

COMPARATIVE ANALYSIS OF THE SIGNIFICANT POSITIONS OF FINANCIAL STATEMENTS ON THE EXAMPLE OF RAIFFEISEN BANK IN THE REPUBLIC OF SERBIA AND IN THE REPUBLIC OF CROATIA

Tanja Janačković¹, Maša Georgiev²

¹ ² Academy of Professional Studies South Serbia, Department of Business Studies Leskovac, Serbia

Corresponding: spasicstanja7@gmail.com ¹

Rewiev

Receieved: 29.07.2021; Accepted: 18.11.2021

Abstract: The business of modern companies and lives of individuals are linked inseparably with banks and their operations. A company is referred to a bank for financial transactions and it represents the most common source for financing the foundation and development of the company from the moment of creating a business idea and the endeavor to implement it. In the focus of the paper is comparative analysis of significant items of balance sheet and income statement, on the example of Raiffeisenbankin the Republic of Serbia and in the Republic of Croatia. The aim of this paper is to point out significant trends in the operations of these banks through a comparative overview of the important financial positions.

Keywords: banks, business, financial reports, financial analysis, comparison of financial positions.

1. Introduction

The business of a modern company and the life of an individual are inextricably linked with banks and banking. From the beginning of the business idea and the effort to re-

alize it, the company was referred to the bank in performing payment operations or, as the most common source of financing the creation and development of the company. Individuals are also referred to the bank when they are trying to meet

some of the needs beyond the limits of their monthly budget, when they are buying an apartment, furniture or a car. In this paper, the basic characteristics of banks are first stated and then the definitions of financial statements, balance sheet and income statement are introduced as a basis for comparison.

The paper points to the need to apply ratio numbers in financial statements. In order for banks to present the financial report as realistically and completely as possible, it is necessary to perform an analysis of the same, because it is used to assess the financial position and activity of the bank. Based on the conducted analysis, financial indicators on the entire business of the bank are obtained. The obtained indicators represent the basis for the audit of the bank's operations. Accordingly, the second part of the paper defines the types of analysis that are applied to financial statements, and these are in addition to the application of ratio numbers as analysis within the analysis of financial indicators: horizontal, vertical, cash flow analysis, net working capital analysis and leverage analysis. Financial indicators help to understand and prove the balance sheet and off-balance sheet positions of the bank to the users of financial statements.

The obtained indicators help the bank's management in making efficient business decisions. For auditors who analyze the client's business, financial indicators are a cornerstone for further work. All this indicates the need for financial indicators to satisfy numerous and diverse users more efficiently.

The third part of the paper includes reviews based on the type of comparative analysis, which represent a good basis for comparing one component in order to assess the level of effectiveness and efficiency of the subject component of the research. The comparative analysis presented in the paper will result in information on material balance sheet positions on the example of Raiffeisen Bank Serbia - Raiffeisen Bank a.d. Beograd and Raiffeisen Group - Raiffeisenbank Croatia - RBA. Namely, the banking systems of Croatia and Serbia are very similar, and the financial statements of banks from Croatia and Serbia are based on identical bases of compilation and disclosure, which makes them compatible and fully comparable, and data from financial statements are easily available given that were made available to the public so that the comparison of the most important financial indicators on the example of Raiffeisen Bank is suitable for analysis.

2. Banks and financial statements of banks

The bank is a joint stock company, which has a license to operate a central bank and performs deposit and credit operations, and may perform other operations in accordance with the law. Banks have a special significance in the economy. Citizens and companies can invest their funds and thus generate interest income, with minimal risk. Banks collect funds from financially surplus transporters and direct them to financially deficient transporters, thus fulfilling the role of an efficient allocator of funds in the economy. For this reason, studying the operations of banks is very important.

The bank is a monetary enterprise and monetary institution whose basic activities are deposit, credit and payment operations. A bank can also be defined in terms of: [Rose & Hudgins, 2005, 7] a) economic functions: the bank transfers funds from savers to borrowers (financial intermediation) and pays for goods and services that have been traded, b) services provided to clients: the bank provides a large number of services to its clients, from granting loans to companies, individuals and countries, trading in securities (securities), organizing and guaranteeing securities issues, insurance protection, financial

planning, pension management, to advisory services companies, c) legal basis of existence: a bank was first defined (at the end of the 19th century in the USA) as any institution that approves loans and provides deposit services, and more recently the Federal Deposit Insurance Corporation (FDIC) defined a bank as any institution that can to apply for deposit insurance under its jurisdiction.

The development of banks was determined by the specifics of production and reproduction, to which the organization of banks and its operations adapted, and all that time the bank remained an intermediary in monetary affairs. The main intermediary function of the bank is to collect and direct funds with the aim of taking and giving loans. Hence, the basic banking operations are as follows: [Hadžić, 2013, 4]

1. collecting deposits and raising funds,
2. creating money and approving loans,
3. performing payment transactions.

Banks therefore represent monetary institutions and monetary enterprises, whose main intermediary function is to supply reproduction with the necessary amount of money and credit. [Vojin, 2005, 4] In this sense, banks as business

entities differ significantly in their business activities and characteristics from other legal entities, which is reflected in the structure and content of financial statements of banks.

Legal entities and entrepreneurs who are obliged to keep business books (diary, general ledger and auxiliary books) are required to compile and present financial statements for the current business year, as of 31.12. of the current year. These financial statements are regular financial annual reports and they are compiled after the work that precedes the closing of the business books, the closing of the diary and the general ledger, and the compilation of the closing sheet. The obligation to prepare financial statements also applies to the bank.

Financial statements are a structured presentation of the financial position and business changes that occurred in the reporting period, in order to provide information on the financial position, performance and financial success and changes in the financial position of legal entities and entrepreneurs, useful for economic decisions of a wide range of users.

According to International Accounting Standards (IAS) and International Financial Reporting Standards (IFRS), the purpose of

general purpose financial statements is to provide information on the financial position, performance and cash flows of legal entities, which will be useful to many users in making decisions. Thus, the financial statements provide information about assets, liabilities, equity, income and expenses, including gains and losses as well as cash flows. Therefore, the components of the financial report are: 1. Balance sheet, 2. Income statement, 3. Cash flow statement, 4. Statement of changes in equity, 5. Notes to the financial statements. [Krstić et al., 2008, 143]

The specifics of the balance sheet and income statement of banks are briefly explained below.

2.1. Bank's balance sheet

The bank's balance sheet includes all asset positions and liability positions in the bank's balance sheet. In the bank's balance sheet, asset positions are grouped according to the principle of declining liquidity, and liability positions are grouped according to the principle of declining maturity. The assets and liabilities of the bank should be in constant balance.

The structure of the bank's balance sheet assets includes: 1. Place-ments, 2. fixed assets, 3. unpaid subscribed capital, 4. own shares, 5. other assets, 6. accrued costs and

deferred revenue, 7. loss, 8. non-operating assets of the bank. The liquid part of the bank's balance sheet assets includes: placements given to the bank's clients, other banks, securities intended for sale, deposits with the National Bank of Serbia - NBS, cash on the current account and in the bank's vault. It is this part of the assets that the bank's management should pay special attention to, in order to avoid any form of contaminated business activity. Fixed assets in the bank's assets include: long-term investments in securities and participation in the capital of legal entities (bank clients), intangible investments and fixed assets of a commercial bank. Regardless of the fact that the bank's long-term investments are in question, the task of the bank's management is not to "tie" too large an amount of funds in the form of long-term investments and at the same time jeopardize the bank's continuous liquidity and profitability.

The structure of liabilities of the bank's balance sheet consists of: [Vunjak, 1999, 242] 1. deposits and borrowings, 2. other liabilities, 3. accruals, 4. long-term provisions, 5. subordinated liabilities, 6. capital and reserves of the bank and 7. non-operating liabilities of the bank. Deposits represent a significant source in the bank's liabilities. They are short-lived and can often

have a large daily oscillation. A significant long-term source in the bank's liabilities is represented through long-term provisions, capital and reserves of the commercial bank. Therefore, the bank's management should make a special effort to increase the share capital, issue premiums, revaluation reserves and reserves arising at the end of the business year from the profit of the commercial bank. Liabilities of the balance sheet include other liabilities that may be from the bank's profit, such as: liabilities based on net salaries, liabilities for taxes, contributions and other fees of the commercial bank.

2.2. Bank's income statement

The income statement of the bank shows the financial result of the bank's operations. In the bank's income statement, all income and expenses are grouped according to their types. Basically, the bank's income and expenses can be classified into the following groups: [Vunjak, 1999, 272] 1. operating income, expenses and result of the bank, 2. non-operating and extraordinary income, expenses and result of the bank, 3. revaluation income, expenses and result of the bank.

The bank's operating income and expenses should be grouped into two parts, in order to be able to

more easily see the results of the bank's operations that are the product of its core business and activity as an entrepreneurial entity.

The first group should include the bank's financial income and expenses. These income and expenses relate to: interest, fees, gains and losses from the sale of securities, dividends, realized exchange rate differences, etc. The second group should include operational income and expenses through which the bank is presented as an entrepreneurial business entity. These revenues and expenses relate to: administrative operating expenses, revenues and expenses related to indirect write-offs of placements and provisions for long-term placements. A significant part of the business result in the bank is actually a product of the bank's financial income and expenses. Therefore, it is important to report, within the analysis of the bank's income statement and the effects on the basis of income, interest expenses (net income or net expenses), as well as the effects of income from fees and other income and expenses of the bank. Operating income from the bank's operations represents only a supplementary part of the achieved results arising from the bank's financing operations. The Bank's operating expenses represent a deductible item to the Bank's financial income and

income from operating activities. It is the responsibility of the bank's management to rationally manage the bank's operating expenses (operating costs, operating costs, provisions for long-term risks, etc.). Non-operating and extraordinary income and expenses of the bank represent income and expenses that do not occur on a regular basis of the bank's operations. These income and expenses include: gains and losses from the sale of fixed assets and intangible assets, gains and losses from the sale of materials, income and expenses from the previous period, all surpluses, deficits, write-offs of receivables, write-offs of inventories, extraordinary write-offs of fixed assets and intangible assets, income based on reduction of liabilities, etc.

Revaluation income and expenses include: effects arising from the revaluation of fixed assets, capital and reserves, placements and liabilities, unrealized exchange rate differences and other revaluation income and expenses of the bank. The sum of the bank's operating profit, non-operating and extraordinary profit of the bank and revaluation profit shows the gross result of the bank. The gross result of the bank can be in the form of gross profit or gross loss. If taxes and profit contributions are deducted from the bank's gross result, then the bank's net result is

obtained. The bank's net result can be in the form of net profit and net loss.

3. Analysis of financial statements of banks

The success of a legal entity requires knowledge of the basic principles of analysis of financial statements. Also, in order to successfully perform an audit of financial statements, it is necessary to know the basic settings of the analysis. In economic theory, there are financial analyzes, which speak not only about various aspects of the financial condition (position and financial structure of the company), its activity in the financial field (asset and liability management) and its functioning in the financial field, but also analyzes. Financial expressions and relationships sublimately speak of the overall activity of the company, its position and development. These financial analyzes can be adjusted and thus adjusted to the analysis of banks' financial statements. The data contained in the financial statements form the starting point for economic and financial analysis of business entities, as well as banks, over time as well as for reviewing their business performance and financial capacity, or relative position in relation to the environment and overall economic trends.

The analysis of financial statements quantifies and investigates the links and relationships that exist between balance sheet items and income statements, which enables a correct assessment of financial position, liquidity and business performance. In practice, various instruments of analysis exist and are used, i.e. analysis techniques. Among the most common techniques (instruments) are: 1) horizontal analysis, 2) vertical analysis, 3) analysis of basic financial indicators (indicators), 4) cash flow analysis, 5) analysis using net working capital, 6) leverage analysis. [Knežević et al., 2013, 127]

Horizontal analysis is a comparison of balance sheet items in the balance sheet and income statement for two or more years. It is actually an analysis of the changes between the observed periods. In case the analysis is performed for a period of two years, this analysis is called comparative (comparative) analysis, while in cases when the period longer than two years is analyzed, this analysis is called the analysis of the trend of balance sheet items development. Changes between the observed periods can be presented in absolute amounts, percentages, indices. Horizontal analysis adds another column to the existing balance sheets called "increase" or "decrease". In that column there are the changes of all positions

from the analytical balances so that the positions that have risen and those that have fallen are shown. The first step in this analysis is to calculate the difference between the current and previous year, as follows: [Knežević, 2007, 76]

$$\text{Difference (in absolute amount)} = \text{Current Year} - \text{Previous Year}$$

The second step of this analysis is to express this difference in% as follows:

$$(\text{Difference} / \text{Previous Year}) \times 100$$

In this paper, the horizontal analysis is primarily used to compare the most important positions of the balance sheet and income statement on a sample of specific banks in the Republic of Serbia and in the Republic of Croatia, which is discussed in the part that follows.

4. Comparative analysis of the most important items on the example of specific banks in the Republic of Serbia and in the Republic of Croatia

The analysis of financial statements deals with the research and quantification of functional relationships that exist between balance sheet items, balance sheets and success, in order to provide a credible assessment of the bank's financial position and profitability,

as well as to assess future performance. Comparative analysis of financial statements includes four phases. In the first phase - Analysis of the bank's environment, the analysis of the environment in which the bank operates monitors the external and internal aspects of the bank's operations. The external aspect of the bank's operations implies consideration of general market conditions initiated by the political, legislative and economic environment. The internal aspect shows the critical factors over time. Global analysis of financial statements of the bank and its competitors - aims to identify trends in income, expenses, assets, liabilities and capital. The second phase - Selection and use of analysis instruments, it comes down to the choice of ratio numbers, ie. Financial ratios. The last phase - Evaluation of the obtained results, includes the evaluation of the obtained results on the basis of the obtained ratios. The ratios used in the previous analysis should be interpreted so that based on them it is possible to see what the business of the bank and its competitors is like.

4.1. Banking systems and financial statements of banks in the Republic of Serbia and in the Republic of Croatia

The banking system is the organization of banking in a country or

group of countries, in terms of structure, functions, ownership and interconnectedness of banks. The banking systems of individual countries differ significantly, but they also have a lot of similarities, given that they all have in common the existence of a central bank and a large number of commercial banks of different profiles. The Central Bank, from a special place in the banking and credit system, works on the harmonization of these systems, issues money, implements measures to preserve its value and performs activities that are of public interest. It is an issuing institution, a reserve bank and a non-profit institution.

At the head of the banking system of the Republic of Serbia is the National Bank as the central bank of the Republic. It is responsible for achieving price stability and stable functioning of the financial system of the Republic Serbia. The National Bank of Serbia is autonomous and independent in performing the functions defined by law, and is responsible for its work to the National Assembly of the Republic of Serbia. The National Bank of Serbia functions as a single monetary institution. Banks report to the National Bank on a daily, weekly, ten-day, monthly, quarterly, semi-annual and annual level.

In the Republic of Serbia, IFRS are respected, as well as IAS. Laws, regulations and decisions prescribed by the National Bank of Serbia are also respected.

The central bank in the Republic of Croatia is the Croatian National Bank. Given the similarity of the region in which Croatian banks operate and the Croatian National Bank, there is a great similarity in the banking systems of Croatia and Serbia. Croatian banks are obliged to send their reports to the Croatian National Bank, but also to: the Croatian Banking Association (HUB) and the FINI - Financial Agency, for statistical results. The annual financial statements of the Croatian bank are prepared and submitted in accordance with the Law on Accounting and the Rulebook on the Manner of Keeping the Register of Annual Financial Statements. In Croatian banks, when reporting, as in the Republic of Serbia, IAS and IFRS are respected. In general, we can conclude that the banking systems of the Republic of Croatia and Serbia are very similar, as well as that the financial statements of banks from the Republic of Croatia and Serbia are based on identical bases of compilation and disclosure, which makes them compatible and fully comparable.

4.2. Analysis of the most important financial indicators on the example of Raiffeisen Bank - Serbia and Raiffeisen Group - Croatia

This paper will specifically present the analysis of the most significant items of balance sheets and income statements of Raiffeisen Bank - Serbia and Raiffeisen Group - Croa-

tia and their comparative presentation. The presented comparative analysis of specific banks in the Republic of Croatia and the Republic of Serbia will be done by converting the national currency of the Republic of Croatia into the national currency of the Republic of Serbia for the sake of comparability of balance sheets, Table 1.

Table 1: Conversion of the national currency of Croatia into the national currency of Serbia *

31.12.2018	31.12.2019
1 HRK =15,9666 RSD	1 HRK =15,7796 RSD

* Source: [NBS & HNB, 2021]

Fee and commission income and expense that are an integral part of the effective interest rate of a financial asset or financial liability are included in the calculation of interest income and expense using the effective interest method. Table 2 and Table 3 show Income statements of Raiffeisen Bank - Serbia and Raiffeisen Group - Croatia. The difference between income and expenses from fees and commissions represents the net gain (loss) on the basis of fees and commissions. In Raiffeisen Bank - Serbia, there was an increase in this net profit in 2019 compared to 2018 by 3.54% (Table 2). There was also an increase in net interest income after provisions by 5.82% (as a result of increased placements to the banking sector and customers), as well as a significant increase in

net trading income and increase in administrative costs in 2019 compared to 2018. year by 6.86%. The bank's profit after tax in 2019 compared to 2018 is lower by 8.53%, regardless of the increase in the aforementioned net profits based on interest after provisions, based on fees and commissions and the increase in net trading income. In contrast, there was an increase in administrative costs, but also an increase in liabilities to banks and customers, which will be analyzed in the continuation of work and based on the balance sheet of a particular bank.

From the attached data (Table 3), it can be concluded that the Group's profit after tax amounts to HRK 421 million, and compared to the previous year it increased by HRK 138 million (123.94%), which is a

significant increase. Net interest income amounted to HRK 898 million, which is 1.64% more than in the previous year. In the case of secondary sources of financing, the amount of interest expenses depends on the movements on the financial markets. Secondary sources are obtained mainly with a variable interest rate, so changes in the price of money in the financial markets are reflected in real-time interest expenses. Changes in market interest rates are transferred to the

agreed interest rates on household deposits with a time interval depending on the term, because household deposits are mostly contracted with a fixed interest rate. Fee and commission income amounted to HRK 501 million and increased by 6.82% compared to the previous year, while net trading income increased by 33.33%. Administrative costs, as with Raiffeisen Bank - Serbia, increased, in this case by 19.22%

Table 2. Income statement of Raiffeisen Bank - Serbia

Raiffeisen Bank JSC			
Values expressed in thousands of dinars	2019.	Change	2018.
Profit and loss			
Net interest gain after provision	9.782.060	3,54%	9.447.989
Net profit on fees and commissions	4.344.535	5,82%	4.105.419
Net trading income	263.368	413,47%	51.992
Administrative costs	(9.686.230)	6.86	(9.064.405)
Profit before tax	6.992.894	(8,53)%	7.645.303
Profit after tax	6.113.883	(7,76)%	6.628.209

Source: [Raiffeisen banka Srbije, 2021]

Table 3. Income statement of Raiffeisen Group - Croatia

Raiffeisen group			
Values expressed in millions of kunas	2019.	Change	2018.
Profit and loss			
Net interest gain after provision	898	(1,64)%	873
Net profit on fees and commissions	501	6,82%	463
Net trading income	656	33,33%	468
Administrative costs	(1.445)	19,22%	(1.233)
Impairment losses	(26)	(93,26%)	(221)
Profit before tax	434	49,66%	328
Profit after tax	421	123,94%	283
Net profit for the whole year	421	123,94%	283

Source: [Raiffeisen grupa - Raiffeisenbank Hrvatska, 2021]

A comparative overview indicates that the Raiffeisen Group in the Republic of Croatia in 2019 achieved better business results compared to Raiffeisen Bank in the Republic of Serbia, given that it achieved a higher profit after tax compared to Serbia by 4,388,020.8 dinars (Table 4). Further analysis shows that both the Raiffeisen Group in the Republic of Croatia and the Raiffeisen Bank in the Republic of Serbia achieved better business performance in 2019 compared to 2018. From the analysis of individual income statements, we

have already concluded that the profit after tax in the Republic of Serbia in 2019 is higher than the profit in 2018, which also applies to the Raiffeisen Group in the Republic of Croatia. Also, in Raiffeisen Group in the Republic of Croatia and Raiffeisen Bank in the Republic of Serbia there was an increase in net profit on fees and commissions in 2019 compared to 2018, and in the Republic of Serbia in the same period there was a significant increase in net trading income (413, 47%).

Table 4: Comparative overview of the income statement of Raiffeisen Bank - Serbia and Raiffeisen Group - Croatia

Values expressed in thousands of dinars	2018.		2019.	
	Serbia	Croatia	Serbia	Croatia
Profit and loss				
Net interest gain after provision	9.447.989	13.938.841,8	9.782.060	14.170.080,8
Net profit on fees and commissions	4.105.419	7.392.535,8	4.344.535	7.905.579,6
Net trading income	51.292	7.472.368,8	263.368	10.351.417,6
Administrative costs	(9.064.405)	(19.686.817,8)	(9.686.230)	(22.801.522)
Profit before tax	7.645.303	5.237.044,8	6.992.894	6.848.346,4
Profit after tax	6.628.209	4.518.547,8	6.113.883	6.643.211,6

Source: [Authors' calculation]

In the business segment, 2019 was a more successful business year for Raiffeisen Bank compared to 2018, in which the bank achieved results well above the set goals. Placements to banks and clients (economy and households) achieved growth in 2019 compared to 2018 by 17.24% (placements to banks), and 14.09% (placements to clients). As in previous years, the business segment was successful, achieving a slight increase in the portfolio, mainly as a result of successful participation in governmentsubsidy programs and international funding sources. From the balance sheet, it can be concluded that the bank's liabilities in 2019 compared to 2018 increased by 41.12% (liabilities to banks), and 10.50% (liabilities to customers) (Table 5). The bank's capital consists of the sum of core and supplementary capital, less deductions from capital. At the same time, the bank recorded an increase in capital in 2019 compared to 2018 by 9.24%.

In 2019, there was no recovery in the lending activity of banks in Croatia as a result of a significant reduction in the level of placements and loans to other banks (even 38.3% less in 2019 than in 2018). At the end of 2019, total loans to households amounted to HRK 19.867 million (11.96 percent more than at the end of 2019), which was still not enough to cancel the bad

credit activity directed at other banks (Table 6).

In the sources of financing of the local Group, the borrowings were reduced and the deposits of banks and clients were increased. At the end of the year, loans taken amounted to HRK 1,995 million, and bank deposits to HRK 1,171 million. Deposits of households, companies and other similar entities increased by HRK 328 million.

As previously pointed out, the bank's capital consists of the sum of core and supplementary capital, less capital deductions. At the same time, the bank recorded an increase in capital in 2019 compared to 2018 by 5.46%.

A comparative overview of the most important balance sheet indicators

(Table 7) of Raiffeisen Bank - Serbia and Raiffeisen Group - Croatia for 2018 shows that Raiffeisen Group-Croatia in 2018 achieved significant placements in the banking sector compared to Raiffeisen Bank - Serbia, and the same is the case with customer placements, and liabilities to banks are higher in the balance sheet of banks in the Republic of Croatia, which also applies to liabilities to customers. The Group's capital in the Republic of Croatia is higher than the bank's capital in the Republic of Serbia. In 2019, by contrast, placements with Raiffeisen Bank banks in the Republic of Serbia increased compared to placements with Raiffeisen Group banks in the Republic of Croatia.

Table 5. Balance sheet of Raiffeisen Bank -Serbia

Raiffeisen Bank			
Values expressed in thousands of dinars	2019.	Change	2018.
Balance Sheet			
Placements with banks	13.550.612	17,24%	11.558.104
Placements to clients	171.584.719	14,09%	150.387.617
Liabilities to banks	4.287.532	41,12%	3.038.158
Liabilities to customers	251.813.778	10,50%	227.889.691
Capital	57.891.193	(0,03)%	57.908.928
Balance sheet-total	318.903.137	9,24%	291.924.334

Source: [Raiffeisen banka Srbije, 2021]

Table 6. Balance sheet of the Raiffeisen Group-Croatia

Raiffeisen group			
Values expressed in millions of kunas	2019.	Change	2018.
Balance Sheet			
Placements and loans to other banks	554	(38,03)%	1.532
Loans to customers	19.867	11,96%	17.463
Bank deposits	1.171	10,89%	589
Deposits of households, companies and other similar entities	26.561	11.69%	26.233
Borrowings taken	1.995	(22,43)%	1.914
Total capital and reserves	4.941	5,46%	4.506
Total balance sheet of the group	36.844	7,80%	35.165

Source: [Raiffeisen grupa - Raiffeisenbank Hrvatska, 2021]

Table 7. Comparative overview of the balance sheet of Raiffeisen Bank - Serbia and Raiffeisen Group - Croatia

Values expressed in thousands of euros	2018.		2019.	
	Serbia	Croatia	Serbia	Croatia
Balance Sheet				
Placements with banks	11.558.104	24.460.831,2	13.550.612	8.741.898,4
Placements to clients	150.387.617	278.824.736	171.584.719	313.493.313
Liabilities to banks	3.038.158	9.404.327,4	4.287.532	18.477.911,6
Liabilities to customers	227.889.691	418.851.818	251.813.778	419.121.956
Capital	57.908.928	71.945.499,6	57.891.193	77.967.003,6
Balance sheet-total	291.924.334	561.465.489	318.903.137	581.383.582

Source: [Authors' calculation]

Based on the comparisons made on the example of Raiffeisen Bank - Serbia and Raiffeisen Group - Croatia, we obtain the following results.

Table 8 allows us to draw the following conclusions. In the Republic

of Croatia, the profit after tax in the observed bank had a significant growth of as much as 123.94%, while in the Republic of Serbia there was a decrease in profit after tax in 2019, compared to 2018.

In the Republic of Croatia, there was an increase in capital in the observed bank in 2019 compared to 2018 was higher by 5.46%, and in the Republic of Serbia there was decrease in capital by 0.03% for the same bank. The presented analysis, ie. the fact that it was possible to

compare the financial statements of the two countries and that we could easily get the data, because they were presented publicly, a comparative analysis of the performance of Raiffeisen Bank - Serbia and Raiffeisen Group - Croatia.

Table 8. Trend of Raiffeisen Bank and Raiffeisen Group in the Republic of Serbia and in the Republic of Croatia for the observed periods

	Serbia	Croatia
	Trend (%)	Trend (%)
	2019.-2018.	2019.-2018.
Profit after tax	-7,76%	+123,94%
Capital	-0,03%	+5,46%

Source: [Authors' calculation]

5. Conclusion

The bank's success is assessed, among other indicators, on the basis of the most important analyzed indicators. Through the presented analysis we determined that almost all analyzed key indicators are in absolute amounts higher in the bank in the Republic of Croatia than the bank in the Republic of Serbia. Also, observing the changes in banks for the observed period, it can be concluded that the Croatian bank records a growing trend of almost all key indicators in business. The results of the analysis point to the conclusion that during 2019, the bank in the Republic of Croatia increased its profit, which means that it worked on its stab-

ility and creating a good foundation that could result in it continuing the trend of strengthening and expansion in the future. The Serbian bank recorded negative trends in analyzed aspects. The bank in the Republic of Croatia grows and develops faster in relation to the same bank in the Republic of Serbia, for the observed periods.

Banks in different regions are not easy to compare because there are differences between countries in the structure of individual banking sectors, differences in currency, maturity and purpose structure of loans in one country, which reflect interest income at the sector level, so it is only necessary to compare interest rates loans. Then, the

structure of banks' assets plays a significant role, so the banking sectors in which loans to households and legal entities have a dominant share in the total balance

sheet, which is the case with bank in the Republic of Serbia, have relatively higher interest rates than loans those who base their earnings on other banking operations.

References

- Bolfek, B., Stanić, M. & Knežević, S. (2012). Veritikalna i horizontalna finansijska analiza poslovanja tvrtke, *Ekonomski vjesnik, Vol XXV, No.1.*, Osijek, Ekonomski fakultet u Osijeku
- Đukić, T. (2005). Bilans tokova gotovine kao instrument upravljanja likvidnošću preduzeća, *Doktorska disertacija*, Ekonomski fakultet, Niš.
- Hadžić., M. (2013). *Bankarstvo*, Beograd, Univerzitet Singidunum
- Hrvatska narodna banka - HNB, (2021). <https://www.hnb.hr/>
- International Financial Reporting Standards Foundation, IFRS, (2021). <https://www.ifrs.org>
- Ivaniš, M. (2007). *Upravljanje finansijskim*, Beograd, Univerzitet Singidunum
- Ivanišević, M. (2008). *Poslovne finansijske*, Beograd, Centar za izdavačku delatnost Ekonomskog fakulteta
- Knežević, G., Stanišić, N. & Mizdraković., V. (2013). *Analiza finansijskih izveštaja*, Beograd, Univerzitet Singidunum
- Knežević., G. (2007). *Ekonomsko-finansijska analiza*, Beograd, Univerzitet Singidunum,
- Krstić, J., Jezdimirović, M. & Đukić, T. (2008). *Finansijsko računovodstvo*, Niš, Ekonomski fakultet
- Kulić., S. (2002). *MRS 7 - Izveštaj o tokovima gotovine, Primena MRS*, Beograd, SRRS
- Narodna banka Srbije - NBS, (2021). <http://www.nbs.rs/>
- Radovanović, S. (1997). *Osnove finansijskog menadžmenta*, Aleksinac, "Reč radnika"
- Raiffeisen banka Srbije - Raiffeisen banka a.d. Beograd, (2021). <https://www.raiffeisenbank.rs/>
- Raiffeisen grupa - Raiffeisenbank Hrvatska, (2021). <https://www.rba.hr/>

- Rose, H. & Hudgins, S. (2005). *Bankarski menadžment i finansijske usluge*, Beograd, Data status
- Savić., M. (2010). Racio analiza u analizi poslovanja banka, *Singidunum revija*, Vol. 5. No.1, Beograd
- Stevanović, N., (2000). *Upravljačko računovodstvo*, Beograd, Ekonomski fakultet
- Vojin, B. (2005). *Bankarstvo u teoriji i praksi*, Novi Sad, Stylos
- Vučićević., D., (2012). Teorijski aspekti i osnovne postavke finansijske analize, Novi Sad, *Škola biznisa*, br. 2
- Vunjak, N. (1999). *Finansijski menadžment: bankarske finansije*, Subotica, Birografika

¹ <https://orcid.org/0000-0003-3674-9358>

² <https://orcid.org/0000-0002-7572-9547>

KOMPARATIVNA ANALIZA ZNAČAJNIH POZICIJA FINANSIJSKIH IZVEŠTAJA NA PRIMERU RAIFFEISEN BANKE U REPUBLICI SRBIJI I REPUBLICI HRVATSKOJ

Tanja Janačković¹, Maša Georgiev²

^{1,2} Akademija strukovnih studija Južna Srbija, Odsek za poslovne studije, Leskovac, Srbija

Korespondencija: spasictanja7@gmail.com¹

Rezime: Poslovanje savremenih kompanija i životi pojedinaca neraskidivo su povezani sa bankama i njihovim operacijama. Preduzeće je upućeno prema banci za finansijske transakcije i ona predstavlja najčešći izvor finansiranja osnivanja i razvoja preduzeća od trenutka kreiranja poslovne ideje i nastojanja da se ona realizuje. U fokusu rada je komparativna analiza značajnih stavki bilansa stanja i bilansa uspeha, na primeru Raiffeisen banke u Republici Srbiji i Republici Hrvatskoj. Cilj rada je da se uporednim pregledom važnih finansijskih pozicija, ukaže na značajne trendove u poslovanju ovih banaka.

Ključne reči: banke, poslovanje, finansijski izveštaji, finansijska analiza, komparacija finansijskih pozicija

