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Advances in Finance & Accounting

Proceedings of the 1st WSEAS International Conference on
Finance, Accounting and Auditing (FAA '12)



Tomas Bata University in Zlín
Faculty of Management and Economics

Tomas Bata University in Zlín, Czech Republic
September 20-22, 2012



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Preface

This year the 1st WSEAS International Conference on Finance, Accounting and Auditing (FAA '12) was held at the Tomas Bata University in Zlin, Czech Republic, in September 20-22, 2012. The conference provided a platform to discuss business management, financial accounting, decision analysis, quality management, risk management and risk analysis, marketing etc with participants from all over the world, both from academia and from industry.

Its success is reflected in the papers received, with participants coming from several countries, allowing a real multinational multicultural exchange of experiences and ideas.

The accepted papers of this conference are published in this Book that will be sent to international indexes. They will be also available in the E-Library of the WSEAS. Extended versions of the best papers will be promoted to many Journals for further evaluation.

Conferences such as this can only succeed as a team effort, so the Editors want to thank the International Scientific Committee and the Reviewers for their excellent work in reviewing the papers as well as their invaluable input and advice.

The Editors

Table of Contents

<u>Plenary Lecture 1: The Study and Use of Information Accounting under the Negative Influence of Global Economic Crisis</u>	14
<i>Lucian Patrascu</i>	
<u>Plenary Lecture 2: Objectivity or Subjectivity in Audit Sampling?</u>	15
<i>Tatiana Danescu</i>	
<u>The Relationship between Internet Usage and Gross National Income of an Emerging Economy</u>	17
<i>Fennee Chong, Venus Khim-Sen Liew, Rosita Suhaimi</i>	
<u>The New Mechanism for the Performance Evaluation of Cooperatives</u>	21
<i>A. Chamaru De Alwis</i>	
<u>Regional Operational Programs and the Comparison of their Specific Bankruptcy Models</u>	27
<i>Dagmar Čámská</i>	
<u>Heterogeneous Autoregressive Model of the Realized Volatility: Evidence from Czech Stock Market</u>	32
<i>Petr Seda</i>	
<u>Application of Marketing Communication Tools in Healthcare Organizations Management</u>	38
<i>Stankova Pavla, Koncitikova Gabriela, Sasinkova Martina</i>	
<u>Management of Receivables, The Case of the Czech Republic</u>	44
<i>Eva Kolarova, Milana Otrusinova</i>	
<u>Tacit Knowledge and Leadership</u>	50
<i>Jana Matošková, Helena Řeháčková, Martin Jurásek, Martina Polčáková, Ivana Pejřová, Aleš Gregar, Vlastimil Švec</i>	
<u>Fair Value Measurement as a Challenge for the Accounting Standard Setting Process</u>	56
<i>Carmen Giorgia Bonaci, Jiří Strouhal, Razvan V. Mustata</i>	
<u>Knowledge Level of Professional Accountants in Financial Reporting Measurement</u>	62
<i>Marie Paseková, Aleš Skopalík, Jiří Strouhal, Libuše Müllerová, Beata Blechová, Carmen G. Bonaci, Victor O. Müller, Alin I. Ienciu, Nicoleta M. Cioara</i>	
<u>An Exploratory Study on the Financial Literacy of High School Students in the Czech Republic</u>	68
<i>Marie Paseková, Hana Ředinová, Lubor Homolka, Beata Blechová</i>	
<u>Performance of Public Administration in the Czech Republic from the Perspective of Subsidies Relations</u>	74
<i>Eliska Pastuszkova, Zuzana Horvathova</i>	
<u>Futures Trading Based on Market Profile Day Timeframe Structures</u>	80
<i>Jan Firich</i>	
<u>Financial Ratios as Bankruptcy Predictors: The Czech Republic Case</u>	86
<i>Michal Karas, Mária Režňáková</i>	

<u>5 F Performance Indicator: A Robust Metric for Trading Systems Evaluation?</u>	92
<i>Jiří Svoboda</i>	
<u>Comparison of Usage Accounting Information in Business and Non-Profit Enterprises in the Czech Republic</u>	98
<i>Milana Otrusinova, Karel Steker</i>	
<u>Fair Value Measurement of Assets and Issue of Capital Maintenance</u>	104
<i>Dana Dvorakova</i>	
<u>Foreign Exchange Risk Management in SME in the Czech Republic</u>	110
<i>Eva Hrubošová, Blanka Kameníková</i>	
<u>Sensitivity Approaches in Company Valuation</u>	116
<i>Dana Dluhošová</i>	
<u>The Efficiency of Investment Incentives in the Czech Republic</u>	122
<i>Miroslava Ceditlová</i>	
<u>Company Performance Measurement with Use of Genetic Algorithm</u>	128
<i>Drahomira Pavelkova, Petr Dostal</i>	
<u>The Process Approach to the Energy Processes Management and Theirs Valuation in Czech Production Plants</u>	134
<i>Zdenek Novak, Zuzana Tučková</i>	
<u>Extreme Value Theory and Bootstrap Approach for Robust Value at Risk Estimation under Basel II</u>	140
<i>Lubor Homolka</i>	
<u>Outsourcing: What are the Real Costs?</u>	146
<i>Tomáš Culík, Boris Popesko</i>	
<u>Contemporary Approaches for Performance Measurement and Management in Japanese Companies Located in the Czech Republic</u>	152
<i>Michaela Blahová, Adriana Knápková</i>	
<u>Industrial Engineering in Organizational Structure of Company</u>	158
<i>David Tuček, Jaroslav Dlabač</i>	
<u>Business Process Management in Practice of Czech Companies</u>	164
<i>David Tuček, Michaela Hájková</i>	
<u>Usage of Full Cost Method in Higher Education Institutions in the Czech Republic</u>	170
<i>Lenka Výstupová, Roman Zámečník</i>	
<u>Transfer Prices in Tax and Management Accounting and their Mutual Relationship</u>	176
<i>Vlastimil Roun</i>	
<u>Lack of Insolvency-Related Information as a Factor Limiting the Reform of the Insolvency System</u>	180
<i>Eva Kislingerová</i>	

<u>Linkage of Czech Insolvency Proceedings to Bankruptcy Reorganization</u>	186
<i>Monika Randáková, Jiřina Bokšová</i>	
<u>The Possibilities of Reforming Czech Insolvency Law</u>	192
<i>Luboš Smrčka, Jaroslav Schönfeld, Petr Ševčík</i>	
<u>The Influence of Obligatory Procedure at Price Establishing on Incomes of Small Medical Organisations</u>	199
<i>Jana Janoušková, Marian Nikorjak</i>	
<u>Using the EFQM Excellence Model in the Process of Company Valuation</u>	205
<i>Přemysl Pálka</i>	
<u>Optimization of Portfolio with Maple</u>	211
<i>Zuzana Chvatalova, Jiri Hrebicek</i>	
<u>Strategic Management Accounting: Why are not Expectations Fulfil?</u>	217
<i>Libuše Šoljaková</i>	
<u>Employability Enhancement in India (West Bengal) Through Mobilization of Human Resources</u>	222
<i>Nibedita Saha, Beatrice I. J. M. Van Der Heijden, Aleš Gregar</i>	
<u>The Survey of Measurement of Compliance Costs of Taxation</u>	228
<i>Václav Vybihal</i>	
<u>Construction of the Social Performance Indicators for the Determination of Performance of ESG-Indicators to Support the Decision-Making</u>	233
<i>Alena Kocmanová, Iveta Šimberová, Němeček Petr</i>	
<u>Value Added Tax Rates Applied at the Restaurant Services</u>	240
<i>Kateřina Randová, Michal Krajňák</i>	
<u>The Characteristics of Information System Integration in State Administration</u>	245
<i>Ioan Rus</i>	
<u>Relationship between Clusters of Advanced Technologies and Systems Engineering</u>	251
<i>Jan Hribik</i>	
<u>Risk, Return and Stock Performance Measures</u>	257
<i>Mirela Momcilovic, Jovan Njegic, Slobodanka Jovin</i>	
<u>How to Keep a Cool Head in Today's Turbulent Markets</u>	262
<i>Liběna Kantnerová, Stanislav Kučera</i>	
<u>Dynamic Model WACC</u>	268
<i>Irena Honková</i>	
<u>The Impact of Advanced Technologies on Communication and the Company Efficiency in Intercultural Management</u>	275
<i>Marcel Pikhart</i>	

<u>Business Process Management and Social Web Technologies to Elevate the Non-Governmental Sector</u>	281
<i>David Zejda</i>	
<u>Rational Choice Theory Model of Acceptability for Deep Design with Commutable Resources</u>	287
<i>David Zejda</i>	
<u>The Selected Aspects of Tax Policy in the Field of Indirect Taxes in the Czech Republic and in the International Scale</u>	293
<i>Libuše Svobodová, Eva Hamplová, Kateřina Provazníková</i>	
<u>Objectivity or Subjectivity in Audit Sampling?</u>	299
<i>Tatiana Dănescu</i>	
<u>The Utility of the Internal Control in Insuring the Conformity between the Accounting and Fiscal Reporting of the Romanian Entities</u>	305
<i>Tatiana Dănescu, Mihaela Prozan, Andreea Cristina Dănescu</i>	
<u>Development of Attitudes of Czech Companies on the Knowledge Management in the Past Eight Years</u>	311
<i>Petra Marešová</i>	
<u>Evaluation of Measures in Firms to Manage the Crisis</u>	317
<i>Josef Krause</i>	
<u>Empirical Investigation into the Quality of Rewards Systems Implemented in Czech Companies</u>	322
<i>Petr Petera, Jaroslav Wagner, Michal Menšík</i>	
<u>The Usage of Attribute Sampling in Audit Missions for Financial Investment Companies: A Source of Efficiency or a Risk Factor?</u>	328
<i>Tatiana Danescu, Ovidiu Spatacean</i>	
<u>Development of Internal Audit in the Context of Sustainability and Its Integration into Business Management</u>	334
<i>Michaela Horová, Jitka Zborková</i>	
<u>Strategic Positioning and Company's Long-Term Performance</u>	338
<i>Ladislav Šiška, Petra Kozáková</i>	
<u>Stock Market Volatility After the Financial Crisis: Evidence from Eastern Europe and Balkan Region</u>	343
<i>Jovan Njegic, Milica Savin, Dejan Zivkov</i>	
<u>Determining the Audit Strategy using the Dempster-Shafer Theory of Belief Functions</u>	349
<i>Daniel Vilsănoiu</i>	
<u>Some Results of Analyzes of Customer Relationship Management in the Selected Czech Companies</u>	355
<i>Jan Němeček, Martina Hedvičáková, Ivan Soukal</i>	
<u>Innovative Management in Cost Management Strategies</u>	360
<i>Amin Daneshmand Malayeri, Nikos E. Mastorakis</i>	

<u>Industrial Concentration and Bank Performance in an Emerging Market: Evidence from Croatia</u>	366
<i>Maja Pervan, Marijana Ćurak, Kline Poposki</i>	
<u>The IFRS Adoption Index: A Tool for the Measurement of Accounting Harmonisation</u>	372
<i>David Procházka</i>	
<u>Multifacets of Tax Evasion in Theory, Surveys, Case Studies, and Economic Experiments</u>	378
<i>Larissa-Margareta Batrancea, Ramona-Anca Nichita, Ioan Batrancea, Pop Radu</i>	
<u>Authors Index</u>	384

Plenary Lecture 1

The Study and Use of Information Accounting under the Negative Influence of Global Economic Crisis



Dr. Lucian Patrascu

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Abstract: We live in a global economy but the political organization of our global society is completely inappropriate. We lack the ability to keep peace and to counter the excesses of financial markets. Without this capability, the global economy is exposed to erosion. Development of a global economy has gone in parallel with the development of a global society. Basic cell of social and political life remains the nation state.

In the context of the economic globalization and with the globalization of capital markets and growing competition, it appears that each country has its own practice and its own accounting system. For the user of financial statements, all this information is often contradictory, difficult to control and especially hard to compare. Accounting is concerned with providing valuable information in order to facilitate the process of decision making. According to the principles of accountancy, 'valuable' information is that which refers to the decision that is to be taken by its users. And these decisions vary from user to user. The purpose of this analysis is to highlight the combined effect of decisions regarding investments, operations and funding. At the same time, a parallel analysis of the balance sheet (at the beginning and at the end of a certain extent of time) and the profit and loss account of the same interval may lead to drawing sounder conclusions than analysed separately.

Brief Biography of the Speaker:

Academic Positions:

- Lecturer Phd., Department of Economics, Accounting and Computing Mathematics Socio-Human Sciences, „George Baritiu” University of Brasov, Romania.

Scientific activity:

- He has published a total of 8 books. Has participated in 1 national research projects, has published 55 various papers in conference proceedings or refereed journals (30 papers have been published abroad), has participated with 20 papers at the WSEAS Conferences.

Studies:

- Ph.D. in Accounting, Academy of Economic Studies of Bucharest, (2008);
- Licensed in Economy, Faculty Economic Sciences, specialization Accounting and Management Information Systems, at the „George Baritiu” University of Brasov, Romania (2004);
- Licensed in Law, Faculty of Law, specialization Law, at the „George Baritiu” University of Braşov, Romania(2007);

Experience:

- Lecturer Phd., Department of Economics at „George Baritiu” University of Brasov, Romania;
- Financial accounting manager at „George Baritiu” University of Brasov, Romania (2004-2006)..

Plenary Lecture 2

Objectivity or Subjectivity in Audit Sampling?



Professor Tatiana Danescu

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Abstract: In financial auditing practices, sampling is widely used to collect audit evidences that are indispensable in convincing financial auditor upon the compliance of financial statements with the financial reporting framework applicable for the audited entity, with the accuracy of conducting the audited business. Audit sampling technique is used both for auditing internal control elements and for auditing transactions and account balances. The responsibilities a financial auditor is held accountable for, provide importance to the audit decision-making process, especially in establishing the nature and the adequate quantity of audit evidence. This is the reason why many auditors express retention regarding the use of audit sampling. Their behavior is justified by the sampling risks, which can affect the efficiency and effectiveness of audit sampling, especially in situations when the financial auditor has not acquired sufficient knowledge regarding the audited entity. In addition, it may appear a temporarily doubt upon the objectivity or subjectivity in audit sampling, upon the undermining of professional judgment in applying audit sampling. Under these arguments, the use of an extensive research methodology on audit sampling, beginning with documentation, calculation, observation, analysis and synthesis, becomes really necessary to prove that sampling – an important decision tool for the financial auditor – must be objective, justified, free from suspicions and assumptions.

Brief Biography of the Speaker: Tatiana Danescu is an Professor Ph.D. of Financial Audit and Accounting at Faculty of Economic, Juridical and Administrative Sciences, "PETRU MAIOR" University of Targu-Mures, Romania and Ph.D coordinator within "1 December 1918" University of Alba Iulia. Shies area of expertise is financial audit and accounting. She authored 6 books and co-authored 17 books, monographs, materials for study. She wrote over 160 articles, papers presented at national or international conferences and papers published in international database indexed journals. Also she evaluated over 50 academic studies programs and she had the opportunity to be research fellow in over 23 projects under contract /grant.

Tatiana Danescu won 2 prices and 1 medal for shies professional activity in accounting and financial audit.

Moreover, she has more professional certificates, for example: Internal auditor for public institutions, Practitioner in reorganization and liquidation Financial auditor, Chartered Accountant, Financial audit of the entities from the capital market , Investment Consultant, Fiscal consultant, Assessor of the quality of the higher education in Romania, Trainer CAFR financial audit, Member Scientific Board of the journal (Apulensis Universitatis, Series Oeconomica, University "1 December 1918" Alba Iulia, Universities study Petru Maior "series Oeconomica, Annals of the University of Petrosani, Economics Series).

She is a member of the National Council of the Romanian Financial Auditors' Chamber.