

**Standardisation, Accreditation and Metrology Centre
Ltd.**
(SIA “Standartizācijas, akreditācijas un metroloģijas centrs”)
Structural Unit “Latvian National Accreditation Bureau”

Annual Report 2015

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Company name	<i>A limited liability company „Standardisation, Accreditation and Metrology Centre”</i>	
	Structural Unit - Latvian National Accreditation Bureau	
Legal status of the company	<i>A limited liability company</i>	
Registration No. in the Commercial Register, place and date	<i>40003427231, Riga, on 30 June 2004</i>	
Registered office	<i>157 Krišjāņa Valdemāra Street, Riga, LV-1013</i>	
Contacts	<i>67 379348; fax: 67 371324; e-mail: samc@samc.lv</i>	
The Chairman of the Executive Board	<i>Valdis Blome all year through</i>	
Board Members	<i>Laura Ange all year through</i> <i>Raimonda Liepina (Liepiņa) from 18 September 2015</i>	
Financial period	<i>01.01.2015. – 31.12.2015.</i>	
Auditors:	<i>Company of Certified Auditors Licence No. 162</i> <i>AA Audits Ltd.</i> <i>15-79 Jāņa Asara Street, Riga, LV- 1009</i>	<i>Certified auditor Janis (Jānis) Meijubers Certificate No.113</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

Since 1 July 2009 Standardisation, Accreditation and Metrology Centre Ltd. (hereinafter referred to as the SAMC) has performed the assignments of accreditation pursuant to the Law "On Conformity Assessment" and other related laws and regulations.

Priorities of the financial year

During the financial year a priority was given to own revenue- increase measures made by SAMC structural unit - Latvian National Accreditation Bureau whilst maintaining all state budgetary objectives at sub-programme level:

To ensure a uniform, EU-recognised conformity assessment system and the compliance thereof with the needs of the Latvian national economy which comprise assessment, accreditation and supervision of testing and calibration laboratories; product, system and staff certification institutions; inspecting institutions and environmental verifiers

Overview of the structural unit's operation in the financial year and its financial standing

The Latvian National System of Accreditation maintains 280 accredited conformity assessment bodies (5 of them are cross-border accreditations). In 2015, 27 new conformity assessment bodies were accredited; accreditation was suspended for 4 and cancelled for 8 conformity assessment bodies.

In 2015 Latvian National Accreditation Bureau (LATAK) of Standardisation, Accreditation and Metrology Centre Ltd. (SAMC) started working towards reassessment of conformity assessment bodies to ensure compliance with the new requirements of the standards ISO 9001:2015 and 14001:2015 and introduced the following new fields of accreditation and:

- function conformity and electrical safety testing and evaluation of radiological devices (regulated sphere, Cabinet Regulation No. 482 adopted 19 August 2014 "Regulations for Protection against Ionising Radiation for the purposes of medical irradiation");
- accreditation of industrial energy auditors (regulated sphere, Cabinet Regulation No. 138 adopted 12 March 2013 "Regulations Regarding Industrial Energy Audit");
- photometric, colorimetric measurements of luminaires (non-regulated sphere) In 2015 LATAK reassessed.

In 2015 there were convened two Accreditation Branch Technical Committees (hereinafter referred to as - ABTC) in the area of certification of persons, two meetings of the National Accreditation Council and one meeting of the Latvian National Accreditation Council Committee with the aim to assess the risks of LATAK operations and related bodies.

In 2015 the project "The development of requirements for LATAK accreditation processes and support information system" (*LATAK akreditācijas procesu un atbalsta informatīvās sistēmas prasību izstrāde*) was launched during which the LATAK Information System Architecture, the technical specification for LATAK accreditation processes and support information system in Latvian and English and an open tender for the development and implementation of LATAK accreditation processes and support information system. On 13 May 2015 an open tender No. SAMC 2015/4 "Standardisation, Accreditation and Metrology Centre Ltd." the development and implementation of LATAK accreditation processes and support information system" (hereinafter referred to as - an open tender No. SAMC 2015/4) was opened. On 2 September 2015 in the

framework of an open tender No. SAMC 2015/4, SAMC Procurement Commission had decided to award the contract to the sole tenderer ZZ Dats Ltd., registration number 40003278467 (hereinafter referred to as - ZZ Dats Ltd.). On 4 November 2015 the procurement No. SAMC 2015/5 “Management services for the project of the development and implementation of the Standardisation, Accreditation and Metrology Centre Ltd. Latvian National Accreditation Bureau accreditation processes and support information system” was announced. On 16 November 2015 in the framework of the procurement No. SAMC 2015/5, SAMC Procurement Commission had decided to award the contract to Agile & Co Ltd., registration number 40003939574 (hereinafter referred to as - Agile & Co Ltd.). The implementation of the project “Management services for the project of the development and implementation of the Standardisation, Accreditation and Metrology Centre Ltd. Latvian National Accreditation Bureau accreditation processes and support information system” is planned in 2016.

In 2015 LATAK has started work on revision of LATAK accreditation procedures with the aim to ensure the transparency of the procedure, in parallel, LATAK's forms were reworked for the improvement of the accreditation document the content of which will be digitized in the new LATAK's information system in 2016.

Financial standing of LATAK

In 2015 pre-tax profit of the structural unit is EUR 55,208; net profit EUR 45,774.

Revenue from paid services provided in 2015, compared to 2014 has increased by EUR 23,646. Income statement 2015 of the structural unit LATAK are prepared according to SAMC accounting data taking into account direct costs of the structural unit and costs of the administrative support functions provided by SAMC according to general basic accounting principles approved by the management, which are based on income and expense division principle between structural units.

In order to promote the operational independence of LATAK and conformity to EA and the requirements of the Regulation (EC) No 765/2008 as of early 2014 cash flow is ensured to a separate current account.

In 2015 work concerning debtors was activated which makes it unnecessary to make savings for bad and doubtful debts of debtors. Regarding the specificity of the accreditation process, prepayments received from customers were included in the revenue of the financial year only after the accreditation decision shall be taken. Having regard to principle of precaution, on the basis of the accounting estimate made in 2015, prepayments received from purchasers in the amount of EUR 33,053.00 are included in the revenue, assessing as a percentage the performance of the conformity assessment work as at 31 December 2015.

Future prospects and development in 2016

In the field of accreditation it is envisaged that:

- To ensure operations of LATAK pursuant to Regulation (EC) No 765/2008 setting out the requirements for accreditation and market surveillance relating to the marketing of products and repealing Regulation (EEC) No 339/93, Regulation (EC) No 1221/2009 on the voluntary participation by organisations in a Community eco-management and audit scheme (EMAS), Cabinet Regulation No. 398 adopted 3 September 2003 “Regulations on Requirements for Quality of Laboratories Practice and Requirements for Inspections of Laboratories”, LVS EN ISO/IEC 17011:2004 and other legal requirements;
- To facilitate LATAK accession to *International Laboratory Accreditation Cooperation (ILAC)/ International Accreditation Forum (IAF)*;
- Continue to improve cooperation with market surveillance institutions;
- To complete the revision of LATAK accreditation procedures and implement new LATAK procedures;
- To improve cooperation with surveillance institutions, professional organisations in the field of conformity assessment and market participants.

Proposals for the use of the structural unit of the SAMC - LATAK's profit

The structural unit of the SAMC - LATAK had closed 2015 with a profit of EUR 45,774.00.

In accordance with Clause 14 of introductory part of the Regulation (EC) No 765/2008 of the European Parliament and of the Council of 9 July 2008 setting out the requirements for accreditation and market surveillance relating to the marketing of products and repealing Regulation (EEC) No 339/93 (hereinafter referred to as - Regulation (EC) No 765/2008), any excess revenue that results from accreditation services may be used for investments to develop activities of national accreditation bodies further, therefore the Management Board of SAMC shall propose to direct profit for the project "LATAK accreditation processes and support information system".

Member of the Board

Kaspars Paupe

Head of the Latvian National Accreditation Bureau

Olga Veilande

17 June 2016

Balance sheet of SAMC and its structural unit LATAK as at 31

Assets	Note No.	31.12.2015 EUR LATAK	31.12.2015 EUR SAMC	31.12.2014 EUR LATAK	31.12.2014 EUR SAMC
1. Long-term investments					
I. Intangible investments					
Advance payments for intangible investments		13 900	13 900		
Other intangible investments		1,168	146,601	1,042	114,723
Research and company development costs					
<i>Intangible investments total</i>		15,068	160,501	1,042	114,723
II. Fixed assets					
Technological equipment and machinery			265,702		88,202
Other fixed assets and inventory		10,763	38,580	9,677	55,998
Advance payments for fixed assets	-	-	-	-	778
<i>Fixed assets total</i>	-	10,763	304,282	9,677	144,978
Long-term investments total	7	25,831	464,783	10,719	259,701
2. Current assets					
I. Inventories					
Raw materials, basic materials, and ancillaries		1,611	6,648	1,041	7,796
<i>Inventories total</i>	8	1,611	6,648	1,041	7,796
II. Debtors					
Purchasers and commissioning party	9	20,998	20,998	14,836	15,086
Other debtors	10	132	376	57	664
Next period costs	11	4,089	4,771	6,432	12,017
Accrued revenue	11	36,688	36,688	20,162	20,162
<i>Debtors total</i>		61,907	62,813	41,487	47,929
IV. Cash					
	12	314,163	432,626	275,160	355,465
Current assets total		377,681	502,087	317,688	411,190
Assets total		403,512	966,870	328,407	670,891

Member of the Board

Kaspars Paupe

Head of the Latvian National Accreditation Bureau

Olga Veilande

Balance sheet of SAMC and its structural unit LATAK as at 31

Liabilities	Note No.	31.12.2015 EUR LATAK	31.12.2015 EUR SAMC	31.12.2014 EUR LATA K	31.12.2014 EUR SAMC
1. Equity					
Shares or stock (share capital)			162,925		162,925
Revaluation reserve of long-term investments			187,859		
Reserves:					
c) other reserves		103,477	132,347	103,477	132,347
Reserves total		103,477	320,206	103,477	132,347
Retained earnings:					
a) retained earnings (loss) of previous years		59,269	2,133	20,051	-36,565
b) retained earnings of the financial year		-	<u>45,774</u>	-	<u>39,218</u>
Equity total	13	<u>208,520</u>	<u>551,156</u>	<u>162,746</u>	<u>315,048</u>
2. Long-term creditors					
Next period revenue			114,698	-	129,454
Deferred EIT (enterprise income tax)	14	2,213	26,255	15,237	23,085
Long-term creditors total		2,213	140,953	15,237	152,539
II. Short-term creditors					
Prepayments received from purchasers	15	119,960	119,960	90,142	90,142
Taxes and State mandatory social insurance payments	16	20,623	26,800	5,130	9,364
Accrued liabilities	17	22,435	38,933	24,021	39,310
Next period revenue	18	28,032	87,423	27,559	61,121
Other creditors	19	-	<u>1,729</u>	-	<u>3,572</u>
Short-term creditors total		<u>192,779</u>	<u>274,761</u>	<u>150,424</u>	<u>203,304</u>
Creditors total		<u>194,992</u>	<u>415,714</u>	<u>165,661</u>	<u>355,843</u>
Liabilities total		<u>403,512</u>	<u>966,870</u>	<u>328,407</u>	<u>670,891</u>

Member of the Board

Kaspars Paupe

Head of the Latvian National Accreditation Bureau

Olga Veilande

Balance sheet of SAMC and its structural unit LATAK as at 31

According to the turnover cost method

	Note No.	2015 EUR LATAK	2015 EUR SAMC	2014 EUR LATA K	2014 EUR SAMC
Net turnover	1	627,977	801,393	604,331	734,808
Production costs of products sold	2	(691,742)	(1,167,288)	(653,970)	(1,099,473)
Gross profit or loss		(63,765)	(365,895)	(49,639)	(364,665)
Administrative costs	3	(6,574)	(11,060)	(16,686)	(20,840)
Other revenue from economic activities	4	125,845	460,920	118,809	465,560
Other costs of economic activity	5	(298)	(4,556)	(612)	(714)
Other revenue from interest and similar revenue	6		-	85	85
Profit or loss before taxes		55,208	79,409	51,957	79,426
Enterprise income tax		(7,221)	(10,347)		
Deferred EIT		(2,213)	(3,170)	(12,739)	(23,085)
Profit or losses for the financial year		<u>45,774</u>	<u>65,892</u>	<u>39,218</u>	<u>56,341</u>

Annex shall be an integral part to these financial statements.

Background information on SAMC

SAMC was established on 1 July 2009 pursuant to Cabinet Regulation No. 351 on the liquidation of "The State Agency for Metrology and Accreditation". Latvijas standarts Ltd. was the legal successor of the liquidated agency in the fields of accreditation and metrology.

Initially Latvijas standarts Ltd. was registered in the Register of Enterprises of the Republic of Latvia on 30 June 2004. From 1 July 2009 the name of the company was changed to Standardisation, Accreditation and Metrology Centre Ltd. Structurally SAMC Ltd. consists of three individual and independent bureaus - LATAK, the Standardisation Bureau, the Metrology Bureau with the support function provided by the Financial Department and the Information and Marketing Department.

Summary of important accounting policies

Basic principles for preparation of the financial statement:

The financial statement of SAMC has been prepared in accordance with the Law on the Annual Reports (*Gada pārskatu likumu*) subject to implementation provisions thereof.

The monetary unit used in the financial statement is the currency of the Republic of Latvia, euro (EUR). The financial statement covers the period 01.01.2015. - 31.12.2015.

The annual report shall be prepared taking into account the following basic principles: the accumulation principle, the assumption for continuing the activity, comparability, materiality, joining and reliability of items that are taking into account in preparing the LATAK financial statement.

To prepare a separate balance sheet for LATAK, estimates, subsidiary account data and previously approved item attribution principles were used.

Methods of preparation of financial statements are foreseen for preparation of separate financial reports of LATAK according to general basic accounting principles approved by the management, which are based on income and expense division principle between SAMC structural units. Methods of preparation of financial statements and revenue/expense distribution have been made on the basis of the approved internal regulatory enactment "Methods of accounting revenue and expenses when preparing the financial statements of the structural units".

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

For the purposes of preparation of the 2015 financial statement the accrued income was calculated and provisions were created for unused employee vacations.

To calculate the ratio of the operating costs of administrative units which are not directly eligible, the costs of units shall be allocated proportionately to the average number of employees employed in the offices. The average number of employees shall be calculated by counting the employees employed in the Company on the last date of each month of the financial year and dividing the sum by the number of months in the financial year.

Intangible investments

Intangible investments are accounted at their initial value which is subject to depreciation during the useful life of such assets using the straight-line method.

Fixed assets

Fixed assets are accounted at their initial value deducting any accumulated depreciation. Depreciation is calculated over the useful life of the asset according to the straight-line method.

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

Stocktaking of long-term investments is conducted at the end of the financial period subject to a written order by the Chairman of the Board.

Inventories

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

Inventories are accounted in conformity with their purchase costs. Stocktaking of inventories is conducted at the end of the financial period subject to a written order by the Chairman of the Board.

Accrued revenue

Accrued revenue is calculated on the basis of the concluded agreements on the annual accreditation status maintenance fee with different bodies.

Purchasers and commissioning party debts and other debtors

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 accounting value of such claims. In 2015 it was not necessary to establish reserves for bad and doubtful debts of debtors.

Cash and cash equivalents

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

Equity

Equity account balance consists of the reserves referred to the structural unit, which are determined analytically, initiating separate account by structural units, as well as accrued profit/non-covered losses to have accrued as of 2010.

Accrued liabilities

Reserves 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 reserve item reflects liabilities towards employees with respect to unused vacations as at 31.12.2015. The accrued costs also comprise costs of communication services and utilities provided within and attributable to the financial period while invoices thereof will be received during the next financial period.

Important accounting policies

The policy of stock recording was not changed during the financial year. Assets with value not exceeding EUR 213 per unit are recorded under inventories. In the cases when useful life for inventory is expected more than one year, inventories shall be accounted in the composition of long-term investments.

Revenue recognition, expenses

Revenue 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. For recognition of revenue the following conditions are also taken into account:

Revenue from services is recognised within the period during which the services were provided, with consideration of the principle of coherence of gaining revenues and expenses and on the basis of contractual relationship with the customers.

Net turnover in preparation of a separate financial statement of the structural unit consists of the information accrued in revenues and expenses accounts during the financial period

Balances of directly attributable cost accounts of the structural unit are identified and reflected in income statement with the designation (code) of the structural unit.

Costs which are directly eligible are accounted in the SAMC accounting program HORIZON, in the accounts of cost accounting according to the accruals principle in line with the account plan.

Latvian National Accreditation Bureau, performing the conformity assessment services for certification, inspection, testing and calibration laboratories and environmental verification authorities, performs the tasks and functions of State administration delegated to it in the field of conformity assessment. On the basis Section 3, Paragraphs eight and nine of the Law "Value Added Tax Law", VAT not applicable to functions which bodies perform in accordance with the State Administration Structure Law. Thus, the structural unit of the SAMC - LATAK's services provided performing functions delegated by the State administration, shall not be subject to VAT

Transactions in foreign currency

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

Re-classification

In 2015 the re-classification of balance sheet items were not made.

Disbursement of dividends

Clause 14 of introductory part of the Regulation (EC) No 765/2008 of the European Parliament and of the Council of 9 July 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 financial period is not subjected to dividend distribution based on requirements of the aforementioned Regulation

Deferred enterprise income tax

Deferred enterprise income tax calculated as the difference between the residual value of fixed assets in financial accounting and the residual value of fixed assets for tax purposes, adjusting the result for the amount of provisions for unused employee vacations, doubtful debts of debtors and non-covered losses of previous years.

Comparable information

The financial statement has been prepared with the special purpose of disclosing the operations, revenues and expenses of LATAK - the structural unit of SAMC. Where appropriate, the data from the structural unit Annual Report 2014 is used as the comparable information.

In preparing the separate financial statement 2015 of the structural unit LATAK to ensure the comparability of the information included in the financial statements (separate financial statement 2014 of the structural unit LATAK), the redistribution of administrative costs of the Company which are not directly eligible and the adjustment of items of the financial statement of LATAK has been carried out. The redistribution of indirectly attributable administrative costs had been done according to the basic accounting principles approved by the Company management the basic accounting principles approved by the Company management on the basis of the Company's approved internal regulatory enactment "Methods of accounting revenue and expenses when preparing the financial statements of the structural units".

Results of the adjustments of balance items for the LATAK's financial statement 2014

Name	The indicators of financial statement 2014 before the adjustment	Adjustment	The indicators of financial statement 2014 after the
Balance sheet			
Cash	272,672	+ 2,488	275,160
Retained earnings of the	36,730	+2,488	39,218
Income statement			
Net turnover	602,835	+1,496	604,331
Production costs of products sold	(547,601)	(106,369)	(653,970)
Gross profit	55,234	(104,873)	(49,639)
ADM costs	(14,775)	(1,911)	(16,686)
Other revenue from economic	12,000	106,809	118,809
Other costs of economic	(577)	(35)	(612)
Other revenue from interest	85	-	85
Profit or loss before taxes	51,967	(10)	51,957
Deferred EIT	(15,237)	(2,501)	(12,739)
Profit or losses for the financial	36,730	+2,488	39,218

Events after the balance sheet date

After the financial period, there were no significant financial transactions that could affect the results of economic activity of 2015.

1) Net turnover

Turnover is income gained during a financial year from the principal activity of the company – provision of services, less the value added tax.

Annexes to Annual Report 2015 of SAMC and its structural unit

	2015 EUR LATAK with the support functions provided by ADM	2015 EUR SAMC	2014 EUR LATAK with the support functions provided by ADM	2014 EUR SAMC
Structure of revenue				
Paid services provided	610,552	801,393	583,083	712,345
Accrued revenue	17,425		19,752	19,752
Revenue from TWINNING project				

Other revenue			1,496	2,711
Total	627,977	801,393	604,331	734,808

2) Production costs of products sold by the structural unit

Structure of expenditure	2015	2015	2014	2014
	EUR		EUR	
	LATAK	EUR	LATAK	EUR
	with	SAMC	with	SAMC
	the		the	
	suppor		suppor	
	t		t	
Staff costs	500,471	836,422	505,945	837,285
Depreciation on fixed assets	8,473	50,464	6,126	28,393
Write-off of the value of current assets	301	2,016	737	1,021
Computer hardware maintenance costs	1028	1,806	453	1,547
Costs of involved outsourced experts	60,011	65,637	4,111	4,111
Software maintenance	679	1,230	743	1,307
EA costs	-		269	269
Information technology services	128	656	355	1,047
Repairing and maintenance of the photocopier			15	214
Transport costs (fuel, repairs)	3,676	4,736	4,674	6,372
Car rental	3,468	3,468	1,878	1,878
Lease of premises, payments for utilities	24,255	47,361	23,748	47,650
Advertising and marketing costs for LVS summit		2,412	-	5,895
Communications services	4,624	7,370	4,286	6,745
Business travel costs	59,428	68,406	76,802	88,811
Other expenses of economic activity	378	588	1,399	2,352
Membership fee at the Latvian Chamber of Stationery	4,562	6,257	4,940	6,614
Costs for improvement of staff qualification	2,605	2,659	2,062	2,192
Seminars, courses	1,201	1,489	4,174	4,569
Irrecoverable input tax	7,157	14,121		
VENDEN water	688	986	2,487	2,757
Banking services	224	621	220	631
Subscription to magazines, newspapers	322	564	130	235
Business risk duty, other taxes and duties	277	277	206	283
LVS IT project maintenance costs	-	8,303	-	4,152
Postal charges	1,043	1,106	999	1,046
Car insurance	497	1,936	272	521
Costs of optics for employees	276	785	352	898
Duties	475	517	447	447
Repair of climate control system	-		127	230
Company car tax	324	999	718	1,326
Payment for services from outside	4,143	13,971	-	-
Acquisition of standards and translation costs	-	5,006	-	6,362
LNE maintenance costs	-	12,797	-	28,019
Bad debts of debtors	-	-	4,014	4,180
E-store maintenance costs	-	1,004	-	707
Expenses of the current repairs of the premises	-	6	459	605

Civil liability insurance	1,028	1,028	665	665
Total	691,742	1,167,288	653,970	1,099,473

3) LATAK administrative costs

Structure of expenditure	2015 EUR LATAK with the support function s	2015 EUR SAMC	2014 EUR LATAK with the support functio ns	2014 EUR SAMC
Office expenditure				
Costs of annual report auditing	1,213	2,200	716	2,388
Legal services	269	556	4,611	5,545
Other management expenditure and admin. costs	1,429	3,559	810	1,241
Representation costs	3,663	4,745	10,549	11,666
Total	6,574	11,060	16,686	20,840

4) Other revenue from economic activities

The funding received from the state for the implementation of state-defined functions is also indicated.

Structure of revenue	2015 EUR LATAK with the support functions provided by SAMC	2015 EUR SAMC	2014 EUR LATAK with the support functions provided by SAMC	2014 EUR SAMC
Other revenue	4,317	16,798		1,860
The government grant for performing the Fixed assets recorded after stocktaking	121,300	442,487	118,809	463,615 85
Fines received	228	228	-	
Total	125,845	460,920	118,809	465,560

5) Other expenses of economic activity

Structure of expenditure	2015 EUR LATAK with the support t functio	2015 EUR SAMC	2014 EUR LATAK with the suppor t functio	2014 EUR SAMC
Loss from currency rate fluctuations	11	1,197	232	305
Fines	-	8		6
Write-off of the value of long-term investments	3	3		58
Bad debtors written off	-			
Enterprise income tax written-off in state budget	-			
Other expenses	218	395	380	345
Other expenses of economic activity	66	2,954		
Total	298	4556	612	714

6) Other revenue from interest

Structure of revenue	2015 EUR LATAK	2015 EUR SAMC	2014 EUR LATAK	2014 EUR SAMC
Revenue from interest				
Revenue from currency rate fluctuations	-	-	- 85	85
Total	-	-	85	85

7) Statement of turnover of long-term investments of the structural unit

	Concession s, patents, licenses, trademarks , and similar expenditur	Equipm ent and machin ery	Other fixed assets	fixed assets Costs of the establishe ment of fixed assets	Total
	EUR	EUR	EUR	EUR	EUR
Initial value as at 31.12.2014	31,430		95,337		126,767
Acquired	927		3,123	13,900	17,950
Liquidated	(7,274)		(1,038)		(8,312)
Internal relocation	(3,076)		7,129		4,053
Initial value as at 31.12.2015	22,007		104,551	13,900	140,458
Accumulat ed depreciatio	30,388		85,660		116,048
Depreciation in the financial year	324		6,026		6,350
Excluded due to cessation of operation	(7,274)		(1,035)		(8,309)
Internal relocation	(2,599)		3,137		538
Accumulated depreciation as at 31.12.2015	20,839		93,788		114,627
Residual value as at 31.12.2014	1042		9677		10,719
Residual value as at 31.12.2015	1,168		10,763	13,900	25,831

8) Inventories

Balance sheet items	2015 EUR LATAK	2015 EUR SAMC	2014 EUR LATAK	2014 EUR SAMC
Inventory and stationery	- 1,611	- 6,648	1,041	7,795
Total	1,611	6,648	1,041	7,795

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

9) Purchasers and commissioning party debts

Balance sheet items	2015 EUR LATAK	2015 EUR SAMC	2014 EUR LATAK	2014 EUR SAMC
Accounting value of purchasers and commissioning party debts	22,952	22,952	18,198	18,448
Reserves for doubtful debts of debtors	-1,954	-1,954	-3,362	-3,362
Balance sheet value	20,998	20,998	14,836	15,085

10) Other debtors

Balance sheet items	2015 EUR LATAK	2015 EUR SAMC	2014 EUR LATAK	2014 EUR SAMC
VENDEN security	57	172	57	172
Overpaid EIT	-	-	-	492
Advance settlement persons	- 75	- 204	-	-
Total	132	376	57	664

11) Next period costs and accrued revenue

Balance sheet items	2015 EUR LATAK	2015 EUR SAMC	2014 EUR LATAK	2014 EUR SAMC
Accrued revenue (annual accreditation maintenance fee)	36,688	36,688	20,162	20,162
Civil liability insurance	163	163	521	521
Subscription to periodicals and newspapers	-	85	-	267
Health insurance policies for employees	256	607	3,664	8,519
Business travel costs	3,277	3,277	1,966	1,966
Road transport insurance	214	214	281	281
HORIZON module maintenance fee	- 179	- 425	-	463
Total	40,777	41,439	26,594	32,179

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

12) Cash

Balance sheet items	2015 EUR LATAK	2015 EUR Company	2014 EUR LATAK	2014 EUR Company
Bank accounts and cash on hand	- 314,163	- 432,626	275,160	355,465
Total	314,163	432,626	275,160	355,465

13) Equity

The Ministry of Economics is the holder of capital shares for the government; the nominal share value is EUR 1, number of shares 162,925 with their respective total nominal value of EUR 162,925.00

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

According to the decision on share capital reduction taken at the SAMC Extraordinary Meeting of Shareholders on December 8 2015, in 2016 SAMC's share capital will be reduced by cancelling shares and paying assets in the amount of EUR 148,670.00.

14) Long-term creditors**Deferred tax liabilities**

	EUR
Residual value of long-term investments in financial accounting	450,883
Adjustment for long-term investment revaluation reserve	(187,859)
Residual value of long-term investments in tax accounting	(61,024)
Temporary differences of long-term investments	202,000
Other temporary differences	(26,962)
Temporary differences	175,038
Tax rate 15%	26,255
Calculated deferred tax liabilities 31.12.2015	26,255
Calculated deferred tax liabilities 31.12.2014	23,085
SAMC	3170
LATAK	2213

	2015 EUR LATAK	2015 EUR SAMC	2014 EUR LATAK	2014 EUR SAMC
Balance sheet items				
Next period revenue		114,698	-	129,454
Deferred EIT (enterprise income tax)	- 2,213	- 26,255	15,237	23,085
Total	2,213	140,953	15,237	152,539

15) Prepayments received from purchasers

	2015 EUR LATAK	2015 EUR SAMC	2014 EUR LATAK	2014 EUR SAMC
Balance sheet items				
Prepayments received from	- 119,960	- 119,960	90,142	90,142
Total	119,960	119,960	90,142	90,142

16) Taxes

	2015 EUR LATAK	2015 EUR SAMC	2014 EUR LATAK	2014 EUR SAMC
Balance sheet items				
Taxes*	- 20,623	- 26,800	5,130	9,364
Total	20,623	26,800	5,130	9,364

including calculated EIT – EUR

5,794.32 Business risk duty – EUR

5.76 EUR

State mandatory social insurance payments – 14 822,78

Total 20,622.86

17) Accrued liabilities

Balance sheet items	2015 EUR LATAK	2015 EUR SAMC	2014 EUR LATAK	2014 EUR SAMC
Calculated vacation reserves	20,285	26,961	20,285	29,921
Other reserves (charges for utilities, fuel, communications)	2,150	11,972	3,736	9,184
Total	22,435	38,933	24,021	39,105

18) Next period revenue

Balance sheet items	2015 EUR LATAK	2015 EUR SAMC	2014 EUR LATAK	2014 EUR SAMC
Standardisation Bureau database usage rights	-	7,712	-	4,638
Next period revenue LVS IT project funding	-	12,958	-	11,160
Part of the annual accreditation maintenance fee attributable to the Standardisation Bureau's Ecomment project funding	28,032	28,032	27,559	27,559
	-	38,721		17,763
Total	28,032	87,423	27,559	61,121

19) Other creditors

Balance sheet items	2015 EUR LATAK	2015 EUR SAMC	2014 EUR LATAK	2014 EUR SAMC
Salary calculated for outsourced experts	1,645	1,645	3,234	3,234
Settlements with employees	- 84	-	61	338
Total	1,729	1,645	3,572	3,572

20) Staff costs

In 2015 there were on average 39 employees at SAMC (LATAK - 16). Furthermore, every month 27-33 outsourced assessors were recruited on a temporary basis to ensure the process of conformity assessment of the bodies carried out by the Latvian National Accreditation Bureau. Staff costs are reflected as follows:

Structural unit staff costs are reflected as follows:

Annexes to Annual Report 2015 of SAMC and its structural unit

Type of costs	2015 EUR LATAK with the support functions provided by ADM	2015 EUR SAMC	2014 EUR LATAK with the support functions provided by ADM support functions	2014 EUR SAMC
			jām	
Salaries, benefits	391,638	664,284	336,435	608,079
Contract work	60,010	65,638	60,416	61,472
Social insurance contributions	104,471	175,097	94,285	155,092
health insurance etc.	4,363	(2,959)	11,008	12,642
Vacation reserves				
Total	560,482	902,060	502,144	837,285

20) Lease obligations

Pursuant to the decision of the Ministry of Economics, SAMC LATAK, Standardisation Bureau, Financial Department and a part of the staff of Information and Marketing Department 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. SAMC has entered into a non-residential premises lease agreement with the Ministry of Economics till 31.03.2016. SAMC office rental fee per month constitutes EUR 2,655 and payments for utilities EUR 960.

In 2015 the structural unit LATAK used premises with the total area of 208.54 m², which is equal to 54 % of the total area of the used premises. LATAK office rental fee per month constitutes EUR 1,433.70.