

Report on the Results of the Examination of Operations

Pursuant to Act No. 93/2009 Coll., on Auditors and Change in Certain Acts, as amended, Standard on Auditing No. 52, other relevant regulations issued by the Chamber of Auditors of the Czech Republic, according to provisions of Section 38 of Act No. 131/2000 Coll., on the City of Prague, as amended, and Section 10 of Act No. 420/2004 Coll., on the Examination of the Operations of Territorial Self-Governing Units and Voluntary Associations of Municipalities, as amended (hereinafter "Act No. 420/2004 Coll.")

of the City of Prague

with its registered office at Mariánské náměstí 2, 110 01 Prague 1
corporate ID: 00064581, tax ID: CZ00064581

for the period from 1 January 2013 to 31 December 2013

Statutory Body of the City of Prague:

Mayor of the City of Prague, Mr T. Hudeček

Audit Firm:

Deloitte Audit s.r.o.

Registered at Karolinská 654/2, 186 00 Prague 8 Karlín
corporate ID: 49620592, tax ID: CZ49620592

Persons Performing the Examination of Operations:

Václav Loubek, Auditor
Petra Kučerová, Audit Assistant
Martina Smetanová, Audit Assistant

Another auditor, eight audit assistants and six specialists were involved in the examination of the operations of the City of Prague.

Location of the Examination of Operations:

Premises of the Metropolitan Authority

Timing of the Examination of Operations:

The partial examination of the operations of the City of Prague was conducted in the period between 10 and 18 October 2013.

The final examination was conducted from 7 April 2014 to 7 May 2014.

I. SUBJECT OF THE EXAMINATION OF OPERATIONS

According to Section 2 (1) of Act No. 420/2004 Coll., the subject of the examination is the information on the annual operations that are part of the closing account in accordance with Section 17 (2) and (3) of Act No. 250/2000 Coll. on Budgetary Rules for Territorial Budgets, as amended.

- a) Compliance with receipts and disbursements of the budget including monetary transactions relating to budget funds;
- b) Financial transactions relating to the creation and use of monetary funds;
- c) Expenses and income of business activities of the City;
- d) Monetary transactions relating to collective funds spent on the basis of a contract between two or more territorial units or based on a contract with other corporate entities of individuals;
- e) Financial transactions relating to liabilities according to legal regulations on accounting;
- f) Management and dealing with funds provided from the National Fund and other funds from abroad provided based on international contracts; and
- g) Settlement of financial relations to the state budget, budget of regions, budgets of municipalities, other budgets, state funds and other entities.

According to Section 2 (2) of Act No. 420/2004 Coll., the subject of the examination is also as follows:

- a) Dealing with and management of assets owned by the City;
- b) Dealing with and management of assets owned by the state and dealt with by the City;
- c) Assignment and implementation of public tenders, except for acts and procedures examined by the supervisory body according to Act No. 137/2006 Coll., on Public Tenders, as amended;
- d) Balances of receivables and payables and dealing with them;
- e) Guarantee for the liabilities of individuals and corporate entities;
- f) Pledge of movable and immovable assets in favour of third parties;
- g) Establishing of liens in respect of assets of the City; and
- h) Accounting books and records maintained by the City.

II. PERSPECTIVES OF THE EXAMINATION OF OPERATIONS

The subject of examination according to Section 3 of Act No. 420/2004 Coll. (refer to Point I. of this report) is reviewed from the following perspectives:

- a) Compliance with the obligations determined by special legal regulations;
- b) Compliance of the management of finances as compared to the budget;
- c) Adherence to the purpose of the provided subsidy or refundable borrowing and conditions of their use; and
- d) Factual and formal correctness of documents on examined transactions.

Legal regulations used in the examination of operations covering the above perspectives are listed in Appendix A which forms an integral part of this report.

III. DEFINITION OF RESPONSIBILITIES

The statutory body of the City of Prague is responsible for the operations which were the subject of our examination, and their presentation in the financial and accounting statements.

Our responsibility is to express a conclusion on the results of the examination of the operations based on the examination performed. We conducted the examination of the operations in compliance with Act No. 93/2009 Coll., on Auditors and Changes in Certain Acts, as amended, Standard on Auditing No. 52 and other relevant regulations issued by the Chamber of Auditors of the Czech Republic and provisions of Sections 2,3,10 and 17 (2) of Act No. 420/2004 Coll.

In accordance with these regulations, we are obliged to comply with the ethical standards and plan and examine the operations so that we obtain limited assurance as to whether the operations of the City comply with the viewpoints of the examination of operations (refer to Point II. of this report).

IV. SCOPE OF THE EXAMINATION

For the purpose of examining the operations of the City, procedures were performed to obtain sufficient audit evidence. The scope of these procedures is lower than in engagements designed to provide adequate assurance and are applied by the auditor based on the professional judgement including the assessment of risks of significant (material) errors and deficiencies. In assessing these risks, the auditor takes into account the internal system of the City. The procedures applied include an examination performed on a test basis and taking into account the materiality of individual matters.

V. CONCLUSION OF THE REPORT ON THE RESULT OF THE EXAMINATION OF OPERATIONS OF THE CITY

We note that the work on the financial statements for the year ended 31 December 2013 is being conducted when there are numerous methodological unclarities due to legislative changes (updates of implementation regulations, Czech Accounting Standards are not complete, etc). For this reason, it is possible that certain accounting treatments applied in 2013 may be considered differently following the clarification and completion of officially applicable methodological guidance.

We note the following facts:

- a) The Capital City of Prague recognised a provision against receivables of CZK 173,537 thousand in the income statement and consequently impacted the result of operations of the Capital City of Prague for 2013 on a one-off basis by expenses relating to prior reporting periods.
- b) The Capital City of Prague recognised CZK 321,274 thousand in the income statement relating to the compensation for Dopravní podnik hl. m. Prahy, a. s. – contract for the public service in the public railway and municipal transportation in the PID system for 2012 and consequently impacted the result of operations of the Capital City of Prague for 2013 on a one-off basis by the expenses relating to prior reporting periods.
- c) The Capital City of Prague recognised two invoices of CZK 60,610 thousand in the income statement that should have been recognised in 2012. The correction of this error in 2013 impacted the result of operations of the Capital City of Prague for 2013 by expenses relating to the prior reporting period.

The conclusion of the report on the result of the examination of operations of the City was divided into two parts: conclusions and risks arising from the reports on the result of operations of the examination of individual boroughs of the City and conclusions of the report on the result of operations of the City itself, including the description of identified risks.

A. Conclusions of Reports on the Examination of Operations of Individual Boroughs:

In conducting the examination of the operations of the City of Prague, we took into account the findings, conclusions and results of the examination of the operations of the individual boroughs of the City of Prague as performed by external auditors, audit companies or the Controlling Activities department of the Metropolitan Authority in compliance with Section 38 of Act No. 131/2000 Coll., on the City of Prague.

The reports on the examinations of the operations of individual boroughs of the City of Prague are available at the Controlling Activities division of the Metropolitan Authority.

The following table shows the summary of conclusions from the examination of the operations in individual boroughs of the City of Prague:

Borough	Examination performed by	Conclusion of the examination
1 Prague 1	Deloitte Audit s.r.o.	Major and minor errors and deficiencies
2 Prague 2	Metropolitan Authority	No findings
3 Prague 3	HZConsult s.r.o.	Minor errors and deficiencies
4 Prague 4	VALENTA-NOCAR, s.r.o.	Minor errors and deficiencies
5 Prague 5	NEXIA AP A.S.	Minor errors and deficiencies
6 Prague 6	Metropolitan Authority	Minor errors and deficiencies
7 Prague 7	Schaffer & Partner Audit s.r.o.	Major and minor errors and deficiencies
8 Prague 8	Metropolitan Authority	Minor errors and deficiencies
9 Prague 9	Diligens s.r.o.	Minor errors and deficiencies
10 Prague 10	ATLAS AUDIT s.r.o.	No findings
11 Prague 11	Metropolitan Authority	No findings
12 Prague 12	Metropolitan Authority	Minor errors and deficiencies
13 Prague 13	BDO Audit s.r.o.	No findings
14 Prague 14	Metropolitan Authority	Minor errors and deficiencies
15 Prague 15	HAYEK, spol. s r.o., holding	Major errors and deficiencies
16 Prague 16	Metropolitan Authority	Minor errors and deficiencies
17 Prague 17	Metropolitan Authority	Major and minor errors and deficiencies
18 Prague 18	JHI AUDIT s.r.o.	Minor errors and deficiencies
19 Prague 19	BOHEMIA AUDIT, s.r.o	Minor errors and deficiencies
20 Prague 20	Metropolitan Authority	Minor errors and deficiencies
21 Prague 21	Metropolitan Authority	Minor errors and deficiencies
22 Prague 22	Metropolitan Authority	No findings
23 Běchovice	Metropolitan Authority	Major and minor errors and deficiencies
24 Benice	Metropolitan Authority	Minor errors and deficiencies
25 Březiněves	Metropolitan Authority	Major and minor errors and deficiencies
26 Čakovice	Metropolitan Authority	Minor errors and deficiencies
27 Ďáblice	Metropolitan Authority	Major and minor errors and deficiencies
28 Dolní Chabry	Metropolitan Authority	Minor errors and deficiencies
29 Dolní Měcholupy	Metropolitan Authority	Major and minor errors and deficiencies
30 Dolní Počernice	Metropolitan Authority	Minor errors and deficiencies
31 Dubeč	Metropolitan Authority	Minor errors and deficiencies
32 Klánovice	Metropolitan Authority	Minor errors and deficiencies
33 Koloděje	Metropolitan Authority	Major and minor errors and deficiencies
34 Kolovraty	Ms Sosvorová	No findings

The following table shows the summary of conclusions from the examination of the operations in individual boroughs of the City of Prague – continued:

Borough	Examination performed by	Conclusion of the examination
35 Královice	Metropolitan Authority	Minor errors and deficiencies
36 Křeslice	Ms Sosvorová	Minor errors and deficiencies
37 Kunratice	Metropolitan Authority	Minor errors and deficiencies
38 Libuš	Metropolitan Authority	Major and minor errors and deficiencies
39 Lipence	Metropolitan Authority	Minor errors and deficiencies
40 Lochkov	Metropolitan Authority	Minor errors and deficiencies
41 Lysolaje	GESTIO s.r.o.	No findings
42 Nebušice	Metropolitan Authority	No findings
43 Nedvězí	Metropolitan Authority	Minor errors and deficiencies
44 Petrovice	HAYEK, spol. s r.o., holding	Major errors and deficiencies
45 Přední Kopanina	Metropolitan Authority	Minor errors and deficiencies
46 Řeporyje	Metropolitan Authority	Major and minor errors and deficiencies
47 Satalice	Metropolitan Authority	Major and minor errors and deficiencies
48 Slivenec	Metropolitan Authority	Minor errors and deficiencies
49 Suchdol	Metropolitan Authority	Minor errors and deficiencies
50 Šeberov	Metropolitan Authority	Major and minor errors and deficiencies
51 Štěrboholy	Metropolitan Authority	No findings
52 Troja	Metropolitan Authority	Minor errors and deficiencies
53 Újezd	Metropolitan Authority	Major and minor errors and deficiencies
54 Velká Chuchle	Metropolitan Authority	Minor errors and deficiencies
55 Vinoř	Metropolitan Authority	No findings
56 Zbraslav	Metropolitan Authority	Minor errors and deficiencies
57 Zličín	Metropolitan Authority	Minor errors and deficiencies

Conclusions arising from the examination of the operations individual City boroughs:

The following deficiencies in accordance with Section 10 (3) (c) of Act 420/2004 Coll. were identified in performing the examination of the operations of individual city boroughs. Other identified errors and deficiencies that are less serious than errors and deficiencies listed in Section 10 (3) c) are stated in individual reports on the examination of the operations of individual City boroughs.

1. Deficiencies involving the breach of budgetary discipline:

Borough	Finding
Šeberov	The territorial unit used the funds intended for the funding of the election in the Czech Chamber of Deputies of CZK 388 in an unauthorised manner in conflict with Directive of the Ministry of Finance No. 124/1354/2002 – Section 2 (1) a) the compliance with the budget of receipts and disbursements including cash transactions relating to budgetary funds

2. Deficiencies involving incompleteness, incorrectness or lack of clear supportability of the maintenance of accounting books and records:

Borough	Finding
Prague 1	Prague 1 prepared a protocol on the result of the inventory count of assets and liabilities for 2013 which Prague 1 acknowledged on 25 February 2014. The protocol on the inventory count of assets and liabilities prepared by Prague 1 is not an inventory count report according to Regulation No. 270/2010 Coll., on the inventory count of assets and liabilities, as it does not contain all information as required by this Regulation. As a result, Prague 1 did not meet the obligation resulting from Section 2 e) of Regulation No. 270/2010 Coll.

The inventory count of assets and liabilities as of 31 December 2013 was not performed in line with Act No. 563/1991 Coll., on Accounting, Sections 29 and 30, as amended, and implementation regulation No. 270/2010 Coll., as amended.

Borough	Finding
	<p>The notes to the financial statements prepared as of 31 December do not contain narrative parts as required by Act No. 563/1991 Coll., on Accounting, Section 18, and appendix No. 5 to Regulation No. 410/2009 Coll., which implements certain provisions of Act No. 563/1991 Coll., on Accounting, as amended, for selected entities.</p>
	<p>Account 042 – tangible fixed assets under construction contains an amount of CZK 168,104 thousand. These assets are no longer available to Prague 1. The assets will be proposed for write-off to the relevant body of Prague 1.</p>
	<p>Account 042 – – tangible fixed assets under construction contains the following investments: Truhlářská of CZK 20,539 thousand and Střelecký ostrov of CZK 98,157 thousand, that were approved for use in 2013. Given that these assets were not taken to the relevant asset accounts, they were not allocated inventory numbers, were not classified according to appendix 1 to Czech Accounting Standard No. 708 and were not classified into the relevant accounting depreciation groups, no depreciation was recognised on these fixed assets as of 31 December 2013, in accordance with the applicable legislation. The amount of the depreciation and its impact on the “Equity” cannot be estimated.</p>
	<p>Account 029 – other tangible fixed assets – contains assets that can be divided into three principal parts as follows:</p>
	<ul style="list-style-type: none"> • Horses of CZK 620 thousand. According to the information of Prague 1 and the Metropolitan Police, the horses are used by the Metropolitan Police for service purposes. Given that these are service horses, their reporting in other fixed assets is not correct. In accordance with Regulation No. 410/2009 Coll., Section 20 (2) h), they should be recorded in other inventory. • Technical improvements on assets of CZK 151,785 thousand that are owned by the Capital City of Prague rather than Prague 1. According to the information of Prague 1, it negotiates with the Capital City of Prague on the transfer of these assets to the accounting books of the Capital City of Prague. Moreover, Prague 1 is not able to assess from the available documentation whether the assets held on this account are correctly or incorrectly classified. • Technical improvements on assets of CZK 7,809 thousand, on the existence and origin of which Prague 1 has no information.
	<p>Prague 1 does not have an approved and applicable current guideline relating to intangible and tangible assets as required by Czech Accounting Standard No. 710 – other provisions for compliance with Section 36 (1) of Act No. 563/1991 Coll., on Accounting.</p>
	<p>Account 462 – provided returnable long-term financial borrowings contains receivables of CZK 1,111 thousand. According to the information of Prague 1, these are old and bad receivables that were provisioned as of 31 December 2013 in accordance with Section 65 of regulation No. 410/2009 Coll., as amended.</p>
	<p>Account 311 – customers contains items of CZK 143,639 thousand. Prague 1 has no assurance on the likelihood that these receivables will be settled. These receivables were not provisioned in accordance with Section 65 of Regulation No. 4102009 Coll., ie 10% for each 90 days past due date.</p>
	<p>No provision was recognised against the balance of account 311 – customers, ie the balance of CZK 134,514 thousand in accordance with the applicable legislation (refer to above), however, a provision of 20% against receivables past their due dates by more than 180 days was recognised. If a provision were recognised in accordance with Section 65 of Regulation No. 410/2009 Coll., the total provision would amount to CZK 108,355 thousand. It means that the provision recognised as of 31 December 2013 in the amount of CZK 24,874 thousand is understated by CZK 83,481 thousand.</p>

Borough	Finding
	<p>The total provision of CZK 24,874 thousand was recognised in the income statement for 2013. This transaction impacted the result of operations of Prague 1 for 2013 on a one-off basis.</p>
	<p>Mutual receivables and payables between Prague 1 and selected customers of CZK 10 million were not reconciled as of 31 December. It was identified from the following payments that only approximately CZK 541 thousand was settled in selected items.</p>
	<p>When comparing the balance of account 432 – retained earnings, accumulated loss as of 31 December 2012 with the balance of account 432 – retained earnings, accumulated loss as of 31 December 2013, a difference of CZK 43,932 thousand was identified which is primarily due to a more accurate calculation of tax payable for business activities and additional tax returns. This procedure complies with the methodology of the Capital City of Prague. According to the information provided by both Prague 1 and the Capital City of Prague, the above transactions will be recognised in account 408 – corrections to prior periods starting from 2014.</p>
	<p>Prague 1 has not prepared and approved a current internal guideline relating to the recognition of reserves and it recognises no reserves.</p>
	<p>Prague 1 is involved in numerous legal disputes as a defendant. In certain cases, the legal disputes involve considerable amounts. As of 31 December, no reserve for legal disputes was recognised. The information on significant legal disputes is disclosed in the notes to the financial statements.</p>
	<p>Account 321 – suppliers and account 042 – tangible fixed assets under construction is understated by approximately CZK 10 million. This amount relates to a short-term retention fee. The retention fee is maintained off-balance sheet. Prague 1 is waiting for a letter from the supplier in which the supplier informs Prague 1 on the fact that defects and arrears relating to the retention fee were removed. Based on this letter, the retention fee is entered into the accounting books and paid.</p>
	<p>Account 378 – other short-term payables as of 31 December incorrectly contains payables to employees, settlement with social security and health insurance institutions and taxes of CZK 19,169 thousand. These payables should be recognised in relevant accounts of 33 and 34 account groups.</p>
	<p>Positive balances were identified on account 378 – other short-term payables. The obtained information indicates that these are finances provided to the administrators according to mandate contracts for the payments of minor repairs of houses that they administer.</p>
	<p>Items of CZK 2,733 thousand from 2012 and older were identified on account 378 – other short-term payables. According to the information provided by Prague 1, these are unmatched items.</p>
	<p>Account 384 – deferred income contains the balance of CZK 611 thousand relating to document no. 4000004796 NAMA Prague. Given that Prague 1 does not have a duly signed contract, we have no assurance that this amount in the accounting records is correct.</p>
	<p>Account 384 – deferred income incorrectly includes repairs/improvements to assets of CZK 27,189 thousand.</p>
	<p>Account 384 – deferred income incorrectly includes an amount of CZK 846 thousand. This amount relates to the resolution of the Council of Prague 1 of 11 June 2013 which acknowledged the cost of the improvement to an apartment of CZK 1,500 thousand and due rental of CZK 846 thousand. On 19 June 2013, Prague 1 received the payment of CZK 654 thousand.</p>

Borough	Finding
	<p>Account 389 – estimated payables – Prague 1 has not established an adequate mechanisms for assuring the calculation of estimated payables as of 31 December relating to repairs of fixed assets.</p>
	<p>Prague 1 pays financial gifts to partners of Prague 1 with the use of donation contracts. As of 31 December, the amount of CZK 124 thousand relating to 2013 was not recognised in account 389 – estimated payables. The amount was recognised as late as in 2014. This error also arose on the basis of the insufficient sharing of the information between individual divisions of Prague 1.</p>
	<p>Account 903 – other assets includes fixed assets at the cost of CZK 587,827 thousand transferred from Prague 1 to subsidised organisations formed by Prague 1. According to the provided information, no inventory count of this account was made. The balance recorded in the accounting books of Prague 1 was not reconciled with individual subsidised organisations.</p>
	<p>Account 603 – income from rental – includes corrections of prior periods relating to technical improvements and recognised rental. Corrections to prior periods should be recognised in accordance with Regulation No. 410/2009 Coll., Section 26 – equity item 2 (d).</p>
	<p>The list of public contracts is recorded and administered in the Lotus application. Several employees of Prague 1 have access to this application and each of them is authorised to change the contained information.</p>
	<p>It cannot be verified whether the list of public contracts is complete. Prague 1 has put in place an updated internal guideline which, however, does not deal with the process of record-keeping and administration of the list of public contracts.</p>
	<p>In respect of Section 13 of the Public Procurement Act defining the determination of the anticipated amount of a public contract, it is not clear how Prague 1 inspects whether public contracts are not divided.</p>
	<p>In respect of Section 155 of the Act on Public Contracts defining the obligation of archiving of the documentation, it is not clear how Prague 1 ensures the archiving as it does not have free and readily available access to documents relating to the announced public contracts. The documentation on the selected inspected public contracts was provided by an external lawyer office that administered the public contracts.</p>
	<p>The list of public contracts does not always contain the name of the person who initiated the public contract. The winning prices according to which the public contracts are divided (under CZK 200 thousand, negotiation proceedings without publication (JŘBU), public contracts (VZ) and minor scope public contracts (VZMR) do not correspond to their classification type – eg public contracts in the category under CZK 200 thousand contain the public contracts with the price exceeding CZK 200 thousand. In certain public contracts, no supplier or winning price is indicated.</p>
	<p><i>Simplified sub-limit proceedings no. 00063410 – “Post-implementation support of the ASW system”.</i></p>
	<p>During the on-site inspection, the client did not prove that it had asked the selected supplier which ranked first to provide original documents to prove compliance with the qualification assumption as indicated in the Call for the filing of applications and proving of the compliance with the qualifications dated 11 December 2013, or the Tender Documentation dated 11 December 2013, or the Public Procurement Act, Sections 57 and 62, or whether the selected supplier provided these originals or notarised copies.</p>

Borough	Finding
	<p>If the client did not do so, the contract was assigned to an applicant which did not prove compliance with the qualification assumptions in a manner defined in the Public Procurement Act, which means that an applicant was selected which did not prove compliance with the qualification assumptions in the full scope.</p> <p>The client concluded a contract with the selected supplier earlier than allowed by the Public Procurement Act. In accordance with Section 82 of the Public Procurement Act, the client cannot conclude a contract with the applicant whose proposal was selected as the most appropriate before the expiration of a period for filing objections against the resolution of the selection of the most adequate proposal. Given that the applicant did not prove that objections were filed or did not document that the applicants would provide the Surrender of the right for filing objections, the contract should have been concluded within 15 days after the expiration of the period for filing objections. The provided documentation indicates that the Announcement on the resolution of the client on the selection of the most appropriate proposal was sent to applicants on 30 January 2014 and the Contract for the provision of the post-implementation support of the ASW system no. 2014/0052 was concluded already on 31 January 2014, ie before the deadline for the delivery of the resolution on the selection of the most adequate proposal to individual applicants and before the expiration of the period for filing objections.</p> <p>The client did not proceed in accordance with Section 83 of the Public Procurement Act when it did not announce the result of the public tender in the public contract information system within 48 days from the contract conclusion. Contract for the provision of the post-implementation support of the ASW no. 2014/0052 was concluded on 31 January 2014 and the Announcement on the assignment of the contract was sent on 24 April 2014.</p> <p>The Cover sheet to the public contract dated 24 September 2013 includes public contract no. 902/13. In the list of public contracts provided before the inspection, the contract is listed in the public contracts list under no. 1031/13.</p>
<p>Prague 7</p>	<p>Account 315 – other receivables from principal activities as of 31 December 2013 includes receivables of CZK 11,167 thousand. These receivables include receivables of CZK 7,724 thousand and receivables of the social and health division of CZK 3,443 thousand. A provision was recognised against receivables of CZK 7,724 thousand on account 192 – provisions against other receivables from principal activities of CZK 4,491 thousand. However, Prague 7 does not have the aging structure classifying receivables by each 90 days past the due date which would allow to clearly verify that the provisions in the principal activities were recognised in accordance with Section 65 of Regulation No. 410/2009 Coll. Receivables of CZK 3,443 thousand are past their due dates by more than two and half years and consequently should be provisioned. However, no provision in principal activities was recognised against these receivables.</p> <p>In secondary activities, receivables on account 311 – customers amount to CZK 52,421 thousand. This amount contains receivables with the carrying value of CZK 51,999 thousand which are recorded for Prague 7 by Sedmá ubytovací s. r. o. The receivables recorded by Sedmá ubytovací are provisioned on account 194 – provisions for customers of CZK 43,772 thousand. The accounting system that is an underlying document for the recognition of this provision totals CZK 51,113 thousand.</p> <p>Prague 7 does not have available such aging structure of receivables in additional activities classified by each 90 days past due date which could be clearly used to verify that provisions in additional activities were recognised in accordance with Section 65 of Regulation No. 410/2009 Coll. However, a random inspection of individual provisions in the above accounting sub-ledger in respect of the recognition of provisions in additional activities identified in inspected items that the provision corresponds to Section 65 of Regulation No. 410/2009 Coll.</p>

Borough	Finding
Běchovice	<p>The accounting books and records of the borough were not correct as they were not maintained in accordance with the Act on Accounting and other legal regulations and circumvented their purpose. The accounting records were not complete as not all accounting transactions relating to the reporting period were recognised. The accounting records were not maintained such that the financial statements based thereon give a true and fair view.</p> <p>The territorial unit did not verify by the inventory count that the actual status corresponds to the status in the accounting records. The territorial unit did not recognise the facts that are subject to accounting in the period to which they relate on an accrual basis. The territorial unit did not maintain the accounting records correctly, completely, in a clearly supportable manner, intelligibly, in a well organised manner and in a manner assuring the permanency of accounting records.</p>
Prague 15	The assets intended for sale were not measured at fair value as of 31 December 2013, the remeasurement was calculated at CZK 13 million.
Prague 17	The identified inventory count differences were not recognised in the reporting period for which the inventory count verifies the balance of assets and liabilities in accordance with Section 30 (11) of Act No. 563/1991 Coll., on Accounting, as amended.
Ďáblice	The borough did not update the internal guideline defining the management of assets in line with Czech Accounting Standard No. 710 – Intangible and tangible fixed assets, the internal control system according to Section 25 of Act No. 320/2001 Coll. on Financial Control, as amended, was not sufficiently functional in the recognition of the depreciation of fixed assets as the actual period of use of certain assets did not correspond to the information in the approved internal guideline.
Libuš	The accounting books and records were not clearly supportable according to Section 8 (4) of Act No. 563/1991 Coll., as amended, as the borough did not perform an inventory count of assets and liabilities reported in the financial statements as of 31 December 2013 in line with Sections 29 and 30 of the Act on Accounting, specifically the assets entrusted to subsidised organisations for management according to Section 49 c) of Regulation No. 410/2009 Coll., which implements certain provisions of Act No. 563/1991 Coll., on Accounting, as amended, for certain entities.
Petrovice	<p>The borough recognised provisions against receivables in accordance with Section 65 (6) of Regulation No. 410/2009 Coll. Based on an estimate of the total amount of receivables past their due dates, total provisions in the accounting records are recognised incorrectly and are overstated by CZK 350 thousand.</p> <p>In 2013, the borough sold apartments. The inspection identified that the borough did not include the proceeds from the sale of an apartment and an aliquot part of the land in 2013 in the income and consequently understated the income by CZK 1,040 thousand. The expenses were recognised correctly. The borough breached the accrual principle of reporting expenses and income.</p>
Řeporyje	During the inventory count, the entity did not verify whether the identified balances correspond to balances in the accounting books.
Šeberov	<p>The appendix to the inventory count list did not include the required data and information.</p> <p>During the inventory count, the entity did not verify whether the identified balances correspond to the balances in the accounting books – Section 2 (2) h), the accounting books maintained by the territorial unit.</p>

3. Deficiencies involving the breach of obligations or breach of the remit of the territorial unit:

Borough	Finding
Prague 1	<p>The disbursement item 5492 – gifts to citizens should include, in accordance with Regulation No. 323/2002 Coll. on budget composition, solely the cash gifts to citizens. However, the breakdown of the disbursement unit indicates that this item includes actual gifts to citizens (bankbooks donated at the welcoming of new citizens ceremony, impacts of the rent regulation, etc.) and gifts to educational and non-educational employees (relates to subsidised organisations formed by Prague 1), bonuses to officers of the Metropolitan Police of Prague 1 (Metropolitan Police is an organisational unit of the Capital City of Prague), gifts to members of the Prague 1 city council who act as weddings registrars and gifts to members of commissions and committees – partners of Prague 1. We believe that the above method of remuneration may be treated as a method of remuneration for performed work in the second group. We did not verify the tax implications or method of the compliance with tax liabilities on the part of the donator and the recipients of the above gifts.</p> <p>Prague 1 should consult the method of remuneration and subsequently the reporting to the relevant disbursement item with the Capital City of Prague, as the statement of receipts and disbursements prepared for Prague 1 is included in the aggregate financial statements prepared for the Capital City of Prague. For this reason, it is appropriate to apply one methodology across the entire Capital City of Prague.</p>
Běchovice	The territorial unit did not define the assets entrusted to the formed subsidised organisation.
Březiněves	The breach of the obligation under Sector 2 (1) a) of the compliance with receipts and disbursement of the budget including cash transactions, relating to budget funds. The proposed final account was published over the period of 15 days before the date of the discussion at the meeting of the borough council on the public noticeboard of the Borough Authority including the entire Report on the Results of the Examination of Operations for 2012. All requirements were met on the noticeboard. The borough did not comply with the scope of the published proposal of the final account which is approved by Section 17 (6) of Act No. 250/2000 Coll., on the Territorial Budgetary Rules, as amended.
Dolní Měcholupy	The borough did not comply with Section 17 (6) of Act No. 250/2000 Coll., on the Territorial Budgetary Rules, as amended, as it did not publish the complete version of the proposed final budget in a manner allowing remote access.
Koloděje	The breach of Section 13 (1) of Act No. 250/2000 Coll., on the Territorial Budgetary Rules, as amended, as it did not have approved rules of the budgetary provisional measures by which the budgetary operations of the territorial autonomous unit are governed until the approval of the budget when the budget is not approved before 1 January of the budgetary year.

4. Deficiencies involving the failure to remove deficiencies noted upon the partial examinations or upon the prior years' partial examination:

Deficiencies involving the failure to remove deficiencies noted upon the partial examinations or upon the prior years' partial examination were identified in the following boroughs: Prague 1, Prague 7, Běchovice, Dolní Měcholupy, Koloděje, Libuš, Řeporyje, Satalice, Šeberov and Újezd.

A list of risks from the reports on the results of the examination of the operations of individual boroughs:

Borough	Risk
Prague 1	<p>There is some confusion at the Prague 1 Authority regarding the approved applicable updated internal guidelines. This problem was noted both by the secretary of the authority and internal audit. The situation did not change in 2013 as compared to 2012.</p> <p>Prague 1 does not have an approved and applicable updated guideline relating to intangible and tangible assets as stipulated by Czech Accounting Standard No. 710 – part other provisions for the compliance with Section 36 (1) of Act No. 563/1991 Coll., on Accounting.</p> <p>As of 31 December, Prague 1 did not recognise a provision against receivables in line with Regulation No. 410/2009 Coll., as amended, ie 10% for each 90 days past due date, but only 20% in selected receivables past their due dates by more than 180 days. In spite of the recognised provision, the reported value of receivables may be significantly higher than their actual value.</p> <p>Prague 1 does not have an approved an applicable updated internal guideline relating to the recognition of reserves and does not recognise any reserves.</p> <p>Prague 1 is involved in numerous legal disputes as a defendant. In certain cases, the legal disputes involve considerable amounts. As of 31 December, no reserve for legal disputes was recognised. The information on significant legal disputes is disclosed in the notes to the financial statements. The adverse result of these legal disputes may have a significant impact on the future results of Prague 1.</p> <p>Prague 1 is indirectly exposed to a risk arising from the activities of subsidised organisations in which it is either a sponsor or a founder (eg Nemocnice na Františku, etc.) and where it assumes their risks either in the form of providing finances or in the form of specific contractual arrangements. These risks include not only financial risks but also commodity and operational risks (losses and costs arising from human error, IT systems errors, damage to health and property, etc.). The minutes of the finance committee of 4 February indicate that the problems in the bookkeeping were identified in Nemocnice na Františku already in 2011. In accordance with the resolution of the borough council of Prague 1 no. 13-0456 of 18 June 2013, fully depreciated movable assets with the cost exceeding CZK 100 million were entrusted to Nemocnice na Františku.</p> <p>Prague 1 does not have an approved and applicable updated internal guideline which would include the application of Act No. 320/2001 Coll., on the financial control in the conditions of Prague 1 Authority.</p> <p>In accordance with a change in Act No. 563/1991 Coll., on Accounting, and Act No. 131/2000 Coll., on the Capital City of Prague, the City Council has an obligation to approve the financial statements of the Capital City of Prague. However, Act No. 131/2000 Coll. does not specifically stipulate that this obligation would apply to borough councils of individual boroughs even if the Act states that ...“the City Council approves the financial statements after the discussion with the boroughs”.... According to the information of the Capital City of Prague, the requirement for the approval of the financial statements by individual boroughs was determined by the resolution of the City Council No. 843 of 22 April 2014.</p> <p>Regulation No. 220/2013 Coll., on the requirements for the approval of financial statements of certain selected entities requires that a specific entity (ie Prague 1) ensures access to interim financial statements or required information from these interim financial statements, supporting documents determined by the internal regulations and other significant or required information to the approving body (ie borough council of Prague 1). Prague 1 has not yet prepared such approved updated internal guideline.</p>

Borough	Risk
	<p>The total result of operations after tax (ie for both principal and business activities) presented in the income statement significantly differs from the balance of receipts and disbursements presented in the statement of receipts and disbursements. The income statement is prepared on an accrual basis in line with the methodological regulations applicable for 2013 where the expenses and income are reported in the period to which they relate on an accrual basis, while the “Statement of receipts, disbursements and financing” is prepared on a cash basis, ie on the basis of actual receipts and disbursements.</p> <p>For this reason, the closing account of Prague 1 for 2013 should include an explanation why the economic results according to the income statement and the statement of receipts and disbursements significantly differ. Concurrently, the items that cause this significant difference should be calculated. This information should be provided to the approving body in the approval of the financial statements for 2013.</p> <p>The list of public contract is recorded and administered in the Lotus application. Several employees of Prague 1 have access to this application and each of them is authorised to change the contained information.</p> <p>It is impossible to verify whether the list of public contracts is complete. Prague 1 has a determined internal guideline which however does not deal the process of recording and administration of the list of public contracts.</p> <p>In respect of Section 13 of the Public Procurement Act defining the determination of the anticipated amount of the public contract, it is not clear how Prague 1 inspects whether public contracts are not divided.</p> <p>In respect of Section 155 of the Public Procurement Act defining the obligation of archiving of the documentation, it is not clear how Prague 1 ensures the archiving as it does not have free and readily available access to documents relating to the announced public contracts. The documentation on the selected inspected public contracts was provided by an external lawyer office that administered the public contracts.</p> <p>The list of public contracts does not always contain the name of the person who initiated the public contract. The winning prices according to which the public contracts are divided (under CZK 200 thousand, negotiation proceedings without publication (JŘBU), public contracts (VZ) and minor scope public contracts (VZMR) do not correspond to their classification type – eg public contracts in the category under CZK 200 thousand contain the public contracts with the price exceeding CZK 200 thousand. In certain public contracts, no supplier or winning price is indicated.</p>
Prague 4	<p>The failure to comply with the content definition of the balance sheet and income statement items in the relevant provisions of Regulation No. 410/2009 Coll. which leads to the breach of Section 4 (8) of Act No. 563/1991 Coll. on Accounting and the presentation in the financial statements does not correspond to the actual status.</p> <p>The classification of assets, classification in depreciation groups and correctly-determined moment for the classification have an impact on the amount of depreciation, or equity.</p> <p>The disposal of the lower carrying amount of the assets impacts the entire amount of expenses and the result of operations.</p> <p>The recognition of the income in an incorrect amount may impact the result of operations for taxation and the amount of the income tax.</p> <p>The risk of possible sanctions as a result of the breach of budgetary discipline.</p> <p>The risk of a lack of clear supportability of accounting books and records as a result of incomplete inventory count lists.</p>

Borough	Risk
Prague 7	<p>As of 31 December 2013, the borough records “mistakenly received payments” of CZK 752 thousand as part of its principal activity on account 378/0363 – other short-term payables. This amount includes payments received to bank accounts of the borough that the borough did not manage to identify and consequently match to the receivables of the borough. In addition, old unidentified deposits, some of them may be forfeited, are recorded in this account. The existing procedures for the administration and settlement of thus received payments are not sufficiently effective to ensure a timely settlement of these payments and prevent their possible abuse.</p> <p>Similar mistaken payments are recorded as part of the accounting for additional activities on account 378/0301 – other short-term payables in the amount of CZK 287 thousand as of 31 December 2013. The head of the accounting department and head of the finance division are responsible for the bookkeeping of the borough. However, the quality of bookkeeping, its correctness and completeness depends on the information from other divisions, or economists of other divisions, to a significant extent. Nevertheless, the head of the accounting department and head of the finance division have no authorities in respect of the economists of individual divisions. This results in an insufficient and delayed input of information in the accounting department with impacts on the correctness and completeness of the financial statements of Prague 7.</p> <p>The auditor of Prague 7 recommends considering such organisational changes including the remuneration system that would result in an increased involvement of the economists of individual divisions in the quality of the financial statements of Prague 7.</p>
Prague 8	The risk of incorrect bookkeeping as stipulated in Section 8 of Act No. 563/1991 Coll. on Accounting, as amended.
Prague 17	The risk of incomplete and incorrect bookkeeping as stipulated in Section 8 of Act No. 563/1991 Coll. on Accounting, as amended, as a result of the identified facts.
Prague 18	<p>Pursuant to the performed examination of operations of Prague 18, the auditor of the borough notes the risk of the effectiveness of financial management and method of own management of Letňanská sportovně kulturní s.r.o. In addition, attention is drawn to the risk arising from the low level of the control over management of financial funds in Letňanská sportovně kulturní s.r.o by Prague 18.</p> <p>In addition, the auditor of the borough notes the risks arising from the shortcomings identified in the partial examination of operations. To remove the shortcomings arising from the partial examination of operations, Order of the Mayor No. 1/2014 was adopted. Certain shortcomings were removed before the end of the final examination of operations; however, for some of them 31 December was determined as the very last date for remedy. Due to the earlier conclusion of the final examination of operations and issuance of the report on the examination of operations it was not possible to verify compliance with these measures.</p>
Prague 21	The risk of breaching the budgetary discipline of the boroughs, or the Capital City of Prague, according to Section 44 of Act No. 218/2000 Coll., on budgetary rules and change in certain relating acts, as amended (according to Section 9 (3) of the Chart of the Capital City of Prague, the subsidy of the state budget is provided to the Capital City of Prague) and the risk of the refund of the finances used in an unauthorised manner.
Běchovice	The risk of accounting in an incorrect reporting period (cut-off) according to Section 3 of Act No. 563/1991 Coll., on Accounting, as amended.
Březiněves	The risk of a possible administrative offence according to Section 22a of Act No. 250/2000 Coll., on Territorial Budgetary Rules, as amended. The shortcoming may be remedied only as late as with the publication of the closing account for 2013.

Borough	Risk
Ďáblice	The risk of incorrect accounting records as of the balance sheet date according to Section 8 of Act No. 563/1991 Coll., on Accounting, as amended, due to the mismatch between the accounting records and the guideline for depreciation of intangible and tangible assets for accounting purposes approved by the borough council (resolution no. 105/12/RMČ of 23 January 2012).
Dolní Měcholupy	The risk of a possible administrative offence according to Section 22a of Act No. 250/2000 Coll., on Territorial Budgetary Rules, as amended.
Koloděje	The risk that the borough did not comply with Section 15 (1) of Act No. 250/2000 Coll., on Territorial Budgetary Rules, as amended (hereinafter the "Act on Budgetary Rules"), under which it is obliged to manage its finances in accordance with the approved budget and comply with the binding indicators approved by the borough council and the risk of a possible administrative offence according to Section 22a of Act No. 250/2000 Coll., on Territorial Budget Rules, as amended.
Křeslice	<p>Tangible fixed assets under construction – the risk of incorrect calculation of acquisition costs, or belated putting into use has an impact on the amount of the depreciation, or equity. The failure to comply with the content definition of the balance sheet and income statement items according to Regulation No. 410/2009 Coll., the presentation in the financial statements does not correspond to the actual status and results in the breach of Section 4 (8) of Act No. 563/1991 Coll., on Accounting.</p> <p>Budget – risk of possible sanctions as a result of the breach of the budgetary discipline.</p> <p>Notes to the financial statements – failure to provide the explanatory and additional information according to Regulation No. 410/2009 Coll., results in the breach of Section 4 (8) of Act No. 563/1991 Coll., on Accounting.</p>
Libuš	Risk of the incomplete, incorrect and lack of the clear supportability of the accounting books and records according to Section 8 of Act No. 563/1991 Coll., on Accounting, as amended.
Lochkov	The risks of an additional assessment of the value added tax including accrued interest. In the event of a failure to approve the budgetary adjustment, there is a risk of non-compliance with Section 15 (1) of Act No. 250/2000 Coll., on Territorial Budgetary Rules, as amended (hereinafter the "Act on Budgetary Rules"), according to which the territorial autonomous unit manages its finances in accordance with the approved budget. Provided there are any objective facts, the budget may change after its approval and the budgetary rules are implemented in an obligatory manner, among other things, if these are changes in binding indicators that are approved by the borough council and which are obligatory for the bodies of the territorial autonomous unit.
Nedvězí	In the event of a failure to approve the budgetary adjustment, there is a risk of the non-compliance with Section 15 (1) of Act No. 250/2000 Coll., on Territorial Budgetary Rules, as amended (hereinafter the "Act on Budgetary Rules"), according to which the territorial budgetary unit manages its finances in accordance with the approved budget. Provided there are any objective facts, the budget may change after its approval and the budgetary measures are implemented obligatory, among other things, if these are changes in binding indicators that are approved by the borough council and that the territorial autonomous unit bodies have to obligatorily follow.
Šeberov	The risk of the potential penalisation for a late payment of invoices, as the testing of the turnover of account 321 - suppliers identified the late assessment (accounting document no. 200010 dated 4 February 2013) and payment of insurance of CZK 7,157 (accounting document no. 100095 dated 4 February 2013) according to a contract on insurance of the liability for damage caused by the operations of Renault Kangoo due on 14 December 2012 pursuant to the reminder dated 17 January 2013.

Borough	Risk
	<p>The risk of uncollectible damages (destruction, damage, abuse, unauthorised interventions) caused in relation to the use of the assets of the Capital City of Prague, entrusted to boroughs, without any legal relation. The resolution of the borough council dated 18 February 2013 approved and mandated that the mayor of the borough should conclude the contract for an establishment of easement for the gas pipeline supply to plot of land no. 568/3. Before the completion of the closing examination of operations is the contract was not provided. During the physical inspection and examination of the site on 6 December 2013 with the presence of the secretary of the borough, it was identified that the building had been completed (new surface with different colours from the existing on the road and the low wall on the plot of the land of the authorised person, gate for the gas valve).</p>

B. Conclusions from the examination of the operations of the City of Prague itself:

I. Comments on the compliance of the operations with the perspectives of the examination of operations

During the examination of the operations of the Capital City of Prague we identified as follows:

Field	Finding
Intangible and tangible fixed assets	<p><i>Account 042 – Tangible fixed assets under construction</i> includes assets that are already in use. As of 31 December 2013, these assets amounted to CZK 4,897 thousand in the OMI accounting centre (significant projects include as follows: Šutka swimming pool – CZK 959,060 thousand, ZOO – hippopotamus and elephant house – CZK 522,206 thousand, “MÚK PPO – Liberecká” – CZK 441,836 thousand and Maniny – preparation of area – CZK 222,415 thousand, etc.);</p> <p><i>Account 042 – Tangible fixed assets under construction</i> includes items that are already in use. These assets as of 31 December 2013 amount to CZK 929,629 thousand in the Metropolitan Authority accounting centre (most significant projects include: CZK 830,154 thousand – purchase of intangible assets of Dopravní podnik HMP a.s.);</p> <p><i>Account 042 – Tangible fixed assets under construction</i> of the accounting centre of Pražská vodohospodářská společnost a.s. (“PVS“) includes the balance of CZK 3,180,684 thousand under ORG 6590 as of 31 December. The costs relating to the acquisition of assets are determined according to the list of assets intended for the putting into use which is annually sent from PVS. There is no regular inspection of costs that are recognised during the years and the costs based on which the acquisition cost is determined. The registration of items under one code does not allow the monitoring individual engagements and it is not possible to identify projects that are in the a certain phase of completeness and those that are idle or in use for a longer period;</p> <p>As of 31 December 2013 <i>account 021 – buildings (analytical accounts 118, 218, 318, 428, 528, 618, 628) and 022 – individual movable assets and sets of movable assets (analytical account 018)</i> includes assets amounting to CZK 11,167,896 thousand without the inventory count. These are assets that were approved for use and the final invoice was recognised. These assets were transferred from account 042 – <i>Intangible fixed assets to account 021 – buildings</i>, but the SVM division did not receive these assets from the OMI division, did not allocate an inventory number to these assets and did not sign the trilateral protocol among OMI, SVM and the future administrator of assets. For this reason, the OMI division continues to be formally responsible for these non-transferred assets and has to pay for the maintenance, repairs and other costs relating to non-transferred assets by SVM MHMP and the future administrator-operator. Given that these assets were not posted to the relevant asset accounts, were not allocated an inventory count number, and were not classified according to Appendix 1 to Czech Accounting Standard No. 708 and were not classified into the relevant accounting depreciation groups, no depreciation was recognised for these fixed assets as of 31 December 2013 in accordance with the relevant legislation. The amount of the depreciation and its impact on “Equity“ cannot be currently determined.</p> <p>The ownership of a number of plots of land has not yet been registered in the books of the Real Estate Register. Restitution claims have been made for a number of plots of land. As of 31 December 2013, the value of the disputed plots of land was CZK 876,254 thousand. The Capital City of Prague treats these assets as its own assets until a verdict of the court is issued. In the event that the court decides against the City of Prague, these assets will be reversed.</p>
Retained earnings, accumulated losses	<p>When comparing the balance of account 432 – retained earnings, accumulated loss as of 31 December 2012 and the balance of account 432 – retained earnings, accumulated losses as of 31 December 2013, the difference of CZK 906,623 thousand was identified which is primarily due to the failure to comply with the set methodology of recognising accounting transactions (eg more exact calculation of the tax payable for the business activities of the borough, income from the paid parking zones, etc.).</p>

Except for the matters referred to in the previous paragraphs, no significant facts have come to our attention based on our examination of the operations that would lead us to believe that the examined operations are not, in all material respects, in line with the perspectives of the examination of operations of the City of Prague as outlined in Point II. of this report.

II. Comments regarding errors and deficiencies

Act No. 420/2004 Coll., on the Examination of Operations of Territorial Self-governing Units and Voluntary Association of Municipalities, as amended, requires that we provide the conclusion according to the provision of Section 10 (2) d) and (3) of the Act in the report. This provision requires that our report on the examination of operations includes the statement as to whether the examination of operations identified errors and deficiencies and what was their nature regardless of their significance (materiality) and their relation to the Capital City of Prague as a whole.

In examining the operations of the City, we noted the following:

- a) Major errors and deficiencies in terms of Section 10 (3) c) of Act No. 420/2004 Coll. consisting in incompleteness, incorrectness or lack of clear supportability of the accounting records and the failure to remove deficiencies identified in the partial examination or examinations for prior years.

Field	Finding
Tangible and intangible fixed assets	On <i>account 041 – Intangible fixed assets under construction</i> , we identified items of CZK 171,743 thousand as follows:

- a) Certain projects parts are already in use and should be taken to the relevant asset account (eg project no. 40099 – single system for the communication with citizens and organisations).
- b) It is not clear in certain projects whether they will actually be continued in the future (eg project no. 40076 – toll system, project study, last billing from 2009).

Individual items recorded on *account 041 – intangible fixed assets* should be assessed on an individual basis as part of the inventory count in terms of the fact whether they are in use and thus can be taken to the relevant asset account, allocated an inventory count number and depreciate, or whether they are in the phase of completeness or whether it is a thwarted investment in which the appropriate depreciation for accounting purposes approved by the relevant body.

On *account 042 – tangible fixed assets under construction* we identified items that are already in use. The value of these assets in the OMI accounting centre (significant projects include as follows: Šutka swimming pool – CZK 959,060 thousand, ZOO – hippopotamus and elephant house – CZK 522,206 thousand, “MÚK PPO – Liberecká” – CZK 441,836 thousand and Maniny – preparation of area – CZK 222,415 thousand, etc.)

On *account 042 – tangible fixed assets under construction* we identified items that are already in use. The value of these assets in the TSK accounting centre amounted to CZK 258,511 thousand (the most significant projects included for example: CZK 26,578 thousand – temporary connection of Jižní spojka – Ke Garážím – 5. Května, CZK 42,222 thousand - Svatovítská – Hluk, CZK 78,220 thousand Letná tunnel – south portal, CZK 61,120 thousand – v Holešovičkách, CZK 50,371 thousand – Chlumecká, etc).

On *account 042 – tangible fixed assets under construction* we identified items that are already in use. The value of these assets in the Metropolitan Authority accounting centre amounted to CZK 929,629 thousand (most significant projects include: CZK 830,154 thousand – purchase of immovable assets for Dopravní podnik HMP a.s.).

Field	Finding
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Given that the above assets reported on accounts 041 and 042 were not classified to the relevant asset accounts, and were not assigned an inventory count number, they were not classified according to Appendix 1 of Czech Accounting Standard No. 708 and were not classified in the relevant accounting depreciation groups, no depreciation was recognised on these fixed assets as of 31 December 2013 in accordance with the valid legislation. The amount of the depreciation and its impact on equity cannot be estimated at present.

Account 042 – tangible fixed assets under construction includes the balance of the Pražská vodohospodářská společnost a.s. (“PVS”) under ORG 6590 of CZK 3,180,684 thousand. The costs relating to the acquisition of assets are determined according to the list of assets intended for the putting into use which is sent from PVS on an annual basis.

There is no regular inspection of costs that were recognised during the years and costs based on which the acquisition cost is determined. The recording of the items under one code does not allow the Capital City of Prague to monitor individual engagements. For this reason, it is not possible to identify the projects that are in a certain the stage of completeness and those that are idle or in use for a rather long period of time.

As of 31 December 2013, *account 042 – tangible fixed assets under construction* included the assets intended for demolition of CZK 136,199 thousand. If these assets are not used for further investments of the Capital City of Prague, the value of these assets is lower than reported which should be reflected in the form of a provision, or depreciation for accounting purposes approved by the relevant bodies of the Capital City of Prague. If these assets are not used for further investments of the Capital City of Prague, they should be allocated an inventory number, relevant code of the applicable classification and determined depreciation plan.

As of 31 December 2013, account 021 – buildings (sub-ledger accounts 118, 218, 318, 428, 528, 618, 628) and 022 – individual movable assets and sets of movable assets (sub-ledger account 018) included assets of CZK 11,167,896 thousand without an inventory count number. These are assets that were approved for use and the final invoice was recognised. These assets were transferred from *account 042 – tangible fixed assets under construction to account 021 – buildings*, but the SVM division did not receive these assets from the OMI division, did not allocate an inventory number and did not sign the trilateral protocol among OMI, SVM and the future administrator of assets. For this reason, the OMI division continues to be formally responsible for these assets and has to pay the maintenance, repairs and other expenses relating to not received assets by SVM and the future administrator-operator from its budget. Given that the items of these fixed assets were not allocated the inventory count number, they were not classified according to Appendix 1 to Czech Accounting Standard No. 708 and were not classified into the relevant accounting depreciation groups, no depreciation was recognised for these fixed assets as of 31 December 2013 in accordance with the applicable legislation. Given the absence of the classification and inclusion in the depreciation groups, the amount of depreciation and its impact on the equity cannot be currently estimated.

At *account 021 – buildings*, cable bridge Y529 of CZK 129,769 thousand is recorded under no. 700014 of the TSK accounting centre. The appendix to the acquisition cost calculation indicates that this is an emergency repair of the cable bridge ledge. If it was a repair rather than technical improvements on fixed assets, the above amount should not be treated as an investment expense and recognised to a relevant asset account and subsequently depreciated, it should be correctly treated as a common expense and recognised in expenses.

Field	Finding
	<p>On <i>account 021 – buildings</i>, a repair of the waterfront wall, Prague 7, is recorded under number 700083 of the TSK accounting centre. The repair of the waterfront wall from the “U Pichla” platform to the support at the Štefánik bridge of CZK 22,080 thousand. If it was a repair rather than technical improvements on fixed assets, the above amount should not be treated as a capital expense and recognised to the relevant asset account and subsequently depreciated, it should be correctly treated as a common expense and recognised in expenses.</p> <p>The net book value of sold land is recognised in expenses on a one-off basis pursuant to the disposal protocol issued by the SVM division. However, the protocol is prepared with delay. In cases when the disposal protocol for land sold in 2012 was issued in 2013, the net book value is recognised in expenses in 2013. On the sample selected by us, the costs as of 31 December 2013 are overstated by CZK 16,392 thousand, this was a purchase contract: KUP/83/02/005944/2012.</p> <p>The ownership of numerous plots of land has not been recorded in the books of the Real Estate Register. Restitution claims were made for numerous plots of land. As of 31 December 2013, the volume of not yet settled land was CZK 876,254 thousand. The Capital City of Prague deals with these assets as with its own assets until the court issues a ruling. If the court issues a ruling to the disadvantage of the City of Prague, these assets will be derecognised.</p> <p>During the detailed testing of the depreciation for accounting purposes of selected items of intangible and tangible fixed assets, we identified that certain accounting centres of the Capital City of Prague (eg TSK) did not comply with the period for the depreciation determined by internal guideline no. 6 of the Metropolitan Authority.</p> <p>Pursuant to a professional assessment, the depreciation period of certain groups of assets was extended or shortened. The obtained information indicates that the depreciation period was adjusted based on an estimate of technical employees of individual accounting centres, but this estimate was not integrated into internal guideline no. 6 of the Metropolitan Authority. These primarily include the following inventory count numbers: TSKRDS000486, TSKRDS000471. The period of use was determined at 50 years in the guideline, but only at 20 years on the card of assets. The difference in the calculation in the use of the period of use of 50 and 20 years amounts to CZK 190,841 thousand.</p> <p>The assets that were not put into use but were without the inventory count number before the end of 2012 and not depreciated were depreciated gradually during the year ended 31 December 2013. The total amount of accumulated depreciation before 31 December 2012 was recognised in <i>account 406 – valuation differences upon the first application of the method</i>. Given that the original recognition of depreciation as a change in the method was made as of 31 December 2011, the depreciation for 2012 recognised in 2013 involves a correction of error and should not be recognised on account 406 – valuation difference in the first application of the method but rather to <i>account 408 – corrections to prior periods</i>. The Capital City of Prague is unable to calculate the amount relating to the depreciation of 2012.</p> <p>The Capital City of Prague recognised a deficit of CZK 109,220 thousand and a deficit of CZK 7,807 thousand pursuant to the due inventory count as of 31 December 2013 and results of an extraordinary audit, respectively. The most significant part of the identified deficit were computers with the cost of CZK 12,490 thousand and Praha bezdrátová with the cost of CZK 77,164 thousand of the IT division (“INF”). During March and April 2014, a large part of missing items of CZK 103,089 thousand were identified. The above indicates that the inventory count of assets and liabilities as of 31 December 2013 was not performed in accordance with Act No. 563/1991 Coll., on Accounting, Sections 29 and 30, as amended, and implementation regulation no. 270/2010 Coll., as amended, as the inventory count differences were recognised as of 31 December 2013 to assets that were subsequently largely identified.</p>

Field	Finding
	<p>Given that the Capital City of Prague treats the Praha bezdrátová project as a thwarted investment, we believe that it is appropriate that these assets are described and presented to the relevant bodies of the Capital City of Prague for approval regarding the write-off. After an approval by a relevant body, approved assets should be subsequently written-off in expenses.</p> <p>Since 2009, intangible fixed assets and individual movable assets and sets of movable assets that are administered by PVS have not been included in the assets of the Capital City of Prague and consequently these assets are not reported in the balance sheet of the Capital City of Prague. These fixed assets recorded by PVS rather than by the Capital City of Prague amounted approximately to CZK 220,844 thousand as of 31 December 2013. Given that these assets are not recorded by the Capital City of Prague, no depreciation was recognised for these fixed assets in accordance with the applicable legislation as of 31 December 2013. The amount of the depreciation and its impact on Equity cannot be estimated. Concurrently, obsolete assets of approximately CZK 194 million were identified at the beginning of 2014 which should be provisioned as of 31 December or they should be, when approved by a relevant body, fully written-off in expenses.</p> <p>The regulation of the Chief Executive of the Metropolitan Authority regarding the records keeping and inventory count of assets owned by the Capital City of Prague and administered by the Metropolitan Authority applies to all employees, including managers, or other persons of the Metropolitan Authority rather than to elected bodies which use the assets (eg laptops, cell phones, etc.) owned by the Capital City of Prague for its activities. The obtained information indicates that the City Council approves by its resolution at the end of the election period a procedure for dealing with the assets owned by the Capital City of Prague that are used by the elected bodies for their activities during the mandate. Given that the mandate may expire for the elected body before the end of the election period, it is appropriate that such resolution is approved on a regular basis, eg at the beginning of each calendar year in order to ensure primarily how the assets will be recorded upon their release, how the inventory count of these assets will be performed, how they will be settled upon the expiration of the mandate and how the Capital City of Prague will proceed if the elected body does not comply with the procedure determined by the resolution.</p> <p>The internal audit of the Metropolitan Authority performed an audit of the sale of assets of the Capital City of Prague. The audit identified the shortcomings in the management control, shortcomings in the sale of assets and assessment of the tender.</p>
Non-current financial assets	<p>The provision against equity investments recorded on account 061 – equity investments in subsidiaries is, we believe, understated by CZK 8,007 thousand as of 31 December 2013 (of which CZK 8,129 thousand is the understated provision against the equity investment in Obecní dům, a.s. and CZK 122 thousand is the overstated provision against the equity investment in Kongresové centrum Praha, a.s.).</p> <p>Equity investments recorded on account 069 – other fixed assets were measured on the basis of an independent expert appraisal. The value of the equity investment of the Capital City of Prague in the equity of PPF banka a.s. as of 31 December 2013 is, we believe, as compared to the value reported on account 069 – other fixed assets, lower by CZK 28,017 thousand.</p>
Long-term receivables	<p>Account 469 – other long-term receivables includes a receivable past its due date from EUROCAST, a.s. from 1999 in the amount of CZK 173,537 thousand (the amount includes interest). As of 31 December 2013, the Capital City of Prague recognised a full provision against this bad receivable in the income statement and consequently impacted the result of operations of the Capital City of Prague for 2013 on a one-off basis. The provisions should have been recognised already in preceding years.</p>

Field	Finding
Short-term receivables	<p>Receivables of the Capital City of Prague from DELTA CENTER a.s. in the aggregate amount of CZK 255,789 thousand were reported in accordance with the underlying documentation (ie contract, amendments to the contract, etc.). However, mutual receivables and payables of both entities were not reconciled as of 31 December 2013 and 31 December 2012. Discussions on the disputed amounts between the contractual partners are ongoing.</p>
Retained earnings, accumulated losses	<p>When comparing the balance of account 432 – <i>retained earnings, accumulated loss</i> as of 31 December 2012 and the balance of account 432 – <i>retained earnings, accumulated losses</i> as of 31 December 2013, the difference of CZK 906,623 thousand was identified which is primarily due to the failure to comply with the set methodology of recognising accounting transactions (eg more accurate calculation of the tax payable for the business activities of the borough, income from the paid parking zones, etc).</p> <p><i>Account 432 – retained earnings, accumulated losses</i> should include retained earnings and accumulated losses. The Capital City of Prague recognises the above described transactions in this account in the reporting period. If the Capital City of Prague identifies items in a specific reporting period that should be posted to eg expenses/income of prior reporting periods, ie these items would impact the result of operations of prior reporting periods, it cannot post these items to account 432 – retained earnings, accumulated losses, it has to consider for each such item a correct accounting procedure based on the determined materiality level. The “allocation” of the already approved result of operations may be approved only by a relevant body of the Capital City of Prague.</p> <p>In accordance with the applicable legislation, the City Council will approve the financial statements of the Capital City of Prague and the result of operations, including its “allocation”, for this reason it will not be possible in the future to change the amount of the approved and allocated result of operations without the approval of this body. The Capital City of Prague acts as a whole, it is therefore necessary that a single methodology of accounting procedure is set in the entire Capital City of Prague. If a single methodology is not set, it will not be ensured that the Capital City of Prague and the boroughs recognise the transactions correctly. The different recognition of mutual transactions thus may have an impact on both the informative value of the financial statements and on the future consolidation.</p>
Reserves	<p>The Capital City of Prague is involved in numerous legal disputes as a defendant. The records of legal disputes have been kept in the ESS application since 2012. The Capital City of Prague has available a complete list of all ongoing disputes in which the Capital City of Prague acts as a defendant and knows the amount of financial payments from lost legal disputes of a specific calendar year. However, it is not possible, according to the provided information, to reliably determine the amount of a potential payable or the likelihood of an adverse impact of these legal disputes. For this reason, no reserve for legal disputes was recognised as of 31 December 2013.</p> <p>In accordance with the internal rules of the Metropolitan Authority, the internal audit department of the Metropolitan Authority is a place where all copies of reports from inspections performed by external entities should be gathered. In 2013 as well as 2012, this department did not have available the complete database of all legal disputes. The internal rules of the Metropolitan Authority are not adhered to and the management of the Capital City of Prague consequently does not have available sufficient information for the recognition of reserves for possible risks arising from the results of external inspections.</p>
Short-term payables	<p>The Capital City of Prague recognised invoices from Metrostav a.s. relating to the construction work performed as part of the “Blanka Tunnel” investment in its short-term payables. As of 31 December 2013, most of these payables of approximately CZK 2.87 billion are past their due dates.</p>

Field	Finding
Expenses and income	<p>The provided information for 2014 indicates that Metrostav a.s. has to complete the construction of the Blanka Tunnel and the Capital City has to pay for the completed work as decided by the ruling of the arbitration court.</p> <p>It is not possible to generate a complete item list of invoices from the system by their due dates for certain suppliers, ie it is not possible to verify the actual amount of payables of the Capital City of Prague past their due dates.</p>
Off-balance sheet accounts	<p>The Capital City of Prague recognised CZK 321,274 thousand in the income statement relating to the compensation for Dopravní podnik hl. m. Prahy, a. s. – contract for the public service in the public railway and bus transportation in the PID system for 2012 and consequently impacted the result of the operations of the Capital City of Prague for 2013 by the expenses of the prior year on a one-off basis.</p> <p>The Capital City of Prague recognised two invoices nos. 1301H00084 and 1301H00085 from COPA Retail, s.r.o. in the amounts of CZK 50,430 thousand and CZK 10,180 thousand, respectively, that should have been recognised in 2012. The correction of this error in 2013 impacted the result of operations of the Capital City of Prague for 2013 on a one-off basis by the expenses relating to the prior reporting period.</p> <p>In 2013, the Capital City of Prague cancelled the accruals of received interest from derivative transactions of 2012 in the amount of CZK 259,410 thousand to account 662 – interest, following this entry, this balance has a negative balance. Correctly, the difference between the accrued amount and the amount actually recognised should be reported in interest expenses.</p> <p>As of 31 December 2013, the balance of <i>account 972 – long-term contingent liabilities from contracts for the acquisition of fixed assets</i> was overstated by CZK 269,393 thousand (predominantly relating to the Císařský ostrov waste water treatment plant project of CZK 237,820 thousand) due to a late transfer of the information between the sections of the Metropolitan Authority.</p> <p>As of 31 December 2013 and in prior years, off-balance sheet account <i>974 – long-term contingent liabilities from other contracts</i> includes CZK 124,047 thousand relating to loans from individual or corporate entities of Pražské kanalizace a vodní toky s.p. This organisation no longer exists. The obtained information indicates that that the obligation to repay the loan rests with the Capital City of Prague in the event of a request for the loan repayment. The Capital City of Prague did not prepare a legal evaluation of these contracts. As of 31 December 2013, contingent liabilities are not recognised in the balance sheet of the Capital City of Prague.</p> <p>As of 31 December 2013, the amount of the unused subsidy of CZK 9,797 thousand relating to completed investment no. 24022 – Fakultní nemocnice v Motole – OPPK operational programme, contract no. INO/02/01/001663/2010 was not derecognised from the off-balance sheet <i>account 974 – long-term contingent liabilities</i>.</p>
Notes to the financial statements	<p>The notes to the financial statements prepared as of 31 December 2013 do not include narrative parts as stipulated by Act No. 563/1991 Coll., on Accounting. The Capital City of Prague sent the financial statements to the Central system of state accounting information (CSÚIS) according to the applicable regulations and in the required format. The notes without the narrative part was accepted by CSÚIS without any objections. The Czech Ministry of Finance did not ask the Capital City of Prague to add the narrative part; the Capital City of Prague acts as a whole; however, it does not have available the detailed information for individual boroughs which are individual entities or technical equipment for adding narrative parts for the whole Capital City of Prague.</p>

Field	Finding
Inventory count of assets and liabilities	The inventory count of assets and liabilities as of 31 December 2013 was not performed in accordance with Act No. 563/1991 Coll., on Accounting, Sections 29 and 30, as amended, and implementation regulation no. 270/2010 Coll., as amended, as for example the inventory count of all assets and liabilities of the Metropolitan Authority was not performed, contingent liabilities from other contracts of CZK 124,047 thousand relating to the loans from individuals or corporate entities were not re-analysed, the inventory count difference of CZK 109,220 thousand was recognised (the most significant part were computers with the cost of CZK 12,490 thousand and Praha bezdrátová with the cost of CZK 77,164 thousand of the INF department), however a large part of missing items were found during March and April in the amount of CZK 103,089 thousand.

b) Errors and deficiencies that are not as material as those listed in Section 10 (3) c).

Field	Finding
Public Contracts	
Introduction of the system for mixed and sorted waste treatment in the territory of the Capital City of Prague since 1 November 2013	The client did not publish the complete wording of the amendment to the contract within 15 days after its conclusion according to Section 147a a). The amendment was published on the client's profile as late as on 14 April 2014, ie 166 days after its conclusion.
Renovation of the Citadel entrance area	The client did not publish the complete wording of the contract within 15 days after its conclusion according to Section 147a a). The contract was published on the client's profile as late as on 2 December 2013, ie 33 days after its conclusion.
Gardening maintenance operational facilities building in Stromovka	<p>The client did not publish the complete wording of the amendment to the contract within 15 days after its conclusion according to Section 147a a) and the amount of the actually paid price and the supplies under the public contract according to point b) within 90 days from the contract fulfilment. The amendment was published in the client's profile as late as on 11 April 2014, ie 368 days after its conclusion and the amount of the actually paid price on 14 April, ie 166 days after the completion.</p> <p>To prove the professional qualifications assumptions, the applicant DKK STAV s.r.o. provided a document on the authorisation for one of the two required certificates through the sub-supplier (authorised engineer Slaviboj Baránek). However, the applicant did not provide the affidavit according to Section 53 (2) j), did not provide the contract for the future contract and did not list this sub-supplier in the list of sub-suppliers. The client should have asked the applicant to provide the documents. The applicant ranked fifth.</p> <p>To prove the professional qualifications assumptions, the applicant VPK Suchý s.r.o. provided the document on the authorisation for the both required certificates through a sub-supplier (authorised engineers Miroslav Pelikán, Jasn Soukup). The applicant however did not list these sub-suppliers in the list of sub-suppliers. The client should have asked the applicant to provide the documents. The applicant was excluded.</p> <p>The applicant KONSTRUKTIS a.s. did not provide an affidavit according to Section 62 (3) required by the client. The client should have asked the applicant to provide it. As the applicant was excluded due to an incomplete proposal (failure to complete the item budget by the statement of measurements), this finding had no impact on the assessment of the proposal. The applicant was excluded.</p> <p>The applicant IREIN s.r.o. did not provide the required documents on the authorisation to prove the professional qualifications assumptions; instead, it provided an affidavit according to Section 62 (3), in which it emphasised that two of its employees meet the requirement. The applicant was asked by the client to provide the affidavit according to Section 62 (3), the applicant did not do so and the client excluded the applicant from the tender. The applicant should also have been asked to provide the documents on authorisation and excluded if it did not provide them. Given the proposed fee and the length of implementation, the above facts have no impact on the assessment of the proposal.</p>

Field	Finding
Public Contracts	
Services consisting in the additional preparation of the project, coordination and other documentation for the construction of city ring road and additional author supervision in the construction of the ring road until the completion of the city ring road by April 2014 and end of the testing operations by December 2016	<p>The client did not proceed in line with Section 147a b) of the Act and did not publish the amount of the actually paid price for the public tender for the preceding calendar year on its profile.</p> <p>The client did not proceed in line with Section 156 1) and did not publish the information required by this section on its profile.</p> <p>The applicant SATRA, spol. s r.o. did not provide the declaration according to Section 68 (3), c) in its proposal. The client should have asked the applicant immediately to provide this document. The client asked for the provision of this document as late as during the audit and the applicant provided this declaration on 29 April 2014. As these are the negotiation proceedings without publication (JŘBU) according to Section 23 (4) a), this is not an error that could have an impact on the selection of the most appropriate proposal. The error was made by both the supplier which did not provide the declaration and by the client that did not ask for the declaration.</p>
Fire-fighters' house Prague 17 - Řepy	<p>In the application for the participation, the applicant VW WACHAL a.s. proved compliance with the professional qualifications assumption – document on the authorisation of an engineer in statistics and dynamics of structures through a sub-supplier Petr Chytil. The applicant provided the mandate contract concluded with the sub-supplier, however, it did not provide an affidavit for the sub-supplier in accordance with Section 53 (1) j). The applicant should have been asked to provide it. As the applicant VW WACHAL a.s. was excluded from the tender due to the failure to explain another shortcoming in a period defined by law, this error likely did not have any impact on the selection of the most appropriate proposal.</p>
Supply of chip cards including the services of the graphic and electronic personalisation II	<p>The client did not publish the Announcement on the engagement of 25 March 2013 according to Section 156 (2) within 3 business days. It was published on 26 February 2013. The period for the publication ended on 1 March 2013. The client published the Reasons on 4 March 2013.</p> <p>In the tender documentation, the client defined that “each applicant with which the general contract is to be concluded is obliged to provide original or notarised copies of documents proving compliance with the qualifications to the client before the conclusion of the contract. The failure to comply with this obligation is treated as a failure to cooperate in the conclusion of the contract as defined in Section 82 (5) of the Act”.</p> <p>As this is a general contract, two applicants who met all the requirements defined by the Act and the client were selected for the signing of the contract - MONET+,a.s. and Česká pošta, s.p. + Giesecke & Devrient Slovakia, s.r.o. association. The applicant MONET+, a.s. provided all the documents either as originals or notarised copies in its proposal. The applicant Česká pošta, s.p. + Giesecke & Devrient Slovakia, s.r.o. was not, however, asked by the client and did not provide originals or notarised copies of documents proving compliance with the qualifications before the signing of the contract. The Act defines the obligation to provide originals in a regime of Simplified sub-limit proceedings.</p>

Field	Finding
Public Contracts	<p>In other cases, the applicant provides the originals pursuant to a request of the client. The client should have adjusted the tender documentation to this provision according to the Public Procurement Act, or asked the applicant to provide the originals.</p>
Support and maintenance of the Ginis system – filing service	<p>The client did not proceed in accordance with Section 147a b) of the Act and did not publish the contract on its profile within 15 days after its conclusion.</p> <p>The client did not publish the reasons for the public contracts on its profile in accordance with Section 156 (1). The reasons that were provided to us additionally did not meet all requirements for the content as defined by the specific section of the Public Procurement Act.</p> <p>In the Appeal for negotiation in the negotiation proceedings without publication dated 5 March 2013 and the tender documentation, the client determined that “according to Section 57 of the Act, the applicant provides simple copies of documents proving compliance with the qualification. Before the conclusion of the contract according to Section 82 of the Act, the client requires the provision of originals or notarised copies of these documents”.</p> <p>GORDIC, spol. s r.o. was selected as the most appropriate applicant. However, the client did not ask the company, and consequently no originals or notarised copies of the documents proving compliance with the qualifications before the signing of the contract were provided. The Act stipulates the obligation to provide originals in the regime of the Simplified sub-limit proceedings. In other cases, the applicant provides the originals at the request of the client. The client should have adjusted the tender documentation according to provisions of the Public Procurement Act, or ask the applicant to provide the originals.</p>
Bridge repair X 566 (5. května, U Garáží DP), Prague 4, building no. 999 613.	<p>The client did not proceed in accordance with Section 82 when it concluded a contract with the winning applicant within 15 days from the expiration of the period for the filing of objections. The announcement of the client on the selection of the most appropriate proposal dated 19 February 2013 was delivered on 20 February 2013 for the last time, the deadline for the conclusion of the contract thus was 22 March 2013. The Client concluded the Contract for Work no. 3/13/2300/8 with the applicant on 25 March 2013.</p> <p>The client did not proceed in line with Section 147a b) and c) of the Public Procurement Act and did not publish the actually paid price for the public contract in 2013 together with the list of sub-suppliers for 2013 before 31 March 2014.</p>
Prague 6, chod. prog. 2010 – 2013, Na Čihadle, no. 862/6, Prague 6	<p>The Envelopes opening protocol is dated 14 May 2013 although the deadline for the opening of envelopes was determined to be 28 May 2013 and all proposals were received between 27 and 28 May 2013 according to the list of proposals dated 28 May 2013. We believe that the Protocol with an incorrect date has no impact on the selection of the most appropriate supplier.</p>

Field	Finding
Public Contracts	Before the signing of the contract, the client did not ask the selected supplier to provide original documents according to Section 62 (3) of the Public Procurement Act and Appeal on the Public Contract dated 7 May 2013. We believe that this finding has no impact on the selection of the most appropriate supplier as the selected supplier proved compliance with the qualifications in the presented proposal.
Specimen signatures	The confirmation provided by Česká spořitelna a.s. indicates that the specimen signatures for certain bank accounts of the Capital City of Prague are provided by two persons that are no longer employed by the Metropolitan Authority. This indicates that the persons holding the rights to use the individual bank accounts are not reviewed and updated by relevant divisions. Given the set control mechanisms for the dealing with bank accounts, this shortcoming can be classified as minor.

The report on the result of the examination of operations does not include the Constructive Service Letter as this letter was not prepared.

C. Summary of Potential Risks

Pursuant to the findings according to Section 10 (2) b) of Act No. 420/2004 Coll., as amended, we highlight for your attention the following potential risks that may have a negative impact of the operations of the City in the future:

Field	Finding
Fixed assets	<p>The ownership of a number of plots of land has not yet been registered in the books of the Real Estate Register. Restitution claims have been made for a number of plots of land. As of 31 December 2013, the value of the disputed plots of land was CZK 876,254 thousand. The City of Prague treats these assets as its own assets until a verdict of the court is issued. In the event that the court decides against the City of Prague, these assets will be reversed.</p> <p>Certain items of fixed assets in use:</p> <ol style="list-style-type: none">Were not assigned to the relevant asset account as of 31 December 2013;Were not assigned the inventory count number according to Appendix 1 of Czech Accounting Standard No. 708;Were not classified into the relevant accounting depreciation groups;No depreciation was calculated and recognised for these fixed assets as of 31 December 2013 in accordance with the valid legislation. <p>As of 31 December 2013, the volume of these fixed assets represented CZK 17,235,893 thousand. The amount of the depreciation and its impact on equity cannot be estimated.</p> <p>As of 31 December 2013, account 42 – <i>Tangible fixed assets under construction</i> includes asset items intended for demolition in the amount of CZK 136,199 thousand. If these assets are not used for further investment activities of the City in the future, the value of these assets is lower than the reported one, which should be reflected through a provision or a write-off approved by the relevant bodies of the City. If these assets are not used for further investment activities of the City, they should be assigned inventory count numbers and relevant codes according to the applicable classification and a depreciation plan should be defined.</p> <p>The City uses various SW systems to administer, record and depreciate fixed assets. The SEM application (the key asset records) is used to fulfil the tasks of the City's Asset Management division, and the GINIS accounting system (the key accounting system) is used by the Accounting division to keep the accounting records of the City. GINIS includes the MAJ asset module, which is a tool to perform accounting transactions relating to fixed assets. As SEM and GINIS do not communicate to each other automatically and individual items of fixed assets are input in both systems manually (both in the City's Asset Management and Accounting divisions) and as MAJ does not contain all items included in SEM, the City does not have a complete and detailed view of its assets.</p> <p>In connection with the ongoing recodification of the civil and commercial law a new Civil Code and Act on Business Corporations came into force on 1 January 2014. This fact will influence the process of resolving unclear property relations relating to the ownership of fixed assets recorded by the City and we recommend that the impact of the newly applicable legislation on the process of clarifying property relations be taken into consideration.</p> <p>As of 31 December 2013, an inventory count of assets and liabilities was not taken pursuant to Sections 29 and 30 of Act 563/1991 Coll., on Accounting, as amended, and implementation regulation 270/2010 Coll., as amended, because, for example, the inventory count of assets and liabilities of the Metropolitan Authority was not performed, contingent liabilities arising from other contracts in the amount of CZK 124,047 thousand relating to the loans from individuals or legal entities were not repeatedly analysed, the inventory count difference of CZK 109,220 thousand was recognised. These predominantly included computers with the cost of CZK 12,490 thousand and Praha bezdrátová with the cost of CZK 77,164 thousand in the INF department. During March and April 2014, a large part of missing items were found in the aggregate amount of CZK 103,089 thousand.</p>

Field	Finding
Equity investments	The City is indirectly exposed to the risk arising from business companies where it is their sponsor or founder (eg Dopravní podnik hl. m. Prahy, akciová společnost, Kongresové centrum Praha, a.s., etc.) and where it assumes their risks either in the form of providing funding or by undertaking specific contractual arrangements. These risks include financial risks (setting of the type of interest on funding, currency risks arising from funding) and commodity risks (risk of an increase in the prices of oil and electricity) and operational (losses and costs arising from the failure of human resources, IT systems, damage to health and assets, etc.).
Receivables	As of 31 December 2013, the Capital City of Prague recognised provisions against receivable in accordance with the applicable legislation, ie Section 65 of Regulation No. 410/2009 Coll. (ie 10% for each 90 days past due date). Even if the provision was recognised, the reported value of certain receivables may exceed their fair value specifically due to the limitation to the recognition of provisions against doubtful and bad receivables.
Short-term payables	<p>The City included invoices from Metrostav, a.s. in its short-term payables in connection with the construction work conducted as part of the “Blanka Tunnel” investment. However, as of 31 December 2013, most of the payables in the amount of approximately CZK 2.87 billion are past due date. The information provided indicates that the Metrostav a.s. has to complete the Blanka Tunnel and the Capital City of Prague has to pay for the completed work pursuant to the ruling of the arbitration court.</p> <p>It is not possible to generate a complete item list of invoices from the system by their due dates for certain suppliers, ie it is not possible to verify the actual amount of payables of the Capital City of Prague past their due dates.</p>
Reserves	<p>The Metropolitan Authority prepared an internal guideline on reserves, but the guideline is too general and does not cover the types of reserves that the Metropolitan Authority could recognise. The materiality level was set at CZK 50 million for the recognition of reserves. Given that the materiality level is determined only for individual cases rather than for both individual cases and their total (accumulation), the items may have a material impact on the financial statements that may not provide a true and fair presentation of the subject of accounting and financial situation of the Capital City of Prague.</p> <p>The Capital City of Prague is involved in numerous legal disputes as a defendant. Since 2012, legal disputes have been recorded in the ESS application. The Capital City of Prague has a complete list of all ongoing disputes in which its acts as a defendant and knows the amounts of financial payments arising from the lost legal disputes of the specific calendar year. However, it is not possible, as indicated by the provided information, to reliably determined the amount of a potential payable or likelihood of an adverse impact of these legal disputes. For this reason, no reserve for legal disputes was recognised as of 31 December 2013.</p>
Derivative instruments and risk management	The City implemented hedge accounting to eliminate possible impacts of derivative revaluation on profit or loss. The effectiveness of hedging is assessed by comparing the change in cash flow of the hedged item (bond/loan) and the hedging instrument (interest-rate swap) based on the parallel movement of the interest-rate curve by +1% and -1% and the calculation of the relevant forward interest rates. This method of effectiveness assessment is rather simplified and does not fully comply with effective legislation – Section 60 of Regulation 410/2009 Coll., or International Financial Reporting Standards.
Approval of the financial statements and the result of operations	In line with the amendment to Act 563/1991 Coll., on Accounting, and Act 131/2000 Coll., on the Capital City of Prague, the City Council is obliged to approve the financial statements of the City. The City Council will approve the financial statements of the Capital City of Prague prepared as of 31 December 2013 in 2014. Act 131/2000 Coll. does not specifically indicate whether the same obligation is imposed on borough councils, although the law reads: “ <i>the City Council shall approve the financial statements after discussing them with boroughs</i> ”...

Field	Finding
	<p>The requirement to approve financial statements by individual boroughs was defined by Resolution of the City Council No. 843 dated 22 April 2014. The Charter (regulation defining the relations between the Metropolitan Authority and the boroughs) has not yet been adjusted accordingly.</p> <p>The total result of operations after tax (ie for principal and business activities) listed in the income statement significantly differs from the balance of receipts and disbursements which is provided in the Statement of Receipts and Disbursements. The income statement is, in accordance with methodological regulations effective for 2013, prepared on an accrual basis, where the expenses and income are reported in the period to which they relate on an accrual basis, while the Statement of Receipts and Disbursements (“Statement for the assessment of the compliance with the budget”) is prepared on a cash basis, ie actual receipts and disbursements. The closing account of the City for 2013 should include any explanation as to why the economic results according to the income statement and the balance of receipts and disbursements significantly differ and there are no calculations of the items that cause the significant difference.</p>
Internal Audit division	<p>Risk identification (including the identification of the risk of fraud) is part of any audit and is included in the overall risk analysis performed by the Internal Audit of the Metropolitan Authority. In the Internal Audit’s opinion, the Metropolitan Authority lacks risk management.</p>
IT systems	<p>Resolution of the Board of the City Council no. 2136 dated 19 November 2013 on the intention to announce a tender for a new economic information system for the Capital City of Prague in the form of an open tender asked the INF and UCT divisions of the Metropolitan Authority to propose a method of ensuring the support for the existing economic systems for a period necessary until the implementation of a new solution. Given this fact, it is necessary to inform the Capital City of Prague on the most frequent causes of problems that the Capital City may face in the assignment of a new IT engagement:</p> <ul style="list-style-type: none"> - Confused reasons and insufficiently precise strategic assignment; - Future users are involved late in the process and the projects has to subsequently reworked which results in time consumed and growing financial costs; - Weak and changing teams with inadequate qualifications and insufficiently defined responsibilities and competencies; - Time schedules set in a non-feasible manner; - Insufficient testing of individual stage objectives; - Frequent changes in requirements; and - Creation of a non-standard solution not proven in practice. <p>If the Capital City of Prague as a whole will not be able to comply with the obligations resulting from the applicable legislation (eg Act No. 563/1991 Coll., on Accounting, Regulation No. 383/2009 Coll., Technical Regulation, etc.) and transfer the required outputs to CSÚIS in determined formats, deadlines, etc., the Capital City of Prague may face potential sanctions by the relevant administrative body.</p>

D. The share of receivables and payables in the budget of the City of Prague and the share of pledged assets in the total assets of the City the Prague in accordance with Section 10 (4) (b) of Act No. 420/2004 Coll.

As of the preparation date of this report, no information on long-term receivables relating to the following budget year was available (if the amount of repayments for collection in the following year was determined by contract or a repayment schedule) and the information on pledged movable and immovable assets according to inventory count lists and sub-ledger accounts, or underlying operating records, documented by the extract from the ownership title and loan contracts of individual City boroughs. For this reason, we provide financial indicators only for the City itself (ie without City boroughs) rather than for the total City.

The share of receivables in the budget

A	Receivables	Total CZK 2,467,649 thousand
B	Budgetary receipts	Total CZK 52,618,761 thousand
A / B * 100 %	Share of receivables in the budget	5 %

The share of receivables of the City of Prague in its budget amounted to 5 percent.

Total net long-term receivables of the City as of 31 December 2013 amounted to CZK 66,149 thousand.

Reflecting all identified errors and deficiencies, the total amount of receivables listed in the algorithm 'the share of receivables in the City budget' would increase. The resulting value of the share would change from 5 % to 6 %.

The share of payables in the budget

C	Payables	Total CZK 5,019,609 thousand
B	Budgetary receipts	Total CZK 52,618,761 thousand
C/B * 100 %	Share of payables in the budget	10 %

The share of payables of the City of Prague in its budget amounted to 10 percent.

Total long-term payables of the City as of 31 December 2013 amounted to CZK 33,554,079 thousand.

The balance of payables is significantly impacted by the positive balance of account 349 – *payables to selected local governmental institutions* of CZK 1,036,040 thousand which is the receivable of the City from boroughs in respect of tax payment.

Reflecting this amount, the balance of payables listed in the algorithm 'the share of payables in the City budget' would increase. The resulting amount of the share would change from 10 % to 12 %.

The share of pledged assets in the total assets

D	Pledged assets	Total CZK 1,341,815 thousand
E	Gross current assets	Total CZK 293,370,369 thousand
D / E * 100 %	Share of pledged assets in total assets	0.5%

When reflecting all identified errors that are included in the calculation of the ratio indicator, the total value of the share of pledged assets in the total assets of the Capital City of Prague would not change.

Prepared on 2 June 2014

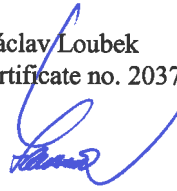
Audit firm:

Deloitte Audit s.r.o.
certificate no. 79



Statutory auditor:

Václav Loubek
certificate no. 2037



The report was discussed with the Mayor of the City of Prague, Mr T. Hudeček, on 11 June 2014.

The report was discussed with the Finance Committee of the City Council of the City of Prague on 16 June 2014.

The report was presented to the Mayor of the City of Prague on 16 June 2014.

Appendices:

All appendices are an integral part of the report on the result of the examination of operations of the City and cannot be separated.

Appendix A	- List of legal regulations or their selected provisions the compliance with which was verified during the examination of the operations of the City.
Appendix B	- Financial statements composed of the balance sheet, income statement, notes, statement of cash flows and statement of changes in equity. - The statement of receipts and disbursements (statement for the assessment of the compliance with the budget of territorial self-governing units and voluntary association of municipalities).
Appendix C	- Letter from the City according to the requirement arising from Section 7 (1) f) of Act No. 420/2004 Coll.

Appendix A

List of legal regulations or their provisions the compliance with which was verified during the examination:

Regulations relating to bookkeeping, preparation of the financial statements and preparation of the statement for the assessment of the compliance with the budget:

- ✓ Act No. 563/1991 Coll., on Accounting, as amended;
- ✓ Regulation No. 410/2009 Coll., implementing certain provisions of Act No. 563/1991 Coll., on Accounting, as amended, for certain selected entities, as amended;
- ✓ Czech Accounting Standards 701 – 710 for certain selected entities that maintain their books according to Regulation No. 410/2009 Coll.;
- ✓ Regulation No. 449/2009 Coll., on the Method, Deadlines and Scope of Information Provided for the Assessment of the Compliance with the State Budget, Budgets of State Funds, Budgets of Territorial Self-governing Units, Budgets of Voluntary Associations of Municipalities and Budgets of Regional Councils or Cohesion Regions, as amended;
- ✓ Act No. 250/2000 Coll., on Budgetary Rules of Territorial Budgets, as amended;
- ✓ Regulation No. 323/2002 Coll., on the Budgetary Structure, as amended;
- ✓ Regulation No. 270/2010 Coll., on the Inventory Count of Assets and Liabilities; and
- ✓ Governmental Regulation No. 564/2006 Coll., on Salaries of Employees in Public Services and Administration, as amended.

Regulations relating to the Remit and Activities of the City

- ✓ Act No. 131/2000 Coll., on the City of Prague, as amended
- ✓ Act No. 420/2004 Coll., on the Examination of Operations of Territorial Self-governing Units and Voluntary Associations of Municipalities, as amended; and
- ✓ Act No. 137/2006 Coll., on Public Contracts, as amended:

Appendix B

Financial statements composed of the balance sheet, income statement, notes, statement of cash flows and statement of changes in equity;

The statement of receipts and disbursements (statement for the assessment of the compliance with the budget of territorial self-governing units and voluntary association of municipalities).



Financial statements

of organizational units of the state, territorial self-governing units (TSU), subsidized organizations and regional councils
(in CZK)

Period: 12 / 2013

IČO: 00064581

Name: Hlavní město PRAHA

Prepared at the balance sheet day 31. December 2013

Registered office address

Street, No. Mariánské nám. 2
Town (village) PRAHA 1 - Praha 1 - STARÉ MĚSTO
Postal code 11000

Place of business
Street, No. Mariánské nám. 2
Town (village) PRAHA 1 - Praha 1 - STARÉ MĚSTO
Postal code 11000

Information about organization

Identification number 00064581
Legal form neurčeno
Founder č. 131/2000 Sb., o hlavním městě Praze

Subject of business activities

Main activity
Business activity
CZ-NACE

Contact details

phone 236002383
fax 236007022
e-mail Jarmila.Melkesova@cityofprague.cz
websites

Stamp of the accounting unit



Person responsible for the accounting unit

Signature of the person responsible for the correctness of the data

Statutory representative

Signature of the statutory body

BALANCE SHEET

of organizational units of the state, territorial self-governing units (TSU), subsidized organizations and regional councils
(in CZK)

Period: 12 / 2013

IČO: 00064581

Name: Hlavní město PRAHA

SNS: 200 - Hlavní město Praha celkem



Item number	Name of item	Synthetic Account	Period			Previous
			Gross	Adjustment	Net	
			1	2	3	4
TOTAL ASSETS			444 235 376 908.28	59 305 432 252.63	384 929 944 655.65	373 088 189 787.74
A.	Fixed assets		399 516 216 129.55	57 479 116 037.45	342 037 100 092.10	338 106 671 483.17
I.	Intangible Fixed Assets		3 608 075 651.90	1 752 598 970.33	1 855 476 681.57	2 233 869 879.66
	1. Research and development	012	2 896 054.55	1 182 438.50	1 713 616.05	5 274 238.25
	2. Software	013	2 206 203 446.21	1 440 942 014.05	765 261 432.16	1 084 168 361.57
	3. Valuable rights (patents, licences, know-how)	014	529 058 173.19	175 777 100.00	353 281 073.19	409 863 143.19
	4. Concession of emissions and preferences limit	015				
	5. Low value intangible fixed assets	018	108 561 618.78	108 561 618.78		
	6. Other intangible fixed assets	019	154 415 664.27	26 135 799.00	128 279 865.27	124 540 549.47
	7. Acquisition of intangible fixed assets	041	606 940 694.90		606 940 694.90	610 003 199.18
	8. Redistribution Account for Technical Improvement of Intangible Fixed Assets	044				
	9. Prepayments for intangible fixed assets	051				20 388.00
II.	Tangible Fixed Assets		353 178 181 706.89	53 522 942 325.09	299 655 239 381.80	294 898 785 083.46
	1. Land	031	55 323 664 877.15	1 164.00	55 323 663 713.15	54 805 096 815.68
	2. Cultural Items	032	686 929 999.16		686 929 999.16	669 171 761.56
	3. Structures	021	223 271 956 553.99	47 770 327 606.62	175 501 628 947.37	174 876 131 633.14
	4. Machinery, tools & equipment, vehicles and fixtures	022	7 852 941 844.16	3 809 831 205.38	4 043 110 638.78	4 442 437 077.84
	5. Perennial crops	025	1 839 325.11	549 566.00	1 289 759.11	1 410 311.11
	6. Low value tangible fixed assets	028	1 867 505 626.62	1 867 505 626.62		
	7. Other tangible fixed assets	029	161 279 485.11	73 155 771.58	88 123 713.53	133 387 820.57
	8. Acquisition of tangible fixed assets	042	63 615 803 721.32	1 571 384.89	63 614 232 336.43	59 679 639 618.91
	9. Redistribution Account for Technical Improvement of Tangible Fixed Assets	045				
	10. Prepayments for tangible fixed assets	052	396 260 274.27		396 260 274.27	291 510 044.65
III.	Long-Term Financial Assets		42 036 008 079.27	2 024 654 910.00	40 011 353 169.27	40 206 515 394.28

Item number	Name of item	Synthetic Account	Period			Previous
			Gross 1	Adjustment 2	Net 3	
						4
1.	Equity securities and investments in subsidiaries	061	40 293 050 857.56	2 024 654 910.00	38 268 395 947.56	38 213 779 760.99
2.	Equity securities and investments in associates	062	19 096 657.72		19 096 657.72	14 221 737.72
3.	Debt securities held to maturity	063	991 797 943.05		991 797 943.05	1 291 195 530.58
4.	Long-Term Loans	067	154 349 895.50		154 349 895.50	139 349 895.50
5.	Time Deposits Long-term	068	200 372 495.44		200 372 495.44	192 340 039.49
6.	Other non-current financial assets	069	374 096 930.00		374 096 930.00	355 628 430.00
7.	Acquisition of financial assets	043	3 243 300.00		3 243 300.00	
8.	Advance Payments for Long-Term Financial Assets	053				
IV.	Long-Term Receivables		693 950 691.49	178 919 832.03	515 030 859.46	767 501 125.77
1.	Provided Repayable Financial Assistance Long-Term	462	62 739 339.20	47 740.00	62 691 599.20	61 104 082.34
2.	Long-Term Receivables from Transferred Credit	464				
3.	Long-Term Advance Payments Paid	465	88 872 265.93		88 872 265.93	45 733 422.45
4.	Long-Term Receivables from Warranties	466				
5.	Long-Term Receivables from Foreign Co-Financed Funds	468				
6.	Other Long-Term Receivables	469	541 435 086.36	178 872 092.03	362 562 994.33	660 211 620.98
7.	Long-term advance payments for transfers provided	471	904 000.00		904 000.00	452 000.00
B.	Current Assets		44 719 160 776.73	1 826 316 215.18	42 892 844 563.55	34 961 518 304.57
I.	Inventories		58 191 498.85		58 191 498.85	59 316 765.06
1.	Costs of raw material	111				
2.	Material in stock	112	53 883 795.17		53 883 795.17	53 038 193.02
3.	Raw material in transit	119	636 478.60		636 478.60	1 470 064.00
4.	Work in progress	121				
5.	Semi-finished products generated own	122				
6.	Finished products	123				
7.	Costs of merchandise	131				
8.	Goods purchased for resale	132	629 225.08		629 225.08	1 606 508.04
9.	Merchandise in transi	138				
10.	Other Inventories	139	3 042 000.00		3 042 000.00	3 202 000.00
II.	Short-Term Receivables		8 646 269 218.14	1 826 316 215.18	6 819 953 002.96	7 013 294 394.84
1.	Customers	311	4 795 887 460.76	1 147 274 833.13	3 648 612 627.63	2 986 973 127.02
2.	Bills of exchange to be collected	312				
3.	Amounts due from discounted bills	313				
4.	Short-Term Advance Payments Paid	314	1 646 288 115.51		1 646 288 115.51	1 812 881 961.40
5.	Other Receivables from Main Operation	315	845 723 170.01	472 023 351.29	373 699 818.72	388 621 928.43
6.	Provided Repayable Financial Assistance Short-Term	316				
7.	Short-Term Receivables from Transferred Credits	317				2 869 790.00

Item number	Name of item	Synthetic Account	Period			Previous
			Gross 1	Adjustment 2	Net 3	
						4
8.	Receivables related to Taxes and Similar Benefits	318	9 457 595.56	6 745 832.95	2 711 762.61	3 556 985.87
9.	Public Tax Receivables	319				
10.	Amounts due from employees	335	1 169 460.98		1 169 460.98	1 671 636.50
11.	Payables under social security and health insurance	336				
12.	Income tax	341				
13.	Other Direct Taxes	342				
14.	Value added tax	343				
15.	Other Taxes and Fees	344				
16.	Claims against selected central government institutions	346	6 300 432.49		6 300 432.49	5 251 105.14
17.	Claims against selected local government institutions	348	11 975 355.19		11 975 355.19	19 485 242.39
18.	Receivables from members of associati	351	37 950 000.00		37 950 000.00	37 950 000.00
19.	Short-Term Receivables from Warranties	361				
20.	Fixed Term Transactions and Options	363	26 911 224.33		26 911 224.33	
21.	Receivables from Financial Provisions	365				
22.	Receivables from issued bonds	367				
23.	Short-Term Receivables from Foreign Co-Financing Instruments	371				
24.	Short-term advance payments for transfers provided	373	92 788 234.19		92 788 234.19	65 313 962.19
25.	Deferred expenses	381	43 898 572.79		43 898 572.79	27 564 618.42
26.	Accrued income	385	25 331 837.13		25 331 837.13	10 762 085.54
27.	Estimated assets	388	383 390 284.61		383 390 284.61	1 006 771 535.51
28.	Other Short-Term Receivables	377	719 197 474.59	200 272 197.81	518 925 276.78	633 620 416.43
	Ill. Short-Term Financial Assets		36 014 700 061.74		36 014 700 061.74	27 888 907 144.67
1.	Equity securities	251	36 090 243.50		36 090 243.50	22 605 878.22
2.	Long-Term Securities for Trading	253	911 295 046.50		911 295 046.50	904 517 932.72
3.	Other Securities	256	7 782 298 232.99		7 782 298 232.99	
4.	Time Deposits Short-Term	244	3 074 478 170.22		3 074 478 170.22	1 512 835 921.45
5.	Other Current Accounts	245	1 052 219 648.06		1 052 219 648.06	1 065 557 898.95
9.	Current account	241	9 001 991 913.22		9 001 991 913.22	7 397 898 025.41
11.	Basic Current Account of Local Government Units	231	11 341 811 613.00		11 341 811 613.00	14 797 505 810.48
12.	Current Accounts of Local Government Units Funds	236	2 804 626 189.65		2 804 626 189.65	2 180 091 073.12
15.	Cash equivalents	263	7 938 033.12		7 938 033.12	5 889 272.64
16.	Cash in transit	262	176 520.00		176 520.00	259 359.00
17.	Cash in hand	261	1 774 451.48		1 774 451.48	1 745 972.68

Item number	Name of item	Synthetic Account	Period	
			Current 1	Previous 2
TOTAL LIABILITIES			384 929 944 655.65	373 068 189 787.74
C.	Equity		339 402 749 118.26	330 335 725 477.59
I.	Accounting Unit Assets and Adjusting Entries		288 063 874 892.31	286 041 535 179.03
1.	Accounting Unit Equity	401	316 918 353 567.92	315 886 247 238.24
3.	Transfers for Purchase of Fixed Assets	403	10 250 234 471.64	9 584 197 614.41
4.	Exchange Rate Differences	405		
5.	Changes in Value During Initial Use of the Method	406	(47 593 124 787.36)	(46 215 689 038.13)
6.	Other Differences in Valuation	407	8 552 038 004.02	6 893 817 014.07
7.	Corrections of Errors from Previous Years	408	(63 626 363.91)	(107 037 649.56)
II.	Accounting Unit Funds		3 123 980 390.55	2 231 376 619.93
6.	Other Funds	419	3 123 980 390.55	2 231 376 619.93
III.	Profit and Loss		48 214 893 835.40	42 062 813 678.63
1.	Profit/Loss of Current Accounting Period	493	7 053 153 544.90	7 533 404 803.97
2.	Profit/loss under approval procedure	431	7 533 404 803.97	
3.	Profit/Loss of Previous Period	432	33 628 335 486.53	34 529 408 874.66
D.	Other Sources		45 527 195 537.39	42 732 464 310.15
I.	Reserves		52 433 309.00	19 122 566.00
1.	Reserves	441	52 433 309.00	19 122 566.00
II.	Long-Term Payables		34 164 409 086.40	31 279 019 353.53
1.	Long-Term Credits	451	22 997 038 019.88	21 263 783 842.18
2.	Received Repayable Financial Assistance Long-Term	452	21 326 500.00	22 200 000.00
3.	Long-term obligations from issued bonds	453	10 485 000 000.00	9 273 800 000.00
4.	Long-Term Advances Received	455	12 489 170.50	24 870 156.50
5.	Long-Term Payables from Warranties	456		
6.	Long-term bills of exchange to be paid	457		
7.	Long-Term Payables from Foreign Co-Financed Funds	458		
8.	Other long-term liabilities	459	599 700 039.54	652 692 971.97
9.	Long-term advance payments for transfers accepted	472	48 855 356.48	41 672 382.88
III.	Short-Term Payables		11 310 353 141.99	11 434 322 390.62
1.	Short-Term Credits	281		
2.	Discounted short-term bonds (notes)	282		
3.	Short-term obligations from issued bonds	283		
4.	Other Short-Term Loans	289	4 395 648 543.35	3 150 473 820.74
5.	Suppliers	321		
6.	Bills of exchange to be paid	322		
7.	Short-Term Advances Received	324	1 509 570 916.08	1 723 579 176.77

Item number	Name of item	Synthetic Account	Period		Previous
			Current 1	2	
8.	Payables from Split Administration and Advance Deposits	325	39 113 833.44		81 837 739.75
9.	Received Repayable Financial Assistance Short-Term	326			
10.	Received Tax Deposits	327			
13.	Employees	331	161 740 690.00		148 147 306.00
14.	Other Payables to Employees	333	15 964 420.20		15 706 603.20
15.	Clearing with institutions of social security and health insurance	336	141 852 354.00		131 184 755.00
16.	Income tax	341	1 378 138 840.27		1 010 140 686.48
17.	Other direct taxes	342	44 834 320.00		37 721 063.00
18.	Value added tax	343	116 638 647.37		71 132 442.91
19.	Other Taxes and Duties	344	60 459.00		
20.	Obligations to subjects apart from selected government institutions	345	434 131 735.90		1 933 650.03
21.	Obligations to selected central government institutions	347	5 856 434.70		6 285 794.53
22.	Obligations to selected local government institutions	349	32 647 953.90		478 387 819.80
23.	Liabilities to members of association	352	124 378.08		124 378.08
24.	Short-Term Payables from Warranties	362			
25.	Fixed Term Transactions and Options	363			1 361 036 937.84
27.	Payables from Financial Provisions	366			
28.	Payables from Subscribed Unpaid Securities and Shares	368			
29.	Short-Term Payables from Foreign Co-Financing Instruments	372			
30.	Short-term advance payments for transfers accepted	374	286 368 156.60		496 997 047.65
31.	Accrued expenses	383	84 445 647.30		67 728 697.65
32.	Unearned revenue	384	215 189 650.30		433 848 001.09
33.	Estimated accrued items	389	1 035 208 531.64		965 032 772.76
34.	Other Short-Term Payables	378	1 412 817 629.86		1 253 023 697.34

* End of the statement *

Profit and Loss Statement

of organizational units of the state, territorial self-governing units (TSU), subsidized organizations and regional councils



(in CZK)

Period: 12 / 2013

IČO: 00064581

Name: Hlavní město PRAHA

SNS: 200 - Hlavní město Praha celkem

Item number	Name of item	Synthetic Account	Current Period		Previous Period	
			Main Activity	Business Activity	Main Activity	Business Activity
			1	2	3	4
A. EXPENSES TOTAL			57 361 987 387,35	11 301 375 934,61	48 770 094 013,80	10 043 813 140,56
I. Expenses from Operation						
1.	Material Consumption	501	305 047 479,28	34 870 506,93	292 929 542,97	32 926 662,05
2.	Energy Consumption	502	219 770 254,26	116 788 006,88	203 611 815,28	89 143 915,84
3.	Consumption of Other Unstorable Supplies	503		2 609 574,89	1 007 908,00	3 053 917,91
4.	Goods Sold	504	413 704,32	1 536 449,57	72 125,22	735 568,01
5.	Activation of Fixed Assets	506				
6.	Activation of Current Assets	507	927 654,73-		3 400 973,00-	
7.	Changes in Manufactured Goods Inventory	508				
8.	Repair and Maintenance	511	1 832 161 023,63	1 883 067 552,90	1 806 503 347,10	2 165 982 213,68
9.	Travel Expenses	512	18 560 720,42	24 505,40	20 464 979,82	15 729,00
10.	Representation Expenses	513	32 852 299,93	97 099,93	29 488 193,70	44 460,33
11.	Capitalization of Own Services	516				
12.	Other Services	518	6 757 048 603,71	1 404 167 338,99	6 742 943 560,27	1 294 297 980,61
13.	Payroll Costs	521	3 564 716 249,97	193 136 053,50	3 516 555 786,40	177 434 079,00
14.	Statutory Social Insurance Contributions	524	1 163 958 827,05	65 108 698,88	1 160 713 919,42	59 498 291,65
15.	Other Social Insurance	525	16 708 855,94	615 519,00	15 405 956,32	661 714,00
16.	Statutory Social Expenses	527	70 930 280,39	672 333,00	62 636 391,98	681 914,00
17.	Other Social Expenses	528	62 020 415,01	225 523,75	53 979 282,50	278 145,70
18.	Road Tax	531	1 500,00	2 000,00	1 500,00	
19.	Real Estate Tax	532	432 873,13	7 157 690,00	410 639,98	1 501 430,00
20.	Other Taxes and Duties	538	4 344 471,68	183 741 236,80	3 254 966,10	97 743 387,77
22.	Contractual Penalties and Default Interest	541	6 014 357,01	85 827,72	311 515,17	343 175,66
23.	Other Fines and Penalties	542	934 098,40	374 781,20	6 129 391,00	129 838,72
24.	Write-off of Bad Debts	543	47 962 662,87		46 357 781,23	
25.	Interest	544	882,96	33 287,47	2 179,53	17 352,59

Item number	Name of item	Synthetic Account	Current Period		Previous Period	
			Main Activity 1	Business Activity 2	Main Activity 3	Business Activity 4
26.	Shortfalls and Damages	547	85 894 853,08	390 712,71	6 314 918,48	298 671,36
27.	Funds Creation	548	1 063 750 795,41	56 000,00-	1 017 394 287,19	40 000,00-
28.	Depreciation of Fixed Assets	551	3 995 200 859,82	953 036 574,41	3 337 986 337,01	917 543 692,43
29.	Sold Fixed Intangible Assets	552	32 350,00	849 160,00		
30.	Sold Fixed Tangible Assets	553	771 920 661,86	3 056 633 181,80	550 553 478,64	2 760 972 387,05
31.	Lands Sold	554	176 955 804,80	1 032 299 288,69	60 604 133,40	543 434 822,28
32.	Creation and Clearing of Reserves	555		33 310 743,00		19 007 300,25
33.	Creation and Clearing of Adjusting Entries	556	221 800 110,68	249 243 227,81	2 413 513 594,33	221 694 805,30
34.	Discarded Claim Expenses	557	8 904 227,61	82 176 955,33	19 556 559,48	90 840 491,91
35.	Immaterial Fixed Asset Expenses	558	134 378 142,98	16 306 803,24	130 970 366,42	284 883,60
36.	Other Expenses from Operation	549	578 609 194,59	234 415 381,50	595 953 130,91	314 619 132,46
II. Financial Expenses			12 325 808 564,78	367 303 199,04	2 566 681 729,10	210 200 850,94
	1. Securities and Ownership Interests Sold	561	724 825 204,74	244 870 000,00	662 767 061,12	150 000 000,00
	2. Interests	562	687 398 021,17	2 410 441,86	1 849 277 091,68	4 828 067,46
	3. Foreign Exchange Losses	563	499 324 771,59		46 636 294,58	245 625,00
	4. Expenses from Actual Value Revaluation	564	6 473 203,86	113 599 235,87	4 500 565,68	41 266 064,56
	5. Other Financial Expenses	569	10 407 787 363,42	6 423 521,31	3 500 716,04	13 861 093,92
III. Expenses of Transfers			23 895 779 916,51		24 111 185 669,85	
	2. Transfer Expenses of Selected Local Government Institutions	572	23 895 779 916,51		24 111 185 669,85	
V. Income Tax				1 381 152 720,27		1 040 466 326,48
	1. Income Tax	591		1 378 138 840,27		1 010 140 686,48
	2. Additional Income Tax Payments	595		3 013 880,00		30 325 640,00
B. REVENUES TOTAL			58 615 211 339,62	17 101 305 827,24	51 858 960 295,70	14 488 351 662,65
I. Revenues from Operation			3 293 404 502,96	13 718 061 227,23	5 127 510 696,85	11 846 192 323,88
	1. Revenues from Own Products Sold	601			334 736,00	
	2. Revenues from Services Sold	602	25 547 730,23	438 732 322,98	25 316 739,34	360 542 776,28
	3. Assets of Leasing	603	594 651,70	7 340 827 748,45	124 526,30	7 287 464 128,61
	4. Revenues from Goods Sold	604	1 116 898,10	610 523,16	1 425 332,11	582 703,49
	5. Revenues from Administrative Charges	605	377 445 181,66		354 605 698,90	
	6. Revenues from Local Charges	606	1 308 254 379,59		1 299 156 263,27	
	8. Other Revenues from Own Activities	609	1 703 785,91	71 983,01	13 989 268,25	1 145 108,98
	9. Contractual penalties and default interes	641	4 516 461,87	179 748 177,71	3 916 965,91	165 656 868,22
	10. Other Fines and Penalties	642	303 627 447,62	3 183 066,68	257 930 795,85	434 647,45
	11. Proceeds from Discarded Claims	643		4 299 209,00	907 012,09	2 772 446,33
	12. Revenues from Sales of Material	644	28 703,00	6 111 509,85	34 699,00	2 188 889,82

Item number	Name of item	Synthetic Account	Current Period		Previous Period		
			Main Activity 1	Business Activity 2	Main Activity 3	Business Activity 4	
13.	Revenues from Sales of Intangible Fixed Assets	645					
14.	Revenues from Sales of Tangible Fixed Assets, excluding Land	646	1 000 012,00	4 285 204 106,75	9 246,40-	3 197 930 092,16	
15.	Revenues from Sales of Land	647	9 250 671,00	1 022 688 698,08	19 539 261,00	642 616 405,95	
16.	Fund Usage	648	613 244 813,38		865 812 995,64		
17.	Other Revenues from Operation	649	647 073 766,90	436 583 881,56	2 284 425 649,59	184 858 256,59	
II.	Financial Revenues		12 158 940 437,40	3 363 236 351,25	3 993 871 136,28	2 642 150 390,01	
1.	Revenues from Sale of Securities and Ownership Interests	661	720 263 486,53	249 072 937,20	663 162 182,62	147 784 530,00	
2.	Interests	662	49 967 542,04-	106 950 616,73	1 434 661 795,57	100 966 582,08	
3.	Exchange Rate Gains	663	135 481 020,11	373 670,00	132 677 200,93	207 375,00	
4.	Revenues from Actual Value Revaluation	664	582 463 945,37	3 008 752 921,68	348 416 405,03	2 377 603 182,32	
5.	Revenues from Long-Term Investments	665	1 304 208 021,74	15 338 725,20	1 414 953 552,13	15 564 772,58	
6.	Other Financial Revenues	669	9 466 491 505,69	2 746 480,44		23 948,03	
IV.	Revenues of Transfers		2 078 640 908,22	8 948,76	2 455 193 684,40	8 948,76	
2.	Transfer Income of Selected Local Government Institutions	672	2 078 640 908,22	8 948,76	2 455 193 684,40	8 948,76	
V.	Public Tax Revenues		41 084 225 491,04		40 282 384 778,17		
1.	Revenues from Shared Natural Person Income Taxes	681	10 136 890 463,38		10 405 502 127,51		
2.	Revenues from Shared Corporate Income Tax	682	10 487 014 498,71		10 154 566 523,43		
3.	Revenues from Shared Value Added Tax	684	18 837 427 837,94		18 290 544 094,30		
4.	Revenues from Shared Excise Taxes	685					
5.	Revenues from Shared Property Taxes	686	751 402 960,06		752 711 966,62	5 485 004 848,55	
6.	Proceeds from Other Shared Taxes and Fees	688	871 489 730,95		679 060 066,31	4 444 538 522,07	

C. PROFIT AND LOSS

1.	Profit and Loss before Taxation	-	1 253 223 952,27	7 181 082 312,90	3 088 866 281,90	5 485 004 848,55
2.	Trading Results from the Current Accounting Period	-	1 253 223 952,27	5 799 929 592,63	3 088 866 281,90	4 444 538 522,07

* End of the statement *



APPENDIX

of organizational units of the state, territorial self-governing units (TSU), subsidized organizations and regional councils

(in CZK)

Period: 12 / 2013

IČO: 00064581

Name: Hlavní město PRAHA

SNS: 200 - Hlavní město Praha celkem

A.1. Information pursuant to Section 7 Subsection 3 of Act (text)

A.2. Information pursuant to Section 7 Subsection 4 of Act (text)

A.3. Information pursuant to Section 7 Subsection 5 of Act (text)

A.4. Information pursuant to Section 7 Subsection 5 of Act on Accounts Balance in the Accounts of Balance Sheet Book

Item number	Name of item	Synthetic Account	Period		Previous
			Current		
P.I.	Accounting Unit Assets		36 998 306 901,52		5 707 023 210,61
1.	Other Small Intangible Fixed Assets	901	19 268 786,91		16 190 292,06
2.	Other Small Tangible Fixed Assets	902	222 042 561,11		323 159 064,46
3.	Other Assets	903	36 756 995 553,50		5 367 673 854,09
P.II.	Discarded Receivables and Payables		532 564 827,19		565 168 583,11
1.	Discarded Claims	911	532 177 901,41		564 926 466,11
2.	Discarded Obligations	912	386 925,78		242 117,00
P.III.	Contingent Receivables due to Assets being used by other persons		282 516 907,38		8 936 204,88
1.	Short-Term Contingent Receivables due to Onerous Use of Assets by Another Person	921			
2.	Long-Term Contingent Receivables due to Onerous Use of Assets by Another Person	922			
3.	Short-Term Contingent Receivables due to Use of Assets by Another Person based on Loan Contract	923	3 550 564,46		4 486 658,92
4.	Long-Term Contingent Receivables due to Use of Assets by Another Person based on Loan Contract	924	215 631 219,23		3 620 680,96
5.	Short-Term Contingent Receivables due to Assets being used by Another Person for Other Reason	925			
6.	Long-Term Contingent Receivables due to Assets being used by Another Person for Other Reason	926	63 335 123,69		828 865,00
P.IV.	Other Contingent Receivables and Other Contingent Assets		11 076 402 356,27		21 787 730 372,22
1.	Short-Term Contingent Receivables from Fixed Assets Purchase Contracts	931	376 133 810,00		24 065 180,00
2.	Long-Term Contingent Receivables from Fixed Assets Purchase Contracts	932	49 196 679,68		36 000 000,00
3.	Short-Term Contingent Receivables from Other Contracts	933	166 248 136,59		126 284 261,76
4.	Long-Term Contingent Receivables from Other Contracts	934	694 110 447,71		582 175 786,77
5.	Short-term conditional claims from instruments co-financed from abroad	939			
6.	Long-term conditional claims from instruments co-financed from abroad	941	1 898 327,02		62 863 508,16
7.	Short-Term Contingent Receivables related to Other Resources	942	261 770 715,96		144 762 768,43
8.	Long-Term Contingent Receivables related to Other Resources	943	300 524 216,19		142 424 507,25
9.	Short-Term Contingent Receivables Payments from Received Provisions	944	21 345 622,00		75 381 486,75
10.	Long-Term Contingent Receivables Payments from Received Provisions	945	1 425 501 102,48		1 445 548 874,50
11.	Short-Term Contingent Receivables from Legal Disputes, Administrative Hearings and Other Proceedings	947	6 492 488,10		5 075 542,00
12.	Long-Term Contingent Receivables from Legal Disputes, Administrative Hearings and Other Proceedings	948	20 544 403,45		23 597 479,15
13.	Other Short-Term Contingent Assets	949	17 958,50		543 515,50
14.	Other Long-Term Contingent Assets	951	7 752 618 448,59		19 119 007 461,95
P.V.	Contingent Payables due to Assets being used by other persons		242 894 635,63		476 858 291,57
1.	Short-Term Contingent Payables from Lease Contracts	961			
2.	Long-Term Contingent Payables from Lease Contracts	962	4 322 334,72		8 403 609,58
3.	Short-Term Contingent Payables due to Onerous Use of Assets of Other Persons for Other Reasons	963			
4.	Long-Term Contingent Payables due to Onerous Use of Assets of Other Persons for Other Reasons	964	197 270 038,32		321 146 987,26
5.	Short-Term Contingent Payables due to Use of Assets of Other Persons based on Lease Contract	965			
6.	Long-Term Contingent Payables due to Use of Assets of Other Persons based on Lease Contract	966	39 540 350,15		56 048 449,99
7.	Short-Term Contingent Payables due to Use of Assets of Other Persons or their Acceptance for Other Reasons	967			

A.4. Information pursuant to Section 7 Subsection 5 of Act on Accounts Balance in the Accounts of Balance Sheet Book

Item number	Name of item	Synthetic Account	Period		Previous
			Current		
8.	Long-Term Contingent Payables due to Use of Assets of Other Persons or their Acceptance for Other Reasons	968	1 761 912,44		91 259 244,74
P.VI.	Other Contingent Payables and Other Contingent Liabilities		38 103 382 036,76		45 575 674 905,69
1.	Short-Term Contingent Payables from Fixed Assets Purchase Contracts	971	2 191 692 157,00		44 269 590,00
2.	Long-Term Contingent Payables from Fixed Assets Purchase Contracts	972	18 101 727 716,74		20 880 771 253,84
3.	Short-Term Contingent Payables from Other Contracts	973	27 392 943,09		11 657 262,31
4.	Long-Term Contingent Payables from Other Contracts	974	2 350 483 464,94		1 384 454 699,54
5.	Short-term conditional Payables from instruments co-financed from abroad	975			
6.	Long-term conditional Payables from instruments co-financed from abroad	976			
7.	Short-Term Contingent Payables from Legal Regulations and Other Statutory, Executive or Judicial Acts	978			
8.	Long-Term Contingent Payables from Legal Regulations and Other Statutory, Executive or Judicial Acts	979			
9.	Short-Term Contingent from Provided Provisions	981	6 000 000 000,00		4 000 000 000,00
10.	Long-Term Contingent from Provided Provisions	982	1 644 625 645,51		362 256 253,10
11.	Short-Term Contingent Payables from Legal Disputes, Administrative Hearings and Other Proceedings	983	14 877 842,00		
12.	Long-Term Contingent Payables from Legal Disputes, Administrative Hearings and Other Proceedings	984	91 327 905,00		22 896,00
13.	Other Short-Term Contingent Liabilities	985			
14.	Other Long-Term Contingent Liabilities	986	7 681 254 362,48		18 892 242 950,90
P.VII.	Settlement Accounts		10 542 740 468,41		17 984 159 060,44-
1.	Offset account to off-balance sheet accounts	999	10 542 740 468,41		17 984 159 060,44-

Time of Preparation: 03.03.2014, 09:36:50

Signature:

A.5. Information pursuant to Section 18 Subsection 1 Letter c) of Act

Number Item	Name	Period	
		Current	Previous
1.	Due liabilities from insurance for social security and contribution to the state employment policy	98 542 393,00	91 182 666,00
2.	Due liabilities from public health insurance	43 309 961,00	40 002 089,00
3.	Recorded tax arrears with revenue bodies of local competency		1 118 994 192,39

A.6. Information pursuant to Section 19 Subsection 5 Letter a) of Act (text)

A.7. Information pursuant to Section 19 Subsection 5 Letter b) of Act (text)

A.8. Information pursuant to Section 66 Subsection 6 (text)

A.9. Information pursuant to Section 66 Subsection 8 (text)

B.

Number Item	Name	Synthetic Account	Period		Previous
			Current		
B.1.	Provision of loans secured by hedge transfer of assets	364			
B.2.	Loans of securities secured by transfer of funds	364			
B.3.	Sale of assets with simultaneous arrangement of reverse purchase	364			
B.4.	Purchase of assets with simultaneous arrangement of reverse sale	364			

C. Supplementary information to items BALANCE SHEET "C.I.1. Accounting Unit Equity" a "C.I.3. Transfers for Purchase of Fixed Assets"

Number	Name	Period		Previous
		Current		
C.1.	Increase in value of transfers for acquisition of fixed assets for the current accounting period	641 344 106,96		951 474 006,05
C.2.	Reduction in value of transfers for acquisition of fixed assets in relation to fact and time	55 137 183,55		3 590 527 181,04

D.1. Information on Individual Reference Quantity of Milk (Number and Text)

D.2. Information on Individual Production Quota (Number and Text)

D.3. Information on Individual Limit of Premium Rights (Number and Text)

D.4. Information on Other Similar Quotas and Limits (Number and Text)

D.5. Number of Individual Items or Sets of Assets or List of these Assets (Number and Text)

D.6. Total Forestry Area with Forest Cover (Number and Text)

D.7. Amount of Forest Cover Value (Number)

D.8. Different Method Forest Cover Valuation (Number and Text)

E.1. Additional Information to Balance Sheet Items (Text)

To Item	Supplementary information	Amount
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E.2. Additional Information to Profit and Loss Statement Items (Text)

To Item	Supplementary information	Amount
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E.3. Additional Information to Cash Flow Statement Items (Text)

Amount

To Item Supplementary information

E.4. Additional Information to Change In Equity Items (Text)

To Item	Supplementary information	Amount
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F. Additional Information to Accounting Unit Funds

Other Funds of Local Government Units

Number	Name	Item	Current Period
G.I.	Initial Balance of the Fund		2 231 376 619,93
G.II.	Fund Creation		1 873 412 347,52
	1. Surpluses from Previous Years		243 485 827,72
	2. Current Period Incomes not to be used in the Current Period		501 920 034,60
	3. Transfer of funds from the budget during the year to special-purpose financial funds		929 664 953,45
	4. Other formation of funds		198 341 531,75
G.III.	Drawing of funds		980 808 576,90
G.IV.	Closing Balance of the Fund		3 123 980 390,55

G. Buildings

Item number	Name of Item	Period			Previous
		Gross	Current	Adjustment	
G.	Buildings	223 271 956 553,99	47 770 327 606,62		174 876 131 633,14
G.1.	Apartment Blocks and Apartments	33 792 216 847,14	5 055 125 454,77		29 478 401 854,54
G.2.	Public Services Buildings	35 462 496 774,67	8 930 709 685,26		25 981 960 094,53
G.3.	Other Non-Residential Houses and Non-Residential Uni	16 337 556 738,64	3 180 041 578,84		12 670 677 254,35
G.4.	Communications and Public Lighting	64 837 212 535,85	20 305 890 311,53		38 413 553 220,16
G.5.	Other Utility Lines	51 563 785 598,32	8 039 232 189,37		39 849 076 796,70
G.6.	Other Buildings	21 278 688 059,37	2 259 328 386,85		28 482 462 412,86

H. Lands

Item number	Name of Item	Period			Previous
		Gross	Current	Adjustment	
H.	Lands	55 323 664 877,15	1 164,00		54 805 096 815,68
H.1.	Building Land	901 013 464,91			970 445 573,78
H.2.	Forest Land	585 113 002,31			575 243 244,19
H.3.	Gardens, Grassland, Meadows, Ponds	5 816 164 594,18			6 096 770 845,62
H.4.	Developed Area	22 314 298 515,94			22 819 427 807,38
H.5.	Other Land	25 707 075 299,81	1 164,00		24 343 209 344,71

I. Supplementary information to item "A.II.4. Revaluation by real value expenses" in the statement of profit and loss

Number Item	Name of Item	PERIOD	
		Current	Previous
I.	Revaluation by real value expenses	120 072 439,73	45 766 630,24
I.1.	Expenses from revaluation of assets intended for sale by real value according to Section 64	112 942 660,24	41 449 803,93
I.2.	Other revaluation by real value expenses	7 129 779,49	4 316 826,31

J. Supplementary information to item "B.II.4. Revaluation by real value income" in the statement of profit and loss

Number Item	Name of Item	PERIOD	
		Current	Previous
J.	Revaluation by real value income	3 591 216 867,05	2 726 019 587,35
J.1.	Income from revaluation of assets intended for sale by real value according to Section 64	3 587 277 762,06	2 710 267 919,55
J.2.	Other revaluation by real value income	3 939 104,99	15 751 667,80

K. Supplementary information to item "A. Fixed assets" in the balance sheet

Number Item	Name of Item	PERIOD	
		Current	Previous
K.	Valuation of fixed assets intended for sale	9 868 385 652,43	10 085 100 575,71
K.1.	Valuation of fixed intangible assets intended for sale according to Section 64	169 110 455,56	
K.2.	Valuation of fixed tangible assets intended for sale according to Section 64	9 699 275 196,87	10 085 100 575,71

* End of the statement *

CASH FLOW STATEMENT

of organizational units of the state, territorial self-governing units (TSU), subsidized organizations and regional councils
(in CZK, to two decimal places)

Period: 12 / 2013

IČO: 00064581

Name: Hlavní město PRAHA

SNS: 200 - Hlavní město Praha celkem

Item Number	Item Name	Accounting Period
P.	Balance of Cash as of 1st January	27 154 123 373,22
A.	Cash Flows from Operations	319 301 444,20-
Z.	Profit and Loss before Taxation	8 434 306 265,17
A.I.	Adjustments by Non-Monetary Operations (+,-)	679 719 857,72
A.I.1.	Depreciation of Fixed Assets	4 948 237 434,23
A.I.2.	Change in Adjusting Entries	537 658 261,53
A.I.3.	Change in Reserves	33 310 743,00
A.I.4.	Profit (Loss) from Sale of Fixed Assets	3 753 788 142,50-
A.I.5.	Revenues from Dividends and Profit Shares	1 319 546 746,94-
A.I.6.	Other Non-Monetary Operations Adjustments	233 848 308,40
A.II.	Cash Flows from Change in Current Assets and Short-Term Payables (+,-)	9 739 719 747,55-
A.II.1.	Change in Short-Term Receivables	197 828 297,51-
A.II.2.	Change in Short-Term Payables	1 740 447 004,20-
A.II.3.	Change in Inventories	1 115 266,21
A.II.4.	Change in Short-Term Financial Assets	7 802 559 712,05-
A.III.	Income Tax Paid, including Additional Tax Assessments (-)	1 013 154 566,48-
A.IV.	Received Dividends and Profit Shares	1 319 546 746,94
B.	Cash Flows from Long-Term Assets	3 181 390 046,94-
B.I.	Expenses on Fixed Assets Acquisition	8 843 632 082,33-
B.II.	Income from Fixed Assets Sales	5 695 710 535,39
B.II.1.	Income from State Property Privatisation	14 618,00
B.II.2.	Income from Sales of Assets of the Land Fund of the Czech Republic	5 460 589 371,83
B.II.3.	Revenues from Sales of Fixed Assets for Sale	235 106 545,56
B.II.4.	Other Income from Fixed Assets Sales	33 468 500,00-
B.III.	Other Cash Flows from Long-Term Assets (+,-)	3 831 957 152,11
C.	Cash Flows from Equity, Long-Term Receivables and Long-Term Payables	1 012 248 863,50
C.I.	Cash Flows from Changes in Equity (+,-)	2 885 389 732,87
C.II.	Change in Long-Term Payables (+,-)	65 681 444,26-
C.III.	Change in Long-Term Receivables (+,-)	331 265 660,97
F.	Net Increase/Decrease in Cash	31 265 660,97
H.	Budget administration income and expense accounts	
R.	Value of funds as of balance day R = P + F + H.	27 485 399 034,19

Item Number	Item Name	Accounting Period
INSPECTIONAL NUMBER (of which):		
	BALANCE SHEET B.III-(B.III.1+B.III.2+B.III.3)+A.III.5-C.IV.1-C.IV.2	27 485 389 034,19
	BUDGET ADMINISTRATION INCOME AND EXPENSE ACCOUNTS	27 485 389 034,19

CHANGES IN EQUITY

of organizational units of the state, territorial self-governing units (TSU), subsidized organizations and regional councils
(in CZK, to two decimal places)

Period: 12 / 2013

IČO: 00064581

Name: Hlavní město PRAHA

SNS: 200 - Hlavní město Praha celkem

Item Number	Item Name	Previous Period	Balance Increase	Balance Decrease	Current Period
SUM EQUITY					
A. Accounting Unit Assets and Adjusting Entries		330 335 725 477,59	163 454 109 609,38	154 387 085 988,71	339 402 749 118,26
A.I. Accounting Unit Equity		286 041 535 179,03	14 908 590 814,43	12 886 251 101,15	288 063 874 892,31
1.	Changes to, origin or termination of authority to administer state property	315 886 247 238,24	7 588 467 057,76	6 556 360 728,08	316 918 353 567,92
2.	Entrustment of assets to an allowance organisation	-	30 329 103,80	631 570 726,08	-
3.	Free transfers	-	2 389 609 336,14	3 213 770 286,17	-
4.	Investment transfers	-	-	-	-
5.	Gifts	-	329 398 026,77	-	-
6.	Other	-	2 494 096 195,65	2 385 827 921,14	-
A.II. Privatisation fund		-	-	-	-
A.III. Transfers for acquisition of fixed assets		9 584 197 614,41	769 079 999,37	103 043 142,14	10 250 234 471,64
1.	Entrustment of assets to an allowance organisation	-	-	35 762 043,00	-
2.	Free transfers	-	653 468 022,55	12 123 915,59	-
3.	Investment transfers	-	95 560 156,82	20 000,00	-
4.	Gifts	-	-	55 137 183,55	-
5.	Reduction in investment transfers in relation to fact and time	-	-	-	-
6.	Other	-	20 051 820,00	-	-
A.IV. Exchange rate differences		-	-	-	-
A.V. Changes in value during initial use of the method		46 215 689 038,13-	163 293 353,39	1 540 729 102,62	47 593 124 787,36-
1.	Adjusting entries to claims	-	23 832 383,31	2 224 433,60	-
2.	Depreciation	-	139 270 874,18	1 525 331 434,82	-
3.	Other	-	190 095,90	13 173 234,20	-
A.VI. Other changes in value		6 893 817 014,07	5 953 129 719,17	4 294 908 729,22	8 552 038 004,02
1.	Changes in value of securities and interest	-	18 828 581,02	29 734 409,46	-
2.	Changes in value of assets intended for sale	-	4 682 063 288,95	4 402 204 639,36	-
3.	Other	-	1 252 237 849,20	137 030 319,60-	-
A.VII. Adjustments in previous periods		107 037 649,56-	434 620 684,74	391 209 399,09	63 626 363,91-
1.	Adjustments in the preceding accounting period	-	81 256 991,38	371 108 257,56	-
2.	Adjustments in previous accounting periods	-	353 363 693,36	20 101 141,53	-
B. Accounting Unit Funds		2 231 376 619,93	1 881 824 252,22	989 220 481,60	3 123 980 390,55
C. Profit and Loss		42 062 813 678,63	146 663 694 542,73	140 511 614 385,96	48 214 893 835,40

Item Number	Item Name	Previous Period	Balance Increase	Balance Decrease	Current Period
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D. Budget administration income and expenditure account

STATEMENT OF INCOME, DISBURSEMENTS AND FINANCING



of territorial self-governing units ('TSU') and voluntary unions of communities

(in CZK)

Period: 12 / 2013

IČO: 00064581

Name: Hlavní město PRAHA

SNS: 201 - HLAVNÍ MĚSTO PRAHA CELKEM FIN 2-12

BUDGETARY INCOME - CLASS 1 - 4

Item	Text	Approved budget	Adjusted budget	Result from the start of the year
a	b	1	2	3
1111	Tax on income of natural persons from dependent activity and function benefits	8 730 000 000.00	8 730 000 000.00	8 249 062 414.43
1112	Tax on income of natural persons from individual gainful activity	744 000 000.00	744 000 000.00	997 941 957.55
1113	Tax on income of natural persons from capital revenues	966 000 000.00	966 000 000.00	889 886 091.40
111	Tax on income of natural persons	10 440 000 000.00	10 440 000 000.00	10 136 890 463.38
1121	Tax on income of legal entities	8 420 000 000.00	8 420 000 000.00	9 365 710 208.71
1122	Tax on income of legal entities on behalf of municipalities	150 000 000.00	1 121 304 300.00	1 121 304 290.00
112	Tax on income of legal entities	8 570 000 000.00	9 541 304 300.00	10 487 014 498.71
11	Income, profit and capital revenue tax	19 010 000 000.00	19 981 304 300.00	20 623 904 962.09
1211	Value added tax	16 890 000 000.00	17 190 000 000.00	18 837 427 837.94
121	General taxes on goods and services inland	16 890 000 000.00	17 190 000 000.00	18 837 427 837.94
12	Goods and service inland tax	16 890 000 000.00	17 190 000 000.00	18 837 427 837.94
1332	Fees for air pollution	92 000.00	58 000.00	12 484.00
1333	Fees for waste disposal			4 366 995.00
1334	Levies from land extraction from the agricultural land resources			969 688.00
1335	Fees for removal of the land function resting in discharge of the function of a forest			766 964.00
1336	Fees for permitted discharge of wastewater into surface water			1 207 645.50
1337	Fee for collection of communal waste	785 865 000.00	785 865 000.00	705 290 517.12
133	Taxes and levies in the field of environment	785 957 000.00	785 923 000.00	712 614 293.62
1341	Fees for dogs	51 158 500.00	50 794 900.00	46 494 144.92
1342	Fee for spa or recreation stay	130 074 200.00	130 078 700.00	138 467 135.67
1343	Fee for use of public premises	226 874 000.00	231 369 600.00	276 393 621.38
1344	Fee from entrance money	22 148 000.00	22 739 200.00	35 689 192.87
1345	Fee from accommodation activity	86 054 000.00	86 880 800.00	107 586 749.66
1347	Fee for operated gaming machine	4 482 200.00	6 049 300.00	8 292 301.58
1349	Cancelled local fees	300 000.00	125 000.00	234 725.00
134	Local fees from selected activities and services	521 090 900.00	528 037 500.00	613 157 871.08
1351	Levy of lottery operations and similar games except of gambling machines	161 584 600.00	161 584 600.00	175 192 690.00
1355	Levy of gambling machines	600 000 000.00	600 000 000.00	689 218 394.45
1359	Other levies from selected activities and services not specified elsewhere	20 000.00	20 300.00	8 550.00
135	Other levies from selected activities and services	761 604 600.00	761 604 900.00	864 419 634.45
1361	Administrative charges	346 851 500.00	348 049 600.00	376 914 709.55
136	Administration fees	346 851 500.00	348 049 600.00	376 914 709.55
13	Taxes and fees on selected activities and services	2 415 504 000.00	2 423 615 000.00	2 567 106 508.70

BUDGETARY INCOME - CLASS 1 - 4

Item	Text	Approved budget	Adjusted budget	Result from the start of the year
a	b	1	2	3
1511	Real estate tax	716 250 000.00	720 115 600.00	751 200 150.78
151	Property tax	716 250 000.00	720 115 600.00	751 200 150.78
15	Property taxes	716 250 000.00	720 115 600.00	751 200 150.78
1	Tax receipts (total for class 1)	39 031 754 000.00	40 315 034 900.00	42 779 639 459.51
2111	Receipts from provision of services and products	15 615 200.00	136 433 100.00	145 499 051.46
2112	Receipts from sale of goods (otherwise purchased for the purposes of sale)	92 500.00	621 700.00	708 520.37
2119	Other receipts from own activities	10 000.00	530 900.00	536 824.09
211	Receipts from own activity	15 717 700.00	137 585 700.00	146 744 395.92
2122	Levies of institutions receiving contributions from the state budget	15 647 000.00	210 368 700.00	210 377 097.34
2123	Other levies of institutions receiving contributions from the state budget	285 000.00	285 000.00	1 229 436.00
2129	Other levies of surplus of organizations with a direct relationship		1 391 000.00	1 391 043.58
212	Levies from residues of organizations with direct relationship	15 932 000.00	212 044 700.00	212 997 576.92
2131	Receipts from lease of land	5 000.00	5 000.00	22 805.00
2132	Receipts from lease of other real estate and parts thereof			15 669.00
2139	Other receipts from lease of property			7 707.00
213	Receipts from lease of property	5 000.00	5 000.00	46 181.00
2141	Receipts from interests (a part)	85 037 400.00	84 972 600.00	107 270 307.75
2142	Receipts from shares in profit and dividends	19 300 000.00	22 195 000.00	1 304 208 021.74
2143	Exchange rate differences in income	600 000.00	600 000.00	22 858 374.24
2146	Interest income from financial derivatives	511 111 000.00	511 111 000.00	329 883 776.94
214	Receipts from interests and realization of financial assets	616 048 400.00	618 878 600.00	1 764 220 480.67
21	Receipts from own activity and payment of excess of organizations with direct relationship	647 703 100.00	968 514 000.00	2 124 008 634.51
2211	Sanction Payments Received from State, Municipalities, Regions	2 000.00	(242 200.00)	793 371.50
2212	Sanction Payments Received from Other Entities	291 206 000.00	315 615 400.00	314 598 860.65
221	Received sabctuib payments	291 208 000.00	315 373 200.00	315 392 232.15
2221	Received returned transfers from other public budgets		3 996 600.00	
2222	Other receipts from retained financial settlement from other public budgets		11 842 800.00	11 842 755.08
2229	Other received returned transfers	2 770 000.00	189 410 200.00	205 875 244.79
222	Received returned transfers and other receipts from retained financial settlement	2 770 000.00	205 249 600.00	217 717 999.87
22	Received sanction payments and returned transfers	293 978 000.00	520 622 800.00	533 110 232.02
2310	Receipts from sale of short-term and immaterial fixed assets		7 300.00	7 400.00
231	Receipts from sale of short-term and immaterial fixed assets		7 300.00	7 400.00
2321	REceived non-investment donations	13 585 000.00	44 171 800.00	60 173 926.04
2322	Received indemnities	120 000.00	22 470 300.00	30 324 793.97
2324	Received non-capital contributions and compensations	6 600 700.00	19 492 800.00	44 021 238.68
2328	Unidentified receipts	50 000.00	50 000.00	271 379.63
2329	Other non-tax receipts not included elsewhere	57 674 900.00	14 994 300.00	33 406 694.44
232	Other non-tax receipts	78 030 600.00	101 179 200.00	168 198 032.76
2343	Receipts from payments from allotments and from exploited minerals	1 064 000.00	1 154 000.00	1 036 437.90
234	Receipts from use of exclusive rights to natural resources	1 064 000.00	1 154 000.00	1 036 437.90
23	Receipts from sale of non-capital assets and other non-tax receipts	79 094 600.00	102 340 500.00	169 241 870.66
2411	Instalments of funds borrowed from business entities - natural persons	1 381 500.00	1 181 500.00	1 147 814.00

BUDGETARY INCOME - CLASS 1 - 4

Item	Text	Approved budget	Adjusted budget	Result from the start of the year
		1	2	3
2412	Instalments of funds borrowed from business non-financial entities of legal persons	1 070 100.00	2 170 100.00	4 786 256.30
241	Instalments of funds borrowed from business entities	2 451 600.00	3 351 600.00	5 934 070.30
2420	Instalments of funds borrowed from generally beneficial associations and similar entities	12 269 300.00	12 117 300.00	14 342 580.74
242	Instalments of funds borrowed from generally beneficial associations and similar entities	12 269 300.00	12 117 300.00	14 342 580.74
2451	Instalments of funds borrowed from institutions receiveing contributions from the state budget		6 875 500.00	10 291 608.00
245	Instalments of funds borrowed from established and similar entities		6 875 500.00	10 291 608.00
2460	Instalments of funds borrowed from citizens	1 437 100.00	1 629 600.00	2 063 154.91
246	Instalments of funds borrowed from citizens	1 437 100.00	1 629 600.00	2 063 154.91
24	Received instalments of lent funds	16 158 000.00	23 974 000.00	32 631 413.95
2	Non-tax receipts (total for class 2)	1 036 933 700.00	1 615 451 300.00	2 858 992 151.14
3113	Receipts from sale of other fixed tangible assets		254 000.00	253 820.00
311	Receipts from sale of fixed assets (except immaterial assets)		254 000.00	253 820.00
3121	Donations received for acquisition of fixed assets	3 861 000.00	20 360 100.00	19 573 270.88
3122	Contributions received fro acquisition of fixed assets		14 370 300.00	5 870 295.68
312	Other capital receipts	3 861 000.00	34 730 400.00	25 443 566.56
31	Receipts from sale of fixed assets and other capital receipts	3 861 000.00	34 984 400.00	25 697 386.56
3	Capital revenues (total for class 3)	3 861 000.00	34 984 400.00	25 697 386.56
	Own receipts (classes 1+2+3)	40 072 548 700.00	41 965 470 600.00	45 664 328 997.21
4111	Non-investment transfers received from general cash administration of the state budget		222 335 100.00	222 335 261.38
4112	Non-investment transfers received from the state budget within the overall subsidy relationship	813 410 000.00	813 410 000.00	813 410 000.00
4113	Non-investment transfers received from state funds		126 843 800.00	117 197 190.01
4116	Other non-investment transfers from the state budget		10 159 030 600.00	10 158 941 125.02
4118	Non-investment transfers from the National Fund		631 200.00	631 223.30
411	Non-investment transfers received from public budgets at central level	813 410 000.00	11 322 250 700.00	11 312 514 799.71
4121	Non-investment transfers received from municipalities	3 206 000.00	4 913 800.00	5 768 107.34
4122	Non-investment transfers received from regions		696 300.00	696 330.02
412	Non-investment transfers received from public budgets at regional level	3 206 000.00	5 610 100.00	6 464 437.36
4131	Transfers from own funds of economic (business) activity	5 757 422 500.00	6 736 305 700.00	5 567 077 994.25
4132	Transfers from other own funds		1 500 200.00	1 500 172.00
4133	Transfers from own reserve funds (other than those of structural units of the state)	833 234 800.00	1 362 613 400.00	716 633 550.86
4134	Transfers from budget accounts	276 998 300.00	21 336 818 100.00	82 859 885 252.95
4139	Other transfers from own funds	150 645 500.00	176 178 100.00	123 782 356.44
413	Transfers from own funds	7 018 301 100.00	29 613 415 500.00	89 268 879 326.50
4152	Non-investment transfers received from international institutions		4 466 400.00	4 466 254.06
4153	Non-investment transfers received from the European Union		104 700.00	104 706.80
415	Non-investment transfers received from abroad		4 571 100.00	4 570 960.86
41	Non-investment transfers received	7 834 917 100.00	40 945 847 400.00	100 592 429 524.43
4211	Investment transfers received from general cash administration of the state budget		8 700 000.00	8 699 949.64
4213	Investment transfers received from state funds		135 283 800.00	97 485 832.83
4216	Other investment transfers received from the state budget		664 847 500.00	664 847 667.07
421	Investment transfers received from public budgets at central level		808 831 300.00	771 033 449.54

BUDGETARY INCOME - CLASS 1 - 4

<i>Item</i>	<i>Text</i>	<i>Approved budget</i>	<i>Adjusted budget</i>	<i>Result from the start of the year</i>
<i>a</i>	<i>b</i>	<i>1</i>	<i>2</i>	<i>3</i>
4232	Investment transfers received from international institutions		414 600.00	414 609.98
423	Investment transfers received from abroad		414 600.00	414 609.98
4240	Investment transfers received from state financial assets		8 500 000.00	8 500 000.00
424	Investment transfers received from state financial assets		8 500 000.00	8 500 000.00
42	Investment transfers received		817 745 900.00	779 948 059.52
4	Received transfers (total for class 4)	7 834 917 100.00	41 763 593 300.00	101 372 377 583.95
Total receipts (classes 1+2+3+4)		47 907 465 800.00	83 729 063 900.00	147 036 706 581.16

BUDGETARY EXPENSES - CLASSES 5 AND 6

Item	Text	Approved budget	Adjusted budget	Result from the start of the year
a	b	1	2	3
5011	Salaries of employees within employment	3 034 693 700.00	3 230 567 700.00	3 183 310 818.79
5019	Other salaries	3 208 300.00	1 946 300.00	1 107 800.27
501	Salaries	3 037 902 000.00	3 232 514 000.00	3 184 418 619.06
5021	Other wages and salaries	96 866 000.00	178 317 800.00	161 797 026.53
5023	Remuneration of members of municipal and regional councils	169 340 800.00	165 936 400.00	157 048 645.00
5024	Redundancy payment	8 971 000.00	26 290 200.00	23 893 202.00
5029	Other payments for performed work not included elsewhere	6 359 000.00	6 872 200.00	6 191 603.10
502	Other payments for performed work	281 536 800.00	377 416 600.00	348 930 476.63
5031	Obligatory premium for social security and contribution to state policy of employment	816 169 900.00	875 024 400.00	853 082 550.24
5032	Obligatory premium for public health insurance	297 833 600.00	319 375 500.00	311 157 027.27
5038	Obligatory premium fro accident insurance	15 460 300.00	15 907 800.00	15 183 326.64
5039	Other obligatory premiums paid by the employer	558 700.00	421 100.00	258 365.18
503	Obligatory premium paid by the employer	1 130 022 500.00	1 210 728 800.00	1 179 681 269.33
5041	Remuneration for use of intellectual property	180 000.00	212 600.00	168 400.00
504	Remuneration for use of intellectual property	180 000.00	212 600.00	168 400.00
5051	Wage compensation		301 600.00	301 618.00
505	Wage compensation		301 600.00	301 618.00
50	Expenses on payments, other payments for performed work and premium	4 449 641 300.00	4 821 173 600.00	4 713 500 383.02
5131	Foodstuff	1 292 000.00	864 000.00	739 212.54
5132	Protective devices	1 409 500.00	3 063 200.00	2 825 442.36
5133	Drugs and medical supplies	2 277 800.00	2 599 000.00	2 302 878.02
5134	Underwear, clothes and shoes	33 214 000.00	25 413 000.00	22 598 639.56
5136	Books, learning aids and press	14 378 100.00	15 700 400.00	13 041 833.38
5137	Immaterial fixed tangible assets	137 266 500.00	139 171 400.00	120 280 960.13
5138	Purchase of goods (for the purpose of resale)	1 080 000.00	756 800.00	756 563.00
5139	Purchase of raw material not included elsewhere	176 140 300.00	244 106 300.00	219 577 594.28
513	Purchase of materials	367 058 200.00	431 674 100.00	382 123 123.27
5141	Own interests	808 196 000.00	808 645 100.00	590 304 119.45
5142	Exchange rate differences in expenses	200 095 200.00	200 314 200.00	44 462 366.76
5143	Interest incurred by assumption of others' liabilities	100 000.00	586 100.00	486 104.00
5145	Financial derivatives		1 100 750 000.00	936 825 950.39
5146	Interests costs on financial derivatives	880 606 000.00	880 606 000.00	493 625 423.54
5149	Other interest and other financial expenses	6 203 000.00	9 014 300.00	8 181 927.72
514	Interests and other financial expenses	1 895 200 200.00	2 999 915 700.00	2 073 885 891.86
5151	Cold water	22 638 800.00	23 645 700.00	20 733 237.77
5152	Heat	31 654 700.00	34 237 000.00	31 710 966.58
5153	Gas	43 135 600.00	41 934 300.00	40 187 423.94
5154	Electric energy	140 146 900.00	137 059 700.00	125 047 499.00
5155	Solid fuels	48 000.00	48 000.00	35 440.00
5156	Fuels and lubricants	40 803 700.00	40 655 200.00	38 418 894.39
5157	Hot water	2 265 500.00	2 341 100.00	1 986 640.95
5159	Purchase of other fuels and energy	5 000.00	7 000.00	6 534.00
515	Costs of water, fuels and energy	280 698 200.00	279 928 000.00	258 126 636.63
5161	Post-office services	42 638 800.00	42 421 600.00	37 307 085.18
5162	Services of telecommunications and radiocommunications	132 737 500.00	142 676 700.00	135 101 170.29
5163	Services of banking institutions	80 306 400.00	71 673 100.00	62 628 922.68
5164	Rent	433 473 600.00	435 704 100.00	429 690 006.54
5165	Rent for land	16 640 600.00	25 578 300.00	24 069 790.91

BUDGETARY EXPENSES - CLASSES 5 AND 6

Item	Text	Approved budget	Adjusted budget	Result from the start of the year
a	b	1	2	3
5166	Consultation, advisory and legal services	298 294 600.00	377 475 000.00	253 561 671.20
5167	Training and educating services	47 385 800.00	52 060 400.00	40 591 622.61
5168	Data processing services	54 260 000.00	47 064 000.00	45 188 596.11
5169	Purchase of other services	4 775 674 200.00	5 422 345 314.00	4 980 809 608.27
516	Costs of services	5 881 411 500.00	6 616 998 514.00	6 008 948 473.79
5171	Repairs and maintenance	1 589 286 900.00	1 984 262 100.00	1 783 509 432.96
5172	Programme equipment	50 774 000.00	37 576 200.00	12 490 570.48
5173	Travel costs (domestic as well as abroad)	22 167 800.00	23 708 400.00	19 647 416.11
5175	Treatment	27 950 600.00	38 214 900.00	33 240 724.93
5176	Attendance fees at conferences	642 000.00	1 176 600.00	763 545.66
5177	Purchase of objects of art		15 904 100.00	15 896 070.00
5178	Lease for rent with right of purchase	5 630 800.00	5 655 100.00	5 211 510.27
5179	Other purchases not included elsewhere	476 122 200.00	581 005 000.00	576 885 072.48
517	Costs of other purchases	2 172 574 300.00	2 687 502 400.00	2 447 644 342.89
5189	Other provided advances and guarantees	815 200.00	528 900.00	152 852.65
518	Provided advances, securities, guarantees and government credits	815 200.00	528 900.00	152 852.65
5191	Paid sanctions	20 000.00	6 036 800.00	6 047 759.61
5192	Provided non-investment contributions and reimbursements (part)	175 301 400.00	180 595 386.00	169 227 798.78
5193	Expenses on traffic regional road service	483 843 900.00	708 893 300.00	708 692 608.00
5194	Material donations	23 789 600.00	27 116 200.00	23 020 165.17
5195	Levies for failure to meet the obligation to employ the disabled	1 338 000.00	1 375 500.00	814 620.00
5197	Reimbursements of increased costs connected with discharge of an office abroad	5 911 900.00	5 578 900.00	5 577 991.87
5199	Other expenses related to non-investment purchases	70 000.00		956 896.00
519	Expenses related to non-investment purchases, contributions, reimbursements and material donations	690 274 800.00	929 596 086.00	914 337 839.43
51	Non-investment purchases and related expenses	11 288 032 400.00	13 946 143 700.00	12 085 219 160.52
5212	Non-investment transfers to non-financial business entities - natural persons	5 223 000.00	24 659 200.00	24 337 406.59
5213	Non-investment transfers to non-financial business entities - legal entities	11 069 288 900.00	12 453 883 600.00	12 451 427 208.68
521	Non-investment transfers to business entities	11 074 511 900.00	12 478 542 800.00	12 475 764 615.27
5221	Non-investment transfers to generally beneficial associations	22 582 400.00	366 117 600.00	365 541 247.26
5222	Non-investment transfers to unincorporated associations	104 478 000.00	862 447 500.00	820 196 221.31
5223	Non-investment transfers to churches and religious societies	20 308 000.00	62 002 500.00	62 113 427.88
5225	Non-investment transfers to associations of owners of residential units	3 100 000.00	14 908 500.00	12 808 160.00
5229	Other non-investment transfers to non-profit and similar organizations	857 167 800.00	59 323 600.00	40 624 337.44
522	Non-investment transfers to non-profit and similar associations	1 007 636 200.00	1 364 799 700.00	1 301 283 393.89
5230	Non-investment non-subsidy transfers to business entities	500 000.00	1 880 000.00	1 880 000.00
523	Non-investment non-subsidy transfers to business entities	500 000.00	1 880 000.00	1 880 000.00
5240	Non-investment non-subsidy transfers to non-profit and similar organizations	554 000.00	449 700.00	443 346.00
524	Non-investment non-subsidy transfers to non-profit and similar organizations	554 000.00	449 700.00	443 346.00
52	Non-investment transfers to private entities	12 083 202 100.00	13 845 672 200.00	13 779 371 355.16
5311	Non-investment transfers to the state budget		502 400.00	502 400.00
5319	Other non-investment transfers to other public budgets	20 000.00	180 000.00	179 740.00
531	Non-investment transfers to public budgets at central level	20 000.00	682 400.00	682 140.00
5321	Non-investment transfers to municipalities	68 000.00	5 072 600.00	5 072 078.00

BUDGETARY EXPENSES - CLASSES 5 AND 6

Item	Text	Approved budget	Adjusted budget	Result from the start of the year
a	b	1	2	3
5323	Non-investment transfers to regions		55 400.00	52 138.00
532	Non-investment transfers to public budgets at regional level	68 000.00	5 128 000.00	5 124 216.00
5331	Non-investment contributions to established institutions receiving contributions from the state budget	5 243 304 600.00	6 281 409 000.00	6 255 466 613.47
5332	Non-investment transfers to universities		22 000.00	22 000.00
5333	Non-investment transfers to educational legal entities established by the state, region and municipalities	1 000 000.00	1 611 600.00	799 192.00
5334	Non-investment transfers to public research institutions		6 954 900.00	6 952 276.14
5335	Non-investment transfers to public medical institutions established by the state, region and municipalities	1 000 000.00	30 164 200.00	29 503 399.83
5336	Non-Investment Grants to Established Allowance Organizations	3 546 724 000.00	3 663 860 600.00	3 660 247 695.93
5339	Non-Investment Transfers to Other Allowance Organizations	4 249 102 000.00	4 673 802 900.00	4 673 415 978.68
533	Non-investment transfers to institutions receiving contributions from the state budget and similar organizations	13 041 130 600.00	14 657 825 200.00	14 626 407 156.05
5341	Transfers to own funds of economic (business) activity	3 304 000.00	27 737 400.00	27 511 042.77
5342	Transfers to funds of cultural and social needs and social funds of municipalities and regions	124 046 500.00	128 261 100.00	133 160 668.07
5344	Transfers to own reserve funds of regional budgets	12 688 600.00	1 042 566 600.00	1 413 953 798.33
5345	Transfers to own budget accounts	930 466 300.00	21 407 960 500.00	81 867 359 342.51
5349	Other transfers to own funds	193 677 200.00	296 821 400.00	285 827 351.34
534	Transfers to own funds	1 264 182 600.00	22 903 347 000.00	83 727 812 203.02
5361	Purchase of duty stamps	4 051 500.00	3 401 800.00	2 474 850.00
5362	Payments of taxes and fees to the state budget	2 957 600.00	(50 612 500.00)	(74 224 414.15)
5363	Payments of sanctions to other budgets	49 000.00	23 939 600.00	23 183 457.16
5364	Returned funds to public budgets at the central level of transfers provided in the pas budget periods		15 924 300.00	16 364 129.97
5365	Payments of taxes and fees to regions, municipalities and state funds	69 000.00	90 300.00	73 188.00
536	Other non-investment transfers to other public budgets	7 127 100.00	(7 256 500.00)	(32 128 789.02)
53	Non-investment transfers to public entities and between monetary funds	14 312 528 300.00	37 559 726 100.00	98 327 896 926.05
5424	Wage compensation in the time of sickness	21 078 200.00	20 144 300.00	17 745 503.00
5429	Other compensation payable to the citizens	207 100.00	422 100.00	248 269.00
542	Reimbursements paid to citizens	21 285 300.00	20 566 400.00	17 993 772.00
5491	Scholarships to pupils, students and inceptors	78 000.00	76 000.00	20 000.00
5492	Donations to citizens	29 331 700.00	43 753 310.00	31 615 447.48
5493	Purpose non-investment transfers to natural persons not running business	11 006 000.00	22 779 500.00	22 651 374.00
5494	Non-investment transfers to citizens, which do not have nature of a donation	472 000.00	634 200.00	536 841.00
5499	Other non-investment transfers to citizens	76 362 100.00	88 808 600.00	84 805 399.72
549	Other non-investment transfers to citizens	117 249 800.00	156 051 610.00	139 629 062.20
54	Non-investment transfers to citizens	138 535 100.00	176 618 010.00	157 622 834.20
5511	Non-investment transfers to international organizations	919 600.00	729 600.00	724 787.74
551	Non-investment transfers to international organizations and supranational bodies	919 600.00	729 600.00	724 787.74
5531	Monetary donations abroad		2 371 100.00	1 460 000.00
553	Other non-investment transfers abroad		2 371 100.00	1 460 000.00
55	Non-investment transfers abroad	919 600.00	3 100 700.00	2 184 787.74
5612	Non-investment funds lent to non-financial business entities - natural persons		1 298 000.00	1 298 000.00
5613	Non-investment funds lent to non-financial business entities - legal persons	10 490 000.00	6 727 900.00	2 037 905.00
561	Non-investment funds lent to business entities	10 490 000.00	8 025 900.00	3 335 905.00
5621	Non-investment funds lent to generally beneficial associations		310 000.00	

BUDGETARY EXPENSES - CLASSES 5 AND 6

Item	Text	Approved budget	Adjusted budget	Result from the start of the year
a	b	1	2	3
5622	Non-investment funds lent to unincorporated associations		670 000.00	670 000.00
5624	Non-investment funds lent to associations of owners of residential units		8 368 000.00	8 367 623.90
562	Non-investment funds lent to non-profit and similar associations		9 348 000.00	9 037 623.90
5660	Non-investment funds lent to citizens	2 090 000.00	2 630 000.00	1 746 198.00
566	Non-investment funds lent to citizens	2 090 000.00	2 630 000.00	1 746 198.00
56	Non-investment lent funds	12 580 000.00	20 003 900.00	14 119 726.90
5901	Unspecified reserves	1 065 863 600.00	585 227 990.00	
5902	Other expenses from retained financial settlement		6 303 200.00	6 303 176.03
5909	Other non-investment expenses not included elsewhere	512 275 700.00	37 666 500.00	32 042 104.84
590	Other non-investment expenses	1 578 139 300.00	629 197 690.00	38 345 280.87
59	Other non-investment expenses	1 578 139 300.00	629 197 690.00	38 345 280.87
5	CURRENT EXPENSES (CLASS 5)	43 863 578 100.00	71 001 635 900.00	129 118 260 454.46
6111	Programme equipment	380 275 000.00	206 614 600.00	33 088 750.94
6112	Valuable rights	2 540 100.00	9 853 900.00	552 653.00
6119	Other purchases of fixed intangible assets	63 027 000.00	41 614 300.00	9 572 149.61
611	Acquisition of fixed intangible assets	445 842 100.00	258 082 800.00	43 213 553.55
6121	Buildings, halls and constructions	12 580 117 800.00	11 789 069 800.00	8 115 247 182.76
6122	Machinery, devices and equipment	347 651 000.00	370 624 500.00	302 135 781.44
6123	Means of transport	87 445 000.00	36 806 500.00	21 556 127.00
6124	Orchards and vineyards	3 000 000.00	100 000.00	
6125	Computing technology	53 292 800.00	68 032 200.00	26 601 342.84
6127	Artworks and collections	1 380 000.00	9 233 600.00	1 877 933.60
6129	Purchase of fixed tangible assets not included elsewhere	680 000.00	3 029 200.00	2 732 636.70
612	Acquisition of fixed tangible assets	13 073 566 600.00	12 276 895 800.00	8 470 151 004.34
6130	Land	133 213 900.00	273 467 300.00	185 173 723.00
613	Land	133 213 900.00	273 467 300.00	185 173 723.00
61	Investment purchases and related expenses	13 652 622 600.00	12 808 445 900.00	8 698 538 280.89
6201	Purchase of shares		2 163 526 600.00	18 326 572.00
6202	Purchase of capital participation	40 000 000.00	50 875 000.00	44 875 000.00
620	Purchase of shares and capital participation	40 000 000.00	2 214 401 600.00	63 201 572.00
62	Purchase of shares and capital participation	40 000 000.00	2 214 401 600.00	63 201 572.00
6312	Investment transfers to non-financial business entities - natural persons		1 572 000.00	72 000.00
6313	Investment transfers to non-financial business entities - legal persons	53 000 000.00	3 927 200 700.00	3 927 090 690.94
6319	Other investment transfers to business entities		351 800.00	351 650.00
631	Investment transfers to business entities	53 000 000.00	3 929 124 500.00	3 927 514 340.94
6321	Investment transfers to generally beneficial associations		2 394 100.00	957 603.70
6322	Investment transfers to unincorporated associations	41 400 000.00	72 869 600.00	68 109 864.20
6323	Investment transfers to churches and religious societies		894 700.00	803 904.00
6324	Investment transfers to political parties and movements	3 000 000.00		
6329	Other investment transfers to non-profit and similar organizations	3 462 500.00	2 851 700.00	2 461 700.00
632	Investment transfers to non-profit and similar associations	47 862 500.00	79 010 100.00	72 333 071.90
6339	Other investment transfers to other public budgets		650 000.00	384 102.40
633	Investment transfers to public budgets at central level		650 000.00	384 102.40
6351	Investment transfers to established institutions receiving contributions from the state budget	282 777 500.00	442 982 800.00	371 244 911.47
6354	Investment transfers to public research institutions		194 335 400.00	194 393 710.95
6355	Investment transfers to public health institutions established by the state, region and municipalities		100 000.00	100 000.00

BUDGETARY EXPENSES - CLASSES 5 AND 6

Item	Text	Approved budget	Adjusted budget	Result from the start of the year
a	b	1	2	3
6356	Other investment transfers to established allowance organisations		6 915 100.00	6 915 088.40
6359	Investment transfers to other institutions receiving contributions from the state budget		69 642 400.00	69 436 792.50
635	Investment transfers to institutions receiving contributions from the state budget	282 777 500.00	713 975 700.00	642 090 503.32
6379	Other investment transfers to the citizens		178 400.00	178 262.50
637	Investment transfers to citizens		178 400.00	178 262.50
63	Investment transfers	383 640 000.00	4 722 938 700.00	4 642 500 281.06
6412	Investment funds lent to non-financial business entities - natural persons	3 000 000.00		
6413	Investment funds lent to non-financial business entities - legal persons	143 566 000.00	321 924 100.00	32 408 095.00
641	Investment funds lent too business entities	146 566 000.00	321 924 100.00	32 408 095.00
6424	Investment funds lent to associations of owners of dwelling units	8 000 000.00	2 010 000.00	894 352.00
642	Investment funds lent to non-profit and similar associations	8 000 000.00	2 010 000.00	894 352.00
64	Investment lent funds	154 566 000.00	323 934 100.00	33 302 447.00
6901	Reserves of capital expenses	287 399 800.00	80 892 600.00	
6909	Other capital expenses not included elsewhere		13 489 600.00	
690	Other capital expenses	287 399 800.00	94 382 200.00	
69	Other capital expenses	287 399 800.00	94 382 200.00	
6	CAPITAL EXPENSES (TOTAL FOR CLASS 6)	14 518 228 400.00	20 164 102 500.00	13 437 542 580.95
TOTAL EXPENSES (CLASS 5+6)		58 381 806 500.00	91 165 738 400.00	142 555 803 035.41
BALANCE OF INCOME AND EXPENSES		(10 474 340 700.00)	(7 436 674 500.00)	4 480 903 545.75

FOR INFORMATION PURPOSES - CASH FUNDS

Text	Row	Approved budget	Adjusted budget	Result from the start of the year
		1	2	3
Opening balance	5010			2 180 091 073.12
Total income	5020	188 381 200.00	1 314 166 000.00	1 895 905 317.82
Total expenses	5040	1 128 334 500.00	1 716 810 100.00	1 000 965 524.57
Closing balance (difference in budget)	5060	(939 953 300.00)	(402 644 100.00)	2 804 626 189.65
Change in balance	5070	939 953 300.00	402 644 100.00	(624 535 116.53)
Financing - class 8	5080	882 399 200.00	364 944 000.00	(270 404 676.72)

III. FINANCING - class 8

Name	Item / Row number	Approved budget	Adjusted budget	Result from the start of the year
		1	2	3
Short-term local sources of finance				
Short-term bonds issued (+)	8111			
Paid instalments of short-term bonds issued (-)	8112			
Short-term received loans (+)	8113			
Paid instalments of short-term received borrowed funds (-)	8114			
Revenueisation of short-term funds on bank accounts (+-)	8115	11 285 614 600.00	5 214 416 600.00	
Active short-term operations of liquidity management - receipts (+)	8117	4 000 000.00	20 004 000 000.00	27 968 363 004.55
Active short-term operations of liquidity management - expenses (-)	8118	(4 000 000.00)	(15 004 000 000.00)	(35 924 742 401.62)
Long-term local sources of finance				
Long-term bonds issued (+)	8121			
Paid instalments of long-term bonds issued (-)	8122			
Long-term received funds borrowed (+)	8123		21 781 800.00	20 804 079.03
Paid instalments of long-term received borrowed funds (-)	8124	(16 012 900.00)	(16 012 900.00)	(17 162 428.83)
Revenueisation of long-term funds on bank accounts (+-)	8125			62 301 010.09
Active long-term operations of liquidity management - receipts (+)	8127	19 140 000.00	22 666 500.00	167 248 920.55
Active long-term operations of liquidity management - expenses (-)	8128	(19 212 000.00)	(222 738 500.00)	(577 248 920.01)
Short-term foreign sources of finance				
Short-term bonds issued (+)	8211			
Paid instalments of short-term bonds issued (-)	8212			
Short-term received borrowed funds (+)	8213			
Paid instalments of short-term received borrowed funds (-)	8214			
Revenueisation of short-term funds on bank accounts (+-)	8215			
Active short-term operations of liquidity management - receipts (+)	8217			
Active short-term operations of liquidity management - expenses (-)	8218			
Long-term foreign sources of finance				
Long-term bonds issued (+)	8221			5 045 000 000.00
Paid instalments of long-term bonds issued (-)	8222		(4 288 250 000.00)	(4 273 800 000.00)
Long-term received funds borrowed (+)	8223		2 500 000 000.00	2 500 000 000.00
Paid instalments of long-term received borrowed funds (-)	8224	(795 189 000.00)	(795 189 000.00)	(785 167 829.50)
Revenueisation of long-term funds on bank accounts (+-)	8225			
Active long-term operations of liquidity management - receipts (+)	8227			
Active long-term operations of liquidity management - expenses (-)	8228			

Provisions for cash transaction

Operations from the organization cash accounts not having the nature

III. FINANCING - class 8

Name	Item / Row number	Approved budget	Adjusted budget	Result from the start of the year
text		1	2	3
of receipts and expenses of government segment (+-)	8901			67 592 903.92
Unrealised exchange rate differences on movement in foreign currency accounts	8902			112 622 130.87
Non-transferred sums making up the deficit	8905			
TOTAL FINANCING (class 8)	8000	10 474 340 700.00	7 436 674 500.00	(4 480 903 545.75)

IV. SUMMARY OF INCOMES, EXPENSES, FINANCING AND ITS CONSOLIDATION

Name	Row number	Approved budget	Adjusted budget	Result from the start of the year
text	r	41	42	43
A1 - TAX INCOME	4010	39 031 754 000.00	40 315 034 900.00	42 779 639 459.51
A2 - NON-TAX INCOME	4020	1 036 933 700.00	1 615 451 300.00	2 858 992 151.14
A3 - CAPITAL INCOME	4030	3 861 000.00	34 984 400.00	25 697 386.56
A4 - RECEIVED TRANSFERS	4040	7 834 917 100.00	41 763 593 300.00	101 372 377 583.95
TOTAL INCOME	4050	47 907 465 800.00	83 729 063 900.00	147 036 706 581.16
RECEIPT CONSOLIDATION	4060	1 260 878 600.00	22 875 609 600.00	83 700 301 160.25
of which:				
2223 - Receipts from retained financial settlement between the region and municipalities	4061			
2226 - Receipts from retained financial settlement between municipalities	4062			
2227 - Receipts from retained financial settlement between regional council, municipalities and voluntary associations of municipalities	4063			
2441 - Instalments of funds borrowed from municipalities	4070			
2442 - Instalments of funds borrowed from regions	4080			
2443 - Instalments of funds borrowed from regional councils	4081			
2449 - Other instalments of funds borrowed from public budgets at regional level	4090			
4121 - Non-investment transfers received from municipalities	4100	3 206 000.00	4 913 800.00	5 768 107.34
4122 - Non-investment transfers received from regions	4110		696 300.00	696 330.02
4123 - Non-investment transfers received from regional councils	4111			
4129 - Other non-investment transfers received from budgets at regional level	4120			
* 4133 - Transfers from own reserve funds (other than those of structural units of the state)	4130	833 234 800.00	1 362 613 400.00	716 633 550.86
* 4134 - Transfers from budget accounts	4140	276 998 300.00	21 336 818 100.00	82 859 885 252.95
* 4139 - Other transfers from own funds	4150	150 645 500.00	176 178 100.00	123 782 356.44
4221 - Investment transfers received from municipalities	4170			
4222 - Investment transfers received from regions	4180			
4223 - Investment transfers received from regional councils	4181			
4229 - Other investments transfer received from budgets at regional level	4190			
ZJ 024 - Transfers received from the territory of another district	4191			
ZJ 025 - Instalments of borrowed funds received from the territory of another district	4192			
ZJ 028 - Transfers received from the territory of another district	4193	3 206 000.00	5 610 100.00	6 464 437.36
ZJ 029 - Instalments of borrowed funds received from the territory of another region	4194			
TOTAL INCOME AFTER CONSOLIDATION	4200	46 646 587 200.00	60 853 454 300.00	63 336 405 420.91
A5 - CURRENT EXPENSES	4210	43 863 578 100.00	71 001 635 900.00	129 118 260 454.46
A6 - CAPITAL EXPENSES	4220	14 518 228 400.00	20 164 102 500.00	13 437 542 580.95
TOTAL EXPENSES	4240	58 381 806 500.00	91 165 738 400.00	142 555 803 035.41
CONSOLIDATION OF EXPENSES	4250	1 260 878 600.00	22 875 609 600.00	83 700 301 160.25
of which:				
5321 - Non-investment transfers to municipalities	4260	68 000.00	5 072 600.00	5 072 078.00
5323 - Non-investment transfers to regions	4270		55 400.00	52 138.00
5325 - Non-investment transfers to regional councils	4271			
5329 - Other non-investment transfers to public budgets at regional level	4280			
* 5342 - Transfers to funds of cultural and social needs and social funds of municipalities and regions	4281	124 046 500.00	128 261 100.00	133 160 668.07
* 5344 - Transfers to own reserve funds of regional budgets	4290	12 688 600.00	1 042 566 600.00	1 413 953 798.33
* 5345 - Transfers to own budget accounts	4300	930 466 300.00	21 407 960 500.00	81 867 359 342.51
* 5349 - Other transfers to own funds	4310	193 677 200.00	296 821 400.00	285 827 351.34

IV. SUMMARY OF INCOMES, EXPENSES, FINANCING AND ITS CONSOLIDATION

Name	Row number	Approved budget	Adjusted budget	Result from the start of the year
text	r	41	42	43
5366 - Expenses from retained financial settlements between the region and municipalities	4321			
5367 - Expenses from retained financial settlements between municipalities	4322			
5368 - Expenses from retained financial settlements between the regional council and the regions, munic.and voluntary assoc. of municipalities	4323			
5641 - Non-investment funds lent to municipalities	4330			
5642 - Non-investment funds lent to regions	4340			
5643 - Non-investment funds lent to regional councils	4341			
5649 - Other non-investment funds lent to public budget at regional level	4350			
6341 - Investment transfers to municipalities	4360			
6342 - Investment transfers to regions	4370			
6345 - Investment transfers to regional councils	4371			
6349 - Other investment transfers to public budget at regional level	4380			
6441 - Investment funds lent to municipalities	4400			
6442 - Investment funds lent to regions	4410			
6443 - Investment funds lent to regional councils	4411			
6449 - Other investment funds lent to public budget at regional level	4420			
ZJ 026 - Transfers provided on the territory of another district	4421			
ZJ 027 - Borrowed funds provided to the territory of another district	4422			
ZJ 035 - Transfers provided to the territory of another region	4423	68 000.00	5 128 000.00	5 124 216.00
ZJ 036 - Borrowed funds provided to te territory of another region	4424			
TOTAL EXPENSES AFTER CONSOLIDATION	4430	57 120 927 900.00	68 290 128 800.00	58 855 501 875.16
BALANCE OF INCOME AND EXPENSES AFTER CONSOLIDATION	4440	(10 474 340 700.00)	(7 436 674 500.00)	4 480 903 545.75
CLASS A8 - FINANCING	4450	10 474 340 700.00	7 436 674 500.00	(4 480 903 545.75)
CONSOLIDATION OF FINANCING	4460			
TOTAL FINANCING AFTER CONSOLIDATION	4470	10 474 340 700.00	7 436 674 500.00	(4 480 903 545.75)

Remark: "*" - Items marked with an asterrisk enter consolidation in this specific format of the statement

VI. BANK ACCOUNTS

Name of Bank account	Row number	Opening balance 1.1.	Closing balance for monitored period	Change of balance
text	r	61	62	63
Basic current account of the municipalities	6010	14 797 505 810.48	11 341 811 613.00	3 455 694 197.48
Deposit expenses account	6020	2 180 091 073.12	2 804 626 189.65	(624 535 116.53)
Current account of cash funds	6030	16 977 596 883.60	14 146 437 802.65	2 831 159 080.95
Total current accounts	6040	122 309 899.20	60 008 889.11	62 301 010.09
Bank accounts for OS limits	6050	372 073 491.43	2 049 946 587.18	(1 677 873 095.75)

VII. SELECTED RECORD ITEMS

Name	Row number	Approved budget	Adjusted budget	Result from the start of the year
text	r	71	72	73
ZJ 024 - Transfer received from the territory of another district	7090			
Items:				
2226 - Income from prior years` financial settlement between municipalities	7092			
4121 - Non-investment transfers received from municipalities	7100			
4129 - Other non-investment transfers received from budgets at regional level	7110			
4221 - Investment transfers received from municipalities	7120			
4229 - Other investment transfers received from budgets at regional level	7130			
ZJ 025 - Instalments of borrowed funds received from territory of another district	7140			
Items:				
2441 - Instalments of funds borrowed from municipalities	7150			
2449 - Other instalments of funds borrowed from public budget at regional level	7160			
ZJ 026 - Transfers provided to the territory of another district	7170			
Items:				
5321 - Non-investment transfers to municipalities	7180			
5329 - Other non-investment transfers to public budget at regional level	7190			
5367 - Expenses from retained financial settlement between municipalities	7192			
6341 - Investment transfers to municipalities	7200			
6349 - Other investment transfers to public budget at regional level	7210			
ZJ 027 - Borrowed funds provided to the territory of another district	7220			
Items:				
5641 - Non-investment funds lent to municipalities	7230			
5649 - Other non-investment funds lent to public budget at regional level	7240			
6441 - Investment funds lent to municipalities	7250			
6449 - Other investment funds lent to public budget at regional level	7260			
ZJ 028 - Transfers received from the territory of another region	7290	3 206 000.00	5 610 100.00	6 464 437.36
Items:				
2223 - Receipts from retained financial settlement between the region and municipalities	7291			
2226 - Receipts from retained financial settlement between municipalities	7292			
4121 - Non-investment transfers received from municipalities	7300	3 206 000.00	4 913 800.00	5 768 107.34
4122 - Non-investment transfers received from regions	7310		696 300.00	696 330.02
4129 - Other non-investment transfers received from budgets at regional level	7320			
4221 - Investment transfers received from municipalities	7330			
4222 - Investment transfers received from regions	7340			
4229 - Other investment transfers received from budgets at regional level	7350			
ZJ 029 - Instalments fo borrowed received from the territory of another region	7360			
Items:				
2441 - Instalments of funds borrowed from municipalities	7370			
2442 - Instalments of funds borrowed from regions	7380			
2449 - Other instalments of funds borrowed from public budgets at regional level	7390			

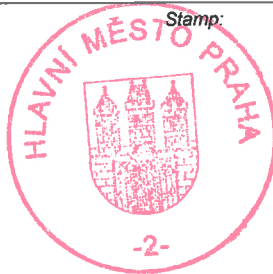
VII. SELECTED RECORD ITEMS

Name	Row number	Approved budget	Adjusted budget	Result from the start of the year
text	r	71	72	73
ZJ 035 - Transfers provided to the territory of another region	7400	68 000.00	5 128 000.00	5 124 216.00
Items:				
5321 - Non-investment transfers to municipalities	7410	68 000.00	5 072 600.00	5 072 078.00
5323 - Non-investment transfers to regions	7420		55 400.00	52 138.00
5329 - Other non-investment transfers to public budgets at regional level	7430			
5366 - Expenses from retained financial settlements between the region and municipalities	7431			
5367 - Expenses from retained financial settlements between municipalities	7432			
6341 - Investment transfers to municipalities	7440			
6342 - Investment transfers to regions	7450			
6349 - Other investment transfers to public budgets at regional level	7460			
ZJ 036 - Borrowed funds provided to the territory of another region	7470			
Items:				
5641 - Non-investment funds lent to municipalities	7480			
5642 - Non-investment funds lent to regions	7490			
5649 - Other non-investment funds lent to public budgets at regional level	7500			
6441 - Investment funds lent to municipalities	7510			
6442 - Investment funds lent to regions	7520			
6449 - Other investment funds lent to public budgets at regional level	7530			

Date mailed:

Stamp:

Signature of the head of the accounting unit:



Ing. Javornicka! *[Signature]*

Date delivered:

Person responsible for the presented figures

budget:

Počtova!

Phone: 236001111

[Signature]

actual:

Melkesova!

Phone: 236001111

[Signature]

Appendix C

Letter from the City according to the requirement arising from Section 7 (1) f) of Act No. 420/2004 Coll.

The City of Prague
THE BOARD OF THE COUNCIL OF THE CITY OF PRAGUE
R E S O L U T I O N

of the Board of the Council of the City of Prague

Number 1296 dated
10 June 2014

*On the Report on the Results of the Examination of Operations of the City of Prague
for the year ended 31 December 2013*

The Board of the Council of the City of Prague

I. Acknowledges

Report on the Results of the Examination of Operations of the City of Prague for the year ended 31 December 2013 which forms Appendix 1 to this Resolution

II. Instructs

1. First Deputy Mayor, Mr Vávra

1. To present the Report on the Results of the Examination of Operations of the City of Prague for the year ended 31 December 2013 to the Council of the City of Prague

Deadline: 19 June 2014

2. The Chief Executive of the Metropolitan Authority

1. To ensure that the findings involving errors and deficiencies arising from the examination of the operations of the City of Prague for 2013 are acted upon and rectified.

Deadline: 30 September 2014

III. Requests

1. The mayors of the Boroughs of the City of Prague,

1. which were noted during the examination of the operations to show both major and minor errors and deficiencies, to undertake remedial measures.

Deadline: 30 September 2014

Tomáš Hudeček
Mayor of the Capital City of Prague

Jiří Vávra
First Deputy Mayor of the Capital City of Prague

Submitted by: First Deputy Mayor of the City of Prague, Mr Vávra
Print: R-14126
To be executed by: First Deputy Mayor, Mr Vávra, Chief Executive of the Metropolitan Authority
To be acknowledged by: Departments of the Metropolitan Authority