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TANGIBLE ASSETS REVALUATION POLICY AT ENTITIES LISTED ON THE BUCHAREST STOCK EXCHANGE - TIER II.

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Abstract

Each year before the preparation of annual financial statements the entity's assets need to be presented and evaluated. In order to these assets to be recorded in the financial statements at fair value, they need regular revaluation. Revaluations should be made with sufficient regularity so that the accounting value does not differ substantially from that which would be determined using fair value at balance sheet date. This way, the true and fair view of the financial statements is guaranteed. The study contains an analysis of the 52 listed entities on the Bucharest Stock Exchange (BSE) tier II. on their revaluation policy, in relation with debt ratio of the entity, size of the entity, amount of tangible assets (tangible assets' share in total assets) and in relation with the seniority (age) of tangible assets.

1. THE CONCEPT OF REVALUATION

According to the Romanian national accounting concept there are defined two bases of evaluation that can be used when preparing financial statements: historical cost, the basic evaluation rule and the revalued amount / fair value, the alternative rule allowed for tangible assets. The IASB accounting conceptual framework defined four bases of evaluation that can be used in preparing financial statements: historical cost, current cost, realizable value and present value. There is no indication of preference for one or other of these bases of evaluation, but choosing one or more of these bases of evaluation must be consistent with the concept of capital maintenance (which is the investor's wealth), depending on which entity's performance (profit) is measured.

Revaluation means the modification and replacement of elements' input values with a new input value. The new input value is usually equal to the index multiplied by old input price changes, which usually equals the market value or fair value. If the revaluation of fixed assets is made, the difference between the value resulting from revaluation and the value at historical cost must be submitted to the revaluation reserve as a distinct sub-element in equity.

Regarding the process of revaluation, some authors consider that it is more relevant and meaningful to do the revaluation of fixed assets, in the detriment of the revaluation of land and buildings. According to other authors, the reason that managers are not indifferent on how to and when to do the revaluation of assets is due the costs which affect the company.

The International Accounting Standards Board (IASB) allows revaluation of the assets at their fair value, which must be made with sufficient regularity so that the carrying amount (accounting value) not to differ substantially from fair value at balance sheet date. The reason for this is that such disclosures in the financial statements are meant to present fairly the entity's asset value. We believe that the reason of revaluation is to present in financial statements information that reflects a fair view of the entity, as argued by Aboody et al., (1999) cited by Cheng & Lin [2].

Whittred and Chan (1986 cited by Cioara & Tiron Tudor) [3] presented five possible reasons for which is used reevaluation into an entity:
- when provided a profit lower than current profit;
- to provide information in the balance sheet;
- to create reserves for revaluation value resulting from the process of revaluation;
- to improve the financial coverage of shares and increase the price of the shares;
- when the report is to improve the debt / asset

Scott Henderson and Jenny Goodwin (1992 cited by Cioara & Tiron Tudor) [3] consider that revaluation plus is not treated as income, and the new book value of the asset is being amortized, and stands as a starting point for calculating depreciation in subsequent years. Following a positive review (increase value) of an asset amortized in the financial statements has/have the following effects:
- a greater expense to depreciation resulting lower profit. This does not refer to a movement of profits from one period to another. The expenses are high, profits are lost in the current year and can no longer be recovered in subsequent periods;
- earnings from eventual sale of an asset is less reassessed, since the value of accounts is higher;

Empirical literature provided a number of factors to explain the decision of the revaluation in different contexts and environments. Among these reasons we highlight the following:
- if a value resulting from a reassessment of the entities could obtain larger loans or new loans because the entity would report a rate of indebtedness, due to increases in asset values, argued by Brown et al., in 1992, and Cotter Zimmer, 1995, and all Black, 1998; Cotter, 1999, Lin and Peasnell, 2000, Jaggi and Tsui, 2001 processed by Cioara & Tiron Tudor [3].
- revaluation allows the entity to make the historic level of market value, a phenomenon resulting in decreased profitability of the entity's, if the assets value is greater after revaluation (Brown et all, in 1992, Easton all et, 1993).

Cotter & Richardson [4] thought the answer to the (hypothesis) question: The information resulting from the revaluation of non-current assets by independent appraisers is more reliable than those resulting from the revaluation made by internal specialists?

Previous research suggests that upward revaluations are relevant for the capital markets, and that they are associated with future operating performance (Easton, Eddey and Harris, 1993; Barth and Clinch, 1998; Harris and Muller, 1998; Aboody, Barth and Kasznik, 1999) [4].

In particular, Barth and Clinch (1998) find that the market considers both reassessments: those made by directors or by independent evaluators have/lead to relevant values. They suggest that the capital market values the private information of the directors, and this outweighs potential manipulation of opportunistic directors. While Barth and Clinch find no difference in value relevance, in their work they do not discuss the possibility of differential reliability of the informations established by directors and by independent evaluators. Indeed, most tests of value relevance are common tests of relevance and reliability.

So, in their work of Cotter & Richardson [4] entitled "Reliability of Asset Revaluations: The Impact of Appraiser Independence", the authors came to the conclusion that, their research results demonstrate that revaluations made by independent evaluators are no more reliable than revaluations made by the directors, except revaluation of plant and equipment. There appears to be no statistically significant difference in reliability to other asset classes.

Do entities, investors and / or users of financial statements need the revaluation of assets? Are there close links between the revaluation of assets and fair view in the financial statements? We can start the argumentation with financial accounting subject, which consists in reflecting the company's external patrimonial circuit and the calculation in a synthetic form, at the entity level, the structure of assets and liabilities and results. So, the subject of accounting is to reflect in money terms the entity's patrimony, it's movement and it's transformation as a result of economic and financial operations and obtained results. Than, the presentation in financial statements of a fair view is absolutely obligatory. To reach to the fair view in the annual financial statements, the reversible and irreversible changes in the value of the assets of the entity must be reflected, so it must be revaluated, because if the accounting trough the financial statements do not reflect the real patrimony of an entity, we talk only about some statistical information that have almost no use for current and future owners or investors of the entity [5].

2. EMPIRICAL STUDY: TANGIBLE ASSETS REVALUATION POLICY

To accomplish/realize the empirical study we analyzed the annual financial statements of the entities listed on the Bucharest Stock Exchange - Tier II. for the 2012 financial year. The sample consists of 52 entities listed on the Bucharest Stock Exchange - Tier II.

In this study we used a number of variables:

- *Revaluation policy*, variable reflecting the decision to revalue or not the tangible assets of the entity. To quantify this variable, we used the following coding: 1. Historical cost (the entity does not revaluate the tangible assets); 2. Fair value (the entity applies the revaluation policy for all tangible assets); 3. Historical cost / Fair value (the entity applies the revaluation policy only for some categories of tangible assets).

- *Debt ratio*, that indicates what proportion of debt the entity has relative to its assets. Is calculated as ratio of total debt and total assets.

- *Size of the entity* expressed by *turnover* and *Shareholders' equity* calculated for 2012 financial year.

- *Tangible assets' size* quantified by total tangible assets in 2012 and *tangible assets share in total assets*, calculated by ratio of tangible assets and total assets.

- *The tangible assets' age* quantified by ratio of tangible assets amortization and total tangible assets minus land (because the land is not amortized).

We want to analyse whether there exists any relation between revaluation policy and the

other variables (debt ratio, entity size, tangible assets size, tangible assets share in total assets and the tangible assets age).

Analysing the evaluation bases used to present assets in annual financial statements of the studied entities we mention the following: historical cost in number: 7, representing 13.5% of the total, joint evaluation system (historical cost and revaluated value) in number: 21, representing 40.4% of the total and revaluated value (alternative rule): 24, representing 46.2% of the total. We mention, that the use of the alternative evaluation system does not mean that everything is revalued in 2012, respectively analyzing the financial statements of the entities we found that several entities after first-time adoption of International Financial Reporting Standards passed to historical cost evaluation system.

In 2012, twelve entities recognize adjustments to tangible assets and fourty not. The most used depreciation method was the linear depreciation method. Forty-nine entities of fifty-two used the linear depreciation method, one entity used linear and degressive depreciation method to reflect how the economic benefits are consumed of the tangible assets, one entity used linear and accelerated depreciation method and one entity used all of three amortization methods.

It can be noticed that most of the entities analyzed used the services of an independent evaluator in order to revalue their tangible assets. During the period analysed, 2010-2012, only one entity revaluated the tangible assets with commission made by the entity, the other 44 were made by independent evaluators.

To test the staff who made revaluation within the analyzed entities we applied the binomial test method. As the limit of signification is below 0.05 (Sig. = 0,000) that means independent assessors predominate in a significantly greater extent compared to the commission made by the entity of the tested sample. During 2010 – 2012 52 revaluations were made at the entities in the sample, at two entities were made two revaluation during of these three years, at one entity was made three revaluation during of these three years.

Out of the total number of 52 revaluation permormed from 2010 to 2012, 10 revaluations,

representing 19,23%, were performed in 2010, 13 revaluations, representing 25%, were performed in 2011 and 29, representing 55,77%, revaluations weres performed in 2012 (Tab. 1).

Next we test, if there is any relation between buildings revaluation year and revaluation upwards or downwards of assets in the 2010 – 2012 period using simple regression.

Revaluation year for buildings has no relation to revaluation in upwards or downwards, as it results from the regression analysis. Model Summary shows that, in our case R = 0.089, so the correlation is not strong, consequently, between revaluation year and revaluation upwards or downwards of assets the correlation is not strong. R Square is 0.008 which means that 0.8% of the variance of the dependent variable variance can be explained by the independent variable (Tab. 2).

Further, out of the ANOVA table we obtain the following information: F-test checks whether the regression line is significantly different from 0, namely if the prediction is that we do is better than one based on chance. Because F = 0.329 is not significant (Sig. = 0.569), it is very unlikely that there exists a linear regression to express the relationship between two variables, so these two elements are independent to each other (Tab. 3).

Furthermore we test wether there is any relation between land revaluation year and revaluation upwards or downwards of assets in the 2010 – 2012 period using simple regression.

Revaluation year for lands has no relation to revaluation in upwards or downwards, resulting from our regression analysis. Model Summary shows that, in our case R = 0.133, so the correlation is not strong, so between revaluation year and revaluation upwards or downwards of assets the correlation is not strong. R Square is 0.018 which means that 1.8% of the variance of the dependent variable variance can be explained by the independent variable (Tab. 4).

Further, from the ANOVA table we obtain the following information: F-test checks whether the regression line is significantly different from 0, namely if the prediction is that we do is better than one based on chance. As F = 0.504 is not significant (Sig. = 0.484), it is very unlikely that there is a linear regression to express the

relationship between two variables, these two elements are independent to each other (Tab. 5).

To verify relation between tangible assets age and revaluation upwards or downwards, we also used the simple regression method. Between tangible assets age and revaluation upwards or downwards exists no relation, as it results from our regression analysis. Model Summary shows that, in this case R = 0.118, so the correlation is not strong, so between tangible assets age and revaluation upwards or downwards the correlation is not strong. R Square is 0.014 which means that 1.4% of the variance of the dependent variable variance can be explained by the independent variable (Tab. 6).

Further, out of the ANOVA table we obtain the following information: F = 0.519 is not significant (Sig. = 0.476), consequently that is very unlikely that there exists a linear regression that expresses the relationship between the two variables, so these two elements are independent to each other (Tab. 7).

In the next step we made a descriptive analysis of the six variables: Turnover 2012, Debt Ratio 2012, Shareholders' Equity, Tangible assets' value, Tangible assets' share in total assets and Tangible assets' age (Tab. 8). We can see, the entities which use the joint (mixed) evaluation system (historical cost and revaluated value) have turnover, debt ratio, Shareholders' Equity, tangible asset's value, tangible asset's share in total assets and tangible assets' age, greater than average of the tested sample. Furthermore, in the case of the entities which use the alternative evaluation system, the value of the turnover, debt ratio, Shareholders' Equity, tangible asset's value and tangible assets, share in total assets are less than average of the tested sample, respectivelyin the case of the entities which use the historical cost system have greater values of Shareholders' Equity.

Next we present a table with ascending list of the six variables (Tab. 9), for each variable the followings are presented: the entity number (code), the value of the variable and the evaluation policy applied by the entity (1. Historical cost; 2. Fair value; 3. Historical cost / Fair value).

With the Mann-Whitney U test we want to test whether there exists statistically significant difference between entities with turnover under

127,924,197 lei and entities with turnover greater 127,924,197 lei with respect to the revaluation of assets of the entity (Tab. 10).

Ranks table shows the number of subjects, the average rank and rank sum for each group. From this table we can conclude that entities with turnover over 127,924,197 lei have higher average rank than those with turnover below 127,924,197 lei. Test Statistics table shows the values of Mann-Whitney U test, Wilcoxon W, transformation U value in Z score and the associated limit of signification. From this table we are interested in the value Z and the limit of significance p (sig.). We note that Z = -1.039, p = 0.299 (0.299 > 0.05), therefore differences between the two groups of entities regarding the entity assets revaluation is not significant (Tab. 11). But we can see trough crosstabulation that, entities with turnover under the avereage do not revaluate the tangible assets in 17.1% percentage and in case of entities with turnover greater than average this percentage is only 5.9% (Tab. 12). Also we applied the Mann-Whitney U test for debt ratio and for tangible assets' age, to find out whether there exists statistically significant difference between entities with debt ratio and tangible assets' age under average and above average. Ranks table shows that entities with debt ratio over 0.4491 have higher average rank than those with debt ratio below the average, respectively the entities which tangible assets' age is over 0.3660 have higher average rank than those entities with tangible assets' age is below the average. We note that Z = -1.100, p = 0.272 (0.272 > 0.05) and Z = -1.207, p = 0.227 (0.227 > 0.05), therefore differences between the two groups (debt ratio – revaluation policy, tangible assets' age – revaluation policy) of entities regarding the entity assets revaluation is not significant.

Finally we test, if there exists statistically significant difference between revaluation policies: Historical cost, Fair value and Historical cost / Fair value regarding assets value, using Kruskal-Wallis H test. Ranks table shows the number of subjects and the average rank. From this table we can conclude that entities which use the mixed evaluation bases have higher average rank than others entities (Tab. 13). Test Statistics table shows the value of Chi-Square and the associated limit of

signification. From this table we can conclude that between revaluation policies regarding tangible assets value exists statistically significant difference (Tab. 14). The Mann-Whitney U test shows that, between Fair value and Historical cost / Fair value (U = 126, Z = -2.867, p = 0.004, Md_F = 30,258,672.50, Md_{HF} = 104,268,259.00) exists statistically significant difference regarding assets' value.

CONCLUSIONS

Altough some studies in the literature explain some relation between the dependent variable (revaluation policy) and the independent variables (Turnover, Debt Ratio, Shareholders' Equity, Tangible asset's share in total assets and Tangible assets' age), our study shows that, there are no statistically significant relation between them, within the entities listed on the BSE Tier II.

Between two evaluation bases Fair value and Historical cost / Fair value exists statistically significant difference regarding tangible assets' value, this means that entities which use mixed evaluation bases have greater tangible assets value than at entities which use fair value evaluation bases.

By scientific investigation made, we conclude that the majority of the entities do not use other method than the linear method of depreciation. In our opinion, by amortization, in many cases, there are not reflected correctly how the economic benefits are consumed by the tangible assets. As result of these situations, we conclude that the amortization of fixed assets is significantly affected by taxation.

Most entities analysed, use the mixed evaluation bases for tangible assets evaluation. Also, the study resulted that, most of revaluation has been made by independent evaluators, only one entity has revalued assets with commission formed by the entity. Our opinion is that the main reason to employ the services of independent evaluators is to obtain fair evaluation, meaning that the independent experts can determine the assets' value better than the commission within the entity and the second reason is transferring of responsability.

In the analysed period 2010 - 2012, forty-four entities out of forty-five revaluated buildings. This fact allows the formulation of the conclusion: the buildings are the main assets that are being revalued at the moment. Our opinion is that some assets are revalued to be presented in annual financial statements in fair value, because usually they have significant value compared to the other tangible assets or because revaluation of these assets is imposed by the Tax Code requirement.

In our study we could not prove statistically that between revaluation policy (dependent variable) and the other variables exists any relation (except the tangible asset's value), but in our opinion, based on descriptive analyzes of the variables, between revaluation policy and turnover, debt ratio and tangible assets age there may be relation.

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Tab. 1 The year of revalue the tangible assets * Revalued tangible assets in 2010-2012 Crosstabulation

Count

		Revalued tangible assets in 2010-2012								
		Building	Land and Building	Land, Building and Machinary	Land, Building, Plant and machinary, Measurement, Motor vehicles	Land, Building, Machinary, Motor vehicles and Investments	Building, Machinary, Motor vehicles and Furniture	Land	All of tangible assets	**Total**
The year of revalue the tangible assets	2012	10	7	2	1	1	1	1	0	**23**
	2011	1	7	1	0	0	0	0	1	**10**
	2010	1	3	1	0	0	0	0	1	**6**
	2010, 2012	1	1	1	0	0	0	0	0	**3**
	2011, 2012	0	2	0	0	0	0	0	0	**2**
	2010, 2011, 2012	0	0	0	1	0	0	0	0	**1**
Total		**13**	**20**	**5**	**2**	**1**	**1**	**1**	**2**	**45**

Tab. 2 Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.089(a)	.008	-.016	.458

a Predictors: (Constant), The year of revalue buildings

Tab. 3 ANOVA(b)

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	.069	1	.069	.329	.569(a)
	Residual	8.582	41	.209		
	Total	8.651	42			

a Predictors: (Constant), The year of revalue buildings

b Dependent Variable: Revaluation upwards or downwards of the buildings

Tab. 4 Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.133(a)	.018	-.017	.513

a Predictors: (Constant), The year of revalue lands

Tab. 5 ANOVA(b)

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	.133	1	.133	.504	.484(a)
	Residual	7.367	28	.263		
	Total	7.500	29			

a Predictors: (Constant), The year of revalue lands

b Dependent Variable: Revaluation upwards or downwards of the lands

Tab. 6 Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.118(a)	.014	-.013	.471

a Predictors: (Constant), Tangible assets age

Tab. 7 ANOVA(b)

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	.115	1	.115	.519	.476(a)
	Residual	8.193	37	.221		
	Total	8.308	38			

a Predictors: (Constant), Tangible assets age

b Dependent Variable: Revaluation upwards or downwards of the tangible assets

Tab. 8 Average of the variables

Evaluation policy of the tangible assets	Average		
	Turnover 2012	Debt Ratio 2012	Shareholders' Equity
Historical cost	73,477,389	0.2869	120,248,145
Fair value	77,897,076	0.4109	62,223,507
Historical Cost / Fair value	203,246,986	0.5469	86,702,086
Total	**127,924,197**	**0.4491**	**79,920,096**
Evaluation policy of the tangible assets	Tangible assets value	Tangible assets share in total assets	Tangible assets age
Historical cost	100,554,169	0.5377	0.3229
Fair value	61,761,458	0.4489	0.3704
Historical Cost / Fair value	159,368,122	0.5141	0.3753
Total	**95,895,255**	**0.4872**	**0.3660**

Tab. 9 Ascending values of the variables and the average of them

No.	Turnover 2012			Debt Ratio 2012			Shareholders' Equity			Tangible assets value			Tangible assets share in total assets			Tangible assets age		
1	3	4.929.823	1	35	0,0202	2	21	-200.391.355	3	19	3.418.998	2	11	0,008594	2	46	0,0000	2
2	9	5.931.286	3	16	0,0203	1	29	-17.273.009	3	27	5.033.893	2	26	0,137266	3	25	0,0000	2
3	24	6.097.532	2	11	0,0345	2	32	-14.660.724	2	24	7.054.417	2	34	0,15862	2	12	0,0246	3
4	12	6.749.912	3	25	0,0752	2	5	-839.922	3	28	8.642.250	2	37	0,170915	3	15	0,0339	2
5	44	8.244.042	2	9	0,0760	3	15	2.685.721	2	35	8.661.305	2	35	0,175449	2	3	0,0356	1
6	27	14.210.661	2	48	0,0911	2	44	9.496.084	2	34	11.319.498	2	27	0,184634	2	14	0,0853	3
7	11	17.398.953	2	36	0,1136	1	24	9.776.105	2	31	13.478.722	2	4	0,191085	1	9	0,0995	3
8	28	17.541.041	2	30	0,1212	2	19	10.769.828	2	44	13.498.123	2	41	0,263466	3	49	0,1035	2
9	19	18.242.567	2	19	0,1454	2	28	12.818.972	2	10	15.646.173	3	19	0,269814	2	7	0,1093	3
10	15	18.347.548	2	31	0,1572	2	34	14.160.829	2	5	16.885.923	3	28	0,292127	2	33	0,1429	2
11	31	18.634.290	2	27	0,1577	2	14	15.939.384	3	32	17.197.105	2	2	0,300689	1	38	0,1475	3
12	5	19.641.305	3	46	0,1757	2	27	16.954.355	2	51	18.050.006	3	8	0,31974	2	37	0,1496	3
13	16	20.294.605	1	13	0,1884	3	51	19.436.041	3	30	24.586.509	2	31	0,332336	2	40	0,1604	2
14	35	23.056.128	2	42	0,1986	2	40	20.664.142	2	9	25.560.964	3	39	0,339036	3	43	0,1619	2
15	46	23.706.684	2	41	0,2205	3	10	22.087.527	3	4	26.512.092	1	36	0,351796	1	48	0,2030	2
16	10	23.912.201	3	10	0,2345	3	31	34.134.594	2	40	26.613.375	2	1	0,35837	3	50	0,2131	2
17	51	28.011.518	3	3	0,2417	1	9	36.709.103	3	11	28.617.523	2	24	0,36711	2	34	0,2387	2
18	13	28.290.062	3	24	0,2534	2	37	41.118.064	3	2	28.700.774	1	51	0,389324	3	32	0,2562	2
19	30	29.496.698	2	43	0,2804	2	26	44.904.146	3	26	32.731.934	3	23	0,401552	3	22	0,2637	1
20	25	30.367.947	2	2	0,2845	1	35	45.117.474	2	15	37.313.689	2	42	0,415429	2	6	0,2757	1
21	14	34.835.286	3	45	0,3019	3	30	45.989.698	2	37	37.795.194	3	44	0,434273	2	52	0,3009	2
22	22	35.526.086	1	26	0,3362	3	13	51.346.500	3	42	41.943.067	2	50	0,448737	2	5	0,3064	3
23	32	36.399.753	2	22	0,3381	1	4	62.892.024	1	13	45.285.122	3	40	0,460285	2	10	0,3187	3
24	40	40.032.591	2	18	0,3908	3	49	63.058.577	2	46	56.137.444	2	30	0,467607	2	23	0,3307	3
25	48	48.923.348	2	12	0,3962	3	3	63.951.062	1	8	61.135.834	2	6	0,484326	1	4	0,3365	1
26	42	49.712.974	2	8	0,4047	2	12	64.831.648	3	36	62.406.212	1	7	0,485909	3	2	0,3572	1
27	50	58.800.729	2	50	0,4327	2	2	68.165.021	1	3	62.587.590	1	49	0,515636	2	20	0,3930	3
28	2	68.511.169	1	6	0,4674	1	17	72.144.738	2	49	64.434.942	2	46	0,527586	2	17	0,4034	2
29	4	90.490.019	1	17	0,4675	2	1	72.305.647	3	50	71.230.672	2	32	0,529799	2	42	0,4061	2
30	20	92.849.288	3	49	0,4947	2	42	80.874.571	2	17	76.043.632	2	47	0,533232	3	11	0,4074	2

31	36	97.677.364	1	1	0,4953	3	20	82.384.809	3	41	85.540.130	3	10	0,536469	3	45	0,4216	3
32	49	99.816.070	2	7	0,5138	3	46	87.309.324	2	1	88.159.669	3	20	0,543662	3	47	0,4242	3
33	1	111.516.183	3	47	0,5168	3	50	89.884.634	2	12	105.533.936	3	17	0,554445	2	28	0,4304	2
34	43	114.064.740	2	28	0,5424	2	8	89.946.304	2	43	108.569.839	2	21	0,570642	3	39	0,4334	3
35	29	127.917.376	3	4	0,5425	1	11	94.601.423	2	20	110.114.856	3	45	0,593069	3	44	0,4623	2
36	38	135.533.436	3	51	0,5535	3	52	96.673.095	2	6	118.420.231	1	5	0,594839	3	1	0,4713	3
37	26	138.116.297	3	20	0,5579	3	43	102.914.448	2	47	136.238.737	3	18	0,61496	3	36	0,4862	1
38	17	169.587.781	2	52	0,5755	2	33	111.547.948	2	14	140.411.309	3	43	0,628123	2	30	0,4962	2
39	52	180.279.376	2	38	0,5884	3	22	111.825.942	1	22	147.381.134	1	9	0,642149	3	16	0,5055	1
40	6	196.912.658	1	40	0,6421	2	23	112.031.411	3	52	160.777.160	2	33	0,652264	2	41	0,5624	3
41	45	199.440.208	3	44	0,6898	2	47	114.259.853	3	48	167.171.031	2	3	0,677401	1	13	0,5733	3
42	8	201.230.043	2	33	0,7024	2	38	116.528.181	3	21	192.738.831	3	38	0,677579	3	51	0,5833	3
43	23	219.100.692	3	39	0,7090	3	6	128.060.380	1	38	218.568.708	3	48	0,69102	2	18	0,6118	3
44	37	237.446.333	3	23	0,7573	3	36	141.276.156	1	25	224.359.154	2	15	0,696142	2	26	0,6172	3
45	47	239.544.664	3	37	0,7926	3	48	175.626.966	2	45	235.451.794	3	29	0,699527	3	8	0,6256	2
46	41	242.491.029	3	34	0,8015	2	25	220.875.056	2	33	245.036.821	2	52	0,705879	2	24	0,6473	2
47	33	283.759.398	2	14	0,8981	3	41	251.857.380	3	16	257.871.149	1	13	0,715034	3	19	0,7404	2
48	34	361.578.925	2	15	0,9449	2	16	265.566.431	1	29	280.169.550	3	22	0,837723	1	27	0,7474	2
49	18	504.094.872	3	5	1,0298	3	45	276.318.770	3	23	286.766.523	3	14	0,897189	3	35	0,8045	2
50	7	910.074.558	3	29	1,0434	3	18	286.483.979	3	18	298.148.658	3	16	0,920936	1	29	0,8147	3
51	21	962.690.203	3	32	1,4517	2	7	430.705.644	3	7	430.601.059	3	25	0,939108	2	21	0,8365	3
52	39	12.323.113.339	3	21	1,5935	3	39	2.143.733.843	3	39	4.509.761.691	3	12	0,971117	3	31	0,9030	2
Average		127.924.197			0,4491			79.920.096			95.895.255			0,4872			0,3660	

Tab. 10 Ranks

	The turnover of the entities under and greater than 127.924.197 lei	N	Mean Rank	Sum of Ranks
Revaluation of the entities assets or no	Turnover between 0-127.924.197 lei	35	25.13	879.50
	Turnover greater than 127.924.197 lei	16	27.91	446.50
	Total	51		

Tab. 11 Test Statistics(a)

	Revaluation of the entities assets or no
Mann-Whitney U	249.500
Wilcoxon W	879.500
Z	-1.039
Asymp. Sig. (2-tailed)	.299

a Grouping Variable: The turnover of the entities under and greater than 127.924.197 lei

Tab. 12 The turnover of the entities under and greater than 127.924.197 lei * Revaluation of the entities assets or no Crosstabulation

			Revaluation of the entities assets or no		Total
			No	Yes	No
The turnover of the entities under and greater than 127.924.197 lei	Turnover between 0-127.924.197 lei	Count	6	29	35
		% within The turnover of the entities under and greater than 127.924.197 lei	17.1%	82.9%	100.0%
	Turnover greater than 127.924.197 lei	Count	1	16	17
		% within The turnover of the entities under and greater than 127.924.197 lei	5.9%	94.1%	100.0%
Total		Count	7	45	52
		% within The turnover of the entities under and greater than 127.924.197 lei	13.5%	86.5%	100.0%

Tab. 13 Ranks

	Revaluation policy	N	Mean Rank
Tangible assets value	Historical cost	7	30.71
	Fair value	24	20.08
	Historical cost / Fair value	21	32.43
	Total	52	

Tab. 14 Test Statistics(a,b)

	Tangible assets value
Chi-Square	8.058
df	2
Asymp. Sig.	.018

a Kruskal Wallis Test
b Grouping Variable: Revaluation policy