



Ministry of Finance Kyrgyz Republic

**Budget Classification and Chart of Accounts
of Kyrgyz Republic**

3

Budget classification of Kyrgyz Republic

Developed according to PFS 2001

I

Classification of income

II

Economic classification of expenditures

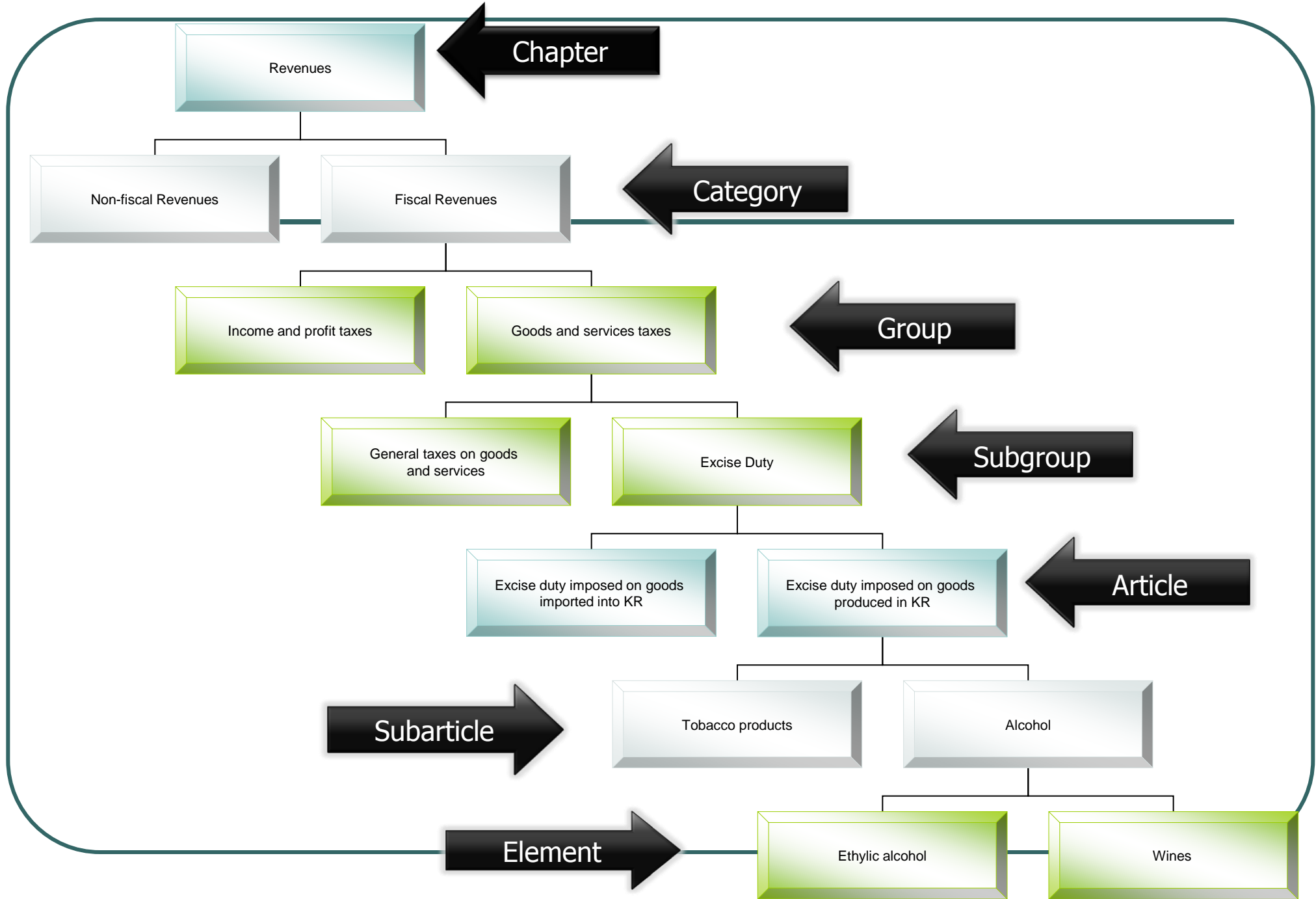
III

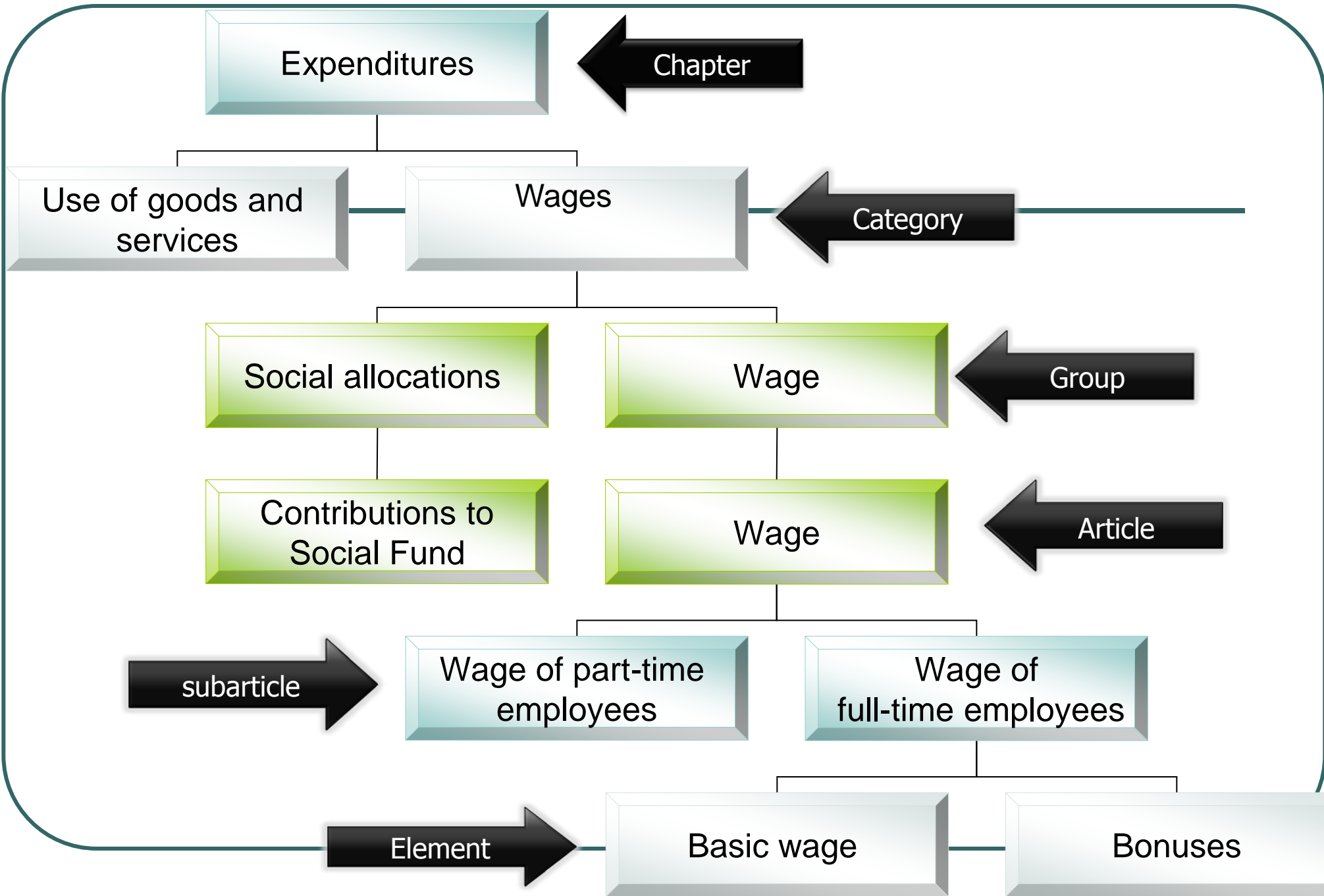
Classification of transactions with assets and liabilities

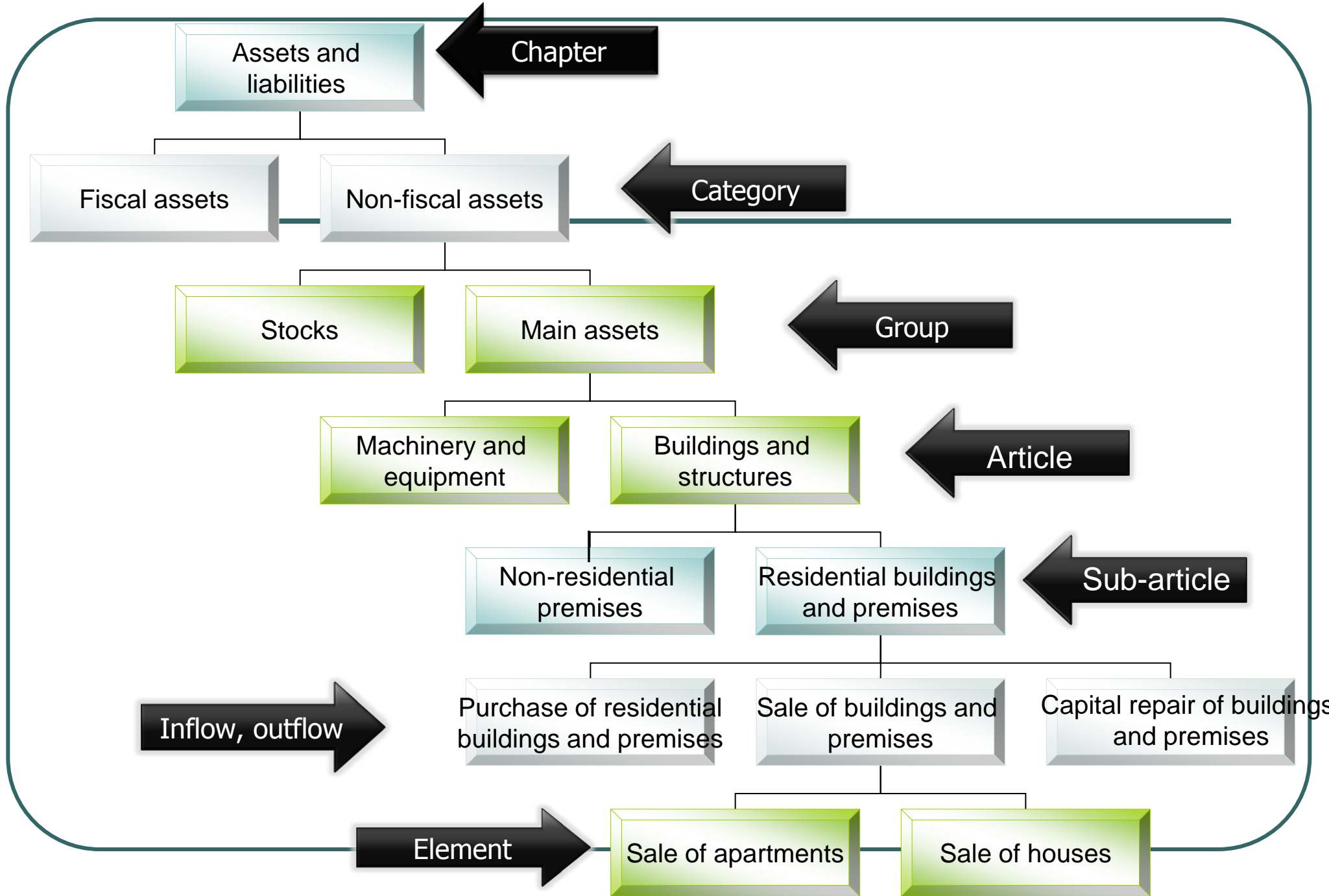
VII

Classification of functions of public administration institutions

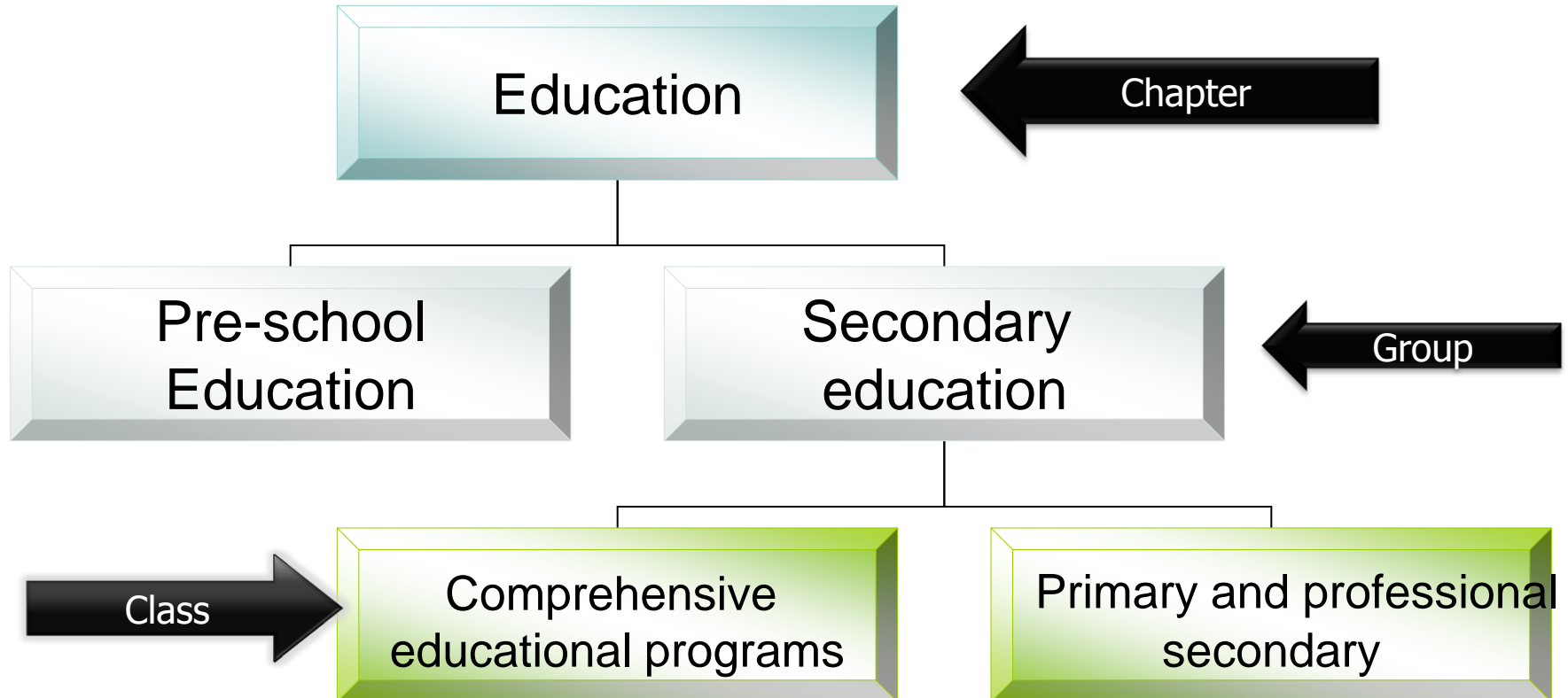
Institutional classification







Functional classification of public administration agencies



Institutional Classification

KR Ministry of Finance

Main budget institution

Line institutions

Board Territorial

Subordinate institution

Subdivision

MoF Board of KR

Oblast' and Rayon entities

Chart of Accounts

Budget
Classification



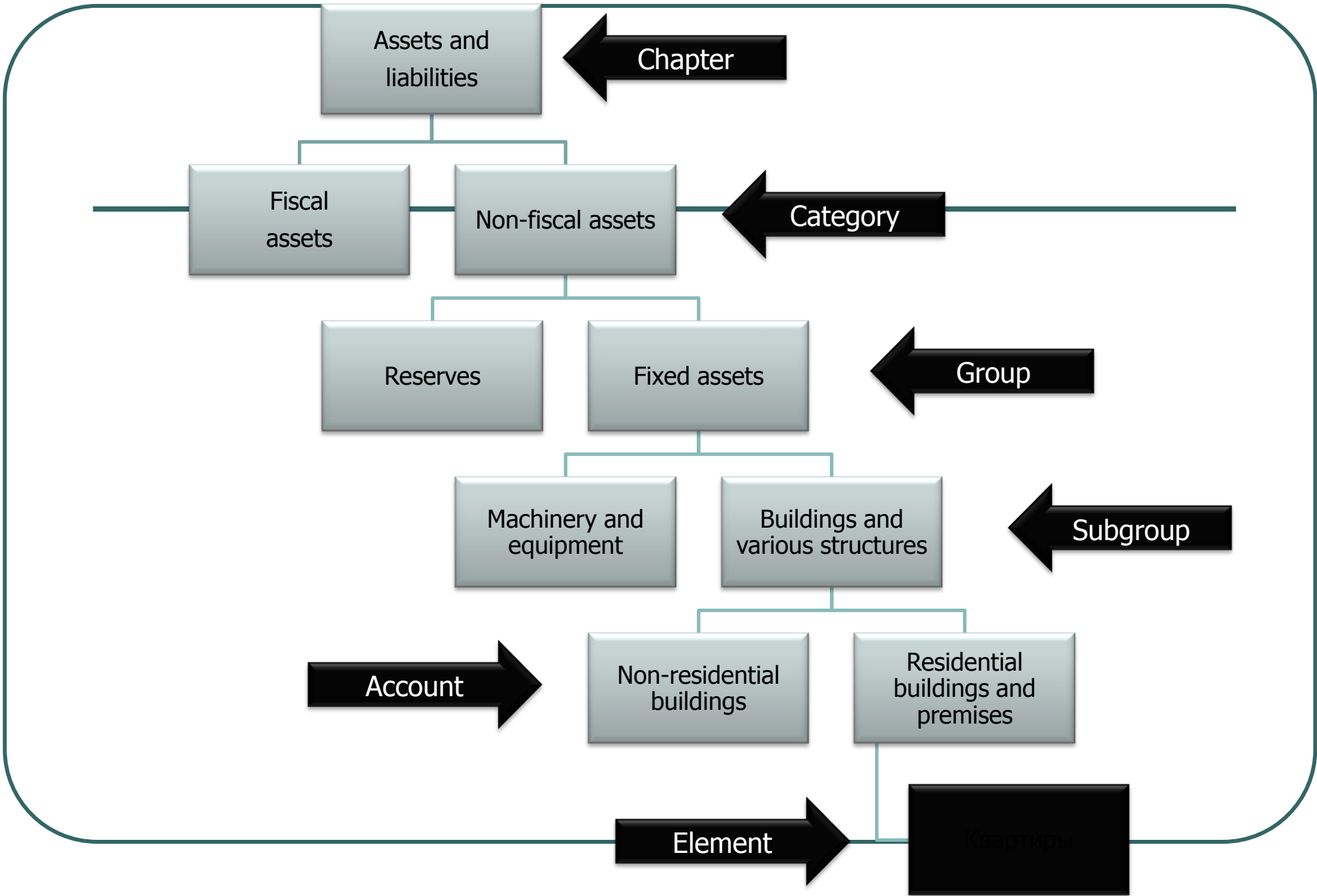
Allowance and
additional
accounts



Chart of
Accounts

Chart of Accounts Structure





Revenues: Chapter 1

Summing up of revenues and expenditures at the end of each reporting period

Recognition of revenues (by cash or accrual method)

Expenditures: Chapter 2

Recognition of expenditures (by cash or accrual method)

Summing up of revenues and expenditures at the end of each reporting period

Net assets: Chapter 4

Decrease in net assets

Increase in net assets

Assets: Categories 31 and 32

Increase in assets when they meet recognition criteria

Decrease in assets when they do not longer meet recognition criteria

Liabilities: Category 33

Decrease in liabilities when they do not longer meet recognition criteria

Increase in liabilities when they meet recognition criteria

History of reforms in BC and CA

Public finance management reform Action Plan in Kyrgyz Republic of 29 June 2006 Order no. 337:

- Develop new budget classification as per PFS 2001 principles;
- Build a new Chart of Accounts as per international standards.

Implementation deadlines :

- Budget classification – 2007;
- Chart of accounts – 2009.

Lessons and failures:

- The Budget Classification was implemented without a prior pilot project and training, leading to necessity of frequent changes and additions to the BC.
- The Chart of Accounts was implemented after a pilot project had run in 2 ministries and after a series of trainings had been conducted in 2008.

Perspectives for development of BC and CA

- Development of a uniform Chart of Accounts for accounting of public finance;
- Implementation of a uniform system of accounting;
- Development of accounting policy with regard to cash and accrual method;
- Development of financial reporting in compliance with IFRS OS.

**THANK YOU FOR
ATTENTION!!!**