



Ministry of Finance SR

Project: Providing advisory services for
improving accounting and reporting
systems of public finance

Progress report 3

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1 Executive summary

1.1 Accounting

The meetings of the Provider's workgroup with the responsible project team of the Slovak Ministry of Finance ("MF SR") focused on interim solutions to specific issues and their implementation in the proposed accounting methodology. The workgroup has completed drafting its comments on the following documents: the framework chart of accounts for budgetary organisations, contributory organisations, state funds, municipalities and higher territorial units; the bridge between the chart of accounts under the existing methodology and the chart of accounts under the new one; the balance sheet and the income statement.

Since October 2006, the workgroup's activities concentrated on preparing supporting material and control of the contents of study material for training courses on "Accounting of the state and self-administration in accordance with International public sector accounting standards".

In the following period, we will continue drafting a detailed handbook on the new methodology and procedures of accrual accounting and preparing the template financial statements.

1.2 Consolidation

In this reporting period, the draft amendment to the Act Nr. 431/2002 Z.z. on Accounting was finalised and published on the internet site of the MF SR, where the Project team contributed to by elaborating the part related to the consolidated or summary financial statements of the public administration. A draft regulation of the MF SR on the consolidated or summary financial statements of the public administration was elaborated and submitted for comments to the whole Project team.

In the future reporting period, the Project team will be engaged in the pilot consolidation project of the MF SR for budgetary chapters of MF SR and VPS and related budgetary organisations. Our assistance will be in the areas of both the methodological assistance and the process aspect of the consolidation.

1.3 Fiscal reporting

The Project team focused on acquiring data input for statistical reporting tables from available administrative data sources. The existing mappings of the Department for Implementing Statistical Standards between the economic classification and codes of GFSM2001 and ESA95 were updated into a status allowing for transformation into the database form. This will be done by Provider in the next reporting period.

1.4 Organisation

The work on mapping the as-is organisational processes in the areas of accounting and statistical reporting was completed in the previous reporting period. The next step will be to design the to-be organisational processes. This will be possible in the next reporting period. In the area of accounting procedures, the next task will be to cooperate in the pilot consolidation of the MF SR, i.e. modelling the to-be accounting processes will start by working on this task. In the area of statistical reporting, we will cooperate on preparing the ESA95 notification tables and GFS questionnaires. These activities will be used for modelling the to-be statistical reporting processes.

1.5 Information technologies

The work on creating the unified database for the accounting and statistical reporting continued during the reporting period. The task of the Provider to specify information requirements for the unified database for the accounting and statistical reporting was re-emphasised. The mappings between the chart of accounts per the new methodology and statistical reporting codes will be the key element of the unified database. The Provider has already started working on preparing database mappings between the economic classification and statistical codes.

1.6 Training

The last, i.e. the 10th training of the introductory course "Accrual Accounting Basics" took place during the reporting period. 2054 trainees from 1897 organisations attended the course in total. The work continued in preparing the essential 3-day course "Accounting of the State and Self-administration per IPSAS Principles". The course material was completed and a pilot training took place in Bratislava. A time-schedule of the 3-day courses was elaborated until April 2007 and it will be continually updated.

2 Accounting

The meetings of the Provider's workgroup with the responsible project team of the MF SR focused on interim solutions to specific issues and their implementation in the proposed accounting methodology. The most significant adjustments in the proposed methodology include the extension of provisions on accounting for transfers. These adjustments were proposed in order to simplify consolidation and make consolidation more transparent. The workgroup has completed its comments on the following documents:

- Framework chart of accounts for budgetary organizations, contributory organizations state funds, municipalities and higher territorial units;
- A bridge between the existing chart of accounts for budgetary organizations, contributory organizations, state funds, municipalities and higher territorial units and the chart of accounts under the new methodology;
- Balance sheet

- Income statement.

The most significant changes in the contents and structure of the balance sheet relate to the disclosure and structure of an entity's equity, disclosure of funds and result of operations. Settlements between the founder and his budgetary and contributory organizations, as well as between other public administration entities and relations outside the public administration shall be accounted for separately. In budgetary organisations, municipalities and higher territorial units, the accrual principle was introduced and new accounts were disclosed on the balances sheet as a result.

The income statement of budgetary organisations, contributory organisations, municipalities and higher territorial units consists of three parts under the current legislation: Part A prepared by contributory organisations, budgetary organisations, municipalities and higher territorial units for their business activities, Part B Costs of budgetary organisations is prepared by budgetary organisations, municipalities, higher territorial units and state funds for their core activity, and Part C Sales and production costs of contributory organisations is only prepared by contributory organisations. The purpose of the new methodology is to develop new financial statements that are easy to read and understand, besides other things for the needs of consolidation of the municipality or higher territorial unit, chapter, state administration or the entire public administration. Therefore, the income statement under the new methodology is universal for all accounting entities, and consists of one part, and includes among other things, the following summary items:

- costs of transfers and costs of income transfers;
- tax and customs revenues and revenues from fees and charges;
- revenues from transfers and budgetary incomes in state budgetary organisations and contributory organisations;
- revenues from transfers and budgetary incomes in municipalities, higher territorial units and in budgetary organisations and contributory organisations founded by a municipality or higher territorial unit; and
- results of operations.

Most of the workgroup's recommendations for implementation were accepted by MF SR's representatives. However, at the date of presentation of this report, the process of commenting on the draft new procedures and related statements was not completed, since the new amendment to the Slovak Accounting Act has not been discussed by the Slovak Parliament. This Amendment is a prerequisite for issuing the new methodology.

Since October 2006, the workgroup's activities concentrated on preparing supporting material and control of the contents of study material for training courses on "accounting of the state and self-administration in accordance with International public sector accounting standards". Special attention was given to the preparation of training material and specific case studies on calculating impairment allowances, provisions, costs and revenues, and results of operations in

budgetary organisations, municipalities and higher territorial units, accruals and the structure of the entity's equity.

In the future, our work will consist of preparing a detailed handbook on the new methodology and procedures of accrual accounting, and of preparing new template financial statements.

3 Consolidation

In the area of consolidation, we focused preparing the draft amendment to the Act Nr. 431/2002 Z.z. on Accounting related to the consolidated or summary financial statements of the public administration. The amendment draft was finalised and published on the internet site of the MF SR.

The work continues in preparing the lower-level legislation – Regulation of the MF SR related to the consolidated or summary financial statements of the public administration. The text of the Regulation has been prepared and passed for commenting to the whole project team. The annexes to the Regulation, i.e. templates of consolidated balance sheet, profit-and-loss statement and notes, have not been prepared yet. They will be prepared after finalising the final templates of the separate financial statements.

In the future reporting period, the pilot consolidation project of the MF SR for budgetary chapters of MF SR and VPS and related budgetary organisations will start. Our assistance in this pilot project has already been discussed with us. Details will be precised in the next reporting period. Our assistance will in the areas of both the methodological assistance and the process aspect of the consolidation. Our activities related to process aspect of the consolidation will be described within the Organisation section.

4 Fiscal reporting

In the previous reporting period, we drafted the statistical reporting tables. The next step is to provide for feeding these tables from available administrative data sources.

The Department for Implementing Statistical Standards ("Department") elaborated mappings. Due to the existing level of detail of the economic classification, these mappings can serve as a starting point for developing mappings between the accrual chart of accounts and codes of GFSM2001 and ESA95. From this reason, it is an important task in the area of the fiscal reporting to adjust the tables into a database form allowing for using them as a vehicle for data aggregation by ISSP or Datacentrum. Gathering the source data for this aggregation should be governed by a separate regulation of the MF SR.

During the reporting period, the Provider elaborated 2 versions of mappings in the database form, a basic one and one with incorporated comments of the Department. In the period after submitting the version 2, the Department had to extend its mappings. After consultations on possibilities to incorporate the most recent changes, a new version of the mappings of the Department was elaborated, meeting needs of database processing. The Provider will adjust it into a version 3 of the database mapping of the Provider in the next reporting period.

5 Organisation

The work on mapping the as-is organisational processes in the areas of accounting and statistical reporting was completed in the previous reporting period. At the same time, their strengths and weaknesses were identified. The next step will be to design the to-be organisational processes. This will be possible in the next reporting period. It was the task of the current reporting period to create methodological conditions for designing the to-be processes.

In the area of accounting procedures, the next task will be to cooperate in the pilot consolidation of the MF SR, i.e. modelling the to-be accounting processes will start by working on this task. In the area of statistical reporting, we will cooperate on preparing the ESA95 notification tables and GFS questionnaires. These activities will be used for modelling the to-be statistical reporting processes.

6 Information technologies

The work on creating the unified database for the accounting and statistical reporting continued during the reporting period. The Provider participated in commenting on the output of the project Architecture of the IS of the State Accounting. The task of the Provider to specify information requirements for the unified database for the accounting and statistical reporting was re-emphasised. The mappings between the chart of accounts per the new methodology and statistical reporting codes, see section 4, will be the key element of the unified database. It is important from this point of view, that the mappings developed by the Provider comply with data integrity principles of a database. This is respected by the Provider already in preparing the mappings between the economic classification and statistical codes, as described in section 4.

7 Training

In compliance with the Inception report on providing advisory services for improving accounting and reporting systems of public finance, the last i.e. the 10th training of the introductory course - Accrual Accounting Basics - took place in Bratislava on 6 Oct.06.

7.1 Overall evaluation of the introductory course - Accrual Accounting Basics

In the following tables, we show the overall number of trainees and of involved organisations divided by training locations.

Tab. 1: Number of trainees per training locations

Training location	Term	Number of trainees
EU Bratislava	29 Sep.06	184
	6 Oct.06	188
EU Bratislava total		372
UKF Nitra	20 Sep.06	208
	21 Sep.06	202

Training location	Term	Number of trainees
UKF Nitra total		410
UMB Banská Bystrica	6 Sep.06	215
	7 Sep.06	203
UMB Banská Bystrica total		418
UPJŠ Košice	16 Aug.06	208
	17 Aug.06	222
UPJŠ Košice total		430
ŽU Žilina	23 Aug.06	231
	24 Aug.06	193
ŽU Žilina total		424
Total number		2054

Tab.2: Number of involved organisations per types and training locations

Organisation type	Training location	Number of involved organisations
Municipality	Banská Bystrica	292
	Bratislava	167
	Košice	265
	Nitra	331
	Žilina	210
Municipality total		1265
Contribution organisation	Banská Bystrica	17
	Bratislava	18
	Košice	15
	Nitra	7
	Žilina	12
Contribution organisation total		69
Budgetary organisation	Banská Bystrica	96
	Bratislava	163
	Košice	144
	Nitra	68
	Žilina	84
Budgetary organisation total		555
VÚC	Banská Bystrica	1
	Bratislava	2
	Košice	2
	Nitra	2
	Žilina	1
VÚC total		8
Grand total		1897

The total of the registered trainees for the introductory course was 2824, out of it 2054 trainees actually attended the course. An internet portal of UPJŠ on URL <http://uctovnictvo.science.upjs.sk/> could have been optionally used for registration. The graphics of the portal is provided in the annex A. UPJŠ does not register the method selected by

participant for the registration in its database, i.e. it is not possible to find out retrospectively how many participants used the internet portal for the registration. The photo documentation of the particular courses is located on this portal on URL <http://uctovnictvo.science.upjs.sk/galeria/>. A selection from this photo documentation is provided in annex B. The feedback from the participants was searched by using the questionnaires with the following questions:

1. What was the expertise level of the information presented by the lectors?
2. What was the level of the delivering the course contents?
3. What is the level of the training materials?
4. What was the level of the venue and technical equipment?
5. What was the level of the administrative preparation for the courses?
6. What is the contribution of the course for your work?
7. What was the most interesting point of the course? Why?
8. What was the least interesting point of the course? Why?
9. Your additional opinions, comments and suggestions:

The questions 1 – 6 were evaluated by the grades: low, below-average, average, and above-average, high. For the statistical evaluation purpose were quantified as follows:

Narrative evaluation	Quantified evaluation
Low	1
Below-average	2
Average	3
Above-average	4
High	5

We have calculated an arithmetical average weighted by number of responses for each evaluated venue and in total. The average number of responses and the average response rate were weighted by number of trainees. The first two runs in Košice of 16 August 2006 and 17 August 2006 were not evaluated.

Question	BA 29.9.	BA 6.10.	NR 20.9.	NR 21.9.	BB 6.9.	BB 7.9.	ZA 23.8.	ZA 24.8.	Average
1	4	4	4	4	4	4	4	4	4
2	5	4	4	4	4	3	5	4	4
3	4	4	4	4	4	3	4	4	4
4	5	5	5	5	5	4	5	5	5
5	5	5	4	4	4	3	4	4	4
6	5	5	5	5	5	4	5	5	5
Number of responses	40	29	68	84	55	27	53	87	56
Number of trainees	184	188	208	202	215	203	231	193	203
Return rate of the questionnaire	22%	15%	33%	42%	26%	13%	23%	45%	27%

Based on the returned questionnaires we can conclude the above-average or even high satisfaction level in all evaluated areas. In respect of not-returned questionnaires, we assume that these participants were neither extremely satisfied nor extremely unsatisfied, i.e. their evaluations is assumed to be an average. Thus it is possible to assume in a simplified way that the most (around 60 up to 80 %) trainees were relatively satisfied by the course.

The overall evaluation

The expertise level of the information

The most trainees evaluated the expertise level of the information delivered by lecturers at the average or high level. Many trainees were attracted by the fact that the course provided a synoptical view on particular relationships in laws and practice. Even though some of the trainees evaluated the delivered information as already familiar to them, they appreciated the opportunity to revise the foundations and reassure themselves they were comfortable with them. There were some evaluations suggesting that the provided information was not needed because the trainees had already been familiar with the delivered topic. Since the course title made a clear statement on its contents, it was upon the consideration of the trainees to take or not to take part in this course. From the point of view of the Project, also these evaluations are counted for satisfactory because they provide an information on initial aptitude level of participants for the essential 3-day course.

The level of delivering the course's contents

The evaluations were in the range from the average to the high level as well. Individual responses scaled from very positive opinions about the professional level of the lecturers up to disappointment with the monotone reading of the working materials.

The level of the training materials

It was evaluated mostly as high. The trainees appreciated that all topics were summarised in one training material, i.e. at one place; that it was possible all-the-time to make the notes into the material so that they could concentrate on presentations of lecturers. Opinions that the training material was unnecessarily extensive and detailed occurred only rarely.

The level of the venue and technical equipment

It was evaluated mostly as average and it also earned the most comments in the second part of the questionnaire where the participants could write their opinions and comments. The negative evaluations referred for instance to sitting in the banks in the university classrooms. Due to the financial possibilities it is still planned to use ordinary classrooms. However, it is possible to expect improvement because the essential courses will be attended only by about 40 participants.

The level of administrative preparation of the course

It was mostly evaluated as above-average and high. The most individual comments related to the location of the course. In the next phase of the training many of these will be met (Trnava, Trenčín and Prešov were added as training locations), others will remain unsatisfied (i.e. Lučenec, Považská Bystrica, Topoľčany, Liptovský Mikuláš, etc.). Many of the suggestions related to the three-day courses organisation and mainly to the segregation of the trainees according the types of the organisation so that the trainees could attend the area in which they actually work. Three days courses have been prepared in that way since the beginning of the project. We appreciate that the trainees approved our original decision.

The contribution of the Course to trainees' work

It was evaluated mostly as average. This evaluation relate to the fact the course did not bring any new information to many trainees (in the first place to trainees from the contribution organisations) and it was rather a revision of their knowledge. Only some participants appreciated the course contribution not only to their current work but mainly for the future. During the presentations, the trainees would appreciate more specific examples and demonstrations, more interactive approach and possibility to consult the cases from praxis. Unfortunately, due the selected type of the course with the large amount of the trainees, it was not possible to proceed like this. During the three-days course on the new methodolog, specific cases will be solved and thanks to smaller groups, cooperation with the lectors will be better and more intensive.

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7.2 Preparing the training material for the 3-day course

We focused on the following activities during the reporting period:

- preparing the training material for the 3-day course - Accounting of the State and Self-administration per IPSAS Principles,
- preparing the time-schedule for the 3-day course - Accounting of the State and Self-administration per IPSAS Principles,
- communication with other lecturers (Ing. Brániková, Ing. Urbanová),
- communication with training logistics provider - UPJŠ in Košice.

The focus of our work was on preparing the training material for the 3-day course - Accounting of the State and Self-administration per IPSAS Principles, consisting of topics approved by the MF SR. The prepared training material - Accounting of the State and Self-administration per IPSAS Principles was consulted with Client and comments incorporated, after having been discussed.

The training material is composed of two parts:

- Accounting of the State and Self-administration per IPSAS Principles - Part I.
- Accounting of the State and Self-administration per IPSAS Principles - Part II - examples.

Specific contents of the Part I:

1. Introduction
2. Financial statements
3. Transfers

4. Framework chart of accounts for budgetary organisations, contribution organisations, state funds, municipalities and regional governments (VÚCs)
5. Specific issues of accounting in budgetary organisations, contribution organisations, municipalities and VÚCs
6. Provisions to assets
7. Intangible and tangible fixed assets
8. Inventories
9. Cash and financial assets
10. Clearing relationships
11. Reserves
12. Equity
13. Expenses, revenues, profit and loss
14. Accrued expenses and revenues

The part II was prepared in 4 variants, focusing on individual accounting entity groups, i.e. state budgetary organisations, budgetary organisations of municipalities/VÚCs, and contribution organisations of municipalities/VÚCs.

Specific contents of the Part II:

1. Partial practical examples to individual topics
2. Comprehensive example - terms of reference
3. Comprehensive example - solution

Due to legislation proceeding in developing and passing the new accounting methodology, including new accounting procedures, new framework chart of accounts and financial statements, the concept of a three-day training for small groups of approx. 40 trainees has been retained, with the course name Accounting of the State and Self-administration per IPSAS Principles. The training will be provided in a split into homogenous groups (state budgetary organisations, budgetary organisations of municipalities/VÚC, and contribution organisations of municipalities/HTUs).

The pilot training of the 3-day course - Accounting of the State and Self-administration per IPSAS Principles was held on 11 Dec.06, 12 Dec. 06 and 15 Dec.06 for the employees of MF SR and selected guests (guests from MF SR and other lecturers). The training was delivered by doc. Ing. A. Kovalčíková, PhD., Ing. Alena Kordošová, PhD. a Ing. Ivan Kupkovič, FCCA.

7.3 Preparing time-schedule for the three-day course

The time-schedule prepared for the next 3 months has been published on the internet site of the Pavol Jozef Šafárik University in Košice that provides trainings logistics: <http://uctovnictvo.science.upjs.sk>. Currently there are 10 trainings for state budgetary organisations and for municipalities + VÚCs. Four more trainings for the contribution organisations in March and April will be added to this time-schedule.

8 Communication

Since the submission of the previous Progress Report 2, several activities in accordance with the communication strategy approved by the Steering Committee have been performed or are under preparation within the workstream Communication.

8.1 Completed and ongoing communication activities

8.1.1 Information on the project on Internet sites

MoF has created a sub-site “Project of Implementation of Uniform State Accounting and Reporting” under the section “State Reporting” of its internet site www.finance.gov.sk, where information is published and updated on the Project and its progress. Information on the Project, materials submitted for approval by the Government in connection with the Project, progress reports by external advisors on the Project etc. are published here.

The co-organiser of the trainings, the Pavol Jozef Šafárik University in Košice (Univerzita Pavla Jozefa Šafárika v Košiciach – UPJŠ) has created a specialised site <http://uctovnictvo.science.upjs.sk> on which, apart from a link to the above MoF site, dates and topics of the trainings are published, with an interactive search engine and a tool to either enrol in the trainings electronically or download an enrolment form to be sent by fax/post.

8.1.2 Further ways of distributing information on trainings

UPJS distributes information on organized trainings also by way of communicating with ZMOS, and the latter distributes the information further to its members and publishes it in the municipal newspapers.

8.1.3 Articles in specialised press

In line with the Communication Strategy the project team members have published papers in professional journals, namely:

In the journal Účtovníctvo ROPO a obcí (Accounting of budgetary and contribution organisations and municipalities):

- An informative article on the project content and goals and its time schedule and the notice referring to the key date of January 1, 2008, announcement of a prepared series of professional articles and reference on the MoF web site („Public Sector Accounting Reform – a unified State accounting and reporting system“ by Ing. Katarína Kaszasová, FCCA, Účtovníctvo ROPO a obcí 1/2006),
- An informative article about courses organised within the Project for implementation of a unified State accounting and reporting system, providing basic information about planned courses, brief evaluation of the realized course „Basis of the accrual accounting“ („Reform of the public sector accounting – How to prepare the accountants for the processes

amendment of the accounting and reporting system?", Ing. Katarína Kaszasová, FCCA, Účtovníctvo ROPO a obcí 2/2006),

- An informative article about the XVIIth World congress of accountants and on presentations of the Reform of the public sector accounting and reporting system in the Slovak republic at this congress ("Reform of the public sector accounting – XVIIth World congress of accountants, Ing. Katarína Kaszasová, FCCA, Účtovníctvo ROPO a obcí 3/2006)
- An informative article about planned activities of the Project for implementation of a unified State accounting and reporting system for the year 2007 with the link to the internet page of the MF SR ("Reform of the public sector accounting – What can we expect in the year 2007", Ing. Katarína Kaszasová, FCCA, Účtovníctvo ROPO a obcí 1/2007).

In the journal Účtovníctvo, audítorstvo a daňovníctvo (Accounting, Auditing and Tax Issues):

- An informative article published within the series of articles "Public sector will account more transparently, View at internet page of the MF SR" about the Material for the Slovak Government discussion under the title "Information on the Project for implementation of a unified State accounting and reporting system (Ing. Katarína Kaszasová, FCCA, Ing. Miriam Majorová, PhD., ÚAD 10/2006).
- A professional article on accounting in State administration and self-government institutions („Financial Statements of State administration and self-government sector for 2006“ by Ing. Miriam Majorová, PhD, Účtovníctvo, audítorstvo a daňovníctvo 12/2006),
- An informative article on the Project for implementation of a unified State accounting and reporting system, on the project content and goals and its time schedule and the notice referring to the key date of January 1, 2008, announcement of a series of professional articles under preparation and reference to the web sites of MoF and UPJS („The project for implementation of a unified State accounting and reporting system“ by Ing. Miriam Majorová, PhD, Účtovníctvo, audítorstvo a daňovníctvo 1/2007),
- A professional article on selected aspects of accounting for budgetary organisations („Balance of costs and expenses of budget management – examples from a budgetary organization funded by the State“, doc. Ing. Antónia Kovalčíková, PhD, Journal Účtovníctvo, audítorstvo a daňovníctvo 1/2007).

In the journal Verejná správa (Public administration):

- An informative article about the Project for implementation of a unified State accounting and reporting system, about the contents and objectives of the Project, about the time-schedule with a special attention to the key date of 1 January 2008, advice to the upcoming series of the professional articles („Future of the public sector accounting“, Ing. Miriam Majorová, PhD, Verejná správa 10/2006),
- An informative article about the educational cycle for the state administration and self-administration realised within the Project for implementation of a unified State accounting (Ing. Miriam Majorová, PhD, Verejná správa 1/2007).

8.1.4 Professional conferences

Within the conference “Communal management 2006” organised by the publisher of the economic weekly TREND on 12 October 2006, Ing. Katarína Kaszasová, the Director General of the State Reporting Section of MoF held a lecture on the subject of implementation of the International Public Sector Accounting Standards (IPSAS) into the national accounting legislation and its influence on the public finance management in Slovakia, and on the benefits of the higher-quality financial reporting to the management of the self-administration entities.

At the First Joint Conference related to the topical questions of the self-administration taking place on 16 October 2006, Ing. Katarína Kaszasová, Ing. Miriam Majorová PhD, Ing. Lucia Kašiarová and Ing. Peter Bulla had presentation „What will the Project for implementation of a unified State accounting bring to the self-administration?”

XVIIth World Congress of Accountants took place on 13 and 16 November 2006 in Istanbul, Turkey. The director of the State Reporting Section of the SR, Ing. Katarína Kaszasová, had the presentation here. The objective of her presentation was to inform the delegates of the congress about the decision of the SR to implement the principles of international accounting standards for the public sector into the cogent legislation and to improve the system of state accounting and reporting system. Ing. Kaszasová presented the Slovak accounting and reporting system reform in the public sector, she informed about the time-schedule of the reform as well as about stages the particular components of the reform are at.

8.1.5 Report presented at the session of the Slovak Government

In compliance with the communication strategy, MoF prepared a report on the progress of the Project so as to have the postponement of the project launch by one year (1 January 2008 as opposed to the original deadline of 1 January 2007) approved by the Government. The draft report was approved by the Steering Commission at its session on 22 August 2006 and subsequently the draft was submitted to the Slovak Government for approval.

The Government of the SR approved the document “Report on realization of the Project for implementation of a unified State accounting and reporting system and a proposal for further process” on its 17th session on 25 October 2006 by its resolution no. 897/2006.

Following the session of the Government, the conclusions of the session of the Government and the approved version of the document have been published on the web site of the Slovak Government Office. The document has also been published on the web site of MoF.

9 Updated activity plan

We provide a comparison of the planned activities with the activities performed during the reporting period, on the basis of the analysis of detailed activities according to the terms of reference under section 5 of the inception report:

Activity	Status	Duration
1 Familiarize with existing migration strategy to accrual accounting and updating it, if needed, according to progress and results of other PFMR projects;	completed	by 3 Apr. 06
2 Prepare report on significant deviations from approved strategy and proposing necessary changes to migration plan;	completed, inception report, section 8.2	by 3 Apr. 06
3 Familiarize with existing primary and secondary accounting legislation including the legislation in the process of preparation;	completed, progress report 2, section 2.1	March 06-Aug. 06
3a Validate the new accounting methodology by Provider;	completed, progress report 3, section 2	marec 06 – aug. 06
4 Prepare report on significant deviations from approved strategy of legislation changes and proposing necessary changes in the new accounting legislation;	completed, inception report, section 8.2	do 3.apr. 06
4a Prepare wording of Act on Accounting amendment for IPSAS consolidation;	completed, progress report 2, section 3	Apr. 06 - Aug. 06
5 Familiarize with all other relevant reports of PFMR project;	completed, inception report, section 6 e, f	by 3 Apr. 06
6 Familiarize with existing fiscal and financial reporting systems focusing on preparing reports in compliance with Slovak accounting standards for public sector, ESA95 and GFS2001, where it is necessary to ensure that all institutions and units involved in this process be included for assessment;	completed, inception report, section 3.4	by 3 Apr. 06
7 Prepare draft report on identified strengths and weaknesses of existing systems, where it is necessary to take into account application of Slovak public sector accounting standards, ESA95, GFS2001 and all existing methodological problems, existing competence framework and existing support by information systems;	completed	Aug. 06
8 Prepare the design of new financial and fiscal reporting systems focusing on preparing reports in compliance with new accounting legislation, ESA95 and GFS2001, where the design must be fully consistent with and linked to the overall PFMR project and it should include: - description of all sub processes necessary for preparing statements, - competence framework (specification of all entities involved into statements preparation, - proposed changes to methodology application, - proposed changes in the information systems support, - time-schedule of implementing the proposed fiscal and financial reporting systems focusing on preparing statements in compliance with national accounting procedures, ESA95 and GFS200;	in progress, progress report 3, section 5	Sep. 06 - June 07
8a Drafting the new consolidation methodology;	in progress, progress report 3, section 3	Oct. 06 - June 07
9 Assistance in coordinating activities needed to prepare statements for 2006 (identification of data submitted by each public sector entity for reporting needs, data-submission time-schedule, data collection system) and assistance in preparing the following statements: - statements for 2006 prepared in compliance with ESA95, - statements for 2006 prepared in compliance with GFSM2001 - Closing account of the State for 2006 - Consolidated financial statements for the budgetary chapters of the MF SR for 2006	planned planned planned planned	Oct. 06 - Oct. 07 by Mar.07 by Aug.07 Mar.-Apr. 07 Dec. 06-May 07
10 Prepare the following outputs from the activities stated in point 9:		

Activity	Status	Duration
- draft of a new structure of the closing account of the State (retaining original sections, including summary financial statements of the State, proposing internal structuring of the closing account of the State also per users), including drafts of amendments of related legislation pending the closing account of the State, closing account of the public administration and annual report of public administration entities,	planned	June 07
- concrete recommendations for improving work organisation during summarising and processing ESA95 statements,	planned	June 07
- concrete recommendations for improving work organisation during summarising and processing GFSM2001 statements,	planned	Oct. 07
- concrete recommendations for improving work organisation during preparing the consolidated financial statements for the MF SR budgetary chapters.	planned	June 07
11 Design of operating manuals for systems of fiscal and financial statements focused on statements for the year 2006 in compliance with new Slovak accounting legislation, ESA95 and GFS2001 consisting of: - reporting data submission rules for all public sector entities (data types, submission time-schedule, submission form, etc.), - roles and responsibilities of all public sector entities and dedicated units responsible for preparing statements, and - summary of procedures to be carried-out in the process of statements preparation (data aggregation, elimination, statements adjustments, statements submission, etc.);	in progress, progress report 3, section 5	Oct. 06 - Oct. 07
12 Updating of operating manuals for fiscal and financial reporting focused on 2007 statements prepared in compliance with new Slovak accounting legislation, ESA95 and GFSM2001;	it will not be possible to carry-out the activity due to delayed passing of the needed legislation	
13 Assessment of "Analysis of need for training activities and of recommendations to the training plan" prepared by other PFMR consultants;	completed, progress report 2, section 7	Mar. 06 - Aug. 06
14 Assessment of activities carried-out by MF SR in accounting training for prior 2 years;		
15 Prepare detailed training plan for 2006-2007 for employees of state administration and local self-administration that must include: - using new accounting methodology and related accounting procedures prepared by the MF SR on accrual basis, - using the new fiscal and financial reporting systems	1. training plan for the foundation accrual accounting training (completed, progress report 2, section 7)	Mar. 06 - July 06
	2. training plan for the training for detailed accrual accounting per approved legislation (completed, progress report 3, section 7.3)	Sep. 06 - Oct. 06
	3. detailed plan for the consolidation training (planned)	Nov. 06 - May 07
16 Preparing relevant study handbook and materials to be used for training activities and for distribution to trainees;	in progress, progress report 3, section 7.2	Apr. 06 - Oct. 07
17 Training of selected set of employees of state administration and self-administration according to training plan.	1. Delivering the Accrual accounting foundation training - completed, progress report 3, section 7.1	Aug. 06 - Oct. 06
	2. Delivering the detailed accounting trainings - in progress, progress report 3, section 7.3	Nov. 06 - Oct. 07

Activity	Status	Duration
	3. Delivering the consolidation training - planned	June 07 - Oct. 07
	4. IPSAS - planned	Sep. 07 - Oct. 07
18 Ongoing external communication	in progress, progress report 3, section 8	Apr. 06 - Oct. 07
19 Preparing long-term plan, including the following: - elaborating the recommended model for functioning of the assistance service, i.e. helpdesk for reporting accountants, - assessing the need and the form of permanent education of public administration employees involved in fiscal reporting at all levels.	planned	Oct. 07

A need for amending the activities 8a, 9, 10, 19 occurred during the reporting period due to slower legislation process than assumed in the original Project time-schedule. The activities were modified so that they fully contribute to reaching the Project goal. Selected system areas of the new fiscal and financial reporting system (preparation of consolidated financial statement for the budgetary chapters of the MF SR, incorporation of the accrual accounting information into the State closing account, gradual implementation of new fiscal reporting systems as a part of preparing the ESA95 and GFS2001 statements for 2006). Within the preparation of the statements mentioned in the modified activities will be in the form of "pilot project" tested.

It is not possible to carry-out the Activity 12 since the legislative conditions have not been met and the 2007 statements have not been prepared in compliance with the new methodology. Non-delivery of this activity will have no impact on achieving the overall Project goal. The Project budget will be decreased for the cost of completing this activity.

We present below comparison of the original and of amended activities.

Original activity	Amended activity
8a Validation of the new consolidation methodology	Drafting the new consolidation methodology;
9. Testing and assistance with implementing new fiscal and financial reporting systems per approved design, focusing on preparing statements in compliance with new Slovak accounting legislation, ESA95 and GFS2001, including the following: - assistance with coordinating activities needed to prepare statements for 2006 and 2007 (identification of data submitted by each public sector entity for reporting needs, data-submission time-schedule, data collection system), - assistance with preparing statements for 2006 and 2007 in compliance with new Slovak public sector accounting legislation (general purpose financial statements), ESA95, GFSM2001;	Assistance in coordinating activities needed to prepare statements for 2006 (identification of data submitted by each public sector entity for reporting needs, data-submission time-schedule, data collection system) and assistance in preparing the following statements: - statements for 2006 prepared in compliance with ESA95, - statements for 2006 prepared in compliance with GFSM2001 - Closing account of the State for 2006 - Consolidated financial statements for the MF SR budgetary chapters for 2006
10 Prepare reports on findings identified during testing and implementation process, design changes in proposed processes, competencies, methodologies and system support;	Prepare the following outputs from the activities stated in point 9: - draft of a new structure of the closing account of the State (retaining original sections, including summary financial statements of the State, proposing internal structuring of the closing account of the State also per

Original activity	Amended activity
	<p>users), including drafts of amendments of related legislation pending the closing account of the State, closing account of the public administration and annual report of public administration entities,</p> <ul style="list-style-type: none"> - concrete recommendations for improving work organisation during summarising and processing ESA95 statements, - concrete recommendations for improving work organisation during summarising and processing GFSM2001 statements, - concrete recommendations for improving work organisation during preparing the financial statements for the MF SR chapter.
19 Preparing long-term plan	<p>Preparing long-term plan, including the following:</p> <ul style="list-style-type: none"> - elaborating the recommended model for functioning of the assistance service, i.e. helpdesk for reporting accountants, - assessing the need and the form of permanent education of public administration employees involved in fiscal reporting at all levels.

10 Financial report

In compliance with article 14.3 of the general contractual terms we provide information on the use of finance for the contract execution, i.e. information on

- the number of worked days by persons utilised by the Provider to deliver the contract (tables 1a, 1b),
- ancillary costs spent for the contract execution (tables 2a, 2b).

No contract on subdelivery has been concluded in the reporting period. We expect concluding contracts with additional external lecturers to ensure accounting trainings in the next period. We expect contracting additional lecturers in order to provide for accounting trainings.

Table 1a: Overview of used days per individual experts in the period of 10/2006-01/2007

No	Expert	Alloc. days	Used days											
			03/2006	04/2006	05/2006	06/2006	07/2006	08/2006	09/2006	10/2006	11/2006	12/2006	01/2007	Spolu
1	Richard Farkaš	220	17,0	16,0	18,0	18,0	14,0	17,0	14,0	11,0	11,0	7,0	10,0	153,0
2	Karol Švitel	179	0,0	18,0	13,0	13,0	11,0	9,5	11,0	11,0	10,0	11,0	10,0	117,5
3	Viliam Kitta	220	17,0	14,0	13,0	9,3	14,0	11,6	9,7	14,9	10,3	8,0	4,1	125,9
4	Branislav Ďurajka	220	17,0	13,0	16,0	18,0	14,0	16,0	18,0	21,0	16,0	14,0	18,0	181,0
5	Mikuláš Zalai	220	8,0	3,6	4,6	10,1	7,4	2,6	1,9	4,2	4,6	13,0	17,0	76,8
6	Antónia Kovalčíková	200	9,0	10,0	8,0	12,0	15,0	17,0	15,0	18,0	18,0	14,0	13,0	149,0
7	Alena Kordošová	200	9,0	10,0	11,0	10,0	12,0	14,0	16,0	22,0	16,0	14,0	16,0	150,0

No	Expert	Alloc. days	Used days											
			03/2006	04/2006	05/2006	06/2006	07/2006	08/2006	09/2006	10/2006	11/2006	12/2006	01/2007	Spolu
11	Mária Braníková	70	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	4,0	4,0
12	Terézia Urbanová	70	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	4,0	4,0
8	Karim Mouedden	95	3,1	5,9	4,8	1,3	0,0	2,0	2,0	0,0	0,0	0,0	0,0	19,1
9	Ivan Kupkovič	220	12,8	12,6	9,6	9,5	6,8	12,1	12,5	10,9	9,6	8,9	12,0	117,3
10	Katarína Somogyiová	220	11,0	13,0	9,5	16,0	20,0	23,0	15,0	13,0	11,0	1,0	2,3	134,8
13	Alena Šranková/Martin Duben	220	13,0	12,0	12,0	12,0	3,0	0,0	0,0	2,8	3,8	1,3	13,4	73,1
	Allocated in total	2354	116,9	128,1	119,5	129,1	117,1	124,8	115,1	128,8	110,3	92,1	123,8	1305,4
	Used in total	1305,4												
	Balance	1048,6												

Table 1b: Costs related to the worked time

Budget in SKK	Used as at 31 Jan. 07 in SKK	Balance in SKK
46 940 240,0	24 679 546,3	22 260 693,7

Table 2a: Ancillary costs per the budget in total

Budget in SKK	Used as at 31 Jan. 07 in SKK	Balance in SKK
9 166 015,0	615 087,5	8 550 927,5

Table 2b: Ancillary costs per the budget in detail

Invoice	Used at	Amount in SKK	Item description
10801	31.3.2006	7 200,0	Translations
Cash receipt	13.7.2006	4 557,5	Training room equipment
3060000100	31.8.2006	223 720,0	Training logistics
3060000143	30.9.2006	279 650,0	Training logistics
3060000313	15.12.2006	99 960,0	Training logistics

A Portal graphic

<http://uctovnictvo.science.upjs.sk/old>

UNIVERZITA PAVLA JOZEFA ŠAFÁRIKA V KOŠICIACH, PRÍRODOVEDECKÁ FAKULTA
CENTRUM CELOŽIVOTNÉHO VZDELÁVANIA, MOYZESOVA 16, 041 54 KOŠICE

POSKYTOVANIE PORADENSKÝCH SLUŽIEB NA ZLEPŠENIE ÚČTOVNÝCH A VÝKAZNÍCKYCH SYSTÉMOV VEREJNÝCH FINANCIÍ

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PROJEKT JEDNOTNÉHO ŠTÁTNEHO ÚČTOVNÍCTVA A VÝKAZNÍCTVA

Poskytovanie poradenských služieb na zlepšenie účtovných a výkazníckych systémov verejných financií

NOVÉ TERMÍNY A PRIHLÁŠKY NA ŠKOLENIA NOVÉ

Ministerstva financií Slovenskej republiky na základe vysokého záujmu účtovníkov verejného sektora o jednotňový kurz „Základy aktuálneho účtovníctva“ organizovaného v rámci [Projektu jednotného štátneho účtovníctva a výkazníctva](#), rozširuje kapacity tohto školenia. Školenia sú určené pre štátne rozpočtové a príspevkové organizácie, obce, vyššie územné celky a ich rozpočtové a príspevkové organizácie.

Zámerom Ministerstva financií SR je zabezpečiť prostredníctvom [Projektu jednotného štátneho účtovníctva a výkazníctva](#) metodické zjednotenie účtovania a vykazovania organizácií štátnej správy a samosprávy, t.j. rozpočtových organizácií, príspevkových organizácií, štátnych fondov, obcí a vyšších územných celkov. Z dôvodu plynulého prechodu účtovných jednotiek verejného sektora na legislatívnu úpravu účtovania a vykazovania, do ktorej sú zapracované základné princípy Medzinárodných účtovných štandardov pre verejný sektor, ponúka Ministerstvo financií SR možnosť bezplatného vyškolenia účtovníkov.



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CENTRUM CELOŽIVOTNÉHO VZDELÁVANIA, MOYZESOVA 16, 041 54 KOŠICE

POSKYTOVANIE PORADENSKÝCH SLUŽIEB NA ZLEPŠENIE ÚČTOVNÝCH A VÝKAZNÍCKYCH SYSTÉMOV VEREJNÝCH FINANCIÍ



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ORGANIZÁCIA ŠKOLENÍ

Odborným garantom kurzu je Ministerstvo financií SR a lektorsky bude zabezpečovať kurz v rámci projektu financovaného z prostriedkov EÚ - Transition Facility "Poskytnutie poradenských služieb na zlepšenie účtovných a výkazníckych systémov verejných financií" spoločnosť KPMG Slovensko, spol. s r.o. v spolupráci s PricewaterhouseCoopers Slovensko, s.r.o.

Organizačné a technické zabezpečenie úvodného kurzu aj nasledovných kurzov bude zabezpečovať Univerzita Pavla Jozefa Šafárika v Košiciach a partnerské univerzity.

Školenia budú prebiehať v školiacich priestoroch v mestách Bratislava - Ekonomická univerzita v Bratislave, Nitra - Univerzita Konštantína Filozofa v Nitre, Banská Bystrica - Univerzita Mateja Bela v Banskej Bystrici, Žilina - Žilinská univerzita v Žiline a Košice - Univerzita Pavla Jozefa Šafárika v Košiciach.

Náklady na cestovné, stravné a ubytovanie hradí vysielajúca organizácia. Náklady na realizáciu školení, školiaci materiál a občerstvenie účastníkov hradí organizátor školení.

Druhy školení

Základy aktuálneho účtovníctva - základný kurz (prebehol v roku 2006)

Obsahová náplň školenia:

- Postavenie a vývoj účtovníctva
- Základné metodické prostriedky účtovníctva
- Všeobecné účtovné zásady
- Účtovná závierka a finančné výkazy
- Súvaha, Výkaz ziskov a strát, Prehľad o peňažných tokoch a ich vzájomné prepojenie
- Medzinárodná harmonizácia

Rozsah školenia:

- Počet dní školenia: **1 deň**
- Počet účastníkov v skupine: **200**
- Začiatok školenia: **9:00** (prezentácia účastníkov: **od 8:00**)

Účtovníctvo štátu a samosprávy podľa princípov Medzinárodných účtovných štandardov pre verejný sektor - základný kurz (rok 2007)

Obsahová náplň školenia:

- Nové účtovné postupy, nová účtovná osnova, účtovná závierka

Rozsah školenia:

- Počet dní školenia: **3 dni**
- Počet účastníkov v skupine: **40**
- Začiatok školenia: **9:00** (prezentácia účastníkov: **od 8:00**)

Harmonogram školenia:

- 08:00 - 09:00 hod. registrácia
- 09:00 - 10:45 hod. prednáška
- 10:45 - 11:00 hod. prestávka
- 11:00 - 12:30 hod. prednáška
- 12:30 - 13:30 hod. obedňajšia prestávka
- 13:30 - 15:00 hod. prednáška
- 15:00 - 15:15 hod. prestávka
- 15:15 - 16:30 hod. prednáška

Konsolidačný balík - nadstavbový kurz

Obsahová náplň školenia:

- Vysvetlenie postupov konsolidácie podľa štandardov IPSAS a pravidiel na vyplnenie výkazov v konsolidačnom balíku

Rozsah školenia:

- Počet dní školenia: **2 dni**
- Počet účastníkov v skupine: **40**
- Začiatok školenia: **9:00** (prezentácia účastníkov: **od 8:00**)

Konsolidovaná účtovná závierka - nadstavbový kurz

Obsahová náplň školenia:

- bude upresnená

Rozsah školenia:

- Počet dní školenia: **2 dni**
- Počet účastníkov v skupine: **40**
- Začiatok školenia: **9:00** (prezentácia účastníkov: **od 8:00**)

IPSAS - nadstavbový kurz

Obsahová náplň školenia:

- bude upresnená

Rozsah školenia:

- Počet dní školenia: **2 dni**
- Počet účastníkov v skupine: **40**
- Začiatok školenia: **9:00** (prezentácia účastníkov: **od 8:00**)



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B Photo documentation of the Accrual accounting Course

<http://uctovnictvo.science.upjs.sk/galeria>

B.1 Bratislava 29.9.2006



B.2 Bratislava 6.10.2006



B.3 Nitra 20.9.2006



B.4 Nitra 21.9.2006



B.5 Banská Bystrica 6.9.2006



B.6 Banská Bystrica 7.9.2006



B.7 Košice 16.8.2006



B.8 Košice 17.8.2006



B.9 Žilina 24.8.2006



B.10 Žilina 23.8.2006

