



INSTITUTE OF CHEMICAL PROCESS FUNDAMENTALS of the CAS, v. v. i.

Internal Directive No. 8 BOOKKEEPING

Inventory of assets and liabilities

This directive is created in accordance with the relevant provisions:

- Act No. 563/1991 Coll., on accounting, as amended,
- Decree No. 504/2002 Coll.
- Czech accounting standards,
- Act No. 280/2009 Coll., Tax Code, as amended.

Article 1 Basic provision

1) This directive defines the basic principles for carrying out inventories at the Institute of Chemical Processes of the Academy of Sciences of the Czech Republic, vvi (hereinafter referred to as the Institute). Specific rules - individual commissions, deadlines and clarification of the procedures listed here will be determined in the Director's Order to carry out inventories.

2) From Act No. 563/1991 Coll. as amended, the following obligations arise for equipment in relation to inventory:

- a) demonstrate the physical condition of assets and liabilities;
- b) demonstrate the reality of the property valuation.

3) The inventory is carried out in the following steps:

- a) the actual condition of the inspected item is ascertained, either by physical or documentary inventory;
- b) inventory lists are compiled (based on the reports of the MAGION property information system module);
- c) the state established according to point (a) is compared with the state in the accounting (point b) or in the analytical records for accounting and the inventory differences are quantified;
- d) the causes are determined, the differences are settled and accounted for in the period that was the subject of the inventory.

Inventory differences

Only cases where:

- a) the actual balance is lower (deficit, or shortfall in cash) than the balance recorded in the accounting,
- b) the actual balance is higher (surplus) than the balance recorded in the accounting.

4) Evidence of the completed inventory is a summary of the inventory lists, which are signed by the sub-inventory commissions (hereinafter referred to as DIK) and the chairman of the HIK, as well as the final inventory report signed by the HIK. The inventories themselves are carried out by DIK.



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Article 2

Inventory of fixed assets

1) Fixed assets (DM) - the inventory is carried out once a year during the 1st quarter. Before starting the physical inventory, the employee responsible for DM records will check whether all the DM kept are listed on the relevant lists according to the names of employees and individual premises of the institute. The DIKs then compare the local and nominal lists with the actual status of DMs in the departments.

2) Operational records (OE) - the small property kept in this record is kept on the same lists as DM; whose completeness is the responsibility of the employee responsible for DM records. The physical inventory of this property is carried out in the same way as the DM inventory (the OE items are kept together with the DM on local lists, so the DIK inventories the DM and OE at the same time during the physical inventory of the property). The inventory is also carried out once a year.

Article 3

Inventory of financial assets

1) Cash register – The physical inventory of cash registers (in koruna and currency) is carried out on December 31 of the calendar year. Inventory lists are archived. After the cash book is closed on December 31 of the calendar year, an inventory of cash is drawn up according to individual types of payment and a comparison of the physical and accounting status of the cash register is made. The deficiency is always prescribed for payment.

2) Bank accounts – a documentary inventory is carried out as of December 31 of the calendar year, during which the final balances of all ÚCHP bank accounts are reconciled with bank statements.

Article 4

Stock inventory

The physical inventory of warehouse stocks is carried out on December 31 of the calendar year. Actual inventory levels are determined by recalculation, remeasurement, and reference, in the units of quantities used in accounting and operational-technical records. Inventory lists are archived.

Article 5

Accounts receivable inventory

- 1) **As part of the receivables inventory as of December 31 of the calendar year, the final balances of the receivables accounts are agreed with a detailed list of invoices and possibly other documents (balances) that make up this balance in the synthetic accounting records.**



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Article 6

Inventory of liabilities and loans

1) As with receivables, the final balances of accounts payable are agreed with a list of invoices and other documents.

Article 7

Inventory of temporary accounts of assets and liabilities

1) As of December 31 of the calendar year, an inventory is carried out for these accounts - a list of individual items making up the final balances of these accounts. Accounts 381+383+384+385 are checked for correct accruals. For account 388 - if the given situation arises (the basis for the accounting case) - the correctness of the valuation of the given asset is checked. The procedure is similar for account 389.

Article 8

Inventory of reserves

1) It is carried out as of 31.12. of the respective year. For reserves, DIK verifies the legitimacy of creation according to individual reserves.

Article 9

Final Provisions

- 1) This directive supersedes all previous versions of related internal regulations.
- 2) The Chief Accountant is responsible for updates.
- 3) Compliance with this directive is checked by the head of the technical and economic administration.
- 4) This **directive enters into force on January 1, 2023** .

In Prague, June 1, 2023
Item no. UCHP-108/POD-2023

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