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Overview of Bulgaria Chart of Accounts

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Overview of Uniform System of Accounts (USoA)

- **Regulatory Needs for a USoA**
- **Components of USoA**
- **Development**
- **Implementation**
- **Conclusions**



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Regulatory Needs for Adopting a Uniform System of Accounts

Consistency and uniformity in regulatory requirements

- License Applications
- Tariffs
- License Monitoring
- Reporting



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Components of Bulgarian Regulatory Chart of Accounts

Major Account Categories

1. Equity
2. Assets
3. Inventories
4. Liabilities
5. Cash & Cash Equivalents
6. Expenses
7. Income
8. Off-Balance Sheet Accounts



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Components of Bulgarian Regulatory CoA – Major & Sub-categories

Major	Sub	Description
1		EQUITY
	10	Capital
	11	Reserves (Retained Earnings)
	12	Financial Results (Profit and Loss)
	13	Financing (Grants & Subsidies)
	15	Loans Received (Borrowings)
2		ASSETS
	20	Tangible Assets
	21	Intangible Assets
	22	Long-term Investments and Receivables
	23	Long-Term Financial Assets
	24	Depreciation
	25	Provisions
	26	Goodwill
3		INVENTORIES
	30	Materials, Products and Merchandise
	31	Materials Products and Merchandise used in non-regulated activities
4		LIABILITIES
	40	Liabilities A/P to Suppliers
	41	A/R from Customers and Related Parties
	42	Liabilities A/P to the Employees
	44	A/R Accounts Receivables on Claims and Shortages
	45	Liabilities A/P to the Budget, the Social Security Fund and Budgetary Institutions
	49	Other Debtors and Creditors
5		CASH & CASH EQUIVALENTS
	50	Cash
	51	Short-term investments
6		EXPENSES
	60	Expenses by Cost Element
	61	Expenses by Activities
	62	Financial and Other Non-operating Expenses
	69	Extraordinary Expenses
7		INCOME
	70	Revenue from Sales
	72	Financial and other Non-Operating Income
	79	Extraordinary Income
9		OFF-BALANCE SHEET ACCOUNTS
	91	Other Parties' Fixed Tangible and Intangible Assets
	93	Other Parties' Inventories
	94	Contingent (Conditional) Debtors
	95	Contingent (Conditional) Creditors
	96	Own Non-business Assets
	97	Own Non-business Liabilities
	98	Sundry Off-balance sheet Asset Accounts
	99	Sundry Off-balance sheet Liability Accounts



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Components of Bulgarian Regulatory CoA – All Categories (Example)

Fixed Assets

2		ASSETS
	20	Tangible Assets
	1	Land
	3	Buildings & Structures
	4	Plant & Equipment
	5	Vehicles
	6	Tools and Implements
	7	Construction Work in Progress
	8	Assets taken out of Operation
	9	Other Fixed Tangible Assets
	21	Intangible Assets
	1	Incorporation and Expansion Costs
	2	Products of Research and Development/PRD
	3	Patents, Licenses, Trade Marks/PLTM
	4	Software
	5	Industrial Property Rights
	6	Other Fixed Intangible Assets
	9	Other Fixed Intangible Assets used in non-regulated activities
	22	Long-term Investments and Receivables
	1	Long-term Investments in Related Companies
	2	Long-term Investments in Associated Companies and Minority Participation
	3	Securities
	4	Investment in Property
	5	Long-term Loans Granted



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Bulgaria - Development of CoA

- **Planning**
 - Time table
 - Involvement of stakeholders
 - Review of all applicable accounting laws and regulations
 - Design of final CoA structure
 - SEWRC Approval
- **Stakeholder involvement**
 - Public meetings (all stakeholders invited to participate)
 - Training sessions
- **Development of Reporting Forms**
- **Software Development**



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Implementation

- **Preparation of Instruction Manual**
- **Publication of Chart of Accounts & Manual**
- **Training of regulated company personnel**
- **Transition Period**
 - **Regulated companies require time to make necessary changes in accounting systems**
 - **Software development**
 - **Other requirements**



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Conclusions

- **Careful planning required**
- **Conformity to laws and regulations**
- **Stakeholder involvement**
- **Clearly written instruction manuals**
- **Training**
- **Transition period**



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