

**Standardisation, Accreditation and Metrology Centre Ltd.  
(SIA Standartizācijas, accreditations and metroloģijas  
centrs)**

*Structural Unit "Latvian National Accreditation Bureau"*

**Annual Report 2011**

## Table of contents

---

	Page
About the company	3
Management report	4-5
Balance sheet	6-7
Income statement	8
Annex to the Financial Statements	9-17

---

**Information about the structural unit and the company**

Company name	<i>Standardisation, Accreditation and Metrology Centre Ltd. (SIA Standartizācijas, accreditations and metroloģijas centrs)</i>	
	<b>Structural unit</b> <i>Latvian National Accreditation Bureau</i>	
Legal status of the company	<i>A limited liability company</i>	
Registration No. in the Commercial Register, place and date	<i>40003427231, Riga, 30 June 2004</i>	
Registered office	<i>Krišjāņa Valdemāra 157, Riga LV-1013</i>	
Contacts	<i>67 379348; faxes: 67 371324; e-mail: samc@samc.lv</i>	
Chairman of the Board	<i>Valdis Blome all year through</i>	
Board Members	<i>Normunds Broks until January 17</i> <i>Armands Slokenbergs all year through</i> <i>Andris Gādmanis from January 17</i>	
Accounting period	<i>01.01.2011. – 31.12.2011.</i>	
Auditors:	<i>Company of Certified Auditors Licence No. 162</i> <i>Limited liability company</i> <i>SIA AA Audits</i>  <i>Jāņa Asara iela 15-79, LV-1009, Riga</i>	<i>Certified auditor</i> <i>Jānis Meijubers</i> <i>Certificate No.113</i>

---

*Management report*  
*Operation of the Standardisation, Accreditation and Metrology Centre Ltd. and the structural unit*  
*Latvian National Accreditation Bureau in 2011*

### **Type of business of the Company**

“Standardisation, Accreditation and Metrology Centre Ltd.” (hereinafter referred to as the SAMC) has performed the assignments of standardisation, accreditation and metrology pursuant to the Standardisation Law, the Conformity Assessment Law, the Law on the Uniformity of Measurements and other related regulatory enactments since 1 July 2009.

### **Structural changes:**

As a result of the state budget consolidation and structural reforms in 2009 the number of the employees at the SAMC was reduced by 43% (27 employees) and the remuneration of the remaining employees was reduced by 20%. The reforms continued in 2010 and the following optimisation measures were taken:

- the service-providing structural units were merged and the infrastructure reduced;
- the premises occupied by the Company and business travel costs were reduced (employees participate only in events organised by key European organisations in which participation is compulsory for the organisation members);
- the expenditure on telecommunications, fuel and stationery was diminished.

Regardless of the aforesaid reductions in the budgetary expenditure, all goals of the budgetary sub-programme were retained:

- to ensure a uniform, EU-recognised conformity assessment system and the compliance thereof with the needs of the Latvian national economy, which comprises assessment, accreditation and supervision of testing and calibration laboratories; product, system and staff certification institutions; inspecting institutions and environmental verifiers;
- to maintain national measurement benchmarks according to the needs of the national economy, ensuring international recognition thereof;
- to provide for the adaptation of European and international standards and development of the national standard.

## **Overview of the Company’s operation in the accounting year and its financial standing**

### **Accreditation**

The Latvian National Accreditation Bureau of the SAMC (hereinafter referred to as LATAK) provides for the functioning of the national accreditation system. For the purposes of mitigating the consequences of reorganisation, amendments were introduced to the Conformity Assessment Law and other regulatory enactments in 2010. Within the framework of European law LATAK is defined as a national accreditation body included in the NANDO database of the European Commission and is designated at the national level pursuant to a procedure prescribed by the law (a decree of the Cabinet of Ministers). To comply with the requirements set forth in Article 8 Clause 11 of the Regulation 765/2008 of the European Commission, a methodology for preparation of annual financial statements for accreditation activities has been developed.

Pursuant to the Conformity Assessment Law, the key functions of LATAK are to assess, accredit and supervise testing and calibration laboratories, certification and inspecting institutions and environmental verifiers according to the requirements set forth in regulatory enactments and to represent Latvia in the international accreditation organisations..

At the end of 2011, the accreditation status was maintained for 210 accredited bodies. In 2011, 11 new bodies were accredited while for 8 bodies the accreditation was cancelled.

The compliance of the Latvian accreditation system with the Multilateral Recognition Arrangement (MLA) of the European Cooperation for Accreditation (EA) was assessed in October 2009. The report on the assessment results was approved at the 2011 spring meeting of the EA MAC Council, assigning an extraordinary assessment for the end of 2011. The extraordinary assessment was conducted from November 28 – 31, 2011.

LATAK is a participant of the international cooperation projects coordinated by the Ministry of Economics with accreditation bodies in Belarus, Georgia, Ukraine and Uzbekistan.

### **Financial standing**

The year 2011 state budget funding for the Latvian National Accreditation Bureau was LVL 67 248 according to the approved SAMC financing plan.

Regardless of the decreased budgetary grant and decrease in own income, in 2011 LATAK provided functioning at the required scope and ensured stability of financial indicators.

### **Future prospects and development in 2012**

According to the approved plans, the Latvian National Accreditation Bureau has the following priority operation areas:

- Maintenance of the national accreditation system, monitoring of the accredited conformity assessment bodies and accreditation of the new bodies;
- Cooperation with international, European and national conformity assessment organisations.

LATAK in consortium with the German Federal Material Research Institute as the Twinning project implementer in the project GE10/ENP-PCA/TR/09 „Strengthening of accreditation infrastructure for implementation of the Twinning project in Georgia”. Participation in implementation of this project will significantly influence employee workloads in 2012 and in the first half of 2013, however, additional financial resources will be gained.

Considering the funding for the operation of LATAK, LATAK will continue to ensure the operation of the national accreditation system in 2012, whereby:

- LATAK will be represented at the European and international accreditation organisations;
- the accreditation services necessary for the national economy will be provided by means of cooperation between LATAK and organisations of the sectors of the national economy.

Chairman of the Board

Valdis Blome

Head of the Latvian National Accreditation Bureau

Mārtiņš Ozoliņš

\_\_\_\_ October 2012

**Balance sheet of the structural unit: Accreditation Bureau and the entire Company as at 31 December 2011**

Assets	Note No.	31.12.2011 LVL Structural unit	31.12.2011 1 LVL Company	31.12.2010 LVL Structural unit	31.12.2010 0 LVL Company
<b>1. Non-current assets</b>					
<b>I. Intangible assets</b>					
Other intangible assets			119		1 444
Goodwill					
<i>Intangible assets total</i>			<b>119</b>		<b>1 444</b>
<b>II. Fixed assets</b>					
Non-current assets for leasehold improvement			922		1 162
Technologic plant and machinery			77 097		115 546
Other fixed assets and inventory	8	1 559	9 647	3 602	19 346
<i>Fixed assets total</i>		<b>1 559</b>	<b>87 666</b>	<b>3 602</b>	<b>136 054</b>
<b>Non-current assets total</b>		<b>1 559</b>	<b>87 666</b>	<b>3 602</b>	<b>137 498</b>
<b>2. Current assets</b>					
<b>I. Stock</b>					
Raw materials, consumables and auxiliary materials	9		3 548	7 577	11 234
<i>Stock total</i>			<b>3 548</b>	<b>7 577</b>	<b>11 234</b>
<b>II. Receivables</b>					
Trade receivables	10	6 409	6 409	12 661	12 661
Other receivables	11	1 659	2 115	1 656	2 116
Deferred costs					79
Deferred costs and accrued income					
	12	1 677	2 100	5 243	5 243
<i>Receivables total</i>		<b>9 745</b>	<b>10 624</b>	<b>19 560</b>	<b>20 099</b>
<b>IV. Cash assets</b>					
	13	99 311	152 786	68 968	88 082
<b>Current assets total</b>		<b>109 056</b>	<b>166 958</b>	<b>96 105</b>	<b>119 415</b>
<b>Assets total</b>		<b>110 615</b>	<b>254 743</b>	<b>99 707</b>	<b>256 913</b>

**Capital and liabilities**

	Note No.	31.12.2011 LVL Structural unit	31.12.2011 LVL Company	31.12.2010 LVL Structural unit	31.12.2010 LVL Company
<b>1. Equity</b>					
Shares or stock (share capital)	14		<b>114 505</b>		<b>114 505</b>
Reserves:					
c) other reserves		63 314	115 047	63 617	115 047
Reserves total					
Retained earnings:					
a) retained earnings (loss) of previous years		8 215	-25 188		-10 666
b) undivided profit of the accounting year		-13 323	-22 033	8 215	-14 522
<b>Equity total</b>		<b>58 206</b>	<b>182 331</b>	<b>71 832</b>	<b>201 364</b>
<b>3. Payables</b>					
<b>I. Long-term payables</b>					
Other long-term liabilities					
<i>Long-term payables total</i>					
<b>II. Current liabilities</b>					
Advance payments from buyers	15	17 589	17 589	10 794	10 794
Taxes and compulsory state social insurance contributions	16	15 340	23 600	2 163	2 762
Accrued liabilities	19	3 807	14 301	4 609	13 052
Next period income	17	13 568	14 817	10 309	25 941
Other payables	18	2 105	2 105		
<i>Current liabilities total</i>		<b>52 409</b>	<b>72 412</b>	<b>27 875</b>	<b>52 549</b>
<b>Payables total</b>		<b>52 409</b>	<b>72 412</b>	<b>27 875</b>	<b>52 549</b>
<b>Capital and liabilities total</b>		<b>110 615</b>	<b>254 743</b>	<b>99 707</b>	<b>256 913</b>

**Income Statement 2011 of the structural unit of SAMC Ltd. – the Latvian National Accreditation Bureau – and the entire Company.**

*According to the turnover cost method*

	Note No.	2011 LVL Structural unit	2011 LVL Company	2010 LVL Structural unit	2010 LVL Company
Net turnover	1	269 391	549 900	297 850	542 329
Production costs of products sold	2	(277 957)	(581 013 )	(298 968)	(642 613 )
<b>Gross profit or loss</b>		<b>(8 566)</b>	<b>(31 113)</b>	<b>(1 118)</b>	<b>(100 284 )</b>
Administration costs	3	(5 382)	(8 024)	(2 694)	(5 484)
Other operating income	4	864	17 184	12 016	90 466
Other operating costs	5	(258)	(604)		(559)
Other interest income and similar income	6	19	19	11	79
Profit or loss before extraordinary items and taxes		<b>(13 323)</b>	<b>(22 538)</b>	<b>8 215</b>	<b>(15 782)</b>
Extraordinary income	7		505		1260
<b>Profit or loss before taxes</b>		<b>(13 323)</b>	<b>(22 033)</b>	<b>8 215</b>	<b>(14 522)</b>
Corporate tax for the accounting year				-	-
<b>Profit or loss of the accounting year</b>		<b><u>(13 323)</u></b>	<b><u>(22 033)</u></b>	<b><u>8 215</u></b>	<b><u>(14 522)</u></b>

Annex shall be an integral part to these financial statements.

## **Background information on the Company**

“Standardisation, Accreditation and Metrology Centre Ltd.”(hereinafter referred to as SAMC Ltd.) was established on 1 July 2009 subject to Decree No. 351 of the Cabinet of Ministers on the liquidation of the State Agency for Metrology and Accreditation. The limited liability company SIA Latvijas standarts was the legal successor of the liquidated agency in the fields of accreditation and metrology.

Initially the limited liability company SIA Latvijas standarts (hereinafter referred to as the Company) was registered in the Register of Enterprises of the Republic of Latvia on 30 June 2004. The name of the company was changed to Standardisation, Accreditation and Metrology Centre Ltd. (SIA Standartizācijas, akreditācijas un metroloģijas centrs) on 1 July 2009. Structurally SAMC Ltd. consists of three individual and independent bureaus – the Accreditation Bureau, the Standardisation Bureau and the Metrology Bureau with the support function provided by the Administrative Department.

## **Summary of important accounting policies**

Basic principles of preparation of the financial statements:

The financial statements of SAMC Ltd. are prepared according to the Annual Reports Law of the Republic of Latvia, in line with the requirements of the Latvian Accounting Standards.

The monetary unit used in the financial statements is the currency of the Republic of Latvia, lats (LVL).

The financial statements cover the period from 1 January to 31 December 2011.

The annual report is prepared according to the following basic principles: the accruals principle, the assumption of the going concern, comparability, materiality, joining and reliability of items.

## **The principles and use of estimates for preparation of the financial statements of the structural unit of the SAMC – the Latvian National Accreditation Bureau.**

To prepare a separate balance sheet for the structural unit – the Accreditation Bureau – estimates, subsidiary account analytic data, and previously approved item attribution principles were used.

Information from the accounting program was used to prepare the income statement by dividing the total costs by separate structural units.

For the purposes of preparation of the 2011 financial statements the accrued income was calculated and provisions were created for unused employee vacations.

The accounting is organised so as to, where it is possible, identify income and expenditure and attribute the same to the relevant structural unit.

Income and expenditure that cannot be directly attributed to a particular structural unit are divided between structural units according to calculated ratios.

## **Intangible assets**

Intangible assets are carried at cost and amortised over the useful life according to the straight-line method.

### **Fixed assets**

Fixed assets are carried at cost less accrued depreciation. Depreciation is calculated over the useful life of the asset according to the straight-line method.

Depreciation is calculated as of the month following commissioning of the fixed asset or the engagement thereof in operating activities.

Stocktaking of non-current assets is conducted at the end of the accounting period subject to a written order by the Chairman of the Board.

Depreciation deducted on fixed assets acquired free of charge are aligned with income that is recognised from the deferred income.

### **Stock**

Stock is used to ensure the process of operating activities, is utilised within one year and is at once written off to costs upon being disbursed for utilisation of the company's employees. If any stock is utilised during the next accounting period it is written off within the relevant accounting period.

Stock is carried at cost. Stocktaking of stock is conducted at the end of the accounting period subject to a written order by the Chairman of the Board.

The value of reference materials at the disposal of LATAK was written down to operating costs, as the stock must be assessed at the lowest market value on the balance sheet date.

### **Accrued income**

Accrued income is calculated on the basis of the effective agreements on the annual accreditation maintenance fee with different bodies.

### **Trade receivables and other receivables**

Balances of debtor claims are indicated in the balance sheet at the net value calculated by deducting the provisions created for doubtful (unsafe) debts from the book value of such claims.

Where it is not possible to attribute balances of accounts receivable and accounts payable to any particular structural unit, such balances are included in the statement as a proportion depending on the own income ratio expressed as percentage (65%).

### **Cash and cash equivalents**

Cash and cash equivalents consist of the cash on hand and cash in the bank. To prepare the financial statements the proportion that depends on the own income ratio expressed as percentage (65%) is applied to divide the cash balance.

### **Accrued liabilities**

Provisions are recognised as liabilities because an obligation exists due to past events that would require outflow of economic benefits from the company and the amount of such obligation can be credibly assessed.

The provisions item reflects liabilities towards employees with respect to unused vacations as at 31.12.2011. Costs of covering unused employee vacations in comparison with the previous year have decreased because during the year employees exercised their right to the

**Annex to the 2011 Annual Report of the structural unit of SAMC Ltd. – Accreditation Bureau – and the entire company.**

annual vacation more intensively. The accrued costs also comprise costs of communication services and utilities provided within and attributable to the accounting period while invoices thereof will be received during the next accounting period.

**Important accounting policies**

The policy of stock recording was not changed during the accounting year. Assets with value not exceeding LVL 150 per unit are recorded under stock.

**Income recognition, expenditure**

Income is recognised according to the conviction of the likelihood of gaining economic benefits by the Company and to such extent as it is possible to assess it with credibility, less value added tax. For recognition of income the following preconditions are also taken into account:

Income from services is recognised within the period during which the services were provided, with consideration of the principle of coherence of gaining income and expenditure and on the basis of contractual relations with the customers.

If the outcome of a service-related transaction cannot be credibly assessed, income is recognised only to the extent of recovery of recognised expenditure.

In preparing the income statement a part of the administrative expenses is attributed to the expenditure of the Latvian National Accreditation Bureau, applying a proportion of the total sum of own income and the budgetary grant (49%).

**Transactions in foreign currency**

Transactions in foreign currency are recorded according to the Bank of Latvia currency exchange rate on the transaction date..

**Disbursement of dividends**

To calculate disburseable dividends a proportion of the sum total of own income and the budgetary grant is applied.

**Comparable information.**

These financial statements have been prepared with the special purpose of disclosing the operations, income and expenditure of one structural unit of SAMC Ltd. – the Latvian National Accreditation Bureau. Where appropriate, the comparable information used is the data from the SAMC Ltd. 2010 Annual Report.

**1) Net turnover**

Turnover is income gained during a year from the main business of the company – provision of services, less the value added tax: the funding received from the state budget for the provision of functions specified by the Government is indicated as a part of the turnover.

Structure of income	2011 LVL Structural unit	2011 LVL Company	2010 LVL Structural unit	2010 LVL Company
Services provided against a fee	200 466	311 469	221 307	282 881
Income of foreign financial assistance				1 241
Accrued income	1 677	1 677	5 243	5 243
State subsidies and grants	67 248	236 754	71 300	252 964
<b>Total</b>	<b>269391</b>	<b>549 900</b>	<b>297 850</b>	<b>542 329</b>

**Annex to the 2011 Annual Report of the structural unit of SAMC Ltd. – Accreditation Bureau –  
and the entire company.**

**2) Production costs of products sold (Direct Accreditation Bureau costs)**

	2011 LVL Structural unit	2011 LVL Company	2010 LVL Structural unit	2010 LVL Company
Staff costs	216 879	428 384	230 899	442 799
Depreciation on fixed assets	3 359	53 116	13 688	92 243
Writing down of current asset value	7 699	8 110	8 312	13 565
Computer hardware maintenance costs	1 690	4 774	2 289	5 228
Software maintenance	200	407	341	710
Relocation costs	2 273	4 627		
EA costs	605	605		
Information technology services	49	1 668	272	2 277
Repairing and maintenance of the photocopier	-	505	36	622
Transport costs (fuel, repairs, insurance)	4 600	6 093	4 179	6 094
Lease of premises, payments for utilities	9 010	23 544	13 901	34 405
Car hire			3 646	3 646
Communications services	2 559	4 838	2 736	3 597
Business travel costs	21 890	24 871	15 139	21 123
Strategy seminar costs	-	-	433	1 481
Other operating costs	553	1 970	1 063	1 869
Membership fee at the Latvian Chamber of Commerce and Industry	98	200	148	270
Stationery	1 539	2 175	506	1 121
Advertising services	-	101	232	422
Seminars, courses	729	1 061	115	-
VENDEN water	188	441	240	443
Banking services	293	848	34	505
Subscription to magazines, newspapers	34	69	72	77
Business risk duty	130	175	80	
Mailing costs	344	492	462	582
Costs of optics for employees	197	481	155	533
Repair of climate control system		1 757		758
Corporate vehicle tax	404	1 080		
Payment for services from outside	1 172	-		
Translation costs	434	5 563		3 567
Printing and publishing costs	212	341		-
LNE maintenance costs		1 751		4 673
	817	817		
<b>Total</b>	<b>277 957</b>	<b>581 013</b>	<b>298 968</b>	<b>642 613</b>

**Annex to the 2011 Annual Report of the structural unit of SAMC Ltd. – Accreditation Bureau –  
and the entire company.**

**3) Administration costs**

Structure of expenditure	2011 LVL Structural unit	2011 LVL Company	2010 LVL Structural unit	2010 LVL Company
Communications costs	25		51	
Office expenditure			79	
Costs of annual report auditing	735	1 500	824	1500
Other auditor services			1 327	1350
Other management expenditure	206	420	1	451
Representation costs	4 359	6 104	412	840
Non-operating costs	57			
Other costs				1 343
<b>Total</b>	<b>5 382</b>	<b>8 024</b>	<b>2 694</b>	<b>5 484</b>

**4) Other operating income**

Structure of income	2011 LVL Structural unit	2011 LVL Company	2010 LVL Structural unit	2010 LVL Company
Income from stocks decrease for doubtful and hopeless receivables				2 191
Other income				3 514
Recognised income from fixed assets received free of charge (aligned with depreciations deductions)	864	17 184	12 016	82 661
Fixed assets recorded after stocktaking				2100
<b>Total</b>	<b>864</b>	<b>17 184</b>	<b>12 016</b>	<b>90 466</b>

**5) Other operating costs**

Structure of expenditure	2011 LVL Structural unit	2011 LVL Company	2010 LVL Structural unit	2010 LVL Company
Loss from currency rate fluctuations	183	244		93
Penalties	1	2		4
Long-term assets value write-off		358		210
Support	74			
Other costs				252
<b>Total</b>	<b>258</b>	<b>604</b>	<b>-</b>	<b>559</b>

**Annex to the 2011 Annual Report of the structural unit of SAMC Ltd. – Accreditation Bureau –  
and the entire company.**

**6) Other interest income**

Structure of income	2011 LVL Structural unit	2011 LVL Company	2010 LVL Structural unit	2010 LVL Company
Interest income				67
Income from currency rate fluctuations	19	19	11	12
<b>Total</b>	<b>19</b>	<b>19</b>	<b>11</b>	<b>79</b>

**7) Extraordinary income**

	2011 LVL Structural unit	2011 LVL Company	2010 LVL Structural unit	2010 LVL Company
Cleared cash deficit at hand		505		1260
<b>Total</b>	<b>-</b>	<b>604</b>	<b>-</b>	<b>1260</b>

**8) Statement of turnover of non-current assets of the structural unit**

	<b>Investment for leasehold improvement</b>	<b>Concessions, patents, licenses, trademarks and similar expenditure</b>	<b>Plant and machinery</b>	<b>Other fixed assets</b>	<b>Total</b>
	LVL	LVL	LVL	LVL	LVL
<b>Initial value at 31.12.2010.</b>		<b>60 464</b>	<b>465</b>	<b>115 756</b>	<b>176 685</b>
Internal relocation				2 552	2 552
Liquidated Internal relocation		(35 241)		(12 168)	(47 409)
				(23 070)	(23 070)
<b>Initial value at 31.12.2011.</b>		<b>25 223</b>	<b>465</b>	<b>83 070</b>	<b>108 758</b>
<b>Accrued depreciation at 01.01.2011.</b>		<b>60 464</b>	<b>63</b>	<b>112 556</b>	<b>173 083</b>
Depreciation in the accounting year				1 857	1 857
Disposed due to cessation of operation		(35 241)		(12 168)	(47 409)
Internal relocation				1 887	1 887
Internal relocation				(22 219)	(22 219)

**Annex to the 2011 Annual Report of the structural unit of SAMC Ltd. – Accreditation Bureau –  
and the entire company.**

<b>Accrued depreciation at 31 December 2011</b>		<b>25 223</b>	<b>63</b>	<b>81 913</b>	<b>107 199</b>
<b>Residual value at 31.12.2011.</b>		<u>-</u>	<u>402</u>	<u>3 200</u>	<u>3 602</u>
<b>Residual value at 31.12.2011.</b>		<u>-</u>	<u>402</u>	<u>1157</u>	<u>1 559</u>

**9) Stock**

Balance sheet items		2011 LVL Structural unit	2011 LVL Company	2010 LVL Structural unit	2010 LVL Company
Inventory and Stationery (as the result of VA MAVVA liquidation)			3 547		3 657
PHARE reference materials (as the result of VA MAVVA liquidation)		-		7 577	7 577
<b>Total</b>		<u>-</u>	<u>3 547</u>	<u>7 577</u>	<u>11 234</u>

The written-off stock is included in the production costs of products sold item of the income statement.

**10) Trade receivables**

Balance sheet items		2011 LVL Structural unit	2011 LVL Company	2010 LVL Structural unit	2010 LVL Company
Book value of trade receivables		7 226	7 226	12 661	12 661
Accruals for doubtful debts		-817	-817	-	
<b>Book value</b>		<u>6 409</u>	<u>6 409</u>	<u>12 661</u>	<u>12 661</u>

**11) Other receivables**

Balance sheet items		2011 LVL Structural unit	2011 LVL Company	2010 LVL Structural unit	2010 LVL Company
Overpaid corporate tax		1 656	2115	1 656	2116
<b>total</b>		<u>1 656</u>	<u>2115</u>	<u>1 656</u>	<u>2116</u>

**Annex to the 2011 Annual Report of the structural unit of SAMC Ltd. – Accreditation Bureau –  
and the entire company.**

**12) Deferred costs and accrued income**

Balance sheet items	2011 LVL Structural unit	2011 LVL Company	2010 LVL Structural unit	2010 LVL Company
Accrued income (annual accreditation maintenance fee)	1 677	1 677	5 243	5 243
Subscription to periodicals and newspapers				
Other		423		79
<b>Total</b>	<b>1 677</b>	<b>2 100</b>	<b>5 243</b>	<b>5 322</b>

Contractual obligations provide for an annual accreditation maintenance fee for customers. The Company has made calculations to estimate the part of the income that is attributable to the accounting period but for which no invoices have been issued yet.

**13) Cash assets in LVL in foreign currency according to the Bank of Latvia rate on 31.12.2011.**

Balance sheet items	2011 LVL Structural unit	2011 LVL Company	2010 LVL Structural unit	2010 LVL Company
Bank accounts and cash on hand	99 311	152 786	68 968	88 082
<b>Total</b>	<b>99 311</b>	<b>152 786</b>	<b>68 968</b>	<b>88 082</b>

**14) Equity**

The Ministry of Economics of the Republic of Latvia is the holder of capital shares for the Government, the nominal share value is LVL 1, number of shares 114 505.

The amount of equity attributable to the structural unit – Accreditation Bureau – is calculated analytically, by attributing a part of the company's equity reserve.

**15) Advance payments from buyers**

Balance sheet items	2011 LVL Structural unit	2011 LVL Company	2010 LVL Structural unit	2010 LVL Company
Advance payments from buyers	17 589	17 589	10 794	10 794
<b>Total</b>	<b>17 589</b>	<b>17 589</b>	<b>10 794</b>	<b>10 794</b>

**Annex to the 2011 Annual Report of the structural unit of SAMC Ltd. – Accreditation Bureau –  
and the entire company.**

**16) Taxes**

Balance sheet items	2011 LVL Structural unit	2011 LVL Company	2010 LVL Structural unit	2010 LVL Company
Taxes	15 340	23 600	2 163	2 762
<b>Total</b>	<b>15 340</b>	<b>23 600</b>	<b>2 163</b>	<b>2 762</b>

**17) Next period income**

Balance sheet items	2011 LVL Structural unit	2011 LVL Company	2010 LVL Structural unit	2010 LVL Company
Residual value of the fixed assets received free of charge			1 553	17 185
Part of the annual accreditation maintenance fee attributable to the period of 2011	13 568	14 817	8 756	8 756
<b>Total</b>	<b>13 568</b>	<b>14 817</b>	<b>10 309</b>	<b>25 941</b>

**18) Other payables**

Balance sheet items	2011 LVL Structural unit	2011 LVL Company	2010 LVL Structural unit	2010 LVL Company
Salary calculated for outsourced experts	2 105	2 105		
<b>Total</b>	<b>2 105</b>	<b>2 105</b>		

**19) Accrued liabilities**

Balance sheet items	2011 LVL Structural unit	2011 LVL Company	2010 LVL Structural unit	2010 LVL Company
Calculated vacation reserves	3 608	10 203	3 807	9 513
Other accruals (Communal payments, fuel, communications serv.)	199	4 097	802	3 539
<b>Total</b>	<b>3 807</b>	<b>14 300</b>	<b>4 609</b>	<b>13 052</b>

**Annex to the 2011 Annual Report of the structural unit of SAMC Ltd. – Accreditation Bureau –  
and the entire company.**

**20) Staff costs**

In 2011 there were on average 33 employees at the Company, including 10 employees at the Accreditation Bureau. Furthermore, the payroll comprised 112 temporary employees who performed assistant functions of the company (83 in 2010). The staff costs are reflected as follows:

Type of costs	2011 LVL Structural unit	2011 LVL Company	2010 LVL Structural unit	2010 LVL Company
Salaries, benefits	94 614	302 163	94 626	329 060
Contract work	36 774	43 711	32 426	38 738
Social insurance contributions	30 709	8 1 820	29 203	85 527
Reduction of the vacation reserve		690		-10 526
<b>Total</b>	<b>162 097</b>	<b>428 384</b>	<b>156 255</b>	<b>442 799</b>

**22) Lease obligations**

The Company has entered into a non-residential premises lease agreement with Ministry of Economics of Republic of Latvia till March 31, 2016. The lessee received for use non-residential premises at Brīvības iela 55, Building#2, Riga, LV-1010, with the total area of 321 m<sup>2</sup>, Of which 135.40 m<sup>2</sup> are for the office purposes of the Accreditation Bureau. The rent and utilities payments constitute LVL 2,075 per month.