>Classes</i>	<i>Liabilities total</i>	<i>Short term liabilities</i>	<i>Long term liabilities</i>
<i>Micro enterprises</i>	648 696	445 104	203 592
<i>Small enterprises</i>	1 851 140	979 670	871 470
<i>Middle enterprises</i>	1 327 843	606 352	721 491
<i>Big enterprises</i>	1 305 013	779 122	525 891
<b>Total</b>	<b>5 132 692</b>	<b>2 810 248</b>	<b>2 322 444</b>

Table 10 presents liabilities by the class of employees. Liabilities were highest in the category of small enterprises, where the number of employees ranges from 10 to 49 employees, in the amount of 1 851 140 thousand euros. The minimum amount of liability was in the class of micro enterprises, where the number of employees ranges from 1 to 9 employees, in the amount of 648 696 thousand euros.

Short-term and long-term liabilities were lowest in class of micro enterprises, with a short amount of 445 104 thousand euros, a long-term 203 592 thousand euros.

The maximum amount of short-term and long-term liabilities was in the category of small enterprises in the short amount of 979 670 thousand euros in a long amount of 871 470 thousand euros.

**Chart 5: The share of short and long-term liabilities in total liabilities in year 2010, in percentage**



**7. Turnover, turnover per employee**

Net sales - includes a total invoiced value of the respective unit during the reference period and this value corresponds to market sales of goods and services to third parties. It includes all duties and taxes billed on goods and services per unit, excluding value added tax (VAT) and other similar deductible taxes directly linked to turnover. Also includes all costs (transportation, packaging, etc..) which are transmitted to the customer even when listed separately on invoices. Discounts and rebates must be rejected. Business subsidies received from the state or institutions of the European Union are also excluded from the market. Net sales are used to calculate the value of production.

Table 10 shows turnover and turnover per employee in year 2010. The largest amount of turnover was in sector of Wholesale and retail trade, repairs in the amount of 3 448 981 321 euros, while the lowest amount of turnover was in the education sector in the amount of 59 067 182 euros.

Sales per employee were highest in the sector of wholesale and retail trade, repairs in the amount of 80 999 euros per employee. The lowest turnover per employee was in the health and social care sector in the amount of 14 656 euros .

**Table 11: Turnover, turnover per employee in year 2010, in EUR**

<b>Activities</b>	<b>Turnover</b>	<b>Total number of employees</b>	<b>Turnover per employee</b>
<b>Mining and quarrying</b>	136,642,594	2,943	46,430
<b>Manufacturing</b>	1,072,374,224	21,118	50,780
<b>Construction</b>	447,152,300	6,204	72,073
<b>Wholesale and retail trade, repair</b>	3,448,981,321	42,580	80,999
<b>Hotels and resaurants</b>	142,016,538	7,900	17,977
<b>Transport, storage and communications</b>	687,545,383	12,228	56,228
<b>Real estate and other bussines activities</b>	213,950,573	5,885	36,356
<b>Education</b>	59,067,182	2,519	23,447
<b>Helth and social work</b>	117,713,914	8,032	14,656
<b>Other comunal, social and personal services</b>	212,436,575	6,964	30,503
<b>Total</b>	<b>6,537,880,604</b>	<b>116,373</b>	<b>56,180</b>

**8. Investments**

Total investment is equal to the sum of: Investments in the purchase of existing buildings and property+investments in the construction of new buildings and reconstruction of facilities+investment in transport equipment+investment in computers and computer equipment+investment in other machinery and equipment+investment in land+investment in computer software+Investments in other intangible assets.

Table No. 11 presents the investment activities in 2010. In overall the highest amount of investment was in the sector of wholesale and retail trade in the amount of 214,814 euros. While the lowest amount of investment was in the education sector in the amount of 781 thousand euros.

Investments related to the trade sector were highest in the construction of new buildings and facilities in the amount of 134 930 thousand.

In the manufacturing sector the largest amount of investment was in part related to investments in reconstruction, in the amount of 47 426 thousand euros.

**Table 12: Investments by activities in year 2010, in 000 EUR**

Activities	Investments total	Investments in the purchase of existing buildings and structures	Investment in construction of new buildings and facilities	Reconstruction	Investments in transport equipment	Investments in computers and comp. equipment	Investments in fixed machinery and equipment	Investments in land	Investments in comp.software	Investments in intangible assets
<b>Mining and quarrying</b>	1 459	984	0	16	149	102	53	155	0	0
<b>Manufacturing</b>	141 718	6 274	12 970	47 426	4 198	2 676	36 315	10 383	183	21 293
<b>Construction</b>	26 841	2 122	11 711	96	2 820	486	4 699	4 845	25	37
<b>Wholesale and retail trade, repair</b>	214 814	19 367	134 930	5 902	11 188	1 274	17 447	23 326	780	599
<b>Hotels and restaurants</b>	10 795	31	3 009	3 761	154	49	2 596	1 090	37	68
<b>Transport, storage and communications</b>	209 018	1 183	20 826	28 690	35 715	1 022	21 407	96 168	730	3 277
<b>Real estate activities</b>	59 473	1 752	49 619	967	1 793	471	1 030	2 504	152	1 186
<b>Education</b>	781	0	0	0	677	0	104	0	0	0
<b>Health and social work</b>	12 436	0	0	0	623	41	11 641	0	121	10
<b>Other services</b>	35 059	1 847	18 772	1 238	499	493	7 393	4 777	28	11
<b>Total</b>	<b>712 394</b>	<b>33 559</b>	<b>251 836</b>	<b>88 097</b>	<b>57 818</b>	<b>6 613</b>	<b>102 686</b>	<b>143 247</b>	<b>2 058</b>	<b>26 481</b>

Table 12 shows the investments by class of employees. The highest amount of investment is in a class of large enterprises, enterprises with more than 250 employees, amounting to 292 674 thousand.

The largest amount of investments in this class relates to investments in land and in the amount of 110 476 euros. Micro enterprises, enterprises with the number of employees 1 to 9 employees, had the lowest investments – 95 135 thousand euros.

**Table 13: Investments by class of employes in year 2010, in 000 EUR**

<i>Class</i>	<i>Investments total</i>	<i>Investments in the purchase of existing buildings and structures</i>	<i>Investment in construction of new buildings and facilities</i>	<i>Reconstruction</i>	<i>Investments in transport equipment</i>	<i>Investments in computers and comp. equipment</i>	<i>Investments in fixed machinery and equipment</i>	<i>Investments in land</i>	<i>Investments in comp.software</i>	<i>Investments in intangible assets</i>
<b>Micro enterprises</b>	95,135	786	53,067	244	37,017	577	3,139	38	73	195
<b>Small enterprises</b>	224,507	18,560	143,378	6,544	10,610	3,508	17,331	22,940	443	1,193
<b>Medium enterprises</b>	100,077	9,917	46,865	10,728	7,262	1,109	13,382	9,794	301	720
<b>Big enterprises</b>	292,674	4,296	8,525	70,580	2,929	1,420	68,833	110,476	1,241	24,373
<b>Total</b>	<b>712,394</b>	<b>33,559</b>	<b>251,836</b>	<b>88,097</b>	<b>57,818</b>	<b>6,613</b>	<b>102,686</b>	<b>143,247</b>	<b>2,058</b>	<b>26,481</b>

### **9. Indicators of business activity**

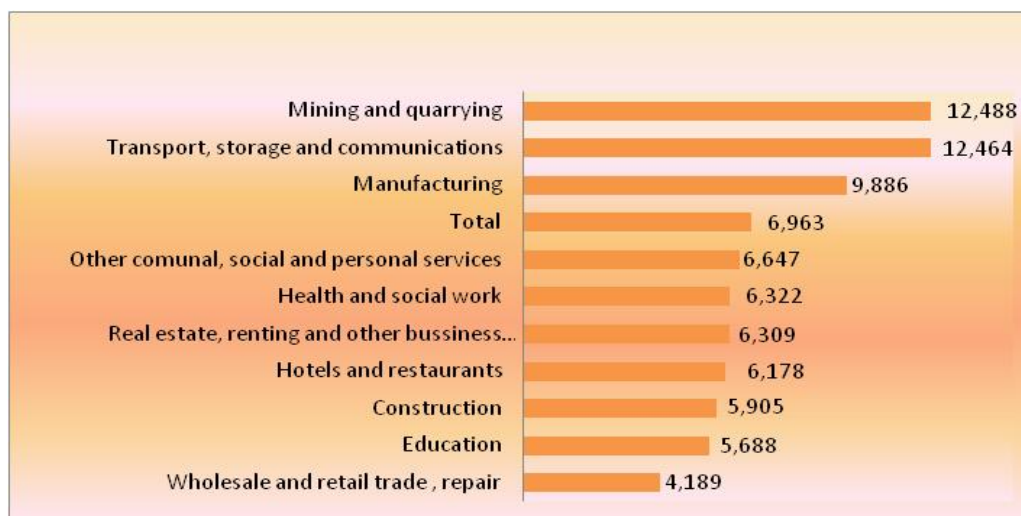
Observed by main indicators of enterprises operating, results of the survey SBS 01 for 2010 showed that companies from Wholesale and retail trade sector had the most important participation in turnover with 52.8%, number of employees (36.6%) and the total value added (27.7%). In the total number of enterprises dominated sector is manufacturing (33.1%). Significant results in value added were achieved by enterprises from Wholesale and retail trade (27.7%), Manufacturing (23.2%) and Transport (22.1%). The lowest shares in the total were achieved in enterprises from Education and Health and social work.

**Table 14: Basic results of business activity of enterprise in year 2010**

	Number of enterprisers		Number of employees		Turnover		Value added at factor costs	
	number	%	number	%	000 EUR	%	000 EUR	%
<b>Mining and quarrying</b>	14	2.2	2,943	2.5	136,643	2.1	54,728	2.6
<b>Manufacturing</b>	202	31.8	21,118	18.1	1,072,374	16.4	480,889	23.2
<b>Construction</b>	51	8.0	6,204	5.3	447,152	6.8	114,272	5.5
<b>Wholesale and retail trade , repair</b>	180	28.3	42,580	36.6	3,448,981	52.8	574,310	27.7
<b>Hotels and restaurants</b>	45	7.1	7,900	6.8	142,017	2.2	73,754	3.6
<b>Transport, storage and communications</b>	53	8.3	12,228	10.5	687,545	10.5	456,690	22.1
<b>Real estate, renting and other bussiness activities</b>	36	5.7	5,885	5.1	213,951	3.3	115,319	5.6
<b>Education</b>	7	1.1	2,519	2.2	59,067	0.9	29,413	1.4
<b>Health and social work</b>	12	1.9	8,032	6.9	117,714	1.8	72,160	3.5
<b>Other comunal, social and personal services</b>	35	5.5	6,964	6.0	212,437	3.2	98,195	4.7
<b>Total</b>	<b>635</b>	<b>100.0</b>	<b>116,373</b>	<b>100.0</b>	<b>6,537,881</b>	<b>100.0</b>	<b>2,069,730</b>	<b>100.0</b>

Personal costs per employee indicate the average personnel costs in a selected NACE activity. In comparasion to the total average (6 963 EUR) the value of this indicator was much higher in Minig and quarrying (12 488 EUR), Transport (12 464 EUR) and Manufacturing (9 886 EUR). The lowest personnel costs per employee were in Wholesale and retail trade, repair (4 189 EUR) and Education (5 688 EUR).

Chart 6: Average personnel costs in EUR , year 2010



Sectors that have achieved high participation in the realized turnover, production value and value added were: Trade and wholesale and repair (52.8%), Manufacturing (16.4%) and Transport, storage and communications (10.5%) participate in the realized turnover. The greatest value of production was achieved in Trade and wholesale and repair (26.5%), Manufacturing (22.1%) and Transport, storage and communications (19.2%). As for value added, it was the biggest in the sector of Trade and wholesale and repair (27.7%), followed by Manufacturing (23.2%) and Transport, storage and communications (22.1%).

Table 15: Turnover, production value and value added of factor costs by Nace rev 1.1 in 000 EUR

	Turnover		Production value		Value added	
	000 EUR	%	000 EUR	%	000 EUR	%
<b>Mining and quarrying</b>	136,643	2.1	84,326	2.7	54,728	2.6
<b>Manufacturing</b>	1,072,374	16.4	699,849	22.1	480,889	23.2
<b>Construction</b>	447,152	6.8	335,571	10.6	114,272	5.5
<b>Wholesale and retail trade, repair</b>	3,448,981	52.8	841,307	26.5	574,310	27.7
<b>Hotels and restaurants</b>	142,017	2.2	144,673	4.6	73,754	3.6
<b>Transport, storage and communications</b>	687,545	10.5	608,082	19.2	456,690	22.1
<b>Real estate, renting and other business activities</b>	213,951	3.3	169,228	5.3	115,319	5.6
<b>Education</b>	59,067	0.9	34,806	1.1	29,413	1.4
<b>Health and social work</b>	117,714	1.8	104,143	3.3	72,160	3.5
<b>Other communal, social and personal services</b>	212,437	3.2	148,193	4.7	98,195	4.7
<b>Total</b>	<b>6,537,881</b>	<b>100.0</b>	<b>3,170,178</b>	<b>100.0</b>	<b>2,069,730</b>	<b>100.0</b>

### **10. Indicators of profitability**

Gross margin at the national level is 6.60, meaning that the income by € 100 to get 6.60 €. The highest gross margin were in the Manufacturing (12.05%) and in Wholesale and retail trade (10.07%). The biggest negative gross margin was achieved in the sector of Mining and quarrying (-26.96%).

Indicator of profitability of assets shows that the highest profitability was achieved in Manufacturing and Wholesale and retail trade, while the lowest was in the sector of Mining and quarrying. The situation is similar with the indicators of profitability of capital.

Reproductive ability of the company applies in its capabilities to finance their own development from its own resources. Reproductive ability on total level is 3.33%.

Coverage of income by expenditures is largest in the sectors Real estate and Manufacturing industries. Coverage of financial expenses is positive only in the Education sector. Incomes achieved from extraordinary activities were largest in Traffic and in Wholesale and retail trade.

**Table 16: Indicators of business performance in year 2010**

	Gross margin	Profitability of assets	Profitability of capital	Profit/loss in total income	Rate of reproductive capacity	Operating income / operating costs	Financial income / financial costs	Extraordinary income / extraordinary costs
	%	%	%	%	%	IND	IND	IND
<b>Mining and quarrying</b>	-26.96	-15.32	-321.19	-20.46	-8.60	85.3	0.5	202.1
<b>Manufacturing</b>	12.05	4.46	7.47	11.01	8.28	122.8	22.5	86.4
<b>Construction</b>	4.49	1.90	4.40	3.24	4.95	107.4	13.3	448.4
<b>Wholesale and retail trade , repair</b>	10.07	2.39	4.89	2.43	4.28	113.0	8.9	2,085.0
<b>Hotels and restaurants</b>	-4.30	-0.56	-0.87	-4.19	0.93	100.7	15.4	81.8
<b>Transport, storage and communications</b>	8.38	2.18	3.11	7.66	5.51	107.5	56.9	4,129.5
<b>Real estate, renting and other bussiness activities</b>	-5.98	-1.99	-4.08	-5.07	-0.77	128.0	36.5	1.6
<b>Education</b>	6.78	3.52	8.13	4.00	5.99	105.8	159.2	-
<b>Health and social work</b>	-3.47	-0.07	-0.07	-3.22	0.06	107.3	0.9	75.7
<b>Other comunal, social and personal services</b>	4.11	2.23	4.79	3.12	9.28	107.9	6.4	10.9
<b>Total</b>	<b>6.60</b>	<b>1.35</b>	<b>1.94</b>	<b>3.55</b>	<b>3.33</b>	<b>112.5</b>	<b>20.5</b>	<b>118.0</b>



### **11. Indicators of liquidity**

Current ratio is an indicator which represents the ratio of current assets and short-term funding. It shows how short-term funding sources are covered by working capital. A relationship that is considered optimal is 2:1. If the company is unable to pay its obligations on time, means that short-term capital used for financing fixed assets. The lower limit is 1. In another case, the financial health is in jeopardy and the company is credit incapable.

**Table 17: Indicators of liquidity in year 2010**

	<b>Ratio of liquidity</b>	<b>ratio of reduced liquidity</b>	<b>ratio of cash liquidity</b>
	<b>coef.</b>	<b>coef.</b>	<b>coef.</b>
<b>Mining and quarrying</b>	0.94	0.36	0.00
<b>Manufacturing</b>	1.02	0.77	0.16
<b>Construction</b>	1.08	0.60	0.09
<b>Wholesale and retail trade , repair</b>	1.41	0.80	0.09
<b>Hotels and restaurants</b>	0.75	0.67	0.08
<b>Transport, storage and communications</b>	1.92	1.69	0.78
<b>Real estate, renting and other bussiness activities</b>	1.71	1.42	0.15
<b>Education</b>	2.75	2.53	0.02
<b>Health and social work</b>	1.16	0.78	0.12
<b>Other comunal, social and personal services</b>	0.53	0.48	0.08
<b>Total</b>	<b>1.27</b>	<b>0.86</b>	<b>0.17</b>

The biggest liquidity ratio is in Education sector and Transport sector. Other enterprises in the sectors of Community, social and personal services and Hotels and restaurants have a liquidity ratio lower than 1.

Reduced liquidity ratio assumes that fixed assets and inventories are financed by long-term financing, and receivables, securities, cash by short-term sources of funding. A relationship that is optimal is 1:1. If the indicator is lower it shows that company is incapable to highly liquid assets covered current liabilities. In addition to Education and Transport, Real estate sector has the highest ratio too. Sector that is least able to cover current obligations of liquid assets is Mining and quarrying.

Liquidity ratio shows how much short due obligations can be funded from cash. The value of indicators is desirable to be greater than or equal to 1.

The analysis shows that no sector is able to settle the outstanding short-term liabilities by cash.

### 12. Indicators of bonity

Analysis of the creditworthiness of companies, Altman model (Z-factor) that evaluates the financial health of companies is a combination of five business indicators: profit before tax and interest, current assets, net sales, total liabilities and retained earnings.

According to the model, the value of Z factors may range from -4 to +8. If:

- \*  $Z < 1.81$  - the company is in an unfavorable financial situation, ie. in bankruptcy or in the black zone;
- \*  $1.81 < Z < 2.99$  - the company is located in gray zone;
- \*  $Z > 2.99$  - the company is financially healthy, that is safe or in the white zone.

Form for calculating Z-factor is:

$$Z = 0,717 X1 + 0,847X2 + 3,107X3 + 0,420X4 + 0,998X5$$

The table contains the calculation method of indicators, and the obtained factor Z. For most sectors applies to operate in the gray and black zones. As for Trade and wholesale trade and Health sector, the ratio is extremely high due to high pre-tax profit in the Trade sector and the amount of capital in the Health sector, as shown by indicators of X3 and X4.

**Table 18: Indicators of bonity – Z factor in year 2010**

	Current assets/assets	Profit/assets	Profit before taxes/assets	Capital/liability	Neto sales income/assets	Altman z-factor
	X1	X2	X3	X4	X5	Z
<b>Mining and quarrying</b>	0.52	-0.15	-0.10	0.04	0.57	0.5
<b>Manufacturing</b>	0.22	0.04	0.07	1.66	0.37	1.5
<b>Construction</b>	0.43	0.02	0.03	0.79	0.42	1.2
<b>Wholesale and retail trade , repair</b>	0.42	0.02	41.39	1.01	0.24	129.6
<b>Hotels and restaurants</b>	0.09	-0.01	0.00	1.75	0.13	0.9
<b>Transport, storage and communications</b>	0.20	0.02	0.03	2.52	0.26	1.6
<b>Real estate, renting and other business activities</b>	0.39	-0.02	0.00	0.91	0.33	1.0
<b>Education</b>	0.69	0.04	0.05	0.81	0.52	1.5
<b>Health and social work</b>	0.01	0.00	0.00	56.93	0.02	23.9
<b>Other comunal, social and personal services</b>	0.19	0.02	0.04	0.91	0.54	1.2
<b>Total</b>	<b>0.20</b>	<b>0.01</b>	<b>0.03</b>	<b>2.42</b>	<b>0.21</b>	<b>1.5</b>

**13. Indicators of inventories and assets turnover and dept indicators**

Inventory turns ratio shows how much the stock is covered by revenues from operation incomes, and assets turnover ratio shows how short-term receivables are covered by revenues from operation incomes.

**Table 18: Indicators of Inventories and assets turnover in year 2010**

	<b>Inventory turnover</b>	<b>Assets turnover</b>
	<b>coef.</b>	<b>coef.</b>
<b>Mining and quarrying</b>	1.77	3.04
<b>Manufacturing</b>	6.69	2.81
<b>Construction</b>	2.21	2.11
<b>Wholesale and retail trade , repair</b>	1.33	1.18
<b>Hotels and restaurants</b>	12.99	1.84
<b>Transport, storage and communications</b>	10.81	2.87
<b>Real estate, renting and other bussiness activities</b>	4.92	1.14
<b>Education</b>	9.38	0.82
<b>Health and social work</b>	7.18	4.12
<b>Other communal, social and personal services</b>	27.24	4.57
<b>Total</b>	<b>3.18</b>	<b>1.95</b>

Debt indicators show how assets and capital burdened with liabilities.

**Table 19:Dept indicators in year 2010**

	<b>Indebtedness in operating assets</b>	<b>Indebtedness in constant capital</b>
	<b>coef.</b>	<b>coef.</b>
<b>Mining and quarrying</b>	1.11	23.17
<b>Manufacturing</b>	0.36	0.60
<b>Construction</b>	0.55	1.27
<b>Wholesale and retail trade , repair</b>	0.49	0.99
<b>Hotels and restaurants</b>	0.37	0.57
<b>Transport, storage and communications</b>	0.28	0.40
<b>Real estate, renting and other bussiness activities</b>	0.53	1.09
<b>Education</b>	0.53	1.23
<b>Health and social work</b>	0.02	0.02
<b>Other comunal, social and personal services</b>	0.51	1.10
<b>Total</b>	<b>0.29</b>	<b>0.41</b>

*This publication presents part of the data collected in the survey  
"Structural business statistics".*

*If you are interested in more information on the level of activity or  
class you can contact us by e-mail [contact@monstat.org](mailto:contact@monstat.org).*