

Newsletter | Register of Financial Statements

In October 2013, the National Council of the Slovak Republic approved an amendment to the Act on Accounting. The most important provisions are those on the Register of Financial Statements. (www.registeruz.sk).



Introduction

The Register of Financial Statements was introduced by Amendment No. 547/2011 Coll. to the Act on Accounting, effective from 1 January 2012. According to previous legislation, financial statements prepared as of 31 December 2012 were to be filed in the Register of Financial Statements. Amendment No. 440/2012 Coll. to the Act on Accounting postponed the requirement to file financial statements in the Register of Financial Statements by one year, which means that financial statements prepared as of 31 December 2013 or later should be filed in the Register.

The legislation adopted in October 2013 amended the original provisions and introduced new ones regarding the Register of Financial Statements (Register).

The obligation to file financial statements in the Collection of Deeds of the Commercial Register will not cease

to exist for accounting entities from 2014. However, this requirement will be met by filing financial statements in the Register of Financial Statements, which will then ensure that they are filed in the Collection of Deeds of the Commercial Register.

The obligation to publish the balance sheet, the income statement, and information on the auditor's opinion on financial statements in the Commercial Bulletin has ceased to exist.

This Newsletter presents the main provisions of the Act on Accounting concerning the Register of Financial Statements and the obligations imposed on accounting entities with respect to the filing of financial statements and other documents in the Register of Financial Statements.

Composition of the Register of Financial Statements

The Register consists of a public and nonpublic section (Article 23 (6)).

Documents (see below) of the following entities should be filed in the **public section**:

- an accounting entity that prepares its individual financial statements according to the IFRS/EU, except for:
 - * branch of a foreign bank
 - * branch of a foreign administration company
 - * branch of a foreign insurance company
 - * branch of a foreign reinsurance company
 - * branch of a foreign financial institution;
- an accounting entity that prepares its consolidated financial statements according to Article 22 of the Act on Accounting
- a company (obchodná spoločnosť)
- a cooperative

- a state-owned company
- a public administration entity
- another accounting entity where special legislation requires that documents (see below) of these entities should be publicly accessible (reference to the Act on Banks).

The administrator of the Register will make documents included in the public section of the Register available to all persons through the website in electronic form, in the same way as originally filed by an accounting entity, with no fee.

Documents (see below) of the following entities should be filed in the **nonpublic section**:

- sole traders
- churches and religious associations
- civic associations
- interest associations of corporate entities
- associations of owners of apartments and nonresidential premises
- professional chambers
- branch of a foreign bank
- branch of a foreign administration company
- branch of a foreign insurance company
- branch of a foreign reinsurance company
- branch of a foreign financial institution.

The provision of information filed in the nonpublic section of the Register of Financial Statements is not subject to publication according to the Act on Free Access to Information.

Documents will only be made available to:

- the accounting entity that they concern
- the National Bank of Slovakia
- public administration entities for purposes related to their activities.

Documents to be filed in the Register of Financial Statements

The following documents should be filed in the Register (Article 23 (2)):

- ordinary individual financial statements

- extraordinary individual financial statements
- ordinary consolidated financial statements
- extraordinary consolidated financial statements
- summarized financial statements of public administration
- statements of selected data from financial statements according to Articles 17a and 22
- auditors' reports
- individual annual reports
- consolidated annual reports
- annual financial reports according to special legislation (for example, an annual financial report of an issuer of securities according to Article 34 of Act No. 429/2002 Coll. on the Stock Exchange).

Interim financial statements should not be filed in the Register of Financial Statements.

Filing of documents in the Register of Financial Statements

Documents referred to in Article 23 (2) should be filed in electronic form or in written form (Article 23a (1)). Certain documents are required to be filed in electronic form, whereas selected accounting entities may choose to file certain documents in electronic form or in written form.

All accounting entities are **required** to file the following documents in **electronic form**:

- documents referred to in Article 23 (2) (c) to (i):
 - ordinary consolidated financial statements
 - extraordinary consolidated financial statements
 - summarized financial statements of public administration
 - statements of selected data from financial statements according to Articles 17a and 22
 - auditors' reports
 - individual annual reports
 - consolidated annual reports
- documents that an accounting entity decides to file in a foreign language.

Documents referred to in Article 23 (2) (a) and (b) are **required** to be filed in **electronic form** i.e.

- ordinary individual financial statements
- extraordinary individual financial statements
 - of accounting entities that are required to deliver documents by electronic means to the Financial Administration (Article 14 of the Rules of Tax Procedure), VAT payers
 - of accounting entities that proceed according to the IFRS/EU
 - of the Investment Guarantee Fund
 - of the Deposit Protection Fund
 - of health insurance companies.

Other accounting entities may file their

- ordinary individual financial statements
- extraordinary individual financial statements

in electronic form or in written form.

An overview can be found in the Appendix to this Newsletter.

Deadlines for filing documents in the Register of Financial Statements

An overview of deadlines can be found in the Appendix to this Newsletter.

Publication of financial statements, annual reports, and auditor's reports

The previous Article 21, which regulated publication, has been repealed, and a new Article 23d has been added.

According to Article 23d, publication is defined as the filing of financial statements, an annual report, and an auditor's report in the Register of Financial Statements (Articles 23 to 23c).

By delivering documents and notifications (according to Article 23 (2) and Article 23a (4))

- to the tax authority or
- the electronic filing room (operated by the Financial Directorate, Article 23b (3)) or
- via the State Treasury (public administration entities),

an accounting entity is considered to have **fulfilled the requirement** to file and publish documents and notifications.

Publication on the Internet

According to Article 23d (5), accounting entities that prepare their individual financial statements according to the IFRS/EU should publish information on the filing of their individual financial statements in the Register on their website for a minimum of one year.

They should also publish the complete set of their individual financial statements on their website, to the same extent and within the same time limit as filed in the Register, for a minimum of one year.

This requirement does not apply to branches of a foreign bank, branches of a foreign administration company, branches of a foreign insurance company, branches of a foreign reinsurance company, and branches of a foreign financial institution.

Accounting entities that are not required to file documents in the Register of Financial Statements

The requirement to file documents (according to Article 23 (2)) in the Register of Financial Statements does not apply to (Article 23a (2)):

- the Slovak Intelligence Service
- an accounting entity that has not been established or incorporated to carry out business activities, except for a public administration entity, if:
 - * it is not required to file a tax return or
 - * it is not required to have its financial statements audited by an auditor according to special legislation (for example, the Act on Nonprofit

Organizations, the Act on Non-Investment Funds), or

- * if it is not required by special legislation to file documents (for example, the Act on Nonprofit Organizations, the Act on Non-Investment Funds, the Act on Foundations).

Filing in the Collection of Deeds of the Commercial Register

An accounting entity that does not prepare consolidated financial statements, being exempted from this obligation because it is an intermediate parent company within a group (Article 22 (8)), should file the following in the **Collection of Deeds of the Commercial Register**:

- the consolidated financial statements
- the auditor's report
- the consolidated annual report

of the parent accounting entity in whose consolidated financial statements this accounting entity and all its subsidiary accounting entities are included.

The deadline for filing is within one year of the end of the accounting period.

This means that these documents should not be filed in the Register of Financial Statements or with the tax authority, but instead directly in the Collection of Deeds of the Commercial Register (Article 23d (4)).

Effective date of the provisions on the Register of Financial Statements

The provisions concerning the Register of Financial Statements will enter into force on 1 January 2014.

This means that the following will be filed in the Register of Financial Statements:

- financial statements
- annual reports

prepared as of **31 December 2013 or later**.

From 2014, companies will no longer be required to file their financial statements in the Collection of Deeds of the Commercial Register and publish their balance sheets and income statements in the Commercial Bulletin. According to the transitional provisions of Article 39j, if accounting entities file their balance sheets and income statements in the Commercial Bulletin **with delay** after 1 January 2014, where

- the balance sheet and the income statement refer to accounting periods ending on 31 December 2008 at the latest, they should proceed according to the legislation applicable as of 31 December 2013, i.e. according to the previous legislation (the Commercial Bulletin),
- the balance sheet and the income statement refer to accounting periods ending between 1 January 2009 and 31 December 2012, they should proceed according to Article 23b of the Act, i.e. according to the new legislation (the Register of Financial Statements).

Contacts

Richard Farkaš, Partner Audit, Accounting Advisory

+421 (0)2 59 98 41 11
rfarkas@kpmg.sk

Andrea Šikulová, Senior Manager Accounting Advisory

+421 (0)2 59 98 44 12
asikulova@kpmg.sk

KPMG Slovensko spol. s r.o.

Dvořákovo nábrežie 10
811 02 Bratislava
skmarketing@kpmg.sk.

www.kpmg.sk

Appendix to Newsletter

Register of Financial Statements

Documents to be filed in the Register of Financial Statements	Electronic form (Article 23a (2))	Written form (Article 23a (2))	Deadlines for filing
Ordinary and extraordinary individual financial statements	<p>Obligatory:</p> <ul style="list-style-type: none"> accounting entities that are required to deliver documents by electronic means to the Financial Administration (Article 14 of the Rules of Tax Procedure), VAT payers accounting entities that proceed according to the IFRS/EU the Investment Guarantee Fund the Deposit Protection Fund health insurance companies <p>Optional (= it is possible to choose between electronic and written form):</p> <ul style="list-style-type: none"> other accounting entities (Article 23a (2)) 	<p>Optional (= it is possible to choose between electronic and written form):</p> <p>Other accounting entities (Article 23a (2))</p>	<p>Within six months of the balance sheet date, unless special legislation provides otherwise (for example, the Act on Income Tax stipulates three months from the end of the accounting period). (Article 23a (3))</p> <p>If financial statements that have not yet been approved by the general meeting are filed, it should be stated that the unapproved financial statements are filed. A notification on the date of approval of the financial statements should be filed in the Register of Financial Statements subsequently, within five working days from its approval at the latest. (Article 23a (4))</p> <p>If the accounting entity reopens its accounting books according to Article 16 (10) of the Act on Accounting after filing the financial statements in the Register of Financial Statements, it should file the newly approved financial statements in the Register of Financial Statements without undue delay, within five working days from its approval at the latest. (Article 23a (6))</p>
Ordinary and extraordinary consolidated financial statements prepared according to Articles 22 and 22a of the Act on Accounting	✓	✗	<p>Within one year of the end of the accounting period. (Article 23a (3))</p> <p>If the accounting entity reopens its accounting books according to Article 16 (10) of the Act on Accounting after filing the financial statements in the Register of Financial Statements, it should file the new consolidated financial statements in the Register of Financial Statements without undue delay. (Article 23a (6))</p>
Auditor's report (audit according to Articles 19, 22 and 22a of the Act on Accounting)	✓	✗	<p>On an audit of individual financial statements: Within six months of the balance sheet date, along with the financial statements. (Article 23a (3) and (5)).</p> <p>On an audit of consolidated financial statements: within one year of the end of the accounting period, along with the financial statements. (Article 23a (3) and (5))</p>

Appendix to Newsletter

Register of Financial Statements

Documents to be filed in the Register of Financial Statements	Electronic form (Article 23a (2))	Written form (Article 23a (2))	Deadlines for filing
Auditor's report (audit according to Articles 19, 22 and 22a of the Act on Accounting)	✓	✗	If the accounting entity does not have its financial statements audited within this time limit, it should state that it is filing unaudited financial statements. It should file the auditor's report in the Register of Financial Statements subsequently, at the latest within one year of the end of the accounting period for which the financial statements are prepared. (Article 23a (5))
Individual annual report (ordinary and extraordinary)	✓	✗	<p>Within one year of the end of the accounting period for which the annual report is prepared, unless special legislation provides otherwise (for example, the Act on Noninvestment Funds, the Act on Foundations, etc.). (Article 23a (7))</p> <p>If the accounting entity changes the content of the annual report after filing the annual report in the Register of Financial Statements, it should file the new annual report in the Register of Financial Statements without undue delay. (Article 23a (6))</p>
Consolidated annual report (ordinary and extraordinary)	✓	✗	<p>Within one year of the end of the accounting period for which the consolidated annual report is prepared. (Article 23a (7))</p> <p>If the accounting entity changes the content of the annual report after filing the annual report in the Register of Financial Statements, it should file the new annual report in the Register of Financial Statements without undue delay. (Article 23a (7))</p>
Statements of selected data from financial statements according to Articles 17a and 22 of the Act	✓	✗	Deadlines will be stipulated on the basis of relevant provisions.