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EDITORIAL



Dear Readers,
I would like to wish you good health at the end of the year. The combination of "health" and this year's pandemic has prompted all of us to think even more deeply about our priorities in life. This year has given rise to many new situations not only in business, but also in our personal lives. I would be incredibly pleased if you could say at the Christmas table that you have successfully met the challenges that 2020 has thrown at us. Your business is more resilient to crises, digitalisation has taken you one step

further, and especially in your families, you feel far greater cohesion and love of neighbour, perhaps because you have paid more attention to understanding others, are more patient, more willing to help, and more dedicated. In conclusion, allow me on behalf of the entire BDO team to thank you for your cooperation so far and to wish you good health, good luck and success in the coming year.

Zenon Folwarczny
Partner

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- ▶ 6 offices in the Czech Republic



MAJOR TAX AND ACCOUNTING CHANGES EFFECTIVE FROM 2021

In the following article, we present an overview of the most important tax changes for 2021. We are preparing this article at a time when some provisions of the so-called tax package are still in the legislative process (specifically, the amendment to the Income Tax Act with changes proposed by the Senate was returned to the Chamber of Deputies on 10 December 2020) and the final wording can be different.

Personal income tax

Changes in the approval process:

- ▶ Abolition of super-gross wages and solidarity tax (concerns only dependent activities and self-employed persons).
- ▶ Introduction of two tax rates for all income declared in the tax return, with the exception of capital income from abroad (e.g. dividends or interest from abroad). The current proposal includes a rate of 15% up to the limit of 48 times the average wage (CZK 1,701,168 in 2021) and 23% above this limit.
- ▶ Gradual increase of the basic discount per taxpayer in the next two years.

Changes already approved:

- ▶ Extension of the time test for the exemption of income from the sale of real estate from 5 to 10 years, for real estate acquired after 31 December 2020.
- ▶ Reduction of the annual limit of deductible interest on mortgages from CZK 300,000 to CZK 150,000 applies to the financing of housing procured after 31 December 2020.
- ▶ Flat-rate tax for self-employed persons with income up to CZK 1,000,000; notification of the application of the scheme must be submitted by 10 January 2021.

Corporate income tax

Changes in the approval process:

- ▶ The meal voucher package or the company's ability to provide its employees with a cash meal allowance in addition to a paper meal voucher.
- ▶ Change in the periodicity of submitting the form for notification of exempt income flowing abroad according to Section 38da of the Income Tax Act, once a year (until the end of January of the following year), and change in the limit for the obligation to report such exempt income from the current CZK 100,000 to CZK 300,000 per calendar month.
- ▶ Abolition of the obligation to tax amortisation of intangible assets (long-term intangible assets will be charged directly to expenses).
- ▶ Increasing the limit for including the investment among tangible assets for the purposes of ITA and technical improvement to CZK 80,000.
- ▶ Shortening the depreciation period, i.e. the introduction of extraordinary depreciation for tangible assets included in the 1st and 2nd depreciation groups and acquired in the period from 1 January 2020 to 31 December 2021.

Bookkeeping

- ▶ As part of the proposed amendment to the Accounting Act, it will be possible to fulfil the obligation to publish financial statements through the income tax administrator. As soon as the income tax return is filed in electronic form, accompanied by the financial statements, the tax administrator will submit the financial statements to the required extent to the Commercial Court. The tax administrator is obliged to submit the financial statements

to the Commercial Court in electronic form without undue delay. The obligation to publish financial statements will be fulfilled at the time of submission to the relevant income tax administrator. Communication between public administration systems is being streamlined and the current two operations (filing an income tax return with the tax administrator and sending the financial statements to the Commercial Court) will be replaced by one submission.

VAT

In the area of VAT, the year 2021 will be marked mainly by the following changes:

- ▶ With effect from 1 January 2021, the possibility of taxing the rent of residential premises (e.g. family houses, flats) will be abolished. The landlords of these properties may have problems with deduction entitlements and may also have to reimburse certain VAT applied in the past to the state. Read more in a special post [here](#).
- ▶ With effect from 1 July 2021, the European package in relation to e-commerce will enter into force. There will be new regimes for sending goods to final consumers in the EU. The current Mini-One-Stop-Shop will be expanded and a One-Stop-Shop will be created, which will enable VAT to be declared for the shipment of goods to the EU only in the Czech Republic, i.e. without the need to register in another Member State. In addition to the abolition of the VAT exemption for imports of small consignments (up to EUR 22), new arrangements will be created for the import of small consignments up to EUR 150.

Tax regulations

An extensive amendment to the Tax Code came into force on 1 January 2021. The most important points that the amendment brings include:

- ▶ Introduction of the MY Tax portal, electronic tax administration
 - The intention is to digitise, modernise and facilitate communication with tax administrators. In this context, the use and functionality of the tax information box is also expanding.
 - If tax subjects file income tax returns electronically, the deadline for filing them is extended by one month to four months after the end of the tax period. This extension can already be used for returns submitted for 2020.
- ▶ Revision of the sanction system
 - There is a reduction and unification of the amount of interest incurred by tax subjects, which should also be paid by the tax administrator, by about half compared to the current situation at the CNB repo rate of + 8 percentage points.
 - The interest on the tax deduction for late over-deduction by the tax administrator to the tax subject will be halved (CNB repo rate + 4 percentage points).
 - The tolerance period for late payment of tax is reduced from four business days to three calendar days, while interest up to CZK 1,000 is not prescribed. The tolerance period for late submission of a tax return remains five business days and the fine will not be prescribed unless it reaches CZK 1,000,
 - The possibility of requesting a waiver of a fine for late submission of a tax return has been newly introduced.
- ▶ Change of control procedures
 - The system of personal discussion of the commencement and termination of a tax audit is changing. The tax administrator can now perform the process of commencing and terminating a tax audit electronically, e.g. by delivering it to the tax entity's data box.
 - The tax administrator may at any time switch from the procedure for removing doubts to a tax audit.

- ▶ Advance payment for excessive deduction
 - The institute of an advance payment for excessive deduction has been introduced, which enables the partial payment of the claimed tax deduction if the amount of the advance reaches at least CZK 50,000. The tax administrator will therefore withhold and verify only the part of the deduction that it will have doubts about.
 - The tax administrator will prescribe the advance without undue delay if the conditions for the advance are met and will return the advance within 15 days from the date of its prescription.
- ▶ Other changes
 - Other changes include, for example, the obligation of the tax administration to set tax forms as a decree or the possibility for natural persons to request the assignment of their own identifier to the main part of the tax identification number (so far it has been a birth registration number).

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PERFORMING PHYSICAL INVENTORIES IN THE CORONAVIRUS ERA

The COVID-19 pandemic does not limit us only in our personal lives but can also cause complications when performing work tasks.

For most companies, the end of the year is associated with the performance of a physical inventory of fixed assets and inventories. Unfortunately, the present period is not an exceptional situation in which the planned deadline for carrying out the inventory cannot be met. Usually, this consists of an unexpected quarantine of the entire workplace or individual employees who are to participate in the inventory.

In this article, I would like to point out some ways to deal with the situation.

It should be emphasised at the outset that Act No. 563/1991 Coll., on Accounting, which in paragraph 30 describes the whole process of carrying out inventories, has not been amended in connection with the pandemic and the obligation for entities to make physical inventories of assets whose existence can be visually ascertained persists.

As the number of people infected slowly decreases, we can hope that the situation will settle down and restrictions on the movement of people will decrease. Therefore, for some companies it might be worthwhile to apply at least for the current accounting period the variant specified in Section 30 (6) (b) of the Account Act, according to which it is possible to close the inventory no later than two months after the balance sheet date. For companies with a balance sheet date of 31 December, this means completing the inventory by the end of February of the following year.

However, as in the case of an inventory before the balance sheet date

(it can be up to four months in advance), it is necessary to recapitulate the gains and losses that occurred between the inventory date and the balance sheet date and account for any inventory differences to prove the balance at the balance sheet date.

Although we all hope that the current situation around the pandemic will soon pass and we will return to a normal way of life, I would point out one more way of dealing with organisational problems in conducting a physical inventory: ongoing inventory. This option would be usable for those who do not apply it until the next period and is regulated in Section 29 of the Accounting Act.

Interim inventories may be carried out only on inventories accounted by type or by location or by materially responsible persons, and on tangible fixed assets which, due to the function they perform in the entity, are on a continuously on the move and have no permanent place to which they belong. The date of this inventory is set by the entity itself. Each type of inventory and the stated tangible assets must be inventoried in this way at least once per accounting period.

Regardless of whether a continuous or periodic inventory is carried out, it is always necessary to ensure that the output is an inventory that contains all the mandatory requirements listed in Section 30 (7) of the Act.

One more important obligation related to the inventory process itself needs to be highlighted: In order for an inventory to fulfil its control function, it cannot be carried out correctly and responsibly without an inventory committee. Therefore, inventories cannot be compiled based on an inventory performed only by the person who manages the property that is the subject of the inventory during the entire accounting period and who, for example, has signed material responsibility. A physical inventory should always be entrusted to a person who is independent of the inventory.

A separate question is the presence of the auditor at the client's physical inventories. As most of you certainly know, as auditors we are obliged to rely on our own audit procedures to determine how the physical inventory is performed at the client.

The simplest option in this case is our presence when physical inventories actually take place. If, due to the above-mentioned quarantine reasons, our presence at physical inventories is not possible, it is still possible to verify the balances of individual inventory items using additional procedures.

For these purposes, we will request inventory evidence and perform audit procedures for transactions that took place between the date of the inventory and the time the additional procedures were performed to obtain sufficient appropriate audit evidence about the existence and condition of inventories.

Another option for obtaining sufficient audit evidence as an auditor is to perform an audit of the auditor using video equipment. This option is the most technically complicated of the three, so I mention it only as a last resort, but in certain cases it may be used.

If none of the above procedures can be performed by the date of the report, we, as auditors, are required to modify the opinion in the auditor's report in accordance with applicable auditing standards. We are required to communicate this fact in advance to the entity's management.

COVID-19
Guide to Government Measures in the CEE Region

[READ MORE](#)

As follows from the whole article, it is possible to manage the process of physical inventory even in the current complicated times. If you have specific questions regarding the course of inventories in your company, do not hesitate to contact the manager or BDO auditor who performs the audit for you, so that together we can find the ideal solution and complete the audit without any problems.

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NEW ACT ON EXPERTS: A VIEW THROUGH THE EYES OF AN EXPERT, LAWYER AND BUSINESSPERSON

In January 2021, a new law on experts, expert offices and expert institutes will enter into force (Act No. 254/2019 Coll.).

Unfortunately, the state has given up on changing the expert legislation as a whole and is only dealing with the law on experts and implementing decrees. The law imposes many formal obligations. These obligations should also contribute to better expert opinions. **So, what are the fundamental changes compared to the previous legislation?**

The view of an expert

Expert institutes are newly divided into expert offices (business corporations) and expert institutes (mostly public corporations). The difference in the participation of experts is important. An expert who works in an expert's office cannot perform activities independently. However, the expert may carry out the activity independently and, in addition, be involved in an unlimited number of expert institutes. The law therefore favours expert institutes. Although the court evaluates evidence (and expert opinions) freely, the law places institutes in a more qualified role. There must be two experts in an expert office and only one in an institute. Therefore, not even the law requires greater quality from an expert institute.

Expert activity will now be more expensive and face much greater administrative demands. Experts, offices and institutes must be insured. The entrance exam (the exam that an applicant for an expert stamp will have to pass) will cost at least CZK 8,000. The law places greater demands on the administration of the expert. The expert fills in the expert journal online. A central record of expert opinions has been created; this means that there is one large database in which all experts enter their opinions online. Data on the opinions are recorded at least three times (on the day the opinion is assigned, on the day the opinion is drawn up, on the day of the expert's testimony). The expert opinion has many formal requirements, which are specified in the law and in the implementing decree. The expert must meet the deadlines and non-compliance is penalised, even if unintentional. The expert must be insured and can now commit 15 offences. Only one of the 15 offences concerns the inaccuracy of the expert opinion.

The view of a lawyer

The definition of expert activity does not guarantee the confidentiality of the expert if the expert does not agree with the contracting authority to prepare an opinion. The wording of the law allows for an interpretation in which an opinion ordered by a lawyer from an expert may be used in court, against the will of the lawyer. At the request of a public authority, the expert will be obliged to personally confirm (Section 28 (6)) the opinion he has prepared. The law no longer says that this only applies to opinions prepared for public authorities. Experts will keep an electronic record of their opinions, which will be centrally

administered by the Ministry of Justice, and the Ministry may allow the records to be inspected by state administration bodies. The records contain information on prepared or already drafted opinions. Even when the lawyer does not want to use the opinion. If the authority finds that the expert has issued an opinion that is not based on the file from these records, the expert can go defend the opinion. I see the risk here for lawyers and their clients mainly in criminal proceedings.

It is strange, but the positives are in what the bill ultimately does not contain: Section 127a of the Code of Civil Procedure should have been repealed. An expert opinion in civil proceedings provided by the party to the dispute was to be only documentary evidence. This would be easier for the courts to deal with. He must explain in this way in the judgment which of the several competing assessments he will ultimately use as support for his decisions. It is more difficult for the judge. But its repeal will certainly be proposed further under other laws. I see this as a reduction in the rights of the parties.

For judges I expect additional work when they must report the offences of experts to the Ministry. Because the opinion will be very structured (it will contain about eight parts), it will be easier for judges to compare opinions and therefore assess their quality. Judges often must judge two or more competing opinions. And here he sees a tool to help him make an assessment.

The view of a businessperson

An expert is not only an expert but also a businessperson. He must support himself, his team, his office, and his professional education. At the same time, the hourly rate has not increased in the last 17 years, and after the increase, it should now be between CZK 500 - 700. Unfortunately, as at the end of November there are still no implementing regulations. The law was published in the Collection of Laws in October 2019, and the Ministry of Justice has yet to issue implementing decrees.

The law now imposes many obligations on experts and penalises non-compliance with these obligations as a misdemeanour. In total, an expert can commit 15 offences, while only one (!) imposes a penalty on him for a false opinion. Other offences are not related to the veracity of the opinion. Experts will argue harder. There will be more intense haggling over the expert's fee. If the expert bills the expert fee and the court does not award it in full (e.g. at the request of a party to the dispute), then the expert commits an offence. If the expert bills the expert fee incorrectly twice, then he commits the offence repeatedly. This may constitute a reason for the loss of expert authorisation. In addition, the fines for the offence are considerable and amount to up to CZK 500,000. The punishment of experts is draconian. Prices for expert opinions will increase. Producing them will be harder, as well as formally more demanding. According to the old regulation, the opinion was to have two main parts: the finding and the opinion itself. Now it should have a formally modified main page, assignment, list of documents, finding, opinion, justification and conclusion. As mentioned above, the more detailed structure of the expert opinion is intended to make it easier to review.

Newly, a public authority (such as a court) is obliged to report facts indicating a violation of the Act on Experts to the Ministry. And if the expert is involved in a case where there is a lot of emotion and makes a formal mistake, the lawyer will tell the court that he suspects a violation of the law. The judge will not take any chances and will notify the Ministry, so that he does not face problems himself. I expect an increase in administration here, because the Ministry will have to deal with it. And the expert poisons it, and if he writes opinions, so to speak, out of passion and interest in the field, then he can return his stamp.

In conclusion

From my point of view, the law imposes many obligations on experts

(mostly formal) under unnecessarily large sanctions. It tries to compel quality expert activity by force - a threat of punishment. It does not help them in any way in their expert activities. Procedural problems associated with expertise (procurement of evidence by an expert, evaluation of evidence by an expert and resolution of legal issues by an expert) are not legally resolved.

Experts can be divided into two groups. Experts whose main livelihood is writing opinions and experts from marginal disciplines, who write, for example, two opinions a year, I would rather call „fanatics“. Even such experts will have to abide by the new formalist rules. The law does not distinguish between professional experts and „fanatics“. It is in the second group that I perceive a great risk of experts leaving. And a problem arises when experts from marginal disciplines leave. This will not matter in cases where the expert works in major fields (e.g. real estate valuation). But it will be very problematic in cases where the expert works in marginal fields (e.g. the causes of parachute accidents) and there will be no replacement for him.

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CYBERSECURITY SERIES: RAISING USER AWARENESS OF CYBERATTACKS IS AN IMPORTANT ELEMENT OF NETWORK SECURITY

In the field of IT security, great attention is always paid to network security in the form of various security elements, and a large part of the costs also go in this direction.

Let us not forget, however, that the human factor, especially the human penchant for curiosity, is a very important and vulnerable element in cybersecurity. The risks associated with this are extremely high and it is necessary to ensure adequate user literacy in the field of cyber risks. Continuous user education is an essential element for ensuring knowledge. Completion of one e-learning course or training seminar is certainly not enough. Although the user receives basic information about potential risks and their knowledge is sometimes tested, this only creates a very basic awareness of the risks.

I know from my experience that due to the dynamic pace of development it is important to continuously inform users about potential risks, not only in the work environment. After all, social networks can also pose a risk in this context and create a potential gateway for the attack itself. Imagine a situation where an attacker targets a user's profile on a social network and then carries out a credible attack on his colleagues and you can see that its impact can be quite significant.

From one point of view, it is possible to understand directives as paper that can withstand everything. But they are an important prerequisite for the introduction of further measures. After all, it is a binding framework of requirements, defining a framework of rules. As they mainly have a supporting role, they do not ensure an adequate level of user awareness.

User training must be regarded as another important element. By implementing training annually, compliance with internal regulations can be achieved, but it will be exceedingly difficult to achieve adequate levels of user awareness. In this area, it is essential to repeat the issue periodically and in human language. The human factor is the vulnerable link and it is necessary to pay adequate attention to it. Not only occupational risks can affect users.

In addition to classic training and keeping users continuously informed about new threats, the form of communication through which this

information is transmitted is essential. The user must accept it as a good idea for improvement. For example, how do you explain to a user that they should not always use the same password? The answer is: „very poorly“. However, you can minimise the risk by using multifactor login and communication and already at a company level use a solution that is supported, for example, in social networks. Of course, this does not eliminate the risk of password leaks, but at least it mitigates it.

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INVESTMENT FUNDS - CHANGES IN THE REPORTING OF FINANCIAL INSTRUMENTS IN ACCORDANCE WITH IFRS

At the end of this year, not only investment funds, but also several other types of entities (investment companies, securities dealers, pension companies and their funds) will have a transitional period that may be used to become acquainted with the new accounting standards.

The amendment to Decree No. 501/2002 Coll. changes the method of reporting, valuing and presenting information on financial instruments (for definitions, see IFRS). The procedures to be followed by investment companies and their funds from 2021 onwards are based in particular on IFRS 9 Financial Instruments, then IAS 32 Financial Instruments: Presentation and IFRS 7 Financial Instruments: Disclosures. Below are the most important changes introduced by the amendment to the decree.

IFRS 9 Financial Instruments

Financial assets

According to IFRS 9, financial assets are divided according to the purpose of holding and the type of future cash flows from this asset into three basic categories, which differ in the approach to their valuation. The decisive factor for the correct classification of a financial instrument is not its legal form.

Valuation	Purpose of holding the asset	Type of future cash flows
Accelerated value (AC)	Obtaining contractual cash flows	Repayments of principal and interest
Fair value with revaluation charged to other comprehensive income (FVOCI)	Obtaining contractual cash flows and selling a financial asset	
Fair value with revaluation recognised in profit or loss (FVPL)	Trading and all other assets not falling into the previous categories	

It follows from the above that entities will need to reassess the classification of their portfolios or parts of them and subsequently their valuation.

Capital financial assets are classified and measured in the FVPL category unless the entity selects the FVOCI category. However, accounting

for revaluation to equity is not permitted for financial assets held for trading. Therefore, there will be no change in accounting for capital assets held for trading with the transition to IFRS 9. Revaluation differences after the introduction of IFRS 9 may arise, for example, for interests with significant or decisive influence, for which the revaluation is recognised in equity by the end of 2020 and it will be possible to decide next year whether the revaluation will be recognised in equity or in the economic results of the respective period.

Financial commitments

Financial liabilities, such as trade payables, borrowings and loans, are measured at amortised cost (AC) in accordance with IFRS 9. For example, fair value measurement has so far been applied to loans used in investing activities, and in the case of non-investment loans (e.g. for an investment company) the residual value. Other liabilities are remeasured to fair value with an impact on profit or loss (changes in fair value resulting from changes in market variables, e.g. derivatives) or with an impact on other comprehensive income (changes in fair value resulting from changes in the entity's credit risk). In the case of revaluation to fair value, it will be necessary in practice to distinguish the effect of credit risk and market risks due to their different accounting for the relevant financial liabilities.

IAS 32 Financial Instruments: Presentation

A key factor in distinguishing between a financial liability and an equity instrument is whether the entity has a contractual obligation to deliver cash (or to deliver another financial instrument). In practice, this may mean that issued investment instruments will be included in financial liabilities if the above condition is met. Investment shares that are associated with the owner's right of redemption by the fund and do not involve the voting right at the general meeting of the fund will be newly reported as part of the entity's external resources.

The classification of issued securities will also affect the reporting of accounting cases related to the issued security (interest, dividends, profits and losses). For financial liabilities, the related accounting cases are accounted for in the income statement. The situation is different for equity instruments, where they are accounted for in equity. The dividend paid out from the issued investment instrument, which meets the conditions for classification as financial liabilities, will no longer reduce the net assets, but the profit or loss of the company.

Expected loss model

The essence of the model is to reflect in the accounting losses that are expected in the future, not the creation of provisions only based on objective evidence. Provisions are created when the financial asset is created, i.e. annual expected loss, subsequently the financial asset may fall in the event of a significant increase in credit risk or subsequently by credit impairment to other stages, where provisions corresponding to losses are reported for the entire life of the asset. For financial assets carried at amortised cost and for debt assets measured at fair value through profit or loss, it will be necessary to calculate and disclose in the notes to the financial statements expected losses in accordance with IFRS 9.

The entity should perform an analysis of historical losses and evaluate the development of financial assets in the future. For funds with a short investment history, it may be more difficult to document an analysis of historical losses.

A simplified procedure can be used for certain types of financial assets. Adjustments for low-risk financial assets can only be made in the amount of the annual expected loss (e.g. non-investment receivables or receivables from banks). In contrast, trade receivables and contractual assets arising from transactions governed by IFRS 15 that do not include a significant financial component, adjustments may be recognised in the amount of the lifetime loss immediately on initial recognition and

no longer follow the development of the risk of these receivables for the purpose of shifting between different stages of the expected loss model. Even with simplified procedures, however, it is necessary to create adjustments for financial assets that are not yet past due.

IFRS 16 Leasing

Pokud je fond či investiční společnost v pozici nájemce, vzniká jim u dlouhodobých a významnějších nájemních smluv povinnost účtovat o leasingu (operativním i finančním). V aktivech účetní jednotky bude nutné zachytit práva k užívání, která jsou předmětem leasingových ujednání, a zároveň bude nutné účtovat o závazku, který plyne z povinnosti hradit leasingové platby.

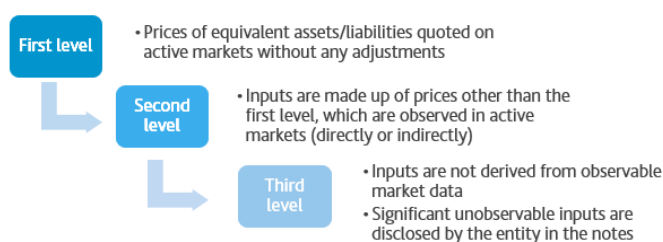
Vliv IFRS 16 očekáváme zejména u investičních společností či obchodníků s cennými papíry, kde bude placené nájemné splňovat podmínky pro jeho účtování uvedené v IFRS 16.

IFRS 7 Financial Instruments: Disclosures

The structure of the fund statements remains unchanged. However, the requirements for the annexes to the financial statements of investment funds will be extended. The annexes to the financial statements will be supplemented with new information in accordance with IFRS 7, which is much more extensive than the requirements published so far in accordance with the Decree.

Disclosure of fair value in the notes to the financial statements

Newly, it will be necessary to publish the methods of calculating fair values, including their level. A three-level hierarchy is established to determine the fair value of the relevant financial instrument.



In accordance with IFRS 13, it will be necessary to disclose in the notes to the financial statements, among other things:

- ▶ Fair value measurement techniques and inputs used to perform these valuations; if there has been a change in the measurement technique, the entity must disclose that change and the reasons for it.
- ▶ For revaluations of fair value within the third level, it will be necessary to state the effect on the economic result or other comprehensive income of the given period.

Risk management

The notes to the financial statements will need to be supplemented to provide all the following information: (i) what risks are associated with the financial instruments used; (ii) what financial instruments are affected by those risks; and (iii) how those risks are measured and managed. It will be necessary to publish tables of liquidity, sensitivity to changes in interest rates and foreign currencies.

Reporting a comparable period

According to the transitional provisions of IFRS 9, it will be possible to use the so-called modified retrospective adjustment, in which the book values are recalculated at the beginning of 2021 and any differences are accounted for against the results of previous years. It will not be necessary to correct the values of the comparable period.

Effectiveness and recommendations

The implementation of IFRS 9 affects not only the company's financial

statements, but also the operational and organisational measures of financial institutions and is essential for the regular publication of NAV. Investment funds should have accounting systems and model documentation ready at the beginning of the coming year. We wish you a successful implementation of IFRS. In case of need or ambiguity we are available for consultation.

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producers may not be able to cover all fixed costs, let alone generate profit, it will be especially important to analyse the reasons that led to such an outcome.

MARK IN YOUR CALENDARS: EVENTS AND WEBINARS

Join our traditional trainings in a non-traditional way. Even in this difficult situation, we will introduce you to news and planned changes in the field of taxes, TP, accounting and legislation.

You can complete the training from your office or from home on your computer or mobile device. Before the event, you will receive a link to easily connect to the webinar.

WEBINAR: NEW ACT ON EXPERTS - IMPACTS ON INDIVIDUAL PROFESSIONS

▶ 19 JANUARY 2021, 9:00 – 11:00

We invite you to an online seminar where we will introduce you to the changes that the new law on experts will bring. With effect from 1 January 2021, Act No. 254/2019 Coll., on Experts, Expert Offices and Expert Institutes, is amended. We will discuss specific changes and impacts on individual professions, such as lawyers, accountants, experts and clerks.

WEBINAR: EXPERIENCE WITH 2020 TAXES AND NEWS FOR 2021

▶ 21 JANUARY 2021, 9:00 – 14:00

Like every year, we have again prepared a seminar for you which aims to explain all the main amended provisions for 2021 concerning income tax and value added tax. We will also touch upon the most important changes in connection with the filing of tax returns for 2020. You will also learn about news in the area of financial statements and we will talk about changes planned in 2021.

WEBINAR: CURRENT CHANGES IN TRANSFER PRICING

▶ 26 JANUARY 2021, 9:00 – 10:30

In cooperation with the General Financial Directorate, we have prepared a webinar in which we will discuss the main factors and recommended changes in the contractual documentation you need to consider in the area of transfer pricing. In the context of the economic changes related to the COVID-19 pandemic, with companies in all tax jurisdictions facing its effects, large multinational groups can be expected to report consolidated losses. This is an exceptional situation, but even so, it can be expected that the financial administration will check whether Czech routine producers covered all costs and generated the usual market profit. Given that because of local government measures routine