

FEDERAL TREASURY (Treasury of Russia)

**Interconnection between
budget accounting chart of
accounts and budget
classification – experience
of the Russian Federation.**



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Objectives and tasks of the chart of accounts and budget classification of the Russian Federation

Objective:

To ensure provision of full and accurate information to all interested persons about availability and changes of the RF general government assets and liabilities.

Main tasks:

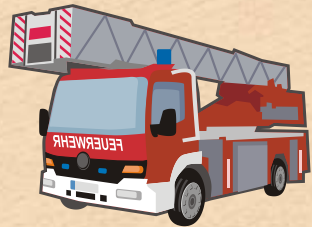
Accounts— maintenance information about flows (turnover of accounts) and stocks (balances on accounts) of the RF general government assets and liabilities.

Budget classification— identification of assets and liabilities flows by various characteristic features.



Objectives and tasks of the chart of accounts and budget classification of the Russian Federation

Stocks



What was there?

How much?

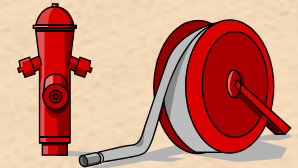
Flows

What transactions were carried out?

From what funds?

How much funds has been used?

Stocks



What is there?

How much?





General Government of the Russian Federation – accounting entities

Central Government

Federal Public Management Bodies

Social Security Funds:

- Pension Fund
- Social Insurance Fund
- Compulsory Health Insurance Fund
- Territorial Funds of Compulsory Health Insurance

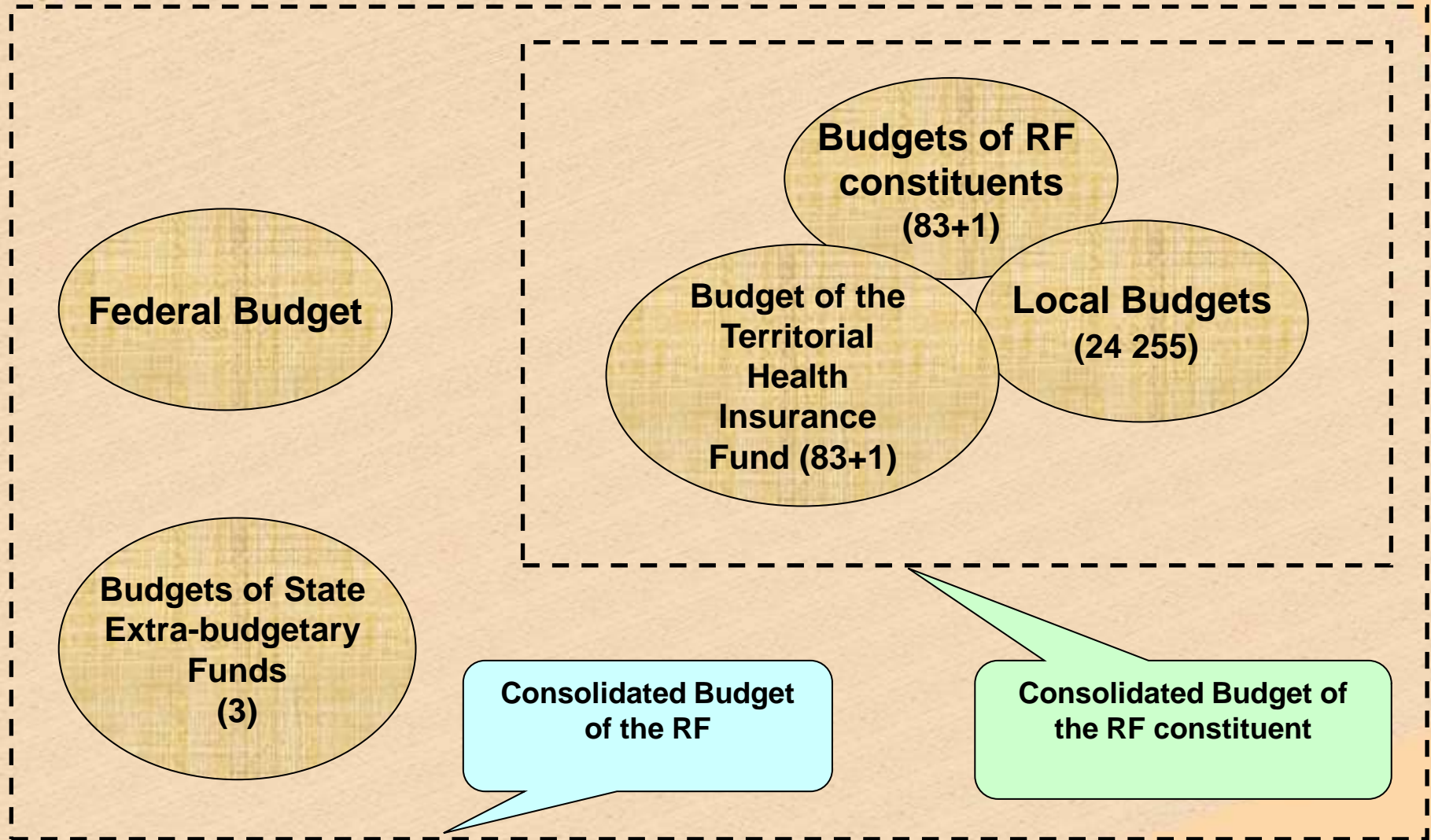
Regional Public Management Bodies

Local Public Management Bodies

General Government Scope ~ 350 000 institutions.



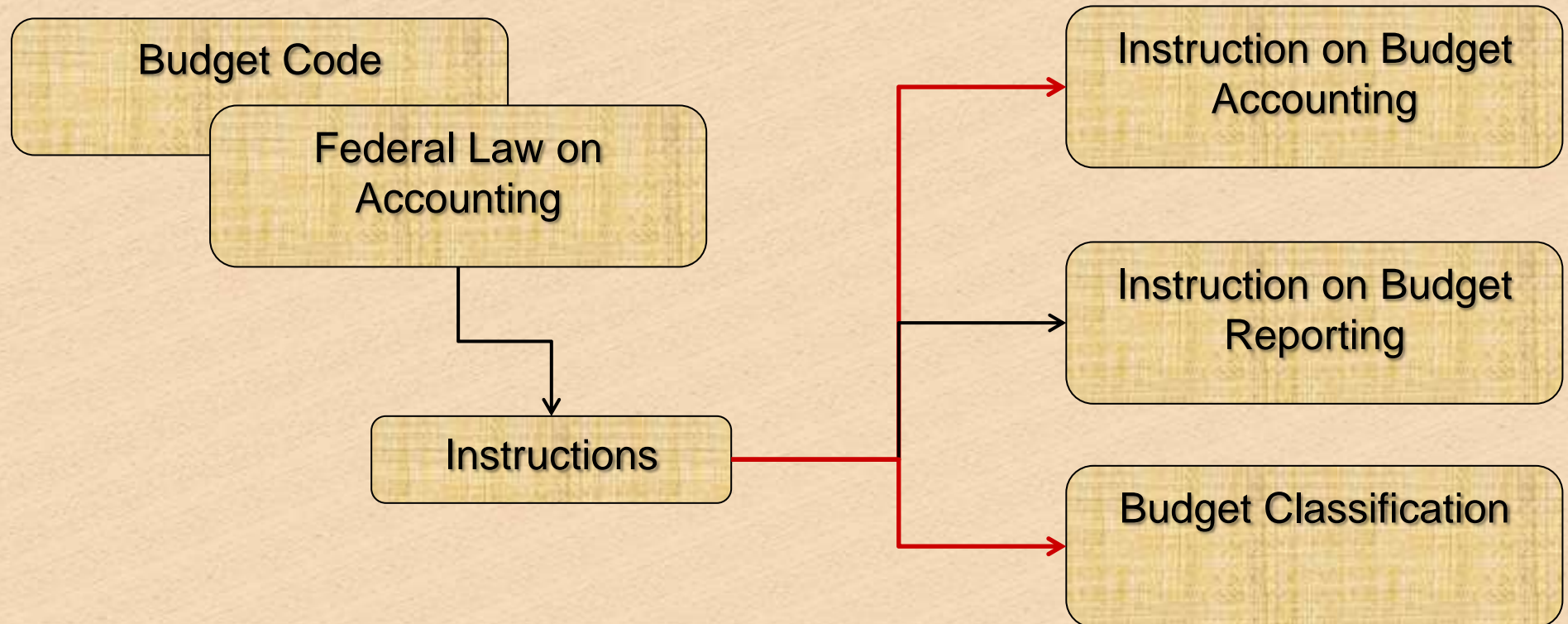
General Government of the Russian Federation – accounting entities



General Government Scope ~ 24 400 budgets.



Regulation





Structure:

- ❑ General Requirements to budget accounting;
- ❑ Chart of accounts of budget accounting;
- ❑ Procedure for application of budget accounting chart of accounts.



Structure of accounting entities:

- Non-financial Assets;
 - Financial Assets;
 - Liabilities;
 - Financial Result.
- + Off-balance accounting entities.



Instruction on Budget Accounting– Chart of Accounts

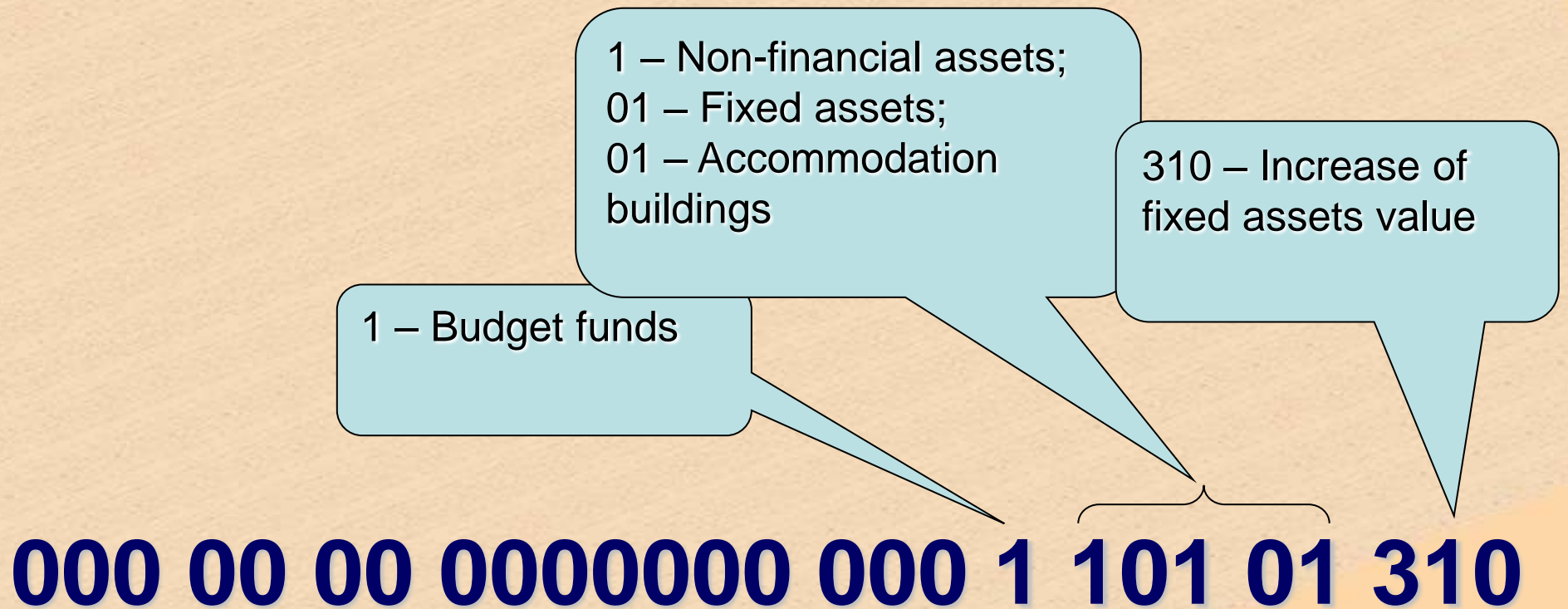
Structure of budget accounting account:

| Budget Classification | Activity Code | Synthetic Account Code | Analytical Account Code | Classification of general government transactions |
|-----------------------|---------------|------------------------|-------------------------|---|
| 1-17 | 18 | 19-21 | 22-23 | 24-26 |



Instruction on Budget Accounting– Chart of Accounts

Account structure of budget accounting:





Structure:

- General Provisions;
- Classification of Budget Revenues;
- Classification of Budget Expenditures;
- Classification of budget deficit financing sources.



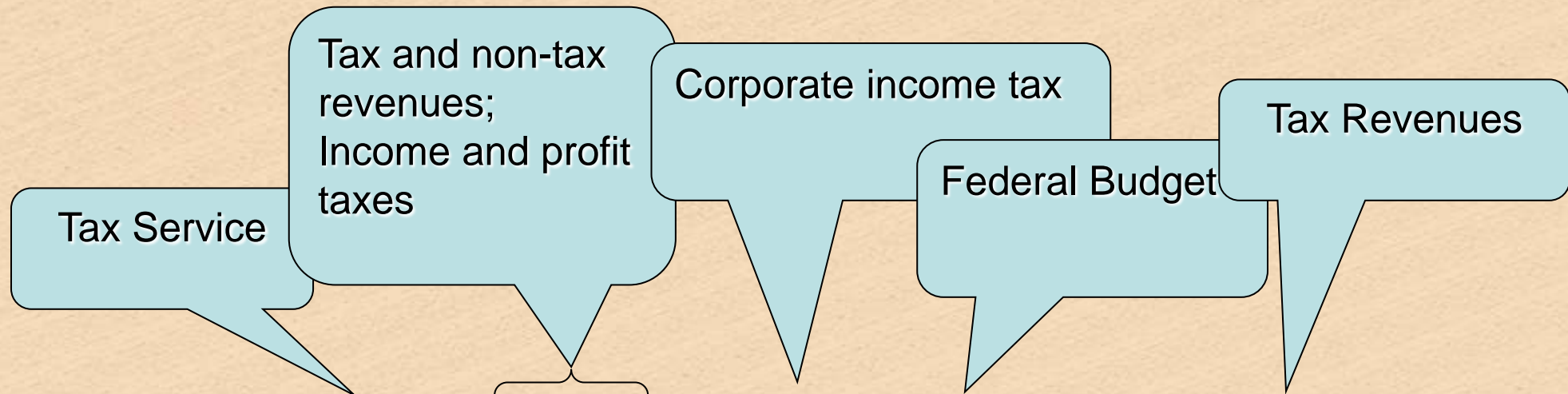
Budget Classification - Revenues

Revenues classification structure:

| Administrator | | | Group | Subgroup | | Article | | Sub-article | | | Budget Element | | Sub-type | | | | Classification of general government transactions | | |
|---------------|---|---|-------|----------|---|---------|---|-------------|----|----|----------------|----|----------|----|----|----|---|----|----|
| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | 12 | 13 | 14 | 15 | 16 | 17 | 18 | 19 | 20 |
| - | | | + | | | | | | | | | - | | | | + | | | |



Revenues Classification Structure:



182 1 01 01011 01 0000 110

**“Corporate Income Tax entered to the
Federal Budget”**

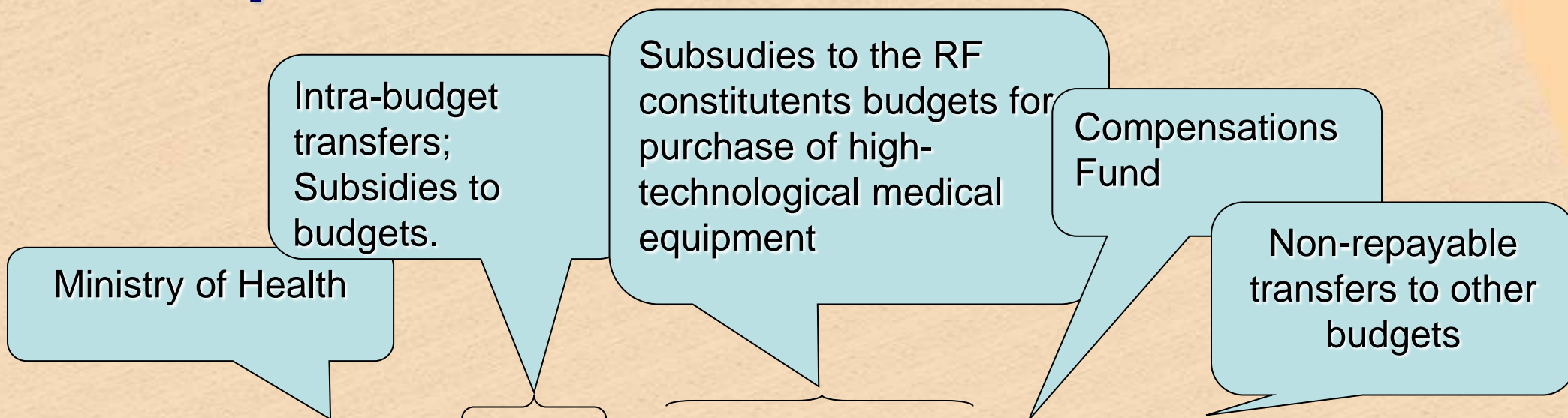


Expenditures Classification Structure:

| Main Administrator of Budget Funds | | | Section | | Sub-section | | Purpose expenditure item | | | | | | | Type of expenditures | | | Classification of general government transactions | | |
|------------------------------------|---|---|---------|---|-------------|---|--------------------------|---|----|----|----|----|----|----------------------|----|----|---|----|----|
| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | 12 | 13 | 14 | 15 | 16 | 17 | 18 | 19 | 20 |
| - | | | + | | | | - | | | | | | | + | | | | | |



Expenditure classification structure:



055 11 02 100 01 01 009 251

“Intra-budget Transfers”

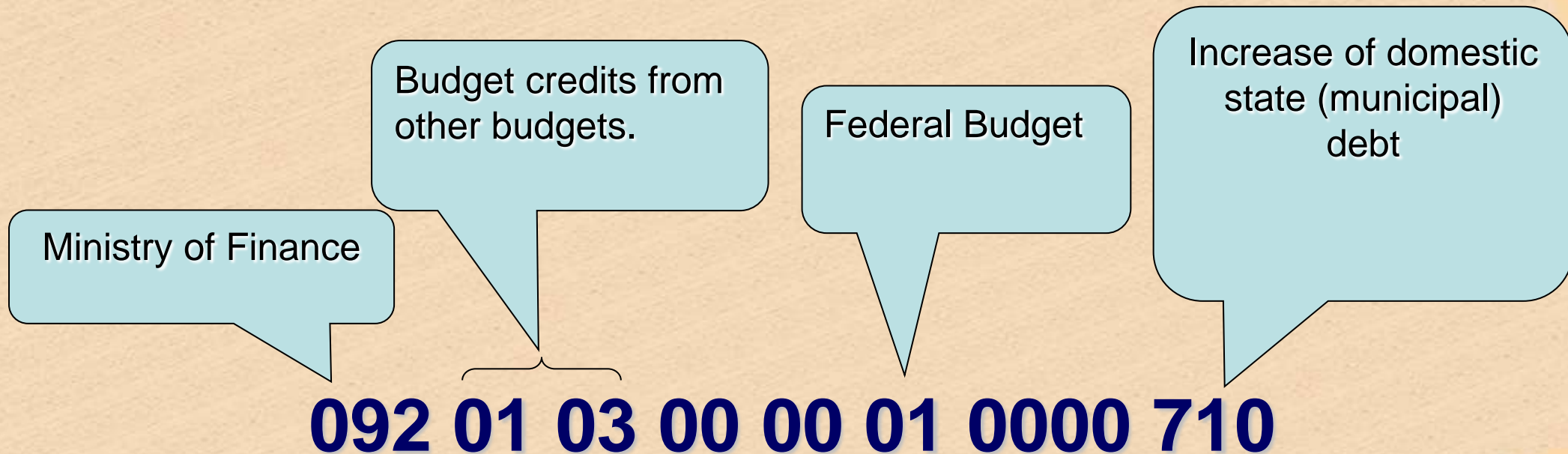


Financing Sources Classification Structure:

| Administrator | | | Group | | Subgroup | | Article | | Sub-article | | Budget Element | | Sub-type | | | | Classification of general government transactions | | |
|---------------|---|---|-------|---|----------|---|---------|---|-------------|----|----------------|----|----------|----|----|----|---|----|----|
| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | 12 | 13 | 14 | 15 | 16 | 17 | 18 | 19 | 20 |
| - | | | + | | + | | - | | - | | + | | - | | | | + | | |



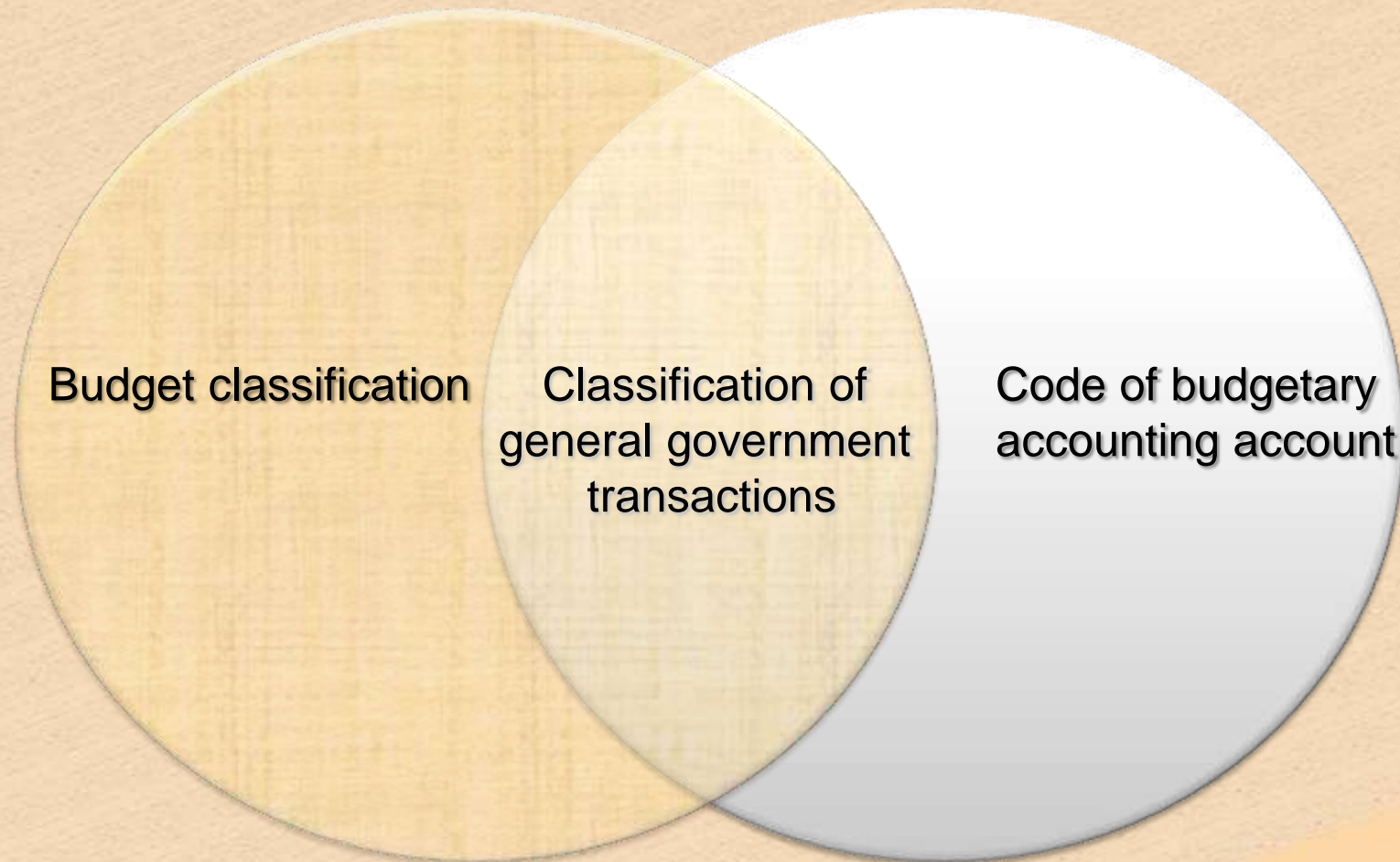
Financing Sources Classification Structure :



“Credits in the RF currency received by the federal budget of the Russian Federation from other budgets of the budget system of the Russian Federation”



Integration of budgetary accounting and budget classification accounts





Classification of General Government Transactions

- 100 Revenues**
- 110 Tax revenues**
- 120 Property income**
- 130 Revenues from remunerated services**
- 140 Seized funds**
- 150 Non-repayable receipts from budgets**
- 151 Receipts from other budgets of the RF budgetary system**
- 152 Receipts from supranational organizations and governments of foreign states**
- 153 Receipts from international financial organizations**
- 160 Social contributions**
- 170 Income from operations with assets**
- 171 Income from revaluation of assets**
- 172 Proceeds from assets sale**
- 173 Extraordinary income from operations with assets**
- 180 Other revenues**



Classification of General Government Transactions

200 Expenditures

210 Remuneration of labor and charges on remuneration payment

211 Payroll

212 Other payments

213 Charges on remuneration payment

220 Payment of work and services

221 Communication services

222 Transportation services

223 Utility services

224 Rent payment for property utilization

225 Works and services on property maintenance

226 Other works and services

230 State (municipal) debt servicing

231 Domestic debt servicing

232 External debt servicing

240 Non-repayable transfers to organisations



Classification of General Government Transactions

- 241 Non-repayable transfers to state and municipal organizations**
- 242 Non-repayable transfers to organizations, except for state and municipal organizations**
- 250 Non-repayable transfers to the budgets**
- 251 Transfers to other budgets of the RF budgetary system**
- 252 Transfers to supranational organizations and governments of foreign states**
- 253 Transfers to international organizations**
- 260 Social security**
- 261 Social and health insurance pensions, benefits and allowances**
- 262 Social assistance allowances**
- 263 General Government pensions and benefits**
- 270 Expenditures on transactions with assets**
- 271 Depreciation of fixed assets and intangible assets**
- 272 Drawing from the stocks**
- 273 Extraordinary expenditures on transactions with assets**
- 290 Other expenditures**



Classification of General Government Transactions

- 300** **Receipt of non-financial assets**
- 310** **Increase of fixed assets value**
- 320** **Increase of intangible assets value**
- 330** **Increase of non-producing assets value**
- 340** **Increase of material stocks value**
- 400** **Nonfinancial assets retirement**
- 410** **Reduction of fixed assets value**
- 420** **Reduction of intangible assets value**
- 430** **Reduction of non-producing assets value**
- 440** **Reduction of material stocks value**
- 500** **Receipt of financial assets**
- 510** **Receipts to budget accounts**
- 520** **Increase of securities value, except for shares and other forms of participation in capital**
- 530** **Increase of value of shares and other forms of participation in capital**
- 540** **Increase of budget credits debt**
- 550** **Increase of value of other financial assets**
- 560** **Increase of other receivables**



Classification of General Government Transactions

- 600 Retirement of financial assets**
- 610 Disposal from the budget accounts**
- 620 Reduction of value of securities, except for shares and other forms of participation in capital**
- 630 Reduction of value of shares and other forms of participation in capital**
- 640 Reduction of debt under loans and credits**
- 650 Reduction of value of other financial assets**
- 660 Reduction of other receivables**
- 700 Increase of liabilities**
- 710 Increase of debt under domestic state (municipal) debt**
- 720 Increase of debt under external state debt**
- 730 Increase of other payables**
- 800 Reduction of liabilities**
- 810 Reduction of debt under domestic state (municipal) debt**
- 820 Reduction of debt under external state debt**
- 830 Reduction of other payables**



Integration of budgetary accounting and budget classification accounts

Corporate income tax accrued:

| | | | |
|---------------------------|--------------|---|--------------|
| ДТ 182 1 01 01011 01 0000 | 1 205 01 560 | - | } 1000 units |
| КТ 182 1 01 01011 01 0000 | 1 401 01 110 | | |

Receipt of corporate income tax:

| | | | |
|---------------------------|--------------|---|-------------|
| ДТ 182 1 01 01011 01 0000 | 1 210 02 110 | - | } 800 units |
| КТ 182 1 01 01011 01 0000 | 1 205 01 660 | | |



Integration of budgetary accounting and budget classification accounts

Cash funds:

182 1 01 01011 01 0000 1 210 02 000

800 units

Tax receivables:

182 1 01 01011 01 0000 1 205 01 000

200 units



Integration of budgetary accounting and budget classification accounts


Transaction  reporting:

Report on
budget
execution

| | |
|---|--------------|
| Budget revenues | Executed |
| Corporate income tax entered to the federal budget 182 1 01 01011 01 0000 110 | 800 |
| Sources of budget deficit financing | Executed |
| Increase of balances on the budget accounts 182 01 05 02 00 00 0000 510 | - 800 |



Integration of budgetary accounting and budget classification accounts


Transaction  reporting:

P & L Statement

| <i>Revenues</i> | <i>Executed</i> |
|---|-----------------|
| Tax revenues (CGGT 110) | 1000 |
| <i>Transactions with financial assets</i> | 1000 |
| Increase of receivables (CGGT 560) | 1000 |
| Reduction of receivables (CGGT 660) | 800 |
| Increase of balances (CGGT 510) | 800 |



Integration of budgetary accounting and budget classification accounts

Transaction  reporting:

Balance sheet

| Name | As of beginning of the year | At the end of the reporting period |
|--|-----------------------------|------------------------------------|
| Receivables (account 1 205 00 000) | - | 200 |
| Cash funds (account 1 210 00 000) | - | 800 |
| Financial result of past reporting periods (account 1 401 03 000) | - | 1000 |



Integration of budgetary accounting and budget classification accounts

Advantages:

Ensuring transparency of budget funds utilization and results of the general government sector activity with high level of data specification;

Ensuring interrelations between cash transactions and their results.

FEDERAL TREASURY



*Thank you for
attention!*