

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

Structural Unit "Latvian National Accreditation Bureau"

Annual Report 2013

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Information about the company and the structural

Company name	<i>Standardisation, Accreditation and Metrology Centre Ltd. (SIA Standartizācijas, akreditācijas un metroloģijas centrs)</i>	
	<i>Structural unit of 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>	
	<i>Laura Ange from 04.03.2014</i>	
Accounting period	<i>01.01.2013. – 31.12.2013.</i>	
Auditors:	<i>Company of Certified Auditors Licence No. 162</i>	<i>Certified auditor Jānis Meijubers Certificate No.113</i>
	<i>SIA AA Audits</i>	
	<i>Jāņa Asara iela 15-79, LV-1009, Riga</i>	

Management report

Operations of “Standardisation, Accreditation and Metrology Centre Ltd.” and its structural unit Latvian National Accreditation Bureau in 2013.

Type of business of the Company

The 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.

Accreditation

SAMC LATAK ensures operations of Latvian National accreditation system. In the European understanding LATAK is the 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 with 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 2013, the accreditation status was maintained for 248 accredited bodies, 17 new bodies have been accredited and accreditation for 13 bodies has been cancelled.

In 2013:

- A new LATAK pricelist was reviewed and implemented.
- LATAK started offering accreditation services in 4 new scopes and prepared for accreditation according to new requirements in 4 scopes (LATAK documents brought to order according to requirements of new standards and/or new requirements of the existing standards):
 - For verification of greenhouse gas reports and tonne-kilometer reports (SEG/GHG, ISO 14065);
 - ISO 50001 – Energy management systems;
 - For inspection bodies, the inspectors whereof would inspect the sold useful or effectively used heat energy;
 - For accreditation of industrial energy auditors according to Cabinet Regulations No. 138 of March 12, 2013. New accreditation procedures are being developed.
- 6 conformity assessment bodies have been reassessed according to requirements of the Construction Products regulation and the EM are notified to EC;

- LATAK's readiness to accredit according to the new standards ISO 17024:2012, ISO 17020:2012 has been ensured;
- As of January 2, 2014 LATAK will accept the new requests for accreditation/reaccreditation of product certification according to LVS EN ISO/IEC 17065:2013 requirements.
- 3 new employees have been hired, and 6 experts have been qualified as lead assessors;
- LATAK organizing structure has been remodeled;
- 22 seminars with 282 participants have been organized;
- 5 internal audits have been made;
- LATAK quality system in Latvian and English languages has been updated, LATAK homepage has been completely redesigned, and all internal procedure documents of LATAK have been updated;
- On September 30, 2013 SIA "SAMC", the Ministry of Economics and LATAK signed a tripartite agreement On the Principles applied in the accreditation scope, stating that LATAK in its operations is functionally independent and its functions are clearly separated from the functions of other state bodies, and revenue of LATAK from provision of accreditation services must be used only for provision of such services and for provisioning and development of LATAK capacity and competency;
- In October and December 2013 competencies of LATAK were assessed by auditors of the Multilateral Agreement – EA MLA – of the European Cooperation for Accreditation. In the comparative assessment time 8 nonconformities, 9 observations and 5 comments (recommendations) were stated in respect to LATAK;
- In December 2013 an EA auditor positively assessed LATAK quality management system and competency of LATAK experts in the scope of greenhouse gas emissions (SEG). The decision on expansion of MLA scope for LATAK will be made during a meeting of EA MAC (Multilateral Agreement Council of the European Cooperation of Accreditation), which will take place in April 2014;
- In December 2013 Forum of Accreditation and Licensing Bureaus (FALB, which operates with the European Commission) performed an audit of environment management and audit system (EMAS) scope of LATAK, as the result of which the following statements were made: 1 first level nonconformity, 1 second level nonconformity and 1 comment. At the moment there are no accredited bodies in the scope of EMAS in Latvia;
- Participation and cooperation of LATAK in international accreditation environment was facilitated:
 - o In 2013 LATAK participated in all meetings of all EA committees;
 - o Participated in a meeting organized by FALB in relation to EMAS;
 - o One lead assessor received the qualification of comparative assessment assessor of the European Cooperation for Accreditation in order to participate in assessment of national accreditation bodies for conformity to ISO 17011 and other EA requirements performed by EA in the future;

- EA Horizontals Harmonization Committee appointed the Head of LATAK to lead the EA coordination group that will develop a binding EA document for application of a unified witness policy;
 - Participation in EA and EMAS comparative assessments;
 - In 2013 LATAK representatives had individual meetings with Belorussian, Georgian and Russian Federation NAB. In 2014 signing of a memorandum of understanding with the NAB of the Russian Federation is planned;
 - At the end of 2013 the Twinning project for strengthening of Georgian accreditation system, funded by the EU, implemented by a German-Latvian consortium, was successfully completed. It was led by the German Federal Material Research Institute BAM together with LATAK.
- Conformity assessment body monitoring and cooperation with the surveillance bodies, market players and cooperation partners has been improved;
 - LATAK personnel performance assessment and competency planning order has been developed;
 - LATAK employee bonus order has been prepared;
 - Criteria for leveling of LATAK personnel competencies have been defined.

Financial standing

Pursuant to SAMC 2013 funding plan, the received budget grant LVL 69 623 and revenue from paid services LVL 282 544, were used to pay for current expenses and were included in the current year costs. In separate structural units LATAK annual financial results before administrative costs is LVL 38 347. According to the methods approved by the management, the ineligible costs are the ones that are referred to specific structural units, based on the proportional share of the costs of these structural units in the total amount of the total costs given for calculation of the proportional rate. In 2013 60% of the total administrative costs are included in the financial report of structural unit of LATAK – LVL 58 653. Besides, 50% of the income and expenses related to the TWINNING project are referred to the structural unit of LATAK. After addition of the directly ineligible costs the profit/loss calculation result of LATAK is LVL 20 306.

Income from the provided service in 2013, compared to 2012, have increased by LVL 45 106.

Increase of expenditures in 2013 is LVL 101 458. The most significant increase of expenditures in in the personnel costs – LVL 60 426, which occurred as the result of internal reorganization of LATAK performed from March 1, 2013, as the result of which 3 more job positions were created (1 office administrator, 1 head of department, 1 lead assessor), the business trip and work-related trip costs have increased in relation to development of cross-border accreditation - LVL 10 358.

The new LATAK service pricelist became effective on March 1, 2013, which during the year allowed to increase income from paid services. The amount of receivables at the end of the year, compared to the previous year, has increased by LVL 17 515. In 2013 the advance balance received from the customers has significantly increased – LVL 74 218, which is related to the course of the initiated accreditation processes, the related costs whereof are registered in 2013, and with the course of decision making. In relation to the specifics of the accreditation process, advances received from the customers are included in income of the reporting year only after

passing of the accreditation decision. In 2013 estimates on inclusion of the received advances in the revenue of the reporting year have not been made, because assessment methods have not been changed when compared to the previous reporting period.

The decision on determination of the provided service volume and on inclusion of the received advance payments in revenue of 2014 will be made by the end of 2014.

According to the opinion of LATAK management, a significant part of the received advance payments must be referred to revenue of 2013, which would respectively improve financial results of LATAK.

Future prospects and development in 2014.

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

- To eliminate nonconformities detected in the course of EA MLA and FALB audit, thus maintaining the status of an EA MLA signatory and ensuring conformity assessment activities in quality which would give basis for no doubts regarding reliability of the certificates and inspection reports issued by bodies accredited in Latvia, and would guarantee high level protection of public interests
- To activate work of technical committees of the accreditation areas;
- To improve business processes and management of information system in LATAK;
- To improve cooperation with the surveillance bodies;
- To raise qualification of the external technical experts, to qualify 10 technical experts as assessors;
- To improve competency of lead assessors of LATAK.
- To improve quality management system;
- To co-participate in international cooperation organizations;
- To cooperate with national accreditation bodies of other states;
- To develop cross-border accreditation.

In 2014 LATAK will continue ensuring operations of the national accreditation system, as the result of which:

- LATAK will be represented in European and international accreditation organizations.
- Accreditation services required for the national economy will be provided upon cooperation of LATAK with organizations of areas of the national economy.

Chairman of the Board

Valdis Blome

Head of the Latvian National Accreditation Bureau

Olga Veilande

Balance sheet of the structural unit: Accreditation Bureau and the whole Company as at December 31, 2013

Assets	Note No.	31.12.2013 LVL Structural unit	31.12.2013 LVL Company	31.12.2012 LVL Structural unit	31.12.2012 LVL Company
1. Non-current assets					
I. Intangible assets					
Other intangible assets			737		771
Research and company development costs			19930		
<i>Intangible assets total</i>			20 667		771
II. Fixed assets					
Technologic equipment and machinery			67 727		73598
Other fixed assets and inventory	8	4786	24 269	4305	10475
<i>Fixed assets total</i>		4786	91 996	4305	84073
Long-term investments total		4786	112 663	4305	84844
2. Current assets					
I. Stock					
Raw materials, consumables and auxiliary materials	9	663	5 219	227	4187
<i>Stock total</i>		663	5 219	227	4187
II. Receivables					
Trade receivables	10	31915	34764	14400	14400
Other receivables	11			1620	2984
Deferred costs		384			
Deferred costs and accrued income	12	1882	2946	805	1236
<i>Receivables total</i>		34 181	37 710	16 825	18 620
IV. Cash assets					
	13	166 361	162 467	134 483	189 306
Current assets total		166361	205 396	132 703	212 113
Assets total		205 991	318 059	155 840	296 957

Balance sheet of the structural unit: Accreditation Bureau and the whole Company as at December 31, 2013

Capital and liabilities	Note No.	31.12.2013 LVL Structural unit	31.12.2013 LVL Company	31.12.2012 LVL Structural unit	31.12.2012 LVL Company
1. Equity					
Shares or stock (share capital)	14		114505		114505
Reserves:					
c) other reserves		72724	93 014	72 724	93 014
Reserves total		72724	93 014		
Retained earnings:					
a) retained earnings (loss) of previous years		34398	(10 445)	-1 233	-25 188
b) undivided profit of the accounting year		(20 306)	(15 253)	33 165	14 743
Equity total		86 816	181 821	107 122	197 074
II. Current liabilities					
Advance payments from buyers	15	74 218	74 218	20 474	20 474
Taxes and compulsory state social insurance contributions	16	14 346	20 810	6 481	11 691
Accrued liabilities	19	8290	3 960	4 725	12 782
Next period income	17	18 361	16 890	14 518	52 193
Other payables	18	3960	20 360	2 520	2 743
<i>Current liabilities total</i>		119 175	136 238	48 718	99 883
Payables total		119 175	136 238	48 718	99 883
Capital and liabilities total		205 991	318 059	155 840	296 957

Balance sheet of the structural unit: Accreditation Bureau and the whole Company as at December 31, 2013

According to the turnover cost method

	Note No.	2013 LVL Structural unit	2013 LVL Company	2012 LVL Structural unit	2012 LVL Company
Net turnover	1	372 183	671 129	304 681	604 484
Production costs of products sold	2	(386 048)	(674 127)	(268 707)	(583 619)
Gross profit or loss		(13 865)	(2 998)	35 974	20 865
Administration costs	3	(5099)	(10 880)	(1 866)	(4 747)
Other operating income	4		150		125
Other operating costs	5	(1342)	(1 525)	(943)	(1 956)
Other interest income and similar income	6				456
Profit or loss before extraordinary items and taxes		(20 306)	(15 253)	33 165	14 743
Extraordinary income	7				
Profit or loss before taxes		(20 306)	(15 253)	33 165	14 743
Corporate tax for the accounting year					
Profit or loss of the accounting year		<u>(20 306)</u>	<u>(15 253)</u>	<u>33 165</u>	<u>14 743</u>

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 application of Annual Reports Law.

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 2013.

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 of Accreditation Bureau, estimates, accounting account analytic data, and previously approved basic item attribution principles were used.

Methods of preparation of financial statements are foreseen for preparation of separate financial reports of structural units according to general basic accounting principles approved by the management, which are based on income and cost division principle between structural units.

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 2013 financial statements the accrued income was calculated and provisions were created for unused employee vacations.

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

Income and expenditures that cannot be directly attributed to a particular structural unit are divided between structural units according to calculated specific 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 purchase 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 concluded agreements on the annual accreditation status maintenance fee with different bodies.

Trade receivables and other receivables

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

Where it is not possible to accurately attribute balances of accounts receivable and accounts payable to any particular structural unit, the balance ratio for inclusion in the statement is calculated on the basis of the proportional share of costs of such structural unit in the total amount of the set costs

Cash and cash equivalents

Cash balance in the financial statements is calculated analytically, according to the principles of financial statement preparation methods approved by the management (clause 6.3.).

Own capital

Own capital account balance consists of the stock referred to the structural unit, which are determined analytically, initiating separate account by structural units, as well as accrued profit/uncovered loss accrued as of 2010.

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 31.12.2013. 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:

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.

Net turnover in preparation of a separate financial statement of the structural unit consists of the information accrued in income and cost accounts during the reporting period.

Balances of directly attributable cost accounts of the structural unit are identified and reflected in profit/loss calculation with the designation (code) of the structural unit.

Directly unattributable costs are attributed to particular structural units, based on the proportionate share of such structural unit costs in the total amount of costs given for calculation of the proportion. This principle is applied to profit/loss calculation as of 2013. For calculation of directly attributed cost proportion, the costs directly attributable to the structural unit are taken into consideration, which are accounted in the SAMC accounting program HORIZON, accounts of cost accounting according to the accruals principle in line with the account plan.

Changed statement preparation method in 2013

Upon assessment of SAMC operating specifics, operating cost structure of structural units and sources of directly unattributable costs, SAMC management made the decision to attribute directly unattributable costs to specific structural units, based on the proportional share of costs of such structural units in the total amount of costs given for calculation of proportions. The comparable indicators of calculation of profit and loss in 2012 are presented according to the updated statement preparation method.

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

Clause 14 of introductory part of the European Parliament and Council (EC) Regulation 765/2008 states that not-for-profit operation by a national accreditation body should be understood as an activity that is not intended to add any gain to the resources of the body's owners or members. LATAK operations in the context of provision of accreditation services are based on the non-profit principle and net profit of the structural unit in the reporting period is not subjected to disbursement of dividends based on requirements of the aforementioned regulation.

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. 2012 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	2013 LVL Structural unit	2013 LVL Company	2012 LVL Structural unit	2012 LVL Company
Services provided against a fee	280 662	359 134	237 438	310 444
Accrued income	1882	1 882		

Annexes of the Structural unit: Accreditation Bureau and the whole Company 2o013

Income from TWINNING project	20013	40 026		29 686
State subsidies and grant	69626	270 067	67 243	264 354
Other income		170		
Total	372 183	671 279	304 681	604 484

2) Production costs of products sold (Direct AB costs + ADM cost proportion)

	2013 LVL Structural unit	2013 LVL Company	2012 LVL Structural unit	2012 LVL Company
Staff costs	277 622	503 249	217 196	428 972
Depreciation on fixed assets	2462	11 600	2 667	12 053
Writing down of current asset value	-		119	256
Computer hardware maintenance costs	567	1379	288	1 040
Costs of involved outsourced experts	6873	6873	6533	6533
Software maintenance	448	939	245	463
Relocation costs				
EA costs	4905	4905	345	345
Information technology services	2026	3256	766	11 735
Repairing and maintenance of the photocopier	83	179		505
Transport costs (fuel, repairs, insurance)	5039	8672	5891	8667
Lease of premises, payments for utilities	12290	30 281	12582	30244
Communications services	3033	5386	2680	4652
Business travel costs	38493	56 384	28135	45181
Other operating costs	853	1441	1115	2261
Membership fee at the Latvian Chamber of Commerce and Industry	92	200	106	200
Stationery	3833	5238	1929	2801
Seminars, courses	2728	3107	713	1173
VENDEN water	334	531	227	426
Banking services	342	1614	586	1246
Subscription to magazines, newspapers	133	289	89	168
Business risk duty, other taxes and duties	137	189	164	171
Mailing costs	643	682	369	438
Costs of optics for employees	46	250	178	513
Repair of climate control system	45	1335		50
Corporate vehicle tax	960	1080	1080	1080
Payment for services from outside	6065	6065		
Translation costs	1961	3719	57	1910
Printing and publishing costs		35		
LNE maintenance costs		11042		17 688
Other costs		323		848
CRM (customer business management project research costs)		1800	530	2000
Relocation costs	710	710		
Hopeless receivables written down		390		
Current premise repair costs	903	984		
Costs attributed to Twinning	12422			
Total	386 048	674 127	284 590	583 9

4. Administration costs

Structure of expenditures	2013 LVL Structural unit	2013 LVL Company	2012 LVL Structural unit	2012 LVL Company
Communications costs			100	180
Office expenditure	66	170		
Costs of annual report auditing	548	1500	700	1851
Legal services	1390	1964		
Representation costs	3095	7246	1241	2716
Total	5099	10 880	2041	4747

4) Other operating income

Structure of income	2013 LVL Structural unit	2013 LVL Company	2012 LVL Structural unit	2012 LVL Company
Other income		150		14
Fixed assets recorded after stocktaking				111
Total	-	150		125

5) Other operating costs

Structure of expenditure	2013 LVL Structural unit	2013 LVL Company	2012 LVL Structural unit	2012 LVL Company
Loss from currency rate fluctuations	660	914	560	1054
Penalties			22	41
Long-term assets value write-off			456	861
Hopeless receivables write-off	390			
Corporate income tax written-off in state budget		611		
Other expenditure	292			
Total	1342	1525	1038	1956

6) Other interest income

Structure of income	2013 LVL Structural unit	2013 LVL Company	2012 LVL Structural unit	2012 LVL Company
Interest income				450
Income from currency rate fluctuations				6
Total	-	-		456

7) Statement of turnover of non-current assets of the structural unit

	Investment for leasehold improvement	Concession s, patents, licenses, trademarks and similar expenditure	Plant and machinery	Other fixed assets	Total
	LVL	LVL	LVL	LVL	LVL
Initial value at 31.12.2012.		25 223		72 005	97 228
Acquired				2168	2168
Liquidated				(1636)	(1636)
Internal relocation				(4431)	(4431)
Initial value at 31.12.2013.		25 223		68 106	93 329
Accrued depreciation 01.01.2013.		25223		67 700	92923
Depreciation in the accounting year				2462	2462
Disposed due to cessation of operation				(1636)	(1636)
Internal relocation				(5206)	(5206)
Accrued depreciation at December 31. 2013				63 320	67700
Residual value at 31.12.2012.		-		4305	4305
Residual value at 31.12.2013.		-		4786	4786

8) Stock

Balance sheet items	2013 LVL Structural unit	2013 LVL Company	2012 LVL Structural unit	2012 LVL Company
Inventory and stationery	663	5219	227	4187
Total	663	5219	227	4187

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

9) Trade receivables

Balance sheet items	2013 LVL Structural unit	2013 LVL Company	2012 LVL Structural unit	2012 LVL Company
Book value of trade receivables	31 915	34 764	14400	14400
Balance sheet value	31 915	34 764	14400	14400

10) Other receivables

	2013 LVL Structural unit	2013 LVL Company	2012 LVL Structural unit	2012 LVL Company
Balance sheet items				
Advance settlement persons			13	869
Overpaid corporate tax		-	1607	2115
Total	-	-	1620	2984

11) Deferred costs and accrued income

	2013 LVL Structural unit	2013 LVL Company	2012 LVL Structural unit	2012 LVL Company
Balance sheet items				
Accrued income (annual accreditation maintenance fee)	1882	1882	805	805
Civil liability insurance	384	384		
Subscription to periodicals and newspapers		136		431
Vacation pay calculation				
VENDEN safety deposit		39		
HORIZON module maintenance fee		161		
Total	2266	2946	805	1236

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.

12) Cash assets in LVL in foreign currency according to the Bank of Latvia rate on 31.12.2013.

	2013 LVL Structural unit	2013 LVL Company	2012 LVL Structural unit	2012 LVL Company
Balance sheet items				
EU Twinning project		9635		37135
Bank accounts and cash on hand	158 770	152 832	115 651	152 171
Total	158 770	162 467	115 651	189 306

13) 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.

14) Advance payments from buyers

	2013 LVL Structural unit	2013 LVL Company	2012 LVL Structural unit	2012 LVL Company
Balance sheet items				
Advance payments from buyers	74 218	74 218	20 474	20 474
Total	74 218	74 218	20 474	20 474

15) Taxes

	2013	2013	2012	2012
Balance sheet items				

Annexes of the Structural unit: Accreditation Bureau and the whole Company 2013

	LVL Structural unit	LVL Company	LVL Structural unit	LVL Company
Taxes	14 346	20 810	6 481	11 689
Total	14 346	20 810	6 481	11 689

16) Next period income

Balance sheet items	2013 LVL Structural unit	2013 LVL Company	2012 LVL Structural unit	2012 LVL Company
Standardisation bureau database usage rights		1999		620
Next period income from the Twinning project				37 055
Part of the annual accreditation maintenance fee attributable to the period of 2014	18 361	18 361	14 518	14 518
Total	18 361	20 360	14 518	52 193

17) Other payables

Balance sheet items	2013 LVL Structural unit	2013 LVL Company	2012 LVL Structural unit	2012 LVL Company
Salary calculated for outsourced experts	3659	3659	2 520	2 687
Settlements with employees	301	301		56
Total	119 175	3960	2 520	2 743

18) Accrued liabilities

Balance sheet items	2013 LVL Structural unit	2013 LVL Company	2012 LVL Structural unit	2012 LVL Company
Calculated vacation reserves	6 933	13 132	3 535	9 599
Other accruals (Communal payments, fuel, communications serv.)	1 357	4 758	1 190	3 183
Total	8 290	16 890	4 725	12 782

19) Staff costs

In 2013 there were on average 36 employees at SAMC. (2012-34). Furthermore, the payroll comprised 107 temporary employees who performed outsourced assessor functions of the company in body assessment evaluation process (100 in 2012). The staff costs are reflected as follows:

Type of costs	2013 LVL Structural unit	2013 LVL Company	2012 LVL Structural	2012 LVL Company
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			unit	
Salaries, benefits	173 947	359 729	85 420	301316
Contract work	45 998	46 240	41 885	42 656
Social insurance contributions, health insurance a.o.	54 368	94 736	31 251	85 604
Vacation reserve	3 309	2 544	-73	-604
Total	277 622	503 249	158 483	428 972

21) Lease obligations

Pursuant to the decision of the Ministry of Economics, SAMC Ltd. Accreditation Bureau, Standardisation Bureau and administration from April 2011 are located in the premises of the Ministry of Economics at 55 Brīvības Street with the total area of 386.0 m². The Company has entered into a non-residential premises lease agreement with Ministry of Economics of Republic of Latvia till March 31, 2016. LATAK used premises with the total area of 188.54m², which is equal to 49% of the total area of the used premises. SAMC office rental fee per month constitutes LVL 1 866,-, communal fees – LVL 675.

LATAK office rental fee per month constitutes LVL 525,-, communal fees (on average) – LVL 250.