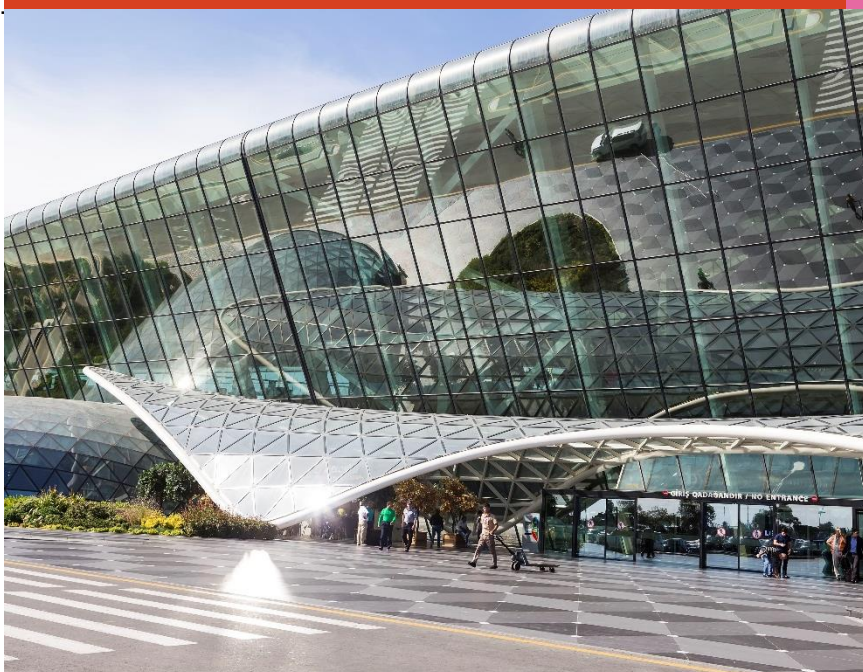


Overview of this Issue:

- **Amendments to the law on State Duties**
- **Amendments to the Law on Accounting**



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Amendments to the law on State Duties

According to the amendments, state duties for the obtainment of licenses for indicated in the table below activities were increased effective

9 March 2017:

Type of activity	Old duty amount (AZN)	New duty amount (AZN)
Wholesale of medicines	2,250	20,000
General educational establishments (including gymnasiums and lyceums)	2,000	10,000
Higher education institutions	2,750	13,750
Religious higher educational institutions	2,750	13,750
Cellular (mobile) communication services	5,500	1,000 000
IP-telephony	4,000	50,000
Nationwide television broadcasting	5,500	50,000

Amendments to the Law on Accounting

According to the amendments the preparation of financial statements by public entities stipulates that all public entities, except for those described below, prepare their financial statements in accordance with International Financial Reporting Standards.

Health care institutions, children's homes, care-giving institutions, open and closed-type special training and educational institutions, preschool institutions, general education schools, first vocational schools, secondary educational institutions, higher educational institutions, special education institutions and family education institutions established by the state and municipalities prepare their financial statements in the following order according to this Law:

- if the right for entrepreneurial activity is envisaged in the charters, financial statements for Commercial Organizations are prepared in accordance with the National Accounting Standards or

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International Financial Reporting Standards depending on their choice;

- if the right for entrepreneurial activity is not envisaged in the charters, financial statements for the government-funded organizations are prepared in accordance with the National Accounting Standards.

The new amendments also state that upon completion of report period the public entities should submit annual financial statements no later than 30 April of the next year and consolidated financial statements - no later than 30 June of the next year.

The public entities preparing consolidated financial statements as well as the public entities, whose financial statements are envisaged to be published by their charters and the public entities established by appropriate bodies of executive powers and those which receive subsidy, subvention, grant or funds for implementation of certain powers should put annual financial statements or consolidated financial statements together with audit opinion on their official website or publish in print newspaper. In this case their subsidiaries do not publish their financial statements.