

FINANCIAL INFORMATION & ASYMMETRY ECONOMIC AND CREDIT TO MICROENTERPRISE AND SMALL BUSINESSES

Valdinei Leones De Souza¹, Cleberson Eller Loose²
Clodoaldo De Oliveira Freitas³ and Diogo Gonzaga Torres Neto⁴

¹Professor and Researcher of Accounting Sciences of Department of Business Administration. Federal University of Rondônia – UNIR Cacoal (Brazil).

²Professor and Researcher of Accounting Costs and Auditing at Department of Accounting Sciences. Federal University of Rondônia – UNIR Cacoal (Brazil).

³ Professor and Researcher of Mathematics and Accounting at Department of Fishing Engineering. Federal University of Rondônia – UNIR Médice (Brazil).

⁴Professor and Researcher of Administration & Philosophy at Department of Business Administration. Federal University of Rondônia – UNIR Cacoal (Brazil).

Abstract:

Even with the significant contributions to the national economy, Micro and Small Businesses (MPEs) are affected by a high mortality rate. Among the main factors listed in the literature for the failure of the MPEs are the lack of financial resources and the high cost of loans. For banks, the restrictions or costly credit to the MPEs is due, especially, to the asymmetry in economical and financial information, caused mainly by the precariousness of the accounting statements presented by these businesses. Thus, the main goal of this paper is to present the perceptions of financial institution managers in the town of Presidente Medici, RO, on the procedures that would provide improved quality and reliability of economic and financial information of MPEs, from accounting statements. To achieve the proposed objectives, apart from the bibliographic reviews and confrontations, was also used a qualitative empirical research with content analysis treatment on reports obtained from institutions managers. The survey data was raised through a structured interview. In the end, it is concluded that in the perception of the investigated, investments in business education and adopting stronger laws are procedures that can improve the quality and reliability of the financial statements of MPEs, and therefore reduce the asymmetry of economic and financial information.

KEYWORDS:

Asymmetry of Economic and Financial Information. Credit. Micro and Small Businesses.

INTRODUCTION:

The presence of micro and small in Brazilian economy is detachable. In addition to the major concentration of micro and small businesses, the contributions to the formation of Gross Domestic Product - GDP, generation of employment and income distribution, are some of the main benefits of micro and small to the national economy. However, these organizations suffer with a significant mortality rate, even more in the first few years of existence. Among the main factors of failure of micro and small, it is clear that the lack of financial resources and the high cost of claims (MORAES, 2006; ZICO, 2007).

For the companies, in particular the micro and small, the access to credit is due mainly to the

financial institutions. However, the asymmetry of information - disproportionate access to information to an agent on the other (REIS, 2007) - is one of the biggest barriers to credit transactions between financial institutions and the micro and small. The information asymmetry struck the process of analysis, providing restriction or credit becoming more expensive (ZICA, 2007; MORAES, 2006; SEBRAE, 2004).

The information asymmetry affects particularly the economic-financial information of Micro and Small. What happens is that the accounting statements - main source of information - usually do not reflect the true situation of the assets, financial and economical for smaller businesses (MARION, 2009), and these statements are major components to the decision-making on the part of financial institutions (SCHRICKEL, 2010).

It is imperative that the managerial sciences work toward finding solutions to the problems faced by micro and small. In this way, this work aims to identify processes that downsize the distortion of financial and economic information of micro and small; describe the configuration of the credit market for these companies in the municipality of President Medici, RO; establish practices that can facilitate the acquisition of credit and reduction in financial costs for micro and small businesses; and mainly investigate with financial institutions of the municipality, its prospects and suggestions for improvement in the quality of these financial and economic information of micro and small, from the financial statements.

Thus, this study is justified by the importance attributed to the micro and small in context Brazilian economic, as well as enhancement of academic and scientific collaboration and the work already carried out on this topic. Contribute to the survival of micro and small can foster economic development of Brazil.

2 THEORETICAL FOUNDATION

2.1 The micro and small and the Access to Credit

In Brazil the micro and small are respected by the public purse, bodies and institutions preferably by employee number, or by its annual revenues. In accordance with the federal law for tax purposes - Complementary Law 139/2011 - organizations with annual revenues up to R\$ 360,000.00 are classified as micro-enterprises, and among R\$ 360,000.01 to R\$ 3,600,000.00 as small business.

The micro and small are scattered throughout Brazilian territory - especially in cities together (FLOWERS, 2011) - and represent approximately 99% of domestic establishments. In addition, these companies employ more than 50% of the population, in addition to contributing with more than a fifth in the generation of Gross Domestic Product - GDP of Brazil (IBGE, 2009; SEBRAE; DIEESE, 2010).

As constitutional provision, the micro and small have in practice a series of government contributions, with emphasis on support lending and fiscal /tax - such as those established by Complementary Law 123/2006 (status of Micro and Small Businesses). These government aid should the importance of these organizational forms to the national economy, and consequently the need for maintenance of these establishments.

However, although we realize the importance of these companies and it is clear the government subsidies for the segment of micro and small enterprises, is disturbing significant mortality rate of these companies. The absence of appropriate business management, lack of previous study about the business, the high tax burden, lack of financial resources and the high cost of credit are some of the main factors for the excess mortality of micro and small (MORAES, 2006; SOUSA and PEREIRA, 2009; ZICA; MARTINS; KEYS, 2008; SEBRAE, 2008).

As regards the financial problems - such as the scarcity of financial resources and the high cost - the literature administrative that the credit is of fundamental importance for sustaining and organizational development (GITMAN, 2004; MARION, 2009). In a few moments the organization might need resources to maintain it in a state of vegetation until if there are improvements, and other opportunities will promote a good strategy of financial leverage to expand the economic return on investment.

In Brazil, as well as in many other nations, the most natural way of obtaining feature on the part of companies - especially the MICRO and SMALL - is through financial institutions (GÁSTON, JARNE, 1995; HILLBRECHT apud CLEMENT; KÜHL, 2006).

The financial institutions aiming at, in an orderly, structured, broker resources - own or of third parties - between agents surplus (that have financial resources) to deficit agents (those who need credit) (GITMAN, 2004; OLIVEIRA, 2011). In Brazil, there are various forms of financial institutions, banks and non-banks. The main domestic financial institutions are: Commercial Banks, Development Banks, Credit Unions, Investment Banks, Multiple Banks, Cooperative Banks, Credit Companies, Financing and Investments.

However, even if there are many institutions in Brazil, the micro and small suffer with the lack of credit. The volume of resources granted to the Brazilian companies in relation to the Gross Domestic Product -

GDP is still much lower than in many other countries. In 2006, Brazil ranked 86th place ranking of volume of credits granted versus national GDP (ZICA, 2007). It is necessary to stress that recently there has been a significant improvement in the expansion of the supply of credit to national companies . However, as evidence Cunha (2007), there is still a universe potentially considerable to be expanded/exploited by financial institutions, particularly as the credit market for small establishments.

Clearly the low relationship between GDP and the credit is even more pronounced in the universe of micro and small . It can be seen that the larger companies get access to credit more easily. According to Pezzi (2005), Kings (2007) and Zico (2007), the largest offer and grant resources for larger companies is mainly due to better information provided by the policyholder, the greater the possibility of real guarantees and by the volume of transactions of resources.

It should be pointed out that in addition to the dispute of the credit with the larger companies, the micro and small still need compete with the government. The times the banking sector has been involved in financing the public sector to the detriment of other agents (ZICA, 2007; MORAES, 2006; BORGES, SERRÃO, 2005).

As for the banks, the reasons for limiting the credit to micro and small are other, strange to those already presented. In accordance with the Felaban (2006) the main factors of credit crunch the micro and small are:

TABLE 1
Problems faced by banks to assess the loans for the micro and small

Kid of problems	%
Lack of availability of information (reports/reports)	65
Lack of collateral	63
Informality	41
Negative History of customer	35
Difficulty because it is a family-owned company	32
Lack of evaluation of the project to be financed	29
Risk of industrious sector of micro and small	28
Adjustment of Foreign Bank	20
Payment Capacity of the project	19
The knowledge about the functioning of the credit by the Directors	9
Quality of beneficiary	8
Time of Credit	3
Lack of adequate Methodology for credit process	3

Source : Adapted from Felaban; D'Alessio IROL (2006).

The results of another study, carried out by Moraes (2006) - preceded by the ten largest Brazilian banks - showed similarity with the reasons given by Felaban, especially as regards the availability of collateral and absence, or shortcoming, of accounting information.

The accounting information is paramount for highlighting the economic and financial situation of the company borrowed funds of credit, and therefore essential to the decision of the credit by the financial institution. Schrickel (2000, p. 21) Says that "perhaps the general balance sheet of the company represents only 10% or even less of a credit decision, however, are 10% in important set of decision".

This information is particularly useful for the financial institutions promote the analysis of credit organizations that appear unwilling the financial resource, in addition to being required by components of supervision and inspection of the National Financial System (SFN) - the Central Bank of Brazil - as key elements in the process of analysis .

If the financial statements do not reflect the reality of the operations and causing asymmetry of information - just as it is natural for the universe of micro and small (MORAES, 2006; MARION, 2009) -

the process of analysis will be troubled, and distrust on the part of the licensor will be certain the credit crunch or its more expensive.

2.2 Credit Analysis of micro and small and the Asymmetry of Economic-financial Information

The credit, understood as the availability of values to a policyholder - in the form of financing or loan - with the intention of receiving future (ASSAF NETO; BRITO, 2008), it is common in the business world today. However, in all the operations of credit - to a greater or lesser extent - always will be attributed to the possibility of future obligation of reimbursement to the transferor not be honored, understood as credit risk.

The activities of financial institutions, such as credit operations are primary activities, the credit risk is imminent (IUDÍCIBUS *et al.*, 2010), and the care of the operations should be prioritized. Thus, in order to ensure the consolidation of transactions, it is always necessary, in addition to the establishment of trust between the institution and the borrower, a good measure of credit risk.

In addition to the concerns of financial institutions, the SFN - through their supervisory boards and standardization - watch the threats imposed by financial operations , and with the primary intention of protecting the financial market of any storm, regulate and oversee the transactions of claims made by Brazilian financial institutions.

Thus, for verification and classification of the credit risk, the Central Bank of Brazil (BACEN determines in its Resolution no. 2,682/1999 :

Art. 2 The classification of the operation on the level of risk is the responsibility of the institution which holds the credit and must be performed on the basis of consistent criteria and verifiable, supported by internal and external data, contemplating, at least, the following aspects:

I - in relation to the debtor and its guarantors:

- A) economic and financial situation.
- (B) degree of indebtedness;
- (C) the ability to generate results.
- (D) cash flow.
- E) administration and quality controls;
- F) punctuality and delays in payments.
- G) contingencies.
- (H) sector of economic activity.
- (I) credit limit.

II - in relation to the operation:

- (A) the nature and purpose of the transaction.
- (B) characteristics of guarantees, particularly regarding the sufficiency and liquidity;
- (C) value.

As seen in determinations of BACEN, even financial institutions reflecting autonomy for his classification of risk, this should perform its analysis through predetermined elements, evidenced especially in sub device first above. The management of credit risk by financial institutions - as well as for other organizations - is of vital importance for the maintenance of their activities (SANTOS; CARMONA; LEISMANN, 2010).

In practice, second Amorim Neto and Carmona (2004), organizations to protect themselves from the threat of credit risk analyzes are carried out through the use of four fundamental approaches: Special Systems, *Credit Scoring* - scoring system of credit; Rating - rating system; and New approaches - Models of Portfolio Management. From these methods, organizations can reduce the possibility of loss of non-receipt of credit.

In Brazil, to financial institutions for the analyzes of credit risks, use more commonly the techniques of credit scoring, and the microfinance mainly the use of subjective analysis from "C's" of credit - component of Special Systems (CUNHA, 2007) - especially to be known by the banks of the lack of reliability of the financial statements.

The credit scoring performs the objective analysis of the credit risk from the use of statistical models, such as logistic regression and neural networks - assigning a score to the policyholder resources, establishing a "good paying" or "bad payer". The analysis by "C's" of credit is performed more subjectively

by the analyst.

However, even being different methodologies of analysis, both the objective analysis - by credit scoring - and the analysis more subjective - "C's" of Credit - need some way of information economic and financial organizations, in addition of course this compound are imperative in the process of analysis as forecast of the SFN - art. 2 of BACEN Resolution 2,682/1999, highlighted previously.

These economic and financial information are originated mainly financial statements, also entitled financial statements - such as Balance Sheet, Income Statement for the Fiscal Year, Demonstration of Accumulated profits or losses, Statement of Cash Flows, Statement of Value Added, Demonstration of Comprehensive Results.

The parts or accounting statements are analyzed through the use of techniques of analysis of financial statements by various users, among them mainly financial institutions . Marion (2009) emphasizes that banks were pioneers in the use of analysis of financial statements for credit assessment, and according to Silva (2004), the banks are the main users of financial analysis of organizations. Through the techniques of analysis of balance sheets, the analyst can check especially the ability to pay of the company (analysis of the indicators of liquidity), the quality and quantity of divide (analysis of debt), and the ability of economic return on investment (economic analysis).

However, as evidenced, in reality of micro and small enterprises Brazilians these statements do not always reflect the true financial situation, income and cost of firms (MARION, 2009). AND for enforcement and validity of the analysis of the statements "there is a need for the financial statements reflect the financial reality of the company" (MARION, 2009).

Thus, with accounting statements troubled, causes the phenomenon of information asymmetry of economic-financial. The financial institutions have information disproportionate to policyholders, which increases the risk of the operation of resources and consequently limits the possibility of granting credit.

Faced with the lack of reliability of the financial statements, in addition to the adoption of analysis more subjective, banks rely on other alternatives for obtaining financial and economic information, as is the case of the Balance Sheet Asked (KASAI, 2006). In addition, there would still be the adoption of audits of the financial statements, seconded by Boynton, Johnson and Kell (2003) as perfect alternative to significant reduction of information asymmetry. But, due to the cost-to-benefit ratio is noticed some impracticality of its use.

In this way, it will be convenient to analyze the perceptions/opinions of financial institutions about procedures that is conducive to the improvement of the quality and reliability of the financial statements. Because in addition to banks have a close connection with the micro and small, these are the main stakeholders in the cessation of the asymmetry of information.

3 METHODOLOGICAL PROCEDURES

To achieve the proposed objectives, procedures were used and research techniques specific to arrange accordingly maximize the perception of reality. In addition to the research literature on the topic , was performed empirical research for greater contribution to the study.

Thus, perceived the necessity of the data obtained are detailed, appropriate if it made the employment of qualitative research, in addition to the possibility of the researcher "participate, understand and interpret" in the observation (MICHEL, 2005, p. 17). 33).

From the qualitative research, and with the intention to raise opinions of a given population, the type of research was configured as descriptive research. Already the survey of information held in the field research were obtained from the intensive direct observation, with the use of structured interviews in the second half of the year 2012. With the use of intensive direct observation , according to Michael (2005, p. 17). 39), there is the possibility of "obtaining data by direct contact with the source".

Therefore, the perceptual predominance of micro and small towns together - especially in cities with population of less than 200,000 inhabitants - the research sought to analyze the perceptions of individuals established in these environments, small towns. In this way, the survey was conducted among the financial institutions located in the city of President Medici, in the interior of the state of Rondonia.

It should be pointed out that there was a sense that the reporting population, i.e. all financial institutions established in the municipality were investigated. In the city, at the time of the survey , there were three financial institutions: a credit cooperative, a multiple bank of mixed economy and a private financial institution. It is believed that the heterogeneity of the population contributed even more with the work.

They emphasized that, unlike most of the research on the subject, was not endeavoring investigate the overseers, participants of the committees upper credit or other professionals of the high ranking of institutions. But, as only the leaders/managers by agencies or analysts local credits, which held a greater

closeness in practice with the micro and small.

4 PRESENTATION AND ANALYSIS OF RESULTS

4.1 Configuration of the Credit Market in the municipality of President Medici

With the research, it became apparent that the micro and small part of credit policy in all financial institutions in the municipality. One of the interviewees emphasized that "the claims the micro and small operations are more common, even for the little amount of large enterprises in the city". Another interviewee also reported that credit policies to micro and small in the city it is common for these are majority in the city.

The arguments for the maintenance of the policies of their own credit for micro and small in the municipality are confirmed by studies carried out by SEBRAE, DIEESE (2010) and flowers (2011). In addition, according to Barros and Modenesi (1973) as cited in Moral (2006) the introduction of credits to small businesses started in Brazil since the 1960s, 20th century, being promoted by the State as a result of the shortcomings of private institutions, and on the other hand being covered more fiercely by the private institutions due to competition with the government banks.

As the lines of credit offered by the financial institutions the micro and small municipality, it was found that the main ones are: Capital - to support the operating cycle of the company: purchase of goods, honor operating expenses, etc. ; Receivables - anticipation of sales the term on the card, check, duplicate or invoice; and Investment - own resources for purchases of production/fixed assets, such as machinery, equipment, buildings and vehicles. It is noted that one of the managers investigated mentioned that his institution does not work with the line of investments.

The profile of credit supply found in the city is similar to the results obtained by Cunha (2007) in southeastern Brazil. The SEBRAE (2004) also pointed out that the provision of Working Capital and of Our Receivables are the lines of credit most commonly offered by the major domestic financial institutions.

Ante the credit offerings, all managers of financial institutions confirmed that the demand for Working Capital is the credit line more defendant. The result would not be different, since one of the main reasons for the mortality of micro and small is the lack of resources, in particular of Working Capital (SEBRAE, 2004).

Marion (2009) and Moraes (2006) commented that this characteristic of credit demand outlines the fragility of managerial micro and small establishments, mainly regarding the zeal in sincronismos between receipt and payment - easily solved with the use of indicators basic financial.

This characteristic of credit can also significantly influence the economic returns of micro and small, noticed that the short-term credits - as the Working Capital - usually have greater financial cost. Another concern would be the misuse of resources for Working Capital as investment, as in some credit organizations this kind of line of resources is not commonly offered - as evidenced in the research and seconded by SEBRAE (2004).

Later, one of the managers said that the volume, the lines and the conditions of payment of credits offered the micro and small county meet the needs of companies. Another respondent mentioned that the lines, the volume and the credit terms are available as the conditions of payment, documentation, and especially the history of payment of MPE taker of resources, i.e. , meet the need of credit according to the assessment.

Already for the last manager investigated, as some bibliographic reports, some small businesses have fragile administrative techniques, and the control of the business ends up being harmed, including financial control. According to the manager, this struck her perception about the evaluation of the conditions of the credit, if they meet the needs of micro and small. For the interviewee:

Not gives to know clearly. In many cases not even the customer knows that the credit that this purchase is sufficient and if the conditions are the best. We donors that we have to take the utmost care to better guide him on this credit, and we from the investigations carried out. The policy has to be the "win-win", the bank must win, the client also has to be a chain.

However, already in the literature, are predominant claims that the lines, the volume, and the amount of available credit does not meet the needs of micro and small (SEBRAE, 2004; ZICO, 2007; CUNHA, 2007; MORAES, 2006).

4.2 Process of Credit Analysis

Since the relevance of the process of credit analysis and the determination of whether or not the feature, the volume, payment terms, financial charges and other variables involved in the operations, it has

become essential to know the methodology of analysis employed by the institutions of the municipality.

It was found that the banks in the municipality customarily request for credit analysis: the acts constituting the company and changes; relation of billing for the last 12 months and forecast of revenues for the next 12 months; main customers and suppliers; declaration of stock and goods; negative certificates; balance sheet and Income Statement for the Financial Year of the last three years; and personal information of the members/shareholders - personal documents, proof of address and income, ratio of goods.

With this information, the financial institutions meet good part of the prerogatives of Article 2 of BACEN Resolution 2,682/1999. In addition, added to other internal and external data - analysis of segment information registers negative, management capacity, payment history, etc. - it is possible the banks develop a good process of credit analysis, both on the basis of analysis of balance sheets and analysis more subjective (MARION, 2009; SANTOS, 2004; BRUNI, FUENTES, FAMÁ, 1997; CUNHA, 2007; JESUS et al, 2011).

However, request the information the micro and small is not synonymous to obtain them. According to two of the managers interviewed is not always that the company can meet the documentary requests required.

One of the managers said that:

Are not all companies that can make the balance sheets, especially Micro. Even so are analyzed for all. The provision of billing is also another problem. Entrepreneurs, who are most of the times their own managers of business, do not know the projections properly. Do You realize that many of those information does not have any parameter and that there are no conditions to achieve those values.

As a result, asked what would occur if the company did not meet the documentary requests, the manager commented that only releasing the credit after the cadastral update. Santos (2004) also sugestiona that financial institutions should exercise some "pressure" from firms in credit files.

When asked if the size of the company could favor or hinder the access to credit, all managers mentioned that, the size of the company does not exercise any influence on the granting of credit. However, it is perceived that the national banks often and prefer finance larger companies rather than the micro and small (REIS, 2007; ZICO, 2007; PEZZI, 2005), even noting a recent upswing in financial contribution smaller companies.

However, according to the interviewees, there is distinction between micro and small and larger companies in the process of credit analysis. According to one of the interviewees, this is why the larger companies "have more conditions to have and provide these data, already for small companies we recognize that there is a certain lack of information." In practice, it should be noted that the large companies have a range and greater information, in addition of course to enjoy an accounting structure and more complete and reliable than the micro and small (MORAES, 2006; ZICO, 2007).

As regards the process of credit analysis, were evidenced commonly that resources are utilized specific computational, processes of surveys in companies withdrawing resources and participation of credit committees - in requests for resources more voluminous - plus verification of other external information inherent in the organization. In this way, in accordance with the characteristics of the methods of analysis, it became apparent that the financial institutions typically use both the credit scoring - especially with a company that already have a greater history of relationship with the bank, and with claims of lower value - and analysis through "C's" of Credit - inferred mainly by reports of origin of visits, and participation of credit committees.

Two of the three managers interviewed elected the information in the financial statements as the compounds more relevant to process credit analysis. Were also highlighted the payment history and the visits. The reports confirm the importance of the financial statements for credit decision, as already pointed out by the literature. However, in practice, the adoption of analysis more subjective - understood by adoption of visits - seems to be more prudent when no if you have accounting statements with quality, as in the case of micro and small.

AND it is precisely this lack of quality of the statements cited by respondents as the main responsible for restriction to credit or its more expensive. The lack of reliable information cause asymmetry of information, and consequently the financial institutions cannot precisely measure the risk of the operation, which culminates in the restriction or credit becoming more expensive (FELABAN, 2006; Prudentius; SALOTTI, 2007; SEBRAE, 2004; BARBOSA, 2008).

One of the managers also complements, and says that:

One of the main problems is the lack of presentation of a business plan. Many customers come in the database without much knowledge of the company that he intends to open. Do you think that if you open a grocery store to win as many per month and pay a portion of another both in the database, and we know that

it is not there. The person arrives here in the database and you want the bank to be the partner him, he does not bother to inject much of their own pocket. If he breaks also have great difficulty in receiving the defaulting customers. If the guy is financing a car for the company and is not paying the installments even if I know that the car is outside parked I can't go there and pick up the car, I have to fight a lot to to catch you, even it being sold to my bank. This leaves the banks with greater fear to lend, so our rates are still so expensive when compared to the outside, as in the United States. Why it is important to study the customer prior to lend. We first stayed "dating" him, knowing better, after we lend, not is borrowed as soon as expensive. Us bank we have to mitigate the risk as much as possible.

The reports above, in addition to highlight again the lack of administrative capacity, reports the problems regarding the delinquency. In countries with judicial system more fragile - slowness in judicial abuse, favoring parties liable, etc. - the financial institutions are usually really be more selective (MORAES, 2006; ZICO, 2007).

The single manager that I wanted to comment on what actions could facilitate access to credit and to reduce the financial costs, mentioned that "the supply of necessary documentation with authenticity, and better administration of your business to improve their liquidity" would be some solutions. The documentation reported refers to accounting statements, according to the interviewee. It is perceived that the accounting statements are basic elements to the process of objective analysis, and information about the management is one of the main compounds for the employment of "C's" of Credit.

4.3 Economic-financial Information of micro and small

HDsverified in the literature, and also established with the empirical research, economic-financial information are key components to a good credit decision. This way, the research also sought to investigate the perceptions of analysts/managers of credit on this subject.

One of the managers said that the level of reliability of the information provided by micro and small - including the economic and financial information - is low for micro and sometimes medium to medium-sized enterprises. Already for another investigated, it was difficult to inquiry since the micro and small cannot always meet the informational requests requested. Already the last manager, not responding objectively to inquiry, commented that the visits in businesses are precisely to validate the information provided.

In addition to the poor quality of financial statements of micro and small (MARION, 2009; MORAES, 2006; ZICO, 2007) - which leads the imperative need for on-site visits of companies withdrawing resources and origin of other investigations - realizes that smaller firms in many situations or at least prepare such statements (DAGOSTIN, 2011).

Among the main accounting differences pointed out by two managers are the omission of income and indebtedness, and different values of the real in relation to available, receivables and inventories. These inconsistencies the times are easy to be perceived by financial institutions, by checking the financial transactions of the customer, discount of receivables, cross-checking of information with other financial institutions, in addition to the on-site visits.

The accounting inconsistencies of micro and small are assigned, in addition to the lack of managerial awareness, the high tax burden national (MORAES, 2006). With a tax burden significantly, the micro and small eventually hide part of their revenue - main fact generator of taxes. With part of the revenue omitted, the quality of financial statements end up being affected.

Checked the low level of quality and reliability of the financial statements, was asked about which procedures were performed by the institutions to decrease this asymmetry of information. All responded that the main measure are the visits, one of them even commented that "through visits, many times we were able to detect some novelty not exemplified in documentation that can be revealed with attention".

As for other measures that could be taken to reduce the inconsistencies of informational micro and small, one of the interviewees mentioned that "visits more frequent with comparative monthly". However, they were not perceived in speeches the report about the possibility of using the "Balance Sheet Asked" or origin of audits as other alternatives for minimizing the asymmetry, resources highlighted in the literature.

For one of the respondents, such as the lack of information of the segment of micro and small is a chronic problem, it is impossible to establish a lack of transparency and quality of financial and economic information influence the access or in the cost of claims. For he realizes that there is a redistribution of the costs, because these informational imperfections, for all operations. Already for other manager there is "yes" an influence on the quality of the information on the cost and access to credit.

In theory, is widely highlighted that the lack of quality and credibility of economic and financial information - which causes asymmetry of information - and the lack real guarantees are some of the main reasons of credit crunch and high spread of credit operations (FELABAN, 2006; MORAES, 2006; ZICO,

2007; PEZZI, 2005; SEBRAE, 2004). Pezzi (2005) says that in Latin America, were it not for the informational deficiencies, the credits could be increased by up to 25 %. If the financial information were more reliable, could be used more widely the objective analysis of credit, which would certainly reduce the work and expense of financial institutions in the process of analysis, and consequently reduce the spread of operations.

When questioned as to whether entities, as SEBRAE, Government, Counters, Council of Accounting and Administration, could subsidize some way the micro and small to improve the level of quality and reliability of financial and economic information, the two managers that proposed to respond to the inquiry said "yes". A manager signaled that "has that from all the initiative", and in some cases, it is clear the collusion between entrepreneurs and counters in herding of information; and the other highlighted the importance of the participation of the state and the measures already taken by the SEBRAE to improvement of these information.

They were asked whether the financial institutions of the municipality exercising some form of pressure on the micro and small, or at least that should be done, to obtain better accounting information, only one investigated commented on the subject. According to him there is "yes" a certain pressure, "unfortunately ends up being necessary some times we take God's hand the credit until the company meet the demands made by the institutions, always remembering that documentation is something essential and mandatory for any institution".

This "pressure", as highlighted by little, is defended by some theorists, such as da Silva (2004). Similar Problem of information occurred in stock market for some time. Borges and Serrão (2005) emphasize the influence - in addition to the corporate scandals Americans - that pension funds, asset managers and banks themselves by better information systems. The pressure exerted by these agents just culminating in corporate governance practices in virtually all world stock.

Finally, we sought to learn of the interviewees their perceptions/views on procedures that diligence is to improve the quality of financial statements of micro and small, and thus minimize the asymmetry of economic and financial information. Of the people interviewed, one did not answer the question, and the two remaining only a answered objectively the question. According to the manager:

I understand that this problem of the accounts that you are talking about is a cultural problem of many entrepreneurs. They open businesses and one of the first things that they think is in evasion, there not to have an accounting one hundred percent is not? To change this time, culture does not change rapidly. But I see that in order to change you have to invest in entrepreneurship education, and encourage the entrepreneurs to be more legalized and to teach him that the more organized it is more it will be with your business at hand. If you speak to the entrepreneur what is the profitability of your business, the liquidity it ... many unfortunately do not know. AND you who is an accountant knows, if you do not have with the accounting information correct not to know about it, and these data are important not only for us bank, for he also control your company is necessary. Many want the accounts only to deliver statements to the government, do not worry about picking up the reports to help in your business. AND there is talk of putting an internal counter where he will find that it will be expensive, nor do you think that is an investment in your company. But I think it is improving, the government is tightening and the companies that were very informal have already improved. The MEI was a cool thing that the government has done. I think that if you continue at the pace of the last two years in some 20 years companies are already much better organized with their accounts of that today. Our emphasis.

In examining the response of the manager, it is noteworthy that in the perception of the accounting problems of micro and small are derived from an administrative culture of national managers, and therefore would require a good temporal space for its resolution . Cunha (2007) also found speech similar to the results of this search. In research carried out in the metropolitan region of Belo Horizonte, the executives of credit emphasized the relation of precariousness accounting with the "culture of informality" of small entrepreneurs. Moraes (2006, p . 27) Says that the "low importance given by the small businessman to key aspects of corporate governance", in addition to the high tax burden, are significant factors for poor accounting quality of micro and small.

Therefore, it should be noted that the resolution pointed out by the manager to improve the reliability of accounting information would be the biggest investment in entrepreneurship education. Even that in a last inquiry, it is worth emphasizing that the same manager commented that "that he gave to the government to do is to work with a few laws more vigorously as the this information" to somehow improve the statements and consequently the information provided.

It is clear, with support from the literature, that a better quality of management of micro and small entrepreneurs would be able to solve many problems of micro and small, including the accounting irregularities.

4 FINAL CONSIDERATIONS

With the research in their review of the literature, in addition to understanding the importance of micro and small the Brazilian economy, said his problems of survival. Consequently, the lack of resources and the high financial cost of credit transactions are pointed out as one of the main factors of mortalities of micro and small.

Already the financial institutions - responsible for conducting the majority of financial resources to firms - attach the asymmetry of economic-financial information as one of the main reasons for the limitation of credit and its high cost. Some theorists, such as Marion (2009) already alerting about the low quality of the financial statements of micro and small, main source of financial and economic information.

Thus, in order to better understand the credit market of the municipality of President Medici, and mainly analyze the perceptions/opinions of the managers of financial institutions on processes that may in some way contribute to access to credit for micro and small, was developed to empirical research.

In this way, it was found that the credit market in the city is made up as follows: offer mainly Working Capital, of Our Receivables, and in two of the three institutions investigated, resources for investment; on the other hand, there is a demand on the part of micro and small especially for Working Capital.

This configuration shows the lack of ability of managers to manage their capital and swing the absence of investment projects in smaller companies. This may influence the economic returns of the firms, due to the high interest rates charged by financial operations in the short term, as the Working Capital - and decrease the possibility of growth organization by the lack of obtaining credit for investment.

In relation to the processes that may be used to reduce the asymmetry of economic and financial information, managers investigated pointed out the adoption of visits to establishments as the main tool. Even the visits being valid, especially for origin of subjective analysis of credit, it can be seen that the use of the Balance Sheet Asked and accounting audits can also be compelling alternatives to reduce the asymmetry of information.

It can also be inferred that the entrepreneurs, in order to have more success in requesting the credit with banks, may adopt the following measures: to present information with trustworthiness, especially the accounting information; ensure the conduct of the financial indicators - important components for the process of analysis, and that will make it possible for entrepreneurs require credit in opportune moments; offers of real guarantees - in addition to the guarantees from the company's own, the ideal would be the participation in funds of guarantees or companies/cooperatives of credit guarantee; maintenance of good historical payment - even if the economic and financial information are not trusted, the good payment history may influence the decision of Bank; facilitation and preparation in visits made by financial institutions; and improvement in the ability of management - compound widely used in the analysis of credit, particularly subjective.

Finally, it is concluded that the perception of the managers of the banks investigated, investment in entrepreneurship education and enforcement of legislation more energetic are the main procedures to be carried out to ensure that there is improvement in financial and economic information of micro and small, from accounting statements. However, you can add that the reduction of the tax burden, audit procedures and a more "pressure" of financial institutions also present as good practices for reduction of accounting irregularities of micro and small, as predicted by the literature.

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VALDINEI LEONES DE SOUZA, MBA

Master of Administration – FEAD – Minas Gerais (Brazil). Graduated in Accounting Science. Actually works at Department of Business Administration, Federal University of Rondonia – UNIR Cacoal (Brazil).



CLEBERSON ELLER LOOSE, MBA

Master of Administration – FEAD – Minas Gerais (Brazil). Graduated in Accounting Science. Actually works at Department of Accounting Science as Researcher Professor of Financial Costs, Federal University of Rondonia – UNIR Cacoal (Brazil). Doctor Student in Administration by Universidad Nacional de Misiones (Argentina).



CLODOALDO DE OLIVEIRA FREITAS, MBA

Master of Administration – FEAD – Minas Gerais (Brazil). Graduated in Mathematics and Accounting Science. Actually works as professor of Maths and Accounting join to Department of Fishing Engineering, Federal University of Rondonia – UNIR Médica (Brazil). Doctor Student in Administration by Universidad Nacional de Misiones (Argentina.)



DIOGO GONZAGA TORRES NETO, M.Sc.

Professor at the Federal University of Rondonia –UNIR (Brazil), Master in Environmental Science And Sustainable in Amazon - CCA UFAM. Graduate in Business and Philosophy, from Department Business Administration in Cacoal City – RO (Brazil).