

THEORETICAL AND PRACTICAL ASPECTS OF THE FINANCIAL DIAGNOSIS FOR THE ROMANIAN PUBLIC INSTITUTIONS

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Abstract: *The need for efficient public management, a coherent and responsible local autonomy and the need to increase the efficacy and the capacity of the administration are the elements and factors that determine us to approach the idea of measuring the performance, especially the financial performance. Thus, we centred our analysis around the present tendencies of the public management and around the problem of the performance, passing from general (a given model in the Romanian legislation) to particular (the performance in the public sector, the measurement and the characteristics of the financial performance indicators for several Romanian village halls). Aim (general objective): 1. Testing the measurement indicators for the financial performance of the Romanian local authorities in order to establish the financial position of the public institutions. The testing was performed on three territorial administrative entities.*

Key words: financial diagnosis, financial situations, indicators, budgetary account

JEL codes: H20, H21, C58

Introduction

To a macro economical level, in the Romanian public administration, due to the decentralisation process, the city halls, the village halls, and the local and county councils became financing entities with a high degree of autonomy. The projects and the programs supported by them, and also the decrees and all the other public decisional acts must reach high standards of efficacy and performance. The communities are in economic competition. Fighting for the well-being of the citizens or to attract high-qualified working force, the financial and fiscal conditionality of the local authorities have a high degree of uniformisation. The differences are given by the size of the territorial administrative entity and by its degree of economic development.

To a micro economical level (local administration), an analysis of the financial performance is important from 2 points of view:

1. For the basis of the internal policy on the taxation level (revenues) and also on the costs perspective
2. For the establishment of the investments level of the local authority.

A very important aspect is that the integrity of an analysis model, including that for the financial performance of the local authorities, depends a lot on the accuracy and the availability of the data. *To a national level*, in the dedicated literature, we were not able to identify analysis models for the financial performance of the Romanian local authorities, in order to establish the financial position of the public institutions – territorial administrative entities. *To an international level*, we identify numerous measuring models: the model developed by Groves, Godsey, and Shulman, (1981); the model developed by Kloha, Weissert, and Kleine (2005); the model developed by Zafra Gómez, J.L., López Hernández, and Hernández Bastida (2009). For these models, some authors prefers the strict use of the financial indicators, while others creates complex models using a

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combination of factors and indicators, which are financial, economic, social, and organisational. We observed the inexistence of an optimal or generalised methodology for the evaluation of the financial performance of a local entity. Moreover, we cannot affirm that the practitioners and the specialists involved in the development of the models managed to prove the superiority of their models compared to other models. Unable to identify a predominant model, we tried to group them depending to their similar characteristics and structures.

Regarding the financial performance, starting from the supposition that different territorial administrative entities acts in different contexts and conditions, the comparison of the results is made between units with similar characteristics (Zafra-Gomez 2009).

The financial diagnosis

The accountancy of the public institutions ensures information for the authorising officers related to the execution of the income and expenditure budgets, the result of the budgetary execution, the managed patrimony, the economic result, the cost of the budget approved program, and also information for the establishing of the yearly general account for the state budget execution and for the establishing of the yearly general account for the execution of the budget of the state social security and special funds.

The diagnosis is a component of the management system, permitting the information prior to the establishing of the objectives and, in the same time, the achievement of the objectives. To diagnose does not mean to describe, but to identify the key-variables of the phenomena state and dynamics and to study their interaction in order to determine the progress objective of the enterprise. The progress sources that are possible to be identified come from the incoherence, the vulnerabilities and the potentialities highlighted by the diagnosis.

The financial diagnosis is an instrument available for the managers of the territorial administrative entities and allows the formulation of qualitative and/or quantitative value judgements on the state, the dynamic and the perspectives of a Territorial Administrative Entity, and the highlighting of its forces and weaknesses and of its development capacity.

It is known the fact that the financial diagnosis is an important component of the global diagnosis, which, by the system of the presented indicators, reflects the performances of the territorial administrative entity to a certain time. Disregarding the number of indicators used in the financial diagnosis, the results cannot be conclusive without a correlation with the other components of the global diagnosis.

The investigation of the economic reality requires a specific approach, correlating the classic vision based on the knowledge of the causality relations and of the internal laws of the formation and evolution of the phenomena, and the systemic approach, oriented to their study in a continuously changing environment. Such approach allows not only a correct evaluation of the status quo, but also the identification of the development vulnerabilities and opportunities, essential for the management decisions.

The word “diagnosis” is of Greek origin and means “capable to discern”. It has in the local administration the same meaning as in medicine. Disregarding the field of activity, the diagnosis imposes, as prior phase, the complex analysis of the formation and modifying mechanism of the specific phenomena.

The system of factors explaining the formation and/or modification of the results

The pertinence of the financial diagnosis is conditioned by the knowledge of the factors acting on a phenomenon and its nature, and on the mechanism that contributes to the formation and modification of the results. Usually, the factors do not act isolated, but in interdependence, correlated in a system of strong connections. Their identification requires the precise knowledge of the formation ways of the result, of the specific causal connections, as well of the economical-social and concurrence environment. In the current practice, the privileged source of information to the level of territorial administrative entity consists, especially for the financial analysts, of:

- A. balance sheet;
- B. the economic outturn account;
- C. the situation of the cash flows;
- D. the situation of the modifications in the structure of the assets/capital;
- E. annexes to the financial situations, including accounting policies and explanatory notes;
- F. the budgetary account.

The financial situations of the public institutions are represented by official documents presenting the position of the assets in the administration of the state and of the territorial administrative entities, and also the revenues and expenditure execution. They are established according to the specification of the Ministry for Public Finances and are approved by the minister of public finances.

According to the provisions of the Order of the minister of public finances no. 1.917/2005, for the approval of the Methodological norms on the organisation and the keeping of the accounts of the public institutions, the Chart of accounts for the public institutions and its implementation instructions, the ministries, other specialised organisms of the central public administration, other public authorities, the autonomous public institutions and the territorial administrative entities, whose managers are main authorising officers, submit to the Ministry for Public Finances or to the general directions of the county public finances or of the municipality Bucharest, a copy of the financial situations at every three months and yearly, according to the established norms and terms.

The structure of the financial situations

The financial situations to 31.12.2017 are reported according to the provisions of O.M.F.P. no. 1177/2018 for the approval of the Methodological norms on the report and submission of the financial situations of the Public institutions to 31st of December 2017.

The financial situations for every three months and for entire year have the following structure:

1. The balance sheet,
2. The economic outturn account,
3. The situation of the cash flows,
4. The situation of the modifications in the structure of the assets/capital,
5. The budgetary account,
6. Annexes including accounting policies and explanatory notes.

1. The balance sheet

The balance sheet is a synthesis accounting document presenting the elements related to assets, debts and equity of the public institution at the end of the report period, as well as in other legal situations.

The assets are presented in the balance sheet depending on the ascendant degree of their liquidity, while the debts are presented depending on the ascendant degree of their chargeability.

An **asset** represents a resource controlled by the public institution, as a result of past events, expected to generate future economic benefits for the institution and with a cost that can be evaluated credibly by the territorial administrative entity.

A **debt** represents a current obligation of the public institution, generated by past events, and expected to result, through settlement, into an outflow of resources incorporating economic benefits.

The assets and the current debts are presented in the balance sheet separately from the non-current assets and debts.

The equity represents the residual interest of the state or of the territorial administrative entities, as owners of the assets of a public institution after the deduction of all the debts. The equities are also called net assets or net patrimony and are determined as difference between assets and debts.

2. The economic outturn account

The revenues and the expenditure appearing outside the current activities of the public institution are presented as extraordinary revenues and extraordinary expenditure. They result from transactions or events that clearly differ from the current activities of the institution and that are not expected to be repeated frequently or on a regular base.

The current activities are developed by a public institution in order to reach its line of work, established according to the organisation and working procedures. In order to establish if an event or an activity is clearly delimited by the current activities of the entity, the nature of the element or of the transaction is taken into consideration rather than the expected frequency of such events.

The economic outturn account presents the situation of the revenues, financing and expenditure during the current financial year. The revenues and the financing are presented classified after their nature or source, disregarding if they were collected or not. The expenditure is classified after their nature or destination, disregarding if they were paid or not.

The economic outturn account also presents the calculated revenues (e.g. revenues from the write-back of the provisions and value adjustments), which do not involve their collection, and also the calculated expenditure (e.g. expenditure for depreciation, provisions and adjustments), which do not involve their payment.

The value corresponding to each element from the previous financial year must be presented for each element from the financial outturn account. The form of the economic outturn account cannot be modified from one financial year to another. The completion of the account is necessary because it offers supplementary information to the balance sheet on the structure of the elements that generate a specific result.

3. The budgetary account

The budgetary account contains all the financial operations during the financial year related to the collected revenues and the payments made by the territorial administrative entity, corresponding to the approved structure of the budget. It includes:

a) Information on revenues:

- Initial budgetary provisions, final budgetary provisions;
- Established entitlements;
- Collected revenues;
- Established entitlements to be collected;

b) Information on expenditure:

- Initial budgetary appropriations, final budgetary appropriations;
- Budgetary commitments;
- Legal commitments;
- Payments made by the territorial administrative entity;
- Legal commitments to be paid;
- Effective costs (costs, resources consumption);

c) Information on the result of the financial year (collected revenues minus payments made by the territorial administrative entity).

The budgetary account is completed based on data collected by the territorial administrative entity from the debts and credit cash flows, which must correspond to the ones in the bank or treasury accounts.

We present as follows The situation of the indicators on the local budgetary execution for 2017 to the territorial administrative entity Pianu.

Table no. 1

The indicators on the local budgetary execution for 2017 to the territorial administrative entity Pianu - revenues:

REVENUES					
Ref. no.	Indicator	Calculation formula	Percentage	Sum	INDICATOR
1	The degree of collected revenues	Total collected revenues	%	10,222,395	48.76%
		Total scheduled revenues		20,966,080	
2	The degree of collected own revenues	Collected own revenues	%	2,616,617	89.2%
		Scheduled own revenues		2,933,450	
3	The financing degree from own revenues	Collected own revenues	%	2,616,617	25.6%
		Total collected revenues		10,222,395	
4	The self-financing degree	Collected own revenues (excluding quota)	%	1,036,323	10.14%
		Total collected revenues		10,222,395	
5	Collected own revenues per capita	Collected own revenues	%	2,616,617	723.22
		Inhabitants number		3,618	
6	The collecting degree of the property taxes	Revenues from collected property taxes	%	747,613	120.5%
		Revenues from programmed property taxes		620,450	
7	The dependency degree of the local budget to the state budget	Revenues from state budget sources	%	5,421,836	53.04%
		Total collected revenues		10,222,395	
8	The degree of decisional autonomy	Collected depersonalised revenues	%	3,179,617	31.1%
		Total collected revenues		10,222,395	
9	The yearly estimation of fiscal revenues				
a)	The collection degree of the fiscal revenues during the former year (calculated on a three-months base)	Fiscal revenues cumulated in the former year (trimesters I,II,III)	%	713,349	1
		Total collected fiscal revenues in the former year		713,349	
b)	The yearly estimation of the fiscal revenues	Fiscal revenues cumulated for the calculation year (trimesters I,II,III)	%	801,576.00	1
		Coefficient		801,576.00	

Source of data: the territorial administrative entity Pianu

The degree of the revenues collection is determined as percentage report between the total collected revenues and the total programmed revenues for the reporting period. The degree of the own revenues collection is determined as percentage report between the collected own revenues and the total programmed own revenues for the reporting period. The financing degree from own revenues is determined as percentage report between the collected own revenues (including broken down quota from the income taxes) and the total of the collected revenues. The self-financing degree is determined as percentage report between the collected own revenues (exclusively broken down quota from the income taxes) and the total collected revenues. The collected own revenues per capita are determined as report between the collected own revenues (including broken down quota from the income taxes) and the inhabitants number in the territorial-administrative entity. The collection degree of property taxes is determined as percentage report between the collected revenues from property taxes and the programmed revenues from property taxes for the reporting period. The dependence degree of the local budget to the state budget is determined as percentage report between the collections from state budget sources and total collections. The degree of decisional autonomy is determined as percentage report between the collected depersonalised

revenues and the total revenues. The yearly estimation [E(vfl)] from local fiscal revenues (fiscal revenues minus the quota and the broken down sums from the VAT) is calculated according to the following procedure:

- a) The coefficient of fiscal revenues [y(i)] in the former year (t-1) is calculated on a three months base, using the following formula:

$$y(i) = \frac{\sum_{i=1}^n \text{collected revenues trimester } i \text{ year } (t-1)}{\text{collected revenues year } (t-1)}$$

where:

n = the trimester of reference (I, II or III) for which the coefficient is calculated;

Collected revenues trim. i year (t-1) = the cumulated three-months based collected revenues related to the collected local fiscal revenues until the end of the trimester (n) of the former year (t-1) for which the coefficient is calculated;

(t-1) – the year previous to the calculated year;

Collected revenues year (t-1) = total collected revenues related to the local fiscal revenues (fiscal revenues minus the broken down quota and the broken down sums) to the end of the year previous to the calculation year.

- b) The yearly estimation [Evfl] from local fiscal revenues (fiscal revenues minus the broken down quota and the broken down sums), after the following formula:

$$E[vfl(n)] = \frac{\sum_{i=1}^n \text{collected revenues trimester } i \text{ an } t}{y(i)}$$

where:

n - the trimester of reference (I, II or III) when the estimation is made;

Collected revenues trimester i an (t) – the three-months based cumulated collected revenues related to the local fiscal revenues minus the broken down quota and the broken down sums until the end of the trimester for which the Estimation [Evfl] is calculated;

(t) – the calculation year of the yearly Estimation [E(vfl)] from fiscal revenues

Table no. 2

The indicators on the local budgetary execution for 2017 to the territorial administrative entity Pianu - expenses

EXPENSES					
Ref. no.	Synthesis indicators	Calculation formula		Sums	Percentage
1	The rigidity of the expenses	Payments related to staff	%	3,114,584	40.06%
		Total payments		7,774,168	
2	The weight of the functioning section	Payments related to the functioning section	%	5,634,947	72.48%
		Total payments		7,774,168	
3	The weight of the development section	Payments related to the development section	%	2,139,221	27.52%
		Total payments		7,774,168	
4	The weight of servicing public debt	The local servicing public debt	%	0.00	-
		Total payments		0.00	
5	The deficit of the functioning section	(payments made by the entity + outstanding payments) – collected revenues		-	-

	The excess of the functioning section	(payments made by the entity + outstanding payments) – collected revenues		68,751	-
6	The deficit of the development section	(payments made by the entity + outstanding payments) – collected revenues		-	-
	The excess of the development section	(payments made by the entity + outstanding payments) – collected revenues		2,379,477	-

Source of data: the territorial administrative entity Pianu

The rigidity of the expense is determined as percentage report between the staff expense and the total payments. The weight of the functioning section is determined as percentage report between the weight of the payments from the functioning section and the total payments. The weight of the development section is determined as percentage report between the weight of serving public debts and total payments made by the territorial administrative entity. The deficit (excess) in the functioning section is determined according to Law no. 273/2006. The deficit (excess) of the development section is also determined according to the same law.

Analysis model

From all the above presented indicators, we chose the most representative indicators for the financial diagnosis of the territorial administrative entity and for its management. We present them as follows, together with their score.

Table no. 3.

Explain the our analysis model

Ref. no.	Indicator	Score				
		20	40	60	80	100
1	The degree of revenues collection	<30	(30,40]	(40,60]	(60,80]	>80
2	The degree of own revenues collection	<30	(30,50]	(50,70]	(70,90]	>90
3	The degree of own revenues financing	<40	(40,70]	(70,80]	(80,90]	>90
4	The self-financing degree	<40	(40,70]	(70,80]	(80,90]	>90
5	The degree of property taxes collection	<30	(30,40]	(40,60]	(60,80]	>80
6	The dependence degree of the local budget to the state budget	>80	[80,60]	(60,40]	(40,25]	<25
7	The degree of decisional autonomy	<30	(30,40]	(40,60]	(60,80]	>80
8	The rigidity of the expense	>80	[80,60]	[60,40]	(40,30]	<30
9	The weight of the functioning section	>80	[80,60]	[60,40]	(40,30]	<30
10	The weight of the development section	<30	(30,40]	(40,60]	(60,80]	>80

The degree of revenues collection is the indicator that expresses the financing degree of the expense because the expense of the public institution is in the limit of the collected revenues; thus, we noted it with 5 as importance degree. **The degree of own revenues collection** expresses the efficacy of the public institutions in collecting their own revenues, which can be used for programs; thus, we noted it with 5 as importance degree. **The degree of own revenues financing** shows the weight of the own revenues in the total of the revenues from the local budget; thus, we noted it with 5 as importance degree. **The self-financing degree** shows the weight in the own revenues of the taxes collection established by the Ministry for Finance or the County Council; thus, we noted it with 5 as importance degree. **The degree of property taxes collection** indicates the efficacy in the collection of the property taxes established by the decision of the Local Council. Due to the fact that the own revenues are not entirely coming from property taxes, we noted it with 3 as importance

degree. **The dependence degree of the local budget to the state budget** indicates the percentage for the completion of the local budget revenues with state budget revenues: - broken down amounts from VTA; amounts from broken down quota from the income tax for the equilibration of the local budgets; and subventions. Therefore, we noted it with 5 as importance degree. **The degree of decisional autonomy** shows the manner in which the public institutions can decide the spending of the sums from the local budget. The depersonalized revenues represents the sum of the own revenues, including the broken down sums from the VAT for the equilibration of the local budgets reported to the total revenues; thus, we noted it with 5 as importance degree. **The rigidity of the expense** expresses the spending destination of the public sums: for the staff or for material expense and investments. Based on the fact that the public institutions do not aim to generate profit and they also have a social role, we noted it with 4 as importance degree. **The weight of the functioning section** shows how much from the budget expense is used for functioning; therefore, we noted it with 5 as importance. **The weight of the development section** indicates how much from the budget expense is used for development and investments; thus, we noted it with 5 as importance. We noted later a coefficient of importance to each indicator, we correlated it with the score and, in the end, and we calculated the aggregated note. Depending on the aggregated note, the territorial administrative entities may be classified as follows:

Table no. 4

Establishing aggregated note

Aggregated note (AN)	Result
0 - 20	Public institutions in bankruptcy
20 - 40	Public institutions with financial problems
40 - 60	Public institutions with a good financial condition
60 - 80	Public institutions with a very good financial condition
80 - 100	Public institutions financially autonomous

$\text{Aggregated note (AN)} = \frac{\sum C_i \times P_i}{C_i}$	Where: C_i = Coefficient of importance P_i = score
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Using the presented model, we can establish the financial position of each territorial administrative entity.

Thus, we obtained the following values for three territorial administrative entities:

Table no. 5

The Territorial Administrative Entity Pianu

Ref. no.	Indicator	Coefficient of importance	Calculate value	Score
1	The degree of revenues achievement	5	48.76%	60
2	The degree of revenues collection	5	89.20%	80
3	The degree of own revenues collection	5	25.60%	20
4	The degree of own revenues financing	5	10.14%	20
5	The self-financing degree	3	120.50%	100
6	The degree of property taxes collection	5	53.04%	60
7	The dependence degree of the local budget to the state budget	5	31.10%	40
8	The degree of decisional autonomy	4	40.06%	60
9	The rigidity of the expense	5	72.48%	40

10	The weight of the functioning section	5	27.52%	20
Aggregated note = 47.66				

Table no. 6

The Territorial Administrative Entity Ceru Băcăiți

Ref. no	Indicator	Coefficient of importance	Calculate value	Score
1	The degree of revenues achievement	5	72.84%	80
2	The degree of revenues collection	5	62.52%	60
3	The degree of own revenues collection	5	37.11%	20
4	The degree of own revenues financing	5	11.07%	20
5	The self-financing degree	3	116.36%	100
6	The degree of property taxes collection	5	88.93%	20
7	The dependence degree of the local budget to the state budget	5	47.98%	60
8	The degree of decisional autonomy	4	76.17%	40
9	The rigidity of the expense	5	98.21%	20
10	The weight of the functioning section	5	1.79%	20
Aggregated note = 41.70				

Table no. 7

The Territorial Administrative Entity Horea

Ref. no.	Indicator	Coefficient of importance	Calculate value	Score
1	The degree of revenues achievement	5	55.95%	60
2	The degree of revenues collection	5	83.34%	80
3	The degree of own revenues collection	5	15.38%	20
4	The degree of own revenues financing	5	2.61%	20
5	The self-financing degree	3	76.48%	80
6	The degree of property taxes collection	5	97.39%	20
7	The dependence degree of the local budget to the state budget	5	20.52%	20
8	The degree of decisional autonomy	4	32.85%	80
9	The rigidity of the expense	5	47.55%	60
10	The weight of the functioning section	5	52.45%	60
Aggregated note= 48.08				

After analysing the aggregated note, all three territorial administrative entities are inside the interval 40 – 60, being considered public institutions with a good financial condition.

Conclusions

To the present time, the local communities are confronted with two important challenges acting in different directions: the globalisation and the decentralisation. Globalisation leads to an increased number of interactions between communities; most of the time, the interactions belong to the actors that are part of larger networks. The diagnosis is the preliminary stage of the strategic plan, providing all the reasoning necessary to the confrontation between the desires of the managerial team and the internal and external reality. It is an instrument in the service of the will to

change and to progress, animating the powerful teams. The information is the premise for the optimisation of the managerial decision, when it reaches the quality exigence related to utility, accessibility, pertinence, fidelity, communicability, reactivity and coherence.

Using the presented model, we are able to establish the financial position of the territorial administrative entity. To test the proposed model, we intend to extend the research in the future to the Romanian territorial administrative entities classified on structures depending on various criteria.

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Annex no. 1
BALANCE SHEET – Territorial administrative entity Pianu

BALANCE SHEET – Territorial administrative entity Pianu							
Ref. no.	INDICATORS	Row code	2013	2014	2015	2016	Lei 2017
1.	ASSETS	01	X	X	X	X	X
2.	NON-CURRENT ASSETS	02	X	X	X	X	X
3.	Intangible fixed assets	03	198994	250008	487751	329767	329351
4.	Technical installations, transport means, animals, plantations, furniture, office equipment and other tangible assets	04	382500	783060	766955	755935	629909
5.	Land and buildings	05	30132283	31787600	33684974	45076699	47027255
6.	Other non-financial assets	06					
7.	Non-current financial assets (long term investments), over an year, among which:	07					
8.	Shareholdings	08					
9.	Non-current entitlements – sums to be collected for a period longer than one year, among which:	09					
10.	Non-current commercial entitlements – sums to be collected after a period longer than one year	10					
11.	TOTAL NON-CURRENT ASSETS	15	30713777	32820668	34969680	46162401	47986515
12.	CURRENT ASSETS	18	X	x	x	x	x
13.	Stocks	19	484445	478899	683315	795337	868569
14.	Current entitlements – sums to be collected in a period shorter than one year	20	X	x	x	x	x
15.	Entitlements from commercial operations, payments on account and settlements, among which	21	4479	3432	4359	8806	39454
16.	Settlements on current state budgetary execution	21.1					
17.	Commercial entitlements and payments on account, among which:	22	4479	3432	4359	8806	39454
18.	Advances	22.1					
19.	Budgetary entitlements, among which:	23	323040	747083	703130	1030687	1066298
20.	Entitlements from the consolidated general budget	24	323040	747083	703130	1030687	1066298
21.	Entitlements from transactions with external non-refundable funds and budgetary funds, among which:	25	269011				
22.	Sums to be received from the European Commission/ other donors	26					
23.	Loans granted on short-term	27					
24.	Total current entitlements	30	596530	750515	707489	1039493	1105752
25.	Short-term investments	31					
26.	Treasury accounts and account to credit institutions:	32	X	x	x	x	x
27.	Treasury accounts, RON register	33	771336	818842	520553	733285	3182706
28.	Interests to be collected, other values, treasury payments on account	33.1					
29.	Deposits	34	X	x	x	x	x
30.	Account to credit institutions, National Bank of Romania, foreign currency register	35					
31.	Interests to be collected, other values,	35.1					

	treasury payments on account						
32.	Deposits	36	X	X	X	X	X
33.	Total availabilities and other values	40	771336	818842	520553	733285	3182706
34.	Availabilities accounts of the Central Treasury and of the territorial treasuries	41					
35.	Interests to be collected, other values, treasury payments on account	41.1					
36.	Prepayments	42					
37.	TOTAL CURRENT ASSETS	45	1852311	2048256	1911357	2568115	5157027
38.	TOTAL ASSETS	46	32566088	34838924	36851037	48730516	53143542
39.	LIABILITIES	50	X	x	x	x	x
40.	NON-CURRENT LIABILITIES- sums to be paid after a period longer than one year	51	X	x	x	x	x
41.	Non-current sums - sums to be paid after a period longer than one year, among which:	52					
42.	Commercial liabilities	53					
43.	Long-term loans	54					
44.	Provisions	55	216,310	216310	216310	165376	165376
45.	TOTAL NON-CURRENT LIABILITIES	58	216310	216310	165376	165376	165376
46.	CURRENT LIABILITIES – sums to be paid in a period shorter than one year	59	X	x	x	x	x
47.	Commercial liabilities, payments on account and other settlements, among which:	60	57969	38625	344363	60430	47895
48.	Settlements related to the state budgetary execution for the current year	60.1			2912	5984	5438
49.	Commercial liabilities and payments on account, among which:	61	57969	35970	341451	54445	42457
50.	Received payments on account	61.1					
51.	Liabilities to budgets, among which:	62	58982	52214	71884	98675	104507
52.	Liabilities of the public institutions to the budgets	63	X	x	x	x	x
53.	Social security contributions	63.1	42854	36581	49366	65007	61341
54.	Sums from external non-refundable Funds owed to the budget	64					
55.	Liabilities from transactions with external non-refundable Funds and budgetary funds, other liabilities to other international entities, among which:	65	130353				3342469
56.	Sums owed to the European Commission/ other donors	66					
57.	Short-term loans – sums to be paid in a period shorter than one year	70					
58.	Long-term loans – sums to be paid during the current financial year	71					
59.	Staff wages	72	74372	75222	98461	139323	181956
60.	Other entitlements for various categories (pensions, unemployment benefits, grants), among which:	73					
61.	Pensions, unemployment benefits, grants	73.1	X	x	x	x	x
62.	Accruals	74					
63.	Provisions	75					
64.	TOTAL CURRENT LIABILITIES	78	321676	166061	514708	298428	3676827
65.	TOTAL LIABILITIES	79	537986	382371	680084	463804	3842203
66.	NET ASSETS = TOTAL ASSETS – TOTAL LIABILITIES = EQUITY INSTRUMENTS	80	32028102	34486553	36170953	48266712	49301339
67.	EQUITY INSTRUMENTS	83	X	x	x	x	x

68.	Reserves, funds	84	29484042	29484042	29477667	44208372	44208372
69.	Reported outturn	85	3597436	2,528,967	5,011,541	6,794,142	4,031,676
70.	Reported outturn	86					
71.	Economic outturn of the financial year	87		2473544	1681745		1061291
72.	Economic outturn of the financial year	88	1053376			2735802	
73.	TOTAL EQUITY INSTRUMENTS	90	32028102	34486553	36170953	48266712	49301339

Annex no. 2.

BALANCE SHEET – Territorial administrative entity Horea

BALANCE SHEET - Territorial administrative entity Horea							
							Lei
Ref. no.	INDICATORS	Row code	2013	2014	2015	2016	2017
1.	ASSETS	01	X	X	X	X	X
2.	NON-CURRENT ASSETS	02	X	X	X	X	X
3.	Intangible fixed assets	03	1500	1500	17620	48220	42100
4.	Technical installations, transport means, animals, plantations, furniture, office equipment and other tangible assets	04	184345	235030	309880	287622	509808
5.	Land and buildings	05	36951532	42082092	61472416	50890861	63271396
6.	Other non-financial assets	06					
7.	Non-current financial assets (long term investments), over an year, among which:	07					
8.	Shareholdings	08					
9.	Non-current entitlements – sums to be collected for a period longer than one year, among which:	09					
10.	Non-current commercial entitlements – sums to be collected after a period longer than one year	10					
11.	TOTAL NON-CURRENT ASSETS	15	37137377	42318622	61799916	51226703	63823304
12.	CURRENT ASSETS	18	X	x	x	x	x
13.	Stocks	19	115114	125414	223359	209349	208988
14.	Current entitlements – sums to be collected in a period shorter than one year	20	x	x	x	x	x
15.	Entitlements from commercial operations, payments on account and settlements, among which	21	4938	27097	13622	12798	15768
16.	Settlements on current state budgetary execution	21.1					
17.	Commercial entitlements and payments on account, among which:	22	4938	27097	13622	12798	15768
18.	Advances	22.1					
19.	Budgetary entitlements, among which:	23	104634	130244	168342	169151	214165
20.	Entitlements from the	24	104634	130244	168342	169151	214165

	consolidated general budget						
21.	Entitlements from transactions with external non-refundable funds and budgetary funds, among which:	25					
22.	Sums to be received from the European Commission/ other donors	26					
23.	Loans granted on short-term	27					
24.	Total current entitlements	30	109572	157341	181964	181949	229933
25.	Short-term investments	31					
26.	Treasury accounts and account to credit institutions:	32	X	x	x	x	x
27.	Treasury accounts, RON register	33	2310179	1200170	1599981	2008191	973306
28.	Interests to be collected, other values, treasury payments on account	33.1					
29.	Deposits	34	X	x	x	x	x
30.	Account to credit institutions, National Bank of Romania, foreign currency register	35					
31.	Interests to be collected, other values, treasury payments on account	35.1					
32.	Deposits	36	X	X	X	X	X
33.	Total availabilities and other values	40	2310179	1200170	1599981	2008191	973306
34.	Availabilities accounts of the Central Treasury and of the territorial treasuries	41					
35.	Interests to be collected, other values, treasury payments on account	41.1					
36.	Prepayments	42					
37.	TOTAL CURRENT ASSETS	45	2534865	1482925	2005304	2399489	1412227
38.	TOTAL ASSETS	46	39672242	43801547	63805220	53626192	65235531
39.	LIABILITIES	50	X	x	x	x	x
40.	NON-CURRENT LIABILITIES- sums to be paid after a period longer than one year	51	X	x	x	x	x
41.	Non-current sums - sums to be paid after a period longer than one year, among which:	52					
42.	Commercial liabilities	53					
43.	Long-term loans	54					
44.	Provisions	55	124,975	46975	46975	46975	46975
45.	TOTAL NON-CURRENT LIABILITIES	58	124975	46975	46975	46975	46975
46.	CURRENT LIABILITIES – sums to be paid in a	59	X	x	x	x	x

	period shorter than one year						
47.	Commercial liabilities, payments on account and other settlements, among which:	60	12740	15250	15621	15127	12240
48.	Settlements related to the state budgetary execution for the current year	60.1			3381	2887	
49.	Commercial liabilities and payments on account, among which:	61	12740	12240	12240	12240	12240
50.	Received payments on account	61.1					
51.	Liabilities to budgets, among which:	62	61919	282689	297971	300405	318540
52.	Liabilities of the public institutions to the budgets	63	X	x	x	x	x
53.	Social security contributions	63.1	45291	36209	57073	62172	45103
54.	Sums from external non-refundable Funds owed to the budget	64					
55.	Liabilities from transactions with external non-refundable Funds and budgetary funds, other liabilities to other international entities, among which:	65					
56.	Sums owed to the European Commission/ other donors	66					
57.	Short-term loans – sums to be paid in a period shorter than one year	70					
58.	Long-term loans – sums to be paid during the current financial year	71					
59.	Staff wages	72	46440	89813	111047	85836	148853
60.	Other entitlements for various categories (pensions, unemployment benefits, grants), among which:	73					
61.	Pensions, unemployment benefits, grants	73.1	x	x	x	x	x
62.	Accruals	74					
63.	Provisions	75					
64.	TOTAL CURRENT LIABILITIES	78	121099	387752	424639	401368	479633
65.	TOTAL LIABILITIES	79	246074	434727	471614	448343	526608
66.	NET ASSETS = TOTAL ASSETS – TOTAL LIABILITIES = EQUITY INSTRUMENTS	80	39426168	43366820	63333606	53177849	64708923
67.	EQUITY INSTRUMENTS	83	x	x	x	x	x
68.	Reserves, funds	84	25782120	33484336	53074319	44492071	44492071
69.	Reported outturn	85	11684468		227,150	10,203,671	16,294,943

70.	Reported outturn	86		4267867			
71.	Economic outturn of the financial year	87	1959580				3921909
72.	Economic outturn of the financial year	88		4267867		1517893	
73.	TOTAL EQUITY INSTRUMENTS	90	39426168	43366820	63333606	53177849	64708923

Annex no. 3.

BALANCE SHEET – Territorial administrative entity Ceru Băcăiți

BALANCE SHEET - Territorial administrative entity Ceru Băcăiți							
							Lei
Ref. no.	INDICATORS	Row Code	2013	2014	2015	2016	2017
1.	ASSETS	01	X	X	X	X	X
2.	NON-CURRENT ASSETS	02	X	X	X	X	X
3.	Intangible fixed assets	03	15199	15199	155359	134119	118879
4.	Technical installations, transport means, animals, plantations, furniture, office equipment and other tangible assets	04	5610	116094	135072	13453	6656
5.	Land and buildings	05	3469812	3416523	10254041	10254041	10271107
6.	Other non-financial assets	06					
7.	Non-current financial assets (long term investments), over an year, among which:	07					
8.	Shareholdings	08					
9.	Non-current entitlements – sums to be collected for a period longer than one year, among which:	09					
10.	Non-current commercial entitlements – sums to be collected after a period longer than one year	10					
11.	TOTAL NON-CURRENT ASSETS	15	3490621	3547816	10544472	10401613	10396642
12.	CURRENT ASSETS	18	x	X	x	x	x
13.	Stocks	19	69512	69512	74423	72364	90588
14.	Current entitlements – sums to be collected in a period shorter than one year	20	x	X	x	x	x
15.	Entitlements from commercial operations, payments on account and settlements, among which	21	3439	58224	55830	53289	53289
16.	Settlements on current state budgetary execution	21.1					
17.	Commercial entitlements and payments on account, among which:	22	3439	58224	55830	53289	53289
18.	Advances	22.1					
19.	Budgetary entitlements, among which:	23	39649	84020	83845	91713	95121
20.	Entitlements from the consolidated general budget	24	33790	84020	83845	91713	95121
21.	Entitlements from transactions with external non-refundable	25					

	funds and budgetary funds, among which:						
22.	Sums to be received from the European Commission/ other donors	26					
23.	Loans granted on short-term	27					
24.	Total current entitlements	30	43088	142244	139675	145002	148410
25.	Short-term investments	31					
26.	Treasury accounts and account to credit institutions:	32	x	X	x	x	x
27.	Treasury accounts, RON register	33	1608	2300978	48061	45488	1390
28.	Interests to be collected, other values, treasury payments on account	33.1					
29.	Deposits	34	x	X	x	x	x
30.	Account to credit institutions, National Bank of Romania, foreign currency register	35					
31.	Interests to be collected, other values, treasury payments on account	35.1					
32.	Deposits	36	X	X	X	X	X
33.	Total availabilities and other values	40	1608	2300978	48061	45488	1390
34.	Availabilities accounts of the Central Treasury and of the territorial treasuries	41					
35.	Interests to be collected, other values, treasury payments on account	41.1					
36.	Prepayments	42					
37.	TOTAL CURRENT ASSETS	45	114208	2512734	262159	262854	240388
38.	TOTAL ASSETS	46	3604829	6060550	10806631	10664467	10637030
39.	LIABILITIES	50	x	X	x	x	x
40.	NON-CURRENT LIABILITIES- sums to be paid after a period longer than one year	51	x	X	x	x	x
41.	Non-current sums - sums to be paid after a period longer than one year, among which:	52					
42.	Commercial liabilities	53					
43.	Long-term loans	54					
44.	Provisions	55	43,810	37810	24405	24405	
45.	TOTAL NON-CURRENT LIABILITIES	58	43810	37810	24405	24405	
46.	CURRENT LIABILITIES – sums to be paid in a period shorter than one year	59	x	X	x	x	x
47.	Commercial liabilities, payments on account and other settlements, among which:	60	4426	28914	25214	37199	34658
48.	Settlements related to the state budgetary execution for the current year	60.1					
49.	Commercial liabilities and payments on account, among which:	61	4426	28634	25214	37199	34658
50.	Received payments on account	61.1					

51.	Liabilities to budgets, among which:	62	10508	15092	14506	20774	24987
52.	Liabilities of the public institutions to the budgets	63	x	X	x	x	x
53.	Social security contributions	63.1	7777	11923	10260	16238	18839
54.	Sums from external non-refundable Funds owed to the budget	64					
55.	Liabilities from transactions with external non-refundable Funds and budgetary funds, other liabilities to other international entities, among which:	65		2300000			
56.	Sums owed to the European Commission/ other donors	66					
57.	Short-term loans – sums to be paid in a period shorter than one year	70					
58.	Long-term loans – sums to be paid during the current financial year	71					
59.	Staff wages	72	58285	21460	27479	30250	73758
60.	Other entitlements for various categories (pensions, unemployment benefits, grants), among which:	73					
61.	Pensions, unemployment benefits, grants	73.1	x	X	x	x	x
62.	Accruals	74					
63.	Provisions	75					24405
64.	TOTAL CURRENT LIABILITIES	78	73219	2365466	67199	88223	157808
65.	TOTAL LIABILITIES	79	117029	2403276	91604	112628	157808
66.	NET ASSETS = TOTAL ASSETS – TOTAL LIABILITIES = EQUITY INSTRUMENTS	80	3487800	3657274	10715027	10551839	10479222
67.	EQUITY INSTRUMENTS	83	x	X	x	x	x
68.	Reserves, funds	84	3433022	3379733	10229856	10223341	10223341
69.	Reported outturn	85	6247	104,520	267,002	488,069	351,603
70.	Reported outturn	86					
71.	Economic outturn of the financial year	87	48531	173021	218169	159571	95722
72.	Economic outturn of the financial year	88					
73.	TOTAL EQUITY INSTRUMENTS	90	3487800	3657274	10715027	10551839	10479222

Annex no. 4.

The economic outturn account - Pianu

lei

THE ECONOMIC OUTTURN ACCOUNT - Pianu							
							- lei-
Ref. no.	INDICATORS	Row code	2013	2014	2015	2016	2017
I.	B	01					
1.	OPERATIONAL REVENUES	02	3042405	4162145	3903966	4815792	5468788
2.	Revenues from duties, taxes,	03	336334	47435	22193	45450	46400

	security contributions and other budgetary revenues						
3.	Revenues from economic activities	04	10399122	1696098	2155564	397855	1286464
4.	Financing, subventions, transfers	05	432519	542747	264518	404511	242859
	Other operational revenues	06	14210380	6448425	6346241	5663608	7044511
II.	TOTAL OPERATIONAL REVENUES	07					
1.	OPERATIONAL EXPENSES	08	1560692	1677604	2104860	2465834	3270065
2.	Wages and social security contributions for employees	09	388133	567300	523441	368369	442443
3.	Subventions and transfers	10	1776258	1688103	2004972	1735933	2033870
4.	Stocks, supplies, services from the third parties	11	11488321	43532	33089	3911023	248141
5.	Capital expenditure, depreciation and provisions	12					474
	Other operational expenditure	13	15213404	3976539	4666362	8481159	5994993
III.	TOTAL OPERATIONAL EXPENDITURE	14					
	THE OUTTURN OF THE OPERATIONAL ACTIVITY	15		2471886	1679879		1049518
	- EXCESS	16	1003024			2817551	
IV.	- DEFICIT	17					
V.	FINANCIAL REVENUES	18	55186				
VI.	FINANCIAL EXPENDITURE	19					
	THE OUTTURN OF THE FINANCIAL ACTIVITY	20					
	- EXCESS	21	55186				
VII.	- DEFICIT	22					
	THE OUTTURN OF THE CURRENT ACTIVITY	23		2471886	1679879		1049518
	- EXCESS	24	1058210	6150925	17912	2817551	
VIII.	- DEFICIT	25	4468	4312	4778	87733	17211
IX.	EXTRAORDINARY REVENUES	26					
X.	EXTRAORDINARY EXPENDITURE	27					
	THE OUTTURN FROM THE EXTRAORDINARY ACTIVITY	28	4468	4312	4778	87733	17211
	- EXCESS	29					
XI.	- DEFICIT	29.1					
	THE ECONOMIC OUTTURN (GROSS)	29.2					1066729
	- EXCESS	29.3				2729818	
	- DEFICIT	29.4					
XII.	Corporation taxes	30					
	THE ECONOMIC OUTTURN (NET)	31		2476198	1684657		1066729
	- EXCESS	32	1053742			2729818	

Annex no. 5

The economic outturn account – Horea

lei

Ref . No.	INDICATORS	Row code	2013	2014	2015	2016	2017
A	B	C	1	2	3	4	5
I.	OPERATIONAL REVENUES	01					
1.	Revenues from duties, taxes, security contributions and other budgetary revenues	02	2600508	2559224	3590496	3355336	4151077

2.	Revenues from economic activities	03	33096	28638	39904	27304	67354
3.	Financing, subventions, transfers	04	182471 0	3764610	501496 7	385678 9	4062836
4.	Other operational revenues	05	23528	533993	365008	368828	242073
	TOTAL OPERATIONAL REVENUES	06	448184 2	6886465	901037 5	760825 7	8523340
II.	OPERATIONAL EXPENSES	07					
1.	Wages and social security contributions for employees	08	161901 3	1815084	222629 7	226557 4	2907236
2.	Subventions and transfers	09	64267	51783	88571	119289	162694
3.	Stocks, supplies, services from the third parties	10	830164	1000948	935385	112281 7	1372661
4.	Capital expenditure, depreciation and provisions	11	11543	8283507	549694 3	561558 3	16791
5.	Other operational expenditure	12			32818		
	TOTAL OPERATIONAL EXPENDITURE	13	252498 7	1115132 2	878001 4	912336 3	4459382
III.	THE OUTTURN OF THE OPERATIONAL ACTIVITY	14					
	- EXCESS	15	195685 5		230361		4063958
	- DEFICIT	16		4264857		151500 6	
IV.	FINANCIAL REVENUES	17					
V.	FINANCIAL EXPENDITURE	18					
VI.	THE OUTTURN OF THE FINANCIAL ACTIVITY	19					
	- EXCESS	20					
	- DEFICIT	21					
VII.	THE OUTTURN OF THE CURRENT ACTIVITY	22					
	- EXCESS	23	195685 5		230361		4069395 8
	- DEFICIT	24		4264857		151500 6	
VIII	EXTRAORDINARY REVENUES	25			170		
IX.	EXTRAORDINARY EXPENDITURE	26					
X.	THE OUTTURN FROM THE EXTRAORDINARY ACTIVITY	27					
	- EXCESS	28			170		
	- DEFICIT	29					
XI.	THE ECONOMIC OUTTURN (GROSS)	29.1					
	- EXCESS	29.2					4063958
	- DEFICIT	29.3				151500 6	
	Corporation taxes	29.4					
XII.	THE ECONOMIC OUTTURN (NET)	30					
	- EXCESS	31	195685 5		230531		4063958
	- DEFICIT	32		4264857		151500 6	

Annex no. 6

The economic outturn account – Ceru Băcăiți

lei

Ref. no.	INDICATORS	Row code	2013	2014	2015	2016	2017
A	B	C	1	2	3	4	5

I.	OPERATIONAL REVENUES	01					
1.	Revenues from duties, taxes, security contributions and other budgetary revenues	02	680362	635933	1867692	723603	871854
2.	Revenues from economic activities	03		1170	2636	3185	1935
3.	Financing, subventions, transfers	04	678	186826	6837275	56718	8232
4.	Other operational revenues	05	4626	6625	27283	6583	40095
	TOTAL OPERATIONAL REVENUES	06	685666	830554	8734886	790089	922116
II.	OPERATIONAL EXPENSES	07					
1.	Wages and social security contributions for employees	08	433409	448701	522527	581133	776662
2.	Subventions and transfers	09	8160	15026	65735	30350	27119
3.	Stocks, supplies, services from the third parties	10	113585	183482	1010472	178254	192020
4.	Capital expenditure, depreciation and provisions	11	81981	10044	6892591	148796	22037
5.	Other operational expenditure	12					
	TOTAL OPERATIONAL EXPENDITURE	13	637135	657253	8491325	938533	1017838
III.	THE OUTTURN OF THE OPERATIONAL ACTIVITY	14					
	- EXCESS	15	48531	173301	243561		
	- DEFICIT	16				148444	95722
IV.	FINANCIAL REVENUES	17					
V.	FINANCIAL EXPENDITURE	18			25392	11127	
VI.	THE OUTTURN OF THE FINANCIAL ACTIVITY	19					
	- EXCESS	20					
	- DEFICIT	21			25392	11127	
VII.	THE OUTTURN OF THE CURRENT ACTIVITY	22					
	- EXCESS	23	48531	173301	218169		
	- DEFICIT	24				159571	95722
VIII.	EXTRAORDINARY REVENUES	25					
IX.	EXTRAORDINARY EXPENDITURE	26					
X.	THE OUTTURN FROM THE EXTRAORDINARY ACTIVITY	27					
	- EXCESS	28					
	- DEFICIT	29					
XI.	THE ECONOMIC OUTTURN (GROSS)	29.1					
	- EXCESS	29.2					
	- DEFICIT	29.3				159571	95722
	Corporation taxes	29.4					
XII.	THE ECONOMIC OUTTURN (NET)	30					
	- EXCESS	31	48531	173301	218169		
	- DEFICIT	32				159571	95722