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2 November 2021 [shall come into force on 6 November 2021];

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If a whole or part of a paragraph has been amended, the date of the amending regulation appears in square brackets at the end of the paragraph. If a whole paragraph or sub-paragraph has been deleted, the date of the deletion appears in square brackets beside the deleted paragraph or sub-paragraph.

Republic of Latvia

Cabinet

Regulation No. 87

Adopted 13 February 2018

**Accounting Procedures for Budget Institutions**

*Issued pursuant to*

*Section 29, Paragraph three of the Law on Budget and Financial Management*

**1. General Provisions**

1. The Regulation prescribes the accounting procedures for:

1.1. budget institutions, derived public entities financed partly from the State budget, and institutions non-financed from the budget;

1.2. the Treasury, in addition to that referred to in Sub-Paragraph 1.1 of this Paragraph, also for the financial accounting of the State budget;

1.3. the State Revenue Service, in addition to that referred to in Sub-Paragraph 1.1 of this Paragraph, also for the accounting of the taxes and fees administered by this Service, and other payments administered thereby that are attributable to the State budget.

2. The institutions referred to in Paragraph 1 of this Regulation are henceforth collectively referred to as “budget institution” in this Regulation.

3. This Regulation shall not be applicable to:

3.1. the accounting of the tax and duty revenues administered by *valsts akciju sabiedrība “Ceļu satiksmes drošības direkcija”* [State joint-stock company Road Traffic Safety Directorate];

3.2. [6 September 2022];

3.3. accounting of the fee revenues administered by the State and local governments and accounting of the State budget revenues from fines, except for the accounting referred to in Sub-paragraphs 1.2 and 1.3 of this Regulation.

[*27 June 2023*]

4. The following terms are used in the Regulation:

4.1. depreciated replacement cost – the value of an asset calculated by deducting from the acquisition cost of a new equivalent asset the depreciation at the depreciation rate of the replaced asset, accounting the depreciation for as long as the budget institution has been using the replaced asset;

4.1.1 taxable event – a transaction which is taxable with a tax or fee in accordance with the laws and regulations in the field of taxes and fees;

4.2. reward – economic benefits which include the remuneration of the officials (employees) of State and local government authorities within the meaning of the Law on Remuneration of Officials and Employees of State and Local Government Authorities, financial and non-financial assets, voluntary work;

4.3. disposal – an economic transaction as a result of which the property rights of the budget institution to the asset are transferred to the acquirer of the asset (for example, the sale, transfer without reward, exchange of the asset, investment of the asset in a capital company);

4.4. costs of disposal – costs which are directly attributable to the asset disposal transaction and without which the asset cannot be disposed;

4.5. derivative financial instrument – a financial asset and financial liabilities if all of the following conditions are in effect:

4.5.1. its value changes in response to the change in a specified interest rate, financial instrument price, commodity price, foreign exchange rate, index of prices or rates, credit rating or another variable factor provided that the non-financial variable factor is not specifically attributable to any contracting party;

4.5.2. the initial net investment is smaller than would be required for other types of contracts that have a similar response to changes in market factors, or no initial investment is required;

4.5.3. it is settled at a future date;

4.6. balance sheet date – the last calendar day of the reporting year or 31 December;

4.7. materiality level – absolute or relative value starting with which the information provided in the financial statement of the budget institution may influence the opinion of the users of the financial statement and the decisions taken on the financial activity of the relevant budget institution. Materiality depends on the size and nature of the relevant item or error, taking into account the particular circumstances of the failure to provide or misstatement of information;

4.8. exchange transaction – an economic transaction within the scope of which one party receives an asset or service or settles liabilities and directly transfers the other party to the transaction reward the fair value of which corresponds to the fair value of the asset or service received. These transactions include the revenues and expenditures related to the provision of services and sale of goods, the revenues and expenditures for the use of assets (for example, interest, royalties, and dividends or similar payments), and also the revenues and expenditures for the contractual penalties related to the transactions referred to in this Sub-paragraph;

4.9. non-exchange transaction – an economic transaction within the scope of which one party receives an asset or service or extinguishes the liabilities, without giving (without receiving) reward in return or giving (receiving) reward the fair value of which does not correspond to the fair value of the received asset or service or the extinguished liabilities. These transactions include the revenues from taxes, fees, State social insurance contributions, and other payments in the budget and payments, transfers, including transfers (for example, earmarked grants of the State budget, transfers planned within the scope of the European Union projects), grants from the general revenues, foreign financial assistance, extinguishing of liabilities, inheritances, gifts, donations, penalties, late payment charge, and fines;

4.10. discounting – calculation by which the present value of a sum of money to be received or disbursed in the future is determined;

4.11. effective interest method – the amortisation method for the carrying amount of financial instruments according to which future payments are discounted to uniformly recognise the interest revenues or expenditures during the operation of the contract;

4.12. financial assets:

4.12.1. cash;

4.12.2. equity instrument of another entity – a contract that evidences a residual ownership interest in the assets of another entity after deducting all of liabilities;

4.12.3. contractual right to receive cash or another financial asset from another entity or to mutually exchange financial assets or financial liabilities with another entity under conditions that are potentially favourable to the budget institution;

4.12.4. financial instrument if it corresponds to the definition provided in Sub-paragraph 4.13 of this Regulation;

4.13. financial instrument – a contract that concurrently gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity;

4.14. financial liabilities:

4.14.1. contractual obligation to transfer cash or other financial assets to another entity or to mutually exchange financial assets or financial liabilities with another entity under conditions that are potentially unfavourable to the relevant budget institution;

4.14.2. financial instrument if it corresponds to the definition provided in Sub-paragraph 4.13 of this Regulation;

4.15. chart of accounts – a chart of accounts which has been developed in accordance with the chart of accounts scheme specified in Annex 1 to this Regulation;

4.16. accounting procedures – the internal legal act of the budget institution which includes the chart of accounts, the list of accounting principles, the transaction records, the materiality level, and other necessary information which is used by the budget institution in accounting and preparation of financial statements;

4.17. recipient of the accounting service – a State budget institution for which the accounting is kept by another State budget institution in accordance with the procedures laid down in legal acts;

4.18. provider of the accounting service – a State budget institution which provides the accounting service to another State budget institution;

4.19. accounting principles – specific principles, guidelines, methods, assumptions, provisions, and practice laid down in the laws and regulations regarding the assessment and accounting of economic transactions;

4.20. cost method – a method of accounting for assets whereby the initial cost of the asset is periodically reduced by depreciation (amortisation) and impairment;

4.21. monetary items – sums of assets and liabilities expressed in foreign currencies which are to be received or paid in a foreign currency (cash balances of foreign currency and receivables and liabilities to be paid in foreign currencies);

4.21.1 cash flow hedge – a hedge of the exposure to variability in cash flows of the hedged item that is attributable to a particular risk and could affect revenues or expenditures of the budget institution;

4.22. non-financial assets – assets which do not correspond to the definition provided in Sub-paragraph 4.12 of this Regulation (for example, property, plant, and equipment, inventories, advances, prepaid expenditures);

4.23. non-financial liabilities – liabilities which do not correspond to the definition provided in Sub-paragraph 4.14 of this Regulation (for example, deferred revenues);

4.24. development of intangible investment – the development, construction, and testing of new or improved materials, equipment, products, processes, systems, or services before commencing the use of an asset;

4.24.1 hedged item – a financial asset or financial liabilities which meet the criteria for the classification of financial instruments or a group thereof with similar risk characteristics which causes a risk of changes in future cash flow for the budget institution and which is determined by the budget institution as a hedged item;

4.25. lease – a contract by which a lessor transfers the right to use an asset for a period specified in the contract to a lessee for one or several lease payments (reward);

4.26. standard operating cycle – the period from ensuring the resources necessary for the performance of the function until the performance of the function, from the acquisition of the materials necessary for the manufacture of products or provision of services until the sale of goods or provision of services;

4.27. fair value – the amount for which an asset can be exchanged between knowledgeable, willing, and non-related entities;

4.27.1 fair value hedge – a hedge of the exposure to changes in fair value of the hedged item that is attributable to a particular risk and could affect the revenues or expenditures of the budget institution;

4.28. reporting date – the last calendar day of such reporting period for which a report has been prepared;

4.29. reporting period – the period for which information on accounting data is provided in accordance with the laws and regulations in the field of preparation of statements;

4.30. research – measures oriented towards the acquisition of new knowledge, study, assessment of research results, and selection of conclusions, search for alternative materials, equipment, products, processes, systems, or services and formulation, development, evaluation, and final selection of possible alternative new or improved materials, equipment, products, processes, systems, or services;

4.30.1 hedge effectiveness – the extent to which changes in the fair value or cash flow of the hedging instrument offset changes in the fair value or cash flow of the hedged item which are attributable to the hedged risk;

4.30.2 hedging instrument – a derivative financial instrument the fair value or cash flows of which will offset changes in the fair value or cash flow of the hedged item;

4.31. economic benefits – resources or a service received by the budget institution or should be received by it from another entity (including another budget institution) which arise from exchange transactions or non-exchange transactions, and also include revenues from an increase in the value of assets or reduction in the value of liabilities;

4.32. accrual basis – an accounting principle according to which transactions and events are recognised in accounting and presented in accounting documents and financial statements in the period of the occurrence thereof (not just when the cash or cash equivalents are received or paid).

[*2 November 2021; 21 December 2021 / See Paragraphs 456.1 and 456.3*]

5. The institutions involved in the consolidation of financial statements shall conform to the unified accounting procedures and chart of accounts of the ministry, central State institution, or local government.

6. The ministry, central State institution, or local government shall approve a chart of accounts to account the assets and liabilities, contingent assets and contingent liabilities, changes therein and transactions and to prepare statements of good quality. The chart of accounts scheme for ensuring analytical accounting may be supplemented with additional characters.

7. The institutions referred to in Sub-paragraphs 1.2 and 1.3 of this Regulation shall develop and approve accounting procedures that are appropriate for the specific nature of the functioning of the budget institution, ensuring the application of the chart of accounts scheme specified in Annex 1 to this Regulation in the preparation of financial statements.

8. The provider of the accounting service may develop unified accounting procedures for all recipients of the accounting service, agreeing thereupon with each recipient of the accounting service. The recipient of the accounting service shall apply the accounting procedures referred to in this Paragraph.

9. The budget institution shall assess each transaction and, taking into account the economic nature of transactions and their relation to other transactions, apply the accounting requirements individually to each transaction or its components, or several transactions together.

10. If there are no specific requirements in this Regulation which are particularly attributable to a transaction, another event, or circumstance, the budget institution shall develop and apply such accounting principles as a result of which information that is useful for the decision-making needs of users of the financial statement and is credible is obtained.

11. When developing the accounting principles in the cases referred to in Paragraph 10 of this Regulation, the following requirements shall be taken into account and their applicability shall be assessed:

11.1. the requirements laid down in legal acts examining similar or related issues;

11.2. the definitions of assets, liabilities, revenues, and expenditures provided in other legal acts and the recognition and measurement criteria.

12. The materiality level to be applied in accounting shall be determined for the ministry, central State institution, local government, and each budget institution involved in consolidation in the cases referred to in this Regulation by taking into account the type of the transaction (for example, impairment, formation of provisions), the proportion of the relevant asset or liability, the nature and periodicity of the relevant transaction and its impact on the financial performance in the reporting period and subsequent periods. If necessary, the materiality level shall be determined repeatedly.

13. Budget institutions shall account all the non-current assets, current assets and liabilities that are in their ownership, holding or possession and are falling under their competence, according to corroborative documents and economic substance of a transaction.

14. In order to take a decision on the classification of transactions, the measurement of assets and liabilities (for example, to determine the useful life of assets, to calculate the impairment, provisions) and for other estimates, the head of the budget institution may:

14.1. establish a commission, if necessary, inviting specialists of the relevant field (hereinafter – the commission);

14.2. determine the responsible specialist of the budget institution in the relevant field (hereinafter – the specialist).

15. A transaction can include both an exchange transaction and a part of a non-exchange transaction. The commission and the specialist shall determine the part of revenues or expenditures arising from a non-exchange transaction, and also changes in assets and liabilities that have occurred as a result of an exchange transaction, and revenues or expenditures.

16. Non-exchange transactions also include the restructuring and liquidation of budget institutions.

17. Assets and liabilities, and also revenues and expenditures shall be accounted with the same accounting principles, regardless of the type of the transaction as a result of which they have arisen unless different accounting principles have been laid down in this Regulation.

18. Accounting by the budget institution shall be done on accrual basis. When using the accrual basis of accounting, the budget institution accounts assets, liabilities, equity capital, revenues, and expenditures.

19. Assets and liabilities, and also revenues and expenditures shall be accounted separately without offsetting them, unless another legal act provides otherwise.

20. If the currency of the transaction is not euros, the budget institution may account the transaction in the currency of the transaction to ensure analytical accounting.

21. The budget institution shall create a separate accounting register – sub-balance sheet – to account information not included in the asset and liability accounts of the balance sheet.

**1.1 Basic Principles for Accounting**

[*6 September 2022 / See Paragraph 2 of Amendments*]

**1.11. General Criteria for the Recognition of Assets**

[*6 September 2022 / See Paragraph 2 of Amendments*]

22. Such resources shall be recognised as assets which are controlled by the budget institution as a result of past events and the cost of which can be reliably measured, and from which future economic benefits can be expected or with which the fulfilment of the (State, sectoral, or local government) functions or delegated tasks (hereinafter – the function) of the budget institution may be ensured:

22.1. using them for the manufacture of goods or provision of services;

22.2. leasing them to other entities;

22.3. using them for administrative needs;

22.4. implementing State and local government policy and ensuring the budget needs of the State and local governments.

23. The budget institution shall have control over the asset if it can use the asset for the achievement of its objectives or obtain benefits from it in any other way and can preclude or otherwise regulate third party access to such benefits.

24. A past event resulting in control over an asset is:

24.1. the receipt, acquisition, or construction of the asset, or the result of another transaction;

24.2. a taxable event within the meaning of Sub-paragraph 359.1 of this Regulation;

24.3. an approved legal act under which the receipt of the obtained revenues is surely probable.

25. If a pledge is disposed, it shall be recognised an asset on the day when it meets the conditions referred to in Paragraph 22 of this Regulation.

26. Long-term investments include those assets which the budget institution plans to use for more than a year from the day of acquisition.

27. Current assets include those assets which are used within the scope of the standard operating cycle also if the cycle exceeds 12 months. Current assets shall also include the assets which are mainly intended for trade and the current portion of non-current financial assets.

**1.12. General Criteria for the Recognition of Liabilities**

[*6 September 2022 / See Paragraph 2 of Amendments*]

28. Liabilities are a present obligation of the budget institution which has resulted from a past event and the fulfilment of which requires an outflow of resources.

29. A past event due to which a present obligation arises occurs if:

29.1. the fulfilment of the obligation is intended to be ensured in accordance with the procedures laid down in legal acts;

29.2. an event (which can be an activity of the budget institution) has provided a valid reason for other persons to expect that the budget institution will fulfil the relevant obligation.

30. Liabilities shall be initially classified as current if they meet the following criteria:

30.1. accounts must be settled for them or the relevant obligation must be fulfilled (for example, a prepayment for the services to be provided in the subsequent period has been received) within 12 months after the balance sheet date;

30.2. it is expected to settle accounts for them or to fulfil the relevant obligation in the standard operating cycle of the budget institution also if the cycle exceeds 12 months;

30.3. they are mainly intended for trade on the financial instrument market.

31. Liabilities shall be classified as current at least at the end of the reporting year if:

31.1. the budget institution can settle the liabilities (the accounts or obligation) within 12 months after the balance sheet date;

31.2. after the balance sheet date and before the financial statements have been approved for publishing in accordance with the laws and regulations regarding the preparation of an annual statement (hereinafter – approved for publishing), an agreement to re-credit liabilities or to change the payment schedule according to long-term conditions has been concluded in addition to the criterion referred to in Sub-paragraph 31.1 of this Regulation.

[*6 September 2022 / See Paragraph 2 of Amendments*]

32. Liabilities shall be classified as non-current liabilities if they do not meet the criteria referred to in Paragraphs 30 and 31 of this Regulation.

**1.13. General Criteria for the Recognition of Revenues**

[*6 September 2022 / See Paragraph 2 of Amendments*]

33. Revenues are formed by economic benefits, including increase in the value of assets or reduction in the value of liabilities which the budget institution receives or will receive on its behalf or during the fulfilment of functions and which increase the equity capital.

34. Revenues shall be recognised in accordance with the procedures laid down in this Regulation if:

34.1. it is probable that the economic benefits associated with the transaction will flow to the budget institution;

34.2. the amount of revenues can be reliably measured.

**1.14. General Criteria for the Recognition of Expenditures**

[*6 September 2022 / See Paragraph 2 of Amendments*]

35. Expenditures are formed by reduction in economic benefits which arises from the use, impairment or disposal of the assets or as a result of the arising of or increase in liabilities and which reduce the equity capital.

36. Expenditures shall be recognised in accordance with the procedures laid down in this Regulation if:

36.1. the outflow of resources has occurred or it is expected;

36.2. the amount of expenditures can be reliably measured.

**2. General Principles for the Accounting of Items of Financial Statements**

**2.1. Initial Recognition and Measurement of Long-term Investments**

37. A long-term investment shall be recognised on the day when the budget institution acquires control over the asset and it assumes all the risks and the economic benefits to be derived from the relevant asset.

38. A long-term investment shall also be recognised if:

38.1. it is acquired in order to transfer it without reward to the general government sector units, except for the merchants controlled and financed by them (hereinafter – the general government sector units);

38.2. immovable property under the State jurisdiction is taken over, except for the property under the State jurisdiction which is accounted by the State Revenue Service in accordance with the procedures laid down in other laws and regulations if the decision on its use has not been taken in accordance with laws and regulations.

39. A non-financial asset without a physical substance shall be recognised in the composition of intangible investments if it:

39.1. is separable from other assets and can be sold, transferred, licensed, leased, or exchanged individually or together with the separable asset or liabilities;

39.2. arises from contractual or legal rights (hereinafter – the binding arrangement), regardless of whether these rights are transferable or separable from the budget institution or from other rights and obligations.

40. Intangible investments, property, plant, and equipment, and investment properties shall be accounted under the cost method.

41. The initial cost of long-term investments includes the following costs directly attributable to the asset for the acquisition or construction (production) thereof until the day when the asset is put into use:

41.1. the acquisition price of the long-term investment (deducting the discounts received), the customs duty, and other non-deductible taxes related to the acquisition;

41.2. the costs of the delivery and transportation of the long-term investment to the place of its use;

41.3. the remuneration for work which has arisen directly in the process of acquiring or constructing the long-term investment;

41.4. the costs of such materials and services which are used in the process of constructing the long-term investment;

41.5. the costs of the preparation of the long-term investment (introduction, installation, assembly costs) for the intended purpose until its putting into use;

41.6. the costs of professional services directly attributable to the acquisition or construction of the long-term investment;

41.7. the depreciation of the patents and licences used for the construction of the intangible investment;

41.8. the initial estimate of the costs of the demolition of the relevant object in the future and restoration of its previous location if such obligations have been specified in accordance with a legal act;

41.9. the costs of testing the relevant asset prior to commencing its use from which the revenues from the sale of such goods which have been produced with the relevant asset during the testing have been deducted.

42. Costs which are related to the acquisition or construction of the long-term investment or to the development of the intangible investment shall be recognised in the expenditures of the reporting period if they:

42.1. are not necessary for the preparation of the assets for its intended use;

42.2. are administrative and other general costs which are not directly attributable to the particular asset;

42.3. are related to the commencement of the operation of the budget institution at a new location or with another group of users, including costs of staff training;

42.4. are related to the opening of a new unit;

42.5. are attributable to the abnormal amounts of wasted materials, labour, or other resources (exceeds the usual costs for the construction of a similar asset) in the creation of a self-constructed asset;

42.6. have arisen due to deferring the payment for the asset for more than 12 months according to the terms of the contract. The difference between the cash price equivalent and the total payment shall be recognised as the interest expenditures over the credit period in the relevant reporting period.

43. In addition to the costs specified in Paragraph 41 of this Regulation, such costs shall be measured which have arisen in the construction of the intangible investment, and they shall be classified as follows:

43.1. the costs related to research shall be recognised in expenditures in the reporting period in which they have arisen;

43.2. the costs related to the development of the asset shall be included in the carrying amount of the intangible investment if a documented justification for the following has been prepared:

43.2.1. the technical feasibility of completing the asset so that it will be available for use or disposal;

43.2.2. the intention to complete the asset and to use or dispose it;

43.2.3. the ability to use or dispose the asset;

43.2.4. the fact that the asset will generate probable future economic benefits or that it will be used to ensure the fulfilment of the functions (for example, on the existence of an active market for the output of the asset or the asset itself or the usefulness of the asset if it is planned to be used for own needs);

43.2.5. the availability of adequate technical, financial, and other resources to complete the development of the asset and to use or dispose it;

43.2.6. the ability to measure reliably the expenditures attributable to the asset during its development.

44. The costs related to the development of the intangible investment shall be included in the value of the intangible investment starting from the day when the intangible investment meets the criteria for the recognition of an asset.

45. The costs which have arisen after the putting of long-term investment into use and are related to the commencement of its operation, transportation or maintenance thereof shall be recognised in expenditures.

46. Inclusion of costs in the initial cost of long-term investment shall be ceased on the day when it is put into use.

47. Long-term investment shall be initially measured at fair value, deducting the costs of disposal, according to the most probable estimate on the date of acquiring the asset, initially recognising in accounting:

47.1. an existing long-term investment that has not been accounted previously;

47.2. a long-term investment received as donations and gifts;

47.3. a long-term investment received through exchange. If the fair value of the received asset cannot be measured, its value shall be determined based on the fair value of the transferred asset at the date of acquiring the received asset. If the fair value of the transferred asset cannot be reliably measured, the value of the received asset shall be determined based on the carrying amount of the transferred asset at the date of transfer. The value of the asset received from the general government sector unit shall be determined in accordance with Paragraph 349 of this Regulation;

47.4. biological assets which have been previously accounted in the composition of products of biological assets.

48. In the cases referred to in Paragraph 47 of this Regulation, the investment property shall be measured at fair value and the costs of disposal shall not be deducted. The fair value shall be determined for the whole asset without separating its integral components which are necessary to use the property as investment property.

49. The fair value of an investment property shall be measured by using generally recognised valuation techniques or the methods referred to in Paragraph 123 or 127 of this Regulation, or the value of the asset shall be approved if it is known.

50. Until the measurement of the long-term investment referred to in Paragraph 47 of this Regulation or approval of the value, assets shall be accounted at units of quantity.

51. The fair value, less the costs of disposal (sale), is the amount which can be obtained from the disposal (sale) of an asset in a transaction between knowledgeable, willing, and non-related parties.

52. The fair value of a long-term investment (except for financial instrument) can be determined in the following cases:

52.1. the price of the long-term investment which has been adjusted by the costs that are directly attributable to the disposal of the long-term investment, in the contract (binding sales contract) concluded in a transaction between the non-related persons is known;

52.2. if binding sales contracts are not available, but the long-term investment is traded on an active market, then the fair value shall be the market value of the long-term investment (the current offer price). If the current offer prices are not available, the last transaction price shall be applied to determine the fair value of the long-term investment, based on the assumption that no significant changes have occurred in the market between the transaction date and the date when calculations have been made. If market prices of a different type of assets or condition are used for determining fair value of the asset, adjustments shall be made to eliminate such differences;

52.3. if binding sales contracts are not available and an active market does not exist, the fair value shall be determined according to the information available on the value that could be acquired by the budget institution from the sale of the long-term investment to a non-related party on the date when calculations have been made. In order to determine such value, a recent similar transaction in the same sector or field of economic activity may be evaluated. In such case, the market price of a similar transaction shall be adjusted to eliminate differences in economic circumstances;

52.4. if binding sales contracts are not available, an active market does not exist, and information on the potential sales value is not available, the fair value of the asset shall be determined according to the discounted cash flow projection, on the basis on reliable estimates of the difference between future incoming and outgoing cash flows (hereinafter – the net cash flows) arising for the provisions of valid lease or other contracts for the same or similar assets at the same or equivalent location and condition, and applying the relevant discount rate published on the website of the Treasury. Financing or restoration costs of assets are not included in the projected cash flows.

53. In the cases referred to in Paragraph 47 of this Regulation, the notional cost value of land and structures – cadastral value – may be used for the determination of their value, the full value indicated in the State Forest Register – for the determination of the value of forest stands, and the data of the Geological Information System – for the determination of the value of underground assets.

54. In order to ensure the accounting of museum collection and also library funds, the data of the registration system specified in laws and regulations in the field of museum collections and library funds shall be used.

55. The budget institution shall recognise the assets in the composition of a museum collection, except for immovable property, in accounting in accordance with the time limits for the verification of the existence of collection laid down in the laws and regulations in the field of museum collections and determine the value of the objects in a museum collection concurrently with the verifications of the existence of collection, measuring the asset at its acquisition (construction), if it is known. If the acquisition (construction) value of assets is not known, the following shall be determined:

55.1. the fair value of the assets (if possible) in accordance with Paragraph 51 of this Regulation;

55.2. units of collections and, if the fair value of the assets cannot be determined, each unit shall be measured at the value of one euro. Assets shall be accounted in the accounts of similar property, plant and equipment according to the use thereof and shall be separated in analytical accounting.

56. Property, plant, and equipment shall be accounted in conformity with the conditions referred to in this Regulation and with the initial recognition cost of one asset unit specified in the laws and regulations in the field of budget expenditure classification. If the cost of the acquisition or construction of one asset unit is less than the initial recognition value of one asset unit specified in the laws and regulations in the field of budget expenditure classification, the assets shall be accounted in the composition of current assets, except for the assets referred to in Paragraph 59 of this Regulation.

57. Military long-term assets (military equipment and facilities) which are necessary to ensure the fulfilment of the military tasks of the National Armed Forces and the training related thereto and for the development of military capacities shall be accounted in the composition of property, plant, and equipment.

58. Library funds, original works of entertainment, literature, and art, precious stones and precious metals, antique and other culture and art objects, other valuables and objects of museum collection shall be accounted in the composition of other intangible investments or property, plant, and equipment irrespective of the recognition value of one asset unit.

59. Intangible investments, immovable properties, and biological assets shall be accounted in the composition of long-term investments in corresponding accounts irrespective of the recognition value of one asset unit.

60. When transferring the State and local government properties that are in the ownership and possession of the budget institution into holding (except for lease) to State and local government capital companies, port authorities, or derived public entities, their initial cost, accumulated depreciation, and impairment shall be accounted in separate accounts in the composition of property, plant, and equipment or financial investments and shall be analytically separated for the calculation of depreciation in accordance with the depreciation norms indicated in Annex 2 to this Regulation.

61. State properties which have been transferred for privatisation or disposal and the property rights to which in the Land Register or in the Register of Shareholders (Stockholders) in a commercial company are registered on behalf of the authority performing the privatisation (disposal) in the name of the State in accordance with Section 8, Paragraph seven of the law On Land Ownership Rights of the State and Local Governments and Corroboration Thereof in the Land Registers and Section 10, Paragraph one, Clause 2 of the Law on Governance of Capital Shares of a Public Person and Capital Companies shall be accounted by the Ministry of Economics.

62. Immovable properties which have been transferred for privatisation or disposal and which have been received in the possession by the authority performing the privatisation (disposal) referred to in Paragraph 61 of this Regulation, but the property rights to which have not been corroborated in the Land Register yet shall be accounted by the Ministry of Economics.

63. Property, plant, and equipment and intangible investments consisting of component parts (for example, for a computer – software, for a vehicle – spare parts) which cannot be used each individually shall be accounted as one asset.

64. Property, plant, and equipment and intangible investments consisting of component parts which can be used each individually (for example, computer system block, monitor, printer) and which meet the criteria for the recognition of long-term investment shall be accounted as individual assets.

65. In the initial recognition, land and structures (for example, plots of land, buildings, engineering structures) shall be recorded as property, plant, and equipment if they are intended:

65.1. for ensuring the functions (for example, for administrative needs, production of goods, provision of services);

65.2. for full or partial lease within the scope of the general government sector units;

65.3. both for ensuring the functions and for lease outside of the general government sector units.

66. In the initial recognition, land and structures shall be recorded as an investment property if they do not meet the criteria referred to in Paragraph 65 of this Regulation (for example, they are intended for lease, except for within the scope of the general government sector units, or the decision on their use has not been taken yet).

67. If the assets referred to in Paragraph 66 of this Regulation are leased together with other assets, then all assets shall be recorded in the composition of the investment properties, except for underground assets and biological assets, and shall be analytically separated for the calculation of depreciation in accordance with the depreciation norms indicated in Annex 2 to this Regulation.

[*6 September 2022 / See Paragraph 2 of Amendments*]

**2.2. Accounting of Long-term Investment after Initial Recognition**

**2.2.1. Adjustment of the Initial Cost of Long-term Non-financial Assets**

[*6 September 2022 / See Paragraph 2 of Amendments*]

68. The costs which improve the condition of the relevant property, plant, and equipment, investment property, or intangible investment (the reconstruction, restoration, or renewal of the asset) during its useful life or substantially change the features of the present asset in comparison with the previous indicators thereof shall be included in the cost of the property, plant, and equipment, investment property, intangible investment (capitalised).

69. When costs are capitalised, the initial cost of the asset shall be increased. Starting from the next month, depreciation (amortisation) shall be calculated from the carrying amount of the asset which includes the capitalised costs.

70. Within the scope of the projects financed by the State or local governments, including foreign financial assistance projects, the capital investment costs shall be included in the initial cost of the State and local government property by the budget institution in the accounting records of which is the relevant object. The budget institution which finances the capital investment costs in the State or local government property shall account them under unfinished building objects until the completion of the relevant construction work and transfer without reward to the budget institution in the accounting records of which is the object in which capital investments have been made.

[*6 September 2022 / See Paragraph 2 of Amendments*]

71. If a part with long useful life of the property, plant, and equipment or investment property is replaced with a new component part which cannot be used separately, the value of the newly installed part shall be added to the value of the relevant asset. The initial cost of the replaced part, the calculated depreciation, and the impairment shall be derecognised.

72. If the carrying amount of the replaced part of the property, plant, and equipment or investment property has not been calculated separately, i.e., if the part of the asset to be excluded has not been depreciated separately from the remaining asset, the value of the part of the asset to be excluded shall be determined. This value may be determined according to the depreciated replacement costs or using another method according to the decision of the commission or specialist.

73. The costs which have arisen from the preservation or maintenance of the present condition of intangible investments, investment properties, and property, plant, and equipment, and also from the repairing or fixing of the property, plant, and equipment and investment properties shall be recognised as the operating expenditures in the period when such expenditures have arisen.

74. When acquiring a used long-term investment which can be used for the intended purpose only after rebuilding, reconstruction, or renewal, the relevant costs shall be added to the carrying amount of the long-term investment in such amount that the value of the long-term investment after adding of these costs would not exceed the value of an equivalent asset necessary for the replacement thereof.

75. During reconstruction, restoration, or renewal, the investment property shall be accounted in the composition of investment properties if it is intended to continue its use as an investment property.

76. If a property, plant, and equipment or investment property intended for disposal is reconstructed, restored, or renewed before disposal, it shall be re-classified in the composition of the inventories after reconstruction, restoration, or renewal.

77. Land and structures shall be assessed until the preparation of the annual statement and accounted in the composition of property, plant, and equipment at the end of the reporting year if in the reporting year they:

77.1. have been used for ensuring the functions;

77.2. have been fully or partially leased within the scope of the general government sector units;

77.3. have been used both for ensuring the functions and for lease outside the general government sector units.

78. Land or structures shall be recorded in the composition of investment properties at the end of the reporting year if they do not meet the criteria referred to in Paragraph 77 of this Regulation (for example, they are intended for lease outside the general government sector units or the decision on their use has not been taken yet).

79. Biological assets – plants and animals intended to be used in agricultural activities – shall be accounted in a separate group of accounts and measured at the end of each reporting year:

79.1. forest stands – at the full value indicated in the State Forest Register;

79.2. other biological assets – at fair value, deducting the costs of disposal.

80. Within the meaning of this Regulation, agricultural activity shall be planned activities of the budget institution in agriculture, fishery, and forestry for earning of revenues, using biological assets.

81. The difference between the carrying amount of such biological asset which is intended to be used in agricultural activity and the value referred to in Paragraph 79 of this Regulation at the end of the reporting period shall be recognised in the operating revenues or expenditures of the reporting period.

82. Biological assets – plants and animals intended to be used for the purposes of scientific research, education, transport, entertainment, recreation, or safety, control and other purposes or the purpose of the use of which is unknown or the decision on further use has not been taken – shall be accounted in the composition of property, plant, and equipment according to the basic principles for the accounting of property, plant, and equipment.

[*6 September 2022 / See Paragraph 2 of Amendments*]

83. The budget institution shall act as follows in relation to the carrying amount of such forest stands which are intended for the purposes of scientific research, education, transport, entertainment, or recreation, or safety and control:

83.1. update according to the full value indicated in the State Forest Register by performing forest inventory in accordance with the procedures laid down in the Forest Law if the forest stands have been initially recognised on the basis of the data of the State Forest Register, and recognise the difference in the operating revenues or expenditures of the reporting period;

83.2. reduce according to the method specified in the accounting procedures of the budget institution (for example, according to the current full value indicated in the State Forest Register if information on the forest management performed has been updated over the reporting year, or in proportion to the area developed or the quantity of wood felled if information on the forest management performed has not been updated in the State Forest Register over the reporting year), and recognise the difference in the operating expenditures of the reporting period.

84. The initial cost of an underground asset which has been recognised by the budget institution in accounting records shall be reduced and recognised in the operating expenditures of the reporting period by applying one of the following methods:

84.1. according to the developed quantity concurrently with the recognised inventories and revenues from the development of underground assets in accordance with the procedures laid down in the internal legal acts of the budget institution;

84.2. in proportion to the recognised revenues and the requirements for the development rights of underground assets.

85. According to the changes in the area of a plot of land in the State Immovable Property Cadastre Information System (for example, the area determined using graphic means has been updated, cadastral survey has been performed), the following changes shall be made in the accounting registers if the plot of land has been initially recognised in accordance with Paragraph 53 of this Regulation and changes are significant according to the accounting procedures of the budget institution:

85.1. the carrying amount of the asset shall be adjusted according to the current cadastral value;

85.2. the difference between the current value and the previously accounted value is recognised in the operating revenues or expenditures of the reporting period;

85.3. the analytical information of the asset is updated (for example, the area).

86. If a plot of land has been initially recognised in accordance with Paragraph 53 of this Regulation, the following changes shall be made in the accounting registers after division or merging of the plot of land:

86.1. the carrying amount of the asset shall be derecognised and other expenditures shall be recognised;

86.2. the asset shall be recognised at the current cadastral value and other revenues shall be recognised.

**2.2.1.1 Depreciation and Amortisation**

[*6 September 2022 / See Paragraph 2 of Amendments*]

87. Depreciation for property, plant, and equipment and investment properties and amortisation (write-down) for intangible investments shall be calculated using the straight-line method under which the value to be depreciated or amortised is systematically reduced over its useful life by regular deductions which are accounted as the accumulated depreciation (amortisation) and recognised in the operating expenditures of the reporting period or included in the value of another asset.

88. Depreciation of the property, plant, and equipment and investment properties and amortisation of intangible investments shall be calculated according to the periods for the preparation of statements but not less than once in a reporting year.

89. Depreciation shall not be calculated for:

89.1. land;

89.2. biological assets;

89.3. underground assets;

89.4. library funds;

89.5. cultural and art objects, objects of museum collection;

89.6. precious stones, precious metals and their articles;

89.7. valuables;

89.8. cultural monuments of global and State significance included on the list of State protected cultural monuments, except for those which are used in everyday life.

90. Each functionally different part of a structure may be analytically separated from the joint asset and depreciated separately within a shorter period than the useful life specified for the asset. Costs which are not specifically attributable to any part of the structure however have been included in the total value of the structure shall be divided in proportion to the total value for all parts of the structure. The parts of the structure and their useful life during which the budget institution is planning to use the relevant part shall be determined by the commission or specialist.

91. Depreciation for property, plant, and equipment and investment properties shall be calculated in accordance with the depreciation norms indicated in Annex 2 to this Regulation.

92. The useful life for long-term investments in leased property, plant, and equipment shall be determined according to the term of operation of the lease, rental, or management contract entered into or according to the accounting procedures of the budget institution.

93. Depreciation (amortisation) for property, plant, and equipment, investment properties, and intangible investments which are acquired under the finance lease (leasing) provisions shall be calculated according to the same provisions that are applicable to other owned assets of the same group. In the absence of satisfactory assurance that the budget institution will obtain the ownership right to the asset at the end of the lease term, the leased asset shall be completely depreciated during the lease term.

94. [6 September 2022]

95. When accepting a used property, plant, and equipment or investment property in accounting, except for the transaction referred to in Sub-chapter 2.18 of this Regulation, the commission or specialist shall establish the technical condition of the relevant asset, determine the foreseeable remaining useful life of the asset, and the corresponding depreciation norms. Measurements shall be documented.

[*6 September 2022 / See Paragraph 2 of Amendments*]

96. If the supplier replaces an asset with a new one during its guarantee period, the budget institution shall determine the useful life for the received asset in accordance with the depreciation norms indicated in Annex 2 to this Regulation and shall calculate depreciation starting from the first date of the following month after putting of the asset into use.

97. The budget institution shall, according to the depreciation norms indicated in Annex 2 to this Regulation and the conditions for the application thereof, continue to calculate depreciation in the remaining useful life of the asset for the State and local government properties in the ownership or possession of the State and local government which have been transferred for holding to State or local government capital companies, port administrations, or derived public entities.

98. When determining the useful life of intangible investments during which the budget institution is planning to use it, it shall be assessed whether the useful life of an intangible investment is finite or indefinite.

99. An intangible investment shall be regarded as having an indefinite useful life if, based on an analysis of all of the relevant factors, the following conditions are in effect concurrently:

99.1. the period over which the budget institution expects to receive the economic benefits generated by the asset or to ensure the fulfilment of the functions is unlimited (for example, for a patent);

99.2. the fair value of the intangible investment increases over time (for example, for an intangible cultural and historical monument – a cinema document, a photodocument, a videodocument, or a sound recording) or remains unchanged, without making additional capital investments.

100. An intangible investment with indefinite useful life shall not be amortised.

101. An intangible investment with a finite useful life shall be amortised. In order to determine the useful life, the following factors shall be assessed:

101.1. the expected use of the asset by the budget institution and how it might be used by another person;

101.2. the typical product life cycles for the asset and public information on the estimates of useful lives of similar assets used in a similar way;

101.3. technical, technological, commercial, or other types of obsolescence;

101.4. the stability of the sector in which the relevant asset operates and changes in the market demand for the products and services output from the asset;

101.5. the level of the maintenance expenditures required to obtain the expected future economic benefits from the asset or to be able to use the asset for the fulfilment of the functions, and the ability and intention of the budget institution to reach such a level;

101.6. the period during which the asset is controlled and legal or similar limits on the use of the asset, for example, the expiry dates of related leases;

101.7. whether the useful life of the asset depends on the useful life of other assets of the budget institution.

102. The useful life of intangible investments that arises from binding arrangements shall not exceed the period of the binding arrangement, but may be shorter than it. If the binding arrangement has a limited term and the term may be renewed, the renewal period of the term shall be included in the useful life only if there is evidence to support renewal of the term without significant costs.

103. The evidence referred to in Paragraph 102 of this Regulation shall include the previous experience of the budget institution with renewal of a similar binding arrangement and the planned satisfaction of the conditions of the arrangement for its renewal.

104. In assessing whether the term renewal costs referred to in Paragraph 102 of this Regulation are significant, they shall be compared with the future economic benefits expected to be received or the use of the asset for the fulfilment of the functions after renewal of the term. If the renewal costs of the term are significant, the renewal period of the term shall not be included in the useful life but the relevant costs shall, after their occurrence, be accounted as the initial cost of a new, separate intangible asset.

105. The remaining useful life of an intangible investment with a finite useful life shall be reviewed not less than once in a reporting year. If the remaining useful life is different from the previous estimates, the budget institution shall adjust it and take into account when calculating amortisation, starting from the first date of the following month after changing of the estimate.

106. The budget institution shall, not less than once in a reporting year, assess the justification for the uncertainty of the useful life of an intangible investment and, if changes in the circumstances according to which a finite useful life may be estimated for the relevant intangible investment are established, it shall be taken into account when calculating amortisation, starting from the first date of the following month after changing of the estimate.

107. If indications of impairment for an intangible investment in accordance with Paragraph 116 of this Regulation or indications of the write-down of impairment in accordance with Paragraph 144 of this Regulation are established, the budget institution shall assess and, if necessary, review the useful life of intangible investments.

108. Calculation of the depreciation of property, plant, and equipment and investment properties and the amortisation of intangible investments shall be commenced from the first date of the following month after putting of the asset into use and calculation shall be terminated from the first date of the following month after ending the use of the asset, classifying in the composition of inventories as a long-term investment intended for disposal, derecognition, or complete inclusion of the value to be depreciated or amortised in the calculation of depreciation or amortisation.

109. Depreciation for property, plant, and equipment and investment properties and amortisation for intangible investments shall be calculated only until complete write-down thereof. If the use of the asset is continued after complete inclusion of the value thereof in the calculation of depreciation or amortisation, the calculation of depreciation or amortisation shall be discontinued, but the asset shall be kept in the accounting records.

110. Calculation of depreciation shall also be continued during the technical maintenance, repair, and renewal, reconstruction, or restoration of property, plant, and equipment and investment properties.

111. Calculation of amortisation shall also be continued during the period when the intangible investment is not used, except when the value of the assets has been fully amortised or the asset has been classified in the composition of inventories as a long-term investment intended for disposal.

112. When rebuilding, restoring, or renewing a property, plant, and equipment or investment property, the remaining useful life of the asset shall be reviewed, adjusting the calculation of the depreciation of the asset for the current period and subsequent periods accordingly if the intended life increases for:

112.1. structures – by more than 10 per cent;

112.2. for other property, plant, and equipment and investment properties, except for structures – by more than 50 per cent.

113. Depreciation for property, plant, and equipment and investment properties after rebuilding, restoration, or renewal shall be calculated in the remaining or reviewed useful life.

**2.2.2. Impairment Loss**

114. It shall be evaluated at the end of each reporting period whether there are indications pointing towards substantial decrease in the value of long-term non-financial assets which are accounted according to the cost method.

115. Impairment loss points towards losses in the future economic benefits of the asset or limitations on the use of the asset for the fulfilment of the functions which exceed the systematically recognised depreciation or amortisation.

116. The budget institution shall assess at least the following indications in relation to a long-term non-financial asset (except for an investment property):

116.1. demand for the service which is provided by the budget institution using the relevant asset has decreased by at least 90 per cent or does not exist;

116.2. the State or local government has taken a decision that causes negative changes in the operation of the budget institution;

116.3. the asset is obsolete or physically damaged;

116.4. long-term changes which have a negative impact on the intended use of the asset have occurred in the operation of the budget institution or are expected in the near future;

116.5. the decision to suspend the construction of the asset has been taken prior to the completion or putting into use (service) thereof;

116.6. other indications attesting to the impairment of the asset.

117. The budget institution shall assess at least the following indications in relation to an investment property:

117.1. during the reporting period, changes which have an unfavourable impact on the budget institution have occurred in the technological, market, economic, or legal environment in which the budget institution is operating or on the markets where the asset is used;

117.2. during the reporting period, the discount rate used to calculate the value in use of the asset has increased by at least one percentage point;

117.3. the asset is obsolete or physically damaged;

117.4. long-term changes which have a negative impact on the intended use of the asset have occurred in the operation of the budget institution or are expected in the near future;

117.5. the decision to suspend the constructions of the asset has been taken prior to the completion or putting into use (service) thereof;

117.6. reduction in the total amounts related to the asset of the incoming and outgoing cash flows expected in the budget or in the surplus or deficit of budget implementation by at least 50 per cent;

117.6. other indications attesting to the impairment of the asset.

[*6 September 2022 / See Paragraph 2 of Amendments*]

118. The budget institution shall check at the end of the reporting period whether the value of an intangible investment with an indefinite useful life and an intangible investment which has not been put into use has not decreased by comparing its carrying amount with the recoverable amount also if:

118.1. any of the indications referred to in Paragraph 116 of this Regulation has been established during the reporting year;

118.2. the indications referred to in Paragraph 116 of this Regulation are not established at the end of the reporting period.

119. In order to check the impairment of an intangible investment with indefinite useful life and an intangible investment which has not been put into use, the recoverable amount which has been determined during the inspection performed at the end of the previous reporting period may be used if:

119.1. the previous recoverable amount exceeded the carrying amount of the asset by at least 10 per cent;

119.2. such changes in circumstances have not occurred during the reporting period that would influence the recoverable amount determined at the end of the reporting period to be lower than the carrying amount of the asset.

120. If at least one of the indications referred to in Paragraph 116 or 117 of this Regulation exists, at first it shall be assessed whether the fair value of the asset can be measured, deducting the costs of disposal, in accordance with Paragraphs 51 and 52 of this Regulation, except for Sub-paragraph 52.4 of this Regulation.

121. If the fair value of the asset, less the costs of disposal, exceeds the carrying (residual) amount of the asset, the value in use of the asset shall not be calculated and impairment is not applied.

122. If the fair value of the asset, less the costs of disposal, is lower than its carrying (residual) amount or it cannot be determined, the value in use of the asset shall be determined.

123. The following approaches shall be applied to the determination of the value in use of a long-term non-financial asset (except for investment properties):

123.1. the depreciated replacement cost approach;

123.2. the restoration cost approach;

123.3. the service units approach.

124. When applying the depreciated replacement cost approach, the value in use is determined by amortising the replacement cost of the asset according to the depreciation of the current asset. The replacement cost of an asset is determined by comparing the asset reproduction (construction or acquisition of the same asset) and replacement (construction or acquisition of an equivalent asset) costs and choosing the lower ones.

125. When applying the restoration cost approach, the value in use is determined by subtracting the calculated restoration cost of the asset which is necessary to restore the operation of the asset to its pre-impaired level from the depreciated asset replacement cost before impairment.

126. When applying the service units approach, the value in use is determined by reducing the depreciated replacement cost of the asset before impairment to conform with the reduced number of service units.

127. The value in use of an investment property shall be determined by estimating the present (discounted) value of the future incoming and outgoing cash flows which the budget institution expects to receive from the continuing use of the asset in its present condition and from its disposal at the end of the useful life, taking into account the possible changes in the amount or time of occurrence of such flows. The present value shall be calculated, using a corresponding discount rate published on the website of the Treasury.

128. The following shall be applied to the determination of the value in use of an investment property at the basis of the projections of future cash flows:

128.1. reasonable and justified assumptions presenting the best estimate of the aggregate of such economic circumstances which will exist during the remaining useful life of the asset. Assumptions shall conform to the actual outcome of the past projections unless the future events or circumstances which did not exist at the time when such actual cash flows arose determine a different approach;

128.2. the current budget and projections for a period which does not exceed five years but excludes any projected future incoming or outgoing cash flows which might arise from the restructuring of future activities, improvement or promotion of the operation of assets;

128.3. invariable or decreasing increase rate for the subsequent years until the end of the useful life of the asset unless the use of the increasing rate can be justified. The rate of the abovementioned increase shall not exceed the long-term average rate of increase applied to the products in the sector, the State, or on the market in which the relevant asset is used unless the application of a higher rate can be justified.

[*6 September 2022 / See Paragraph 2 of Amendments*]

129. The estimates of future cash flows referred to in Sub-paragraph 127 of this Regulation shall include:

129.1. the projections of incoming cash flows in relation to long-term use of the asset –cash revenues and cash equivalents to be received from entities outside of the budget institution;

129.2. the projections of outgoing cash flows which are necessary to create the receipt of cash as a result of the continuous use of the asset in the present condition, including outgoing cash flows in order to prepare the asset for use and everyday servicing, and which can be directly or justifiably and consistently attributed to the relevant asset. In case of construction of assets or incomplete construction, the outgoing cash flows shall include the estimate of such subsequent outgoing cash flows which are expectable before the asset will be ready for use or sale;

129.3. net cash flows which should be received (or paid) in relation to the disposal of the asset at the end of its useful life in accordance with Paragraph 51 of this Regulation. Cash flows shall be estimated by using the prices which are in effect on the day of estimation for similar assets the useful life of which has ended and which have operated under similar circumstances. The relevant prices shall be adjusted in order to take into account the future increase or decrease in prices.

130. The estimates of future cash flows shall not include:

130.1. the incoming or outgoing cash flows from financing activities;

130.2. the revenues from or payments of the enterprise income tax, calculating the value in use for the ownership interests in a related or associated capital company;

130.3. the estimated future incoming cash flow which, possibly, will arise from increase in economic benefits related to the outgoing cash flow which has not arisen yet.

131. Future cash flows shall be estimated in the currency in which they will arise and afterwards discounted, using the discount rate corresponding to this currency and published on the website of the Treasury. The budget institution shall calculate the present value, using the currency exchange rate on the day when the value in use is calculated.

132. When estimating future cash flows, specific increase or decrease in future prices, except for price increase due to general inflation, is taken into account.

133. The value in use of the asset calculated in accordance with the methods referred to in Paragraph 123 of this Regulation or the conditions referred to in Paragraph 127 of this Regulation shall be compared with the fair value of the asset, deducting the costs of disposal. The asset shall be measured at the recoverable amount which is the higher of these both values. If the fair value of the asset cannot be measured, the value in use shall be determined as the recoverable amount thereof.

134. If the recoverable amount of an individual asset cannot be determined because the incoming cash flows that are specifically attributable to this asset cannot be identified and the value in use of the asset is substantially different from its fair value from which the costs of disposal have been deducted, the recoverable amount shall be determined by combining several assets (hereinafter – the single unit of account).

135. Assets which create or are used for the creation of the separable incoming cash flow but for which the recoverable amount cannot be individually determined shall be included in the single unit of account.

136. The recoverable amount of the single unit of account shall be determined in accordance with the procedures referred to in Paragraph 133 of this Regulation.

137. The carrying amount of the single unit of account shall be calculated:

137.1. by summing up the carrying amounts of such assets which can be directly included or justifiably and consistently attributed to the particular single unit of account and which will create future incoming cash flows used to determine the value in use of the single unit of account;

137.2. by adding the carrying amount of the recognised liabilities (in cases when the recoverable amount of the single unit of account cannot be determined without taking into account these liabilities, for example, the buyer takes over liabilities when the asset is disposed).

138. The asset or the single unit of account shall be measured at the lowest value if the recoverable amount of the asset or single unit of account on the balance sheet date is lower than its carrying (residual) amount.

139. The impairment of the single unit of account shall be divided in proportion to the carrying amount of each asset forming the unit.

140. If the impairment exceeds the carrying amount, the carrying amount shall be reduced to zero.

141. If a present or contingent obligation arises when determining the impairment of an asset, the requirements laid down in this Regulation for the recognition of liabilities or provisions or for the presentation of the contingent liabilities shall be evaluated.

142. The impairment of an asset shall be accounted in the composition of the groups of depreciation and amortisation accounts by recognising other expenditures. Following the recognition of the impairment of the asset, calculation of the depreciation (amortisation) shall be continued for it by systematically attributing its carrying (residual) amount to the remaining useful life.

143. At the end of the reporting period, it shall be evaluated whether there are indications that the impairment of an asset recognised in the previous reporting periods does not exist anymore or has decreased.

144. The budget institution shall, in accordance with Paragraph 143 of this Regulation, evaluate at least the following indications in relation to a long-term non-financial asset (except for an investment property):

144.1. demand for the service which is provided by the budget institution using the relevant asset has increased by at least 90 per cent or has been restored;

144.2. the State or local government has taken a decision that causes positive changes in the operation of the budget institution;

144.3. during the reporting period, improvements in or restoration of the asset have been performed in order to improve its operation;

144.4. long-term changes which have a positive impact on the intended use of the asset have occurred in the operation of the budget institution or are expected in near future;

144.5. the decision to resume the construction of the asset which has been previously temporarily or permanently halted before its completion or putting into use (service) has been taken.

145. The budget institution shall, in accordance with Paragraph 143 of this Regulation, evaluate at least the following indications in relation to an investment property:

145.1. during the reporting period, changes which have a favourable impact on the budget institution have occurred or will occur in near future in the technological, market, economic, or legal environment in which the budget institution is operating or on the market where the particular asset is used;

145.2. during the reporting period, the discount rate used to calculate the value in use of the asset has decreased by at least one percentage point;

145.3. the State or local government has taken a decision that causes positive changes in the operation of the budget institution;

145.4. during the reporting period, improvements in or restoration of the asset have been performed to improve its operation;

145.5. long-term changes which have a positive impact on the intended use of the asset have occurred in the operation of the budget institution or are expected in near future;

145.6. the decision to resume the construction of the asset which has been previously temporarily or permanently halted before the completion or putting into use (service) of the asset has been taken.

[*6 September 2022 / See Paragraph 2 of Amendments*]

146. If at least one of the indications referred to in Paragraph 144 or 145 of this Regulation or another indication exists, the activities referred to in Paragraphs 120 and 133 of this Regulation shall be taken anew.

147. If the impairment of an asset has decreased or does not exist anymore, the carrying (residual) amount of the asset shall be increased by writing down the formed impairment and recognising other revenues. The increased carrying (residual) amount of the asset may not exceed the carrying amount that would have been determined (deducting the amortisation or depreciation) if no impairment had been recognised for the asset in the previous periods.

148. If the previously formed impairment of the single unit of account is decreased, the amount shall be divided in proportion to the carrying amount of each asset forming the unit.

149. The carrying amount of an asset to which the proportionally divided write-down amount of impairment has been added shall not exceed the carrying amount at the end of the reporting year if the expenditures from impairment loss would not have been recognised for the asset in the previous periods.

150. The residual write-down amount of impairment which has arisen from applying the conditions referred to in Paragraph 149 of this Regulation shall be re-divided in proportion to the carrying amount of other assets forming the single unit of account.

151. After adjustment of the impairment of an asset, the calculation of the depreciation (amortisation) shall be continued, systematically attributing the carrying (residual) amount of the asset to its remaining useful life.

152. The formed impairment of an asset may be adjusted only for the value of changes in the impairment of the particular non-current asset.

**2.3. Derecognition**

153. A long-term investment shall be derecognised on the day when the budget institution transfers control over the asset and all the risks, and the economic benefits to be derived from the relevant asset.

154. When derecognising a long-term investment, the accumulated depreciation (amortisation) and impairment shall be attributed to the initial cost of the long-term investment.

155. When derecognising a long-term investment, its carrying (residual) amount shall be recognised:

155.1. in other expenditures – when an asset destroyed due to illegal actions is liquidated or written off. Until the disposal of the liquidated asset, it may be accounted at units of quantity in an individual register;

155.2. in expenditures from non-exchange transaction – when the asset is transferred to another budget institution in a non-exchange transaction;

155.3. in the composition of inventories – according to the decision taken to exchange, sell, transfer in finance lease, transfer without reward to another person, except within the scope of the general government sector units, or to invest a non-financial asset in a capital company. The long-term investment recognised in the composition of inventories shall be analytically accounted according to level 2 of the group of long-term investment accounts;

155.4. in the composition of short-term financial investments – according to the decision taken to exchange, sell, transfer in finance lease, or invest a financial investment in a capital company.

156. A long-term investment shall be accounted as disposable if it is available for immediate disposal at its present condition and is subject to the disposal conditions specified in legal acts, its useful life has expired, and its disposal is probable. The disposal of a long-term investment is considered to be probable if the following conditions are in effect:

156.1. the disposal is justified by a legal act or a decision of the budget institution;

156.2. the disposal process has been commenced;

156.3. there is assurance that the disposal process will be completed.

157. A disposable long-term investment which is accounted in the composition of the current assets shall be restored in the composition of the long-term investments if the disposal process is not completed due to unforeseen (or previously unexpected) circumstances and the management has taken the decision to continue the use of the disposable asset to ensure the operations of the budget institution. A disposable asset shall be restored at the residual value in the composition of long-term investments and depreciated (amortised) in the remaining useful life according to the previously determined useful life, starting from the next month after the restoration of the asset in the composition of long-term investments.

158. If a long-term investment is sold, the budget institution shall recognise other expenditures in the carrying amount of the disposable long-term investment and other revenues at the fair value of the reward received or to be received. If revenues from the sale of a long-term investment are included in the State budget revenues, other expenditures and liabilities towards the budget shall be recognised upon receipt of reward.

**2.4. Accounting of Participation in Related and Associated Capital Companies**

159. The budget institution shall recognise an investment into a related capital company on the day when it acquires 50.001–100 per cent of the voting rights of shareholders or stockholders in a capital company.

160. The budget institution shall recognise an investment into an associated capital company on the day when it acquires 20.001–50 per cent of the voting rights of shareholders or stockholders in a capital company, also taking into account the existence and impact of the potential voting rights which are currently subject to realisation or conversion, including the potential voting rights belonging to other persons.

161. Other investments into the capital of capital companies shall be accounted in accordance with Sub-chapter 2.20 of this Regulation.

162. Participation in the capital of a related and associated capital company shall be initially measured and recorded according to the acquisition cost. If, on the day of acquisition of the investment, the acquisition cost does not coincide with the fair value of the investment:

162.1. the excess of the acquisition cost over the fair value of the investment shall be included at the carrying amount of the investment;

162.2. the excess of the fair value over the acquisition cost shall be recognised in financial revenues in the accounting period.

163. If the budget institution acquires capital shares of a capital company when making a property investment (for example, by capitalising the tax or other receivables, investing a property, plant or equipment), then:

163.1. according to the decision of the management of the budget institution, the particular asset shall be excluded from the composition of long-term investments and shall be recognised at the residual value of the asset in the composition of current assets;

163.2. according to the deed of delivery and acceptance, the asset shall be excluded from the composition of current assets and shall be recognised in the relevant other or financial expenditures;

163.3. the acquired capital shares of the capital company shall be recognised at the fair value of the capital shares in the financial investments and financial revenues;

163.4. if reserves have been previously recognised for the property investment, they shall be derecognised and the financial revenues shall be recognised.

164. After initial recognition at the end of each reporting year, participation in the capital of a related and associated capital company shall be accounted under the equity method, increasing or decreasing the participation in the capital of the related and associated capital company according to changes in the value of the ownership interest in the equity capital of the capital company in the reporting year by using the information indicated in the consolidated annual statement of the capital company, in accordance with the following procedures:

164.1. the value of participation at the end of the reporting period shall be determined by multiplying the value of the equity capital of the capital company attributable to the participation of the State or local government by the percentage of the shares belonging to the State or local government, without taking the possible use or conversion of the potential voting rights into consideration. If the balance sheet date of the annual statement of the capital company does not coincide with the balance sheet date of the holder of capital shares, changes in the value of participation shall be adjusted in relation to the transactions made and other changes which have occurred in the period between the balance sheet date of the last available annual statement of the capital company and the balance sheet date of the holder of capital shares, however this period may not exceed three months;

164.2. the increase or decrease in the value of participation shall be accounted as financial revenues or expenditures of the reporting year of the budget institution according to the profit or losses of the reporting year of the capital company;

164.3. the increase or decrease in the value of participation shall be included in the other reserves of the equity capital of the budget institution according to other changes in the equity capital of the capital company (for example, revaluation of assets which is immediately included in the equity capital of the capital company);

164.4. if the capital company has a negative value of the equity capital, the value of participation of the budget institution in this capital company shall be reduced to zero in accordance with the procedures laid down in Sub-paragraphs 164.2 and 164.3 of this Regulation. The budget institution shall resume the recognition of its share of the profit only when it is equal to the non-recognised share of the losses;

164.5. the losses arisen from an investment in the capital company shall be recognised in expenditures and liabilities only if legal obligations or constructive obligations have arisen for the budget institution or it has made payments on behalf of the capital company.

[*6 September 2022 / See Paragraph 2 of Amendments*]

165. At the end of each reporting year, the budget institution shall assess whether the carrying amount of the ownership interest, including the excess referred to in Sub-paragraph 162.1 of this Regulation, has not decreased, taking into account the requirements laid down in Sub-chapter 2.20.2 of this Regulation for determining the impairment of financial instruments.

166. The impairment of ownership interest shall be recognised in financial expenditures if its recoverable amount on the balance sheet date is lower than the carrying amount. The recoverable amount shall be determined by comparing the value in use with the fair value, deducting the costs of disposal and choosing the higher of both values. If the fair value cannot be determined, the value in use shall be determined as the recoverable amount.

167. The value in use of ownership interest shall be calculated by choosing the most appropriate of the following methods:

167.1. the method referred to in Paragraph 126 of this Regulation;

167.2. by estimating the share of the holder of capital shares from the present value of future cash flow which will be brought in by the recipient of the investment and which will arise from activities of the recipient of the investment and income from the disposal of ownership interest. The present value shall be calculated, using a corresponding discount rate published on the website of the Treasury.

167.1 If the previously recognised impairment needs to be written down when assessing the carrying amount of ownership interest at the end of the reporting period in accordance with the requirements referred to in Sub-chapter 2.20.2 of this Regulation, the budget institution shall derecognise the formed impairment and recognise financial revenues.

[*6 September 2022 / See Paragraph 2 of Amendments*]

168. In the reporting year, the dividends notified by a capital company in proportion to the investment share and other payments for the use of long-term financial investments shall be accounted as a reduction in the investment value and:

168.1. State budget institutions shall recognise financial expenditures;

168.2. local governments shall recognise receivables from taxes, fees, and other payments into the budget.

[*6 September 2022 / See Paragraph 2 of Amendments*]

168.1 Upon receipt of dividend and other payments for the use of long-term financial investments, local governments shall extinguish the recognised receivables.

[*6 September 2022 / See Paragraph 2 of Amendments*]

169. The budget institution shall reclassify the participation in a related capital company:

169.1. as participation in an associated capital company if the voting rights of the budget institution in the capital company are 20.001–50 per cent;

169.2. as other financial investments and discontinue the use of the equity method if the voting rights of the budget institution in the capital company are less than 20 per cent. The carrying amount of the financial investment on the date when the investment is no longer classified as participation in a related capital company shall be considered as the initial measurement of its costs.

170. The budget institution shall reclassify participation in an associated capital company as other financial investments and discontinue the use of the equity method if its voting rights in the capital company are less than 20 per cent. The carrying amount of the financial investment on the date when the investment is no longer classified as participation in an associated capital company shall be considered as the initial measurement of its costs.

171. Financial investments with maturity of less than one year from the balance sheet date shall be calculated and carried over at the end of the reporting year. Financial investments which can be sold at any time and which are intended to be sold within the next 12 months shall be disclosed as short-term financial investments. The disposable ownership interest at carrying amount shall be reclassified in the composition of short-term financial investments if it conforms to the conditions referred to in Paragraph 156 of this Regulation. At the end of the reporting year, the disposable ownership interest shall be measured at the lowest value, comparing the carrying amount of the ownership interest with the fair value at the end of the reporting period. Accounting of the remaining ownership interest is continued in the composition of long-term investments, using the equity method, until the day when the disposable ownership interest is disposed. Within the scope of the general government sector units, the ownership interest shall be disposed in accordance with the procedures referred to in Sub-chapter 2.18 of this Regulation.

172. The budget institution shall reduce the value of participation in a related or associated capital company if it disposes its ownership interest and recognises financial expenditures. Reward shall be measured at fair value and, according to its economic nature (cash or other assets), recognised in the financial revenues of the reporting period.

173. When discontinuing the use of the equity method if, in accordance with Sub-paragraph 164.3 of this Regulation, changes in the value of ownership interest have been previously recognised in other reserves, the relevant reserves shall be derecognised in full amount and attributed to the surplus or deficit of the previous reporting years, except when the amounts included in the reserves of the capital company are attributable to those assets and liabilities of the capital company upon the derecognition of which the corresponding reserves should be recognised in the revenues or expenditures of the capital company. In such case, the reserves of the budget institution shall be recognised in financial revenues or expenditures.

**2.5. Initial Recognition and Derecognition of Receivables**

174. Receivables shall be recognised at fair value on the day of their occurrence and:

174.1. the amount of receivables which will be repaid within the scope of the standard operating cycle of the budget institution or the limit for the repayment of which at the end of the reporting period will not exceed one year from the balance sheet date shall be accounted in current receivables;

174.2. receivables the repayment (extinguishing) of which according to the initial (contractual) conditions exceeds one year from the balance sheet date shall be accounted in non-current receivables.

175. At least at the end of the reporting year, the current portion of non-current receivables shall be calculated and indicated in the composition of current assets.

[*6 September 2022 / See Paragraph 2 of Amendments*]

176. Receivables which meet the classification criteria of a financial instrument shall be accounted in accordance with the procedures referred to in Sub-chapter 2.20 of this Regulation.

177. The revenues of the budget institution which, according to the contracts entered into or other corroborative documents, are attributable to the reporting period or previous periods but for which the corroborative payment document (for example, an invoice) has not been prepared at the end of the reporting period shall be accounted in the composition of receivables as the accrued revenues.

178. Upon receipt of a corroborative document for a prepayment, it shall be registered in a separate register.

179. The paid prepayments shall be classified in the composition of such group of assets for which the prepayments have been paid.

180. Payments for services which are received in parts or over the course of several months (for example, receivables in relation to the fulfilment of the conditions of a contract or transaction in the subsequent reporting periods) shall be accounted in prepaid expenditures.

181. Payments for work remuneration and social settlement of accounts for the subsequent periods, and also transfer payments made in advance shall also be accounted in the prepaid expenditures.

182. A contractual penalty or interest payments for the non-settlement of liabilities (hereinafter – the contractual penalty) and a fine shall be accounted in the sub-balance sheet from the day when the budget institution acquires lawful rights to collect the relevant contractual penalty and fine, but in the balance sheet – from the day when the contractual penalty and fine conform to the conditions referred to in Paragraph 22 of this Regulation.

183. If the budget institution has made a prepayment, receivables shall be reduced after fulfilment of the conditions of the transaction and the following shall be recognised:

183.1. the relevant asset if goods have been received or the construction of the asset has been performed (for example, as a result of capitalisation of costs);

183.2. the operating expenditures of the reporting period if a service has been received;

183.3. the increase in cash if repayment of a receivable has been received.

184. The paid prepaid expenditures shall be recognised in the relevant account of the operating expenditures in parts not less than once in a reporting period. The amount to be recognised in expenditures shall be such portion of the prepaid expenditures which is proportionally attributable to the particular period.

185. When a receivable is written down, the corresponding receivable shall be reduced and other expenditures shall be recognised.

**2.6. Impairment of Receivables**

186. The budget institution shall measure at each reporting date whether there is objective evidence for the receipt of receivables (except for the accrued revenues) and for the fulfilment of contracts for which a prepayment has been made and, if necessary, shall recognise impairment of receivables and prepayments made.

187. Receivables which cannot be recovered in accordance with legal acts because the debtor has been liquidated or died or statute of limitation has set in for the recovery of debt, and also in other cases specified in legal acts shall be derecognised and other expenditures shall be recognised.

188. At the end of the reporting period, each debtor and each transaction shall be assessed separately or receivables from debtors or transactions shall be combined in groups and impairment shall be calculated at the amount of doubtful sum according to the methods specified in the accounting procedures of the budget institution if:

188.1. there is a disagreement for the repayment of receivables or fulfilment of the contract for which a prepayment has been made;

188.2. an insolvency case has been initiated against a party to the transaction;

188.3. there are justified reasons for doubting the recovery of receivables, except for missing the settlement deadline or deadline for the fulfilment of conditions.

189. Receivables which do not meet the criteria referred to in Paragraph 188 of this Regulation and the settlement deadline or deadline for the fulfilment of conditions of which has been missed by 90 days and more shall be divided into groups after the payment thereof or after missing the settlement deadline and the amount of impairment shall be calculated according to them:

189.1. for debts the receipt or settlement deadline of which has been missed for 91–180 days, impairment shall form 25 per cent of the debt value;

189.2. for debts the receipt or settlement deadline of which has been missed for 181–270 days, impairment shall form 50 per cent of the debt value;

189.3. for debts the receipt or settlement deadline of which has been missed for 271–365 days, impairment shall from 75 per cent of the debt value;

189.4. for debts the receipt or settlement deadline of which has been missed for more than 365 days, impairment shall form 80 per cent of the debt value.

190. Impairment need not be formed for receivables and prepayments the deadline for their receipt or the date of the settlement of the conditions (delivery of goods, receipt of a service) of which has not been reached.

191. Impairment of the receivables and paid prepayments referred to in Paragraph 186 of this Regulation shall be accounted in the relevant accounts in the composition of non-current and current receivables, recognising in other expenditures of the reporting period.

192. Impairment formed in the previous reporting year shall be derecognised in the reporting year and other revenues shall be recognised in the following cases:

192.1. it has been concluded at the end of the reporting period that the initially recognised impairment of receivables is not necessary;

192.2. repayment of receivables has been received or the contractual conditions have been fulfilled;

192.3. receivable or paid prepayment has been written off.

193. If impairment is derecognised in the reporting year in which it was formed, the other expenditures recognised in the reporting year shall be reduced.

**2.7. Accounting of Cash**

194. Cash (cash and non-cash payments and deposits upon request) and cash equivalents shall be accounted in division according to budget types.

195. Within the meaning of this Regulation, cash equivalents are highly liquid investments the initial maturity of which does not exceed 90 days, which are readily convertible to specific amounts of cash, and which have an insignificant risk of changes in value.

196. An increase in cash shall be recognised on the day when the cash has been transferred in the form of cash on hand or into the current account of the budget institution, but a decrease – when the budget institution has disbursed cash or made a transfer.

197. If the budget institution pays cash into the current account (for example, collection) or makes a transfer before the end of the reporting period and a certification has not been received that the payment or transfer has been received in this reporting period, the budget institution shall account it as cash en route.

198. If accounts for services, goods, or another transaction are settled with a payment card in a payment card acceptance terminal or another alternative system, the increase in the account “Cash en route” shall be recognised on the settlement day and the relevant receivables shall be reduced or liabilities shall be recognised. Upon receipt of cash in the current account, the balance of the account “Cash en route” shall be reduced and an increase in cash in the current account shall be recognised.

**2.8. Initial Recognition and Measurement of Inventories**

199. Inventories are current assets which are intended for ensuring the operation, disposal, and are involved or will be used in the form of materials or raw materials within the economic activity process, and also the types of assets referred to in Sub-paragraphs 200.1, 200.2, and 200.3 of this Regulation.

200. The following shall also be accounted in the composition of inventories:

200.1. equipment in conformity with the initial recognition cost of one asset unit specified in the laws and regulations in the field of budget expenditure classification;

200.2. State material reserves;

200.3. military equipment for ensuring the fulfilment of the military tasks of the National Armed Forces and the training related thereto and for the development of military skills;

200.4. disposable long-term investments.

[*6 September 2022 / See Paragraph 2 of Amendments*]

201. Inventories shall be recognised on the day when control over these assets is acquired.

202. Inventories shall be initially measured at the value of acquisition costs or production cost price.

203. The acquisition costs of inventories shall be calculated by adding the expenditures related to the purchase, the transport, loading, and other costs which are directly attributable to the acquisition of inventories and have arisen from bringing inventories to their present location and condition to the acquisition price of the assets and subtracting the trade discounts, received bulk discounts and other benefits received from the supplier.

204. The production cost price of inventories shall be calculated by summing up the use of the raw materials and materials according to the acquisition costs and the produced units of inventories. The production cost price shall also include other costs, including the labour costs, which are directly attributable to the produced units of inventories, including the invariable and variable costs of production which arise from the transformation of materials into finished products, and are systematically attributed to the produced units of inventories.

205. Cost method under which the cost of inventories is determined in accordance with normal levels of material and raw material, labour, efficiency, and capacity use in standard circumstances shall be used to measure the production costs of inventories. Standard costs shall be regularly reviewed and, if necessary, adjusted by taking into account the current circumstances.

206. Costs which are related to the acquisition or production of inventories shall not be included at the value of inventories but shall be recognised in the operating expenditures of the reporting period if they:

206.1. are attributable to the abnormal amounts of wasted materials, labour, or other resources (exceeds the usual costs for the construction of a similar asset);

206.2. are storage costs of inventories, unless these costs arise in the production process before the next production stage;

206.3. are administrative costs which are not related to the brining of inventories to their present location and condition;

206.4. are costs for the sale of inventories;

206.5. have arisen due to deferring the payment for inventories for more than 12 months according to the terms of the contract. The difference between the cash price equivalent and the total sum of the payment shall be recognised as interest expenditures of the credit period.

207. Inventories shall be measured at fair value, deducting the costs of disposal, according to the most reliable estimate on the day of the acquisition of the asset (for example, on the day of receipt or the inventory date) in accordance with Paragraph 51 of this Regulation, initially recognising in accounting:

207.1. existing inventories that have not been accounted previously;

207.2. inventories received as donations and gifts;

207.3. inventories received through exchange. If the fair value of the received asset cannot be measured, its value shall be determined based on the fair value of the transferred asset at the date of acquiring the received asset. If the fair value of the transferred asset cannot be reliably measured, the value of the received asset shall be determined based on the carrying amount of the transferred asset at the date of transfer. The value of an asset received from the general government sector unit shall be determined in accordance with Sub-chapter 2.18 of this Regulation.

208. Products of biological assets which have been obtained by the budget institution from its biological assets shall be accounted in the composition of inventories and initially measured at fair value, deducting the costs of disposal, on the day of the acquisition of inventories (for example, on the day of harvesting).

209. The operating revenues and expenditures which arise from initially recognising the products of biological assets at fair value from which costs of disposal have been deducted shall be recognised in the reporting period in which they arise.

210. The budget institution shall, when transferring the State and local government inventories that are in the ownership or possession (except for lease) of the budget institution for holding to State or local government capital companies, port administrations, or derived public entities, account the value thereof in a separate account in the composition of inventories.

**2.9. Accounting of Inventories after Initial Recognition**

211. At the end of each reporting period, it shall be evaluated, by applying Paragraph 116 of this Regulation accordingly, whether there are indications pointing towards the impairment referred to in Sub-paragraph 200.1 of this Regulation for inventories which have not been put into use.

212. If at least one of the indications referred to in Paragraph 116 of this Regulation exists, impairment shall be determined in accordance with Paragraphs 120–133 of this Regulation.

213. The impairment of inventories referred to in Paragraph 212 of this Regulation shall be accounted in a separate account in the composition of the inventory group, recognising other expenditures.

214. At the end of each reporting period, it shall be evaluated, by applying that referred to in Paragraph 144 of this Regulation accordingly, whether there is any indication that the impairment of inventories recognised in the previous reporting periods and referred to in Paragraph 213 of this Regulation does not exist anymore or has decreased. If at least one of these indications exist, the activities referred to in Paragraph 212 of this Regulation have to be taken anew.

215. The impairment referred to in Paragraph 213 of this Regulation shall be derecognised, recognising the other revenues.

216. At the end of each reporting period, the current replacement costs shall be determined for each unit of inventories which is intended for ensuring the functions (except for the inventories to be disposed to third parties, the types of inventories referred to in Sub-paragraph 200.1 of this Regulation) if it has not been put into use or used.

217. If the current replacement costs of inventories are lower than the acquisition costs or cost price of such inventories, they shall be accounted at the value of current replacement costs, writing down in other expenditures the difference that arises between the value of the acquisition costs or cost price and the current replacement costs.

218. The current replacement costs shall be calculated, estimating the costs which would arise for the budget institution in order to acquire or construct the same asset on the balance sheet date.

219. At the end of each reporting period, net realisable value shall be determined for each unit of inventories to be disposed to third parties (except for the types of inventories referred to in Sub-paragraphs 200.1 and 200.3 of this Regulation and for distribution without charge or for a minimal charge, and also the inventories intended for the production such inventories) if it has not been put into use or used.

220. If the net realisable value of inventories is lower than the value of the acquisition costs or cost price of such inventories, they shall be accounted at the net realisable value, writing down in other expenditures the difference that arises between the value of the acquisition costs or cost price and the net realisable value.

221. The net realisable value shall be calculated by estimating the sales price of the relevant inventories within the scope of economic activity from which the estimated costs of completion and sale, exchange or distribution of inventories are deducted.

222. Materials and other raw materials which are intended to be used in the production of inventories or provision of services shall be measured at the end of the reporting year at the lowest value, comparing their acquisition costs or cost price with the expected net realisable value of such finished products in which these materials and raw materials are to be integrated. In such cases, the net realisable value may be determined using the current replacement costs of materials and other raw materials.

223. If, at the end of the next reporting period, increase in the net realisable value is established for inventories the value of which has been partially written down by taking into account the net realisable value, the inventories shall be measured at the lowest value, comparing the net realisable value with the value of the acquisition costs or cost price. Other expenditures of the reporting period shall be reduced by the portion of the value written down in the previous reporting periods.

**2.10. Derecognition of Inventories**

224. The value of inventories shall be recognised in expenditures in the reporting period in which they are:

224.1. put into use;

224.2. sold, exchanged, placed in finance lease, or distributed without charge or for a minimal charge and in which corresponding revenues are recognised. If there are no corresponding revenues, expenditures shall be recognised in the period when goods are transferred or the service for which the inventories are used is provided;

224.3. actually used (for example, heating fuel, fuel, and lubricants);

224.4. liquidated, a shortage in or unlawful disposal of inventories is established.

225. When the inventories referred to in Sub-paragraphs 224.1 and 224.3 of this Regulation are derecognised, their value shall be recognised in the operating expenditures.

226. When the inventories referred to in Sub-paragraphs 224.2 and 224.4 of this Regulation and disposed long-term investments are derecognised, their value shall be recognised in other expenditures.

227. Until disposal of inventories, they may be accounted at units of quantity in an individual register.

228. Accounting of the equipment shall be ensured at units of quantity also after recognition in expenditures until its derecognition.

229. Inventories the value of which is included in the initial cost of another asset shall be reclassified to the relevant group of assets and recognised in expenditures during the useful life of such asset or on the day of the write-down of its value.

230. The value of inventories shall be recognised in expenditures according to the “first-in, first-out” (FIFO) method which provides that the items of inventories that were purchased or manufactured first are used first and the items that were purchased or manufactured the latest remain in inventories at the end of the period.

231. Each item of inventories shall be accounted individually and recognised in expenditures, separating the specific individual purchase or formation costs of such inventories, i.e., attribute them to each item of such inventories:

231.1. items of inventories that are not interchangeable;

231.2. goods or services produced or developed for specific projects.

232. When recognising the inventories referred to in Sub-paragraph 200.1 of this Regulation in expenditures for which impairment has been previously accumulated, the formed impairment shall also be derecognised.

**2.11. Accounting of Equity Capital**

233. Equity capital is the difference between the total assets and total liabilities and provisions. Equity capital may be both positive and negative.

234. Changes in the fair value of financial instruments shall be recorded in the fair value reserves of the relevant financial instrument in accordance with Sub-chapter 2.20 of this Regulation.

235. Other reserves shall be recognised if the financial investment is measured under the equity method and there are such changes in the equity capital of a capital company which are not recognised in the profit or loss calculation of such capital company.

236. The budget surplus or deficit shall be accounted in breakdown by budget types.

**2.12. Accounting of Provisions**

237. Provisions are intended for settling liabilities that are attributable to the transactions of the reporting year or the previous years and that are expected or known at the time of preparing the statement, but the value of which or the date of occurrence or settling of particular liabilities is not known precisely.

238. Provisions shall be recognised only for the present obligations which have arisen from past events and exist regardless of the operation of the budget institution in the future.

239. Provisions shall also be recognised for such present obligation which arises from a legal exchange transaction of assets or services the unavoidable costs of the performance of which exceed the benefit to be expected from its performance and therefore is to be considered burdensome.

240. The provisions referred to in Paragraph 239 of this Regulation shall be recognised at the value of present obligation from which the reward for the performance of the transaction has been deducted. The unavoidable costs arising from the transaction shall be determined by comparing the performance costs of the transaction and any contractual penalties and compensations for non-performance of the transaction and choosing the lowest of these sums.

241. Provisions shall only be recognised if all of the following conditions are met:

241.1. there is a present obligation (legal or constructive) caused by a past event;

241.2. it is probable that an outflow of resources will be required to settle the obligation;

241.3. the amount necessary to fulfil the obligation can be reliably measured.

242. In order to determine whether a present obligation exists on the balance sheet date, the available evidence and also events after the balance sheet date shall be assessed and:

242.1. where it is more likely that a present obligation exists on the balance sheet date, the provisions shall be recognised in other expenditures in accordance with Paragraph 247 of this Regulation;

242.2. where it is more likely that no present obligation exists on the balance sheet date, information on contingent liabilities shall be accounted in the sub-balance sheet. Information on a probable use of resources related to force majeure circumstances need not be accounted. If it has become probable that an outflow of resources will be required for the fulfilment of the obligation which has been previously presented as contingent liabilities, the provisions shall be recognised in expenditures of the period in which changes in the probability assessment have occurred.

243. A constructive obligation shall arise as a result of the operation of the budget institution if:

243.1. the budget institution has, according to an earlier established operational model, specified principles, or sufficiently specific notification, informed other entities that it will undertake specific obligations;

243.2. the budget institution has raised a valid expectation in these other entities that it will fulfil the relevant obligations.

244. The decision of the management of the budget institution at the balance sheet date shall not create an obligation, unless the persons affected by such decision have been notified thereof prior to the balance sheet date, thus, giving them a valid expectation that the budget institution will fulfil those obligations.

245. The provisions need not be recognised if they arise from the social services provided for which a reward that is approximately equal to the value of the services provided is not received directly in return from the recipients of such services. The provisions need not be recognised for pensions and other benefits for which the term is unknown.

246. Provisions shall not be recognised for:

246.1. future liabilities and costs;

246.2. losses from future operating activities of the budget institution which are future operating losses. Expected future operating losses indicate that the assets are impaired, and in such cases these assets should be tested for impairment loss.

247. Provisions shall be recognised at the value which corresponds to the best estimate of the present value of expenditures at the balance sheet date. The best estimate shall be determined by applying generally recognised valuation techniques and taking into account the risks and uncertainties that will affect the value of the resources necessary to cover the provisions, and the following actions shall be taken:

247.1. the amount which the budget institution would rationally pay to fulfil the present obligation at the balance sheet date or to transfer its fulfilment to a third party at the balance sheet date shall be determined;

247.2. the value of provisions shall be estimated, using the available information, evidence, including events after the balance sheet date, and experience. If the provisions cannot be reliably estimated, the provisions shall not be recognised but information on contingent liabilities shall be disclosed in the sub-balance sheet;

247.3. the corresponding discount rate published on the website of the Treasury shall be used for the calculation of the present value of provisions if the payment is intended more than a year after the balance sheet date. In order to ensure the accounting referred to in Sub-paragraph 1.2 of this Regulation, the discount rate shall be determined in accordance with the procedures laid down in the internal legal acts of the Treasury. Increase in provisions which has arisen as a result of discounting shall be recognised in the interest expenditures but decrease – in interest revenues.

[*6 September 2022 / See Paragraph 2 of Amendments*]

248. Future events which can affect the amount necessary for the fulfilment of obligation shall be taken into account in the calculation of provisions if there is sufficient evidence that these events will take place.

249. If the budget institution has several uniform obligations (for example, guarantee contracts), the amount necessary for the fulfilment of the obligation shall be determined for the whole set of such liabilities. Provisions shall also be recognised when the probability of an outflow of resources for each separate case of liabilities is low, but in general the outflow of resources is probable.

250. If the provisions to be measured involves a large population of items, then, in order for the present uncertainties to be taken into account in the estimate of the amount necessary for the fulfilment of the present obligation, all the possible outcomes shall be calculated by their associated probabilities.

251. The value of provisions shall not include revenues from the expected disposal of assets, even if the expected disposal is closely linked to the event giving rise to the provisions.

252. The value of provisions may not exceed the necessary amount which the budget institution would pay on the balance sheet date to cover the liabilities.

253. If it is expected that the expenditures related to fulfilment of an obligation will be completely or partially reimbursed by a third party, the budget institution shall evaluate its responsibility for the liabilities and take the following actions:

253.1. if the budget institution is completely responsible for settlement of liabilities included in the obligation irrespective of whether the third party will or will not reimburse the expenditures, the budget institution shall recognise the provisions for the whole amount of the liabilities;

253.2. if the third party is completely responsible for the settlement of the liabilities included in the obligation (the budget institution is not responsible), the budget institution shall not recognise such liabilities as provisions;

253.3. if the budget institution is jointly and severally responsible for the settlement of the liabilities included in the obligation, the part of the liabilities included in the obligation which is expected to be covered by another party shall be disclosed as contingent liabilities. Provisions shall be recognised only for such part of an obligation which meets the conditions for the recognition of provisions referred to in Paragraph 241 of this Regulation.

254. If it is expected that the expenditures necessary for settling the liabilities included in provisions will be completely or partially reimbursed by a third party, the reimbursement of expenditures shall be recognised only when the reimbursement of expenditures is surely probable. The amount recognised for the reimbursement of expenditures may not exceed the amount of provisions.

255. The expenditures relating to provisions and the revenues from the reimbursement of expenditures shall be accounted separately.

256. Provisions shall be reviewed at least once in a reporting year and their value shall be adjusted according to the current best estimate in the reporting period:

256.1. recognising the other expenditures and increasing the value of provisions if higher outflow of resources will be required for the fulfilment of the obligation;

256.2. recognising the other revenues and reducing provisions if lower outflow of resources will be required for the fulfilment of the obligation or such obligation has ceased to exist. Adjustment shall be made only for such an amount at which provisions were initially recognised.

257. The budget institution shall reduce provisions and recognise liabilities before it implements the obligation for which such provisions were initially formed.

258. Provisions for the reimbursement of the losses caused to a private individual by an unlawful administrative act or unlawful actual actions of the budget institution shall be recognised by the budget institution which has issued the relevant administrative act or taken the actual action in accordance with the procedures laid down in this Regulation. In international court proceedings, provisions shall be recognised by the budget institution which represents the Republic of Latvia. If there is no sufficient justification for the recognition of provisions as a result of court proceedings, the relevant institution shall assess the recognition of the contingent liabilities. If the compensation for losses is disbursed by another budget institution in accordance with the procedures laid down in laws and regulations, provisions shall be derecognised and other revenues in the reporting period shall be recognised when the decision of the competent authority or the court ruling on the reimbursement of losses has been sent to such budget institution.

[*6 September 2022 / See Paragraph 2 of Amendments*]

259. Provisions for the restructuring costs of a budget institution shall be recognised only when the recognition criteria for provisions referred to in Paragraph 241 of this Regulation are met. Within the meaning of this Regulation, restructuring shall mean a plan for transforming a budget institution which has been drawn up and is controlled by the management of the budget institution and which materially changes either the scope of activities of the budget institution or the manner in which these activities are carried out.

260. In this Regulation, the following events at a budget institution shall be considered to be the restructuring of the activities of the budget institution:

260.1. termination of the type of activity;

260.2. the closure of the location of activities in any of the regions or the relocation of the activities of the budget institution from one region to another;

260.3. significant changes in the management structure;

260.4. reorganisation that has a material effect on the type of activity of the budget institution.

261. A constructive obligation to restructure arises only when the budget institution has developed a detailed formal plan for the restructuring and has also commenced the implementation of this plan or has notified the main features of this plan to the persons who will be affected by the restructuring and who, therefore, have a valid expectation that the budget institution will carry out this restructuring. The plan for the restructuring of a budget institution shall include at least the following information:

261.1. the activity of the budget institution or a part thereof that will be affected by the restructuring;

261.2. the principal locations of the activities of the budget institution that will be affected by the restructuring;

261.3. the workplace, position, and approximate number of the employees who will be compensated for the termination of employment relationships;

261.4. expected expenditures;

261.5. the time (deadlines) for the implementation of the plan.

262. If the budget institution commences the implementation of a restructuring plan or notifies its main features to the persons who will be affected by the restructuring after the balance sheet date but prior to the approval of the financial statement, the budget institution shall disclose information on this restructuring in an annex to the financial statement. If a restructuring is not so material that the non-disclosure of information would affect the ability of the users of the financial statement to properly evaluate and make decisions, information on such restructuring need not be provided.

263. When measuring the provisions for the restructuring costs of the budget institution, only direct expenditures that will arise from the restructuring of the budget institution shall be taken into account. Direct expenditures are expenditures that are necessarily entailed by the restructuring of the budget institution and are not associated with the ongoing activities of the budget institution, and also are not associated with the future activities of the budget institution.

264. When measuring provisions for the restructuring costs of a budget institution, gains from the expected disposal of assets which is a constituent part of the restructuring plan of the budget institution shall not be taken into account. When measuring provisions for the restructuring costs, identifiable future operating losses shall not be taken into account.

**2.13. Accounting of Liabilities**

265. Liabilities which meet the classification criteria of financial instruments shall be accounted in accordance with the procedures referred to in Sub-chapter 2.20 of this Regulation.

266. The deferred revenues and advances received in exchange transactions shall be recognised if the following has been received in the reporting period:

266.1. payments for services to be provided in the future periods (following the reporting period);

266.2. prepayment for assets (goods) the delivery of which will take place in the future periods.

267. The payments accounted in the deferred revenues and advances received shall be recognised in revenues in the reporting period to which they are attributable.

268. Accrued liabilities shall be recognised if the amount of liabilities and payment deadlines can be estimated relatively precisely and the level of uncertainty is much lower than for provisions. The amount of the accrued liabilities shall be determined in accordance with legal acts, the contracts entered into, the estimates, the received corroborative documents or according to previous experience regarding the amount of expenditures.

269. At the end of the reporting period, accrued liabilities and operating or financial expenditures (for example, interest expenditures) for which the corroborative document intended for payment has not been issued at the end of the reporting period shall be recognised.

270. If the previously calculated amount of accrued liabilities needs to be reduced in the future periods, the operating expenditures shall be reduced by this amount.

271. The contractual penalty and fine to be paid shall be accounted as operating expenditures on the day when the lawful rights to collect the contractual penalty and fine arose for other party in the transaction, and the accrued liabilities shall be recognised.

272. Accrued liabilities for contractual penalties and fines to be paid shall be accounted until the day when they are paid. If the other party in the transaction does not have lawful rights to collect the relevant contractual penalty and fine anymore, the accrued liabilities shall be derecognised and operating revenues shall be recognised. If the accrued liabilities are derecognised in the reporting year in which they were recognised, the operating expenditures recognised in the reporting year shall be reduced.

273. The accrued liabilities for the annual leaves of employees shall be:

273.1. recognised by calculating the liabilities towards an employee for the unused days of the leave on the reporting date, regardless of the number of the leave days used by the employee after the reporting date;

273.2. calculated individually for each employee by determining the number of the days of the leave unused by the employee by the end of the reporting period, multiplying them by the average earnings of the employee and calculating the relevant social insurance payments of the employer;

273.3. from the sum of the amount of accrued liabilities for each employee, the total amount of the accrued liabilities for the unused leaves of employees shall be calculated.

**2.14. Accounting of Liabilities in Non-exchange Transactions**

274. The budget institution shall evaluate whether the legal acts under which resources have been received from a non-exchange transaction include conditions for the manner in which the recipient should use the received resources which must be fulfilled within the scope of legal and administrative processes. The provision included in the legal act satisfies the condition if concurrently:

274.1. it includes a description and quantity of the goods or services, the time limit for carrying out the relevant activity, and measures to be implemented by the person giving the resources for the supervision of the fulfilment of the obligation imposed on the recipient;

274.2. the recipient must use the resources in a specific manner;

274.3. in case of violating the condition referred to in Sub-paragraph 274.2 of this Regulation, the recipient must return the resources to the person giving the resources. In assessing this criterion, the previous experience of the budget institution in similar transactions or with the same transaction partner shall be taken into account. If the budget institution does not have such experience, it shall be considered that this provision is a condition.

275. When receiving an asset in a non-exchange transaction, the liabilities shall be recognised if the condition referred to in Paragraph 274 of this Regulation has been included in the legal acts related to the receipt and:

275.1. it is probable that an outflow of resources will be required to fulfil the condition;

275.2. the amount of resources required for the fulfilment of the condition can be reliably estimated.

276. Liabilities shall also be recognised for the fulfilment of such condition which provides for the non-occurrence of an event. Liabilities shall be recognised on the day when the non-occurrence of the respective event is expected.

277. If the received resources are returned in the event of failure to fulfil the conditions, the recognised asset and liabilities shall be reduced. If the amount to be returned is deducted from another asset planned to be received, the budget institution shall, when receiving the reduced asset, recognise the reduction in the asset to be returned and liabilities, the gross value of the asset to be received, and the corresponding liabilities or revenues.

278. If resources are received in a non-exchange transaction before coming into force of the binding legal act, the asset and liabilities shall be recognised at the amount of the received advance until the day when the relevant legal act becomes binding.

279. The liabilities referred to in Paragraphs 275 and 276 of this Regulation shall be measured by taking into account the amount of resources required for the fulfilment of the condition on the reporting date.

280. If the transaction partner extinguishes the liabilities previously recognised by the budget institution, they shall be reduced and the other revenues shall be recognised at the carrying amount of the extinguished liabilities.

281. If the budget institution undertakes the liabilities of an institution which is subordinate (subject) thereto in accordance with the procedures laid down in the legal acts, it shall recognise the liabilities and other expenditures.

281.1 The body administering State budget payments, except for the budget institutions referred to in Sub-paragraphs 1.2 and 1.3 of this Regulation, shall, when receiving a non-tax revenue payment or repaying it in accordance with the legal acts regarding the procedures for transferring non-tax revenues into the State basic budget revenues and repaying them, recognise the following in accounting records:

281.11. liabilities towards the payer when receiving cash in the account for the accounting of deposited cash with the Treasury;

281.12. reduction in the liabilities after the transfer of the amount of non-tax revenue payments into the State basic budget revenues;

281.13. reduction in the liabilities after the repayment of the overpaid, erroneously received, and unidentified sums.

[*27 June 2023 / See Paragraph 456.8*]

**2.15. Accounting of Public-Private Partnership Transactions**

282. The conditions of this Sub-chapter shall apply to the accounting of the transactions of a public-private partnership (hereinafter – the partnership) contract entered into within the scope of the Law on Public-Private Partnership.

283. The budget institution shall recognise a newly constructed asset resulting from the performance of the contract or an upgrade to an existing asset in the accounting in accordance with Sub-chapter 2.1 of this Regulation and separate analytically if the following conditions are concurrently in effect:

283.1. it controls or regulates what services must be provided over the operation of the contract, to whom they must be provided, and at what price;

283.2. at the end of the partnership contract, the ownership rights to the partnership asset are transferred to the budget institution or the useful life of the partnership asset ends at the end of the partnership contract.

284. An asset in the accounting records of the budget institution that has been transferred to a private partner shall be separated analytically.

285. A newly constructed asset resulting from the performance of the contract or an upgrade to an existing asset shall be initially measured at fair value. The fair value shall be determined in accordance with the procedures referred to in Paragraph 51 of this Regulation.

286. The partnership asset shall be accounted in the composition of property, plant, and equipment in accordance with the requirements laid down in this Regulation for the accounting of property, plant, and equipment.

287. The budget institution which has recognised a newly constructed asset resulting from the performance of the contract or an upgrade to an existing asset as a partnership asset shall initially recognise the financial liabilities at the amount of the initial cost of the relevant asset or upgrade.

288. The initially recognised financial liabilities shall be henceforth measured at amortised cost – they shall be increased in the reporting year by interest expenditures calculated by applying the interest rate implicit in the partnership contract and shall be reduced by the payments made to the private partner.

289. The expenditures specified in the partnership contract for the services provided by the private partner, according to their economic nature, and the relevant financial liabilities shall be recognised on a straight line basis over the term of the contract. Additional expenditures for the services provided by the private partner shall be recognised in the reporting period in which they occurred.

290. If a private partner is granted the right to earn revenues from the users of the partnership asset or another asset, namely third parties (hereinafter – the granted rights), the deferred revenues shall be initially recognised at the amount of the initial cost of the partnership asset, deducting financial liabilities for the payments to be made to the private partner for the partnership asset.

291. If an asset in the accounting records is reclassified as the partnership asset and rights are granted to the private partner, the deferred revenues shall be reduced and the operating revenues shall be recognised in the reporting period to which they are attributable.

292. Financial liabilities for the payments to be made and deferred revenues for the rights granted to the private partner shall be accounted separately.

293. The recognised financial liabilities shall be reduced by the payment made for the partnership asset, for the service provided by the private partner, and for the financial costs.

294. The deferred revenues shall be reduced on a straight line basis, recognising the revenues of the reporting period from the rights granted to the private partner.

295. Other revenues arising from the partnership contract shall be accounted in accordance with Sub-chapter 2.17 of this Regulation.

296. If the budget institution transfers its asset to a private partner for earning revenues as a reward for the partnership asset, the relevant asset, except for the partnership asset, shall be derecognised according to the requirements referred to in this Regulation for the disposal of property, plant, and equipment.

**2.16. Accounting of Lease Contracts**

297. Long-term investment leases shall be classified based on the risk inherent to the ownership rights of the leased asset and allocation of the reward between the lessor and lessee. Such risks include the losses caused by idle capacity or technological obsolescence and the probable changes in the asset value caused by the impact of varying economic circumstances. The reward includes revenues over the economic life of the assets, revenues from the increase in the asset value or disposal of the asset at the end of the lease term, and also benefit in relation to the use of assets for the fulfilment of the functions. The classification shall be based on the substance of the transaction, not on the legal form of the contract.

298. Lease shall be classified as the finance lease (leasing) or the operating lease.

299. Lease shall be classified as finance lease if all the risks and rewards incidental to the ownership rights are substantially transferred to the lessee therewith, without taking into account the transfer of ownership rights, and if it meets at least one of the following conditions:

299.1. ownership rights to the leased asset will be transferred to the lessee by the end of the lease term;

299.2. the lessee has the option to purchase the asset at a price which is expected to be sufficiently lower than the fair value at the date the option becomes exercisable for it to be reasonably certain, at the inception of the lease, that the option will be exercised;

299.3. the lease term is for at least 75 per cent of the economic life of the asset during which one or more users may obtain economic benefits from the asset or use it for the fulfilment of the functions also if the ownership rights are not transferred;

299.4. at the inception of the lease, the present value of minimum lease payments amounts to at least 90 per cent of the fair value of the leased asset which has been determined in accordance with Paragraph 51 of this Regulation;

299.5. the leased assets are of such a specialised nature that only the lessee can use them without major modifications.

300. Lease shall be classified on the date of commencing the lease, namely when the lease contract or another legal act is signed, taking into account the amendments to the contract made until the beginning of the lease term. If during the lease term the provisions of the lease are amended in a manner that would have resulted in a different classification of the lease, if the changed provisions had been in effect at the inception of the lease, then the revised contract shall be regarded as a new contract over its term.

301. If lease is classified as finance lease, the lessor and the lessee shall, on the date of commencing the lease, determine the assets, liabilities, revenues, and expenditures to be recognised at the beginning of the lease term accordingly.

302. Lease shall be classified as operating lease if all the risks and rewards incidental to the ownership rights are substantially not transferred to the lessee therewith, also if the conditions referred to in Paragraph 299 of this Regulation exist.

[*6 September 2022 / See Paragraph 2 of Amendments*]

303. If a lease contract includes both land lease and lease of structures and the lease of structures has been classified as finance lease, land lease shall be classified separately in accordance with the following procedures:

303.1. calculation of the contractual minimum lease payments;

303.2. the amount specified in Sub-paragraph 303.1 of this Regulation is allocated in proportion to the fair value of land and structures on the day of commencing the lease;

303.3. the proportionally allocated part of the minimum lease payment for land and structures is discounted at the interest rate implicit in the lease contract;

303.4. the discounted value of the proportionally allocated minimum lease payments for land (land value) is compared with the total discounted value of the contractual minimum lease payments (contract value) and, if:

303.4.1. the land value is less than 10 per cent of the contract value, land lease is classified in the same way as the lease of structures;

303.4.2. the land value is more than 10 per cent of the contract value, land lease is classified by evaluating the conditions referred to in Paragraph 299 of this Regulation. The period of economic life of structures shall be used as the period of economic life of land for the evaluation of the criteria specified in Sub-paragraph 299.3 of this Regulation.

[*6 September 2022 / See Paragraph 2 of Amendments*]

304. A lessee shall account a finance lease (leasing) contract according to the following conditions:

304.1. at the beginning of the lease term, the lessee shall recognise both the leased asset in the composition of long-term investments and the non-current and current liabilities, summing the present value of the minimum lease payments to be made and the initial direct costs of the transaction;

304.2. the initial payment made within the scope of a lease transaction shall be accounted as a part of the minimum lease payments;

304.3. the interest rate implicit in the lease contract shall be used for the calculation of the present value of the minimum lease payments.

305. If the interest rate has not been specified in the lease contract, a corresponding interest rate published on the website of the Treasury shall be applied.

[*6 September 2022 / See Paragraph 2 of Amendments*]

306. Within the meaning of this Regulation, the minimum lease payments shall be payments over the lease term which the lessee is, or can be, required to make, except for the additional lease payment, service costs and taxes which are paid by the lessor and which are to be reimbursed to the lessor, together with:

306.1. for the lessee – any amounts guaranteed by the lessee or a person associated with the lessee;

306.2. for the lessor – any residual value guaranteed to the lessor by the lessee or a person associated with the lessee, or an independent third party that is financially capable of fulfilling the obligations under the guarantee;

306.3. payments over the lease term and the payment for the purchase of an asset, if the lessee has an option to purchase the asset at a price that is expected to be sufficiently lower than the fair value at the date when the option becomes exercisable, and there is a reasonable certainty at the commencement of the lease that the lessee will exercise this option.

307. The interest payments for a finance lease (leasing) shall be recognised in financial expenditures in the period during which they have occurred, regardless of whether the payment has been made. Interest payment liabilities shall be reduced on the day when the money is paid.

308. The financial costs inherent in the finance lease (leasing) payments shall be broken down by the reporting periods over the whole period of finance lease (leasing) according to the conditions of the contract. If the breakdown of payments has not been indicated in the contract, costs shall be broken down so that they would correspond to a constant interest rate on outstanding liabilities.

309. If lease has been classified as operating lease, the lessee shall recognise expenditures for lease in the operational expenditures on a straight line basis over the lease term. The service costs related to the relevant lease contract, for example, insurance costs and costs for the maintenance of the leased asset, shall be recognised in the reporting period in which they have occurred.

310. A lessor shall account a finance lease (leasing) contract according to the following conditions:

310.1. at the beginning of the lease term, revenues and receivables is recognised at value equal to the total amount of minimum lease payments which has been discounted at the interest rate implicit in the lease contract. The initial direct costs of the transaction shall be deducted from the value of receivables, reducing the amount of revenues recognised over the lease term;

310.2. the leased asset is derecognised and other expenditures are recognised;

310.3. the initially recognised receivables are henceforth measured at amortised cost – in the reporting year they are increased by financial revenues which are calculated by applying the interest rate implicit in the lease contract, and reduced by the payments received from the lessee.

[*6 September 2022 / See Paragraph 2 of Amendments*]

311. A lessor shall account the revenues and expenditures of operating lease in conformity with the following conditions:

311.1. revenues are recognised in the operating revenues of the reporting period on a straight line basis over the lease term;

311.2. expenditures, including expenditures for the depreciation or amortisation of the asset incurred in earning the lease revenues, shall be recognised in the operating expenditures of the reporting period at the time of their occurrence;

311.3. the initial direct costs of the transaction of the lessor at the beginning of the lease term shall be recognised in prepaid expenditures and attributed on a straight line basis to the operating expenditures over the lease term.

312. Future operating lease payments in the amount of non-cancellable lease shall be accounted in the sub-balance sheet. Within the meaning of this Regulation, a non-cancellable lease shall be a lease that is cancellable only:

312.1. upon the occurrence of a remote contingency;

312.2. with the permission of the lessor;

312.3. if the lessee enters into a new lease for the same or an equivalent asset with the same lessor;

312.4. upon payment by the lessee of such an additional amount that, at inception, continuation of the lease is reasonably certain.

**2.17. Accounting of Revenues and Expenditures**

**2.17.1. Basic Principles for the Accounting of Revenues and Expenditures**

[*6 September 2022 / See Paragraph 2 of Amendments*]

313. Revenues and expenditures shall be accounted on accrual basis and recognised in the period of their occurrence, regardless of the receipt or payment of money, except when special procedures have been laid down in this Regulation.

314. Revenues and expenditures shall be accounted analytically in accordance with the laws and regulations in the field of budget classification.

315. Costs which do not meet the asset recognition criteria shall be recognised in expenditures in the reporting period when they have occurred.

316. Upon receipt of assets, except for transfers, on behalf of a third party according to a relevant agreement between the recipient of the service, the service provider, and the budget institution, such assets shall be accounted as liabilities towards a third party, and revenues shall not be recognised. When assets are transferred to the third party, liabilities shall be reduced and expenditures shall not be recognised.

317. When settling accounts for monetary items or recalculating the monetary items at the end of the reporting period according to the currency exchange rate which differs from the one according to which the monetary item was initially recognised or recalculated at the end of the previous reporting period, revenues and expenditures arising from currency exchange rate fluctuations shall be accounted as financial revenues or expenditures from currency exchange rate fluctuations of the relevant reporting period.

318. Revenues arising from exchange transactions shall be measured at the fair value of the reward received or to be received.

319. Revenues arising from the provision of services or sale of assets shall be accounted by deducting the value added tax and discounts which are directly related to the sale thereof. The granted discounts and reliefs shall be accounted analytically.

320. Revenues arising from the provision of services shall be recognised in the reporting period when the services were provided.

321. If the provision of a service is not finished at the end of the reporting period, revenues from the provision of services shall be recognised by reference to the stage of completion of the transaction on the reporting date if its outcome can be reliably estimated. If the outcome of a transaction cannot be reliably estimated, revenues shall be recognised to the extent of the recognised expenditures which are directly related to the provision of the service and will be recovered by receiving reward for the service provided. If the incurred expenditures will not be recovered, revenues shall not be recognised.

322. The outcome of a transaction may be reliably estimated if the following conditions are satisfied:

322.1. the amount of revenues can be reliably measured;

322.2. it is probable that the budget institution will receive a reward for the service provided;

322.3. the stage of completion of the transaction on the reporting date can be reliably measured;

322.4. the costs incurred for the transaction and the costs required to complete the transaction can be reliably measured.

323. The stage of completion of a transaction shall be determined using one of the following methods:

323.1. evaluation of the extent of the work performed. Revenues shall be recognised at the amount of valuation;

323.2. calculation of the work performed in the reporting period as a percentage of the total service to be provided. The amount of revenues shall be calculated by multiplying the contract amount by the calculated percentage;

323.3. calculation of the proportion of expenditures incurred from the transaction in the reporting period of the planned total costs of the transaction. Such costs shall include only the costs that are directly attributable to the service performed or to be provided. The amount of revenues shall be calculated by multiplying the contract price by the calculated percentage.

324. Revenues from the disposal of an asset shall be recognised in conformity with the following conditions:

324.1. the budget institution has transferred to the buyer the significant risks and rewards related to the ownership rights of the asset;

324.2. the budget institution does not retain continuing rights to managerial involvement to the degree usually associated with ownership rights and control over the assets sold;

324.3. the amount of revenues can be reliably measured;

324.4. it is probable that the budget institution will receive a reward for the alienated asset.

325. Revenues from the disposal of an asset shall be initially recognised at the fair value of the financial asset (receivable). The difference between the total value of the contract and the present value which arises when the receipt of the payment for the asset is deferred for more than 12 months according to the conditions of the contract shall be recognised as interest revenues, applying the effective interest rate.

[*6 September 2022 / See Paragraph 2 of Amendments*]

326. A compensation from third parties for the impairment of a long-term investment, lost or returned long-term investment (for example, insurance compensation) shall be recognised in the operating revenues of the reporting period when the receipt of the compensation is surely probable (reliable evidence has been obtained that the compensation will be received).

327. If the goods are sold or service is provided in exchange for different goods or service, revenues shall be measured at the fair value of the goods or service received, adjusting it for the amount of the transferred cash or its equivalents. If the fair value of the goods or service received cannot be reliably measured, revenues shall be measured at the fair value of the goods or service sold, adjusting it for the amount of the transferred cash or its equivalents.

328. Revenues from the use of the assets of the budget institution (for example, interest, royalties, and dividends or similar payments) shall be recognised in conformity with the following conditions:

328.1. it is probable that the budget institution will receive resources;

382.2. the amount of revenues can be reliably measured.

329. Interest revenues shall be recognised in the reporting period when they have been earned. Interest revenues shall include discount or premium amortisation or other differences between the initial cost of the debt security and its amount on the day of extinguishment.

330. Revenues from royalties shall be recognised when they have been earned according to the nature and conditions of the relevant contract or on a straight line basis during the operation of the contract.

331. Revenues from dividends and similar payments shall be recognised when the rights of the holder of capital shares to receive payments have been established, except when the corresponding long-term financial investment is accounted under the equity method.

332. If the receipt of a contractual penalty is surely probable, the operating revenues shall be measured according to the most probable estimate of resources and recognised on the day when the right to receive the relevant contractual penalty arises. If the receipt is not surely probable, the operating revenues shall be recognised on the day of the receipt of cash. Information on the calculated contractual penalties shall be accounted in the sub-balance sheet until the recognition of the corresponding asset.

333. When issuing a corroborative document on the prepayment of non-tax revenues, grounds for the recognition of assets or liabilities in the balance sheet shall not arise. The issued corroborative documents on the prepayment shall be registered in a separate register.

**2.17.1.1 Accounting of Revenues and Expenditures in Non-exchange Transactions**

[*6 September 2022 / See Paragraph 2 of Amendments*]

334. Revenues shall be recognised at the value of the asset received in a non-exchange transaction, deducting the amount of liabilities which has been recognised in accordance with Paragraphs 275 and 276 of this Regulation and in conformity with the following requirements for individual types of transfers:

334.1. the budget institution shall recognise the operating revenues on the day of the allocation (receipt) of appropriations (grants). At the end of the reporting period, the recognised operating revenues shall be reduced by the unused part of the allocated appropriations (grants) (closed budget appropriations), and the remaining cash shall also be reduced;

334.2. a fine shall be recognised in the operating revenues on the day of the receipt of cash;

334.3. the operating revenues of the reporting period or the deferred revenues shall be recognised on the day of the receipt or measurement of gifts, donations, and inheritances or approval of the value thereof in such amount which has been determined in the documents related to the receipt of the gifts, donations, or inheritances or in which the relevant gifts, donations, or inheritances have been measured, and the received asset shall be included in the relevant group of assets;

334.4. the budget institution referred to in Sub-paragraph 1.2 shall recognise non-tax revenues when receiving non-tax revenue payments in the State basic budget account from the body administering State budget payments in accordance with legal acts regarding the procedures for transferring non-tax revenues in the State basic budget revenues and repaying them.

[*27 June 2023 / See Paragraph 456.8*]

335. Revenues shall be recognised and liabilities shall be reduced on the day when the conditions referred to in Paragraph 275 of this Regulation have been fulfilled in relation to the asset received in a non-exchange transaction.

336. Expenditures which arise in relation to the revenues originating from a non-exchange transaction shall be recognised separately from the earned revenues.

337. A fine and late fee shall be recognised in the operating expenditures on the day when the relevant obligation arises.

338. Subsidies and grants for merchants, associations, and foundations according to the accrual basis shall be accounted under the following procedures:

338.1. the payment made shall be recognised:

338.1.1. in the prepaid expenditures, except for the settlement of accounts for previously recognised liabilities;

338.1.2. in the composition of the relevant group of assets in an account intended for the accounting of prepayments if the payment has been made for the acquisition or construction of the State or local government long-term investments;

338.1.3. by reducing the previously recognised liabilities;

338.2. according to the corroborative documents submitted by the merchant, association, or foundation which have been approved by the budget institution, the following shall be recognised as the use of a subsidy and grant:

338.2.1. the operating expenditures;

338.2.2. the long-term investments.

[*6 September 2022 / See Paragraph 2 of Amendments*]

**2.17.2. Accounting of Transfer Revenues and Expenditures**

339. If a transfer is made before the use of the transfer:

339.1. when making the transfer, the receivables for the transfer transferred in advance shall be recognised;

339.2. when receiving the transfer, the liabilities for the transfer received in advance shall be recognised.

340. The operating transfer revenues and expenditures shall be recognised in the reporting year in which the approved transfer use or the relevant expenditures for which the transfer is made after approval of expenditures have been made if the use or expenditures have been approved in the reporting year or by 31 January (including) of the following reporting year.

341. When recognising the transfer revenues, liabilities shall be reduced by the transfer received in advance. When recognising the transfer expenditures, receivables shall be reduced by the transfer made in advance.

342. If the relevant expenditures for the reporting year are approved in the following reporting year by 31 January (including), the accrued revenues and the transfer revenues, and also the accrued liabilities and the transfer expenditures shall be recognised at the end of the reporting year. The accrued revenues and accrued liabilities shall be accordingly reduced on the day of the transfer and receipt of cash.

343. If the use of the transfer or the relevant expenditures for the reporting year are approved in the following reporting year after 31 January, the transfer revenues and expenditures shall be recognised as other revenues and expenditures of the previous years in the reporting year in which the use of the transfer or the relevant expenditures have been approved.

344. At the end of the reporting year, the total amount of the use of the transfer or the relevant expenditures shall be indicated in the sub-balance sheet in the reporting year in relation to which the transfer revenues or the transfer expenditures should be recognised in the following reporting years.

**2.18. Transfer and Acceptance of Assets and Liabilities within the Scope of General Government Units**

345. The budget institution which transfers an asset or liability without reward to another budget institution shall provide information on:

345.1. the belonging to the accounting category (in level of detail to a sub-group);

345.2. the initial cost and the method for its determination;

345.3. the accumulated amortisation and depreciation;

345.4. the fair value reserves of ownership interest and financial instruments;

345.5. the remaining useful life;

345.6. a relevant indication and value if the value of a property, plant, and equipment has been initially recognised in the deferred revenues;

345.7. the category of financial instruments;

345.8. the value of the surplus or deficit of budget implementation of the previous reporting years if the budget institution is liquidated or reorganised.

[*6 September 2022 / See Paragraph 2 of Amendments*]

346. The budget institution shall, when transferring an asset to another budget institution without reward, derecognise:

346.1. the accumulated impairment loss, and recognise other revenues from the write-down of the impairment of assets;

346.2. the initial cost and depreciation (amortisation) in the residual value of the long-term investment and recognise expenditures from values transferred without reward;

346.3. the deferred revenues and the fair value reserves of ownership interest and financial instruments which are attributable to this asset and recognise revenues from values transferred without reward.

347. The budget institution shall, when transferring without reward to another budget institution inventory that has been previously recognised in expenditures, derecognise it at units of quantity. The budget institution which receives such inventory shall ensure its accounting at units of quantity until its actual write-down.

348. The budget institution shall, when transferring a liability (for example, provisions or deferred revenues) without reward to another budget institution, derecognise its carrying amount and recognise revenues from values transferred without reward.

349. Upon receipt of an asset or liability from another budget institution without reward, the budget institution shall continue to account it in accordance with the information referred to in Paragraph 345 of this Regulation. If necessary, the abovementioned values shall be reclassified in conformity with the requirements laid down in the accounting procedures of the budget institution.

350. If the budget institution receives without reward inventories from the budget institution which has accounted these inventories in the group of accounts “2170 Specialist military equipment and construction of specialist military equipment”, the value of such asset shall be recognised in an accounting category corresponding to its economic nature.

351. When receiving an asset from another budget institution without reward, the budget institution shall:

351.1. recognise its initial cost, depreciation (amortisation), and revenues from the values received without reward in the residual value of the asset;

351.2. recognise expenditures from the values received without reward and the deferred revenues if the budget institution which transferred the asset had initially accounted its value in the deferred revenues, and the fair value reserves of ownership interest and financial instruments;

351.3. continue to calculate depreciation (amortisation) in the remaining useful life of a long-term investment or review the further depreciation norm according to the reclassification performed in accordance with Paragraph 349 of this Regulation.

[*6 September 2022 / See Paragraph 2 of Amendments*]

352. Upon receipt of a liability without reward from another budget institution, the budget institution shall recognise its carrying amount and expenditures from values received without reward.

353. If the budget institution is liquidated or reorganised, the budget institution which has taken over the assets and liabilities of another budget institution shall reduce the surplus or deficit of budget implementation for the reporting period and increase the surplus or deficit of budget implementation of the previous reporting years in accordance with the information referred to in Sub-paragraph 345.8 of this Regulation.

**2.19. Accounting of Taxes, Fees, and Other Payments into the State Budget Administered by the State Revenue Service**

354. In accounting the taxes, fees, and other payments into the State budget (hereinafter in this Regulation – the State budget revenues) administered by State Revenue Service on the accrual basis, the State Revenue Service shall attribute the norms specified for the budget institution in this Regulation to the State in the person of the State Revenue Service (hereinafter – the Service).

355. The State budget revenues, and also the cash flow shall be accounted analytically in accordance with the requirements laid down in the laws and regulations in the field of the budget classification.

356. [6 September 2022]

357. If the value of the relevant assets or liabilities in the subsequent periods differs from the initially calculated amount, the value of the asset or liabilities and also the following shall be adjusted:

357.1. the surplus or deficit of budget implementation of the previous years if adjustments are made in accordance with Sub-paragraph 430.1 or 433.1 of this Regulation;

357.2. the revenues of the reporting period if adjustments are made in accordance with Paragraph 432 or Sub-paragraph 433.2 of this Regulation.

358. The State budget revenues shall be recognised by:

358.1. including the calculated principal amount;

358.2. including the granted discounts and reliefs;

358.3. not deducting the costs made in accordance with the purpose for the use of revenues provided in the relevant laws and regulations in the field of budget and finances.

[*2 November 2021 / See Paragraph 456.2*]

359. The State budget revenues shall be recognised under the operating revenues. The Service shall determine the procedures for the accounting of State budget revenues, providing one of the following moments for the recognition of each type of State budget revenues:

359.1. the reporting period in which the taxable event has occurred;

359.2. the day when the right to receive the relevant revenues arises if the receipt thereof is surely probable;

359.3. the day of receipt, except if the receipt thereof is surely probable. Information on the calculated revenues from a fine, late fee, penalty, and contractual penalty shall be indicated in the sub-balance sheet until the receipt of such revenues.

[*2 November 2021 / See Paragraph 456.2*]

360. The Service shall determine the taxable event for the accounting of such State budget revenues which are recognised in the period referred to in Sub-paragraph 359.1 of this Regulation.

[*2 November 2021 / See Paragraph 456.2*]

361. Revenues and receivables towards a taxpayer according to a corroborative document shall be recognised not later than on the last day of such reporting period when the taxable event has occurred if the corresponding amount of money has not been received and a corroborative document has been submitted at the end of this reporting period.

[*6 September 2022 / See Paragraph 2 of Amendments*]

362. The accrued revenues shall be recognised not later than on the last day of such reporting period when the taxable event has occurred if the corroborative document has not been submitted at the end of the reporting period but the taxable event has occurred in the reporting period and the corresponding amount of money has not been received. On the day when the relevant document is submitted, the accrued revenues shall be reduced and receivables shall be recognised.

[*2 November 2021; 6 September 2022 / See Paragraph 2 of Amendments*]

363. When writing off tax receivables, other expenditures shall be recognised.

364. Impairment of the recognised receivables shall be measured at the end of each reporting period in accordance with Paragraphs 186–190 of this Regulation.

365. The impairment of receivables shall be recognised in other expenditures and accumulated in a separate account in the composition of receivables.

366. If the amount of the impairment of receivables needs to be adjusted in the following reporting periods, the increase thereof shall be recognised in other expenditures of the relevant reporting period but the reduction – in other revenues. If the impairment formed in the reporting year is reduced in this year, the other expenditures recognised in the reporting year shall be reduced.

367. Impairment shall be derecognised and other revenues shall be recognised upon receipt of the payment for receivables or writing down the receivable for which impairment was formed.

368. Upon receipt of cash, receivables shall be reduced or revenues shall be recognised in accordance with the requirements for the recognition of revenues laid down in laws and regulations, or liabilities shall be recognised if cash has been received before the taxable event.

369. If liabilities have been recognised in accordance with Paragraph 368 of this Regulation, revenues shall recognised and liabilities shall be reduced on the day of the taxable event according to corroborative documents.

[*6 September 2022 / See Paragraph 2 of Amendments*]

370. The reduction in revenues and liabilities towards a taxpayer according to corroborative document shall be recognised not later than on the last day of such reporting period when the obligation (liabilities) has arisen if the corroborative document has been submitted at the end of the reporting period and the obligation to make payment for the relevant liabilities exists at the end of this reporting period.

[*6 September 2022 / See Paragraph 2 of Amendments*]

371. If the relevant document has not been submitted at the end of the reporting period in accordance with Paragraph 370 of this Regulation, the accrued liabilities shall be recognised. On the day when the relevant document is submitted, the accrued liabilities shall be reduced and the liabilities shall be recognised.

[*2 November 2021*]

372. When writing off tax liabilities, other revenues shall be recognised.

373. [2 November 2021]

374. [2 November 2021]

375. The Service shall recognise liabilities towards the Treasury as the performer of the financial accounting of the State budget and reduction in revenues by the amount of tax which should be redistributed in the State or local government budgets in accordance with the procedures laid down in laws and regulations. Liabilities against the Treasury shall be reduced according to the decrease in the cash in the relevant settlement account.

376. The balance of receivables or liabilities shall be adjusted as a result of inventory, if necessary, and revenues or reduction in revenues shall be recognised.

377. The property under the State jurisdiction shall be accounted in accordance with the procedures laid down in laws and regulations.

378. If the records include an immovable property under the State jurisdiction at the end of the reporting period, inventories and revenues of the reporting period shall be recognised by taking into account the cadastral value of the immovable property. The abovementioned recording shall be reversed at the beginning of the next reporting year.

379. If the cadastral value of an immovable property under the State jurisdiction is unknown, such immovable properties shall be accounted only at units of quantity.

380. [2 November 2021]

381. [2 November 2021]

**2.19.1 Accounting of Revenues from Immovable Property Tax**

[*6 September 2022 / Sub-chapter shall come into force on 1 January 2024. See Paragraph 456.7*]

381.1 The budget institution shall, when accounting the immovable property tax administered thereby on the accrual basis, recognise the operating revenues from the immovable property tax in the reporting period in which the tax has been calculated for the reporting period and the previous reporting periods in accordance with the laws and regulations in the field of immovable property tax.

[*6 September 2022 / Paragraph shall come into force on 1 January 2024. See Paragraph 456.7*]

381.2 Revenues from immovable property tax and also the cash flow shall be accounted analytically in accordance with the requirements laid down in the laws and regulations in the field of the budget revenue classification.

[*6 September 2022 / Paragraph shall come into force on 1 January 2024. See Paragraph 456.7*]

381.3 Revenues from immovable property tax and the assets and liabilities related thereto shall be measured according to the corroborative document on the estimate of revenues.

[*6 September 2022 / Paragraph shall come into force on 1 January 2024. See Paragraph 456.7*]

381.4 Revenues from immovable property tax shall be recognised by:

381.41. including the calculated principal amount;

381.42. including the granted discounts and reliefs which shall be separated analytically;

381.43. not deducting the costs made in accordance with the purpose for the use of revenues provided in the relevant laws and regulations.

[*6 September 2022 / Paragraph shall come into force on 1 January 2024. See Paragraph 456.7*]

381.5 The errors identified in the accounting registers in relation to the accounting of asset and liability items in the reporting period or previous reporting periods shall be corrected in accordance with Paragraph 433 of this Regulation.

[*6 September 2022 / Paragraph shall come into force on 1 January 2024. See Paragraph 456.7*]

381.6 Receivables shall be recognised in accordance with the corroborative document referred to in Paragraph 381.3 of this Regulation if the corroborative document has been drawn up in the reporting period in which the receivables and tax revenues have arisen. If the corroborative document has not been drawn up until the end of the relevant reporting period, the budget institution shall recognise the accrued revenues.

[*6 September 2022 / Paragraph shall come into force on 1 January 2024. See Paragraph 456.7*]

381.7 Impairment of the recognised receivables shall be measured at the end of each reporting period in accordance with Paragraphs 186, 187, 188, 189, and 190 of this Regulation.

[*6 September 2022 / Paragraph shall come into force on 1 January 2024. See Paragraph 456.7*]

381.8 The impairment of receivables shall be recognised in other expenditures and accumulated in a separate account in the composition of receivables.

[*6 September 2022 / Paragraph shall come into force on 1 January 2024. See Paragraph 456.7*]

381.9 If the amount of the impairment of receivables needs to be adjusted in the following reporting periods, the increase thereof shall be recognised in other expenditures of the relevant reporting period but the reduction – in other revenues. If the impairment formed in the reporting year is reduced in this year, the other expenditures recognised in the reporting year shall be reduced.

[*6 September 2022 / Paragraph shall come into force on 1 January 2024. See Paragraph 456.7*]

381.10 Impairment shall be derecognised and other revenues shall be recognised upon receipt of the payment for receivables or writing down the receivable for which impairment was formed.

[*6 September 2022 / Paragraph shall come into force on 1 January 2024. See Paragraph 456.7*]

381.11 When writing down receivables for immovable property tax, other expenditures shall be recognised.

[*6 September 2022 / Paragraph shall come into force on 1 January 2024. See Paragraph 456.7*]

381.12 Budget institutions shall reduce receivables according to the received cash or recognise liabilities if cash has been received before the reporting period for which the tax has been calculated.

[*6 September 2022 / Paragraph shall come into force on 1 January 2024. See Paragraph 456.7*]

381.13 Liabilities shall be recognised in accordance with the corroborative document referred to in Paragraph 381.3 of this Regulation if the tax calculated in the previous reporting periods is being reduced and the corroborative document has been drawn up in the reporting period in which the liabilities and reduction in tax revenues have arisen. If the corroborative document has not been drawn up until the end of the relevant reporting period, accrued liabilities shall be recognised.

[*6 September 2022 / Paragraph shall come into force on 1 January 2024. See Paragraph 456.7*]

381.14 When writing down liabilities for immovable property tax, other revenues shall be recognised.

[*6 September 2022 / Paragraph shall come into force on 1 January 2024. See Paragraph 456.7*]

381.15 Operating revenues from penalties and late payment charges shall be accounted on the day of their receipt except when their receipt is surely probable, then revenues shall be recognised on the day when the right to receive them arises. Until the receipt of the calculated penalties and late payment charges, information thereon shall be indicated in the sub-balance sheet if their receipt is not surely probable.

[*6 September 2022 / Paragraph shall come into force on 1 January 2024. See Paragraph 456.7*]

**2.20. Accounting of Financial Instruments**

**2.20.1. Basic Principles for the Accounting of Financial Instruments**

[*6 September 2022 / See Paragraph 2 of Amendments*]

382. A financial instrument is the following financial asset and financial liabilities:

382.1. a financial investment (for example, loan, security, deposit), except for participation in a related capital company and an associated capital company;

382.2. receivables arising from the disposal of an asset if payment is deferred for more than 12 months, except for finance lease transactions;

382.3. a borrowing, the deposit received, and the security issued;

382.4. liabilities arising from the acquisition or construction of an asset if payment is deferred for more than 12 months, except for finance lease transactions and public-private partnership transactions;

382.5. a derivative financial instrument.

[*6 September 2022 / See Paragraph 2 of Amendments*]

383. A contract the subject-matter of which is a commodity and which provides the right for both parties to make settlements in cash or another financial instrument (for example, to purchase or sell a commodity for a fixed price at a known future date) shall be a derivative financial instrument, except if all of the following conditions are in effect:

383.1. a contract has been entered into according to the planned needs for the procurement or use of goods, raw materials, basic materials, and auxiliary materials, and it still conforms to them;

383.2. the contract has initially been intended for the needs referred to in Sub-paragraph 383.1 of this Regulation;

383.3. the contractual liabilities are intended to be settled with the delivery of goods.

384. A financial instrument shall be recognised on the day when it meets the conditions referred to in Paragraph 22 or 28 of this Regulation and measured at fair value.

385. The costs that are directly attributable to the acquisition, issue, or disposal of a financial instrument (for example, costs for the receipt of a borrowing, commission for commercial agents, brokers) shall be recognised in financial expenditures (to ensure the accounting referred to in Sub-paragraph 1.2 of this Regulation – in the operating expenditures) on the day when the service has been received according to a corroborative document or according to the contractual conditions.

386. The measurement of a financial instrument at fair value must be reliable. A measurement is reliable if the fair value of the financial instrument has been determined using one of the following techniques:

386.1. the transaction price of the particular financial instrument or quoted prices of identical assets or liabilities in active markets;

386.2. if the financial instrument does not have a market price, but separate its components or similar financial instruments have such a price, the market price of such instrument may be determined by taking into account the market price of its components or similar financial instruments;

386.3. if the market price of the financial instrument cannot be determined, its fair value shall be determined on the basis of the value calculated using generally recognised and corresponding valuation techniques, if the calculated value shows the possible market price of such instrument. The valuation technique for the fair value measurement shall be developed by the commission or specialist. The topicality of the valuation technique shall be reviewed at least once in a reporting year.

387. Financial instruments shall be analytically divided into categories (Annex 3) and, after initial recognition, accounted in accordance with the following procedures:

387.1. receivables and loans shall be accounted at amortised cost, applying the effective interest method, except for the State budget loans issued within the scope of the general government sector units to which the interest rate stipulated by the Treasury is applied, and the amortised interest revenues shall be included in the financial revenues of the reporting period. In order to ensure the accounting referred to in Sub-paragraph 1.2 of this Regulation, the interest rate used for the calculation of the amortised cost shall be determined in accordance with the procedures laid down in the internal legal acts of the Treasury;

387.2. held-to-maturity investments shall be accounted at amortised cost, applying the effective interest method, and the amortised interest revenues shall be included in the financial revenues of the reporting period. In order to ensure the accounting referred to in Sub-paragraph 1.2 of this Regulation, the interest rate used for the calculation of the amortised cost of the held-to-maturity investments shall be determined in accordance with the procedures laid down in the internal legal acts of the Treasury;

387.3. at the end of each reporting period, available-for-sale financial assets shall be measured at fair value, and changes in the value shall be recognised in the fair value reserve of financial instruments, revenues or expenditures from currency exchange rate fluctuations shall be recognised in the financial revenues or expenditures of the reporting period;

387.4. changes in the value of a financial asset and financial liabilities, including a derivative financial instrument, measured at the fair value shall be recognised in the financial revenues or expenditures of the reporting period, except for the financial guarantee contracts;

387.5. other financial liabilities, except for financial guarantee contracts, shall be accounted at amortised cost, applying the effective interest method, except for the loans received from the State budget within the scope of the general government sector units to which the interest rate stipulated by the Treasury is applied, and the amortised interest expenditures shall be recognised in the financial expenditures of the reporting period. In order to ensure the accounting referred to in Sub-paragraph 1.2 of this Regulation, the interest rate used for the calculation of the amortised cost of financial liabilities shall be determined in accordance with the procedures laid down in the internal legal acts of the Treasury.

388. The budget institution shall account the contracts for the received and issued financial guarantees which provide for the making of specific payments to the holder of the financial guarantee contract to reimburse the losses (expenditures) caused to it as a result of the transaction partner failing to make the payment when due in accordance with the relevant provisions of the contract in the following cases:

388.1. the guarantee (guarantee obligation) has been provided under the contract the participants of which are the interested parties, and its provisions create rights and obligations for the contracting parties, and, as a result of these rights and obligations, each contracting party potentially needs not settle equivalent liabilities, and also the legal acts provide for the reimbursement of losses in case of failure to settle the liabilities;

388.2. the guarantee (guarantee obligation) has been issued in accordance with the legal acts – non-contractual guarantee (guarantee obligation);

388.3. a letter of credit has been issued.

389. The contract for an issued financial guarantee shall be classified as provisions or contingent liabilities.

390. The received financial guarantees shall be classified as contingent assets if reward is not provided for it or the reward does not correspond to the fair value of the guarantee. The reward paid for the financial guarantee shall be recognised in the prepaid expenditures.

391. Financial guarantees shall be measured:

391.1. at the present value of the reward if it corresponds to the fair value of the guarantee. The present value of the reward shall be determined by applying the effective interest method if payment is intended later than a year after the balance sheet date;

391.2. according to the best estimate of the value in accordance with Paragraph 247 of this Regulation if reward is not provided for the issuing of the financial guarantee or the reward does not correspond to the fair value of the guarantee.

392. The cost method shall be used for the accounting of an available-for-sale financial asset (unquoted equity instrument if the budget institution owns less than 20 per cent of the voting rights in the relevant capital company, or derivative financial instrument which is related to such unquoted equity instrument and for which accounts are to be settled with delivery of such unquoted equity instrument) if its fair value cannot be reliably measured.

393. If the fair value of the financial assets referred to in Sub-paragraphs 387.3 and 387.4 of this Regulation becomes negative, they shall be reclassified in the composition of financial liabilities.

394. When calculating payments of a borrowing, deposit, and other interest and liability payments (for example, costs of borrowing), they shall be recognised as financial revenues or expenditures in the reporting period and accounted as accrued revenues or accrued liabilities.

395. A financial instrument which can be sold at any time and which is intended to be held for not more than a year, and also a financial instrument which is intended to be alienated, except for an instrument to be disposed within the scope of the general government sector units, shall be classified in the composition of short-term financial investments or current liabilities. Other financial instruments shall be classified in the composition of long-term financial investments or non-current liabilities.

**2.20.1.1 Change of the Classification of Financial Instruments**

[*6 September 2022 / See Paragraph 2 of Amendments*]

396. At the end of each reporting period, the classification of a financial instrument in the categories specified in Paragraph 387 of this Regulation shall be assessed, and it shall be changed on the day of the relevant event, if necessary, in accordance with the requirements of this Sub-chapter.

397. The financial asset classified in the category specified in Sub-paragraph 387.4 of this Regulation shall be attributed to the category specified in Sub-paragraph 387.1 of this Regulation only if all of the following conditions are in effect.

397.1. the financial asset is no longer held for the purpose of sale or repurchase;

397.2. the financial asset should be classified in the category of loans and receivables on the initial recognition;

397.3. the financial asset is planned to be held until its maturity.

398. The financial asset classified in the category specified in Sub-paragraph 387.4 of this Regulation shall be remeasured at fair value on the day of reclassification, and changes in the value shall be recognised in the financial revenues or expenditures of the reporting period.

399. The financial asset classified in the category specified in Sub-paragraph 387.3 of this Regulation shall be attributed to the category specified in Sub-paragraph 387.1 of this Regulation only if the purpose for holding the financial asset has been changed in the reporting period and the budget institution is henceforth planning to hold it until its maturity.

400. The financial asset classified in the category specified in Sub-paragraph 387.3 of this Regulation shall be remeasured at fair value on the day of reclassification, and changes in the value accumulated in the fair value reserve of financial instruments:

400.1. shall be recognised in the financial revenues or expenditures of the reporting period until the expiry of the contract by applying the effective interest method if a financial asset with a fixed maturity is being reclassified;

400.2. shall continue to be accounted in the fair value reserve of financial instruments if a financial asset without a fixed maturity is being reclassified until the alienation of the asset;

400.3. shall be recognised in the financial expenditures of the reporting period if the impairment of the financial asset is established.

401. The financial asset classified in the category specified in Sub-paragraph 387.2 of this Regulation shall be attributed to the category specified in Sub-paragraph 387.3 of this Regulation only if the purpose for holding the financial asset has been changed in the reporting period and the budget institution is no longer planning to hold it until maturity, except in the following cases:

401.1. less than 90 days remain until the maturity or extinguishing of the financial asset;

401.2. the budget institution has received at least 90 per cent of the principal amount of the asset;

401.3. an event has taken place in the reporting period which the budget institution could not have justifiably foreseen and control and which is non-recurring.

402. The financial asset classified in the category specified in Sub-paragraph 387.2 of this Regulation shall be revalued at fair value on the day of reclassification, and changes in the value shall be recognised in the fair value reserve of financial instruments.

**2.20.2. Impairment of Financial Instruments**

403. At the end of each reporting period, it shall be assessed whether there is objective evidence that losses have occurred from the impairment of a financial asset (except for the assets referred to in Sub-paragraph 387.4 of this Regulation), taking into account the following factors:

403.1. financial difficulties of the issuer or the person fulfilling the obligations (cooperation partner);

403.2. non-compliance with the contractual conditions, for example, failure to fulfil or violation of the conditions for the repayment of interest or principal amount;

403.3. the lender, due to economic or legal reasons relating to the financial difficulties of the borrower, grants a discount or relief to the borrower which the lender would not had otherwise considered;

403.4. it becomes probable that the borrower will commence insolvency proceedings or other financial reorganisation;

403.5. the disappearance of an active market for the relevant financial asset due to financial difficulties;

403.6. the available information indicates that there is a measurable reduction in the estimated future cash flows of the group of financial assets since the initial recognition of these assets although for individual financial assets this reduction cannot be yet determined, and it includes one of the following circumstances:

403.6.1. unfavourable changes in the solvency of borrowers in the relevant group (for example, increasing number of late payments);

403.6.2. the economic circumstances of the State or local government which, in turn, affect the failure to settle the liabilities in the group of assets (for example, economic difficulties in a specific geographic region, significant unfavourable changes in the circumstances of any sector which affect borrowers in the relevant group);

403.7.3. investment in an equity instrument – information on unfavourable changes that have occurred in the technological, market, economic, or legal environment in which the issuer is operating and that indicate that the costs of the equity instrument may be unrecoverable. Decrease in value of an investment in an equity instrument below its cost shall also be an objective proof of impairment loss.

404. If any of the evidences referred to in Paragraph 403 of this Regulation exists, impairment loss shall be calculated.

405. The impairment of a loan, receivable, and held-to-maturity investment (hereinafter – the financial asset accounted at amortised value) shall be calculated as the difference between the carrying amount of the asset and the present value of the estimated future cash flows which has been discounted using the initial effective interest rate of the financial asset. In order to ensure the accounting referred to in Sub-paragraph 1.2 of this Regulation, impairment loss shall be calculated in accordance with the procedures laid down in the internal legal acts of the Treasury. Impairment loss shall be recognised in the financial expenditures of the reporting period and accumulated in a separate account in the composition of short-term or long-term financial investments or receivables.

406. If the impairment of the financial asset accounted at amortised value has decreased or does not exist anymore in the subsequent reporting periods, the previously recognised impairment loss shall be derecognised, making the necessary adjustments to the impairment loss account, and recognised in the financial revenues of the reporting period. When impairment loss is derecognised, the carrying amount of the relevant financial asset should not be higher than the amortised cost would have been if expenditures from impairment loss had not been recognised.

407. Impairment of an available-for-sale financial asset which has been accounted at fair value shall be calculated as the difference between the amortised cost of the asset (the principal amounts and interest received, and also the interest accumulated shall be deducted from the acquisition cost) and the present fair value, deducting expenditures from the impairment of this financial asset which have previously been recognised in expenditures of the reporting period.

408. If the impairment of an available-for-sale financial asset (except for investments in equity instruments) which has been accounted at fair value has decreased or does not exist anymore in the subsequent reporting periods, the previously recognised impairment shall be derecognised and recognised in the financial revenues of the reporting period only in such amount in which expenditures from impairment loss have been previously recognised. The remaining part of the increase in the value shall be recognised in the fair value reserves of financial instruments.

409. Impairment of an available-for-sale financial asset which has been accounted at cost shall be calculated as the difference between the carrying amount of the financial asset and the present value of the estimated future cash flows which has been discounted with the corresponding interest rate published on the website of the Treasury. Impairment loss shall be recognised in the financial expenditures of the reporting period and accumulated in a separate account in the composition of the relevant financial assets.

410. If the impairment loss for an investment in equity instruments which has been classified as an available-for-sale financial asset has decreased or does not exist anymore in the subsequent reporting periods, the previously recognised impairment loss shall be derecognised only if the relevant financial asset is derecognised.

**2.20.3. Derecognition of Financial Instruments**

411. A financial asset or its part shall be derecognised if at least one of the following criteria is in effect:

411.1. the contractual rights to cash flows from the relevant financial asset or its part are expiring or the budget institution has renounced these rights in accordance with the procedures laid down in legal acts;

411.2. the budget institution transfers the contractual rights to cash flows from the financial asset or its part;

411.3. the budget institution retains the contractual rights to cash flows from the financial asset or its part but does not undertake the contractual obligation to pay the relevant cash flows to one or several recipients and:

411.3.1. the budget institution has an obligation to make payments to the recipients only if equivalent amounts from the relevant asset have been received;

411.3.2. according to the contractual conditions, the budget institution is prohibited from selling or pledging the relevant asset or its part;

411.4. the budget institution transfers all risks related to the property rights of the relevant asset or its part, and the control over the reward and asset or its part.

412. A financial asset shall be derecognised and the difference between the carrying amount of the asset and the reward (including all newly-acquired assets from which all newly-undertaken liabilities have been deducted) shall be recognised in the financial revenues or expenditures of the reporting period. The fair value reserve of financial instruments shall be excluded and attributed to the surplus or deficit of budget implementation of the previous reporting years (for available-for-sale financial instruments).

413. If a part of a financial asset is derecognised, the value of the part to be derecognised shall be calculated according to the relative fair values of the financial asset and the part to be derecognised on the day of derecognition.

414. If reward is received for the disposal of a financial asset accounted at amortised cost, however the criteria referred to in Paragraph 411 of this Regulation for the derecognition of the asset have not been met, the received reward shall be recognised in the composition of financial liabilities. The recognised liabilities shall be measured at the amount of the received reward and, until the expiry of the contract, increased by the difference between the received reward and the value of the asset at the contract expiration date, applying the effective interest method.

415. If reward is received for the disposal of a financial asset accounted at fair value, however the criteria referred to in Paragraph 411 of this Regulation for the derecognition of the asset have not been met, the received reward shall be recognised in the composition of financial liabilities. The recognised liabilities shall be measured at fair value.

416. Financial liabilities (or a part of financial liabilities) shall be derecognised only if:

416.1. the contractual obligation has been fulfilled;

416.2. the other contracting party has refused from receivables for the fulfilment of this obligation;

416.3. the obligation has been revoked or the term of its fulfilment has expired.

417. If, in changing the contractual conditions, the present discounted value of the cash flow, including all fees paid, deducting the received fees, and discounting with the initial effective interest rate, differs by at least 10 per cent from the present value of the remaining cash flow of the initial financial liabilities, the initial financial liabilities shall be derecognised and new financial liabilities shall be recognised.

418. The difference between the carrying amount of the derecognised financial liabilities or their part and the reward, including all transferred assets which are not cash, shall be recognised as the financial revenues or expenditures of the reporting period.

419. If a part of the financial liabilities is derecognised, the value of the part to be derecognised shall be calculated according to the relative fair values of the total financial liabilities and the part to be derecognised as on the day of derecognition.

420. In the period after the buy-back of the issued State securities until their extinguishing, such securities shall be accounted in the sub-balance sheet.

**2.20.4. Hedge Accounting of Financial Instruments**

[*21 December 2021*]

420.1 The budget institutions shall apply hedge accounting to financial instruments in accordance with the procedures laid down in this Section by complying with the following conditions:

420.11. the internal legal acts of the budget institution (for example, financial management strategy) provide for the hedging of financial instruments (hereinafter – the hedging) and determine its objectives, and the budget institution shall provide procedures for the accounting of the hedging instruments used for the hedging of the institution and for the hedged items in its accounting procedures;

420.12. before commencing the hedging, the budget institution shall develop hedging documentation for each hedging transaction, including therein:

420.12.1. the nature and objective of the hedging transaction;

420.12.2. the type of hedging;

420.12.3. the hedged item;

420.12.4. the hedging instrument;

420.12.5. the type of the risk being hedged (for example, risk of fluctuations of interest rates or currency exchange rates);

420.12.6. the period in which the hedge accounting is applied;

420.12.7. the initial assessment of the hedging transaction effectiveness which includes:

420.12.7.1. proof that an economic relationship exists between the hedged item and the hedging instrument;

420.12.7.2. credit risk assessment to determine that effect of the credit risk (for both the hedged item and hedging instrument) does not dominate the fair value changes;

420.12.7.3. the determined ratio between the hedged item and the hedging instrument;

420.12.7.4. information on other factors which might affect the hedging transaction effectiveness (if such have been identified);

420.12.7.5. information on an intended replacement of the hedging instrument with another hedging instrument or on its extension;

420.12.7.6. information on the planned procedures (method) for the determination of the hedging transaction effectiveness, including the procedures for the calculation of the fair value, and the periodicity of the assessment;

420.13. the fair value of the hedged item or the cash flows which are attributable to the hedged risk and the fair value of the hedging instrument can be reliably measured;

420.14. the hedge effectiveness shall be re-assessed at least once a quarter during the period for which the hedge is designated in accordance with the documentation referred to in Sub-paragraph 420.12 of this Regulation. The hedging shall be determined to be effective if it meets the following criteria:

420.14.1. changes in the fair value or cash flow of the hedging instrument offset the changes in the fair value or cash flow of the hedged item that are attributable to the hedged risk;

420.14.2. the level of the hedge effectiveness is from 80 % to 125 %. It shall be calculated by attributing the changes in the fair value or cash flow of the hedging instrument against the changes in the fair value or cash flow of the hedged item.

[*21 December 2021 / See Paragraph 456.3*]

420.2 The budget institution shall apply the following types of hedges:

420.21. the fair value hedge;

420.22. the cash flow hedge.

[*21 December 2021 / See Paragraph 456.3*]

420.3 The fair value hedge shall be accounted in accordance with the following procedures:

420.31. the initial fair value of the hedging instrument and hedged item as on the start date of the hedging transaction shall be determined. The measurement shall be documented but the value shall not be recorded;

420.32. if the fair value is remeasured, changes in the value of the hedging instrument shall be accounted under a separate item in the composition of the asset or liabilities of the balance sheet;

420.33. the carrying amount of the hedged item shall be adjusted by the portion of changes in the value of hedging instrument which has been determined to be an effective hedge;

420.34. the portion of changes in the value of hedging instrument which has been determined to be an ineffective hedge shall be recognised in the financial revenues or expenditures of the reporting period;

420.35. the adjustments of the carrying amount of the hedged item shall be written off (amortised) in the financial revenues or expenditures of the reporting period. The writing-off of the adjustment of the carrying amount of the hedged item shall be commenced on the following day after recognition of adjustment. The adjustment shall be written off by applying an effective interest rate re-calculated by the budget institution on the day when the writing-off is commenced. In order to ensure the accounting referred to in Sub-paragraph 1.2 of this Regulation, the interest rate used for the calculation of the writing-off of adjustment shall be determined in accordance with the procedures laid down in the internal legal acts of the Treasury. Adjustment shall be written off until the end of the term of the hedged item;

420.36. changes in the fair value of the hedged item which are not related to the hedge shall be separated and recognised in accordance with the accounting requirements laid down for the category of the relevant financial instrument.

[*21 December 2021 / See Paragraph 456.3*]

420.4 The budget institution shall discontinue the fair value hedge accounting if:

420.41. the term of the hedging instrument expires, it is sold, terminated, or exercised. Replacement of the hedging instrument with another hedging instrument or its extension shall not be considered as the expiry of the term or termination thereof if such replacement or extension is provided in the hedging documentation of the budget institution;

420.42. the hedge no longer meets the conditions for hedge accounting referred to in Paragraph 420.1 of this Regulation;

420.43. the budget institution revokes the designated hedge.

[*21 December 2021 / See Paragraph 456.3*]

420.5 The cash flow hedge shall be accounted in accordance with the following procedures:

420.51. the initial present value of the future cash flows of the hedging instrument and hedged item as on the start date of the hedging transaction shall be determined. The measurement shall be documented but the value shall not be recorded;

420.52. if the present value of future cash flows is remeasured, changes in the value of the hedging instrument shall be accounted under a separate item in the composition of the asset or liabilities;

420.53. the portion of changes in the value of hedging instrument which has been determined to be an effective hedge shall be recognised in the fair value reserves of financial instruments;

420.54. the portion of changes in the value of hedging instrument which has been determined to be an ineffective hedge shall be recognised in the financial revenues or expenditures of the reporting period;

420.55. the changes in the value of hedging instrument accounted in the fair value reserves of financial instruments shall be recognised in the financial revenues or expenditures of the reporting period concurrently with the revenues or expenditures of the hedged item to which the hedge is attributable, matching the amount of revenues or expenditures therewith.

[*21 December 2021 / See Paragraph 456.3*]

420.6 The budget institution shall discontinue the cash flow hedge accounting if:

420.61. the term of the hedging instrument expires or the budget institution sells, terminates, or exercises it. Replacement of the hedging instrument with another hedging instrument or its extension shall not be considered as the expiry of the term or termination thereof if such replacement or extension is specified in the hedging documentation of the budget institution;

420.62. the hedge no longer meets the conditions for hedge accounting referred to in Paragraph 420.1 of this Regulation;

420.63. if the budget institution revokes the designated hedge.

[*21 December 2021 / See Paragraph 456.3*]

420.7 When discontinuing the cash flow hedge accounting, changes in the value of hedging instrument which have been accounted in reserves shall be recognised in the financial revenues or expenditures of the reporting period, applying Sub-paragraph 420.55 of this Regulation.

[*21 December 2021 / See Paragraph 456.3*]

**2.21. Contingent Assets and Contingent Liabilities**

421. A contingent asset is an asset which can arise from past events and the existence of which will be confirmed only by the occurrence or non-occurrence of one or more such future events which the budget institution cannot control.

422. A contingent asset shall be measured according to the most reliable estimate of the value of the resources to be received and shall be accounted in the sub-balance sheet.

423. Contingent liabilities, including guarantees, are:

423.1. a possible obligation arisen as a result of past events the existence of which depends on the occurrence or non-occurrence of one or more such future events which the budget institution cannot control;

423.2. a present obligation arisen as a result of past events, but it is not probable that an outflow of resources will be required for the fulfilment of the obligation, or sufficient grounds for the reliable measurement of the value of liabilities or provisions are missing.

424. Contingent liabilities shall be measured in accordance with Paragraph 247 of this Regulation and accounted in the sub-balance sheet.

425. If the budget institution has entered into contracts for future long-term investments and the obligation has not been fulfilled until the balance sheet date, such liabilities shall be accounted in the sub-balance sheet. The value of the liabilities shall be calculated by summing the payments intended after the balance sheet date according to the contracts entered into.

426. If the probability of the outflow of resources for the fulfilment of a possible or present obligation is small, the contingent liabilities need not be accounted in the sub-balance sheet.

**2.22. Changes in the Accounting Procedures, Changing of Estimates, and Correction of Errors**

427. The budget institution shall change the accounting principles only if the regulatory framework has changed.

428. The change of the accounting principles is the replacement of one set of accounting principles with another set of accounting principles.

429. The budget institution shall account the changes in the accounting principles in accordance with the transitional provisions of the relevant legal act.

430. When changing the accounting principles, adjustment shall be made as if the new accounting principles had always been applied, and the changes shall be recognised:

430.1. in the surplus or deficit of budget implementation of the previous years in the amount which is attributable to the previous reporting years. Adjustments shall be separated analytically by the relevant reporting years;

430.2. in the revenues or expenditures of the reporting period in the amount which is attributable to the reporting year;

430.3. in the corresponding asset or liability account of the balance sheet.

431. If the asset or liability items cannot be accurately measured as a result of uncertainties inherent to the transactions or other activities (for example, determination of the useful life of intangible investments, calculation of the impairment of assets, calculation of the provisions intended for the settlement of the liabilities), an estimate of the value shall be made. The estimate shall be reviewed if the circumstances on which it is based change or new information which affects the preparation of the estimate is obtained.

432. When estimates are changed, they shall be applied to transactions, other events and circumstances, starting from the date of changing the estimate, and the corresponding asset, liability, revenue, or expenditure item shall be adjusted in the reporting period.

433. The errors identified in the accounting of the asset and liability items in the reporting period or the previous reporting periods shall be corrected in the first reporting period in which they have been discovered in accordance with the following procedures:

433.1. significant prior period errors shall be corrected in accordance with the procedures laid down in Paragraph 430 of this Regulation, except when it is not possible. The materiality level shall be determined according to the information published on the website of the Treasury for the current year;

433.2. other prior period errors and reporting period errors shall be corrected in accordance with the procedures laid down in Paragraph 432 of this Regulation.

434. The procedures laid down in Paragraph 430 of this Regulation shall not be applied if:

434.1. the impact cannot be determined;

434.2. assumptions as to the intentions of the budget institution in the relevant period are necessary;

434.3. substantial estimates need to be used, and it is not possible to objectively separate the information on the estimates which:

434.3.1. provide evidence of the circumstances which existed on the date on which these amounts were recognised, measured, or presented;

434.3.2. would be available at the time when the financial statement on the relevant previous period has been approved for publishing.

**2.23. Accounting of the Closing of a Reporting Period**

435. After the end of the reporting year, in the period until the date of signing the annual statement, the budget institution shall summarise the accounting information from the closing processes and activities, and also ascertain that all accounting procedures have been fulfilled (for example, calculation and accounting of the depreciation (amortisation) of property, plant, and equipment, investment properties, and intangible investments, calculation and accounting of the impairment of intangible investments, property, plant, and equipment, investment properties, financial investments, and inventories, calculation and accounting of the revenues and expenditures that occurred due to the inventory, fluctuations of the currency exchange rates, calculation and accounting of the accrued revenues and expenditures, calculation and accounting of provisions, determination and accounting of the current and non-current portion of assets and liabilities).

436. In cases of a dispute with a party to the transaction regarding the balance of receivables or liabilities at the end of the reporting period, the budget institution shall perceive its own financial accounting data as correct.

437. After the end of the reporting year, in the period until the date of signing the annual statement, all revenue and expenditure accounts of the accounting year shall be closed and recorded in the liability account of the balance sheet “Surplus or deficit of budget implementation of the reporting year” according to the budget type.

438. When recording the result of the reporting year, only the closure of the revenue and expenditure accounts shall be recorded in the liability account of the balance sheet “Surplus or deficit of budget implementation of the reporting year”.

439. In the following reporting year, the balance of the account “Surplus or deficit of budget implementation of the reporting year” shall be carried over to the liability account of the balance sheet “Surplus or deficit of budget implementation of the previous reporting years” according to the budget type.

**3. Closing Provisions**

440. Cabinet Regulation No. 1486 of 15 December 2009, Procedures by Which Budget Institutions shall Organise the Accounting Thereof (*Latvijas Vēstnesis*, 2009, No. 203; 2010, No. 69; 2011, No. 52; 2012, No. 165; 2013, Nos. 153, 243), is repealed.

441. Changes in the accounting shall be applied in accordance with Paragraph 432 of this Regulation.

442. The budget institutions shall assess the balances of assets and liabilities as on 31 December 2018 and record them on 1 January 2019 in accordance with the account correlation table specified in Annex 4 to this Regulation.

443. The initial cost and accumulated impairment of such biological assets which are intended to be used in agricultural activities shall be derecognised on 1 January 2019, and the residual value shall be reclassified into the group of accounts “1600 Biological assets”.

444. The other reserves which have been formed by initially recognising forest stands shall be derecognised by 31 December 2019, and the other revenues shall be recognised.

445. The useful life referred to in Paragraph 98 of this Regulation shall be assessed for the first time for the intangible investments in accounting records as on 31 December 2019 when preparing the statement for 2019. If indefinite useful life is determined for an intangible investment, the calculation of amortisation shall be discontinued from the first date of month following the assessment, and henceforth the intangible investment shall be accounted at residual value.

446. The method referred to in Paragraph 164 of this Regulation shall be applied for the first time in preparing the report for 2019.

447. Long-term investments in leased immovable properties of the State and local governments which, as on 31 December 2018, were accounted in the group of accounts “1270 Long-term investments in leased property, plant, and equipment” shall be transferred without reward by 31 December 2019 to the budget institution which has the relevant long-term investment in its accounting records.

448. Until 31 December 2020, the procedures laid down in Cabinet Regulation No. 1486 of 15 December 2009, Procedures by Which Budget Institutions shall Organise the Accounting Thereof, shall be applied to the accounting of the military non-current assets and equipment which were accounted in the account group “2170 Specialist military equipment and construction of specialist military equipment” as on 31 December 2018.

449. The budget institution shall, by 31 December 2021, update the carrying amount of the land accounted in the composition of long-term investments and reserves and initially measured in accordance with Paragraph 53 of this Regulation based on the data (cadastral value) of the State Immovable Property Cadastre Information System used within the scope of the closing inventory of 2020 and shall recognise the difference in other revenues or expenditures of the reporting year.

450. Until 31 December 2020, the procedures laid down in Cabinet Regulation No. 1486 of 15 December 2009, Procedures by Which Budget Institutions shall Organise the Accounting Thereof, shall be applied to the accounting of the inventory which was accounted under the account group “2160 Inventories” as on 31 December 2018.

451. For the accounting referred to in Sub-paragraph 1.3 of this Regulation, the following activities shall be performed for the determination of the starting balances of accounting registers according to the accrual basis in the reporting period before the date of adoption of accrual basis:

451.1. an inventory of initial receivables and liabilities shall be made for each taxpayer and each State budget revenue in accordance with the document referred to in Paragraph 356 of this Regulation;

451.2. revenues which are attributable to the reporting period before the date of adoption of accrual basis, but payment for which has not been received until the date of adoption of accrual basis, shall be recognised in the account “Surplus or deficit of budget implementation of the previous reporting years” and the account “Tax receivables”;

451.3. tax overpayments which have arisen before the date of adoption of accrual basis, but payment for which has not been made until the date of adoption of accrual basis shall be recognised in the account “Surplus or deficit of budget implementation of the previous reporting years” and the account “Tax liabilities”.

[*2 November 2021 / See Paragraph 456.2*]

452. If the budget institution referred to in Sub-paragraph 1.3 of this Regulation has taken the decision to direct the liabilities towards a taxpayer for the settlement of the receivables towards the taxpayer in the reporting period before the date of adoption of accrual basis, the relevant receivables and liabilities shall be reduced on the date of adoption of accrual basis.

453. The receivables and liabilities referred to in Sub-paragraphs 451.2 and 451.3 of this Regulation shall be classified as:

453.1. non-current if the payment term is longer than a year;

453.2. current if the payment term is shorter than a year or it is unknown.

454. The budget institution referred to in Sub-paragraph 1.3 of this Regulation shall measure the impairment loss for the receivables recognised on the date of adoption of accrual basis in accordance with Paragraphs 186, 187, 188, and 190 of this Regulation and record it in a separate account in the composition of receivables, and also in the account “Surplus or deficit of budget implementation of the previous reporting years”.

[*2 November 2021 / See Paragraph 456.2*]

455. [2 November 2021 / See Paragraph 456.2]

456. The budget institutions referred to in Sub-paragraphs 1.2 and 1.3 of this Regulation shall apply the requirements of this Regulation for the financial accounting of the State budget and the accounting of the taxes, fees and other payments attributable to the State budget that are administered by the State Revenue Service accordingly from 1 January 2021.

456.1 The budget institution referred to in Sub-paragraph 1.3 of this Regulation shall apply Sub-paragraph 4.1.1 of this Regulation starting from 2021.

[*2 November 2021*]

456.2 The budget institution referred to in Sub-paragraph 1.3 of this Regulation shall apply the amendments to Paragraphs 358, 359, 360, 451, 454, and 455 of this Regulation to all entries in accounting registers starting from 2021.

[*2 November 2021*]

456.3 Sub-paragraphs 4.21.1, 4.24.1, 4.27.1, 4.30.1, and 4.30.2 and Paragraphs 420.1, 420.2, 420.3, 420.4, 420.5, 420.6, and 420.7 of this Regulation shall be applied:

456.31. by the Treasury – in the financial accounting of the State budget, starting from 2021, to financial instruments which have been accounted thereby as on 31 December 2021 in accordance with Paragraph 430 of this Regulation;

456.32. by the budget institutions, except for the institution referred to in Sub-paragraph 456.31 of this Regulation – starting from 2023, to financial instruments have been accounted thereby as on 31 December 2021 in accordance with Paragraph 430 of this Regulation.

[*21 December 2021*]

456.4 The budget institutions shall, by 31 December 2023, assess the assets accounted in the account “1216 Land to be used for recreation and entertainment” and reclassify them into the corresponding accounts in accordance with Paragraph 432 of this Regulation.

[*6 September 2022 / See Paragraph 2 of Amendments*]

456.5 The budget institutions shall, by 31 December 2023, assess the impairment of the overpaid taxes, fees, and other payments into budgets accounted in the account group “2300 Current receivables” and reclassify them into the account “2378 Impairment loss for overpaid taxes, fees, and other payments into budgets” in accordance with Paragraph 432 of this Regulation.

[*6 September 2022 / See Paragraph 2 of Amendments*]

456.6 The budget institutions shall, by 31 December 2023, derecognise the assets accounted under the sub-balance sheet code “0100 Leased assets”.

[*6 September 2022 / See Paragraph 2 of Amendments*]

456.7 Sub-chapter 2.19.1 of this Regulation shall come into force on 1 January 2024, and it shall be applied in accordance with Paragraph 432 of this Regulation.

[*6 September 2022 / See Paragraph 2 of Amendments*]

456.8 The application of Paragraph 281.1 and Sub-paragraph 334.4 of this Regulation shall be commenced in accordance with Paragraph 432 of this Regulation.

[*27 June 2023*]

457. The Regulation shall come into force on 1 January 2019.

Prime Minister, Acting for the Minister for Health Māris Kučinskis

Acting for the Minister for Finance – Minister for Transport Uldis Augulis

**Annex 1**

Cabinet Regulation No. 87

13 February 2018

**Chart and Description of Accounts Scheme and Sub-balance Sheet**

[*21 December 2021; 6 September 2022 / Amendments to Annex regarding its supplementation with the group of accounts 1390, group of accounts 2590, group of accounts 5180, and group of accounts 5880 shall come into force on 1 January 2023. See Paragraph 2 of Amendments of 21 December 2021 and Paragraph 2 of Amendments of 6 September 2022*]

**I. Chart and Description of Accounts Scheme**

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **Levels of groups of accounts** | | | **Account number** | **Account name** | **Account description** |
| **1.** | **2.** | **3.** | **4.** | **A** | **B** |
| 1000 |  |  |  | Long-term investments | Assets which are planned to be used for more than a year from the day of acquisition shall be accounted in this group of accounts |
|  | 1100 |  |  | Intangible investments | Intangible investments which are intended for ensuring the functions of the budget institution, the provision of services, or leasing and which are planned to be used for more than a year from the day of acquisition shall be accounted in this group of accounts |
|  |  | 1110 |  | Development measures and programmes | Expenditures of development measures and programmes shall be accounted in this account if it is known that the project will be completed and implemented:  1) costs of development measures (for example, plan of development of administrative territories) and programmes, which means the use of the knowledge acquired during research work, discovery or other knowledge in the production plan or development of new (or substantially improved) materials, devices, products, processes, systems or services prior to the commencement of commercial production or use;  2) technical processes under which the result of research is prepared to be a test prototype.  The following shall not be accounted in the account:  1) costs of the research work which arise from the initial and planned research conducted to obtain new scientific or technical knowledge and understanding. Such costs shall be recognised in expenditures in the period when they have arisen;  2) costs of the development measures, if the project or programme will not be terminated and implemented (shall be recognised in expenditures);  3) design and planning costs after approval of the project (shall be included in other costs of the project or in the acquisition (construction) cost of the non-current asset) |
|  |  | 1120 |  | Licences, concessions and patents, trade marks and similar rights | Licences, concessions, patents, trade marks, designs, and similar rights shall be accounted in the group of accounts |
|  |  |  | 1121 | Computer software | Computer software the rights of use of which are specified by a licence or which are specifically developed for the needs of a particular budget institution shall be accounted in the account |
|  |  |  | 1122 | Other licences | Licenses that are a permission of the author or owner of author’s rights to use an invention, a literary or art work protected with laws and regulations for a fee, and also licenses which are issued by State institutions, local governments, professional associations for activity in any field (except for the licenses for the use of computer software) shall be accounted in the account |
|  |  |  | 1123 | Concessions | Concessions that are contracts by which the State (local government) transfers the rights to natural wealth or any business unit that belongs to the State (local government) to a legal person for a definite period and according to specific conditions for a reward shall be accounted in the account |
|  |  |  | 1124 | Patents | Patents of inventions shall be accounted in the account |
|  |  |  | 1125 | Licences for computer software | Licences acquired separately from computer software shall be accounted in the account |
|  |  |  | 1129 | Other rights to intangible investments | Other previously non-classified rights of intangible investments – trade marks, service marks, geographical indications which are used to distinguish some goods and services from goods and services of other producers or traders, designs, and other similar rights – shall be accounted in the account |
|  |  | 1130 |  | Other intangible investments | Previously non-classified intangible investments which correspond to the definition of the asset, i.e., the value of the asset can be reliably evaluated and there is a possibility to receive economic benefits in the future or to use it for ensuring of the functions (for example, dedicated knowledge, franchises) shall be accounted in the group of accounts |
|  |  |  | 1131 | Intangible cultural and historical monuments and other objects | Original films, sound recordings, and other cultural and historical monuments and other objects which correspond to the definition of the asset shall be accounted in the account |
|  |  |  | 1139 | Other previously non-classified intangible investments | Other previously non-classified intangible investments shall be accounted in the account |
|  |  | 1140 |  | Construction of intangible investments | Costs which are directly attributable to the construction and preparation of intangible investments for the intended use until putting of the intangible investment in use shall be accounted in the group of accounts |
|  |  |  | 1141 | Construction of intangible cultural and historical monuments and other objects | Costs which are directly attributable to the construction and preparation of intangible cultural and historical monuments and other objects for the intended use until their putting into use shall be accounted in the account |
|  |  |  | 1149 | Construction of other previously non-classified intangible investments | Costs which are directly attributable to the construction and preparation of other previously non-classified intangible investments for the intended use until their putting into use shall be accounted in the account |
|  |  | 1160 |  | [6 September 2022] | |
|  |  | 1180 |  | Prepayments for intangible investments | Prepayments (advance payments) made for the acquisition and construction of intangible investments and the impairment shall be accounted in the group of accounts |
|  |  |  | 1181 | Prepayments for development measures and software |  |
|  |  |  | 1182 | Prepayments for licences, concessions and patents, trade marks and similar rights |  |
|  |  |  | 1184 | Prepayments for intangible investments in research of mineral resources and other similar non-produced intangible investments |  |
|  |  |  | 1185 | Prepayments for other intangible investments |  |
|  |  |  | 1187 | Impairment of prepayments for intangible investments |  |
|  |  | 1190 |  | Amortisation and impairment of intangible investments | Impairment and amortisation of intangible investments which have been calculated in accordance with the intended useful life thereof shall be accounted in the group of accounts |
|  |  |  | 1191 | Accumulated amortisation of development measures and software |  |
|  |  |  | 1192 | Accumulated amortisation of licences, concessions and patents, trade marks and similar rights |  |
|  |  |  | 1193 | Accumulated amortisation of other intangible investments |  |
|  |  |  | 1195 | Accumulated amortisation of computer software |  |
|  |  |  | 1196 | Accumulated amortisation of intangible assets for the research of mineral resources and other similar non-produced intangible assets |  |
|  |  |  | 1197 | Accumulated amortisation of licences for computer software |  |
|  |  |  | 1199 | Impairment of intangible investments |  |
|  | 1200 |  |  | Property, plant and equipment | Tangible and non-monetary assets which are intended for ensuring the functions of the budget institution, for administrative purposes, for the provision of services, for the production (supply) of goods and which are planned to be used for more than a year from the day of acquisition shall be accounted in the group of accounts. The initial recognition cost of a property, plant and equipment unit shall be determined in accordance with the laws and regulations in the field of the classification of budget expenditures |
|  |  | 1210 |  | Land and structures | Land under structures, cultivated land, land to be used for recreation and entertainment, structures, including equipment, installations and devices that are an integral part of such structures that are in the ownership or possession or under jurisdiction of the state shall be accounted in the group of accounts. Plots of land and structures shall be accounted in this account if they are intended for ensuring the functions and provision of services of the budget institution and they are planned to be used for more than a year from the day of acquisition:  1) land shall be accounted in land units according to the allocated cadastral designation number of the land unit;  2) structures which are cultural (architectural) monuments shall be accounted in the accounts of similar property, plant and equipment or investment properties according to the use thereof (for example, residential buildings, non-residential buildings, structures), separating them in the analytical accounting;  3) constructions, equipment, installations and devices of structures which are an integral part thereof shall be accounted together with the relevant structure |
|  |  |  | 1211 | Residential buildings | Buildings which have been classified as residential buildings in accordance with the laws and regulations in the field of classification of structures shall be accounted in the account |
|  |  |  | 1212 | Non-residential buildings | Buildings which have been classified as non-residential buildings in accordance with the laws and regulations in the field of classification of structures shall be accounted in the account |
|  |  |  | 1213 | Transport structures | Streets, motor roads, pavements, parking lots, airport runways, railway track constructions, bridges, overpasses, tunnels, structures and constructions of ports and quaysides, equipment of motor roads and streets (for example, traffic signs, signal poles, barriers, traffic control devices) and other similar objects shall be accounted in the account |
|  |  |  | 1214 | Land beneath structures | Land on which structures or their foundations that are in the ownership or possession or under jurisdiction of the State or local government are built shall be accounted in the account. Courtyards, garden territories, and driveways that are considered an integral part of the structure shall also be accounted herein |
|  |  |  | 1215 | Cultivated land | Land which is used in agriculture (including land for plantations and orchards) shall be accounted in the account |
|  |  |  | 1216 | Land to be used for recreation and entertainment | Land beneath park territories and recreational areas shall be accounted in the account |
|  |  |  | 1217 | Other land | Land beneath inland public waters and maritime coastal waters and the land part of the maritime coast, and also other previously non-classified land (for example, quarries, land of the cemetery territory, forest land) shall be accounted in the account |
|  |  |  | 1218 | Engineering structures | Engineering structures which have been classified in accordance with the laws and regulations in the field of classification of structures, except for the transport structures listed in the account 1213, shall be accounted in the account |
|  |  |  | 1219 | Other immovable property | Previously non-classified immovable property which cannot be classified as buildings or engineering structures (for example, grasslands arranged in parks, courtyards) shall be accounted in the account |
|  |  | 1220 |  | Technological equipment and machinery | Technological equipment, measuring equipment, regulating devices, laboratory (including training laboratory), and medical installations and machinery which are used for ensuring the functions or provision of services of the budget institution and which are intended for the performance of specific successive technological operations shall be accounted in the account:  1) vehicles and computer hardware shall not be accounted in the composition of the technological equipment and machinery;  2) spare parts and auxiliaries of technological equipment and machinery, which have an independent significance in the economic process and which are considered property, plant and equipment, shall be included in the composition of property, plant and equipment as separate accounting objects of the property, plant and equipment. Other spare parts and auxiliaries shall be accounted in the composition of the inventories and derecognised in expenditures when they are actually consumed (used) |
|  |  | 1230 |  | Other property, plant and equipment | Vehicles, fixed household assets, computer hardware, communication and office equipment, library funds, works of art and objects of art, valuables, objects of culture and art, assets in the composition of museum collections (except for immovable property), military combat vehicles and equipment and other previously non-classified property, plant and equipment shall be accounted in the group of accounts |
|  |  |  | 1231 | Vehicles | Vehicles for the carriage of goods or passengers, and also other vehicles intended for ensuring the functions of the institution (goods and road passenger automobiles, buses, trolleybuses, motorcycles, bicycles, trailers and semi-trailers, watercraft, railway propulsion equipment, rolling stock of the railway and tram system, aircraft and other vehicles) shall be accounted in the account |
|  |  |  | 1233 | Library funds | Books (including school textbooks) and other printed publications, microfilms, sound recordings, and other information media which form a library fund shall be accounted in the account |
|  |  |  | 1235 | Precious stones, precious metals, and other valuables | Precious metals and precious stones which are not used in production processes and other valuables, collections, and articles of jewellery shall be accounted in the account |
|  |  |  | 1236 | Literary and art original works, objects of culture and art | Manuscripts, paintings, sculptures, and other tangible and non-monetary works and objects of art which are recognised as works of art, and also antique objects shall be accounted in the account. Also such culture and art objects which have been included in the composition of a museum collection and are not accounted in other accounts of property, plant and equipment according to the application thereof, regardless of the value thereof, shall be accounted in this account |
|  |  |  | 1238 | Computer hardware, communications equipment, and other office equipment | Computers, servers, photocopiers, fax machines, telephones, telephone exchanges, communications equipment, and other office equipment and devices thereof, and also individual software programs and computer programs which cannot be used separately and without which computers and servers are not able to operate shall be accounted in the account |
|  |  |  | 1239 | Other previously non-classified property, plant and equipment | Property, plant and equipment which are used for ensuring the economic activity of the budget institution and other previously non-classified property, plant and equipment, for example, video surveillance systems, access control systems, books, if they have not been accounted in the account 1233, shall be accounted in the account |
|  |  | 1240 |  | Construction of property, plant and equipment and unfinished building objects | Costs which are attributable to the construction or building of a particular object until the day when object is put into use (service) shall be accounted in the group of accounts. Costs of installations and machinery which have been received but are not yet installed and put into use shall also be accounted in these accounts |
|  |  |  | 1241 | Construction of property, plant and equipment | Costs which are attributable to the construction of a particular property, plant and equipment until putting into use (service) thereof shall be accounted in the account.  The value of the property, plant and equipment received but not installed or put into use, if the property, plant and equipment acquired are intended for transfer to the general government sector units, shall be accounted in the accounts of property, plant and equipment corresponding to theirs economic nature until the putting into use or transfer thereof to the general government sector units. Depreciation shall not be calculated until the property, plant and equipment is put into use |
|  |  |  | 1242 | Unfinished building objects | Construction costs until putting into use (service) of the property, plant and equipment shall be accounted in the account |
|  |  | 1250 |  | State and local government properties transferred in the possession | Long-term investments of the State and local governments which have been transferred for holding, except for lease, to capital companies, port authorities, or derived public entities shall be accounted in the group of accounts |
|  |  |  | 1251 | State and local government land transferred for holding |  |
|  |  |  | 1252 | State and local government structures transferred for holding |  |
|  |  |  | 1254 | Unfinished building objects of the State and local governments transferred for holding |  |
|  |  |  | 1259 | Other properties of the State and local government transferred for holding |  |
|  |  | 1260 |  | Biological and underground assets | Underground assets, permanent plantations (orchards, plantings of trees and bushes, parks, forest stands), animals, and other similar assets to which renewal and changes of value while they grow are characteristic and which are not intended to be used in agricultural activity but for the purposes of scientific research, education, transport, entertainment or leisure, or safety and control shall be accounted in the group of accounts |
|  |  |  | 1261 | Underground assets | Explored inventories of mineral deposits which are located under the surface of ground and are economically usable, taking into account present technologies and the relevant prices, shall be accounted in the account |
|  |  |  | 1262 | Orchards and other plantings of trees that regularly produce | Trees that regularly produce and other plantings (including vine and bush) shall be accounted in the account |
|  |  |  | 1263 | Forest stands | Forest stands shall be accounted in the account |
|  |  |  | 1264 | State and local government biological and underground assets transferred for holding | Biological and underground assets of the State and local governments which have been transferred for holding, except for lease, to capital companies, port authorities, or derived public entities shall be accounted in the account |
|  |  |  | 1269 | Other biological assets | Animals, permanent plantings, and other similar assets the value of which changes while they grow and which are not considered underground assets, forest stands, orchards and other plantings that produce regularly shall be accounted in the account |
|  |  | 1270 |  | Long-term investments in leased property, plant and equipment | Capital investments in structures or other property, plant and equipment (for example, reconstruction, restoration, renewal of buildings) which are not in possession of the State or local government, if such investments are permitted in rental, lease, or management contracts or are planned in investment projects, shall be accounted in the account. The relevant investments shall be accounted as improvements of the leased property |
|  |  | 1280 |  | Prepayments for property, plant and equipment | Prepayments (advance payments) made for the acquisition of property, plant and equipment and impairment shall be accounted in the group of accounts |
|  |  |  | 1281 | Prepayments for land and structures |  |
|  |  |  | 1282 | Prepayments for technological equipment and machinery |  |
|  |  |  | 1283 | Prepayments for other property, plant and equipment |  |
|  |  |  | 1286 | Prepayments for biological and underground assets |  |
|  |  |  | 1287 | Impairment of prepayments for property, plant and equipment |  |
|  |  |  | 1289 | Other prepayments |  |
|  |  | 1290 |  | Accumulated depreciation and impairment of property, plant and equipment | Depreciation and impairment of each group of property, plant and equipment shall be accounted in the group of accounts |
|  |  |  | 1291 | Accumulated depreciation of structures |  |
|  |  |  | 1292 | Accumulated depreciation of technological equipment and machinery |  |
|  |  |  | 1293 | Accumulated depreciation of other property, plant and equipment |  |
|  |  |  | 1295 | Accumulated depreciation of State and local government property transferred for holding |  |
|  |  |  | 1297 | Accumulated depreciation of long-term investments in the leased property, plant and equipment |  |
|  |  |  | 1298 | Impairment of biological and underground assets |  |
|  |  |  | 1299 | Impairment of property, plant and equipment |  |
|  | 1300 |  |  | Long-term financial investments | Financial investments which are intended to be held for more than one year from the balance sheet date and impairment of such investments shall be accounted in the group of accounts |
|  |  | 1310 |  | Participation in the capital of related capital companies | Investments in capital companies in which the budget institution owns more than 50.001 per cent of the voting rights (subsidiary capital companies) and impairment of such investments shall be accounted in the group of accounts |
|  |  |  | 1311 | Participation in the capital of related capital companies |  |
|  |  |  | 1319 | Impairment of participation in the capital of related capital companies |  |
|  |  | 1320 |  | Participation in the capital of associated capital companies | Investments in capital companies in which the budget institution owns from 20.001 to 50 per cent of the voting rights and impairment of such investments shall be accounted in the group of accounts |
|  |  |  | 1321 | Participation in the capital of associated capital companies |  |
|  |  |  | 1329 | Impairment of participation in the capital of associated capital companies |  |
|  |  | 1330 |  | Non-current loans | Loans and accrued revenues the limit for the repayment of which exceeds one year from the balance sheet date, and impairment shall be accounted in the group of accounts |
|  |  |  | 1331 | Non-current loans to related capital companies |  |
|  |  |  | 1332 | Non-current loans to associated capital companies |  |
|  |  |  | 1333 | Long-term accrued revenues from loans | Accrued revenues from interest, liability, servicing, and other payments which have been earned until the end of the reporting period but the limit for the receipt of which is not later than a year after the balance sheet date and for which the corroborative payment document has not been prepared until the end of the reporting period shall be accounted in the account |
|  |  |  | 1338 | Impairment of non-current loans |  |
|  |  |  | 1339 | Other non-current loans |  |
|  |  | 1340 |  | Long-term financial investments in securities | Financial investments in securities the holding or maturity limit of which exceeds a year from the balance sheet date, accrued revenues, and impairment shall be accounted in the group of accounts |
|  |  |  | 1343 | Long-term accrued revenues from financial investments in securities | Accrued revenues from financial investments in securities which have been earned until the end of the reporting period but the limit for the receipt of which is not later than a year after the balance sheet date and for which the corroborative payment document has not been prepared until the end of the reporting period shall be accounted in the account |
|  |  |  | 1348 | Impairment of long-term financial investments in securities |  |
|  |  |  | 1349 | Long-term financial investments in securities |  |
|  |  | 1350 |  | Other long-term financial investments | Other financial investments the expected holding limit of which exceeds a year from the balance sheet date, accrued revenues, and impairment shall be accounted in the group of accounts |
|  |  |  | 1351 | Long-term financial investments in international financial institutions | Investment in international financial institutions (the World Bank (WB), the Council of Europe Development Bank (CEDB), the Multilateral Investment Guarantee Agency (MIGA), the European Bank for Reconstruction and Development (EBRD), and others, except for the International Monetary Fund (IMF)), if the budget institution has acquired such shares and intends to hold them for more than one year from the balance sheet date shall be accounted in the account |
|  |  |  | 1354 | Non-current receivables for tier 2 funded pensions | This account shall be used only the State Social Insurance Agency |
|  |  |  | 1355 | Long-term accrued revenues from other long-term financial investments | Accrued revenues from other financial investments which have been earned until the end of the reporting period but the limit for the receipt of which is not later than a year after the balance sheet date and for which the corroborative payment document has not been prepared until the end of the reporting period shall be accounted in the account |
|  |  |  | 1358 | Impairment of other long-term financial investments |  |
|  |  |  | 1359 | Other long-term financial investments | Investments in the International Monetary Fund (IMF), if the State has acquired these shares and is intending to hold them for more than one year from the balance sheet date, investments in capital companies in which the budget institution owns less than 20 per cent of voting rights, if the State or local government has acquired these shares and is intending to hold them for more than a year from the balance sheet date, derived financial instruments, and other previously non-classified financial investments shall be accounted in the account |
|  |  | 1360 |  | Long-term deposits | Long-term deposits the expected holding limit of which exceeds a year from the balance sheet date, accrued revenues, and impairment shall be accounted in the group of accounts |
|  |  |  | 1363 | Long-term accrued revenues from long-term deposits | Accrued revenues from deposits which have been earned until the end of the reporting period but the limit for the receipt of which is not later than a year after the balance sheet date and for which the corroborative payment document has not been prepared until the end of the reporting period shall be accounted in the account |
|  |  |  | 1368 | Impairment of long-term deposits |  |
|  |  |  | 1369 | Long-term deposits |  |
|  |  | 1370 |  | Long-term financial investments transferred for holding | Such long-term financial investments which have been transferred by the budget institution for holding, except for lease, to capital companies, port authorities, or derived public entities and impairment of investments shall be accounted in the group of accounts |
|  |  |  | 1371 | Participation in related capital companies transferred for holding | Investments in capital companies in which the budget institution owns more than 50.001 per cent of the voting rights and which the State or local government has intended to hold for more than one year from the balance sheet date, and which have been transferred for holding, except for lease, to capital companies, port authorities, or derived public entities shall be accounted in the account |
|  |  |  | 1372 | Participation in associated capital companies transferred for holding | Investments in capital companies in which the budget institution owns from 20.001 to 50 per cent of the voting rights and which the State or local government has intended to hold for more than one year from the balance sheet date, and which have been transferred for holding, except for lease, to capital companies, port authorities, or derived public entities shall be accounted in the account |
|  |  |  | 1378 | Impairment of long-term financial investments transferred for holding |  |
|  |  |  | 1379 | Other long-term financial investments transferred for holding | Investments in the capital of capital companies in which the budget institution owns less than 20 per cent of the voting rights and which the State or local government has intended to hold for more than one year from the balance sheet date, and which have been transferred for holding, except for lease, to capital companies, port authorities, or derived public entities shall be accounted in the account |
|  |  | 1380 |  | Prepayments for long-term financial investments | Prepayments (advance payments) for the acquisition of long-term financial investments and impairment of prepayments shall be accounted in the group of accounts |
|  |  |  | 1388 | Impairment of prepayments for long-term financial investments |  |
|  |  |  | 1389 | Prepayments for long-term financial investments |  |
|  |  | 1390 |  | Non-current receivables for derived financial instruments | Non-current receivables for derived financial instruments shall be accounted in the group of accounts |
|  | 1400 |  |  | Non-current receivables | Receivables for which the specified limit for receipt is more than a year from the balance sheet date, prepaid expenditures, and impairment shall be accounted in the group of accounts |
|  |  | 1410 |  | Non-current receivables for projects (measures) financed from the European Union policy instruments and other foreign financial assistance | Non-current receivables for projects (measures) financed from the European Union policy instruments and other foreign financial assistance, separating analytically receivables of each financing instrument or fund (for example, for projects of the Financial Instrument for Fisheries Guidance, projects of the European Agricultural Guidance and Guarantee Fund, projects of the European Social Fund, projects of the European Regional Development Fund) shall be accounted in the group of accounts |
|  |  |  | 1415 | Non-current receivables for transfers made in advance for projects (measures) financed from the European Union policy instruments and other foreign financial assistance |  |
|  |  |  | 1416 | Non-current receivables for projects (measures) financed from the European Union policy instruments and other foreign financial assistance |  |
|  |  |  | 1419 | Impairment of non-current receivables for projects (measures) financed from the European Union policy instruments and other foreign financial assistance |  |
|  |  | 1420 |  | Other non-current receivables | Other previously non-classified non-current receivables, prepaid expenditures, and impairment shall be accounted in the group of accounts |
|  |  |  | 1421 | Non-current receivables for finance lease | Receivables for finance lease (leasing) the limit for the repayment of which exceeds one year from the balance sheet date shall be accounted in the account |
|  |  |  | 1425 | Non-current receivables for transfers made in advance |  |
|  |  |  | 1428 | Other previously non-classified non-current receivables |  |
|  |  |  | 1429 | Impairment of other non-current receivables |  |
|  | 1500 |  |  | Investment properties | Land and structures which are intended for lease, except for those which are intended for lease within the scope of the general government sector units or on the intended use of which a decision has not been taken, prepayments for investment properties, depreciation, and impairment shall be accounted in the group of accounts. Integral parts of investment properties and movable properties which are an integral part of the lease contract shall be accounted and analytically separated in the composition of investment properties |
|  |  | 1510 |  | Investment properties |  |
|  |  |  | 1511 | Land |  |
|  |  |  | 1512 | **Structures** |  |
|  |  |  | 1519 | Integral parts of investment properties |  |
|  |  | 1540 |  | Construction of investment properties and unfinished building objects | Costs which are attributable to the construction or building of a particular asset until the day when object is put into use (service) shall be accounted in the account |
|  |  | 1550 |  | Investment properties transferred for holding | Investment properties of the State and local governments which have been transferred for holding, except for lease, to capital companies, port authorities, or derived public entities shall be accounted in the group of accounts |
|  |  |  | 1551 | Land transferred for holding |  |
|  |  |  | 1552 | Structures transferred for holding |  |
|  |  |  | 1554 | Unfinished building objects transferred for holding |  |
|  |  |  | 1559 | Other properties transferred for holding |  |
|  |  | 1580 |  | Prepayments for investment properties | Prepayments made for investment properties and impairment shall be accounted in the group of accounts |
|  |  |  | 1581 | Prepayments for investment properties |  |
|  |  |  | 1588 | Impairment of prepayments for investment properties |  |
|  |  | 1590 |  | Depreciation and impairment of investment properties | Depreciation and impairment of investment properties shall be accounted in the group of accounts |
|  |  |  | 1591 | Depreciation of investment properties |  |
|  |  |  | 1598 | Impairment of investment properties |  |
|  | 1600 |  |  | Biological assets for agricultural activity | Biological assets that are planned to be used in agricultural activity for more than one year, prepayments for biological assets, and impairment shall be accounted in the group of accounts |
|  |  | 1610 |  | Biological assets for agricultural activity | Forest stands the value of which changes while they grow and other assets which are planned to be used in agricultural activity for more than one year shall be accounted in the group of accounts |
|  |  |  | 1611 | Forest stands for agricultural activity |  |
|  |  |  | 1612 | Biological assets for agricultural activity transferred for holding |  |
|  |  |  | 1613 | Other biological assets for agricultural activity |  |
|  |  | 1680 |  | Prepayments for biological assets for agricultural activity | Prepayments (advance payments) made for biological assets and impairment shall be accounted in the group of accounts |
|  |  |  | 1681 | Prepayments for biological assets for agricultural activity |  |
|  |  |  | 1688 | Impairment of prepayments for biological assets for agricultural activity |  |
| 2000 |  |  |  | Current assets | Assets which are used by the budget institution within the scope of the current operating cycle even if the cycle exceeds 12 months, including also assets which are mainly held for trade, and the current portion of non-current financial assets shall be accounted in the group of accounts |
|  | 2100 |  |  | Inventory | Current assets intended for ensuring the operation of the budget institution or for disposal within the scope of operation of the budget institution shall be accounted in the group of accounts |
|  |  | 2110 |  | Raw materials and materials | Raw materials and materials, materials that are intended for educational and scientific purposes, food products, medicinal products, medicine, medical materials, household materials, office stationery, heating fuel, fuel, lubricating oils, machinery equipment and spare parts (which are not property, plant and equipment), and also other previously non-classified raw materials and materials shall be accounted in the group of accounts |
|  |  |  | 2111 | Materials for educational, scientific and other purposes | Reagents and chemicals, laboratory utensils that are made of glass and other materials, metals (including precious metals), electro-technical materials, radio materials, photographic accessories, paper for the publication of study programmes, study means, and scientific works, experimental animals, books, and publications which are not accounted in the account 1233, food products for study needs and other materials for study needs and works of scientific research shall be accounted in the account |
|  |  |  | 2112 | Food products | In institutions that ensure catering services, food products shall be accounted in the account |
|  |  |  | 2113 | Medicine, medicinal products and medical materials | Medicine, medicinal products, medical materials and dressings, bacteriological, immuno-biological preparations, and other similar materials shall be accounted in the account |
|  |  |  | 2114 | Household materials and office stationery | Household materials for everyday needs (electric light bulbs, soap, brushes, washing powders, and other household materials), office supplies and office stationery, building materials and other inventories for a regular and capital renovation (for example, bricks, slates, cement, plumbing) shall be accounted in the account |
|  |  |  | 2115 | Heating fuel, fuel, lubricants | All types of heating fuel (firewood, coal, briquettes, peat), fuel, lubricants (petrol, motor oils), and other similar inventories shall be accounted in the account |
|  |  |  | 2116 | Installations and machinery spare parts | Spare parts intended for repair works and replacement of used parts (for example, for medical installations, tractors, harvesters, vehicles, military combat vehicles and equipment, computers) that are not property, plant and equipment shall be accounted in the account |
|  |  |  | 2119 | Other materials | Other previously non-classified raw materials and materials (for example, packaging, materials intended for the implementation of public relations and ensuring the administrative activity of the institution, ammunition and explosives) shall be accounted in the account |
|  |  | 2120 |  | Unfinished products and orders | Costs accrued from such products, scientific and other orders and programmes which are under construction shall be accounted in the account |
|  |  | 2130 |  | Finished products, orders and inventories for disposal | Produced products, goods and long-term investments that are intended for disposal (sale), and also finished orders shall be accounted in the group of accounts |
|  |  |  | 2131 | Finished products | Produced products (for example, products made in production (study) workshops, finished printed publications) the production process of which is completed shall be accounted in the account |
|  |  |  | 2132 | Disposable inventories and long-term investments | Goods and other inventories which have been acquired or are intended for disposal (sale, transfer) without further processing shall be accounted in the account. Non-current non-financial assets intended for disposal shall also be accounted in this account |
|  |  |  | 2133 | Finished orders | Finished scientific and other orders and programmes shall be accounted in the account according to contracts entered into |
|  |  |  | 2134 | Disposable State and local government inventories and long-term investments transferred for holding | State and local government inventories and long-term investments that are in the ownership or possession of the budget institution, have been transferred for holding, except for lease, to State or local government capital companies, port authorities, or derived public entities, and are intended for disposal shall be accounted in the account |
|  |  | 2140 |  | **Products of biological assets and inventories for their maintenance** | Products of biological assets, and also other inventories for their maintenance shall be included in the group of accounts |
|  |  |  | 2141 | **Products of biological assets** | Products of biological assets which have been obtained from biological assets, for example, wood, puppies, wool, apples, shall be accounted in the account |
|  |  |  | 2142 | Animal fodder and seeds | Seeds, hay, oats, and other types of animal fodder which are intended for the feeding and accommodation of animals and livestock shall be accounted in the account |
|  |  |  | 2149 | **Other inventories** |  |
|  |  | 2150 |  | State material reserves | State material reserves (for example, grain, food reserves) in accordance with the laws and regulations regarding the formation of State material reserves shall be accounted in the account |
|  |  | 2160 |  | Equipment | Equipment with long useful life, equipment with short useful life and other similar equipment, and also military equipment shall be accounted in the group of accounts |
|  |  |  | 2161 | Equipment with long useful life | Equipment which is intended for ensuring the operation of the institution and does not differ from a property, plant and equipment by its functions and the acquisition or construction cost of one unit of the asset of which is not less than the initial recognition cost of one unit of the asset specified in the laws and regulations in the field of classification of budget expenditures, and which is not accounted in the account 2162 shall be accounted in the account |
|  |  |  | 2162 | Clothing, footwear, linen and bedding | Clothing, footwear, stage costumes, linen, bedding, and similar inventory shall be accounted in the account |
|  |  |  | 2165 | State and local government equipment transferred for holding | State and local government equipment that is in the ownership or possession of the budget institution and has been transferred for holding, except for lease, to capital companies, port authorities, or derived public entities shall be accounted in the account |
|  |  |  | 2169 | Equipment with short useful life | Equipment which is planned to be used for less than 12 months from the date of acquisition and which is not accounted in the account 2162 shall be accounted in the account |
|  |  | 2170 |  | Specialist military equipment and construction of specialist military equipment | Special military equipment and the construction costs thereof which are necessary for ensuring the fulfilment of the military tasks of the National Armed Forces and the training related thereto and for the development of military skills, and which have arisen until 31 December 2018 shall be accounted in the group of accounts |
|  |  |  | 2171 | Specialist military equipment |  |
|  |  |  | 2179 | Construction of specialist military equipment |  |
|  |  | 2180 |  | Prepayments and impairment of prepayments for inventories | Prepayments for the acquisition and formation of inventories and impairment of prepayments for inventories shall be accounted in the group of accounts |
|  |  |  | 2181 | Prepayments for inventories |  |
|  |  |  | 2187 | Impairment of prepayments for inventories |  |
|  |  | 2190 |  | Impairment of inventories | Impairment of inventories which are accounted in the account 2161 shall be accounted in the account |
|  | 2300 |  |  | Current receivables | Receivables which have arisen until the end of the reporting period as a result of past transactions (events) (for example, receivables for the services provided, receivables for the assets disposed, tax receivables) and which are due for settlement within a year from the balance sheet date shall be accounted in the group of accounts |
|  |  | 2310 |  | Receivables from purchasers and commissioning parties | Receivables from purchasers and commissioning parties which have arisen from selling assets, carrying out work or providing services and impairment shall be accounted in the group of accounts |
|  |  |  | 2311 | Receivables from purchasers and commissioning parties |  |
|  |  |  | 2315 | Receivables for finance lease | Current receivables for finance lease (leasing) with repayment limit within a year from the balance sheet date shall be accounted in the account |
|  |  |  | 2316 | Receivables for operating lease | Current receivables for operating lease services with repayment term within a year from the balance sheet date shall be accounted in the account |
|  |  |  | 2317 | Receivables for interest and other payments | Current receivables for interest and other payments (for example, finance lease, payments which have been deferred for more than 12 months, and other receivables from purchasers and commissioning parties) which have been earned until the end of the reporting period and for which the corroborative payment document has been prepared until the end of the reporting period shall be accounted in the account |
|  |  |  | 2318 | Impairment of receivables from purchasers and commissioning parties | Impairment of receivables for finance lease, payments which have been deferred for more than 12 months, and other receivables from purchasers and commissioning parties shall be accounted in the account |
|  |  | 2320 |  | Receivables for projects (measures) financed from foreign financial assistance and the European Union policy instruments | Receivables arisen during the implementation of the relevant projects, separating analytically the receivables of each financing instrument or fund (for example, for projects of the Financial Instrument for Fisheries Guidance, projects of the European Agricultural Guidance and Guarantee Fund, projects of the European Social Fund, projects of the European Regional Development Fund), except for transfers made in advance and impairment, shall be accounted in the group of accounts |
|  |  |  | 2321 | Receivables for projects (measures) financed from foreign financial assistance and the European Union policy instruments |  |
|  |  |  | 2328 | Impairment of receivables for projects (measures) financed from foreign financial assistance and the European Union policy instruments |  |
|  |  | 2340 |  | Receivables for taxes, fees, and other payments into budgets | Receivables for taxes, fees, and other payments into budgets administered by the budget institutions and impairment, and receivables for the personal income tax to be distributed shall be accounted in the group of accounts |
|  |  |  | 2341 | Receivables for immovable property tax |  |
|  |  |  | 2342 | Receivables for personal income tax |  |
|  |  |  | 2343 | Receivables for value added tax |  |
|  |  |  | 2348 | Impairment of receivables for taxes, fees, and other payments into budgets |  |
|  |  |  | 2349 | Other receivables for taxes, fees, and other payments into budgets |  |
|  |  | 2360 |  | Accrued revenues | Revenues which have been earned until the end of the reporting period but for which the corroborative payment document has not been prepared until the end of the reporting period shall be accounted in the group of accounts |
|  |  |  | 2361 | Accrued interest revenues from deposits and balances on accounts | Accrued interest revenues from balances on accounts, deposits upon demand, and deposits which have been deposited for a specific term and the initial maturity of which does not exceed 90 days shall be accounted in the account |
|  |  |  | 2364 | Accrued revenues from services |  |
|  |  |  | 2368 | Accrued revenues from taxes, fees, and other payments into budgets | Accrued revenues from the taxes, fees, and other payments into budgets administered by the budget institution shall be accounted in the account |
|  |  |  | 2369 | Other accrued revenues | Accrued revenues from finance lease, payments which have been deferred for more than 12 months, and other accrued revenues shall be accounted in the account |
|  |  | 2370 |  | Overpaid taxes, fees, and other payments into budgets | Overpaid and prepaid taxes and their impairment shall be accounted in the group of accounts separately according to the types of taxes |
|  |  |  | 2371 | Personal income tax |  |
|  |  |  | 2372 | Mandatory State social insurance contributions |  |
|  |  |  | 2373 | Value added tax |  |
|  |  |  | 2374 | Immovable property tax |  |
|  |  |  | 2378 | Impairment of overpaid taxes, fees, and other payments into budgets |  |
|  |  |  | 2379 | Other taxes, fees, and payments into budgets |  |
|  |  | 2380 |  | Receivables from the personnel | Settlements with employees of the budget institution for the issued prepayments, shortages and other receivables from the personnel and impairment shall be accounted in the group of accounts |
|  |  |  | 2381 | Prepayments issued to employees | Receivables for the issued prepayments (for example, for operating expenditures, travel expenditures, measures of operational activities, expenditures for ensuring the measures of operational activities) shall be accounted in the account |
|  |  |  | 2388 | Impairment of receivables from the personnel |  |
|  |  |  | 2389 | Other receivables from the personnel |  |
|  |  | 2390 |  | Other receivables | Other previously non-classified receivables and impairment shall be accounted in the group of accounts |
|  |  |  | 2391 | Receivables for overpayments to the recipients of social services | This account shall be used only the State Social Insurance Agency |
|  |  |  | 2392 | Receivables for the remainder of pension and benefit settlements in disbursing institutions | The benefits and pensions disbursed in advance shall be accounted in the account. This account shall be used only the State Social Insurance Agency |
|  |  |  | 2398 | Impairment of other receivables |  |
|  |  |  | 2399 | Other receivables | Other previously non-classified receivables (for example, receivables for payments of the fund for the equalisation of local government finances, receivables from the security deposits paid to former employees) shall be accounted in the account |
|  | 2400 |  |  | Prepaid expenditures and prepayments for services and projects | Payments made which are attributable to subsequent periods and prepayments paid for services and projects, including subsidies and grants for merchants, associations and foundations, shall be accounted in the group of accounts |
|  |  | 2410 |  | Prepaid expenditures for projects and measures financed from foreign financial assistance and the European Union policy instruments | Receivables in relation to the fulfilment of the contractual conditions in the subsequent reporting periods, if the services for which payments had been made previously are received in parts or over the course of several months, and prepayments for measures financed from foreign financial assistance and the European Union policy instruments, except for transfers made in advance, shall be accounted in the group of accounts |
|  |  |  | 2411 | Prepaid expenditures for projects of the Cohesion Fund |  |
|  |  |  | 2417 | Impairment of prepaid expenditures for projects and measures financed from foreign financial assistance and the European Union policy instruments |  |
|  |  |  | 2419 | Other prepaid expenditures for projects and measures financed from foreign financial assistance and the European Union policy instruments |  |
|  |  | 2420 |  | Prepayments for services and other prepaid expenses | Payments made which are attributable to subsequent periods and prepayments (advance payments) made for services (except for prepaid expenses and prepayments for measures financed from foreign financial assistance and the European Union policy instruments) and impairment shall be accounted in the group of accounts |
|  |  |  | 2421 | Prepayments for services |  |
|  |  |  | 2422 | Prepaid expenditures for work remuneration settlements | Work remuneration for employees of the budget institution for subsequent periods calculated and paid in accordance with the procedures laid down in laws and regulations shall be accounted in the account |
|  |  |  | 2423 | Prepaid expenditures for social settlements | Social insurance contributions for work remuneration calculated and paid, in accordance with the procedures laid down in laws and regulations, to employees of the budget institution, paid pensions, benefits, and other payments for social purposes for subsequent periods shall be accounted in the account |
|  |  |  | 2427 | Impairment of prepayments for services |  |
|  |  |  | 2429 | Other prepaid expenditures |  |
|  |  | 2430 |  | Transfers made in advance | Transfers made in advance within the scope of the general government sector units shall be accounted in the group of accounts |
|  |  |  | 2431 | Transfers for projects (measures) financed from the European Union policy instruments and other foreign financial assistance |  |
|  |  |  | 2432 | Other transfers |  |
|  |  |  | 2437 | Impairment of transfers made in advance |  |
|  | 2500 |  |  | Short-term financial investments | Financial investments which can be sold at any time and which are intended to be held for not more than one year from the balance sheet date, and also deposits which have been deposited for a specific term and the initial maturity of which exceeds 90 days shall be accounted in the group of accounts. Long-term financial investments expected to be disposed (sold) shall also be accounted in this group of accounts |
|  |  | 2510 |  | Participation in the capital of related capital companies | Investments in capital companies in which the budget institution owns more than 50.001 per cent of the voting rights (subsidiary capital companies), if the State or local government has intended to hold them for not more than one year from the balance sheet date, and impairment of such investments shall be accounted in the group of accounts |
|  |  |  | 2511 | Participation in the capital of related capital companies |  |
|  |  |  | 2519 | Impairment of participation in the capital of related capital companies |  |
|  |  | 2520 |  | Participation in the capital of associated capital companies | Investments in capital companies in which the budget institution owns from 20.001 to 50 per cent of the voting rights and which the State or local government has intended to hold for not more than one year from the balance sheet date and impairment of such investments shall be accounted in the group of accounts |
|  |  |  | 2521 | Participation in the capital of associated capital companies |  |
|  |  |  | 2529 | Impairment of participation in the capital of associated capital companies |  |
|  |  | 2530 |  | Current loans and the current portion of non-current loans | The issued current loans and the portion of non-current loans the term for the repayment of which does not exceed one year from the balance sheet date, receivables, the accrued revenues for loan interest, liability, and servicing payments, and impairment shall be accounted in the group of accounts |
|  |  |  | 2531 | Current loans to related capital companies |  |
|  |  |  | 2532 | Current loans to associated capital companies |  |
|  |  |  | 2534 | Impairment of current loans |  |
|  |  |  | 2535 | Receivables for interest and other payments for loans | Current receivables for interest and other payments for loans which have been earned until the end of the reporting period and for which the corroborative payment document has been prepared until the end of the reporting period shall be accounted in the account |
|  |  |  | 2536 | Short-term accrued revenues from loans | Accrued revenues from loan interest, liability, and servicing payments which have been earned until the end of the reporting period and for which the corroborative payment document has not been prepared until the end of the reporting period shall be accounted in the account |
|  |  |  | 2539 | Other current loans |  |
|  |  | 2540 |  | Short-term financial investments in securities | Investments in short-term securities and the portion of long-term securities the maturity or repayment term of which does not exceed one year from the balance sheet date, receivables, and accrued revenues for interest and other payments and impairment shall be accounted in the group of accounts |
|  |  |  | 2545 | Receivables for interest and other payments for financial investments in securities | Current receivables for interest and other payments for securities which have been earned until the end of the reporting period and for which the corroborative payment document has been prepared until the end of the reporting period shall be accounted in the account |
|  |  |  | 2546 | Accrued revenues from interest and other payments for financial investments in securities | Accrued revenues from security interest and other payments which have been earned until the end of the reporting period and for which the corroborative payment document has not been prepared until the end of the reporting period shall be accounted in the account |
|  |  |  | 2548 | Impairment of short-term financial investments in securities |  |
|  |  |  | 2549 | Other short-term financial investments in securities |  |
|  |  | 2550 |  | Other short-term financial investments | Short-term financial investments in international financial institutions, other short-term financial investments, and the portion of long-term financial investments the expected holding limit of which does not exceed one year from the balance sheet date, receivables, and accrued revenues from interest and other payments and impairment shall be accounted in the group of accounts |
|  |  |  | 2551 | Short-term financial investments in international financial institutions | Investments in international financial institutions (the World Bank (WB), the Council of Europe Development Bank (CEDB), the Multilateral Investment Guarantee Agency (MIGA), the European Bank for Reconstruction and Development (EBRD), and others, except for the International Monetary Fund (IMF)), if they are expected to be held for not more than one year from the balance sheet date, shall be accounted in the account |
|  |  |  | 2554 | Current receivables for tier 2 funded pensions | This account shall be used only the State Social Insurance Agency |
|  |  |  | 2555 | Receivables for interest and other payments for other financial investments | Receivables for interest and other payments for other financial investments which have been earned until the end of the reporting period and for which the corroborative payment document has been prepared until the end of the reporting period shall be accounted in the account |
|  |  |  | 2556 | Accrued revenues from other short-term financial investments | Accrued revenues from interest and other payments of other financial investments which have been earned until the end of the reporting period and for which the corroborative payment document has not been prepared until the end of the reporting period shall be accounted in the account |
|  |  |  | 2558 | Impairment of other short-term financial investments |  |
|  |  |  | 2559 | Other short-term financial investments | Investments in the capital of capital companies in which the budget institution owns less than 20 per cent of the voting rights, if they are intended to be held for not longer than one year from the balance sheet date, State investments in the International Monetary Fund (IMF), derived financial instruments, and other previously non-classified short-term financial investments and the portion of long-term financial investments the holding or maturity limit of which does not exceed one year from the balance sheet date shall be accounted in the account |
|  |  | 2560 |  | Short-term deposits | Short-term deposits which have been deposited for a specific term and the initial maturity of which does not exceed 90 days, and also current portion of non-current deposits shall be accounted in the group of accounts. If the residual maturity of the deposit is less than 90 days, its accounting in this account shall be continued |
|  |  |  | 2565 | Receivables for interest and other payments for deposits | Current receivables for interest and other payments for deposits which have been earned until the end of the reporting period and for which the corroborative payment document has been prepared until the end of the reporting period shall be accounted in the account |
|  |  |  | 2566 | Accrued revenues from interest and other payments for deposits | Accrued revenues from deposit interest and other payments which have been earned until the end of the reporting period and for which the corroborative payment document has not been prepared until the end of the reporting period shall be accounted in the account |
|  |  |  | 2568 | Impairment of short-term deposits |  |
|  |  |  | 2569 | Short-term deposits |  |
|  |  | 2570 |  | Prepayments for short-term financial investments | Prepayments for short-term financial investments and impairment shall be accounted in the group of accounts |
|  |  |  | 2571 | Prepayments for short-term financial investments |  |
|  |  |  | 2577 | Impairment of prepayments for short-term financial investments |  |
|  |  | 2590 |  | Current receivables for the derived financial instruments | Current receivables for the derived financial instruments shall be accounted in the group of accounts |
|  | 2600 |  |  | Cash | Cash on hand and current accounts, deposits in financial institutions in breakdown by the types of budgets, and also such cash which is not the property of the budget institution, but is in the cash on hand or accounts of the budget institution for a definite period (for example, the tender/security deposits, election deposits, pensions of persons in nursing homes, funds seized from detained persons until a court decision, cash received from debtors for previous reporting periods which are to be paid into the State budget revenues, and also rewards received from State officials for the redemption of gifts in accordance with the procedures laid down in legal acts, funds allocated only to State budget institutions under the Cabinet orders from the State privatisation fund, budget funds received from other budget institutions in accordance with the appropriation procedures under a financing plan, deposited cash that is in the possession of a customer) shall be accounted in the group of accounts |
|  |  | 2610 |  | Cash on hand | Cash on hand in breakdown by budget types shall be accounted in the accounts of the group of accounts and cash which does not belong thereto shall also be accounted if they are on hand of the budget institution |
|  |  |  | 2611 | Funds of the basic budget |  |
|  |  |  | 2612 | Funds of the special budget |  |
|  |  |  | 2613 | Funds of donations and gifts |  |
|  |  |  | 2614 | Funds of other budgets |  |
|  |  | 2620 |  | Current accounts in the Treasury, credit institutions, or other institutions | Cash in current accounts and deposits upon demand (including accounts to which payment cards have been linked) in breakdown by the budget types and cash received by the budget institution which does not belong thereto shall be accounted in the group of accounts if such cash is in the current accounts of the budget institution |
|  |  |  | 2621 | Funds of the basic budget |  |
|  |  |  | 2622 | Funds of the special budget |  |
|  |  |  | 2623 | Funds of donations and gifts |  |
|  |  |  | 2624 | Funds of other budgets |  |
|  |  | 2630 |  | Cash equivalents | Deposits (also with the Treasury and credit institutions) which have been deposited for a specific term and the initial maturity of which does not exceed 90 days shall be accounted in the group of accounts in breakdown by budget types, including the funds received by the budget institution which do not belong thereto if they have been placed in deposits |
|  |  |  | 2631 | Funds of the basic budget |  |
|  |  |  | 2632 | Funds of the special budget |  |
|  |  |  | 2633 | Funds of donations and gifts |  |
|  |  |  | 2634 | Funds of other budgets |  |
|  |  | 2670 |  | Cash en route | Cash en route in breakdown by the budget types shall be accounted in the group of accounts. Cash en route shall be accounted if the budget institution makes transfer before the end of the reporting period and a confirmation that the payment has been received in this reporting period has not been received. Cash en route shall be accounted if the contract provides that liabilities are to be considered extinguished only when the addressee has received the cash in his or her account |
|  |  |  | 2671 | Funds of the basic budget |  |
|  |  |  | 2672 | Funds of the special budget |  |
|  |  |  | 2673 | Funds of donations and gifts |  |
|  |  |  | 2674 | Funds of other budgets |  |
|  |  | 2690 |  | Appropriations to local government budget institutions | Appropriations to local governments for the financing of subordinate institutions shall be accounted in the account |
| 3000 |  |  |  | Equity | The equity capital (net assets) which is determined as the residual part of the assets after deduction of all liabilities shall be accounted in the group of accounts |
|  | 3300 |  |  | Reserves | The revaluation reserve of long-term financial instruments and other reserves shall be accounted in the group of accounts |
|  |  | 3320 |  | Fair value reserve of financial instruments | Changes in the fair value of financial instruments in cases where they are accounted in the equity capital shall be accounted in the account |
|  |  | 3360 |  | Other reserves | Increase in the value arisen from the revaluation of long-term financial investments (under the equity method) shall be accounted in the account if there are changes in the equity capital of the capital company which do not affect the result of the reporting period of the capital company (for example, revaluation of property, plant and equipment) |
|  | 3500 |  |  | Surplus or deficit | Surplus or deficit of the reporting year and previous years shall be accounted in the group of accounts |
|  |  | 3510 |  | Surplus or deficit of previous reporting years | Surplus or deficit of previous years for the relevant type of budget shall be accounted in the group of accounts |
|  |  |  | 3511 | [6 September 2022] | |
|  |  |  | 3512 | [6 September 2022] | |
|  |  |  | 3513 | [6 September 2022] | |
|  |  |  | 3514 | [6 September 2022] | |
|  |  | 3520 |  | Surplus or deficit of the reporting year | Surplus or deficit of the reporting year for the relevant type of budget shall be accounted in the group of accounts |
|  |  |  | 3521 | [6 September 2022] | |
|  |  |  | 3522 | [6 September 2022] | |
|  |  |  | 3523 | [6 September 2022] | |
|  |  |  | 3524 | [6 September 2022] | |
| 4000 |  |  |  | Provisions | Liabilities for which an accurate settlement period and amount is not known shall be accounted in the account. Such liabilities shall relate to transactions of the reporting year or previous years and other past events and are expected or known during the preparation of the statement, but an accurate value thereof or the date of the occurrence or settlement thereof are not known |
| 5000 |  |  |  | Liabilities | Present liabilities which have arisen from past transactions (events) and for the settlement of which an outflow of resources is required shall be accounted in the group of accounts |
|  | 5100 |  |  | Non-current liabilities | Liabilities which are expected to be settled more than one year after the balance sheet date shall be accounted in the group of accounts |
|  |  | 5110 |  | Long-term borrowings | Borrowings with the term for the repayment of which exceeds one year after the balance sheet date and liabilities and accrued expenditures from interest and other payments for borrowings shall be accounted in the group of accounts |
|  |  |  | 5114 | Previously guaranteed long-term borrowings | The non-current portion (principal amount) of such borrowings for which a guarantee has been previously provided and the obligation to repay them has set in shall be accounted in the account |
|  |  |  | 5115 | Non-current liabilities for interest and other payments for borrowings | Expenditures for interest and other payments which have arisen until the end of the reporting period but are due for settlement more than one year after the balance sheet date and for which the corroborative payment document has been issued until the end of the reporting period shall be accounted in the account |
|  |  |  | 5116 | Non-current accrued liabilities for interest and other payments for borrowings | Accrued expenditures from interest and other payments which have arisen until the end of the reporting period but are due for settlement more than one year after the balance sheet date and for which the corroborative payment document has not been issued until the end of the reporting period shall be accounted in the account |
|  |  |  | 5119 | Long-term borrowings | The principal amount of borrowings with a repayment limit which exceeds one year after the balance sheet date shall be accounted in the account |
|  |  | 5130 |  | Non-current liabilities towards suppliers and contractors | Liabilities for the received goods and services the settlement term of which exceeds one year from the balance sheet date shall be accounted in the group of accounts |
|  |  |  | 5131 | Non-current liabilities towards suppliers and contractors |  |
|  |  |  | 5135 | Non-current liabilities for finance lease | Liabilities for finance lease (leasing) the limit for the repayment of which exceeds one year after the balance sheet date shall be accounted in the account |
|  |  | 5140 |  | Non-current accrued liabilities | Liabilities for expenditures which have arisen until the end of the reporting period but for which the corroborative payment document has not been issued until the end of the reporting period or similar liabilities which can be calculated in a relatively accurate manner and the repayment or extinguishing of which is expected more than one year after the balance sheet date shall be accounted in the account |
|  |  | 5150 |  | Non-current deferred revenues and received prepayments | Resources which have been received before the balance sheet date but which are attributable to the subsequent periods which will be more than one year after the balance sheet date shall be accounted in the group of accounts |
|  |  |  | 5151 | Non-current prepayments received for goods and services |  |
|  |  |  | 5154 | Non-current deferred revenues for the donations and gifts received |  |
|  |  |  | 5155 | Non-current liabilities for transfers received in advance |  |
|  |  |  | 5156 | Non-current liabilities for transfers received in advance for projects (measures) financed from the European Union policy instruments and other foreign financial assistance |  |
|  |  |  | 5157 | Non-current liabilities for the received foreign financial assistance |  |
|  |  |  | 5159 | Other non-current deferred revenues and received prepayments |  |
|  |  | 5160 |  | Non-current portion of issued obligations and other debt securities | State issued debt securities that will mature more than one year after the balance sheet date shall be accounted in the group of accounts. This group of accounts shall be used only by the Treasury |
|  |  |  | 5161 | Non-current portion of issued obligations and other debt securities |  |
|  |  |  | 5165 | Liabilities for interest and other payments for the non-current portion of issued obligations and other debt securities |  |
|  |  |  | 5166 | Accrued liabilities for interest and other payments for the non-current portion of issued obligations and other debt securities |  |
|  |  | 5170 |  | Received long-term deposits | Received deposits with the initial maturity of more than one year after the balance sheet date shall be accounted in the group of accounts. This group of accounts shall be used only by the Treasury |
|  |  |  | 5171 | Received long-term deposits |  |
|  |  |  | 5175 | Liabilities for interest and other payments for the received long-term deposits |  |
|  |  |  | 5176 | Accrued liabilities for interest and other payments for the received long-term deposits |  |
|  |  | 5180 |  | Non-current liabilities for derived financial instruments | Non-current liabilities for derived financial instruments shall be accounted in the group of accounts |
|  |  | 5190 |  | Other non-current liabilities | Other previously non-classified non-current liabilities shall be accounted in the group of accounts |
|  |  |  | 5192 | Non-current liabilities towards the recipients of financing for projects (measures) financed from the European Union policy instruments and other foreign financial assistance | Liabilities towards a recipient of financing which have arisen for projects (measures) financed from the European Union policy instruments and other foreign financial assistance, separating analytically the liabilities of each financing instrument or fund (for example, for projects of the Financial Instrument for Fisheries Guidance, projects of the European Agricultural Guidance and Guarantee Fund, projects of the European Social Fund, projects of the European Regional Development Fund) shall be accounted in the account. Liabilities for transfers and the borrowings received for the implementation of projects financed by the European Union shall not be accounted in this account |
|  |  |  | 5193 | Non-current liabilities for repayments into the State budget for projects (measures) financed from foreign financial assistance and the European Union policy instruments | Non-current liabilities for repayments to the State budget for expenditures made and approved during the implementation of the projects (measures) of the budget institution co-financed from foreign financial assistance and the European Union policy instruments which have been financed from the co-financing portion of the European Union or other foreign financial assistance |
|  |  |  | 5199 | Other previously non-classified non-current liabilities |  |
|  | 5200 |  |  | Short-term borrowings and current portion of long-term borrowings |  |
|  |  | 5210 |  | Short-term borrowings and current portion of long-term borrowings | Borrowings the limit for the repayment of which does not exceed one year from the balance sheet date, and also accrued expenditures and accrued liabilities for interest and other payments shall be accounted in the group of accounts |
|  |  |  | 5214 | Previously guaranteed short-term borrowings and current portion of long-term borrowings | The current portion of such borrowings for which a guarantee has been issued previously and the obligation to repay them has set in shall be accounted in the account |
|  |  |  | 5215 | Liabilities for interest and other payments for borrowings | Expenditures for interest and other payments which have arisen until the end of the reporting period but are due for settlement within one year after the balance sheet date and for which the corroborative payment document has been issued until the end of the reporting period shall be accounted in the account |
|  |  |  | 5216 | Accrued liabilities for interest and other payments for borrowings | Accrued expenditures from interest and other payments which have arisen until the end of the reporting period but are due for settlement within one year after the balance sheet date and for which the corroborative payment document has not been issued until the end of the reporting period shall be accounted in the account |
|  |  |  | 5219 | Short-term borrowings and current portion of long-term borrowings | The principal amount of borrowings with a repayment limit which does not exceed one year after the balance sheet date shall be accounted in the account |
|  | 5300 |  |  | Current liabilities towards suppliers and contractors |  |
|  |  | 5310 |  | Current liabilities towards suppliers and contractors | Current liabilities for the received goods and services the accounts of which are expected to be settled within one year from the balance sheet date shall be accounted in the group of accounts |
|  |  |  | 5311 | Liabilities towards suppliers and contractors |  |
|  |  |  | 5315 | Current liabilities for finance lease | Current liabilities or the current portion of non-current liabilities of a finance lease (leasing) shall be accounted in the account |
|  |  |  | 5316 | Current liabilities for operating lease |  |
|  |  |  | 5317 | Liabilities for interest and other payments |  |
|  | 5400 |  |  | Current accrued liabilities |  |
|  |  | 5420 |  | Current accrued liabilities | Liabilities for expenditures which have arisen until the end of the reporting period but for which the corroborative payment document has not been issued until the end of the reporting period or similar liabilities that can be calculated in a relatively accurate manner and the which are expected to be settled within one year after the balance sheet date shall be accounted in the group of accounts |
|  |  |  | 5421 | Accrued liabilities for settlements with employees | Accrued liabilities for settlements with employees (for example, accrued liabilities for annual leaves of employees) shall be accounted in the account |
|  |  |  | 5422 | Accrued liabilities for settlements for taxes and social insurance payments | Accrued liabilities for the calculated taxes and social insurance payments, penalties and late payment charges shall be accounted in the account |
|  |  |  | 5424 | Accrued liabilities for settlements with suppliers and contractors | Accrued liabilities for settlements with suppliers and contractors (for example, liabilities for the goods or services received, for finance and operating lease and payments which have been deferred for more than 12 months) shall be accounted in the account |
|  |  |  | 5426 | Accrued liabilities for balances on accounts | Accrued interest expenditures from balances on accounts, deposits upon demand, and deposits which have been deposited for a specific term and the initial maturity of which does not exceed 90 days shall be accounted in the account |
|  |  |  | 5428 | Accrued liabilities for repayments of taxes, fees, and other payments | Accrued liabilities for the taxes, fees, and other payments into budgets administered by the budget institution, and also penalties and late payment charges shall be accounted in the account |
|  |  |  | 5429 | Other accrued liabilities | Other previously non-classified accrued liabilities (for example, the contractual penalty to be paid) shall be accounted in the account |
|  | 5500 |  |  | Current liabilities in the financial accounting of the State budget | This group of accounts shall be used only by the Treasury |
|  |  | 5510 |  | Current portion of issued obligations and other debt securities | State issued debt securities that mature within one year after the balance sheet date shall be accounted in the group of accounts |
|  |  |  | 5511 | Current portion of issued obligations and other debt securities |  |
|  |  |  | 5515 | Liabilities for interest and other payments for the current portion of issued obligations and other debt securities |  |
|  |  |  | 5516 | Accrued liabilities for interest and other payments for the current portion of issued obligations and other debt securities |  |
|  |  | 5520 |  | Received short-term deposits | Received deposits that mature within one year after the balance sheet date shall be accounted in the group of accounts |
|  |  |  | 5521 | Received short-term deposits |  |
|  |  |  | 5525 | Liabilities for interest and other payments for the received short-term deposits |  |
|  |  |  | 5526 | Accrued liabilities for interest and other payments for short-term deposits |  |
|  | 5600 |  |  | Settlements for work remuneration and deductions (except taxes) | Liabilities towards employees for work remuneration and deductions (except for taxes) shall be accounted in the group of accounts |
|  |  | 5610 |  | Settlements for work remuneration |  |
|  |  |  | 5611 | Settlements for work remuneration in the current month | Liabilities towards employees for work remuneration of the current month shall be accounted in the account |
|  |  |  | 5612 | Settlements for deposited work remuneration | Liabilities for deposited (not withdrawn) work remuneration shall be accounted in the account |
|  |  | 5620 |  | Settlements for deductions from work remuneration (except taxes) |  |
|  |  |  | 5621 | Deductions according to writs of execution | Deductions from the work remuneration of employees calculated and not yet transferred after court decisions shall be accounted in the account |
|  |  |  | 5622 | Settlements for insurance | Insurance payments of employees calculated and not yet transferred shall be accounted in the account |
|  |  |  | 5629 | Other deductions |  |
|  | 5700 |  |  | Liabilities for taxes, fees, and other payments |  |
|  |  | 5720 |  | Taxes, social insurance payments, and other payments | Liabilities for tax, fee, social insurance, and other payments, penalty and late payment charges shall be accounted in the group of accounts |
|  |  |  | 5721 | Personal income tax |  |
|  |  |  | 5722 | Mandatory State social insurance contributions |  |
|  |  |  | 5723 | Value added tax |  |
|  |  |  | 5724 | Immovable property tax |  |
|  |  |  | 5729 | Other taxes and other payments into budgets |  |
|  |  | 5730 |  | Liabilities for administered taxes, fees, and other payments into budgets | Liabilities for taxes, fees, and other payments into budgets administered by the budget institutions, penalty and late payment charges, including received prepayments and overpayments, shall be accounted in the group of accounts |
|  |  |  | 5731 | Liabilities for immovable property tax |  |
|  |  |  | 5732 | Liabilities for personal income tax |  |
|  |  |  | 5733 | Liabilities for value added tax |  |
|  |  |  | 5739 | Other liabilities for taxes, fees, and other payments |  |
|  | 5800 |  |  | Other current liabilities |  |
|  |  | 5810 |  | Other current liabilities | Other previously non-classified current liabilities the payment of which is intended within one year from the balance sheet date shall be accounted in the group of accounts |
|  |  |  | 5811 | Other liabilities towards employees |  |
|  |  |  | 5812 | Settlements for scholarships |  |
|  |  |  | 5813 | Liabilities for the received security deposit and other cash | Liabilities for the received security deposit and other cash which has been received by the budget institution in organising competitions and auctions, and which is not the property of the budget institution shall be accounted in the account. Liabilities for election deposits, disbursement of pensions in nursing homes, funds seized from detained persons until the court decision, or in other cases shall be accounted |
|  |  |  | 5815 | Liabilities towards the budget | Liabilities towards the budget which have arisen from the established shortages and the repayment of the received receivables, the reward which is received from public officials for the redemption of gifts in accordance with the procedures laid down in legal acts and which should be paid into budget revenues shall be accounted in the account |
|  |  |  | 5817 | Non-disbursed pensions and benefits | Non-disbursed pensions and benefits which are attributable to the subsequent periods after the balance sheet date shall be accounted in the account |
|  |  |  | 5818 | Liabilities for the remainder of pension and benefit settlements in disbursing institutions | Settlements for the State Social Insurance Agency and other budget institutions for disbursements of pensions and benefits shall be accounted in the account |
|  |  |  | 5819 | Other current liabilities | Other previously non-classified liabilities the limit for the repayment of which does not exceed one year from the balance sheet date (for example, liabilities towards former employees, liabilities for payments in the fund for the equalisation of local government finances) shall be accounted in the account |
|  |  | 5820 |  | Current liabilities for projects (measures) financed from the European Union policy instruments and other foreign financial assistance |  |
|  |  |  | 5821 | Current liabilities towards the recipients of financing for projects (measures) financed from the European Union policy instruments and other foreign financial assistance | Liabilities towards a recipient of financing which have arisen from projects (measures) financed from the European Union policy instruments and other foreign financial assistance, separating analytically the liabilities of each financing instrument or fund (for example, for projects of the Financial Instrument for Fisheries Guidance, projects of the European Agricultural Guidance and Guarantee Fund, projects of the European Social Fund, projects of the European Regional Development Fund), except for transfers made, shall be accounted in the account |
|  |  |  | 5822 | Current liabilities for repayments into the State budget for projects (measures) financed from foreign financial assistance and the European Union policy instruments | Current liabilities for repayments into the State budget for the expenditures made and approved during the implementation of the projects (measures) of the budget institution co-financed from foreign financial assistance and the European Union policy instruments which have been financed from the co-financing portion of the European Union or other foreign financial assistance |
|  |  | 5880 |  | Current liabilities for derived financial instruments | Current liabilities for derived financial instruments shall be accounted in the group of accounts |
|  | 5900 |  |  | Deferred revenues, received prepayments and transfers | The received resources in relation to which revenues will be recognised within one year after the balance sheet date shall be accounted in the group of accounts |
|  |  | 5910 |  | Deferred revenues and received prepayments |  |
|  |  |  | 5911 | Current prepayments received for goods and services |  |
|  |  |  | 5914 | Deferred revenues for the received donations and gifts |  |
|  |  |  | 5915 | Deferred revenues for interest and other payments | The interest and other payments received for balances on accounts, deposits upon demand, and deposits which have been deposited for a specific term and the initial maturity of which does not exceed 90 days which are attributable to the subsequent periods after the balance sheet date shall be accounted in the account |
|  |  |  | 5917 | Current liabilities for the received foreign financial assistance | The resources received from foreign financial assistance of a foreign partner, including for the implementation of a projects financed from the European Union policy instruments, shall be accounted in the account |
|  |  |  | 5919 | Other deferred revenues and received prepayments | Other previously non-classified deferred revenues and received prepayments (for example, overpayments, participation fee in events, unidentified payments) shall be accounted in the account |
|  |  | 5930 |  | Transfers received in advance | Transfers received in advance within the scope of the general government sector units shall be accounted in the group of accounts |
|  |  |  | 5931 | Transfers received for projects (measures) financed from the European Union policy instruments and other foreign financial assistance |  |
|  |  |  | 5932 | Other transfers |  |
| 6000 |  |  |  | Operating revenues | Operating revenues in accordance with the classification of budget revenues shall be accounted in the group of accounts |
| 7000 |  |  |  | Operating expenditures | Operating expenditures in accordance with the classification of budget expenditures according to the economic categories shall be accounted in the group of accounts |
| 8000 |  |  |  | Financial and other revenues and expenditures | Other revenues and expenditures shall be accounted in the group of accounts |
|  | 8100 |  |  | Financial revenues |  |
|  |  | 8110 |  | Revenues from currency exchange rate fluctuations | Revenues arising from currency exchange rate fluctuations in settling accounts for monetary items (all amounts of assets and liabilities expressed in foreign currency units which are to be received or paid in foreign currency) or in recalculating the monetary items at the end of the reporting period according to the currency exchange rate which is different from the rate according to which the monetary item was initially recognised or recalculated at the end of the previous reporting period shall be accounted in the group of accounts. Such revenues shall be classified according to the budget types |
|  |  |  | 8111 | Revenues from currency exchange rate fluctuations of the basic budget |  |
|  |  |  | 8112 | Revenues from currency exchange rate fluctuations of the special budget |  |
|  |  |  | 8113 | Revenues from currency exchange rate fluctuations of donations and gifts |  |
|  |  |  | 8114 | Revenues from currency exchange rate fluctuations of other budgetary means |  |
|  |  | 8120 |  | Interest revenue | Interest revenues according to the budget types shall be accounted in the group of accounts |
|  |  |  | 8121 | Interest revenues of the basic budget |  |
|  |  |  | 8122 | Interest revenues of the special budget |  |
|  |  |  | 8123 | Interest revenues of donations and gifts |  |
|  |  |  | 8124 | Interest revenues of other budgetary means |  |
|  |  | 8130 |  | Revenues from the sale of capital shares, trade and remeasurement of securities |  |
|  |  | 8140 |  | Revenues from the remeasurement or excess of long-term financial investments | Results arising from the accounting of investments under the equity method and revenues from excess of the net fair value of the investment over acquisition costs shall be accounted in the account |
|  |  | 8150 |  | Revenues from a property investment in related and associated capital companies | Revenues from the recognition of financial investments at fair value when a non-financial asset of the institution is invested shall be accounted in the account |
|  |  | 8190 |  | Other financial revenues | Revenues from the surplus of financial investments established as a result of the taking of inventory, initial recognition of financial investments, write-down of the impairment of financial investments, extinguishing of borrowings, and other previously non-classified financial revenues, including revenues recognised in hedge accounting, shall be accounted in the account |
|  | 8200 |  |  | Financial expenditures |  |
|  |  | 8210 |  | Expenditures from currency exchange rate fluctuations | Expenditures arising from currency exchange rate fluctuations in settling accounts for monetary items (all amounts of assets and liabilities expressed in foreign currency units which are to be received or paid in foreign currency) or in recalculating the monetary items at the end of the reporting period according to the currency exchange rate which is different from the rate according to which the monetary item was initially recognised or recalculated at the end of the previous reporting period shall be accounted in the group of accounts. Such expenditures shall be classified according to the budget types |
|  |  |  | 8211 | Expenditures from currency exchange rate fluctuations of the basic budget |  |
|  |  |  | 8212 | Expenditures from currency exchange rate fluctuations of the special budget |  |
|  |  |  | 8213 | Expenditures from currency exchange rate fluctuations of donations and gifts |  |
|  |  |  | 8214 | Expenditures from currency exchange rate fluctuations of other budgetary means |  |
|  |  | 8220 |  | Interest expenditure | Interest expenditures according to the budget types shall be accounted in the group of accounts |
|  |  |  | 8221 | Interest expenditures of the basic budget |  |
|  |  |  | 8222 | Interest expenditures of the special budget |  |
|  |  |  | 8223 | Interest expenditures of donations and gifts |  |
|  |  |  | 8224 | Interest expenditures of other budgetary means |  |
|  |  | 8230 |  | Expenditures from the sale of capital shares and securities |  |
|  |  | 8240 |  | Expenditures from the revaluation of long-term financial investments | Expenditures which arise from the accounting of investments under the equity method shall be accounted in the account |
|  |  | 8290 |  | Other financial expenditures | Expenditures from the impairment of financial investments and other previously non-classified financial expenditures which arise from establishing shortages of financial investments during the taking of inventory, extinguishing loans, and other cases, including expenditures recognised in hedge accounting, shall be accounted in the account |
|  | 8400 |  |  | Revenues and expenditures from the values received and transferred without reward | Revenues and expenditures of the institution from the tangible and intangible values received and transferred without reward within the scope of the general government sector units shall be accounted in the group of accounts |
|  |  | 8410 |  | Revenues from the values received and transferred without reward |  |
|  |  | 8420 |  | Expenditures from the values received and transferred without reward |  |
|  | 8500 |  |  | Other revenues | Other previously non-classified revenues shall be accounted in the group of accounts |
|  |  | 8510 |  | Revenues from the sale of the non-financial assets intended for disposal | The account shall be used in the accounting of revenues from the sale of intangible investments, property, plant and equipment, investment properties, biological assets, and inventories |
|  |  | 8530 |  | Revenues from the extinguishment of liabilities | Revenues arising when the budget institution does not have to repay any of the liabilities (for example, extinguishing of debts or overpayments) or liabilities of the institution are repaid by another person shall be accounted in the account |
|  |  | 8550 |  | Revenues from the write-down of the impairment of assets | The group of accounts shall be used for the write-down of the impairment of non-financial assets and receivables, and prepayments |
|  |  |  | 8551 | Revenues from the write-down of the impairment of prepayments for non-financial assets | Revenues arising from the write-down of previously recognised of for prepayments for intangible investments, property, plant and equipment, investment properties, biological assets, and inventory shall be accounted in the account. Accounting according to the groups of assets shall be ensured analytically |
|  |  |  | 8552 | Revenues from the write-down of the impairment of non-financial assets | Revenues arising from the write-down of previously recognised impairment of intangible investments, property, plant and equipment, investment properties, biological assets, and inventory accounted in the account “2161 Equipment with long useful life” shall be accounted in the account. Accounting according to the groups of assets shall be ensured analytically |
|  |  |  | 8555 | Revenues from the write-down of the impairment of receivables and prepayments for services |  |
|  |  |  | 8557 | Revenues from the write-down of the impairment of receivables for taxes, fees, and other payments into budgets | Revenues from the write-down of impairment for receivables of taxes, fees, and other payments into budgets administered by the budget institution shall be accounted in the account |
|  |  | 8560 |  | Revenues from the write-down of provisions |  |
|  |  | 8570 |  | Revenues from the initial recognition of current assets | Revenues from the initial recognition of inventories, receivables, including prepaid expenditures and prepayments, and cash (for example, the surplus established during the taking of inventory) shall be accounted in the account. Revenues from the initial recognition of financial investments shall be accounted in the account 8190. Accounting according to the groups of assets shall be ensured analytically |
|  |  | 8580 |  | Revenues from the initial recognition of non-current assets | Revenues from the initial recognition of intangible investments, property, plant and equipment, investment properties, and biological assets and non-current receivables (for example, the surplus established during the taking of inventory) shall be accounted in the account. Revenues from the initial recognition of financial investments shall be accounted in the account 8190. Accounting according to the groups of assets shall be ensured analytically |
|  |  | 8590 |  | Other previously non-classified revenues | Other previously non-classified revenues shall be accounted in the group of accounts |
|  | 8600 |  |  | Other expenditures |  |
|  |  | 8610 |  | Expenditures from the exclusion of non-financial assets | Expenditures for written-drown, liquidated, and disposed (except for transferred without reward within the scope of the general government sector units) intangible investments, property, plant and equipment, investment properties, biological assets, and inventories shall be accounted in the group of accounts. Shortages established during the taking of inventory shall be accounted in this group of accounts |
|  |  |  | 8611 | Expenditures from the write-down and liquidation of non-financial assets |  |
|  |  |  | 8612 | Expenditures from the disposal of non-financial assets |  |
|  |  | 8630 |  | Expenditures from the write-down of receivables and shortage of cash or its equivalents | Expenditures from the write-down of receivables which cannot be recovered and recovery of which is not possible and the shortage of cash or its equivalents established during the taking of inventory or under other circumstances shall be accounted in the group of accounts |
|  |  |  | 8631 | Expenditures from the write-down of receivables |  |
|  |  |  | 8633 | Expenditures from the shortage of cash or its equivalents |  |
|  |  |  | 8634 | Expenditures from the extinguishment of receivables for taxes, fees, and other payments into budgets | Expenditures from the extinguishment of receivables for taxes, fees, and other payments into budgets administered by the budget institution shall be accounted in the account |
|  |  | 8650 |  | Expenditures from the impairment of assets | Expenditures from the recognition of the impairment of non-financial assets and receivables, and prepayments shall be accounted in the group of accounts |
|  |  |  | 8651 | Expenditures from the impairment of prepayments for non-financial assets | Expenditures arising from recognising impairment of prepayments for intangible investments, property, plant and equipment, investment properties, biological assets, and inventories shall be accounted in the account. Accounting according to the groups of assets shall be ensured analytically |
|  |  |  | 8652 | Expenditures from impairment of non-financial assets | Expenditures arising from recognising the impairment of intangible investments, property, plant and equipment, investment properties, biological assets, and inventories accounted in the account “2161 Equipment with long useful life” shall be accounted in the account. Accounting according to the groups of assets shall be ensured analytically |
|  |  |  | 8655 | Expenditures from the impairment of receivables and prepayments for services |  |
|  |  |  | 8657 | Expenditures from the impairment of receivables for taxes, fees, and other payments into budgets | Expenditures arising from recognising impairment of receivables for the taxes, fees, and other payments into budgets administered by the budget institution shall be accounted in the account |
|  |  | 8660 |  | Expenditures for the formation of provisions |  |
|  |  | 8690 |  | Other previously non-classified expenditures | Other previously non-classified expenditures shall be accounted in the account |
|  | 8700 |  |  | Revenues and expenditures of the previous years | Revenues and expenditures which have been recognised in the reporting year but are attributable to the operating revenues and expenditures of the previous years shall be accounted in the group of accounts |
|  |  | 8750 |  | Revenues of the previous years |  |
|  |  |  | 8751 | Errors of the previous years | Non-essential corrections of errors established in the previous reporting years shall be accounted in the account |
|  |  |  | 8752 | Change of the basic accounting principles |  |
|  |  |  | 8753 | Transfer revenues attributable to the previous reporting years |  |
|  |  |  | 8759 | Other revenues of the previous years | Other previously non-classified revenues, for example, expenditures not attributed within the scope of the projects financed from foreign financial assistance and the European Union policy instruments shall be accounted in the account |
|  |  | 8760 |  | Expenditures of the previous years |  |
|  |  |  | 8761 | Errors of the previous years | Non-essential corrections of errors established in the previous reporting years shall be accounted in the account |
|  |  |  | 8762 | Change of the basic accounting principles |  |
|  |  |  | 8763 | Transfer expenditures attributable to previous reporting years |  |
|  |  |  | 8769 | Other expenditures of the previous years | Other previously non-classified expenditures, for example, expenditures not attributed within the scope of the projects financed from foreign financial assistance and the European Union policy instruments shall be accounted in the account |

**II. Chart and Description of the Sub-balance Sheet**

|  |  |  |
| --- | --- | --- |
| **Code of the sub-balance sheet** | **Name of the code of the sub-balance sheet** | **Description of the code** |
| 0100 | [6 September 2022] | |
| 9100 | **Assets of the sub-balance sheet** |  |
| 9110 | Contingent assets | Contingent assets which can arise from past events and the existence of which will be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the budget institution shall be indicated under the code of the sub-balance sheet. Contingent assets shall be recognised if economic benefits can be expected from them in the future or they will ensure the performance of the functions, for example, financial guarantees received. After validation of these circumstances and reliable measurement of the value of the asset, the assets and the revenues related thereto shall be recognised in the accounting records of the institution |
| 9120 | Notified dividends and payments to be received for the use of capital shares | Information on notified dividends of related and associated capital companies and payments to be received for the use of capital shares shall be indicated under the code of the sub-balance sheet |
| 9130 | Calculated contractual penalties, fines, penalties, and late payment charges |  |
| 9131 | Calculated contractual penalties and fines | The calculated contractual penalty and fine to be received which has not been received until the balance sheet date and receivables that have not been accounted in the balance sheet from the day when the budget institution acquires lawful rights to collect the relevant contractual penalty and fine, if their receipt is not surely probable, shall be indicated under the code of the sub-balance sheet account |
| 9132 | Contractual penalties, fines, penalties, and late payment charges calculated for taxes, fees, and other payments into budgets | Contractual penalties, fines, penalties, and late payment charges calculated for taxes, fees, and other payments into budgets administered by the budget institution, if their receipt is not surely probable, shall be indicated under the code of the sub-balance sheet |
| 9140 | Receivables for illegally disposed assets | Receivable according to the best estimate of the value of the illegally disposed assets shall be indicated under the code of the sub-balance sheet |
| 9190 | Other assets of the sub-balance sheet | Other previously non-classified contingent assets shall be indicated under the code of the sub-balance sheet |
| 9500 | **Liabilities of the sub-balance sheet** |  |
| 9510 | Future liabilities according to contracts concluded for projects financed from foreign financial assistance and the European Union policy instruments | The amount of future liabilities for the contracts entered into at the amount of outstanding transactions at the sub-balance sheet date for projects financed from foreign financial assistance and the European Union policy instruments shall be indicated under the code of the sub-balance sheet |
| 9520 | Future liabilities according to contracts for and management decisions on the acquisition and construction of long-term investments, except for those that have been entered into for projects financed from foreign financial assistance and the European Union policy instruments | The amount of future liabilities for the contracts entered into for the acquisition and construction of long-term investments at the amount of non-fulfilled transactions at the sub-balance sheet date (except for projects financed from foreign financial assistance and the European Union policy instruments) shall be indicated under the code of the sub-balance sheet. Contingent liabilities shall be indicated at the amount of outstanding transactions at the balance sheet date |
| 9521 | Acquisition and construction of land and structures | Future liabilities according to contracts for and management decisions on the acquisition and construction of land and structures shall be indicated under the code of the sub-balance sheet |
| 9522 | Acquisition and construction of military long-term investments | Future liabilities according to contracts for and management decisions on the acquisition and construction of military long-term investments (military combat vehicles and equipment) shall be indicated under the code of the sub-balance sheet |
| 9529 | Acquisition and construction of other long-term investments | Future liabilities according to contracts for and management decisions on the acquisition and construction of long-term investments shall be indicated under the code of the sub-balance sheet |
| 9530 | Future liabilities according to contracts for and management decisions on the acquisition of goods and services, except for those concluded for projects financed from foreign financial assistance and European Union policy instruments and lease | The amount of future liabilities for the non-cancellable contracts entered into for the acquisition of goods and services shall be indicated under the code of the sub-balance sheet. Future liabilities and payments shall be disclosed in the amount of contingent payments at the balance sheet date which would occur if the contracts were cancelled |
| 9540 | Received but unpaid corroborative documents of prepayment | The received corroborative documents of advance payments and prepayments which have not been paid at the end of the reporting year shall be indicated under the code of the sub-balance sheet |
| 9550 | Future lease payments | The total amount of future minimum lease payments at the balance sheet date which would have to be paid for the non-cancellable leases if the lease contracts were terminated shall be indicated under the code of the sub-balance sheet |
| 9560 | Issued guarantee obligations | The amount of contingent liabilities at the balance sheet date which would have to be paid for the guaranteed borrowing if the borrower would not repay it shall be indicated under the code of the sub-balance sheet |
| 9590 | Other liabilities of the sub-balance sheet | Other previously non-classified contingent liabilities shall be indicated under the code of the sub-balance sheet |

Acting for the Minister for Finance – Minister for Transport Uldis Augulis

**Annex 2**

Cabinet Regulation No. 87

13 February 2018

**Categories, Groups and Sub-groups of Property, Plant and Equipment for Determining Depreciation Norms**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Category, group and sub-group number** | **Category, group and sub-group name** | **Useful life (years)** | **Depreciation norm (% per year)** | **Description** |
| **1.** | **Immovable property** |  |  | **Residential, non-residential buildings, engineering structures, and other immovable property shall be accounted in the category** |
| 1.1. | Residential and non-residential buildings |  |  | Residential and non-residential buildings shall be accounted in the group |
| 1.1.1. | Monolithic buildings with reinforced concrete or concrete frame | 150 | 0.67 | Reinforced concrete or metal frame buildings with stone cladding shall be accounted in the sub-group |
| 1.1.2. | Stone buildings | 100 | 1 | Stone buildings with stone or concrete foundation, stone (brick), large-block, large-panel, suspended curtain wall constructions, slag concrete, light brick or light block walls, reinforced concrete, brick, or mixed (wooden and reinforced concrete) settlings and reinforced concrete and/or brick vaults in steel beams shall be accounted in the sub-group |
| 1.1.3. | Log buildings | 50 | 2 | Log buildings with concrete strip foundation, log, timber, or mixed-type (brick and wooden) wall and wooden settlings shall be accounted in the sub-group |
| 1.1.4. | Prefabricated wood or metal panel buildings, timber framework buildings | 30 | 3.33 | Prefabricated wood or metal panel buildings and timber framework buildings with strip or stone pile, concrete or wooden foundations, wooden panel or metal walls and wooden or metal settlings shall be accounted in the sub-group |
| 1.1.5. | Light construction buildings and other buildings | 15 | 6.67 | Light construction wooden, metal, or plastic buildings, temporary buildings and other buildings not classified previously shall be accounted in the sub-group |
| 1.2. | Transport structures |  |  | Transport structures shall be accounted in the group |
| 1.2.1. | Metal, reinforced concrete, stone bridges, traffic overpasses and tunnels | 100 | 1 | Metal, reinforced concrete, and stone constructions of bridges, traffic overpasses, and tunnels shall be accounted in the sub-group |
| 1.2.2. | Ports, navigable channels and berths | 50 | 2 | Port building, berth and jetty constructions, and navigable channels shall be accounted in the sub-group |
| 1.2.3. | Railway and street railway tracks | 30 | 3.33 | Railway and street railway track constructions (also earth structure), except for railway equipment, shall be accounted in the sub-group |
| 1.2.4. | Constructions of a motor road bed with bituminous concrete or other black surfacing, cement concrete surfacing or pavement, wooden bridges | 20 | 5 | Motor road beds, bituminous concrete or other black settling, cement concrete settling or paved road of motor roads, road transport parking places, pedestrian ways, wooden bridge constructions shall be accounted in the sub-group |
| 1.2.5. | Constructions of a street bed, aerodrome runways, forest roads, railway and street railway equipment | 15 | 6.67 | Street constructions (also earth structures) of all types of surfacing (for example, bituminous concrete, gravel), aerodrome runway constructions (also earth structures), aerodrome equipment, forest roads for forestry needs, railway and street railway track equipment, except for street equipment and technological installations of railway tracks, shall be accounted in the sub-group |
| 1.2.6. | Constructions of a motor road bed with gravel surfacing or macadam, equipment of motor roads and streets | 10 | 10 | Motor road beds, motor road gravel surfacing or macadam, road transport stops, pedestrian ways, motor road and street equipment (for example, road signs, signalling poles, barriers, devices regulating the traffic) shall be accounted in the sub-group |
| 1.3. | Engineering structures (except for transport structures) |  |  | Engineering structures, except for transport structures, shall be accounted in the group |
| 1.3.1. | Impoundment structures and land amelioration systems | 50 | 2 | Dikes, dams, other impoundment structures and constructions thereof, tile and plastic drain systems, spillways, chutes, siphons, hydrometric station structures, collectors of large diameter, culverts, drainage (polder) and stationary irrigation pumping stations, protective dikes and irrigation channels shall be accounted in the sub-group |
| 1.3.2. | Communication and transmission lines, oil and gas pipelines, gutters, collecting ditches, irrigation peninventory | 30 | 3.33 | Electric cables and communications cables and service buildings thereof (for example, transformer stations and substations, telegraph-poles), relay systems, radio and television or cable networks, retransmission towers and aerials, telecommunications masts and infrastructure of radio communications, pipelines, gutters, collecting ditches, irrigation penstocks of petroleum products, gas, chemical and other products and constructions thereof shall be accounted in the sub-group |
| 1.3.3. | Waterpipe, heating main, sewerage network and wastewater constructions and pipelines, perimeter ditches and drainage ditches | 20 | 5 | Waterpipe, sewerage and heating main pumping stations, containers, reservoirs, wells, chambers, fountains, pipelines for the transmission of water, pipelines for hot water, vapour or compressed air, sewerage networks, wastewater collectors and wastewater treatment structures and constructions thereof, perimeter ditches and drainage ditches shall be accounted in the sub-group |
| 1.3.4. | Sports, recreational structures, other structures | 15 | 6.67 | Open-air sports grounds, children’s playgrounds, open-air stages, and other sports and recreational structures, (except for closed-type sports and recreational buildings), and also other previously non-classified engineering structures shall be accounted in the sub-group |
| 1.4. | Other immovable property | 10 | 10 | Other previously non-classified immovable property shall be accounted in the group |
| **2.** | **Technological equipment and machinery** |  |  | Technological equipment, measuring equipment, regulating devices, laboratory, and medical installations and machinery which are used for ensuring the functions or provision of services of the budget institution and which are intended for the performance of specific successive technological operations shall be accounted in the category |
| 2.1. | Technological equipment and machinery | 10 | 10 | Technological equipment, measuring equipment, regulating devices, laboratory and medical equipment, and also other equipment and machinery shall be accounted in the group |
| 2.2. | Instruments, accessories and equipment of installations and machinery | 5 | 20 | Instruments, accessories and equipment of technological equipment and machinery shall be accounted in the group |
| **3.** | **Other property, plant and equipment** |  |  | Other previously non-classified property, plant and equipment shall be accounted in the category |
| 3.1. | Vehicles |  |  | Vehicles for the carriage of cargo or people shall be accounted in the group |
| 3.1.1. | Watercraft, railway propulsion equipment, the rolling stock of railway and trams | 20 | 5 | Marine and river cargo or passenger ships, ferries, watercraft of special significance (except for small-size vessels), all types of railway propulsion equipment, and all types of railway and tram rolling stock shall be accounted in the sub-group |
| 3.1.2. | Aircraft | 15 | 6.67 | Airplanes, helicopters, paragliders, and other aircraft shall be accounted in the sub-group |
| 3.1.3. | Buses, trolleybuses, lorries, passenger cars and other vehicles | 10 | 10 | Buses, trolleybuses, lorries, transport trailers, passenger cars, passenger car trailers, and other previously non-classified vehicles shall be accounted in the sub-group |
| 3.2. | Computer hardware, communications and office equipment | 5 | 20 | Computers and equipment thereof, communications equipment, internal communication networks, and other office equipment shall be accounted in the group |
| 3.3. | Furniture, office furnishings and other property, plant and equipment | 10 | 10 | Furniture and other office furnishings, except for ventilation, heating, and electricity supply installations of the buildings, and other previously non-classified property, plant and equipment shall be accounted in the group |

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**Annex 3**

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[*21 December 2021; 6 September 2022 / See Paragraph 2 of amendments*]

**Categories of Financial Instruments**

1. Financial instruments shall be divided into categories analytically. The following balances on book-keeping accounts shall be included in the categories:

|  |  |  |  |
| --- | --- | --- | --- |
| **Code of the category** | **Name and description of the category** | **Number of the book-keeping account** | **Description of the category/Name of the account** |
| **AP** | **Loans and receivables** | Non-derivative financial assets with fixed or determinable payments which are not quoted on the active market. Only loans and receivables which have arisen as a result of the disposal of assets shall be included in this group, if payment is deferred for more than 12 months |
|  |  | 1331 | Non-current loans to related capital companies |
|  |  | 1332 | Non-current loans to associated capital companies |
|  |  | 1333 | Long-term accrued revenues from loans |
|  |  | 1338 | Impairment of non-current loans |
|  |  | 1339 | Other non-current loans |
|  |  | 1355\* | Long-term accrued revenues from other long-term financial investments |
|  |  | 1358\* | Impairment of other long-term financial investments |
|  |  | 1359\* | Other long-term financial investments |
|  |  | 1388\* | Impairment of prepayments for long-term financial investments |
|  |  | 1389\* | Prepayments for long-term financial investments |
|  |  | 1428 | Other previously non-classified non-current receivables |
|  |  | 1429 | Impairment of other non-current receivables |
|  |  | 2317 | Receivables for interest and other payments |
|  |  | 2318 | Impairment of receivables from purchasers and commissioning parties |
|  |  | 2311 | Receivables from purchasers and commissioning parties |
|  |  | 2369 | Other accrued revenues |
|  |  | 2398 | Impairment of other receivables |
|  |  | 2399 | Other receivables |
|  |  | 2531 | Current loans to related capital companies |
|  |  | 2532 | Current loans to associated capital companies |
|  |  | 2534 | Impairment of current loans |
|  |  | 2535 | Receivables for interest and other payments for loans |
|  |  | 2536 | Short-term accrued revenues from loans |
|  |  | 2539 | Other current loans |
|  |  | 2555\* | Receivables for interest and other payments for other financial investments |
|  |  | 2556\* | Accrued revenues from other short-term financial investments |
|  |  | 2558\* | Impairment of other short-term financial investments |
|  |  | 2559\* | Other short-term financial investments |
|  |  | 2571\* | Prepayments for short-term financial investments |
|  |  | 2577\* | Impairment of prepayments for short-term financial investments |
| **TB** | **Held-to-maturity investments** |  | Held-to-maturity investments are non-derivative financial assets with fixed or determinable payments and a fixed maturity which the budget institution plans and has the ability to hold to maturity of the relevant financial instrument contract, and the budget institution might essentially recover their carrying amount |
|  |  | 1343\* | Long-term accrued revenues from financial investments in securities |
|  |  | 1348\* | Impairment of long-term financial investments in securities |
|  |  | 1349\* | Long-term financial investments in securities |
|  |  | 1355\* | Long-term accrued revenues from other long-term financial investments |
|  |  | 1358\* | Impairment of other long-term financial investments |
|  |  | 1359\* | Other long-term financial investments |
|  |  | 1363 | Long-term accrued revenues from long-term deposits |
|  |  | 1368 | Impairment of long-term deposits |
|  |  | 1369 | Long-term deposits |
|  |  | 1388\* | Impairment of prepayments for long-term financial investments |
|  |  | 1389\* | Prepayments for long-term financial investments |
|  |  | 2545\* | Receivables for interest and other payments for financial investments in securities |
|  |  | 2546\* | Accrued revenues from interest and other payments for financial investments in securities |
|  |  | 2548\* | Impairment of short-term financial investments in securities |
|  |  | 2549\* | Other short-term financial investments in securities |
|  |  | 2555\* | Receivables for interest and other payments for other financial investments |
|  |  | 2556\* | Accrued revenues from other short-term financial investments |
|  |  | 2558\* | Impairment of other short-term financial investments |
|  |  | 2559\* | Other short-term financial investments |
|  |  | 2565 | Receivables for interest and other payments for deposits |
|  |  | 2566 | Accrued revenues from interest and other payments for deposits |
|  |  | 2568 | Impairment of short-term deposits |
|  |  | 2569 | Short-term deposits |
|  |  | 2571\* | Prepayments for short-term financial investments |
|  |  | 2577\* | Impairment of prepayments for short-term financial investments |
| **PP** | **Available-for-sale financial assets** |  | Within the meaning of this Regulation, available-for-sale financial assets are such non-derivative financial assets which are considered as available for sale. Available-for-sale financial assets are not assets which are classified as loans and receivables, held-to-maturity investments, financial assets measured at fair value with the recognition of changes in the value in the revenues or expenditures of the reporting period |
|  |  | 1343\* | Long-term accrued revenues from financial investments in securities |
|  |  | 1348\* | Impairment of long-term financial investments in securities |
|  |  | 1349\* | Long-term financial investments in securities |
|  |  | 1351\* | Long-term financial investments in international financial institutions |
|  |  | 1355\* | Long-term accrued revenues from other long-term financial investments |
|  |  | 1358\* | Impairment of other long-term financial investments |
|  |  | 1359\* | Other long-term financial investments |
|  |  | 1378 | Impairment of long-term financial investments transferred for holding |
|  |  | 1379 | Other long-term financial investments transferred for holding |
|  |  | 1388\* | Impairment of prepayments for long-term financial investments |
|  |  | 1389\* | Prepayments for long-term financial investments |
|  |  | 2545\* | Receivables for interest and other payments for financial investments in securities |
|  |  | 2546\* | Accrued revenues from interest and other payments for financial investments in securities |
|  |  | 2548\* | Impairment of short-term financial investments in securities |
|  |  | 2549\* | Other short-term financial investments in securities |
|  |  | 2555\* | Receivables for interest and other payments for other financial investments |
|  |  | 2556\* | Accrued revenues from other short-term financial investments |
|  |  | 2558\* | Impairment of other short-term financial investments |
|  |  | 2559\* | Other short-term financial investments |
|  |  | 2571\* | Prepayments for short-term financial investments |
|  |  | 2577\* | Impairment of prepayments for short-term financial investments |
| **PVFA** | **Financial assets measured at fair value** |  | Financial assets measured at fair value changes in the value of which are recognised in the financial revenues or expenditures of the reporting period are financial assets which are held for trade (acquired or created with the purpose of selling or buying back it in foreseeable future), which are a component of the trade portfolio or a derived financial instrument (except for hedging instruments and financial guarantee contracts) |
|  |  | 1343\* | Long-term accrued revenues from financial investments in securities |
|  |  | 1349\* | Long-term financial investments in securities |
|  |  | 1355\* | Long-term accrued revenues from other long-term financial investments |
|  |  | 1359\* | Other long-term financial investments |
|  |  | 2545\* | Receivables for interest and other payments for financial investments in securities |
|  |  | 2546\* | Accrued revenues from interest and other payments for financial investments in securities |
|  |  | 2549\* | Other short-term financial investments in securities |
|  |  | 2555\* | Receivables for interest and other payments for other financial investments |
|  |  | 2556\* | Accrued revenues from other short-term financial investments |
|  |  | 2559\* | Other short-term financial investments |
| **PVFS** | **Financial liabilities measured at fair value** |  | Financial liabilities measured at fair value changes in the value of which are recognised in the financial revenues or expenditures of the reporting period are financial liabilities which are held for trade (acquired or constructed with the purpose of selling or buying back it in foreseeable future), which are a component of the trade portfolio or a derived financial instrument (except for hedging instruments and financial guarantee contracts) |
|  |  | 5140\* | Non-current accrued liabilities |
|  |  | 5199\* | Other previously non-classified non-current liabilities |
|  |  | 5429\* | Other accrued liabilities |
|  |  | 5819\* | Other current liabilities |
| **PS** | **Other financial liabilities** |  | Financial liabilities measured at amortised cost and financial guarantee contracts |
|  |  | 5114 | Previously guaranteed long-term borrowings |
|  |  | 5115 | Non-current liabilities for interest and other payments for borrowings |
|  |  | 5116 | Non-current accrued liabilities for interest and other payments for borrowings |
|  |  | 5119 | Long-term borrowings |
|  |  | 5131 | Non-current liabilities towards suppliers and contractors |
|  |  | 5135 | [6 September 2022] |
|  |  | 5140\* | Non-current accrued liabilities |
|  |  | 5161 | Non-current portion of issued obligations and other debt securities |
|  |  | 5165 | Liabilities for interest and other payments for the non-current portion of issued obligations and other debt securities |
|  |  | 5166 | Accrued liabilities for interest and other payments for the non-current portion of issued obligations and other debt securities |
|  |  | 5171 | Received long-term deposits |
|  |  | 5175 | Liabilities for interest and other payments for the received long-term deposits |
|  |  | 5176 | Accrued liabilities for interest and other payments for the received long-term deposits |
|  |  | 5199\* | Other previously non-classified non-current liabilities |
|  |  | 5214 | Previously guaranteed short-term borrowings and current portion of long-term borrowings |
|  |  | 5215 | Liabilities for interest and other payments for borrowings |
|  |  | 5216 | Accrued liabilities for interest and other payments for borrowings |
|  |  | 5219 | Short-term borrowings and current portion of long-term borrowings |
|  |  | 5311 | Current liabilities towards suppliers and contractors |
|  |  | 5315 | [6 September 2022] |
|  |  | 5317 | Liabilities for interest and other payments |
|  |  | 5424 | Accrued liabilities for settlements with suppliers and contractors |
|  |  | 5429\* | Other accrued liabilities |
|  |  | 5511 | Current portion of issued obligations and other debt securities |
|  |  | 5515 | Liabilities for interest and other payments for the current portion of issued obligations and other debt securities |
|  |  | 5516 | Accrued liabilities for interest and other payments for the current portion of issued obligations and other debt securities |
|  |  | 5521 | Received short-term deposits |
|  |  | 5525 | Liabilities for interest and other payments for the received short-term deposits |
|  |  | 5526 | Accrued liabilities for interest and other payments for short-term deposits |
|  |  | 5819\* | Other current liabilities |

2. Individual book-keeping accounts (marked with an \*) can be classified in several categories. In order to determine the applied category of financial instruments, the budget institution shall assess the economic nature of the transaction.

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**Annex 4**

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**Account Correlation Table of the Chart of Accounts**

|  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **Accounts specified in Annex 1 to Cabinet Regulation No. 1486 of 15 December 2009, Procedures by Which Budget Institutions shall Organise the Accounting Thereof** | | | | | **Accounts specified in Annex 1 to Cabinet Regulation No. 87 of 13 February 2018, Accounting Procedures for Budget Institutions** | | | | |
| Levels of groups of accounts | | | Account number | Account name | Levels of groups of accounts | | | Account number | Account name |
| 1. | 2. | 3. | 1. | 2. | 3. |
| **ASSETS** | | |  |  | **ASSETS** | | |  |  |
|  |  | 1110 | x | Development measures and programmes |  |  | 1110 | x | Development measures and programmes |
|  |  |  | 1121 | Computer software |  |  |  | 1121 | Computer software |
|  |  |  | 1122 | Other licences |  |  |  | 1122 | Other licences |
|  |  |  | 1123 | Concessions |  |  |  | 1123 | Concessions |
|  |  |  | 1124 | Patents |  |  |  | 1124 | Patents |
|  |  |  | 1125 | Licences for computer software |  |  |  | 1125 | Licences for computer software |
|  |  |  | 1129 | Other rights to intangible investments |  |  |  | 1129 | Other rights to intangible investments |
|  |  | 1130 | x | Other intangible investments |  |  |  | 1131 | Intangible cultural and historical monuments and other objects |
|  |  | 1130 | x | Other intangible investments |  |  |  | 1139 | Other previously non-classified intangible investments |
|  |  | 1140 | x | Construction of intangible investments |  |  |  | 1141 | Construction of intangible cultural and historical monuments and other objects |
|  |  | 1140 | x | Construction of intangible investments |  |  |  | 1149 | Construction of other previously non-classified intangible investments |
|  |  | 1160 | x | Research of natural resources and other similar non-produced intangible assets |  |  | 1160 | x | Research of natural resources and other similar non-produced intangible assets |
|  |  |  | 1181 | Prepayments for development measures and software |  |  |  | 1181 | Prepayments for development measures and software |
|  |  |  | 1182 | Prepayments for licences, concessions and patents, trade marks and similar rights |  |  |  | 1182 | Prepayments for licences, concessions and patents, trade marks and similar rights |
|  |  |  | 1184 | Prepayments for intangible investments in research of mineral resources and other similar non-produced intangible investments |  |  |  | 1184 | Prepayments for intangible investments in research of mineral resources and other similar non-produced intangible investments |
|  |  |  | 1185 | Prepayments for other intangible investments |  |  |  | 1185 | Prepayments for other intangible investments |
|  |  |  | 1187 | Allowances for doubtful prepayments for intangible investments |  |  |  | 1187 | Impairment of prepayments for intangible investments |
|  |  |  | 1191 | Accumulated amortisation of development measures and software |  |  |  | 1191 | Accumulated amortisation of development measures and software |
|  |  |  | 1192 | Accumulated amortisation of other licences, concessions and patents, trade marks and similar rights |  |  |  | 1192 | Accumulated amortisation of licences, concessions and patents, trade marks and similar rights |
|  |  |  | 1192 | Accumulated amortisation of other licences, concessions and patents, trade marks and similar rights |  |  |  | 1197 | Accumulated amortisation of licences for computer software |
|  |  |  | 1193 | Accumulated amortisation of other intangible investments |  |  |  | 1193 | Accumulated amortisation of other intangible investments |
|  |  |  | 1195 | Accumulated amortisation of computer software |  |  |  | 1195 | Accumulated amortisation of computer software |
|  |  |  | 1196 | Accumulated amortisation of intangible assets for the research of mineral resources and other similar non-produced intangible assets |  |  |  | 1196 | Accumulated amortisation of intangible assets for the research of mineral resources and other similar non-produced intangible assets |
|  |  |  | 1199 | Impairment of intangible investments |  |  |  | 1199 | Impairment of intangible investments |
|  |  |  | 1211 | Residential buildings |  |  |  | 1211 | Residential buildings |
|  |  |  | 1211 | Residential buildings |  |  |  | 1512 | **Structures** |
|  |  |  | 1212 | Non-residential buildings |  |  |  | 1212 | Non-residential buildings |
|  |  |  | 1212 | Non-residential buildings |  |  |  | 1512 | **Structures** |
|  |  |  | 1213 | Transport structures |  |  |  | 1213 | Transport structures |
|  |  |  | 1213 | Transport structures |  |  |  | 1512 | **Structures** |
|  |  |  | 1214 | Land beneath buildings and structures |  |  |  | 1214 | Land beneath structures |
|  |  |  | 1214 | Land beneath buildings and structures |  |  |  | 1511 | Land |
|  |  |  | 1215 | Cultivated land |  |  |  | 1215 | Cultivated land |
|  |  |  | 1215 | Cultivated land |  |  |  | 1511 | Land |
|  |  |  | 1216 | Land to be used for recreation and entertainment |  |  |  | 1216 | Land to be used for recreation and entertainment |
|  |  |  | 1216 | Land to be used for recreation and entertainment |  |  |  | 1511 | Land |
|  |  |  | 1217 | Other land |  |  |  | 1217 | Other land |
|  |  |  | 1217 | Other land |  |  |  | 1511 | Land |
|  |  |  | 1218 | Engineering structures |  |  |  | 1218 | Engineering structures |
|  |  |  | 1218 | Engineering structures |  |  |  | 1512 | **Structures** |
|  |  |  | 1219 | Other immovable property |  |  |  | 1219 | Other immovable property |
|  |  |  | 1219 | Other immovable property |  |  |  | 1512 | **Structures** |
|  |  | 1220 | x | Technological equipment and machinery |  |  | 1220 | x | Technological equipment and machinery |
|  |  | 1220 | x | Technological equipment and machinery |  |  |  | 1519 | Integral parts of investment properties |
|  |  |  | 1231 | Vehicles |  |  |  | 1231 | Vehicles |
|  |  |  | 1232 | Fixed household assets |  |  |  | 1239 | Other previously non-classified property, plant and equipment |
|  |  |  | 1232 | Fixed household assets |  |  |  | 1519 | Integral parts of investment properties |
|  |  |  | 1233 | Library funds |  |  |  | 1233 | Library funds |
|  |  |  | 1234 | Original works of entertainment, literature and art |  |  |  | 1236 | Literary and art original works, objects of culture and art |
|  |  |  | 1234 | Original works of entertainment, literature and art |  |  |  | 1519 | Integral parts of investment properties |
|  |  |  | 1235 | Precious stones and precious metals |  |  |  | 1235 | Precious stones, precious metals, and other valuables |
|  |  |  | 1236 | Antique and other objects of culture and art |  |  |  | 1236 | Literary and art original works, objects of culture and art |
|  |  |  | 1236 | Antique and other objects of culture and art |  |  |  | 1519 | Integral parts of investment properties |
|  |  |  | 1237 | Other valuables |  |  |  | 1235 | Precious stones, precious metals, and other valuables |
|  |  |  | 1238 | Computer hardware, communication and other office equipment |  |  |  | 1238 | Computer hardware, communications equipment, and other office equipment |
|  |  |  | 1238 | Computer hardware, communication and other office equipment |  |  |  | 1519 | Integral parts of investment properties |
|  |  |  | 1239 | Previously non-classified other property, plant and equipment |  |  |  | 1239 | Other previously non-classified property, plant and equipment |
|  |  |  | 1239 | Previously non-classified other property, plant and equipment |  |  |  | 1519 | Integral parts of investment properties |
|  |  |  | 1241 | Construction of property, plant and equipment |  |  |  | 1241 | Construction of property, plant and equipment |
|  |  |  | 1241 | Construction of property, plant and equipment |  |  | 1540 | x | Construction of investment properties and unfinished building objects |
|  |  |  | 1242 | Unfinished building objects |  |  |  | 1242 | Unfinished building objects |
|  |  |  | 1242 | Unfinished building objects |  |  | 1540 | x | Construction of investment properties and unfinished building objects |
|  |  |  | 1251 | State and local government land transferred for holding |  |  |  | 1251 | State and local government land transferred for holding |
|  |  |  | 1251 | State and local government land transferred for holding |  |  |  | 1551 | Land transferred for holding |
|  |  |  | 1252 | State and local government buildings and structures transferred for holding |  |  |  | 1252 | State and local government structures transferred for holding |
|  |  |  | 1252 | State and local government buildings and structures transferred for holding |  |  |  | 1254 | Unfinished building objects of the State and local governments transferred for holding |
|  |  |  | 1252 | State and local government buildings and structures transferred for holding |  |  |  | 1552 | Structures transferred for holding |
|  |  |  | 1252 | State and local government buildings and structures transferred for holding |  |  |  | 1554 | Unfinished building objects transferred for holding |
|  |  |  | 1259 | Other properties of the State and local government transferred for holding |  |  |  | 1259 | Other properties of the State and local government transferred for holding |
|  |  |  | 1259 | Other properties of the State and local government transferred for holding |  |  |  | 1254 | Unfinished building objects of the State and local governments transferred for holding |
|  |  |  | 1259 | Other properties of the State and local government transferred for holding |  |  |  | 1559 | Other properties transferred for holding |
|  |  |  | 1259 | Other properties of the State and local government transferred for holding |  |  |  | 1554 | Unfinished building objects transferred for holding |
|  |  |  | 1261 | Underground assets |  |  |  | 1261 | Underground assets |
|  |  |  | 1262 | Orchards and other plantings of trees that regularly produce |  |  |  | 1262 | Orchards and other plantings of trees that regularly produce |
|  |  |  | 1262 | Orchards and other plantings of trees that regularly produce |  |  |  | 1613 | Other biological assets for agricultural activity |
|  |  |  | 1263 | Forest stands |  |  |  | 1263 | Forest stands |
|  |  |  | 1263 | Forest stands |  |  |  | 1611 | Forest stands for agricultural activity |
|  |  |  | 1264 | State and local government biological and underground assets transferred for holding |  |  |  | 1264 | State and local government biological and underground assets transferred for holding |
|  |  |  | 1264 | State and local government biological and underground assets transferred for holding |  |  |  | 1612 | Biological assets for agricultural activity transferred for holding |
|  |  |  | 1269 | Other biological assets |  |  |  | 1269 | Other biological assets |
|  |  |  | 1269 | Other biological assets |  |  |  | 1613 | Other biological assets for agricultural activity |
|  |  | 1270 | x | Long-term investments in leased property, plant and equipment |  |  | 1270 | x | Long-term investments in leased property, plant and equipment |
|  |  |  | 1281 | Prepayments for land, buildings and structures |  |  |  | 1281 | Prepayments for land and structures |
|  |  |  | 1281 | Prepayments for land, buildings and structures |  |  |  | 1581 | Prepayments for investment properties |
|  |  |  | 1282 | Prepayments for technological equipment and machinery |  |  |  | 1282 | Prepayments for technological equipment and machinery |
|  |  |  | 1282 | Prepayments for technological equipment and machinery |  |  |  | 1581 | Prepayments for investment properties |
|  |  |  | 1283 | Prepayments for other property, plant and equipment |  |  |  | 1283 | Prepayments for other property, plant and equipment |
|  |  |  | 1283 | Prepayments for other property, plant and equipment |  |  |  | 1581 | Prepayments for investment properties |
|  |  |  | 1286 | Prepayments for biological and underground assets |  |  |  | 1286 | Prepayments for biological and underground assets |
|  |  |  | 1286 | Prepayments for biological and underground assets |  |  |  | 1681 | Prepayments for biological assets for agricultural activity |
|  |  |  | 1287 | Allowances for doubtful prepayments for property, plant and equipment |  |  |  | 1287 | Impairment of prepayments for property, plant and equipment |
|  |  |  | 1287 | Allowances for doubtful prepayments for property, plant and equipment |  |  |  | 1588 | Impairment of prepayments for investment properties |
|  |  |  | 1287 | Allowances for doubtful prepayments for property, plant and equipment |  |  |  | 1688 | Impairment of prepayments for biological assets for agricultural activity |
|  |  |  | 1289 | Other prepayments |  |  |  | 1289 | Other prepayments |
|  |  |  | 1289 | Other prepayments |  |  |  | 1581 | Prepayments for investment properties |
|  |  |  | 1291 | Accumulated depreciation of buildings and structures |  |  |  | 1291 | Accumulated depreciation of structures |
|  |  |  | 1291 | Accumulated depreciation of buildings and structures |  |  |  | 1591 | Depreciation of investment properties |
|  |  |  | 1292 | Accumulated depreciation of technological equipment and machinery |  |  |  | 1292 | Accumulated depreciation of technological equipment and machinery |
|  |  |  | 1292 | Accumulated depreciation of technological equipment and machinery |  |  |  | 1591 | Depreciation of investment properties |
|  |  |  | 1293 | Accumulated depreciation of other property, plant and equipment |  |  |  | 1293 | Accumulated depreciation of other property, plant and equipment |
|  |  |  | 1293 | Accumulated depreciation of other property, plant and equipment |  |  |  | 1591 | Depreciation of investment properties |
|  |  |  | 1295 | Accumulated depreciation of State and local government property transferred for holding |  |  |  | 1295 | Accumulated depreciation of State and local government property transferred for holding |
|  |  |  | 1295 | Accumulated depreciation of State and local government property transferred for holding |  |  |  | 1591 | Depreciation of investment properties |
|  |  |  | 1297 | Accumulated depreciation of long-term investments in leased property, plant and equipment |  |  |  | 1297 | Accumulated depreciation of long-term investments in leased property, plant and equipment |
|  |  |  | 1299 | Impairment of property, plant and equipment |  |  |  | 1298 | Impairment of biological and underground assets |
|  |  |  | 1299 | Impairment of property, plant and equipment |  |  |  | 1299 | Impairment of property, plant and equipment |
|  |  |  | 1299 | Impairment of property, plant and equipment |  |  |  | 1598 | Impairment of investment properties |
|  |  |  | 1299 | Impairment of property, plant and equipment |  |  | 1690 |  | Impairment of biological assets |
|  |  |  | 1311 | Participation in the capital of related capital companies |  |  |  | 1311 | Participation in the capital of related capital companies |
|  |  |  | 1319 | Impairment of participation in the capital of related capital companies |  |  |  | 1319 | Impairment of participation in the capital of related capital companies |
|  |  |  | 1321 | Participation in the capital of associated capital companies |  |  |  | 1321 | Participation in the capital of associated capital companies |
|  |  |  | 1329 | Impairment of participation in the capital of associated capital companies |  |  |  | 1329 | Impairment of participation in the capital of associated capital companies |
|  |  |  | 1331 | Non-current loans to related capital companies |  |  |  | 1331 | Non-current loans to related capital companies |
|  |  |  | 1332 | Non-current loans to associated capital companies |  |  |  | 1332 | Non-current loans to associated capital companies |
|  |  |  | 1339 | Other non-current loans |  |  |  | 1333 | Long-term accrued revenues from loans |
|  |  |  | 1339 | Other non-current loans |  |  |  | 1339 | Other non-current loans |
|  |  |  | 1341 | Long-term financial investments in government securities of Latvia |  |  |  | 1343 | Long-term accrued revenues from financial investments in securities |
|  |  |  | 1341 | Long-term financial investments in government securities of Latvia |  |  |  | 1348 | Impairment of long-term financial investments in securities |
|  |  |  | 1341 | Long-term financial investments in government securities of Latvia |  |  |  | 1349 | Long-term financial investments in securities |
|  |  |  | 1342 | Long-term financial investments in local government securities of Latvia |  |  |  | 1343 | Long-term accrued revenues from financial investments in securities |
|  |  |  | 1342 | Long-term financial investments in local government securities of Latvia |  |  |  | 1348 | Impairment of long-term financial investments in securities |
|  |  |  | 1342 | Long-term financial investments in local government securities of Latvia |  |  |  | 1349 | Long-term financial investments in securities |
|  |  |  | 1349 | Other long-term financial investments in securities |  |  |  | 1343 | Long-term accrued revenues from financial investments in securities |
|  |  |  | 1349 | Other long-term financial investments in securities |  |  |  | 1348 | Impairment of long-term financial investments in securities |
|  |  |  | 1349 | Other long-term financial investments in securities |  |  |  | 1349 | Long-term financial investments in securities |
|  |  |  | 1351 | Long-term financial investments in international financial institutions |  |  |  | 1351 | Long-term financial investments in international financial institutions |
|  |  |  | 1351 | Long-term financial investments in international financial institutions |  |  |  | 1359 | Other long-term financial investments |
|  |  |  | 1352 | Long-term financial investments in the capital of capital companies quoted on a stock exchange |  |  |  | 1359 | Other long-term financial investments |
|  |  |  | 1353 | Long-term financial investments in the capital of capital companies that are not quoted on a stock exchange |  |  |  | 1359 | Other long-term financial investments |
|  |  |  | 1354 | Non-current receivables for tier 2 funded pensions |  |  |  | 1354 | Non-current receivables for tier 2 funded pensions |
|  |  |  | 1358 | Impairment of long-term financial investments |  |  |  | 1358 | Impairment of other long-term financial investments |
|  |  |  | 1359 | Other long-term financial investments |  |  |  | 1355 | Long-term accrued revenues from other long-term financial investments |
|  |  |  | 1359 | Other long-term financial investments |  |  |  | 1359 | Other long-term financial investments |
|  |  |  | 1371 | Participation in related capital companies transferred for holding |  |  |  | 1371 | Participation in related capital companies transferred for holding |
|  |  |  | 1371 | Participation in related capital companies transferred for holding |  |  |  | 1378 | Impairment of long-term financial investments transferred for holding |
|  |  |  | 1372 | Participation in associated capital companies transferred for holding |  |  |  | 1372 | Participation in associated capital companies transferred for holding |
|  |  |  | 1372 | Participation in associated capital companies transferred for holding |  |  |  | 1378 | Impairment of long-term financial investments transferred for holding |
|  |  |  | 1374 | Long-term financial investments in the capital of capital companies quoted on a stock exchange transferred for holding |  |  |  | 1378 | Impairment of long-term financial investments transferred for holding |
|  |  |  | 1374 | Long-term financial investments in the capital of capital companies quoted on a stock exchange transferred for holding |  |  |  | 1379 | Other long-term financial investments transferred for holding |
|  |  |  | 1375 | Long-term financial investments in the capital of capital companies that are not quoted on a stock exchange transferred for holding |  |  |  | 1378 | Impairment of long-term financial investments transferred for holding |
|  |  |  | 1375 | Long-term financial investments in the capital of capital companies that are not quoted on a stock exchange transferred for holding |  |  |  | 1379 | Other long-term financial investments transferred for holding |
|  |  |  | 1381 | Prepayments for financial investment in related capital companies |  |  |  | 1389 | Prepayments for long-term financial investments |
|  |  |  | 1382 | Prepayments for financial investment in associated capital companies |  |  |  | 1389 | Prepayments for long-term financial investments |
|  |  |  | 1383 | Prepayments for securities |  |  |  | 1389 | Prepayments for long-term financial investments |
|  |  |  | 1384 | Prepayments for financial investment in capital of capital companies quoted on a stock exchange |  |  |  | 1389 | Prepayments for long-term financial investments |
|  |  |  | 1385 | Prepayments for financial investment in capital of capital companies that are not quoted on a stock exchange |  |  |  | 1389 | Prepayments for long-term financial investments |
|  |  |  | 1389 | Prepayments for other financial investments |  |  |  | 1389 | Prepayments for long-term financial investments |
|  |  | 1390 | x | Allowances for doubtful non-current loans and prepayments for long-term financial investments |  |  |  | 1338 | Impairment of non-current loans |
|  |  | 1390 | x | Allowances for doubtful non-current loans and prepayments for long-term financial investments |  |  |  | 1388 | Impairment of prepayments for long-term financial investments |
|  |  |  | 1415 | Non-current receivables for transfers made in advance |  |  |  | 1415 | Non-current receivables for transfers made in advance for projects (measures) financed from the European Union policy instruments and other foreign financial assistance |
|  |  |  | 1416 | Other non-current receivables for projects (measures) financed from the European Union policy instruments and other foreign financial assistance |  |  |  | 1416 | Non-current receivables for projects (measures) financed from the European Union policy instruments and other foreign financial assistance |
|  |  | 1420 | x | Other non-current receivables |  |  |  | 1421 | Non-current receivables for finance lease |
|  |  | 1420 | x | Other non-current receivables |  |  |  | 1425 | Non-current receivables for transfers made in advance |
|  |  | 1420 | x | Other non-current receivables |  |  |  | 1428 | Other previously non-classified non-current receivables |
|  |  | 1490 | x | Allowances for doubtful non-current receivables |  |  |  | 1419 | Impairment of non-current receivables for projects (measures) financed from the European Union policy instruments and other foreign financial assistance |
|  |  | 1490 | x | Allowances for doubtful non-current receivables |  |  |  | 1429 | Impairment of other non-current receivables |
|  |  |  | 2111 | Materials for educational, scientific and other purposes |  |  |  | 2111 | Materials for educational, scientific and other purposes |
|  |  |  | 2112 | Food products |  |  |  | 2112 | Food products |
|  |  |  | 2113 | Medicine, medicinal products and medical materials |  |  |  | 2113 | Medicine, medicinal products and medical materials |
|  |  |  | 2114 | Household materials and office stationery |  |  |  | 2114 | Household materials and office stationery |
|  |  |  | 2115 | Heating fuel, fuel, lubricants |  |  |  | 2115 | Heating fuel, fuel, lubricants |
|  |  |  | 2116 | Installations and machinery spare parts |  |  |  | 2116 | Installations and machinery spare parts |
|  |  |  | 2119 | Other materials |  |  |  | 2119 | Other materials |
|  |  | 2120 | x | Unfinished products and orders |  |  | 2120 | x | Unfinished products and orders |
|  |  |  | 2131 | Finished products |  |  |  | 2131 | Finished products |
|  |  |  | 2132 | Disposable inventories and long-term investments |  |  |  | 2132 | Disposable inventories and long-term investments |
|  |  |  | 2133 | Finished orders |  |  |  | 2133 | Finished orders |
|  |  |  | 2134 | Disposable State and local government inventories and long-term investments transferred for holding |  |  |  | 2134 | Disposable State and local government inventories and long-term investments transferred for holding |
|  |  |  | 2141 | Draught and productive animals |  |  |  | 2141 | Agricultural products |
|  |  |  | 2141 | Draught and productive animals |  |  |  | 1269 | Other biological assets |
|  |  |  | 2142 | Animal fodder and seeds |  |  |  | 2142 | Animal fodder and seeds |
|  |  |  | 2149 | Other agricultural stocks |  |  |  | 2149 | Other agricultural stocks |
|  |  | 2150 | x | Strategic reserves |  |  | 2150 | x | Strategic reserves |
|  |  |  | 2161 | Equipment with short useful life |  |  |  | 2161 | Equipment with long useful life |
|  |  |  | 2162 | Clothing, footwear, linen and bedding |  |  |  | 2162 | Clothing, footwear, linen and bedding |
|  |  |  | 2165 | State and local government equipment transferred for holding |  |  |  | 2165 | State and local government equipment transferred for holding |
|  |  |  | 2169 | Other equipment |  |  |  | 2169 | Equipment with short useful life |
|  |  |  | 2171 | Specialist military equipment |  |  |  | 2171 | Specialist military equipment |
|  |  |  | 2171 | Specialist military equipment |  |  | 1220 | x | Technological equipment and machinery |
|  |  |  | 2171 | Specialist military equipment |  |  |  | 1231 | Vehicles |
|  |  |  | 2171 | Specialist military equipment |  |  |  | 1238 | Computer hardware, communications equipment, and other office equipment |
|  |  |  | 2171 | Specialist military equipment |  |  |  | 1239 | Other previously non-classified property, plant and equipment |
|  |  |  | 2179 | Construction of specialist military equipment |  |  |  | 2179 | Construction of specialist military equipment |
|  |  |  | 2179 | Construction of specialist military equipment |  |  |  | 1241 | Construction of property, plant and equipment |
|  |  |  | 2179 | Construction of specialist military equipment |  |  |  | 1242 | Unfinished building objects |
|  |  |  | 2181 | Prepayments for inventories |  |  |  | 2181 | Prepayments for inventories |
|  |  |  | 2187 | Allowances for doubtful prepayments for inventories |  |  |  | 2187 | Impairment of prepayments for inventories |
|  |  | 2190 | x | Impairment of inventories |  |  | 2190 | x | Impairment of inventories |
|  |  |  | 2312 | Receivables between budget institutions |  |  |  | 2311 | Receivables from purchasers and commissioning parties |
|  |  |  | 2312 | Receivables between budget institutions |  |  |  | 2316 | Receivables for operating lease |
|  |  |  | 2312 | Receivables between budget institutions |  |  |  | 2317 | Receivables for interest and other payments |
|  |  |  | 2313 | Receivables between subordinate budget institutions |  |  |  | 2311 | Receivables from purchasers and commissioning parties |
|  |  |  | 2313 | Receivables between subordinate budget institutions |  |  |  | 2316 | Receivables for operating lease |
|  |  |  | 2313 | Receivables between subordinate budget institutions |  |  |  | 2317 | Receivables for interest and other payments |
|  |  |  | 2314 | Receivables between State and local government budget institutions |  |  |  | 2311 | Receivables from purchasers and commissioning parties |
|  |  |  | 2314 | Receivables between State and local government budget institutions |  |  |  | 2316 | Receivables for operating lease |
|  |  |  | 2314 | Receivables between State and local government budget institutions |  |  |  | 2317 | Receivables for interest and other payments |
|  |  |  | 2315 | Receivables for the remainder of pension and benefit settlements in disbursing institutions |  |  |  | 2392 | Receivables for the remainder of pension and benefit settlements in disbursing institutions |
|  |  |  | 2316 | Receivables from related capital companies |  |  |  | 2311 | Receivables from purchasers and commissioning parties |
|  |  |  | 2316 | Receivables from related capital companies |  |  |  | 2316 | Receivables for operating lease |
|  |  |  | 2316 | Receivables from related capital companies |  |  |  | 2317 | Receivables for interest and other payments |
|  |  |  | 2317 | Receivables from associated capital companies |  |  |  | 2311 | Receivables from purchasers and commissioning parties |
|  |  |  | 2317 | Receivables from associated capital companies |  |  |  | 2316 | Receivables for operating lease |
|  |  |  | 2317 | Receivables from associated capital companies |  |  |  | 2317 | Receivables for interest and other payments |
|  |  |  | 2318 | Receivables from other capital companies |  |  |  | 2311 | Receivables from purchasers and commissioning parties |
|  |  |  | 2318 | Receivables from other capital companies |  |  |  | 2316 | Receivables for operating lease |
|  |  |  | 2318 | Receivables from other capital companies |  |  |  | 2317 | Receivables for interest and other payments |
|  |  |  | 2319 | Other receivables from purchasers and commissioning parties |  |  |  | 2311 | Receivables from purchasers and commissioning parties |
|  |  |  | 2319 | Other receivables from purchasers and commissioning parties |  |  |  | 2315 | Receivables for finance lease |
|  |  |  | 2319 | Other receivables from purchasers and commissioning parties |  |  |  | 2316 | Receivables for operating lease |
|  |  |  | 2319 | Other receivables from purchasers and commissioning parties |  |  |  | 2317 | Receivables for interest and other payments |
|  |  |  | 2321 | Receivables from a foreign partner |  |  |  | 2321 | Receivables for projects (measures) financed from foreign financial assistance and the European Union policy instruments |
|  |  |  | 2329 | Other receivables |  |  |  | 2321 | Receivables for projects (measures) financed from foreign financial assistance and the European Union policy instruments |
|  |  |  | 2331 | Provisions for receivables from purchasers and commissioning parties |  |  |  | 2318 | Impairment of receivables from purchasers and commissioning parties |
|  |  |  | 2332 | Provisions for receivables for measures financed from foreign financial assistance and the European Union policy instruments |  |  |  | 2328 | Impairment of receivables for projects (measures) financed from foreign financial assistance and the European Union policy instruments |
|  |  |  | 2333 | Provisions for receivables from the personnel |  |  |  | 2388 | Impairment of receivables from the personnel |
|  |  |  | 2339 | Provisions for other receivables |  |  |  | 2348 | Impairment of receivables for taxes, fees, and other payments into budgets |
|  |  |  | 2339 | Provisions for other receivables |  |  |  | 2398 | Impairment of other receivables |
|  |  |  | 2341 | Receivables for immovable property tax |  |  |  | 2341 | Receivables for immovable property tax |
|  |  |  | 2342 | Receivables for personal income tax |  |  |  | 2342 | Receivables for personal income tax |
|  |  |  | 2343 | Receivables for value added tax |  |  |  | 2343 | Receivables for value added tax |
|  |  |  | 2349 | Other receivables for taxes and fees |  |  |  | 2349 | Other receivables for taxes, fees, and other payments into budgets |
|  |  |  | 2361 | Accrued interest revenues from deposits and balances in the Treasury |  |  |  | 2361 | Accrued interest revenues from deposits and balances on accounts |
|  |  |  | 2361 | Accrued interest revenues from deposits and balances in the Treasury |  |  |  | 1363 | Long-term accrued revenues from long-term deposits |
|  |  |  | 2361 | Accrued interest revenues from deposits and balances in the Treasury |  |  |  | 2566 | Accrued revenues from interest and other payments for deposits |
|  |  |  | 2362 | Other accrued interest revenues from deposits and balances |  |  |  | 2361 | Accrued interest revenues from deposits and balances on accounts |
|  |  |  | 2362 | Other accrued interest revenues from deposits and balances |  |  |  | 1363 | Long-term accrued revenues from long-term deposits |
|  |  |  | 2362 | Other accrued interest revenues from deposits and balances |  |  |  | 2566 | Accrued revenues from interest and other payments for deposits |
|  |  |  | 2363 | Accrued interest revenues from loans |  |  |  | 2536 | Short-term accrued revenues from loans |
|  |  |  | 2364 | Accrued revenues from paid services |  |  |  | 2364 | Accrued revenues from services |
|  |  |  | 2365 | Accrued revenues from derived financial instruments |  |  |  | 2369 | Other accrued revenues |
|  |  |  | 2369 | Other accrued revenues |  |  |  | 2369 | Other accrued revenues |
|  |  |  | 2369 | Other accrued revenues |  |  |  | 2368 | Accrued revenues from taxes, fees, and other payments into budgets |
|  |  |  | 2371 | Personal income tax |  |  |  | 2371 | Personal income tax |
|  |  |  | 2372 | Mandatory State social insurance contributions |  |  |  | 2372 | Mandatory State social insurance contributions |
|  |  |  | 2373 | Value added tax |  |  |  | 2373 | Value added tax |
|  |  |  | 2379 | Other taxes |  |  |  | 2374 | Immovable property tax |
|  |  |  | 2379 | Other taxes |  |  |  | 2379 | Other taxes, fees, and payments into budgets |
|  |  |  | 2381 | Prepayments issued to employees |  |  |  | 2381 | Prepayments issued to employees |
|  |  |  | 2382 | Receivables for shortages |  |  |  | 2389 | Other receivables from the personnel |
|  |  |  | 2389 | Other receivables from the personnel |  |  |  | 2389 | Other receivables from the personnel |
|  |  |  | 2391 | Receivables for overpayments to the recipients of social services |  |  |  | 2391 | Receivables for overpayments to the recipients of social services |
|  |  |  | 2399 | Other previously non-classified receivables |  |  |  | 2399 | Other receivables |
|  |  |  | 2411 | Prepaid expenditures for projects of the Cohesion Fund |  |  |  | 2411 | Prepaid expenditures for projects of the Cohesion Fund |
|  |  |  | 2419 | Other prepaid expenditures for projects and measures financed from foreign financial assistance and the European Union policy instruments |  |  |  | 2419 | Other prepaid expenditures for projects and measures financed from foreign financial assistance and the European Union policy instruments |
|  |  |  | 2421 | Prepayments for services |  |  |  | 2421 | Prepayments for services |
|  |  |  | 2422 | Prepaid expenditures for work remuneration settlements |  |  |  | 2422 | Prepaid expenditures for work remuneration settlements |
|  |  |  | 2423 | Prepaid expenditures for social settlements |  |  |  | 2423 | Prepaid expenditures for social settlements |
|  |  |  | 2427 | Allowances for doubtful prepayments for services |  |  |  | 2427 | Impairment of prepayments for services |
|  |  |  | 2429 | Other prepaid expenditures |  |  |  | 2429 | Other prepaid expenditures |
|  |  |  | 2431 | Transfers for projects (measures) financed from the European Union policy instruments and other foreign financial assistance |  |  |  | 2431 | Transfers for projects (measures) financed from the European Union policy instruments and other foreign financial assistance |
|  |  |  | 2432 | Other transfers |  |  |  | 2432 | Other transfers |
|  |  | 2510 | x | Participation in the capital of related capital companies |  |  |  | 2511 | Participation in the capital of related capital companies |
|  |  | 2510 | x | Participation in the capital of related capital companies |  |  |  | 2519 | Impairment of participation in the capital of related capital companies |
|  |  | 2520 | x | Participation in the capital of associated capital companies |  |  |  | 2521 | Participation in the capital of associated capital companies |
|  |  | 2520 | x | Participation in the capital of associated capital companies |  |  |  | 2529 | Impairment of participation in the capital of associated capital companies |
|  |  |  | 2531 | Current loans to related capital companies |  |  |  | 2531 | Current loans to related capital companies |
|  |  |  | 2531 | Current loans to related capital companies |  |  |  | 2535 | Receivables for interest and other payments for loans |
|  |  |  | 2532 | Current loans to associated capital companies |  |  |  | 2532 | Current loans to associated capital companies |
|  |  |  | 2532 | Current loans to associated capital companies |  |  |  | 2535 | Receivables for interest and other payments for loans |
|  |  |  | 2534 | Impairment of the issued current loans |  |  |  | 2534 | Impairment of current loans |
|  |  |  | 2539 | Other current loans |  |  |  | 2539 | Other current loans |
|  |  |  | 2539 | Other current loans |  |  |  | 2535 | Receivables for interest and other payments for loans |
|  |  |  | 2541 | Short-term financial investments in government securities of Latvia |  |  |  | 2549 | Other short-term financial investments in securities |
|  |  |  | 2541 | Short-term financial investments in government securities of Latvia |  |  |  | 2545 | Receivables for interest and other payments for financial investments in securities |
|  |  |  | 2541 | Short-term financial investments in government securities of Latvia |  |  |  | 2546 | Accrued revenues from interest and other payments for financial investments in securities |
|  |  |  | 2541 | Short-term financial investments in government securities of Latvia |  |  |  | 2548 | Impairment of short-term financial investments in securities |
|  |  |  | 2542 | Short-term financial investments in local government securities of Latvia |  |  |  | 2549 | Other short-term financial investments in securities |
|  |  |  | 2542 | Short-term financial investments in local government securities of Latvia |  |  |  | 2545 | Receivables for interest and other payments for financial investments in securities |
|  |  |  | 2542 | Short-term financial investments in local government securities of Latvia |  |  |  | 2546 | Accrued revenues from interest and other payments for financial investments in securities |
|  |  |  | 2542 | Short-term financial investments in local government securities of Latvia |  |  |  | 2548 | Impairment of short-term financial investments in securities |
|  |  |  | 2549 | Other short-term financial investments in securities |  |  |  | 2549 | Other short-term financial investments in securities |
|  |  |  | 2549 | Other short-term financial investments in securities |  |  |  | 2545 | Receivables for interest and other payments for financial investments in securities |
|  |  |  | 2549 | Other short-term financial investments in securities |  |  |  | 2546 | Accrued revenues from interest and other payments for financial investments in securities |
|  |  |  | 2549 | Other short-term financial investments in securities |  |  |  | 2548 | Impairment of short-term financial investments in securities |
|  |  |  | 2551 | Short-term financial investments in international financial institutions |  |  |  | 2551 | Short-term financial investments in international financial institutions |
|  |  |  | 2551 | Short-term financial investments in international financial institutions |  |  |  | 2559 | Other short-term financial investments |
|  |  |  | 2552 | Short-term financial investments in the capital of capital companies quoted on stock exchanges |  |  |  | 2559 | Other short-term financial investments |
|  |  |  | 2552 | Short-term financial investments in the capital of capital companies quoted on stock exchanges |  |  |  | 2555 | Receivables for interest and other payments for other financial investments |
|  |  |  | 2552 | Short-term financial investments in the capital of capital companies quoted on stock exchanges |  |  |  | 2556 | Accrued revenues from other short-term financial investments |
|  |  |  | 2552 | Short-term financial investments in the capital of capital companies quoted on stock exchanges |  |  |  | 2558 | Impairment of other short-term financial investments |
|  |  |  | 2553 | Short-term financial investments in the capital of capital companies that are not quoted on stock exchanges |  |  |  | 2559 | Other short-term financial investments |
|  |  |  | 2553 | Short-term financial investments in the capital of capital companies that are not quoted on stock exchanges |  |  |  | 2555 | Receivables for interest and other payments for other financial investments |
|  |  |  | 2553 | Short-term financial investments in the capital of capital companies that are not quoted on stock exchanges |  |  |  | 2556 | Accrued revenues from other short-term financial investments |
|  |  |  | 2553 | Short-term financial investments in the capital of capital companies that are not quoted on stock exchanges |  |  |  | 2558 | Impairment of other short-term financial investments |
|  |  |  | 2554 | Current receivables for tier 2 funded pensions |  |  |  | 2554 | Current receivables for tier 2 funded pensions |
|  |  |  | 2559 | Other short-term financial investments |  |  |  | 2559 | Other short-term financial investments |
|  |  |  | 2559 | Other short-term financial investments |  |  |  | 2555 | Receivables for interest and other payments for other financial investments |
|  |  |  | 2559 | Other short-term financial investments |  |  |  | 2556 | Accrued revenues from other short-term financial investments |
|  |  |  | 2559 | Other short-term financial investments |  |  |  | 2558 | Impairment of other short-term financial investments |
|  |  |  | 2571 | Prepayments for short-term financial investments |  |  |  | 2571 | Prepayments for short-term financial investments |
|  |  |  | 2577 | Allowances for doubtful prepayments for short-term financial investments |  |  |  | 2577 | Impairment of prepayments for short-term financial investments |
|  |  |  | 2611 | Funds of the basic budget |  |  |  | 2611 | Funds of the basic budget |
|  |  |  | 2612 | Funds of the special budget |  |  |  | 2612 | Funds of the special budget |
|  |  |  | 2613 | Funds of donations and gifts |  |  |  | 2613 | Funds of donations and gifts |
|  |  |  | 2614 | Funds of other budgets |  |  |  | 2614 | Funds of other budgets |
|  |  |  | 2621 | Funds of the basic budget |  |  |  | 2621 | Funds of the basic budget |
|  |  |  | 2622 | Funds of the special budget |  |  |  | 2622 | Funds of the special budget |
|  |  |  | 2623 | Funds of donations and gifts |  |  |  | 2623 | Funds of donations and gifts |
|  |  |  | 2624 | Funds of other budgets |  |  |  | 2624 | Funds of other budgets |
|  |  |  | 2631 | Funds of the basic budget |  |  |  | 2631 | Funds of the basic budget |
|  |  |  | 2631 | Funds of the basic budget |  |  |  | 1369 | Long-term deposits |
|  |  |  | 2631 | Funds of the basic budget |  |  |  | 2569 | Short-term deposits |
|  |  |  | 2632 | Funds of the special budget |  |  |  | 2632 | Funds of the special budget |
|  |  |  | 2632 | Funds of the special budget |  |  |  | 1369 | Long-term deposits |
|  |  |  | 2632 | Funds of the special budget |  |  |  | 2569 | Short-term deposits |
|  |  |  | 2633 | Funds of donations and gifts |  |  |  | 2633 | Funds of donations and gifts |
|  |  |  | 2633 | Funds of donations and gifts |  |  |  | 1369 | Long-term deposits |
|  |  |  | 2633 | Funds of donations and gifts |  |  |  | 2569 | Short-term deposits |
|  |  |  | 2634 | Funds of other budgets |  |  |  | 2634 | Funds of other budgets |
|  |  |  | 2634 | Funds of other budgets |  |  |  | 1369 | Long-term deposits |
|  |  |  | 2634 | Funds of other budgets |  |  |  | 2569 | Short-term deposits |
|  |  |  | 2671 | Funds of the basic budget |  |  |  | 2671 | Funds of the basic budget |
|  |  |  | 2672 | Funds of the special budget |  |  |  | 2672 | Funds of the special budget |
|  |  |  | 2673 | Funds of donations and gifts |  |  |  | 2673 | Funds of donations and gifts |
|  |  |  | 2674 | Funds of other budgets |  |  |  | 2674 | Funds of other budgets |
|  |  | 2710 | x | Appropriations to local government budget institutions |  |  | 2690 | x | Appropriations to local government budget institutions |
|  | | | | | | | | | |
| **PASSIVE** | |  |  |  | **PASSIVE** | |  |  |  |
|  |  | 3310 | x | Remeasurement reserve of long-term investments |  |  | x | x | x |
|  |  | 3320 | x | Remeasurement the reserve of financial instruments |  |  | 3320 | x | Fair value reserve of financial instruments |
|  |  | 3360 | x | Other reserves |  |  | 3360 | x | Other reserves |
|  |  |  | 3511 | Surplus or deficit of the basic budget implementation for the previous reporting years |  |  |  | 3511 | Surplus or deficit of the basic budget implementation for the previous reporting years |
|  |  |  | 3512 | Surplus or deficit of the special budget implementation for the previous reporting years |  |  |  | 3512 | Surplus or deficit of the special budget implementation for the previous reporting years |
|  |  |  | 3513 | Surplus or deficit of the implementation of donations and gifts for the previous reporting years |  |  |  | 3513 | Surplus or deficit of the implementation of donations and gifts for the previous reporting years |
|  |  |  | 3514 | Surplus or deficit of the implementation of other budgets for the previous reporting years |  |  |  | 3514 | Surplus or deficit of the implementation of other budgets for the previous reporting years |
|  |  |  | 3521 | Surplus or deficit of the basic budget implementation for the reporting year |  |  |  | 3521 | Surplus or deficit of the basic budget implementation for the reporting year |
|  |  |  | 3522 | Surplus or deficit of the special budget implementation for the reporting year |  |  |  | 3522 | Surplus or deficit of the special budget implementation for the reporting year |
|  |  |  | 3523 | Surplus or deficit of the implementation of donations and gifts for the reporting year |  |  |  | 3523 | Surplus or deficit of the implementation of donations and gifts for the reporting year |
|  |  |  | 3524 | Surplus or deficit of the implementation of other budgets for the reporting year |  |  |  | 3524 | Surplus or deficit of the implementation of other budgets for the reporting year |
|  | 4200 | x | x | Provisions for the expected liabilities | 4000 | x | x | x | Provisions |
|  |  |  | 5111 | Long-term borrowings from the credit institutions of Latvia |  |  |  | 5119 | Long-term borrowings |
|  |  |  | 5111 | Long-term borrowings from the credit institutions of Latvia |  |  |  | 5115 | Non-current liabilities for interest and other payments for borrowings |
|  |  |  | 5112 | Long-term borrowings from the Treasury |  |  |  | 5119 | Long-term borrowings |
|  |  |  | 5112 | Long-term borrowings from the Treasury |  |  |  | 5115 | Non-current liabilities for interest and other payments for borrowings |
|  |  |  | 5113 | Long-term borrowings from foreign institutions |  |  |  | 5119 | Long-term borrowings |
|  |  |  | 5113 | Long-term borrowings from foreign institutions |  |  |  | 5115 | Non-current liabilities for interest and other payments for borrowings |
|  |  |  | 5114 | Previously guaranteed borrowings |  |  |  | 5114 | Previously guaranteed long-term borrowings |
|  |  |  | 5114 | Previously guaranteed borrowings |  |  |  | 5115 | Non-current liabilities for interest and other payments for borrowings |
|  |  |  | 5119 | Other long-term borrowings |  |  |  | 5119 | Long-term borrowings |
|  |  |  | 5119 | Other long-term borrowings |  |  |  | 5115 | Non-current liabilities for interest and other payments for borrowings |
|  |  | 5130 | x | Non-current debts to suppliers and contractors |  |  |  | 5131 | Non-current liabilities towards suppliers and contractors |
|  |  | 5140 | x | Non-current accrued liabilities |  |  | 5140 | x | Non-current accrued liabilities |
|  |  | 5140 | x | Non-current accrued liabilities |  |  |  | 5116 | Non-current accrued liabilities for interest and other payments for borrowings |
|  |  |  | 5151 | Non-current prepayments received for goods and services |  |  |  | 5151 | Non-current prepayments received for goods and services |
|  |  |  | 5154 | Non-current deferred revenues for the donations and gifts received |  |  |  | 5154 | Non-current deferred revenues for the donations and gifts received |
|  |  |  | 5155 | Non-current liabilities for transfers received in advance |  |  |  | 5155 | Non-current liabilities for transfers received in advance |
|  |  |  | 5156 | Non-current liabilities for transfers received in advance for projects (measures) financed from the European Union policy instruments and other foreign financial assistance |  |  |  | 5156 | Non-current liabilities for transfers received in advance for projects (measures) financed from the European Union policy instruments and other foreign financial assistance |
|  |  |  | 5157 | Non-current liabilities for the received foreign financial assistance |  |  |  | 5157 | Non-current liabilities for the received foreign financial assistance |
|  |  |  | 5159 | Other non-current deferred revenues and received prepayments |  |  |  | 5159 | Other non-current deferred revenues and received prepayments |
|  |  |  | 5191 | Non-current finance lease (leasing) liabilities |  |  |  | 5135 | Non-current liabilities for finance lease |
|  |  |  | 5192 | Non-current liabilities towards the recipients of financing for projects (measures) financed from the European Union policy instruments and other foreign financial assistance |  |  |  | 5192 | Non-current liabilities towards the recipients of financing for projects (measures) financed from the European Union policy instruments and other foreign financial assistance |
|  |  |  | 5193 | Non-current liabilities for repayments into the State budget for projects (measures) financed from foreign financial assistance and the European Union policy instruments |  |  |  | 5193 | Non-current liabilities for repayments into the State budget for projects (measures) financed from foreign financial assistance and the European Union policy instruments |
|  |  |  | 5199 | Other previously non-classified non-current liabilities |  |  |  | 5199 | Other previously non-classified non-current liabilities |
|  |  |  | 5211 | Short-term borrowings and current portion of long-term borrowings from the credit institutions of Latvia |  |  |  | 5219 | Short-term borrowings and current portion of long-term borrowings |
|  |  |  | 5211 | Short-term borrowings and current portion of long-term borrowings from the credit institutions of Latvia |  |  |  | 5215 | Liabilities for interest and other payments for borrowings |
|  |  |  | 5212 | Short-term borrowings and current portion of long-term borrowings from the Treasury |  |  |  | 5219 | Short-term borrowings and current portion of long-term borrowings |
|  |  |  | 5212 | Short-term borrowings and current portion of long-term borrowings from the Treasury |  |  |  | 5215 | Liabilities for interest and other payments for borrowings |
|  |  |  | 5213 | Short-term borrowings and current portion of long-term borrowings from foreign institutions |  |  |  | 5219 | Short-term borrowings and current portion of long-term borrowings |
|  |  |  | 5213 | Short-term borrowings and current portion of long-term borrowings from foreign institutions |  |  |  | 5215 | Liabilities for interest and other payments for borrowings |
|  |  |  | 5214 | Previously guaranteed short-term borrowings and current portion of long-term borrowings |  |  |  | 5214 | Previously guaranteed short-term borrowings and current portion of long-term borrowings |
|  |  |  | 5214 | Previously guaranteed short-term borrowings and current portion of long-term borrowings |  |  |  | 5215 | Liabilities for interest and other payments for borrowings |
|  |  |  | 5219 | Other short-term borrowings and current portion of long-term borrowings |  |  |  | 5219 | Short-term borrowings and current portion of long-term borrowings |
|  |  |  | 5219 | Other short-term borrowings and current portion of long-term borrowings |  |  |  | 5215 | Liabilities for interest and other payments for borrowings |
|  |  |  | 5311 | Liabilities towards suppliers and contractors |  |  |  | 5311 | Liabilities towards suppliers and contractors |
|  |  |  | 5311 | Liabilities towards suppliers and contractors |  |  |  | 5317 | Liabilities for interest and other payments |
|  |  |  | 5312 | Liabilities between budget institutions |  |  |  | 5311 | Liabilities towards suppliers and contractors |
|  |  |  | 5312 | Liabilities between budget institutions |  |  |  | 5317 | Liabilities for interest and other payments |
|  |  |  | 5313 | Liabilities between subordinate budget institutions |  |  |  | 5311 | Liabilities towards suppliers and contractors |
|  |  |  | 5313 | Liabilities between subordinate budget institutions |  |  |  | 5317 | Liabilities for interest and other payments |
|  |  |  | 5314 | Liabilities between the State and local government budget institutions |  |  |  | 5311 | Liabilities towards suppliers and contractors |
|  |  |  | 5314 | Liabilities between the State and local government budget institutions |  |  |  | 5317 | Liabilities for interest and other payments |
|  |  |  | 5315 | Liabilities for the remainder of pension and benefit settlements in disbursing institutions |  |  |  | 5818 | Liabilities for the remainder of pension and benefit settlements in disbursing institutions |
|  |  |  | 5316 | Liabilities towards related capital companies |  |  |  | 5311 | Liabilities towards suppliers and contractors |
|  |  |  | 5316 | Liabilities towards related capital companies |  |  |  | 5317 | Liabilities for interest and other payments |
|  |  |  | 5317 | Liabilities towards associated capital companies |  |  |  | 5311 | Liabilities towards suppliers and contractors |
|  |  |  | 5317 | Liabilities towards associated capital companies |  |  |  | 5317 | Liabilities for interest and other payments |
|  |  |  | 5318 | Liabilities towards other capital companies |  |  |  | 5311 | Liabilities towards suppliers and contractors |
|  |  |  | 5318 | Liabilities towards other capital companies |  |  |  | 5317 | Liabilities for interest and other payments |
|  |  |  | 5319 | Other previously non-classified liabilities towards suppliers and contractors |  |  |  | 5311 | Liabilities towards suppliers and contractors |
|  |  |  | 5319 | Other previously non-classified liabilities towards suppliers and contractors |  |  |  | 5317 | Liabilities for interest and other payments |
|  |  |  | 5421 | Accrued liabilities for settlements with employees |  |  |  | 5421 | Accrued liabilities for settlements with employees |
|  |  |  | 5422 | Accrued liabilities for settlements for taxes and social insurance payments |  |  |  | 5422 | Accrued liabilities for settlements for taxes and social insurance payments |
|  |  |  | 5423 | Accrued liabilities for interest payments for borrowings |  |  |  | 5216 | Accrued liabilities for interest and other payments for borrowings |
|  |  |  | 5424 | Accrued liabilities for settlements with suppliers and contractors |  |  |  | 5424 | Accrued liabilities for settlements with suppliers and contractors |
|  |  |  | 5425 | Accrued liabilities for interest payments and the service charge for borrowings from the Treasury |  |  |  | 5216 | Accrued liabilities for interest and other payments for borrowings |
|  |  |  | 5429 | Other accrued liabilities |  |  |  | 5429 | Other accrued liabilities |
|  |  |  | 5429 | Other accrued liabilities |  |  |  | 5428 | Accrued liabilities for repayments of taxes, fees, and other payments |
|  |  |  | 5611 | Settlements for work remuneration in the current month |  |  |  | 5611 | Settlements for work remuneration in the current month |
|  |  |  | 5612 | Settlements for deposited work remuneration |  |  |  | 5612 | Settlements for deposited work remuneration |
|  |  |  | 5621 | Deductions according to writs of execution |  |  |  | 5621 | Deductions according to writs of execution |
|  |  |  | 5622 | Settlements for insurance |  |  |  | 5622 | Settlements for insurance |
|  |  |  | 5629 | Other deductions |  |  |  | 5629 | Other deductions |
|  |  |  | 5721 | Personal income tax |  |  |  | 5721 | Personal income tax |
|  |  |  | 5722 | Mandatory State social insurance contributions |  |  |  | 5722 | Mandatory State social insurance contributions |
|  |  |  | 5723 | Value added tax |  |  |  | 5723 | Value added tax |
|  |  |  | 5724 | Immovable property tax |  |  |  | 5724 | Immovable property tax |
|  |  |  | 5729 | Other taxes |  |  |  | 5729 | Other taxes and other payments into budgets |
|  |  |  | 5811 | Other liabilities towards personnel |  |  |  | 5811 | Other liabilities towards employees |
|  |  |  | 5812 | Settlements for scholarships |  |  |  | 5812 | Settlements for scholarships |
|  |  |  | 5813 | Liabilities for the received security deposit and other cash |  |  |  | 5813 | Liabilities for the received security deposit and other cash |
|  |  |  | 5814 | Current finance lease (leasing) liabilities |  |  |  | 5315 | Current liabilities for finance lease |
|  |  |  | 5814 | Current finance lease (leasing) liabilities |  |  |  | 5317 | Liabilities for interest and other payments |
|  |  |  | 5815 | Liabilities towards the budget |  |  |  | 5815 | Liabilities towards the budget |
|  |  |  | 5816 | Current operating lease liabilities |  |  |  | 5316 | Current liabilities for operating lease |
|  |  |  | 5816 | Current operating lease liabilities |  |  |  | 5317 | Liabilities for interest and other payments |
|  |  |  | 5817 | Current portion of other non-current liabilities towards financial institutions |  |  |  | 5819 | Other current liabilities |
|  |  |  | 5819 | Other current liabilities |  |  |  | 5819 | Other current liabilities |
|  |  |  | 5821 | Current liabilities towards the recipients of financing for projects (measures) financed from the European Union policy instruments and other foreign financial assistance |  |  |  | 5821 | Current liabilities towards the recipients of financing for projects (measures) financed from the European Union policy instruments and other foreign financial assistance |
|  |  |  | 5822 | Current liabilities for repayments into the State budget for projects (measures) financed from foreign financial assistance and the European Union policy instruments |  |  |  | 5822 | Current liabilities for repayments into the State budget for projects (measures) financed from foreign financial assistance and the European Union policy instruments |
|  |  |  | 5911 | Current prepayments received for goods and services |  |  |  | 5911 | Current prepayments received for goods and services |
|  |  |  | 5912 | Calculated, but non-disbursed pensions and benefits |  |  |  | 5817 | Non-disbursed pensions and benefits |
|  |  |  | 5914 | Deferred revenues for the received donations and gifts |  |  |  | 5914 | Deferred revenues for the received donations and gifts |
|  |  |  | 5915 | Deferred revenues for the interest revenues |  |  |  | 5915 | Deferred revenues for interest and other payments |
|  |  |  | 5917 | Current liabilities for the received foreign financial assistance |  |  |  | 5917 | Current liabilities for the received foreign financial assistance |
|  |  |  | 5919 | Other deferred revenues and received prepayments |  |  |  | 5919 | Other deferred revenues and received prepayments |
|  |  |  | 5931 | Transfers received for projects (measures) financed from the European Union policy instruments and other foreign financial assistance |  |  |  | 5931 | Transfers received for projects (measures) financed from the European Union policy instruments and other foreign financial assistance |
|  |  |  | 5932 | Other transfers |  |  |  | 5932 | Other transfers |
| **REVENUES AND EXPENDITURES** | | | | | **REVENUES AND EXPENDITURES** | | | | |
| 6000 | x | x | x | Operating revenues | 6000 | x | x | x | Operating revenues |
| 7000 | x | x | x | Operating expenditures | 7000 | x | x | x | Operating expenditures |
|  |  |  | 8111 | Revenues from currency exchange rate fluctuations of the basic budget |  |  |  | 8111 | Revenues from currency exchange rate fluctuations of the basic budget |
|  |  |  | 8112 | Revenues from currency exchange rate fluctuations of the special budget |  |  |  | 8112 | Revenues from currency exchange rate fluctuations of the special budget |
|  |  |  | 8113 | Revenues from currency exchange rate fluctuations of donations and gifts |  |  |  | 8113 | Revenues from currency exchange rate fluctuations of donations and gifts |
|  |  |  | 8114 | Revenues from currency exchange rate fluctuations of other budgetary means |  |  |  | 8114 | Revenues from currency exchange rate fluctuations of other budgetary means |
|  |  |  | 8121 | Interest revenues of the basic budget |  |  |  | 8121 | Interest revenues of the basic budget |
|  |  |  | 8122 | Interest revenues of the special budget |  |  |  | 8122 | Interest revenues of the special budget |
|  |  |  | 8123 | Interest revenues of donations and gifts |  |  |  | 8123 | Interest revenues of donations and gifts |
|  |  |  | 8124 | Interest revenues of other budgetary means |  |  |  | 8124 | Interest revenues of other budgetary means |
|  |  | 8130 | x | Revenues from the sale of capital shares, trade and remeasurement of securities |  |  | 8130 | x | Revenues from the sale of capital shares, trade and remeasurement of securities |
|  |  | 8140 | x | Revenues from the remeasurement or excess of long-term financial investments |  |  | 8140 | x | Revenues from the remeasurement or excess of long-term financial investments |
|  |  | 8150 | x | Revenues from a property investment in related and associated capital companies |  |  | 8150 | x | Revenues from a property investment in related and associated capital companies |
|  |  | 8180 | x | Financial revenues from the introduction of euro |  |  | x | x | x |
|  |  | 8190 | x | Other financial revenues |  |  | 8190 | x | Other financial revenues |
|  |  |  | 8211 | Expenditures from currency exchange rate fluctuations of the basic budget |  |  |  | 8211 | Expenditures from currency exchange rate fluctuations of the basic budget |
|  |  |  | 8212 | Expenditures from currency exchange rate fluctuations of the special budget |  |  |  | 8212 | Expenditures from currency exchange rate fluctuations of the special budget |
|  |  |  | 8213 | Expenditures from currency exchange rate fluctuations of donations and gifts |  |  |  | 8213 | Expenditures from currency exchange rate fluctuations of donations and gifts |
|  |  |  | 8214 | Expenditures from currency exchange rate fluctuations of other budgetary means |  |  |  | 8214 | Expenditures from currency exchange rate fluctuations of other budgetary means |
|  |  |  | 8221 | Interest expenditures of the basic budget |  |  |  | 8221 | Interest expenditures of the basic budget |
|  |  |  | 8222 | Interest expenditures of the special budget |  |  |  | 8222 | Interest expenditures of the special budget |
|  |  |  | 8223 | Interest expenditures of donations and gifts |  |  |  | 8223 | Interest expenditures of donations and gifts |
|  |  |  | 8224 | Interest expenditures of other budgetary means |  |  |  | 8224 | Interest expenditures of other budgetary means |
|  |  | 8230 | x | Expenditures from the sale of capital shares, sale and remeasurement of securities |  |  | 8230 | x | Expenditures from the sale of capital shares and securities |
|  |  | 8230 | x | Expenditures from the sale of capital shares, sale and remeasurement of securities |  |  | 8290 | x | Other financial expenditures |
|  |  | 8240 | x | Expenditures from the revaluation and impairment of long-term financial investments |  |  | 8240 | x | Expenditures from the revaluation of long-term financial investments |
|  |  | 8280 | x | Financial expenditures from the introduction of euro |  |  | x | x | x |
|  |  | 8290 | x | Other financial expenditures |  |  | 8290 | x | Other financial expenditures |
|  |  |  | 8411 | Revenues from the receipt and transfer of values in a non-exchange transaction between budget institutions |  |  | 8410 | x | Revenues from the values received and transferred without reward |
|  |  |  | 8412 | Revenues from the receipt and transfer of values in a non-exchange transaction between subordinate budget institutions |  |  | 8410 | x | Revenues from the values received and transferred without reward |
|  |  |  | 8413 | Revenues from the receipt and transfer of values in a non-exchange transaction between State and local government budget institutions |  |  | 8410 | x | Revenues from the values received and transferred without reward |
|  |  |  | 8414 | Revenues from the receipt and transfer of values in a non-exchange transaction from other persons |  |  | 8410 | x | Revenues from the values received and transferred without reward |
|  |  |  | 8421 | Expenditures from the receipt and transfer of values in a non-exchange transaction between budget institutions |  |  | 8420 | x | Expenditures from the values received and transferred without reward |
|  |  |  | 8422 | Expenditures from the receipt and transfer of values in a non-exchange transaction between subordinate budget institutions |  |  | 8420 | x | Expenditures from the values received and transferred without reward |
|  |  |  | 8423 | Expenditures from the receipt and transfer of values in a non-exchange transaction between State and local government budget institutions |  |  | 8420 | x | Expenditures from the values received and transferred without reward |
|  |  |  | 8424 | Expenditures from the receipt and transfer of values in a non-exchange transaction from other persons |  |  | 8420 | x | Expenditures from the values received and transferred without reward |
|  |  | 8510 | x | Revenues from the sale of the intangible investments and property, plant and equipment intended for disposal |  |  | 8510 | x | Revenues from the sale of the non-financial assets intended for disposal |
|  |  | 8520 | x | Revenues from the sale of inventories |  |  | 8510 | x | Revenues from the sale of the non-financial assets intended for disposal |
|  |  | 8530 | x | Revenues from the extinguishment of liabilities |  |  | 8530 | x | Revenues from the extinguishment of liabilities |
|  |  |  | 8541 | Surplus of intangible investments and property, plant and equipment |  |  | 8580 | x | Revenues from the initial recognition of non-current assets |
|  |  |  | 8542 | Surplus of financial investments |  |  | 8190 | x | Other financial revenues |
|  |  |  | 8543 | Surplus of inventories |  |  | 8570 | x | Revenues from the initial recognition of current assets |
|  |  |  | 8544 | Surplus of debtors |  |  | 8570 | x | Revenues from the initial recognition of current assets |
|  |  |  | 8549 | Other surpluses |  |  | 8570 | x | Revenues from the initial recognition of current assets |
|  |  |  | 8551 | Revenues from the reduction in the allowances formed for doubtful prepayments for intangible investments |  |  |  | 8551 | Revenues from the write-down of the impairment of prepayments for non-financial assets |
|  |  |  | 8552 | Revenues from the reduction in the allowances formed for doubtful prepayments for property, plant and equipment |  |  |  | 8551 | Revenues from the write-down of the impairment of prepayments for non-financial assets |
|  |  |  | 8553 | Revenues from the reduction in the allowances formed for doubtful prepayments for financial investments |  |  | 8190 | x | Other financial revenues |
|  |  |  | 8554 | Revenues from the reduction in the allowances formed for doubtful prepayments for inventories |  |  |  | 8551 | Revenues from the write-down of the impairment of prepayments for non-financial assets |
|  |  |  | 8555 | Revenues from the reduction in the allowances formed for doubtful receivables and prepayments for services |  |  |  | 8555 | Revenues from the write-down of the impairment of receivables and prepayments for services |
|  |  |  | 8556 | Revenues from the reduction in provisions for contingent liabilities |  |  | 8560 | x | Revenues from the write-down of provisions |
|  |  | 8570 | x | Revenues from the initial recognition of inventories in the balance sheet of the institution |  |  | 8570 | x | Revenues from the initial recognition of current assets |
|  |  |  | 8581 | Revenues from the initial recognition of intangible investments and property, plant and equipment |  |  | 8580 | x | Revenues from the initial recognition of non-current assets |
|  |  |  | 8582 | Revenues from the initial recognition of financial investments in the balance sheet of the institution |  |  | 8190 | x | Other financial revenues |
|  |  |  | 8589 | Revenues from the initial recognition of other long-term investments in the balance sheet of the institution |  |  | 8580 | x | Revenues from the initial recognition of non-current assets |
|  |  |  | 8591 | Revenue from increase in value of forest stands |  |  | 8580 | x | Revenues from the initial recognition of non-current assets |
|  |  |  | 8592 | Revenues from the reduction in the remeasurement reserve of long-term investments |  |  | x | x | x |
|  |  |  | 8593 | Revenues from the reversal of the impairment of long-term investments |  |  |  | 8552 | Revenues from the write-down of the impairment of non-financial assets |
|  |  |  | 8593 | Revenues from the reversal of the impairment of long-term investments |  |  | 8190 | x | Other financial revenues |
|  |  |  | 8599 | Other previously non-classified revenues |  |  | 8590 | x | Other previously non-classified revenues |
|  |  |  | 8599 | Other previously non-classified revenues |  |  |  | 8751 | Errors of the previous years |
|  |  |  | 8599 | Other previously non-classified revenues |  |  |  | 8752 | Change of the basic accounting principles |
|  |  |  | 8599 | Other previously non-classified revenues |  |  |  | 8753 | Transfer revenues attributable to the previous reporting years |
|  |  |  | 8599 | Other previously non-classified revenues |  |  |  | 8759 | Other revenues of the previous years |
|  |  |  | 8611 | Expenditures from the write-down and liquidation of intangible investments and property, plant and equipment |  |  |  | 8611 | Expenditures from the write-down and liquidation of non-financial assets |
|  |  |  | 8612 | Expenditures from the disposal of intangible investments and property, plant and equipment |  |  |  | 8612 | Expenditures from the disposal of non-financial assets |
|  |  | 8620 | x | Expenditures from the sale of inventories |  |  |  | 8612 | Expenditures from the disposal of non-financial assets |
|  |  |  | 8631 | Expenditures from the write-down of receivables |  |  |  | 8631 | Expenditures from the write-down of receivables |
|  |  |  | 8631 | Expenditures from the write-down of receivables |  |  |  | 8634 | Expenditures from the extinguishment of receivables for taxes, fees, and other payments into budgets |
|  |  |  | 8632 | Expenditures from the extinguishment of loans |  |  | 8290 | x | Other financial expenditures |
|  |  |  | 8641 | Shortages of intangible investments and property, plant and equipment |  |  |  | 8611 | Expenditures from the write-down and liquidation of non-financial assets |
|  |  |  | 8642 | Shortages of financial investments |  |  | 8290 | x | Other financial expenditures |
|  |  |  | 8643 | Shortages of inventories |  |  |  | 8611 | Expenditures from the write-down and liquidation of non-financial assets |
|  |  |  | 8644 | Shortages of debtors |  |  |  | 8631 | Expenditures from the write-down of receivables |
|  |  |  | 8649 | Other shortages |  |  |  | 8633 | Expenditures from the shortage of cash or its equivalents |
|  |  |  | 8651 | Expenditures for the formation of allowances for doubtful prepayments for intangible assets |  |  |  | 8651 | Expenditures from the impairment of prepayments for non-financial assets |
|  |  |  | 8652 | Expenditures for the formation of allowances for doubtful prepayments for property, plant and equipment |  |  |  | 8651 | Expenditures from the impairment of prepayments for non-financial assets |
|  |  |  | 8653 | Expenditures for the formation of allowances for doubtful prepayments for financial investments |  |  | 8290 | x | Other financial expenditures |
|  |  |  | 8654 | Expenditures for the formation of allowances for doubtful prepayments for inventories |  |  |  | 8651 | Expenditures from the impairment of prepayments for non-financial assets |
|  |  |  | 8655 | Expenditures for the formation of allowances for doubtful receivables and prepayments for services |  |  |  | 8655 | Expenditures from the impairment of receivables and prepayments for services |
|  |  |  | 8655 | Expenditures for the formation of allowances for doubtful receivables and prepayments for services |  |  |  | 8657 | Expenditures from the impairment of receivables for taxes, fees, and other payments into budgets |
|  |  |  | 8656 | Expenditures for the formation of provisions for contingent liabilities |  |  | 8660 | x | Expenditures for the formation of provisions |
|  |  |  | 8691 | Expenditures from the impairment of intangible assets and property, plant and equipment |  |  |  | 8652 | Expenditures from impairment of non-financial assets |
|  |  |  | 8692 | Expenditures from the impairment of financial investments |  |  | 8290 | x | Other financial expenditures |
|  |  |  | 8693 | Expenditures from the impairment of inventories |  |  |  | 8652 | Expenditures from impairment of non-financial assets |
|  |  |  | 8699 | Other previously non-classified expenditures |  |  | 8690 | x | Other previously non-classified expenditures |
|  |  |  | 8699 | Other previously non-classified expenditures |  |  |  | 8761 | Errors of the previous years |
|  |  |  | 8699 | Other previously non-classified expenditures |  |  |  | 8762 | Change of the basic accounting principles |
|  |  |  | 8699 | Other previously non-classified expenditures |  |  |  | 8763 | Transfer expenditures attributable to previous reporting years |
|  |  |  | 8699 | Other previously non-classified expenditures |  |  |  | 8769 | Other expenditures of the previous years |

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| **SUB-BALANCE SHEET** | | | | | **SUB-BALANCE SHEET** | | | | |
| **Code** | | | | **Name of the code of the sub-balance sheet** | **Code** | | | | **Name of the code of the sub-balance sheet** |
| 0100 | x | x | x | Leased assets | 0100 | x | x | x | Leased assets |
|  |  | 9110 | x | Contingent assets |  |  | 9110 | x | Contingent assets |
|  |  | 9120 | x | Receivables for dividends and payments to be received for the use of capital shares |  |  | 9120 | x | Notified dividends and payments to be received for the use of capital shares |
|  |  | 9130 | x | Contractual penalties and fines to be received |  |  | 9130 | x | Calculated contractual penalties, fines, penalties, and late payment charges |
|  |  | 9130 | x | Contractual penalties and fines to be received |  |  |  | 9131 | Calculated contractual penalties and fines |
|  |  | 9130 | x | Contractual penalties and fines to be received |  |  |  | 9132 | Contractual penalties, fines, penalties, and late payment charges calculated for taxes, fees, and other payments into budgets |
|  |  | 9140 | x | Receivables for assets disposed by illegal means |  |  | 9140 | x | Receivables for assets disposed by illegal means |
|  |  | 9190 | x | Other assets of the sub-balance sheet |  |  | 9190 | x | Other assets of the sub-balance sheet |
|  |  | 9510 | x | Future payments according to contracts concluded for projects financed from foreign financial assistance and the European Union policy instruments |  |  | 9510 | x | Future liabilities according to contracts concluded for projects financed from foreign financial assistance and the European Union policy instruments |
|  |  |  | 9521 | Acquisition and construction of land, buildings and structures |  |  |  | 9521 | Acquisition and construction of land and structures |
|  |  |  | 9522 | Acquisition and creation of specialist military equipment |  |  |  | 9522 | Acquisition and construction of military long-term investments |
|  |  |  | 9529 | Acquisition and construction of other long-term investments |  |  |  | 9529 | Acquisition and construction of other long-term investments |
|  |  | 9530 | x | Future liabilities and payments in accordance with agreements and management decision on the acquisition of goods and services, except for those concluded for projects financed from foreign financial assistance and European Union policy instruments and lease |  |  | 9530 | x | Future liabilities according to contracts for and management decisions on the acquisition of goods and services, except for those concluded for projects financed from foreign financial assistance and European Union policy instruments and lease |
|  |  | 9540 | x | Received but unpaid corroborative documents of prepayment |  |  | 9540 | x | Received but unpaid corroborative documents of prepayment |
|  |  | 9550 | x | Future lease payments |  |  | 9550 | x | Future lease payments |
|  |  | 9560 | x | Issued guarantee obligations |  |  | 9560 | x | Issued guarantee obligations |
|  |  | 9590 | x | Other liabilities of the sub-balance sheet |  |  | 9590 | x | Other liabilities of the sub-balance sheet |

Acting for the Minister for Finance – Minister for Transport Uldis Augulis