

**The State Undertaking “Insurance of Deposits and Investments”
FINANCIAL STATEMENT for the period ended 31 December 2009**

**The State Undertaking “Insurance of Deposits and Investments”
BALANCE SHEET for the period ended 31 December 2009**

(in Litas)

No.	ASSETS	Note No.	Financial year	Previous financial year
A.	NON-CURRENT ASSETS		914.809.678	998.703.805
I.	NO TANGIBLE ASSETS	1	2.100	986
I.1.	Software		2.100	986
I.2.	Other intangible assets		0	0
II.	TANGIBLE ASSETS	1	43.596	59.890
II.1.	Buildings and constructions		4.576	4.912
II.2.	Vehicles		14.982	24.977
II.3.	Other equipment, devices, tools and constructions		24.038	30.001
II.4.	Other tangible assets		0	0
III.	FINANCIAL ASSETS		914.763.982	998.642.929
III.1.	Amounts receivable after one year		0	0
III.2.	Other financial assets	2	914.763.982	998.642.929
IV.	OTHER NON-CURRENT ASSETS		0	0
B.	CURRENT ASSETS		404.579.340	116.778.732
I.	INVENTORIES, PREPAYMENTS AND CONTRACTS IN PROGRESS		7.380	5.818
I.1.	Inventories		315	899
I.1.1.	Raw materials and ready-made products		315	899
I.2.	Prepayments	3	7.065	4.919
I.3.	Contracts in progress		0	0
II.	AMOUNTS RECEIVABLE WITHIN ONE YEAR	4	13.288.191	12.889.673
II.1.	Debts of insurers		13.288.191	12.889.673
II.2.	Other amounts receivable		0	0
III.	OTHER CURRENT ASSETS		391.231.926	103.764.654
III.1.	Current investments	5	391.231.926	103.764.654
III.2.	Fixed-term deposits		0	0
III.3.	Other current assets		0	0
IV.	CASH AND ITS EQUIVALENT		51.843	118.587
	TOTAL ASSETS		1.319.389.018	1.115.482.537

No.	EQUITY AND LIABILITIES	Note No.	Financial year	Previous financial year
C.	<i>EQUITY</i>		39.765.542	38.113.532
I.	CAPITAL OF THE OWNER OF THE UNDERTAKING		30.974.825	30.974.825
II.	CAPITAL WHICH BY THE LAW MAY BELONG BY THE RIGHT OF OWNERSHIP ONLY TO THE STATE.		0	0
III.	THE REVALUATION RESERVE (RESULTS)		0	0
IV.	RESERVES		7.138.707	5.534.845
IV.1	Legal reserve		7.138.707	5.534.845
IV.2	Other reserves		0	0
V.	RETAINED PROFIT (LOSS)	6	1.652.010	1.603.862
V.1.	Profit (loss) for the year under report		1.652.010	1.603.862
V.2.	Profit (loss) for the previous year		0	0
F.	<i>FUNDS ADMINISTERED BY THE UNDERTAKING</i>		1.279.541.351	1.077.329.106
I.	DEPOSIT INSURANCE FUND	7	1.273.927.888	1.072.107.298
II.	LIABILITIES TO INVESTORS INSURANCE FUND	8	5.613.463	5.221.808
D.	<i>GRANTS, SUBSIDIES</i>		0	0
E.	<i>AMOUNTS PAYABLE AND LIABILITIES</i>		82.125	39.899
I.	AMOUNTS PAYABLE AFTER ONE YEAR AND NON - CURRENT LIABILITIES		0	0
II.	AMOUNTS PAYABLE WITHIN ONE YEAR AND CURRENT LIABILITIES	9	82.125	39.899
II.1.	Debts to suppliers		0	0
II.2.	Prepayments received		0	464
II.3.	Liabilities related to labour relations		30.530	36.670
II.4.	Postponements		0	0
II.5.	Other amounts payable and current liabilities		51.595	2.765
	TOTAL EQUITY AND LIABILITIES		1.319.389.018	1.115.482.537

PROFIT (LOSS) STATEMENT TO DECEMBER 31 2009

Accounted period – the year 2009

(in Litas)

No.	Items	Note No.	Financial year	Previous financial year
I.	INCOME FROM SALES		1.170.533	1.246.365
I.1.	Income from rendered services – reimbursement for the Funds administering	10	1.170.533	1.246.365
<i>I.1.1.</i>	<i>Reimbursement for administering of the Deposit Insurance Fund</i>		<i>1.165.041</i>	<i>1.239.832</i>
<i>I.1.2.</i>	<i>Reimbursement for administering of the Liabilities to Investors Insurance Fund</i>		<i>5.492</i>	<i>6.533</i>
II.	THE COSTS OF SALES		0	0
III.	TOTAL PROFIT (LOSS)		1.170.533	1.246.365
IV.	EXPENSES OF THE ACTIVITIES		1.186.020	1.261.852
IV.1.	Administration expenses in respect of the Funds administered	10	1.170.533	1.246.365
<i>IV.1.1.</i>	<i>Deposit Insurance Fund</i>		<i>1.165.041</i>	<i>1.239.832</i>
<i>IV.1.2.</i>	<i>Liabilities to Investors Insurance Fund</i>		<i>5.492</i>	<i>6.533</i>
IV.2.	Tax on the State property used under the right of trust		15.487	15.487
V.	PROFIT (LOSS) FROM THE ORDINARY ACTIVITIES		-15.487	-15.487
VI.	OTHER ACTIVITIES		0	0
VI.1.	Income		0	0
VI.2.	Expenses		0	0
VII.	FINANCIAL AND INVESTMENT ACTIVITIES	11	1.667.497	1.619.349
VII.1.	Income from investment of the equity of the Undertaking		1.717.706	1.625.828
VII.2.	Expenses		50.209	6.479
VIII.	PROFIT (LOSS) FROM THE ORDINARY ACTIVITIES		1.652.010	1.603.862
IX.	WINDFALL PROFIT		0	0
X.	LOSS FROM EXTRAORDINARY ACTIVITIES		0	0
XI.	PROFIT (LOSS) BEFORE TAXES		1.652.010	1.603.862
XII.	PROFIT TAX		0	0
XIII.	NET PROFIT (LOSS)		1.652.010	1.603.862

STATEMENT ON THE EQUITY CHANGES AS AT 31 DECEMBER 2009

Accounted period – the year 2009

(in Litass)

	Capital of the Owner of the Undertaking	Mandatory reserve	Other reserves	Revaluation reserve (results)		Retained profit (loss)	Total
				Current tangible assets	Current financial assets		
1. Balance at the end of the year before the previous year	30.974.825	4.448.888				1.085.957	36.509.670
2. The result of the alteration of the accounting policy							
3. The result of correction of essential errors							
4. Recalculated balance at the end of the year before the previous financial year	30.974.825	4.448.888				1.085.957	36.509.670
5. Net profit (loss) for the period under report						1.603.862	1.603.862
6. Formed reserves		1.085.957				-1.085.957	0
7. Used reserves							
8. Increase/decrease of the capital of the Owner of the Undertaking							
9. Balance at the end of the previous year	30.974.825	5.534.845				1.603.862	38.113.532
10. Profit (loss) unadmitted in the profit/loss statement							
11. Net profit (loss) for the period under report						1.652.010	1.652.010
12. Formed reserves		1.603.862				-1.603.862	0
13. Used reserves							0

	Capital of the Owner of the Undertaking	Mandatory reserve	Other reserves	Revaluation reserve (results)		Retained profit (loss)	Total
				Current tangible assets	Current financial assets		
14. Increase/decrease of the capital of the Owner of the Undertaking							
15. Balance at the end of the accounted year	30.974.825	7.138.707				1.652.010	39.765.542

CASH FLOW STATEMENT
As at 31 December 2009

(in Litas)

No.	Items	Note No.	Financial year	Previous financial year
I.	Cash flow from operating activities of the Undertaking			
I.1.	Income in cash within the period under report		152.912.456	163.818.642
I.1.1	Income from insurance premiums paid by clients		152.912.456	163.818.642
I.1.2	Other income		0	0
I.2.	Payments in cash paid within the period under report		1.124.792	1.257.653
I.2.1	Payment to suppliers of raw materials, products and services (VAT included)		298.928	398.008
I.2.2	Payments related to labour relations		810.377	844.158
I.2.3	Taxes paid to the budget		15.487	15.487
I.2.4	Other payments		0	0
	Cash flow from operating activities		151.787.664	162.560.989
II.	Cash flow from investment activities			
II.1.	Selling (acquisition) of non-current assets		-11.370	-13.000
II.2.	Investments into securities		-389.020.165	-348.014.258
II.3.	Redemption and selling of securities		237.177.127	185.506.471
	Net cash flow from investment activities		-151.854.408	-162.520.787
III.	Cash flow from financing activities		0	0
IV.	Cash flow related to extraordinary items		0	0
IV.1	Increase of cash flow of extraordinary items		0	0
IV.2	Decrease of cash flow of extraordinary items		0	0
V.	Impact of fluctuations of foreign currencies exchange rates on the balance of cash and cash equivalents		0	0
VI.	Net increase (decrease) in cash flow		-66.744	40.202
VII.	Cash and cash equivalent in the beginning of the period		118.587	78.385
VIII.	Cash and cash equivalent in the end of the period		51.843	118.587

NOTES TO THE FINANCIAL STATEMENT

Background information

The State Undertaking “Indėlių ir Investicijų Draudimas” (Insurance of Deposits and Investments) is a state company established by the Government of the Republic of Lithuania on the basis of State-owned property under the Republic of Lithuania Law on the Insurance of Deposits of Individuals and registered in accordance with the procedure laid down by laws of the Republic of Lithuania. The founder of the Undertaking is the Ministry of Finance.

Date of registration of the Undertaking: 16 December 1996.

Registration No. of the Undertaking: VI 96-4.

Code of the Undertaking: No. 110069451.

In its activities, the insurance undertaking is guided by the Law of the Republic of Lithuania on Insurance of Deposits and Liabilities to Investors, the Republic of Lithuania State and Municipal Enterprise Law and other legal acts, unless the Law of the Republic of Lithuania on Insurance of Deposits and Liabilities to Investors provides otherwise, and by its by-laws.

The goals of the Undertaking are the following: to insure deposits of depositors, liabilities to investors, administrate Deposits Insurance Fund and the Fund of Insurance of Liabilities to Investors as well as carry out other activities indicated in the by-laws of the insurance undertaking.

The principal functions of the Undertaking are the following:

- to accumulate money in the Deposit Insurance Fund and Liabilities to Investors Insurance Fund;
- to calculate and pay the insurance compensations to depositors and investors of the insured;
- to control, whether the insured do not violate the fixed procedure of insurance;
- to invest the administered funds and equity capital resources into the securities of Central banks and Governments of Republic of Lithuania which are approved by the Council of the Undertaking and into deposits with the Bank of Lithuania.
- to perform other functions, specified in the Law of Republic of Lithuania on Insurance of Deposits and Liabilities to Investors and its by-laws.

In 2009, insurance premiums to Deposit Insurance Fund were paid by 9 banks and 68 credit unions, and insurance premiums to Liabilities to Investors Insurance Fund were paid by 24 financial brokerage companies and management companies of investment companies. In 2009 the Undertaking did not pay any insurance compensation.

At 31 December 2009, the listing number of employees was 10. The number of employees remained the same within the year.

Accounting policies

The financial statements of the state Undertaking “Insurance of Deposits and Investments” have been prepared in accordance with the regulatory legislation of the Republic of Lithuania on financial accounting and the accounting policies, the Law on Deposits and Liabilities to Investors, the accounting policies set by the Undertaking, which correspond to the requirements of the Business Accounting Standards approved by the Council of Standards of the Authority of Auditing and Accounting of the Republic of Lithuania. In 2009, the accounting policy was not changed.

The financial year of the Undertaking coincides with the calendar year.

In order to ensure consistency of the provided information, the comparative financial information for the year 2008 is provided herewith.

In this Financial Statement, all data are provided in the national currency – Litas.

Hereinafter, the key principles of accounting followed by the Undertaking in the preparation these financial statements are described.

Accounting principles

In accounting and preparation of financial statements, the Undertaking followed these principles of accounting: entity concept, going concern, periodicity, accrual basis, consistency, comparability, prudence and neutrality.

Non-current tangible and intangible assets

Assets that have a useful life-time over one year and acquisition value (VAT included) of no less than 500 Litas are attributed to non-current tangible and intangible assets. Non-current tangible and intangible assets are stated in the acquisition value, less accumulated depreciation (amortization) during the period of its use. The acquisition value comprises the purchase price of the assets, including all related costs, such as customs duty, excise duty and other taxes, transportation expenses and costs for preparation for use (installation, probation, tuning, etc.), incurred before the asset is brought into use.

Residual value of non-current assets is equal to 1 Litas, as established by the Undertaking. Depreciation and amortization are calculated using the straight-line method.

The following rates of amortization and depreciation are applied:

<i>Category of non-current assets</i>	<i>Depreciation/ amortization rates (in years)</i>
Computer software	3
Premises	50
Vehicles	6
Computer and telecommunication equipment	3
Office furniture	6
Other assets	4

In the financial accounting statements, non-current tangible and intangible assets are shown at the balance value calculated deducting the accrued depreciation (amortization) and decrease of the value from the assets acquisition cost. The value of long-term tangible assets is reduced only when its balance value significantly exceeds its pay-back value. The sum by which the value of long-term tangible assets is reduced is recognized as a loss of the accounted period caused by the reduction of value and is recorded in the Profit (loss) Statement.

Prepayments for non-current tangible and intangible assets are fixed in the lines “Other intangible assets” and “Other tangible assets” of the financial statements.

Inventories

Inventories of low value (up to 500 Litass) and various consumables (acquired, but not being used), and petrol are recorded in the inventory account. Inventories are accounted at their acquisition cost and are written off as costs at the moment when they are brought into use. The acquisition cost of inventories comprises of the acquisition value and certain taxes that are not subsequently recoverable by the Undertaking from the state institutions.

Amounts receivable within one year

This item includes all amounts receivable by the Undertaking from third parties no later than next year after the accounted year. Debts are estimated at their nominal value.

Investments

The capital resources of the Undertaking and the Funds administered by it are invested in accordance with the investment procedure approved by the Council of the Undertaking. The Undertaking’s funds are invested pursuant to safety, liquidity and profitability criteria, into the securities of Central banks and Governments of European Economic Community countries as well as into the securities of other countries

which have long-term credit rate no less than Aa2 according to Moody's or other appropriate credit rating agencies at the moment of investment and into deposits with the Bank of Lithuania.

Investments in Government debt securities are considered investments until the date of their redemption and accounted for their acquisition value and are evaluated in the financial accountancy in the depreciated costs.

Securities of foreign states acquired for foreign currencies are accounted for at the official exchange rate of Litas and the foreign currency at the day of their acquisition. On the last day of every month the securities acquired for foreign currencies are revaluated according to the official Litas and the foreign currency exchange rate of the last day of the month. The difference between the securities acquisition and the nominal value, discount or premium is depreciated evenly during the period from acquisition to redemption, and the securities acquisition value is increased (decreased) with the depreciated discount (premium) sum, increasing (decreasing) the interest norm accordingly. The segments are recognized as income based on accrual principle and are included into the interest income and into the value of securities. Governmental securities which are to be redeemed in one year as of the Balance date are shown in the item "Other current assets", in the line "Current investments", and those the redemption term of which is after one year and later are recorded in the item of the Balance "Long-term financing assets", in the line "Other financial assets" value. The costs related to the acquisition of securities are recognized as financial and investment activity costs in the Profit (loss) and Funds' changes Statements.

Cash and cash equivalents

Cash and cash equivalents in the Cash Flow Statement include cash in hand and at bank.

Foreign currency

Foreign currency transactions are translated using the official exchange rate of the Litas and the respective foreign currency valid at the date of the transaction. Foreign exchange gain and loss from the settlement of such transactions and from the translation of monetary assets securities and liabilities denominated in foreign currencies are recognized in the item "Financial and investment activities" of the Income Statement and the item "Increase (decrease) of the value of assets due to changes in foreign exchange rates" of the Statements of Changes in the Funds. Only foreign currency exchange result (gain or loss) is stated in these items. The following official rates of exchange of Litas and other foreign currencies were valid on the date of formation of the Balance Sheet:

	31 December 2009	31 December 2008
USD	2.4052	2.4507
EUR	3.4528	3.4528

Funds administered by the Undertaking

The Deposit Insurance Fund and Liabilities to Investors Insurance Fund are recorded in different accounts in the Undertaking's General Ledger. In the Balance Sheet, these Funds are shown in the line F of Equity and Liabilities like "Funds administered by the Undertaking". The following income is attributed to the Funds: insurance premiums of the insured, amounts exacted from the insured in liquidation in accordance with the effective legislation, the Fund's investment income and other income. The following expenses are recognized as the Fund's expenses: insurance compensations, Fund administration and other expenses. Investment income earned attributable to the Funds and expenses incurred for administration of the Funds are allocated on a monthly basis to the Deposit Insurance Fund and Liabilities to Investors Insurance Fund in proportion to their size at the beginning of the month. Insurance premiums of the insured, amounts exacted from the insured in liquidation, and insurance compensations are attributed directly to the Fund that they belong to, i.e. Deposit Insurance Fund - insurance premiums paid by banks, branches of foreign banks and credit unions, while insurance premiums paid by financial brokerage companies, management companies of investment funds are attributed to Liabilities to Investors Insurance Fund.

Income and expenses of the Funds are recorded in the accounts and presented in the financial statements according to the costs accrual basis.

Amounts payable within one year and other liabilities

This item reflects all current liabilities of the Undertaking to third persons that should be discharged no later than within the year following the accounting year.

Recognition of revenues and expenses of the Undertaking

In accordance with the Law of the Republic of Lithuania on Insurance of Deposits and Liabilities to Investors, the following income received by the Undertaking is recognized as the Undertaking's income: income from investing the Undertaking's capital, reimbursement for the administration received for the Funds administered and other income, and the expenses to be recognized as expenses of the Undertaking are the following: expenses of investing the Undertaking's capital, administration expenses of the Funds administered and other expenses.

Income from investing the Undertaking's capital is the share of the income from investing of all funds of the Company (the Funds administered and the capital) proportional to the capital of the Undertaking.

Income from administration of the Funds administered represents deductions from the assets of the Deposit Insurance Fund and Liabilities to Investors Insurance Fund to cover the Undertaking's administration expenses. This income is presented in the accounting by reducing the Funds administered by the amount of expenses incurred in respect of these Funds.

The Undertaking's revenues and expenses are recorded and presented in the financial statements on the costs accrual basis.

Taxes

The Undertaking is exempt from Income Tax, Real Estate Tax, Value Added Tax. Since the 2005 the Undertaking pays the Tax on the use of State property on the right of trust to the State Budget. The rate of the tax is 0.05 percent from the capital of the owner of the Undertaking.

Events after the date of formation of the Balance Sheet

Any events that take place after the date of drawing the Balance Sheet shall be accounted in the financial accounting, if they are related to the period under report and significantly impact the financial accounting.

Comparative figures

Where necessary, the comparative figures have been reclassified to conform to changes in presentation in the current year.

NOTES

NOTE 1 – NON-CURRENT INTANGIBLE ASSETS

Movement of non-current intangible assets in 2009:

Indicators	Intangible assets	Tangible assets			
		Buildings	Vehicles	Office equipment, etc.	Total
Acquisition cost on 31 December 2008	60.363	262.342	59.960	218.929	541.231
Acquisition of assets 2009	1.956	0	0	9.414	9.414
Written-off assets in 2009	0	0	0	41.102	41.102
Acquisition cost on 31 December 2009	62.319	262.342	59.960	187.241	509.543
Accumulated depreciation and amortization on 31 December 2008	59.377	257.430	34.983	188.928	481.341
Calculated depreciation and amortization in 2009	842	336	9.995	15.371	25.702
Written-off depreciation in 2009	0	0	0	41.096	41.096
Accumulated depreciation on 31 December 2009	60.219	257.766	44.978	163.203	465.947
Residual value on 31 December 2009	2.100	4.576	14.982	24.038	43.596
Residual value on 31 December 2008	986	4.912	24.977	30.001	59.890

In 2008 and 2009, the value of non-current assets was not reduced.

In 2008 and 2009, the depreciation and amortization expenses were included into the operating expenses in the Profit (Loss) Statement of the Undertaking.

The residual value of some of non-current assets used by the Undertaking, however, is in satisfactory condition and is still used in the activities of the Undertaking.

On 31 December 2009, the structure of depreciated non-current assets in use:

Description of the group of non-current assets	Acquisition cost (LTL)
Computer software	58.331
Computer and telecommunication equipment	57.938
Office furniture	78.502
Total	194.771

NOTE 2 - OTHER CURRENT ASSETS

Balance Sheet item “Other financial assets” is used to account for the debt securities with maturity term exceeding one year acquired by the Undertaking.

Securities by issuers

No.	Securities	31 12 2009	31 12 2008
1	Lithuanian bonds	502.811.290	732.069.761
2	Lithuanian Eurobonds issued in EUR	100.886.978	96.513.756
3	Securities of the Republic of Italy issued in EUR	37.507.233	36.058.683
4	Securities of the Kingdom of Belgium issued in EUR	36.858.651	7.086.702
5	Securities of the Republic of Germany issued in EUR	54.596.852	3.906.025
6	Securities of the Republic of France issued in EUR	54.239.607	17.423.520
7	Securities of the Republic of Hungary issued in EUR	21.905.581	21.796.662
8	Securities of the Kingdom of Netherlands issued in EUR	25.695.135	0
9	Securities of the Republic of Italy issued in USD	10.939.720	10.717.737
10	Securities of the Government of USA issued in USD	14.537.485	13.717.564
11	Securities of the Republic of Austria issued in USD	33.639.368	32.079.949
12	Securities of the Republic of Hungary issued in USD	21.146.082	21.480.471
	Total securities	914.763.982	992.850.830
13	The prepayment for securities of the Republic of France issued in EUR	0	5.792.099
	Total	914.763.982	998.642.929

Securities by periods and currencies on 31 December 2009

	2011-2013	After 2013	Total
Securities in LTL	223.715.936	279.095.354	502.811.290
Securities in USD	23.523.716	56.738.939	80.262.655
Securities in EUR	222.063.924	109.626.113	331.690.037
Total	469.303.576	445.460.406	914.763.982

NOTE 3 – PREPAYMENTS

	31 12 2009	31 12 2008
1. Prepaid subscription for newspapers	3.773	3.813
2. Prepaid property insurance	805	917
3. Other payments	2.487	189
Total	7.065	4.919

NOTE 4 – AMOUNTS RECEIVABLE WITHIN ONE YEAR

	31 12 2009	31 12 2008
1. Insurance premiums receivable from the insured (banks and credit unions)	13.288.191	12.889.673
Total	13.288.191	12.889.673

NOTE 5 – CURRENT INVESTMENTS

In the Balance Sheet item “Current Investments” the debt securities, acquired by the Undertaking with maturity for redemption in the year following the accounted year, are accounted.

No.	Title	31 12 2009	31 12 2008
1	Lithuanian treasury bills	156.625.953	47.880.621
2	Bonds of the Government of the Republic of Lithuania	228.268.920	55.884.033
3	Securities of the Republic of Germany issued in EUR	3.932.503	0
4	Securities of the Republic of France issued in EUR	2.404.550	0
	Total	391.231.926	103.764.654

NOTE 6 – PROFIT DISTRIBUTION

	Financial year	Previous financial year
Retained profit (loss) at the beginning of the period under report	1.603.862	1.085.957
Net result - profit (loss) - for the period under report	1.652.010	1.603.862
Transfers from reserves	0	0
Distribution of profit*	1.603.862	1.085.957
to the compulsory profit reserve	1603.862	1.085.957
to other reserves	0	0
for employees’ premiums and other purposes	0	0
Retained profit (loss) at the end of the period under report	1.652.010	1.603.862

*Following the provisions of the Law of Republic of Lithuania on Deposits and Liabilities to Investors, the total profit of the Undertaking for the year 2008 in amount of 1.603.862 Litass is distributed to the compulsory profit reserve.

NOTE 7 – THE STATEMENT ON CHANGES IN THE DEPOSIT INSURANCE FUND

The changes of the Deposit Insurance Fund within the years 2009 and 2008:

No.	Items	Financial year	Previous financial year
I.	OPENING BALANCE OF THE FUND	1.072.107.298	868.266.659
II.	TOTAL INCREASE	204.546.813	205.080.471
1	Insurance premiums	153.149.409	162.687.844
1.1.	<i>banks</i>	<i>151.830.786</i>	<i>161.588.006</i>
1.2.	<i>credit unions</i>	<i>1.318.623</i>	<i>1.099.838</i>
2	Income from the interest on investments into debt securities	51.397.404	39.593.160
3	Increase of assets value due to the foreign currency exchange rate	0	2.799.467
4	Other income	0	0
III.	TOTAL DECREASE	2.726.223	1.239.832
1	Decrease of assets value due to the foreign currency exchange rate	1.561.182	0
2	Fund administration costs	1.165.041	1.239.832
2.1.	<i>Fund investment expenses</i>	<i>195.094</i>	<i>169.436</i>
2.2.	<i>Expenses related to employees' costs of the Undertaking</i>	<i>806.584</i>	<i>840.925</i>
2.3.	<i>Expenses related to the Administration and use of property of the Undertaking</i>	<i>136.935</i>	<i>192.642</i>
2.4.	<i>The depreciation and amortization of assets</i>	<i>26.428</i>	<i>36.829</i>
IV.	CLOSING BALANCE OF THE FUND	1.273.927.888	1.072.107.298

NOTE 8 – THE STATEMENT ON CHANGES OF THE LIABILITIES TO INVESTORS INSURANCE FUND

The changes of the Liabilities to Investors Insurance Fund within the years 2009 and 2008

No.	Items	Financial year	Previous financial year
I.	OPENING BALANCE OF THE FUND	5.221.808	4.752.829
II.	TOTAL INCREASE	404.209	475.512
1	Insurance premiums	162.029	253.371
2	Income from the interest on investments into debt securities	242.180	208.989
3	Increase of assets value due to the foreign currency exchange rate	0	13.148
4	Other income	0	4
4.1	<i>Fine</i>	<i>0</i>	<i>4</i>
III.	TOTAL DECREASE	12.554	6.533
1	Decrease of assets value due to the change of foreign currency exchange rate	7.062	0
2	Administration expenses of the fund	5.492	6.533
2.1.	<i>Fund investment expenses</i>	<i>914</i>	<i>887</i>
2.2.	<i>Expenses related to the employees' costs of the Undertaking</i>	<i>3.809</i>	<i>4.331</i>
2.3.	<i>Expenses related to the Administration and use of property of the Undertaking</i>	<i>647</i>	<i>1.176</i>
2.4.	<i>The depreciation and amortization of assets</i>	<i>122</i>	<i>139</i>
IV.	CLOSING BALANCE OF THE FUND	5.613.463	5.221.808

Fund investment income and administration expenses are distributed monthly in accordance with the values of the Funds at the beginning of the month. In 2009, 99.53 % of the investment income and administration expenses were allotted to the Deposit Insurance Fund and 0.47 % - to the Liabilities to Investors Insurance Fund.

NOTE 9 – AMOUNTS PAYABLE WITHIN ONE YEAR

No.	Title	31 12 2009	31 12 2008
1	Unpaid insurance compensations to investors of the bankrupt financial brokerage company	313	313
2	Debt to Finasta, a financial brokerage company, for the management of the securities accounts	46.901	0
3	Insurance premiums received in advance	0	464
4	Vocation pay accumulation	30.530	36.670
5	Other amounts payable	4.381	2.452
	Total	82.125	39.899

NOTE 10 – INCOME AND EXPENDITURES STATEMENT OF THE UNDERTAKING

The Ministry of Finance approves the Annual Budget 2009 of income and expenses of the Undertaking.

Statement on execution of the Budget of income and expenses for the year 2009 and the comparative data for the year 2008

No.	Items	Financial year	Previous financial year	Budget 2009
	INCOME:	2.844.496	2.777.943	3.023.800
1	Income of the Undertaking's equity capital investments	1.717.706	1.531.578	1.700.000
2	Remuneration for the administration of the Funds administered:	1.170.533	1.246.365	1.323.800
2.1	Remuneration for the administration of the Deposit Insurance Fund	1.165.041	1.239.832	1.317.500
2.2	Remuneration for the administration of the Liabilities to Investors Insurance Fund	5.492	6.533	6.300
	EXPENSES:	1.192.486	1.268.331	1.347.800
1	Undertaking's equity capital investment expenses	6.466	6.479	8.500
2	Administration expenses of the insurance Undertaking	1.170.533	1.246.365	1.323.800
2.1	Expenses of investment of the Funds administered	196.008	170.323	212.500
2.2	Expenses related to the employees of the Undertaking	810.393	845.406	879.000
2.3	Expenses related to the Administration and use of property of the Undertaking	137.582	193.668	203.000
2.4	Expenses of depreciation and amortization of assets	26.550	36.968	29.300
3	Tax on the use of State property on the right of trust	15.487	15.487	15.500

Audit expenses: 2009 – 8.568 Litass, 2008 – 9.440 Litass.

NOTE 11 – RESULTS OF FINANCIAL AND INVESTMENT ACTIVITIES

Indexes	Financial year	Previous financial year
a) Income from financial and investment activities - total	1.717.706	1.625.828
Breakdown of significant sums:		
– Interest on securities	1.717.706	1.531.578
– Profit received from sales of securities	0	0
- Unrealized profit caused by changes in currency exchange rates	0	94.250
b) Expenses of financial and investment activities – total	50.209	6.479
– Commission pay to finance brokerage companies and charges for storage of securities	6.466	6.479
– Unrealized loss caused by changes in currency exchange rates	43.743	0
c) The result of financial and investment activities (a – b)	1.667.497	1.619.349

NOTE 12 – FINANCIAL RELATIONS WITH MANAGERS OF THE UNDERTAKING AND WITH OTHER ASSOCIATED PERSONS

Indexes	Financial year	Previous financial year
A. Amounts calculated during a year for the managers in connection with employment relations	315.376	357.794
Average number of managers within the year	3	3
Transactions with associated persons	None	None

The Director

R. Žilinskas

The Chief Accountant

A.Kantakevičiūtė