

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

*Structural Unit "Latvian National Accreditation Bureau"*

**Annual Report 2012**

## Table of contents

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

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

Company name	<i>Standardisation, Accreditation and Metrology Centre Ltd. (SIA Standartizācijas, accreditations and metroloģijas centrs)</i>	
	<i>Structural unit 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; fax: 67 371324; e-mail:samc@samc.lv</i>	
Chairman of the Board	<i>Valdis Blome all year through</i>	
Board Members	<i>Armands Slokenbergs all year through</i> <i>Andris Gādmanis all year through</i>	
Accounting period	<i>01.01.2012. – 31.12.2012.</i>	
Auditors:	<i>Company of Certified Auditors Licence No. 162</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*

### ***Operations of “Standardisation, Accreditation and Metrology Centre Ltd.” and its structural unit Latvian National Accreditation Bureau in 2012***

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

A limited liability 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.

Considering decrease of state budget funding from 2008 till 2012, Latvian National Accreditation Bureau (hereinafter in the text referred to as LATAK) is able to ensure performance of public functions and tasks set forth in normative enactments, preserving all objectives of the budget subprogram

- To ensure a unified conformity assessment system recognized by the EU, and compliance thereof to the needs of Latvian national economy, which includes testing and calibration laboratory, product, system and personnel certification body, inspection body and environment verifier assessment, accreditation and monitoring.

#### **Accreditation**

SAMC LATAK ensures operations of Latvian National accreditation system. In the European understanding LATAK is a National accreditation body, which is included in the NANDO database of the European Commission. On the national level pursuant to clause 11 of the Conformity Assessment Law, LATAK is designated by 18.05.2010 Regulations of the Cabinet of Ministers No. 445 „On national accreditation body”. 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, medicine laboratories, certification and inspecting institutions, environmental verifiers, good laboratory practice laboratories for compliance according to the requirements in the regulated and non-regulated scope set forth in Latvian national standards, regulatory enactments, European or international standards, considering the needs of Latvian national economy and to represent Latvia in the international accreditation organisations.

At the end of 2012, the accreditation status was maintained for 233 accredited bodies. In 2012, 27 new bodies were accredited while for 9 bodies the accreditation was cancelled.

LATAK participates in cross-border cooperation coordinated by the Ministry of Economics with accreditation bodies from Lithuania, Estonia, Belarus, Georgia, Ukraine and Uzbekistan.

LATAK in consortium with the German Federal Material Research Institute participates in the Georgian accreditation centre of the Twinning project GE10/ENP-PCA/TR/09 „Strengthening of accreditation infrastructure according to the good practice of the EU

## **Balance Sheet of the structural unit of SAMC Ltd. – the Latvian National Accreditation Bureau – and the entire Company as at 31 December 2012**

member states”. Participation in the project allows the employees to improve their professional experience, by working in the same team with highly qualified specialists of their field. Within the framework of the Twinning project several meetings of LATAK and Georgian accreditation centre specialists in Riga and Tbilisi have been organized for development of the Georgian accreditation infrastructure. The goal of the project is to improve organization and operations of the Georgian accreditation body for the Georgian accreditation centre to attest compliance of its conformity assessment and quality provision infrastructure on the international level and to the level of quality accepted in Europe.

In October 2012, management of LATAK was changed.

### **Financial standing**

Pursuant to SAMC financing plan 2012, the received budget grant LVL 67,248 and income from paid services LVL 237,438 were used to pay for current expenses and were included in the current year costs, ensuring positive financial operations result – profit in the amount of LVL 17,012.

Income from service fees in 2012, compared to 2011 has increased by LVL 36,972.

Increase of expenditures in 2012 by LVL 6,633 is related to business and official travel costs, related to cross-country accreditation visits.

### **Future prospects and development in 2013**

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;
- Strengthening of administrative capacity of the Latvian National Accreditation Bureau;
- Cooperation with international, European and national conformity assessment organisations.
- Conformity of Latvian Accreditation system to MLA requirements of European Accreditation Cooperation (EA) will be assessed from October 13 – 18, 2013. It is planned that the assessment result report would be approved at the 2014 spring meeting of EA MAC Council.

In 2013 a new organizational structure will be implemented in LATAK, to improve the internal work processes LATAK and streamline planning of LATAK strategic operations.

In 2013 LATAK will continue work in implementation of the Twinning project GE10/ENP-PCA/TR/09 „Strengthening of accreditation infrastructure for implementation of the Twinning project in Georgia”. Project implementation will be completed in October 2013.

To ensure sustainability of LATAK operations, price list of Latvian National Accreditation Bureau for service fees of LATAK will be reviewed in 2013.

In 2013 it is planned to organize training for the leading staff assessors, outsourced assessors and experts for improvement of qualification.

**Balance Sheet of the structural unit of SAMC Ltd. - the Latvian National Accreditation Bureau - and the entire Company as at 31 December 2012**

It is planned to update and improve functionality of the outsourced assessors and experts database.

In 2013 it is planned to develop and implement leveling of competencies of and motivating remuneration system for lead assessors of LATAK.

In 2013 LATAK will continue to ensure the operation of the national accreditation system, 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

Olga Veilande

18 July 2013

**Balance Sheet of the structural unit of SAMC Ltd. - the Latvian National Accreditation  
Bureau - and the entire Company as at 31 December 2012**

Assets			31.12.2012	31.12.2012	31.12.2011	31.12.2011
	Note No.	LVL	LVL	LVL	LVL	
		Structural unit	Company	Structural unit	Company	
<b>1. Non-current assets</b>						
<b>I. Intangible assets</b>						
Other intangible assets			771			119
Goodwill						
		<i>Intangible assets total</i>	<b>771</b>			<b>119</b>
<b>II. Fixed assets</b>						
Non-current assets for leasehold improvement						922
Technologic plant and machinery			73598			77097
Other fixed assets and inventory	8	4305	10475	1559		9647
		<i>Fixed assets total</i>	<b>4305</b>	<b>84073</b>	<b>1559</b>	<b>87666</b>
		<b>Non-current assets total</b>	<b>4305</b>	<b>84844</b>	<b>1559</b>	<b>87666</b>
<b>2. Current assets</b>						
<b>I. Stock</b>						
Raw materials, consumables and auxiliary materials	9	227	4187			3548
		<i>Stock total</i>	<b>227</b>	<b>4187</b>		<b>3548</b>
<b>II. Receivables</b>						
Trade receivables	10	14400	14400	6409		6409
Other receivables	11	1620	2984	1659		2115
Deferred costs						
Deferred costs and accrued income	12	805	1236	1677		2100
		<i>Receivables total</i>	<b>16825</b>	<b>18620</b>	<b>9745</b>	<b>10624</b>
<b>IV. Cash assets</b>						
	13	115 651	189306	99311		152786
		<b>Current assets total</b>	<b>132703</b>	<b>212113</b>	<b>109056</b>	<b>166958</b>
<b>Assets total</b>			<b>137008</b>	<b>296957</b>	<b>110615</b>	<b>254743</b>

<b>Capital and liabilities</b>	Note No.	31.12.2012 LVL Structural unit	31.12.2012 LVL Company	31.12.2011 LVL Structural unit	31.12.2011 LVL Company
<b>1. Equity</b>					
Shares or stock (share capital)	14		<b>114505</b>		<b>114505</b>
Reserves:					
c) other reserves		76386	93014	63314	115047
Reserves total					
Retained earnings:					
a) retained earnings (loss) of previous years		-5108	-25188	8215	-25188
b) undivided profit of the accounting year		17012	14743	-13323	-22033
<b>Equity total</b>		<b>88290</b>	<b>197074</b>	<b>58206</b>	<b>182331</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	20474	20474	17589	17589
Taxes and compulsory state social insurance contributions	16	6481	11691	15340	23600
Accrued liabilities	19	4725	12782	3807	14301
Next period income	17	14518	52193	13568	14817
Other payables	18	2520	2743	2105	2105
<i>Current liabilities total</i>		<b>48718</b>	<b>99883</b>	<b>52409</b>	<b>72412</b>
<b>Payables total</b>		<b>48718</b>	<b>99883</b>	<b>52409</b>	<b>72412</b>
<b>Capital and liabilities total</b>		<b>137008</b>	<b>296957</b>	<b>110615</b>	<b>254743</b>

Income Statement 2012 of the structural unit of SAMC Ltd. – the Latvian National  
Accreditation Bureau – and the entire Company

*According to the turnover cost method*

	Note No.	2012 LVL Structural unit	2012 LVL Company	2011 LVL Structural unit	2011 LVL Company
Net turnover	1	304 681	604484	269 391	549 900
Production costs of products sold	2	(284 590)	(583619)	(277 957)	(581 013)
<b>Gross profit or loss</b>		<b>20 091</b>	<b>20865</b>	<b>(8 566)</b>	<b>(31 113)</b>
Administration costs	3	(2 041)	(4747)	(5 382)	(8 024)
Other operating income	4		125	864	17 184
Other operating costs	5	(1 038)	(1956)	(258)	(604)
Other interest income and similar income	6		456	19	19
Profit or loss before extraordinary items and taxes		<b>17 012</b>	<b>14743</b>	<b>(13 323)</b>	<b>(22 538)</b>
Extraordinary income	7				505
<b>Profit or loss before taxes</b>		<b>17 012</b>	<b>14743</b>	<b>(13 323)</b>	<b>(22 033)</b>
Corporate tax for the accounting year					
<b>Profit or loss of the accounting year</b>		<b><u>17 012</u></b>	<b><u>14743</u></b>	<b><u>(13 323)</u></b>	<b><u>(22 033)</u></b>

Annex shall be an integral part to these financial statements.

## **Background information on the Company**

SIA "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 2012.

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 2012 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.

## **Annexes to Annual Report 2012 of the structural unit of SAMC Ltd. – the Latvian National Accreditation Bureau – and the entire Company**

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.

### **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 (76%).

### **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 (76%) 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 31.12.2012. Costs of covering unused employee vacations in comparison with the previous year have decreased because during the year employees exercised their right to the 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 likeliness 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:

**Annexes to Annual Report 2012 of the structural unit of SAMC Ltd. – the Latvian National Accreditation Bureau – and the entire Company**

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 (53%).

***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	2012 LVL Structural unit	2012 LVL Company	2011 LVL Structural unit	2011 LVL Company
Services provided against a fee	237438	310 444	200 466	311 469
Income of foreign financial assistance				
Accrued income			1 677	1 677
Income from the TWINNING project		29 686		
State subsidies and grants	67243	264 354	67 248	236 754
<b>Total</b>	<b>304681</b>	<b>604 484</b>	<b>269391</b>	<b>549 900</b>

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

	2011 LVL Structural unit	2011 LVL Company	2011 LVL Structural unit	2011 LVL Company

**Annexes to Annual Report 2012 of the structural unit of SAMC Ltd. – the Latvian National Accreditation Bureau – and the entire Company**

Staff costs	217196	428972	216 879	428 384
Depreciation on fixed assets	2667	12053	3 359	53 116
Writing down of current asset value	119	256	7 699	8 110
Computer hardware maintenance costs	288	1040	1 690	4 774
Costs of involved outsourced experts	6533	6533		
Software maintenance	245	463	200	407
Relocation costs			2 273	4 627
EA costs	345	345	605	605
Information technology services	766	11735	49	1 668
Repairing and maintenance of the photocopier		505	-	505
Transport costs (fuel, repairs, insurance)	5891	8667	4 600	6 093
Lease of premises, payments for utilities	12582	30244	9 010	23 544
Communications services	2680	4652	2 559	4 838
Business travel costs	28135	45181	21 890	24 871
Other operating costs	1115	2261	553	1 970
Membership fee at the Latvian Chamber of Commerce and Industry	106	200	98	200
Stationery	1929	2801	1 539	2 175
Advertising services			-	101
Seminars, courses	713	1173	729	1 061
VENDEN water	227	426	188	441
Banking services	586	1246	293	848
Subscription to magazines, newspapers	89	168	34	69
Business risk duty, other taxes and duties	164	171	130	175
Mailing costs	369	438	344	492
Costs of optics for employees	178	513	197	481
Repair of climate control system		50		1 757
Corporate vehicle tax	1080	1080	404	1 080
Payment for services from outside			1 172	-
Translation costs	57	1910	434	5 563
Printing and publishing costs			212	341
LNE maintenance costs	-	17688		1 751
Other costs		848	817	817
CRM (customer business management project research costs)	530	2000		
<b>Total</b>	<b>284 590</b>	<b>583619</b>	<b>277 957</b>	<b>581 013</b>

**3) Administration costs**

Structure of expenditure	2012 LVL Structural unit	2012 LVL Company	2011 LVL Structural unit	2011 LVL Company
Communications costs	100	180	25	
Office expenditure				
Costs of annual report auditing	700	1851	735	1 500
Other auditor services				
Other management expenditure			206	420

**Annexes to Annual Report 2012 of the structural unit of SAMC Ltd. – the Latvian National Accreditation Bureau – and the entire Company**

Representation costs	1241	2716	4 359	6 104
Non-operating costs			57	
Other costs				
<b>Total</b>	<b>2041</b>	<b>4747</b>	<b>5 382</b>	<b>8 024</b>

**4) Other operating income**

Structure of income	2012 LVL Structural unit	2012 LVL Company	2011 LVL Structural unit	2011 LVL Company
Income from stocks decrease for doubtful and hopeless receivables				
Other income		14		
Recognised income from fixed assets received free of charge (aligned with depreciations deductions)			864	17 184
Fixed assets recorded after stocktaking		111		
<b>Total</b>		<b>125</b>	<b>864</b>	<b>17 184</b>

**5) Other operating costs**

Structure of expenditure	2012 LVL Structural unit	2012 LVL Company	2011 LVL Structural unit	2011 LVL Company
Loss from currency rate fluctuations	560	1054	183	244
Penalties	22	41	1	2
Long-term assets value write-off	456	861		358
Support			74	
Other costs				
<b>Total</b>	<b>1038</b>	<b>1956</b>	<b>258</b>	<b>604</b>

**6) Other interest income**

Structure of income	2012 LVL Structural unit	2012 LVL Company	2011 LVL Structural unit	2011 LVL Company
Interest income		450		
Income from currency rate fluctuations		6	19	19
<b>Total</b>	<b>-</b>	<b>456</b>	<b>19</b>	<b>19</b>

**7) Extraordinary income**

	2012 LVL Structural unit	2012 LVL Company	2011 LVL Structural unit	2011 LVL Company

**Annexes to Annual Report 2012 of the structural unit of SAMC Ltd. – the Latvian National Accreditation Bureau – and the entire Company**

Cleared cash deficit at hand				505
<b>Total</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u><b>604</b></u>

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

	Investment for leasehold improvement	Concessions, patents, licenses, trademarks and similar expenditure	Plant and machinery	Other fixed assets	Total
	LVL	LVL	LVL	LVL	LVL
<b>Initial value at 31.12.2011.</b>		25 223	465	83 070	108 758
Acquired				4822	4822
Liquidated				6648	6648
Internal relocation			-465	993	528
<b>Initial value at 31.12.2012.</b>		25223	0	95533	120756
<b>Accrued depreciation at 01.01.2012.</b>		25 223	63	81 913	107 199
Depreciation in the accounting year				2667	2667
Disposed due to cessation of operation				6648	6648
Internal relocation			-63		-63
<b>Accrued depreciation at 31 December 2012</b>		25223	0	91228	116451
<b>Residual value at 31.12.2011.</b>		<u>-</u>	<u>402</u>	<u>1157</u>	<u>1 559</u>
<b>Residual value at 31.12.2012.</b>		<u>-</u>		<u>4305</u>	

**9) Stock**

Balance sheet items	2012 LVL Structural unit	2012 LVL Company	2011 LVL Structural unit	2011 LVL Company
Inventory and Stationery ( as the result of VA MAVA liquidation)	227	4187		3 547
<b>Total</b>	<u>227</u>	<u>4187</u>	<u>-</u>	<u>3 547</u>

**Annexes to Annual Report 2012 of the structural unit of SAMC Ltd. – the Latvian National Accreditation Bureau – and the entire Company**

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

**10) Trade receivables**

Balance sheet items	2012 LVL Structural unit	2012 LVL Company	2011 LVL Structural unit	2011 LVL Company
Book value of trade receivables	14400	14400	7 226	7 226
Accruals for doubtful debts			-817	-817
<b>Book value</b>	<b>14400</b>	<b>14400</b>	<b>6 409</b>	<b>6 409</b>

**11) Other receivables**

Balance sheet items	2012 LVL Structural unit	2012 LVL Company	2011 LVL Structural unit	2011 LVL Company
Advance settlement persons	13	869		
Overpaid corporate tax	1607	2115	1 656	2115
<b>Total</b>	<b>1620</b>	<b>2984</b>	<b>1 656</b>	<b>2115</b>

**12) Deferred costs and accrued income**

Balance sheet items	2012 LVL Structural unit	2012 LVL Company	2011 LVL Structural unit	2011 LVL Company
Accrued income (annual accreditation maintenance fee)	805	805	1 677	1 677
Subscription to periodicals and newspapers		431		
Other				423
<b>Total</b>	<b>805</b>	<b>1236</b>	<b>1 677</b>	<b>2 100</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.

**Annexes to Annual Report 2012 of the structural unit of SAMC Ltd. – the Latvian National Accreditation Bureau – and the entire Company**

**13) Cash assets in LVL in foreign currency according to the Bank of Latvia rate on 31.12.2012.**

	2012 LVL Structural unit	2012 LVL Company	2011 LVL Structural unit	2011 LVL Company
Balance sheet items				
EU Twinning project		37135		
Bank accounts and cash on hand	115651	152171	99 311	152 786
<b>total</b>	<b>115651</b>	<b>189306</b>	<b>99 311</b>	<b>152 786</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 114505.

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**

	2012 LVL Structural unit	2012 LVL Company	2011 LVL Structural unit	2011 LVL Company
Balance sheet items				
Advance payments from buyers	20474	20474	17 589	17 589
<b>Total</b>	<b>20474</b>	<b>20474</b>	<b>17 589</b>	<b>17 589</b>

**16) Taxes**

	2012 LVL Structural unit	2012 LVL Company	2011 LVL Structural unit	2011 LVL Company
Balance sheet items				
Taxes	6481	11689	15 340	23 600
<b>Total</b>	<b>6481</b>	<b>11689</b>	<b>15 340</b>	<b>23 600</b>

**17) Next period income**

	2012 LVL Structural unit	2012 LVL Company	2011 LVL Structural unit	2011 LVL Company
Balance sheet items				
Standartisation bureau database usage rights		620		
Next period income from the Twinning project		37055		
Part of the annual accreditation maintenance fee attributable to the period of 2011	14518	14518	13 568	14 817
<b>Total</b>	<b>14518</b>	<b>52193</b>	<b>13 568</b>	<b>14 817</b>

**Annexes to Annual Report 2012 of the structural unit of SAMC Ltd. – the Latvian National Accreditation Bureau – and the entire Company**

**18) Other payables**

Balance sheet items	2012 LVL Structural unit	2012 LVL Company	2011 LVL Structural unit	2011 LVL Company
Salary calculated for outsourced experts	2520	2687	2 105	2 105
Settlements with employees		56		
<b>Total</b>	<b>2520</b>	<b>2743</b>	<b>2 105</b>	<b>2 105</b>

**19) Accrued liabilities**

Balance sheet items	2012 LVL Structural unit	2012 LVL Company	2011 LVL Structural unit	2011 LVL Company
Calculated vacation reserves	3535	9599	3 608	10 203
Other accruals (Communal payments, fuel, communications serv.)	1190	3183	199	4 097
<b>Total</b>	<b>4725</b>	<b>12782</b>	<b>3 807</b>	<b>14 300</b>

**20) Staff costs**

In 2012 there were on average 33 employees at the Company, including 10 employees at the Accreditation Bureau. Furthermore, the payroll comprised 100 temporary employees who performed assistant functions of the company (112 in 2011). The staff costs are reflected as follows:

Type of costs	2012 LVL Structural unit	2012 LVL Company	2011 LVL Structural unit	2011 LVL Company
Salaries, benefits	85420	301316	94 614	302 163
Contract work	41885	42656	36 774	43 711
Social insurance contributions	31251	85604	30 709	8 1 820
Reduction of the vacation reserve	-73	-604		690
<b>Total</b>	<b>158483</b>	<b>428972</b>	<b>162 097</b>	<b>428 384</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, Buiding #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 2075 per month.

