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EUROPEAN CENTRAL BANK

GUIDELINE OF THE EUROPEAN CENTRAL BANK

of 1 December 1998

ON THE LEGAL FRAMEWORK FOR ACCOUNTING AND REPORTING IN THE EUROPEAN SYSTEM OF CENTRAL BANKS

AS AMENDED ON 15 DECEMBER 1999

(ECB/1999/9)

THE GOVERNING COUNCIL OF THE EUROPEAN CENTRAL BANK,

Having regard to the Statute of the European System of Central Banks and of the European Central Bank (hereinafter referred to as the "Statute") and in particular to Articles 12.1, 14.3 and 26.4 thereof;

Having regard to the contribution of the General Council of the European Central Bank (ECB) under the second and third indents of Article 47.2 of the Statute;

(1) Whereas the European System of Central Banks (ESCB) is subject to reporting commitments under Article 15 of the Statute;

(2) Whereas, according to Article 26.3 of the Statute, the Executive Board of the ECB shall draw up a consolidated balance sheet of the ESCB for analytical and operational purposes;

(3) Whereas, according to Article 26.4 of the Statute, the Governing Council of the ECB shall establish the necessary rules for standardising the accounting and reporting of operations undertaken by the national central banks (NCBs) of the participating Member States for the application of Article 26 of the Statute;

(4) Whereas due regard has been given to the preparatory work conducted by the European Monetary Institute (EMI);

(5) Whereas, in accordance with Articles 12.1 and 14.3 of the Statute, ECB Guidelines form an integral part of Community law;

HAS ADOPTED THIS GUIDELINE:

CHAPTER I
GENERAL PROVISIONS

Article 1

Definitions

1. For the purposes of this Guideline:

   - "banknotes of other participating Member States" shall mean banknotes issued by an NCB that are presented to another NCB or to its appointed agent to be exchanged;
   - "consolidation" shall mean the accounting process whereby the financial figures of various separate legal entities are aggregated as though they were one entity;
   - "ESCB accounting and reporting purposes" shall mean the purposes for which the ECB produces the financial statements listed in Annex I in accordance with Articles 15 and 26 of the Statute;
   - "national central banks" (NCBs) shall mean the NCBs of participating Member States;
   - "participating Member States" shall mean Member States which have adopted the single currency in accordance with the Treaty establishing the European Community (hereinafter referred to as the "Treaty");
   - "non-participating Member States" shall mean Member States which have not adopted the single currency in accordance with the Treaty;
   - "Eurosystem" shall mean the NCBs and the ECB;
   - "transitional period" shall mean the period beginning on 1 January 1999 and ending on 31 December 2001;
   - "Eurosystem business day" shall mean a day on which the ECB or one or more NCBs are open for business.

2. Further definitions of technical terms used in this Guideline are included in the glossary attached as Annex II.

Article 2

Scope of application

1. The rules set out in this Guideline shall apply to the ECB and to the NCBs for ESCB accounting and reporting purposes.

2. The purpose of this Guideline is confined to the accounting and reporting regime of the ESCB as required by the Statute and, therefore, it does not lay down binding rules on NCBs' national reports and accounts. In order to achieve consistency and comparability between ESCB and national regimes, it is recommended that NCBs should, to the extent possible, follow the rules set out in this Guideline for their national reports and accounts.

Article 3

Basic accounting assumptions

The following basic accounting assumptions shall apply:

(a) Economic reality and transparency: The accounting methods and financial reporting shall reflect economic reality, shall be transparent and shall respect the qualitative characteristics of understandability, relevance, reliability and comparability. Transactions shall be accounted for and presented in accordance with their substance and economic reality and not merely with their legal form.

(b) Prudence: The valuation of assets and liabilities and income recognition shall be carried out prudently. In the context of this Guideline, this implies that unrealised gains are not recognised as income in the profit and loss account, but are transferred directly to a revaluation account. However, prudence does not allow the creation of hidden reserves or the deliberate misstatement of items on the balance sheet and in the profit and loss account.

(c) Post-balance-sheet events: Assets and liabilities shall be adjusted for events that occur between the annual balance sheet date and the date on which the financial statements are approved by the competent bodies if they affect the condition of assets or liabilities at the balance sheet date. No adjustment shall be made for assets and liabilities, but disclosure shall be made of those events occurring after the balance sheet date that do not affect the condition of assets and liabilities at the balance sheet date, but which are of such importance that non-disclosure would affect the ability of the users of the financial statements to make proper evaluations and decisions.

(d) Materiality: deviations from the accounting rules, including those affecting the calculation of the profit and loss accounts of the individual NCBs and of the ECB, shall not be allowed unless they can reasonably be judged to be immaterial in the overall context and presentation of the financial accounts of the reporting institution.

(e) Going concern basis: accounts shall be prepared on a going concern basis.

(f) The accruals principle: income and expenses shall be recognised in the accounting period in which they are earned or incurred and not according to the period in which they are received or paid.

(g) Consistency and comparability: the criteria for balance sheet valuation and income recognition shall be applied consistently in terms of commonality and continuity of approach within the ESCB to ensure comparability of data in the financial statements.

Article 4

Recognition of assets and liabilities

A financial or other asset/liability shall only be recognised in the balance sheet of the reporting entity when:

(a) it is probable that any future economic benefit associated with the asset or liability item will flow to or from the reporting entity;

(b) substantially all of the risks and rewards associated with the asset or liability have been transferred to the reporting entity; and

(c) the cost or value of the asset to the reporting entity or the amount of the obligation can be measured reliably.

Article 5

Cash/settlement and economic approach

1. The cash (or “settlement”) approach shall be used as the basis for recording data in the accounting systems of the ESCB for up to a two-year period after the end of the transitional period.

2. It is recommended that the NCBs move towards the economic approach within this period. A detailed description of the economic approach is set out in Annex III.

3. Those NCBs which have accounting systems based on the economic approach may continue to use these systems to produce figures for reporting purposes, provided that the resulting differences in the accounts as compared with the figures which would be produced under the application of a cash approach are immaterial. It shall be the responsibility of such NCBs to make the necessary adjustments to reported figures if this is not the case.

CHAPTER II
COMPOSITION AND VALUATION RULES FOR THE BALANCE SHEET

Article 6

Composition of the balance sheet

The composition of the balance sheet of the ECB/NCBs for ESCB reporting purposes shall be based on the structure established in Annex IV.

Article 7

Balance sheet valuation rules

1. Current market rates and prices shall be used for balance sheet valuation purposes unless specified otherwise in Annex IV.
2. The revaluation of gold, foreign currency instruments, securities and financial instruments (on-balance-sheet and off-balance-sheet) shall be performed on the quarterly revaluation date at mid-market rates and prices. This shall not preclude the ECB/NCBs from revaluing their portfolios on a more frequent basis for internal purposes, provided that only data at transaction value will be reported during the quarter.
3. No distinction shall be made between price and currency revaluation differences for gold, but a single gold revaluation difference shall be accounted for, based on the euro price per defined unit of weight of gold derived from the EUR/USD exchange rate on the quarterly revaluation date. Revaluation shall take place on a currency-by-currency basis for foreign exchange (including on-balance-sheet and off-balance-sheet transactions) and on a code-by-code basis (same ISIN number/type) for securities, except for those securities included in the item “Other financial assets”, which shall be treated as separate holdings.
4. Revaluation bookings shall be reversed at the end of the next quarter, except for unrealised losses taken to the profit and loss account at the end of the year; during the quarter any transactions shall be reported at transaction prices and rates.

Article 8

Repurchase agreements

1. A repurchase agreement shall be recorded as a collateralised inward deposit on the liabilities side of the balance sheet, while the item that has been given as collateral remains on the assets side of the balance sheet. Securities sold which are to be repurchased under repurchase agreements shall

be treated by the ECB/NCB required to repurchase them as if the assets in question were still part of the portfolio from which they were sold.

2. A reverse repurchase agreement shall be recorded as a collateralised outward loan on the assets side of the balance sheet for the amount of the loan. Securities acquired under reverse repurchase agreements shall not be revalued and no profit or loss arising thereon shall be taken to the profit and loss account by the party lending the funds.

3. Repurchase agreements involving securities denominated in foreign currencies shall have no effect on the average cost of the currency position.

4. In the case of security lending transactions, the securities shall remain on the balance sheet of the transferor. Such transactions shall be accounted for in the same manner as that prescribed for repurchase operations. If, however, securities borrowed are not kept in the depot of the transferee at the year-end, the transferee shall be required to establish a provision for losses if the market value of the underlying securities has risen since the contract date of the lending transaction and to show a liability (retransfer of the securities) if the securities have been sold in the meantime by the transferee.

5. Collateralised gold transactions shall be treated as repurchase agreements. The gold flows relating to these collateralised transactions shall not be recorded in the financial statements and the difference between the spot and forward prices of the transaction shall be treated on an accruals basis.

Article 9

Banknotes and coins

1. Banknotes of other participating Member States held by an NCB shall not be accounted for as banknotes in circulation, but as intra-Eurosystem balances. The procedure for treating banknotes of other participating Member States shall be the following:

   (a) The NCB receiving national banknotes issued by another NCB shall notify the issuing NCB on a daily basis of the value of banknotes paid in to be exchanged, unless a given daily volume is low. The issuing NCB will issue a corresponding payment to the receiving NCB via the TARGET system.

   (b) The adjustment of the "banknotes in circulation" figures shall take place in the books of the issuing NCB upon receipt of the above-mentioned notification.

2. The "banknotes in circulation" figure may be calculated according to either of the following two methods:

   Method A: **BC = BP – BD – NR – S**

   Method B: **BC = BI – BR – NR**

   Where: BC is the "banknotes in circulation" figure

BP is the value of banknotes produced or received from the printer

BD is the value of banknotes destroyed

NR is the value of banknotes of other participating Member States held by other NCBs (settled but not yet repatriated)

BI is the value of banknotes issued

BR is the value of banknotes received

S is the value of banknotes in stock/vault

3. The “banknotes in circulation” figure shall not include national coins, which shall be identified separately.
4. After the transitional period and without prejudice to Article 15 (1) of Council Regulation (EC) No. 974/98 of 3 May 1998, NCBs shall maintain separate accounts for national and euro banknotes.
5. The “banknotes in circulation” figure at the beginning of the transitional period shall be recorded in accordance with the current national practices with respect to banknotes which ceased to be legal tender before and during the transitional period.

CHAPTER III
INCOME RECOGNITION

Article 10

Recognition of income

1. The following rules shall apply to income recognition:
   (a) Realised gains and realised losses shall be taken to the profit and loss account.
   (b) Unrealised gains shall not be recognised as income, but transferred directly to a revaluation account.
   (c) Unrealised losses shall be taken to the profit and loss account when exceeding previous revaluation gains registered in the corresponding revaluation account.
   (d) Unrealised losses taken to the profit and loss account shall not be reversed in subsequent years against new unrealised gains.
   (e) There shall be no netting of unrealised losses in any one security, or in any currency or in gold holdings against unrealised gains in other securities or currencies or gold.
2. Premiums or discounts arising on issued and purchased securities shall be calculated and presented as part of interest income and shall be amortised over the remaining life of the

securities, either according to the straight-line method or the implicit rate of return (IRR) method. The IRR method shall, however, be mandatory for discount securities with a remaining maturity of more than one year at the time of acquisition.

3. Accruals for financial assets and liabilities (e.g. interest payable and amortised premiums/discounts) shall be calculated and recorded/booked in the accounts at least quarterly. Accruals for other items shall be calculated and recorded/booked in the accounts at least on an annual basis.

4. The ECB/NCBs may calculate accruals on a more frequent detailed basis provided that only data at transaction value will be reported during the quarter.

5. Accruals denominated in foreign currencies shall be translated at the mid-market rate at the end of the quarterly period and reversed at the same rate.

6. Only transactions that entail a change in the holding of a given currency may give rise to realised foreign exchange gains or losses.

Article 11

Cost of transactions

1. The following general rules shall apply to the cost of transactions:

   (a) The average cost method shall be used on a daily basis for gold, foreign currency instruments and securities, to compute the acquisition cost of items sold, having regard to the effect of exchange rate and/or price movements.

   (b) The average cost price/rate of the asset/liability shall be reduced/increased by unrealised losses taken to the profit and loss account at the year-end.

   (c) In the case of the acquisition of coupon securities, the amount of coupon income purchased shall be treated as a separate item. In the case of securities denominated in foreign currency, it shall be included in the holding of that currency, but shall not be included in the cost or price of the asset for the purpose of determining the average price.

2. The following special rules shall apply to securities:

   (a) Transactions shall be recorded at the transaction price and booked in the financial accounts at the clean price.

   (b) Custody and management fees, current account fees and other indirect costs are not considered as transaction costs and shall be included in the profit and loss account. They shall not be treated as part of the average cost of a particular asset.

   (c) Income shall be recorded gross with refundable withholding and other taxes accounted for separately.

(d) For the purpose of calculating the average purchase cost of a security, either (i) all purchases made during the day shall be added at cost to the previous day's holding to produce a new weighted average price before applying the sales for the same day, or (ii) individual purchases and sales of securities may be applied in the order in which they occurred during the day for the purpose of calculating the revised average price.

3. The following special rules shall apply to gold and foreign exchange:

(a) Transactions in a foreign currency which entail no change in the holding of that currency shall be translated into euro, using the exchange rate of the contract or settlement date, and shall not affect the acquisition cost of that holding.

(b) Transactions in foreign currency which entail a change in the holding of that currency shall be translated into euro at the exchange rate of the contract or settlement date.

(c) Actual cash receipts and payments shall be translated at the mid-market exchange rate on the day on which settlement occurs.

(d) Net acquisitions of currencies and gold made during the day shall be added, at the average cost of the purchases of the day for each respective currency and gold, to the previous day's holding, to produce a new weighted average rate/gold price. In the case of net sales, the calculation of the realised gain or loss shall be based on the average cost of the respective currency or gold holding for the preceding day so that the average cost remains unchanged. Differences in the average rate/gold price between inflows and outflows made during the day shall also result in realised gains or losses. Where a liability situation exists in respect of a foreign currency or gold position, the reverse treatment shall apply to the aforementioned approach. Thus the average cost of the liability position shall be affected by net sales, while net purchases shall reduce the position at the existing weighted average rate/gold price.

(e) Costs of foreign exchange transactions and other general costs shall be posted to the profit and loss account.

CHAPTER IV
ACCOUNTING RULES FOR OFF-BALANCE-SHEET INSTRUMENTS

Article 12

General rules

1. Foreign exchange forward transactions, forward legs of foreign exchange swaps and other currency instruments involving an exchange of one currency for another at a future date shall be included in the net foreign currency positions for calculating foreign exchange gains and losses.
2. Interest rate swaps, futures, forward rate agreements and other interest rate instruments shall be accounted for and revalued on an item-by-item basis. These instruments shall be treated as being separate from on-balance-sheet items.
3. Profits and losses arising from off-balance-sheet instruments shall be recognised and treated in a similar manner to on-balance-sheet instruments.

Article 13

Foreign exchange forward transactions

1. Forward purchases and sales shall be recognised in off-balance-sheet accounts from the trade date to the settlement date at the spot rate of the forward transaction. Gains and losses on sale transactions shall be calculated using the average cost of the currency position on the contract date (plus two or three working days) in accordance with the daily netting procedure for purchases and sales. Gains and losses shall be considered to be unrealised until the settlement date and shall be treated in accordance with Article 10.1.
2. The difference between the spot and the forward rates shall be treated as interest payable or receivable on an accruals basis for both purchases and sales.
3. At the settlement date the off-balance-sheet accounts shall be reversed, and any balance on the revaluation account shall be credited to the profit and loss account at quarter-end.
4. The average cost of the currency position shall be affected by forward purchases from the trade date plus either two or three working days, depending on the market conventions for the settlement of spot transactions at the spot purchase rate.
5. The forward positions shall be valued in conjunction with the spot position of the same currency, offsetting any differences that may arise within a single currency position. A net loss balance shall be debited to the profit and loss account when it exceeds previous revaluation gains registered in the revaluation account; a net profit balance shall be credited to the revaluation account.

Article 14

Foreign exchange swaps

1. Spot purchases and sales shall be recognised in on-balance-sheet accounts at the settlement date.
2. Forward sales and purchases shall be recognised in off-balance-sheet accounts from the trade date to the settlement date at the spot rate of the forward transactions.
3. Sale transactions shall be recognised at the spot rate of the transaction, therefore no gains and losses will arise.
4. The difference between the spot and forward rates shall be treated as interest payable or receivable on an accruals basis for both purchases and sales.
5. At the settlement date the off-balance-sheet accounts shall be reversed.
6. The average cost of the foreign currency position shall not change.
7. The forward position shall be valued in conjunction with the spot position.

Article 15

Interest rate futures

1. Interest rate futures shall be recorded on the trade date in off-balance-sheet accounts.
2. The initial margin shall be recorded as a separate asset if deposited in cash. If deposited in the form of securities it shall remain unchanged in the balance sheet.
3. Daily changes in the variation margins shall be recorded in the balance sheet in a separate account, either as an asset or as a liability, depending on the price development of the futures contract. The same procedure shall be applied on the closing day of the open position. Immediately thereafter the separate account shall be cancelled and the overall result of the transaction shall be recorded as a profit or loss, regardless of whether or not delivery takes place. If delivery does take place, the purchase or sale entry shall be made at market price.
4. Fees shall be taken to the profit and loss account.
5. The conversion into euro, if appropriate, shall be made on the close-out day at the market rate on that day. An inflow of foreign currency shall have an effect on the average cost of this currency position on the close-out date.
6. Owing to daily revaluation, the profits and losses shall be entered in defined separate accounts. A separate account on the assets side shall represent a loss and a separate account on the liabilities side shall represent a profit. Unrealised losses shall be debited to the profit and loss account and such amounts shall be credited to a liability account (other liabilities).

7. Unrealised losses taken to the profit and loss account at the year-end shall not be reversed in subsequent years against unrealised profits, unless the instrument is closed out or terminated. In the case of a profit, the entry made shall be a debit to a suspense account (other assets) and a credit to the revaluation account.

Article 16

Interest rate swaps

1. Interest rate swaps shall be recorded on the trade date in off-balance-sheet accounts.
2. The current interest payments, either received or paid, shall be recorded on an accruals basis. Netting payments per interest rate swap are allowed.
3. The average cost of the currency position shall be affected by interest rate swaps in a foreign currency when there is a difference between payments received and payments paid. A payment balance leading to an inflow shall affect the average cost of the currency when the payment is due.
4. Every interest rate swap shall be marked-to-market and, if necessary, translated into euro at the currency spot rate. Unrealised losses taken to the profit and loss account at the year-end shall not be reversed in subsequent years against unrealised profits unless the instrument is closed out or terminated. Unrealised revaluation gains shall be credited to a revaluation account.
5. Fees shall be taken to the profit and loss account.

Article 17

Forward rate agreements

1. Forward rate agreements shall be recorded at the time of trading in off-balance-sheet accounts.
2. The compensation payment to be paid by one party to another at the settlement date shall be entered on the settlement date in the profit and loss account. Payments shall not be recorded on an accruals basis.
3. If forward rate agreements in a foreign currency are held, there shall be an effect on the average cost of this currency position in the compensation payment. The compensation payment shall be translated into euro at the spot rate at the settlement date. A payment balance leading to an inflow shall affect the average cost of the currency when the payment is due.
4. All forward rate agreements shall be marked-to-market and, if necessary, translated into euro at the currency spot rate. Unrealised losses taken to the profit and loss account at the year-end shall not be reversed in subsequent years against unrealised profits unless the instrument is closed out or terminated. Unrealised revaluation gains shall be credited to a revaluation account.

5. Fees shall be taken to the profit and loss account.

Article 18

Forward transactions in securities

Forward transactions in securities may be accounted for in accordance with either of the following two methods:

Method A:

(a) Forward transactions in securities shall be recorded in off-balance-sheet accounts from the trade date to the settlement date, at the forward price of the forward transaction.

(b) The average cost of the holding of the traded security shall not be affected until settlement; the profit and loss effects of forward sale transactions shall be calculated on the settlement date.

(c) At the settlement date the off-balance-sheet accounts shall be reversed and the balance on the revaluation account – if any – shall be credited to the profit and loss account. The security purchased shall be accounted for using the spot price on the maturity date (actual market price), while the difference vis-à-vis the original forward price is recognised as a realised profit or loss.

(d) In the case of securities denominated in a foreign currency, the average cost of the net currency position shall not be affected if the ECB/NCBs already hold a position in that currency. If the bond purchased forward is denominated in a currency in which the ECB/NCBs do not hold a position, so that the relevant currency has to be bought, the rules for the purchase of foreign currencies under Article 11.3 (d) shall apply.

(e) Forward positions shall be valued on an isolated basis against the forward market price for the remaining duration of the transaction. A revaluation loss at the year-end shall be debited to the profit and loss account, and a revaluation profit shall be credited to the revaluation account. Unrealised losses recognised in the profit and loss account at the year-end shall not be reversed in subsequent years against unrealised profits unless the instrument is closed out or terminated.

Method B:

(a) Forward transactions in securities shall be recorded in off-balance-sheet accounts from the trade date to the settlement date at the forward price of the forward transaction. At the settlement date the off-balance-sheet accounts shall be reversed.

(b) At the quarter-end the revaluation of a security shall be made on the basis of the net position resulting from the balance sheet and from the sales of the same security recorded in the off-balance-sheet accounts. The amount of the revaluation shall be equal to the difference between this net position valued at revaluation price and the same position valued at the average cost of the balance sheet position. At the quarter-end, forward purchases shall be subject to the revaluation process described in Article 7 above. The revaluation result shall be equal to the difference between the spot price and the average cost of the repurchase commitments.

(c) The result of a forward sale shall be recorded in the financial year in which the commitment was undertaken. This result shall be equal to the difference between the initial forward price and the average cost of the balance sheet position (or the average cost of the off-balance-sheet purchase commitments if the balance sheet position is not sufficient) at the time of the sale.

CHAPTER V
REPORTING OBLIGATIONS

Article 19

Procedures and formats

1. The reporting of financial data for ESCB reporting purposes shall be carried out in accordance with the procedures and timetables laid down in Annex V. The Executive Board of the ECB may amend these procedures and timetables.
2. The reporting formats shall be consistent with this Guideline and comprise all items specified in Annex IV. The contents of the items to be included in the different balance sheet formats are also described in Annex IV.
3. The formats of the different published financial statements are laid down in the following Annexes:
   (a) the published consolidated weekly financial statement of the Eurosystem after quarter-end in Annex VI;
   (b) the published consolidated weekly financial statement of the Eurosystem during the quarter in Annex VII;
   (c) the consolidated annual balance sheet of the Eurosystem in Annex VIII.
4. The Executive Board of the ECB shall approve the formats of the different internal balance sheets.

Article 20

Transmission channel

1. The normal transmission channel for all balance sheet data from NCBs to the ECB shall be the Exchange of Non-Statistical Data (ENSD) system.

2. Upon an NCB receiving notice by telephone that data have not arrived on time, the NCB concerned shall send the missing data without delay either via the ENSD channel of communication, by electronic mail (CebaMail), by fax or by any other transmission means agreed with the ECB.

Article 21

Error handling

1. Where modified data are submitted by an NCB via ENSD (following the discovery of an error) the ECB shall acknowledge the new version (with a higher version number) and replace the previous version.
2. In the first instance, the NCB/ECB concerned shall decide whether the error is material in the context of its own balance sheet which it has submitted for inclusion in the Eurosystem financial report. Material errors shall be notified by the NCB concerned to the ECB unit responsible for issuing the report. That unit shall decide whether the error might influence the policy operations of the Eurosystem. If this is the case, a revised report highlighting the changes from the original financial statement and the reasons for these changes shall be circulated internally.
3. Material errors related to published Eurosystem financial statements shall be reflected in the next published financial statement by adjusting the figures of the previous period and explained by way of an accompanying note.
4. With respect to the daily turnover and balance report, the ECB shall be advised of all errors that affect the reported figures.

Article 22

Rounding rules

Transmitted data shall be rounded up or down to the nearest one million euro, except for the daily turnover and balance report, in which rounding to the nearest euro shall be allowed.

Article 23

Public holidays

1. Where an NCB, including its local RTGS system, is closed for a public holiday, the following rules shall apply:

   (a) If the NCB is closed on the reporting day, the previous day’s balances shall be used by the ECB for daily (and weekly) financial statements.

   (b) When the NCB is closed on the day after the reporting day, the following rules shall apply:

(i) The NCB shall submit the *(preliminary) balance sheet by 8 a.m. ECB time* or on the previous evening.

(ii) For the *completely checked balance sheet, due by 4 p.m. ECB time,* the NCB is allowed to postpone submission of the data until 8 a.m. ECB time on the following day (i.e. two days after the reporting day) to ensure that the consolidated weekly financial statement of the Eurosystem can be published in due time (i.e. at 3 p.m. ECB time).

2. When an NCB is closed for a public holiday but its local RTGS system is not, financial reporting/data transmission shall be conducted according to the rules for business days.

3. When an NCB and its local RTGS system close for two subsequent days as a result of public holidays, the NCB shall ensure that the data of the last preceding business day are transmitted to the ECB in due time.

4. When the ECB is closed as a result of a public holiday, it shall ensure that financial reporting is conducted as on business days.

5. Quarter-end revaluation adjustments shall not be postponed as a result of public holidays.

CHAPTER VI
ANNUAL PUBLISHED BALANCE SHEETS AND PROFIT AND LOSS ACCOUNTS

Article 24

Published balance sheets and profit and loss accounts

It is recommended that NCBs should adapt their published annual Balance Sheets and Profit and Loss Accounts in accordance with Annex IX and Annex X respectively.

CHAPTER VII
CONSOLIDATION RULES

Article 25

General consolidation rules

1. Eurosystem consolidated balance sheets shall comprise all the items in the ECB's and the NCBs' balance sheets.

2. The Eurosystem consolidated balance sheets shall be produced by the ECB and shall respect the need for uniform accounting principles and techniques, the need for coterminous financial periods in the Eurosystem, consolidation adjustments arising from intra-Eurosystem transactions and

positions, TARGET transactions with each NCB of non-participating Member States and accounting for changes in the composition of the Eurosystem.

3. The individual balance sheet items, other than (i) intra-Eurosystem balances of the NCBs and of the ECB and (ii) balances resulting from TARGET transactions with central banks of the non-participating Member States, shall be aggregated for consolidation purposes.

4. With the exception of balances arising from TARGET transactions with each NCB of the non-participating Member States as referred to in paragraph 2 of this Article, the NCBs' and the ECB's balances with third parties shall be recorded gross in the consolidation process.

5. Intra-Eurosystem balances (except for the capital of the ECB, positions resulting from the transfer of foreign reserve assets to the ECB, ECB debt certificates and NCBs' promissory notes and banknotes issued by the ECB) shall be presented in the balance sheets of the ECB and of the NCBs as a net position (i.e. the net balance of claims and liabilities).

6. There shall be consistency across reports in the consolidation process. All Eurosystem financial statements shall be prepared on a similar basis by applying the same consolidation techniques and processes. The consolidation process shall produce Eurosystem reports in a similar format.

Article 26

Missing data

1. The consolidation of data by the ECB requires the due receipt by the ECB of all data from all NCBs. Under exceptional circumstances, the data of the previous business day of the NCB for which data are missing might be used by the ECB.

2. Where missing data are substituted in the internal versions of the Eurosystem consolidated reports, they shall be accompanied by a note explaining the action taken.

Article 27

Circulation of consolidated reports

1. Responsibility for distributing the consolidated reports shall rest with the ECB business unit responsible for the consolidation.

2. Reports shall be transmitted both to users within the ECB and to the NCBs at the same time. The formats of these reports from the ECB to the NCBs shall correspond to the respective reporting formats of the NCBs. The ENSD and CebaMail transmission channels shall be used to send the consolidated reports to the NCBs.

CHAPTER VIII
FINAL PROVISIONS

Article 28

Development, application and interpretation of rules

1. The Accounting and Monetary Income Committee (AMICO) shall act as the ESCB forum for advising the Governing Council, via the Executive Board, on the development and application of the accounting and reporting rules of the ESCB.
2. In interpreting this Guideline, account shall be taken of the preparatory work, the accounting principles harmonised by Community law and generally accepted international accounting standards.

Article 29

Transitory rules

1. All assets and liabilities as at the close of business on 31 December 1998 shall be revalued on 1 January 1999. Unrealised gains which arose before or on 1 January 1999, shall be separated from those unrealised valuation gains which may arise after 1 January 1999 and shall remain with the NCBs. The market prices and rates applied by the ECB and the NCBs in the opening balance sheets on 1 January 1999 shall be the new average cost at the start of the transitional period.
2. It is recommended that unrealised gains which arose before or on 1 January 1999 should not be considered as distributable at the time of the transition and that these should only be treated as realisable/distributable in the context of transactions that occur after the start of the transitional period.
3. Price gains and losses due to the transfer of assets from the NCBs to the ECB shall be considered as realised. Foreign exchange and gold gains and losses shall be considered as realised, as the resulting claims against the ECB are to be denominated in euro.
4. This Article shall be without prejudice to any decision to be adopted under Article 30 of the Statute.

Article 30

Final provisions

1. This Guideline shall be applicable as from 1 January 1999.

2. This Guideline is addressed to the national central banks of participating Member States.

This Guideline shall be published in the *Official Journal of the European Communities*.

Done at Frankfurt am Main on 1 December 1998.

On behalf of the Governing Council of the ECB

The Presidnet

[signed]

Willem F. DUISENBERG

Annex I

Financial statements for the Eurosystem

	TYPE OF REPORT	INTERNAL/ PUBLISHED	SOURCE OF LEGAL REQUIREMENT	PURPOSE OF THE REPORT
1	Daily financial statement of the Eurosystem	Internal	-	Mainly for liquidity management purposes (for the implementation of Article 12.1 of the Statute). Part of the daily financial statement data is used for the calculation of monetary income according to the interim solution/agreement.
2	Consolidated weekly financial statement of the Eurosystem	Published	Article 15.2 of the Statute	Consolidated financial statement for monetary and economic analysis. (The weekly financial statement of the Eurosystem is derived from the daily financial statement of the reporting day.)
3	Monthly and quarterly financial information of the Eurosystem	Published and internal[1]	Statistical Regulations, according to which MFIs have to deliver data	Statistical analysis.
4	Yearly consolidated balance sheet of the Eurosystem	Published	Article 26.3 of the Statute	Financial reporting, stewardship and reporting on the activities of the Eurosystem. Fulfilling statutory reporting requirements.
5	Daily Turnover and Balance Report	Internal	-	Reconciliation of intra-Eurosystem transactions/balances. Calculation of interest on intra-Eurosystem balances.

[1] The monthly data feed into the published (aggregated) statistical data required from Monetary Financial Institutions (MFIs) in the European Union. Moreover, as MFIs the central banks also have to provide more detailed information on a quarterly basis than is provided in the monthly data.

Annex II

GLOSSARY

- *Amortisation* shall mean the systematic reduction in the accounts of a premium/discount or of the value of assets over a period of time.

- *Asset* shall mean a resource controlled by the enterprise as a result of past events and from which future economic benefits are expected to flow to the enterprise.

- *Average cost* shall mean the continued (or weighted) average method, by which the cost of every purchase is added to the existing book value to produce a new weighted average cost.

- *Cash/settlement approach* shall mean an accounting approach under which accounting events are recorded at the settlement date.

- *Clean price* shall mean transaction price excluding any rebate/accrued interest, but inclusive of transaction costs which form part of the price.

- *Discount* shall mean the difference between the par value of a security and its price when such price is lower than par.

- *Discount security* shall mean an asset which does not pay coupon interest, and the return on which is achieved by capital appreciation because the asset is issued or bought at a discount.

- *Economic approach* shall mean an accounting approach under which deals are recorded on the transaction date.

- *Financial asset* shall mean any asset that is: (i) cash; or (ii) a contractual right to receive cash or another financial instrument from another enterprise; (iii) a contractual right to exchange financial instruments with another enterprise under conditions that are potentially favourable; or (iv) an equity instrument of another enterprise.

- *Financial liability* shall mean any liability that is a legal obligation to deliver cash or another financial instrument to another enterprise or to exchange financial instruments with another enterprise under conditions that are potentially unfavourable.

- *Foreign currency holding* shall mean the net position in the respective currency. For the purpose of this definition special drawing rights (SDRs) shall be considered as a separate currency.

- *Foreign exchange forward* shall mean a contract in which the outright purchase or sale of a certain amount denominated in a foreign currency against another currency, usually the domestic currency, is agreed on one day and the amount is to be delivered at a specified future date, more than two working days after the date of the contract, at a given price. This forward rate of exchange consists of the prevailing spot rate plus/minus an agreed premium/discount.

- *Foreign exchange swap* shall mean the simultaneous spot purchase/sale of one currency against another (short leg) and forward sale/purchase of the same amount of this currency against the other currency (long leg).

- *Forward rate agreement* shall mean a contract in which two parties agree the interest rate to be paid on a notional deposit of a specified maturity on a specific future date. At the settlement date compensation has to be paid by one party to the other, depending on the difference between the contracted interest rate and the market rate on the settlement date.

- *Forward transactions in securities* shall mean over the counter contracts in which the purchase or sale of an interest rate instrument (usually a bond or note) is agreed on the contract date to be delivered at a future date, at a given price.

- *Implicit rate of return* shall mean the discount rate at which the accounting value of a security is equal to the present value of the future cash flow.

- *Interest rate future* shall mean an exchange traded forward contract. In such a contract, the purchase or sale of an interest rate instrument, e.g. a bond, is agreed on the contract date to be delivered at a future date, at a given price. Usually no actual delivery takes place; the contract is normally closed out before the agreed maturity.

- (Cross-currency) *interest rate swap* shall mean a contractual agreement to exchange cash flows representing streams of periodic interest payments with a counterparty either in one currency or in two different currencies.

- *Interlinking* shall mean the technical infrastructures, design features and procedures which are put in place within, or constitute adaptations of each national RTGS system and the ECB payment mechanism (EPM) for the purpose of processing cross-border payments in the TARGET system.

- *International Securities Identification Number* (ISIN) shall mean the number issued by the relevant competent issuing authority.

- *Liability* shall mean a present obligation of the enterprise arising from past events, the settlement of which is expected to result in an outflow from the enterprise of resources embodying economic benefits.

- *Market price* shall mean the price that is quoted for a gold, foreign exchange or securities instrument (usually) excluding accrued or rebate interest either on an organised market (e.g. stock exchange) or a non-organised market (e.g. over-the-counter market).

- *Maturity date* shall mean the date on which the nominal/principal value becomes due and payable in full to the holder.

- *Mid-market price* shall mean the mid-point between the bid price and the offer price for a security based on quotations for transactions of normal market size by recognised market-makers or recognised trading exchanges.

- *Premium* shall mean the difference between the par value of a security and its price when such price is higher than par.

- *Provisions* shall mean amounts set aside before arriving at the profit or loss figure in order to provide for any known or expected liability or risk, the cost of which cannot be accurately determined (c.f. "Reserves"). Provisions for liabilities and charges may not be used to adjust the value of assets.

- *Realised gains/losses* shall mean gains/losses arising out of the difference between the sale price of a balance sheet item and its (adjusted) cost.

- *A reverse sale and repurchase agreement* ("reverse repo") is a contract under which a holder of cash agrees to the purchase of an asset and, simultaneously, agrees to re-sell the asset for an agreed price on demand, or after a stated time, or in the event of a particular contingency. Sometimes a repo transaction is agreed via a third party ("triparty repo").

- *Reserves* shall mean an amount set aside out of distributable profits, which is not intended to meet any specific liability, contingency or expected diminution in value of assets known to exist at the balance sheet date.

- *Revaluation accounts* shall mean balance sheet accounts for registration of the difference in the value of an asset or liability between the (adjusted) cost of its acquisition and its valuation at an end-of-period market price, when the latter is higher than the former in case of assets, and when the latter is lower than the former in case of liabilities. It includes differences in both price quotation and/or market exchange rates.

- *Reverse transaction* shall mean an operation whereby the central bank buys ("reverse repo") or sells ("repo") assets under a repurchase agreement or conducts credit operations against collateral.

- *Settlement* shall mean an act that discharges obligations in respect of funds or assets transfers between two or more parties. In the context of intra-Eurosystem transactions, settlement refers to the elimination of the net balances arising from intra-Eurosystem transactions and requires the transfer of assets.

- *Settlement date* shall mean the date on which the final and irrevocable transfer of value has been recorded in the books of the relevant settlement institution. The timing of the settlement can be immediate (real-time), same day (end-of-day) or an agreed date after the date on which the commitment has been entered into.

- *Straight line depreciation/amortisation* shall mean that depreciation/amortisation over a given period is determined by dividing the cost of the asset, less its estimated residual value, by the estimated useful life of the asset pro rata temporis.

- *TARGET* shall mean the Trans-European Automated Real-time Gross settlement Express Transfer system composed of one Real-Time Gross Settlement system (RTGS system) in each of the NCBs, the EPM and the Interlinking.

- *Transaction costs* shall mean costs that are identifiable as related to the specific transaction.

- *Transaction price* shall mean the price agreed between the parties when a contract is made.

- *Unrealised gains/losses* shall mean gains/losses arising from the revaluation of assets compared to their (adjusted) cost of acquisition.

Annex III

ECONOMIC APPROACH: DETAILED DESCRIPTION

The so-called economic-based accounting system differs from the cash (settlement) system in that it aims to record the events that affect the financial position and the related risks as soon as possible, so as to present the most accurate possible image of the financial position.

The main characteristics of this approach are:

1) the recording on the transaction date of the deals entered into on that date and which imply a delivery at a later date:
2) the immediate taking into account in the foreign currency positions:
   - of amounts bought and not yet received (or sold and not yet delivered) in foreign currencies;
   - of accrued interest in foreign currencies;
3) the consideration of income that arises on a daily basis as well as on settlement.

1 Recording on the transaction date

The operations for which the delivery is deferred must be recorded on the transaction date in off-balance-sheet (memorandum) accounts, so as to correctly reflect the related commitments and risks.

For instance, this principle could be applied in the following cases:

- amounts bought and not yet received, or sold and not yet delivered in the context of spot foreign exchange deals (two days is the customary period);
- amounts to be received or delivered in the context of forward foreign exchange deals;
- amounts lent and not yet delivered or borrowed, or forwarded and not yet received, in the context of loans or borrowings in foreign currencies;
- securities bought and not yet received or sold and not yet delivered.

The amounts in currencies to be received or delivered as a result of spot or forward foreign exchange deals must be taken into account in the foreign currency positions as from the date of their recording.

2 Taking account of the accrued interest in the foreign currency positions

In legal terms, accrued interest arises on assets or liabilities that are earned or due, or owned, on a day-by-day basis. Consequently, it affects the financial position as from the day on which it accrues.

In the particular case of accrued interest in foreign currencies, this gives rise to an exchange risk as from the day on which it accrues. The exchange rate at which this interest income or expenditure is valued for recording in the profit and loss account is the rate on the date on which it is recorded. It is by reference to this rate that the subsequent foreign exchange result related to these assets or liabilities will be determined. Therefore, accrued interest in foreign currencies (including premiums and discounts on forward transactions) should be entered in the foreign currency position on a daily basis.

3 Consideration of the income that arises on a daily basis as well as on settlement

Any gap between the date at which the interest accrues and the date at which it is recorded in the accounts results in a different amount of:

- interest income and expenditure;
- unrealised gains and losses.

While the total of these two amounts remains the same, the split between them can differ depending on whether a cash (settlement) approach or an economic-based approach is used.

Moreover, since the harmonised accounting rules provide for different treatments for realised and unrealised results it is essential that the classification of these two categories of results is exact. For these reasons, the economic-based approach requires that accrued interest (including premiums and discounts on forward transactions) should, on a daily basis, be:

- recorded in balance sheet regularisation accounts
- valued at the rate of the day of recording for entry into the profit and loss account.

These entries would not be reversed and accrued interest would be taken out of the regularisation accounts at the time of the payment.

Annex IV

COMPOSITION AND VALUATION RULES FOR THE BALANCE SHEET

Balance sheet item[2]			Categorisation of contents of balance sheet items	Valuation principle	Scope of application[3]
Assets					
1	**1**	**Gold and gold receivables**	Physical gold (i.e. bars, coins, plates, nuggets) in storage or "under way". Non-physical gold, such as balances in gold sight accounts (unallocated accounts), term deposits and claims to receive gold arising from the following transactions: upgrading or downgrading transactions and gold location or purity swaps where there is a difference of more than one business day between release and receipt.	Market value	Mandatory
2	**2**	**Claims on non-euro area residents denominated in foreign currency**	Claims on counterparties resident outside the euro area (including international and supranational institutions and non-EMU central banks) denominated in foreign currency.		
2.1	**2.1**	**Receivables from the IMF**	**(a) Drawing rights within the reserve tranche (net)** National quota minus balances in euro at the disposal of the IMF. (The No. 2 account of the IMF (euro account for administrative expenses) could be included in this position or under the item "Liabilities to non-euro area residents denominated in euro").	(a) **Drawing rights within the reserve tranche (net)** Nominal value, translation at the foreign exchange market rate	Mandatory
			(b) Special drawing rights Holdings of special drawing rights (gross).	(b) **Special drawing rights** Nominal value, translation at the foreign exchange market rate	Mandatory
			(c) Other claims General Arrangements to Borrow (GAB), loans under special borrowing arrangements, deposits within the framework of the ESAF.	(c) **Other claims** Nominal value, translation at the foreign exchange market rate	Mandatory
2.2	**2.2**	**Balances with banks and security investments, external loans and other external assets**	**(a) Balances with banks outside the euro area** Current accounts, fixed-term deposits, day-to-day money.	**(a) Balances with banks outside the euro area** Nominal value, translation at the foreign exchange market rate	Mandatory
			(b) Security investments (other than equity shares, participations and other securities under asset item "Other financial assets") outside the euro area Marketable notes and bonds, bills, zero bonds, money market paper, all issued by non-euro area residents.	**(b) Securities (marketable)** Market price and foreign exchange rate	Mandatory
			(c) External loans (deposits) Loans to and non-marketable securities (other than equity shares, participations and other securities under asset item "Other financial assets") issued by non-euro area residents.	**(c) External loans** Deposits at nominal value, non-marketable securities at cost; both translated at market foreign exchange rate	Mandatory
			(d) Other external assets Non-euro area banknotes and coins.	**(d) Other external assets** Nominal value, translation at market foreign exchange rate	Mandatory

[2] The numbering in the first column relates to the balance sheet formats given in Annexes 6, 7 and 8 (weekly financial statements and consolidated annual balance sheet of the Eurosystem). The numbering in the second column relates to the balance sheet format given in Annex 9 (annual balance sheet of a central bank). The items marked with an asterisk are consolidated in the weekly financial statements of the Eurosystem.

[3] The accounting principles listed in this Annex shall be considered mandatory for the accounts of the ECB and for all material assets and liabilities in NCBs' accounts for Eurosystem purposes (i.e. material to the operation of the Eurosystem).

Balance sheet item[2]			Categorisation of contents of balance sheet items	Valuation principle	Scope of application[3]
3	**3**	**Claims on euro area residents denominated in foreign currency**	**(a) Securities** Marketable notes and bonds, bills, zero bonds, money market paper (other than equity shares, participations and other securities under asset item "Other financial assets"). **(b) Other claims** Non-marketable securities (other than equity shares, participations and other securities under asset item "Other financial assets"), loans, deposits, sundry lending.	**(a) Securities (marketable)** Market price and foreign exchange market rate **(b) Other claims** Deposits at nominal value, non-marketable securities at cost, both translated at the foreign exchange market rate	Mandatory Mandatory
4	**4**	**Claims on non-euro area residents denominated in euro**			
4.1	**4.1**	**Balances with banks, security investments and loans**	**(a) Balances with banks outside the euro area** Current accounts, fixed-term deposits, day-to-day money. Reverse repo operations in connection with the management of security portfolios under asset item 6. Balances of TARGET accounts of non-participating NCBs.* **(b) Security investments (other than equity shares, participations and other securities under asset item "Other financial assets") outside the euro area** Marketable notes and bonds, zero bonds, money market paper, all issued by non-euro area residents. **(c) Loans outside the euro area** Loans to and non-marketable securities issued by non-euro area residents. **(d) Securities issued by entities outside the euro area** Securities issued by supranational or international organisations (e.g. the EIB), irrespective of their geographical location.	**(a) Balances with banks outside the euro area** Nominal value **(b) Securities (marketable)** Market price **(c) Loans outside the euro area** Deposits at nominal value, non-marketable securities at cost **(d) Securities issued by entities outside the euro area** Market price	Mandatory Mandatory Mandatory Mandatory
4.2	**4.2**	**Claims arising from the credit facility under ERM II**	Lending according to the conditions of ERM II.	Nominal value	Mandatory
5	**5**	**Lending to financial sector counterparties of euro area denominated in euro**	Items 5.1 to 5.5: Transactions according to the respective monetary policy instruments described in the document "The single monetary policy in Stage Three: General documentation on ESCB monetary policy instruments and procedures".		
5.1	**5.1**	**Main refinancing operations**	Regular liquidity-providing reverse transactions with a weekly frequency and normally a maturity of two weeks.	Nominal value or (repo) cost	Mandatory
5.2	**5.2**	**Longer-term refinancing operations**	Regular liquidity-providing reverse transactions with a monthly frequency and normally a maturity of three months.	Nominal value or (repo) cost	Mandatory
5.3	**5.3**	**Fine-tuning reverse operations**	Reverse transactions, executed as ad hoc transactions for fine-tuning purposes.	Nominal value or (repo) cost	Mandatory
5.4	**5.4**	**Structural reverse operations**	Reverse transactions aiming at adjusting the structural position of the Eurosystem vis-à-vis the financial sector.	Nominal value or (repo) cost	Mandatory
5.5	**5.5**	**Marginal lending facility**	Overnight liquidity facility at a pre-specified interest rate against eligible assets (standing facility).	Nominal value or (repo) cost	Mandatory
5.6	**5.6**	**Credits related to margin calls**	Additional credit to financial sector counterparties, arising from value increases of underlying assets regarding other credit to these counterparties.	Nominal value or cost	Mandatory

Balance sheet item[2]			Categorisation of contents of balance sheet items	Valuation principle	Scope of application[3]
5.7	**5.7**	**Other claims**	Current accounts, fixed-term deposits, day-to-day money, reverse repo operations in connection with the management of security portfolios under asset item 6 (including transactions resulting from the transformation of former foreign currency reserves of the euro area) and other claims. Correspondent accounts with non-domestic euro area MFIs. Any claims stemming from monetary policy operations initiated by the NCBs during Stage Two that do not fit into asset items 5.1 to 5.6.	Nominal value or cost	Mandatory
6	**6**	**Securities of euro area residents denominated in euro**	Marketable securities (related to or eligible to be used for monetary policy purposes, other than equity shares, participations and other securities under asset item "Other financial assets"): Notes and bonds, bills, zero bonds, money market paper held outright (including government securities stemming from before EMU) denominated in euro; ECB debt certificates purchased for fine-tuning purposes.	Market price	Mandatory
7	**7**	**General government debt denominated in euro**	Claims on government stemming from before EMU (non-marketable securities, loans).	Deposits/loans at nominal value, non-marketable securities at cost	Mandatory
-	**8**	**Intra-Eurosystem claims***			
-	**8.1**	**Participating interest in ECB***	Only an NCB balance sheet item. The ECB capital share of each NCB according to the Treaty and the respective capital key.	Cost	Mandatory
-	**8.2**	**Claims equivalent to the transfer of foreign reserves***	Only an NCB balance sheet item. Euro-denominated claims on the ECB in respect of initial (and additional) transfers of foreign reserves under the Treaty provisions.	Nominal value (less waiver)	Mandatory
-	**8.3**	**Claims related to promissory notes backing the issuance of ECB debt certificates***	Only an ECB balance sheet item. Promissory notes issued by NCBs, due to the back-to-back agreement.	Nominal value	Mandatory
-	**8.4**	**Other claims within the Eurosystem (net)***	Net claims arising from intra-Eurosystem transactions (i.e. the net figure of claims and liabilities).	Nominal value	Mandatory
8	**9**	**Items in course of settlement**	Settlement account balances (claims), including the float of cheques in collection.	Nominal value	Mandatory
8	**10**	**Other assets**			
8	**10.1**	**Coins of euro area**	Coins of participating Member States.	Nominal value	Mandatory
8	**10.2**	**Tangible and intangible fixed assets**	Land and buildings, furniture and equipment (including computer equipment), software.	Cost less depreciation. Depreciation rates: - Computers and related hardware/software and motor vehicles: 4 years - Equipment, furniture and plant in building: 10 years - Building and capitalised (major) refurbishment expenditure: 25 years Capitalisation of expenditure: limit based (below EUR 10,000 excluding VAT: no capitalisation)	Recommended
8	**10.3**	**Other financial assets**	Equity shares, participating interests and investments in subsidiaries. Investment portfolios related to pension funds and severance schemes. Securities held owing to statutory requirements and investment	**(a) Marketable equity shares** Market value **(b) Participating interests and illiquid equity shares** Cost	Recommended Recommended

Balance sheet item[2]			Categorisation of contents of balance sheet items	Valuation principle	Scope of application[3]
			activities for a specific purpose, carried out by NCBs on their own account such as the management of an earmarked portfolio corresponding to capital and reserves and the management of an earmarked portfolio held as a permanent investment (financial fixed assets). Reverse repo operations in connection with the management of security portfolios under this item.	**(c) Investment in subsidiaries or significant interests** Net asset value **(d) Securities (marketable)** Market value **(e) Non-marketable securities** Cost **(f) Financial fixed assets** Cost. Premiums/discounts are amortised.	Recommended Recommended Recommended Recommended
8	**10.4**	**Off-balance-sheet instruments revaluation differences**	Valuation results of foreign exchange forwards, foreign exchange swaps, interest rate futures, financial swaps, forward rate agreements.	Net position between forward and spot, at foreign exchange market rate	Mandatory
8	**10.5**	**Accruals and deferred expenditure**	Income not due in, but assignable to the reported period. Prepaid expenditure and accrued interest paid.[4]	Nominal value, foreign exchange translated at market rate	Mandatory
8	**10.6**	**Sundry**	Advances, loans, other minor items. Revaluation suspense account (only balance sheet item during the year: unrealised losses at revaluation dates during the year, which are not covered by the respective revaluation accounts under the liability item "Revaluation accounts"). Loans on a trust basis.	Nominal value/cost **Revaluation suspense account** Revaluation difference between average cost and market value, foreign exchange translated at market rate.	Recommended; Revaluation suspense account: Mandatory
Liabilities					
1	**1**	**Banknotes in circulation**	Banknotes issued by the respective NCB or the ECB	Nominal value	Mandatory
2	**2**	**Liabilities to euro area financial sector counterparties denominated in euro**	Items 2.1 to 2.4: Deposits in euro as described in the document "The single monetary policy in Stage Three: General documentation on ESCB monetary policy instruments and procedures".		Mandatory
2.1	**2.1**	**Current accounts (covering the minimum reserve system)**	Euro accounts of financial sector counterparties that are included in the list of financial institutions subject to minimum reserves according to the Statute. This item contains primarily accounts used in order to hold minimum reserves.	Nominal value	Mandatory
2.2	**2.2**	**Deposit facility**	Overnight deposits at a pre-specified interest rate (standing facility).	Nominal value	Mandatory
2.3	**2.3**	**Fixed-term deposits**	Collection for liquidity absorption purposes owing to fine-tuning operations.	Nominal value	Mandatory
2.4	**2.4**	**Fine-tuning reverse operations**	Monetary policy-related transactions with the aim of liquidity absorption.	Nominal value or (repo) cost	Mandatory
2.5	**2.5**	**Deposits related to margin calls**	Deposits of financial sector counterparties, arising from value decreases of underlying assets regarding credits to these counterparties.	Nominal value	Mandatory
2.6	**2.6**	**Other liabilities**	Repo operations in connection with simultaneous reverse repo operations for the management of security portfolios under asset item 6. Other operations which are not monetary policy related.	Nominal value or (repo) cost	Mandatory
3	**3**	**Debt certificates issued**	Only an ECB balance sheet item (for the NCBs a transitional balance sheet item). Debt certificates as described in the document "The single monetary policy in Stage Three: General documentation on ESCB monetary policy instruments and procedures". Discount paper, issued with the aim of liquidity absorption.	Nominal value	Mandatory
4	**4**	**Liabilities to other euro area residents denominated in euro**			

4 That is, accrued interest purchased with a security.

Balance sheet item[2]			Categorisation of contents of balance sheet items	Valuation principle	Scope of application[3]
4.1	**4.1**	**General government**	Current accounts, fixed-term deposits, deposits repayable on demand.	Nominal value	Mandatory
4.2	**4.2**	**Other liabilities**	Current accounts of staff, companies and clients (including financial institutions listed as exempt from the obligation to hold minimum reserves), etc.; fixed-term deposits, deposits repayable on demand.	Nominal value	Mandatory
5	**5**	**Liabilities to non-euro area residents denominated in euro**	Current accounts, fixed-term deposits, deposits repayable on demand (including accounts held for payment purposes and accounts held for reserve management purposes): of other banks, central banks, international/ supranational institutions (including the Commission of the European Communities); current accounts of other depositors. Repo operations in connection with simultaneous reverse repo operations for the management of security portfolios under asset item 6. Balances of TARGET accounts of non-participating NCBs.*	Nominal value or (repo) cost	Mandatory
6	**6**	**Liabilities to euro area residents denominated in foreign currency**	Current accounts. Liabilities under reverse repo operations; usually investment transactions using foreign currency assets or gold.	Nominal value, translation at foreign exchange market rate	Mandatory
7	**7**	**Liabilities to non-euro area residents denominated in foreign currency**			
7.1	**7.1**	**Deposits, balances and other liabilities**	Current accounts. Liabilities under reverse repo operations; usually investment transactions using foreign currency assets or gold.	Nominal value, translation at market foreign exchange rate	Mandatory
7.2	**7.2**	**Liabilities arising from the credit facility under ERM II**	Borrowing according to the conditions of ERM II.	Nominal value, translation at the foreign exchange market rate	Mandatory
8	**8**	**Counterpart of special drawing rights allocated by the IMF**	SDR-denominated item which shows the amount of SDRs that were originally allocated to the respective country/NCB.	Nominal value, translation at the market rate	Mandatory
-	**9**	**Intra-Eurosystem liabilities***			
-	**9.1**	**Liabilities equivalent to the transfer of foreign reserves***	Only an ECB balance sheet item (denominated in euro).	Nominal value	Mandatory
-	**9.2**	**Liabilities related to promissory notes backing the issuance of ECB debt certificates***	Only an NCB balance sheet item. Promissory notes issued to the ECB, due to the back-to back-agreement.	Nominal value	Mandatory
-	**9.3**	**Other liabilities within the Eurosystem (net) ***	Net liabilities arising from intra-Eurosystem transactions (see explanations on asset item “Other claims within the Eurosystem (net)”).	Nominal value	Mandatory
9	**10**	**Items in course of settlement**	Settlement account balances (liabilities), including the float of giro transfers.	Nominal value	Mandatory
9	**11**	**Other liabilities**			
9	**11.1**	**Off-balance-sheet instruments revaluation differences**	See explanations on asset item “Off-balance-sheet instruments revaluation differences”.	Net position between forward and spot, at foreign exchange market rate	Mandatory
9	**11.2**	**Accruals and deferred income**	Expenditure falling due in a future period but relating to the reporting period. Income received in the reported period but relating to a future period.	Nominal value, foreign exchange translated at market rate	Mandatory
9	**11.3**	**Sundry**	Taxation (suspense) accounts. (Foreign currency) credit or guarantee cover accounts. Repo operations with financial sector	Nominal value or (repo) cost	Recommended

Balance sheet item[2]			Categorisation of contents of balance sheet items	Valuation principle	Scope of application[3]
			counterparties in connection with simultaneous reverse repo operations for the management of security portfolios under asset item "Other financial assets". Compulsory deposits other than reserve deposits. Other minor items. Current income (net accumulated profit), profit of the previous year (before distribution). Liabilities on a trust basis.		
9	**12**	**Provisions**	For pensions, for exchange and price risks, and for other purposes (e.g. expected (future) expenses).	Cost/nominal value	Recommended
10	**13**	**Revaluation accounts**	Revaluation accounts related to price movements (for gold, for every type of euro-denominated security, for every type of foreign currency-denominated security, market valuation differences related to interest rate risk derivatives); revaluation accounts related to foreign exchange rate movements (for every currency net position held, including foreign exchange swaps/forwards and SDRs).	Revaluation difference between average cost and market value, foreign exchange translated at market rate.	Mandatory
11	**14**	**Capital and reserves**			
11	**14.1**	**Capital**	Paid-up capital. (The capital of the ECB is consolidated with the capital shares of the participating NCBs.)	Nominal value	Mandatory
11	**14.2**	**Reserves**	Legal reserves and other reserves	Nominal value	Mandatory
9	**15**	**Profit for the year**		Nominal value	Mandatory

Timetables for Eurosystem financial reporting

1 Daily financial statement

The ECB's daily liquidity analysis is based on, inter alia, the NCBs' balance sheet data for the previous Eurosystem business day. The NCBs are responsible for submitting these data to the ECB for all Eurosystem business days. In addition, part of the intra-Eurosystem balances is used for reconciliation purposes in connection with the daily turnover and balance report.

Box 1: **Procedures for the daily financial statement**

Time[5] (ECB time)	**Data flows and data processing**
by 8 a.m.	The NCBs are responsible for transmitting to the ECB (via the ENSD application) their (preliminary) balance sheet of the preceding Eurosystem business day.
by 8 a.m.	The ECB's Directorate Internal Finance (DIF) is responsible for providing the ECB's balance sheet of the preceding business day to the ECB's Liquidity Management function.
after 8 a.m.	The ECB's DIF is responsible for transferring the information received from the NCBs and the ECB's balance sheet to the ECB's financial reporting application.
after 10 a.m.	Comparison of the intra-Eurosystem claims/liabilities with the daily turnover and balance report for reconciliation purposes.
by 4 p.m.	The NCBs are responsible for transmitting to the ECB (via the ENSD application) a completely checked balance sheet of the preceding Eurosystem business day. This rule applies only when there are changes compared to the balance sheet data provided by 8 a.m.
after 4 p.m.	The ECB's DIF is responsible for completing the transfer of information from the NCBs to the ECB's financial reporting application.

2 Daily financial statement after quarter-end

According to Article 7 of this Guideline, the revaluation of gold, foreign currency instruments, securities and financial instruments shall be performed on the last business day of a quarter. The NCBs are responsible for transmitting financial statements to the ECB in accordance with the principles set out in the box below.

5 In case of public holidays, measures in accordance with Article 23 of this Guideline shall be taken.

Box 2: **Procedures in connection with the financial statements after quarter-end**

Delivery time[6] **(ECB time)**	**Reporting day**	**Status of data**	**Data flows and data processing**
First Eurosystem business day after quarter-end by 8 a.m.[7]	Last business day (of a quarter)	before re-valuation	• The NCBs are responsible for transmitting to the ECB (via the ENSD application) their (preliminary) balance sheet of the preceding Eurosystem business day. • The ECB's DIF is responsible for providing the ECB's Liquidity Management function with the ECB's balance sheet of the preceding business day.
First Eurosystem business day after quarter-end by 4 p.m.	Last business day	before re-valuation	The NCBs are responsible for transmitting to the ECB (via the ENSD application) a completely checked balance sheet of the preceding Eurosystem business day. This rule applies only when there are changes compared to the balance sheet data provided by 8 a.m.
Second Eurosystem business day of the quarter by 8 a.m.	Last business day	revalued	• The NCBs are responsible for transmitting to the ECB (via the ENSD application) a completely checked version of their quarter-end balance sheet.[8] • The ECB's DIF is responsible for providing the ECB's completely checked quarter-end balance sheet.
Second Eurosystem business day of the quarter by 8 a.m.	First business day (of a quarter)	revalued	• The NCBs are responsible for transmitting to the ECB (via the ENSD application) their (preliminary) balance sheet of the preceding Eurosystem business day. • The ECB's DIF is responsible for providing the ECB's Liquidity Management function with the ECB's balance sheet of the preceding business day.
Second Eurosystem business day of the quarter by 4 p.m.	First business day	revalued	The NCBs are responsible for transmitting to the ECB (via the ENSD application) a completely checked balance sheet of the preceding Eurosystem business day. This rule applies only when there are changes compared to the balance sheet data provided by 8 a.m.
By fifth Eurosystem business day after quarter-end	Last business day	revalued	The ECB's DIF is responsible for transmitting to the NCBs (via CebaMail) a consolidated quarter-end balance sheet of the Eurosystem, detailing the respectively aggregate result of the various revaluation adjustments.

3 Consolidated weekly financial statement of the Eurosystem

The reporting date for the consolidated weekly financial statement of the Eurosystem shall be Friday, with publication on the following Tuesday afternoon. The first weekly financial statement after quarter-end shall be published on the subsequent Wednesday. [9]

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6 In case of public holidays, measures in accordance with Article 23 of this Guideline shall be taken.

7 An NCB can, of course, choose to send data on the previous evening.

8 Concerning the quarterly revaluation, more data than on "normal" business days shall be transmitted to the ECB's Liquidity Management function and DIF. The ENSD message format to be used in this connection will provide information on:
(1) stock data after revaluation;
(2) new quarter-end revaluation adjustments for exchange rate and gold price changes;
(3) reversal of the previous quarter-end's revaluation adjustments for exchange rate and gold price changes;
(4) new quarter-end revaluation adjustments for security price changes;
(5) reversal of the previous quarter-end's revaluation adjustments for security price changes;
(6) other accounting related adjustments (i.e. realised gains and losses, accruals, the amortisation of premiums and discounts, the effects of regularisation to average cost);
(7) stock data before revaluation.

9 This means that the time schedule for the preparation of the weekly financial statement after quarter-end is different from the one indicated in Box 3.

Box 3: **Procedures for the consolidated weekly financial statement of the Eurosystem**

Time[10] (ECB time)	**Data flows and data processing**
Monday by 8 a.m.	The NCBs are responsible for transmitting to the ECB (via the ENSD application) their (preliminary) balance sheet of the preceding Eurosystem business day.
Monday by 8 a.m.	The ECB's DIF is responsible for providing the ECB's Liquidity Management function with the ECB's balance sheet of the preceding business day.
Monday after 8 a.m.	• The ECB's DIF is responsible for transferring the information received from the NCBs and the ECB's balance sheet to the ECB's financial reporting application. • The ECB's DIF starts to check the plausibility of data and of the changes of the previous week. If questions arise, the ECB's DIF contacts the NCBs by telephone. The plausibility checks continue until the last balance sheet versions have arrived.
Monday by 10 a.m.	The NCBs are responsible for transmitting to the ECB (via fax) their TARGET end-of-day balances vis-à-vis the NCBs of the non-participating Member States of the preceding Friday (for consolidation purposes).
Monday after 10 a.m.	Comparison of the intra-Eurosystem claims/liabilities with the daily turnover and balance report for reconciliation purposes.
Monday afternoon	The ECB's DIF produces the first draft of the consolidated weekly financial statement.
Monday by 4 p.m.	The NCBs are responsible for transmitting to the ECB (via the ENSD application) a completely checked balance sheet of the preceding Eurosystem business day. This rule applies only when there are changes compared to the balance sheet data provided by 8 a.m.
Monday after 4 p.m.	The ECB's DIF is responsible for completing the transfer of information from the NCBs to the ECB's financial reporting application.
Monday until 5 p.m.	The NCBs are responsible for ensuring that staff in their accounting area is available in case any balance sheet issues call for clarification.
Monday by 7 p.m.	The ECB's DIF produces the second draft of the consolidated weekly financial statement.
Tuesday by 8 a.m.[11]	The NCBs are responsible for transmitting to the ECB (via the ENSD application) their revalued balance sheet of the preceding quarter-end Eurosystem business day.
Tuesday by 8 a.m.[12]	The ECB's DIF is responsible for providing the ECB's revalued balance sheet of the preceding quarter-end Eurosystem business day.
Tuesday by 10 a.m.	The ECB's DIF is responsible for submitting the final version of the consolidated weekly financial statement to the ECB's Executive Board for approval.
Tuesday by 12 noon	The ECB's DIF is responsible for preparing the consolidated weekly financial statement in all Community languages.
Tuesday, 2 p.m.	The Eurosystem consolidated weekly financial statement, including an explanatory comment, is distributed (via CebaMail) to the NCBs for information purposes.
Tuesday, 3 p.m.	The Eurosystem consolidated weekly financial statement, including an explanatory comment, is published in all Community languages.
Tuesday after 3 p.m.	The Eurosystem disaggregated weekly financial statement is distributed to the NCBs for internal information purposes (via ENSD or CebaMail).

4 Annual balance sheet

NCBs shall transmit their year-end balance sheets to the ECB by the end of February.

[10] In case of public holidays, measures in accordance with Article 23 of this Guideline shall be taken.

[11] This deadline is only relevant for the weekly financial statement if the quarter-end business day is identical to the weekly financial statement reporting day. A second transmission is not necessary if an NCB has already transmitted its revalued balance sheet figures on the Monday.

[12] This deadline is only relevant for the weekly financial statement if the quarter-end business day is identical to the weekly financial statement reporting day.

5 Daily turnover and balance report

A consolidated daily turnover and balance report shall be provided each day in accordance with the following schedule:

Box 4: **Procedures for the daily turnover and balance report**

Time[13] (ECB time)	**Data flows and data processing**
By 10 a.m.	The NCBs are responsible for transmitting to the ECB (via the ENSD application) their daily turnover and balance report of the preceding Eurosystem business day.
By 10 a.m.	The ECB's DIF is responsible for providing the ECB's daily turnover and balance report of the preceding Eurosystem business day.
After 10 a.m.	The ECB's DIF is responsible for transferring the information received from the NCBs' and the ECB's daily turnover and balance report to the ECB's financial reporting application.
After 10 a.m.	• The ECB's DIF is responsible for producing the Eurosystem daily turnover and balance report. • The ECB's DIF is responsible for checking the Eurosystem turnover reports for consistency and to take the necessary steps if required. • Comparison of the intra-Eurosystem claims/liabilities with the daily turnover and balance report for reconciliation purposes.
By 5. p.m.	The reconciliation procedure has been completed, and the Eurosystem daily turnover and balance report is sent (via fax or CebaMail) to the NCBs.

[13] In case of public holidays, measures in accordance with Article 23 of this Guideline shall be taken.

Annex VI

Consolidated weekly financial statement of the Eurosystem: Format to be used for publication after quarter-end

(EUR millions)

Assets	**Balance as at**	**Difference compared to last week due to transactions revaluations**	**Liabilities**	**Balance as at**	**Difference compared to last week due to transactions revaluations**
1 Gold and gold receivables			1 Banknotes in circulation		
2 Claims on non-euro area residents denominated in foreign Currency			2 Liabilities to euro area financial sector counterparties denominated in euro		
2.1 Receivables from the IMF			2.1 Current accounts (covering the minimum reserve system)		
2.2 Balances with banks and security investments, External loans and other external assets			2.2 Deposit facility		
			2.3 Fixed-term deposits		
			2.4 Fine-tuning reverse operations		
3 Claims on euro area residents denominated in foreign Currency			2.5 Deposits related to margin calls		
			2.6 Other liabilities		
4 Claims on non-euro area residents denominated in euro			3 Debt certificates issued		
4.1 Balances with banks, security investments and loans					
4.2 Claims arising from the credit facility under ERM II			4 Liabilities to other euro area residents denominated in euro		
			4.1 General government		
			4.2 Other liabilities		
5 Lending to financial sector counterparties of euro area denominated in euro					
5.1 Main refinancing operations			5 Liabilities to non-euro area residents denominated in euro		
5.2 Longer-term refinancing operations					
5.3 Fine-tuning reverse operations					
5.4 Structural reverse operations			6 Liabilities to euro area residents denominated in foreign currency		
5.5 Marginal lending facility					
5.6 Credits related to margin calls					
5.7 Other claims			7 Liabilities to non-euro area residents denominated in foreign currency		
			7.1 Deposits, balances and other liabilities		
6 Securities of euro area residents denominated in euro			7.2 Liabilities arising from the credit facility under ERM II		
7 General government debt denominated in euro					
8 Other assets			8 Counterpart of special drawing rights allocated by the IMF		
			9 Other liabilities		
			10 Revaluation accounts		
			11 Capital and reserves		
Total assets			**Total liabilities**		

Totals/sub-totals may not add up, due to rounding.

Annex VII

Consolidated weekly financial statement of the Eurosystem: Format to be used for publication during the quarter

(EUR millions)

Assets	**Balance as at**	**Difference compared to last week due to transactions**	**Liabilities**	**Balance as at**	**Difference compared to last week due to transactions**
1 Gold and gold receivables			1 Banknotes in circulation		
2 Claims on non-euro area residents denominated in foreign Currency			2 Liabilities to euro area financial sector counterparties denominated in euro		
2.1 Receivables from the IMF			2.1 Current accounts (covering the minimum reserve system)		
2.2 Balances with banks and security investments, External loans and other external assets			2.2 Deposit facility		
			2.3 Fixed-term deposits		
			2.4 Fine-tuning reverse operations		
3 Claims on euro area residents denominated in foreign Currency			2.5 Deposits related to margin calls		
			2.6 Other liabilities		
4 Claims on non-euro area residents denominated in euro			3 Debt certificates issued		
4.1 Balances with banks, security investments and loans					
4.2 Claims arising from the credit facility under ERM II			4 Liabilities to other euro area residents denominated in euro		
			4.1 General government		
			4.2 Other liabilities		
5 Lending to financial sector counterparties of euro area denominated in euro					
5.1 Main refinancing operations			5 Liabilities to non-euro area residents denominated in euro		
5.2 Longer-term refinancing operations					
5.3 Fine-tuning reverse operations					
5.4 Structural reverse operations			6 Liabilities to euro area residents denominated in foreign currency		
5.5 Marginal lending facility					
5.6 Credits related to margin calls					
5.7 Other claims			7 Liabilities to non-euro area residents denominated in foreign currency		
			7.1 Deposits, balances and other liabilities		
6 Securities of euro area residents denominated in euro			7.2 Liabilities arising from the credit facility under ERM II		
7 General government debt denominated in euro					
8 Other assets			8 Counterpart of special drawing rights allocated by the IMF		
			9 Other liabilities		
			10 Revaluation accounts		
			11 Capital and reserves		
Total assets			**Total liabilities**		

Totals/sub-totals may not add up, due to rounding.

Annex VIII

Consolidated annual balance sheet of the Eurosystem

(EUR millions)

Assets	**Reporting year**	**Previous year**	**Liabilities**	**Reporting year**	**Previous year**
1 Gold and gold receivables			1 Banknotes in circulation		
2 Claims on non-euro area residents denominated in foreign Currency			2 Liabilities to euro area financial sector counterparties denominated in euro		
2.1 Receivables from the IMF			2.1 Current accounts (covering the minimum reserve system)		
2.2 Balances with banks and security investments, external loans and other external assets			2.2 Deposit facility		
			2.3 Fixed-term deposits		
			2.4 Fine-tuning reverse operations		
3 Claims on euro area residents denominated in foreign Currency			2.5 Deposits related to margin calls		
			2.6 Other liabilities		
4 Claims on non-euro area residents denominated in euro			3 Debt certificates issued		
4.1 Balances with banks, security investments and loans					
4.2 Claims arising from the credit facility under ERM II			4 Liabilities to other euro area residents denominated in euro		
			4.1 General government		
			4.2 Other liabilities		
5 Lending to financial sector counterparties of euro area denominated in euro					
5.1 Main refinancing operations			5 Liabilities to non-euro area residents denominated in euro		
5.2 Longer-term refinancing operations					
5.3 Fine-tuning reverse operations					
5.4 Structural reverse operations			6 Liabilities to euro area residents denominated in foreign currency		
5.5 Marginal lending facility					
5.6 Credits related to margin calls					
5.7 Other claims			7 Liabilities to non-euro area residents denominated in foreign currency		
			7.1 Deposits, balances and other liabilities		
6 Securities of euro area residents denominated in euro			7.2 Liabilities arising from the credit facility under ERM II		
7 General government debt denominated in euro					
8 Other assets			8 Counterpart of special drawing rights allocated by the IMF		
			9 Other liabilities		
			10 Revaluation accounts		
			11 Capital and reserves		
Total assets			**Total liabilities**		

Totals/sub-totals may not add up, due to rounding.

Annex IX

Annual balance sheet of a central bank
(EUR millions)

Assets	**Reporting year**	**Previous year**	**Liabilities**	**Reporting year**	**Previous year**
1 Gold and gold receivables			1 Banknotes in circulation		
2 Claims on non-euro area residents denominated in foreign currency			2 Liabilities to euro area financial sector counterparties denominated in euro		
2.1 Receivables from the IMF			2.1 Current accounts (covering the minimum reserve system)		
2.2 Balances with banks and security investments, external loans and other external assets			2.2 Deposit facility		
3 Claims on euro area residents denominated in foreign currency			2.3 Fixed-term deposits		
4 Claims on non-euro area residents denominated in euro			2.4 Fine-tuning reverse operations		
4.1 Balances with banks, security investments and loans			2.5 Deposits related to margin calls		
4.2 Claims arising from the credit facility under ERM II			2.6 Other liabilities		
5 Lending to financial sector counterparties of euro area denominated in euro			3 Debt certificates issued		
5.1 Main refinancing operations			4 Liabilities to other euro area residents denominated in euro		
5.2 Longer-term refinancing operations			4.1 General government		
5.3 Fine-tuning reverse operations			4.2 Other liabilities		
5.4 Structural reverse operations			5 Liabilities to non-euro area residents denominated in euro		
5.5 Marginal lending facility			6 Liabilities to euro area residents denominated in foreign currency		
5.6 Credits related to margin calls			7 Liabilities to non-euro area residents denominated in foreign currency		
5.7 Other claims			7.1 Deposits, balances and other liabilities		
6 Securities of euro area residents denominated in euro			7.2 Liabilities arising from the credit facility under ERM II		
7 General government debt denominated in euro			8 Counterpart of special drawing rights allocated by the IMF		
8 Intra-Eurosystem claims			9 Intra-Eurosystem liabilities		
8.1 Participating interest in ECB			9.1 Liabilities equivalent to the transfer of foreign reserves		
8.2 Claims equivalent to the transfer of foreign reserves			9.2 Liabilities related to promissory notes backing the issuance of ECB debt certificates		
8.3 Claims related to promissory notes backing the issuance of ECB debt certificates			9.3 Other liabilities within the Eurosystem (net)		
8.4 Other claims within the Eurosystem (net)			10 Items in course of settlement		
9 Items in course of settlement			11 Other liabilities		
10 Other assets			11.1 Off-balance sheet instruments revaluation differences		
10.1 Coins of euro area			11.2 Accruals and deferred income		
10.2 Tangible and intangible fixed assets			11.3 Sundry		
10.3 Other financial assets			12 Provisions		
10.4 Off-balance sheet instruments revaluation differences			13 Revaluation accounts		
10.5 Accruals and deferred expenditure			14 Capital and reserves		
10.6 Sundry			14.1 Capital		
			14.2 Reserves		
			15 Profit for the year		
Total assets			**Total liabilities**		

Annex X

Published profit and loss account of the ECB/NCBs

	Reporting year EUR millions	Previous year EUR millions
Interest income		
Interest expense		
Net interest income		
Realised gains/losses arising from financial operations		
Write-downs on financial assets and positions		
Transfer to/from provisions for foreign exchange rate and price risks		
Net result of financial operations, write-downs and risk provisions		
Fees and commissions income		
Fees and commissions expense		
Net income from fees and commissions		
Income from equity shares and participating interests		
Net result of pooling of monetary income		
Other income		
Total net income		
Staff cost[14]		
Other administrative expenses[15]		
Depreciation of (in)tangible fixed assets		
Banknote production services[16]		
Other expenses		
Income tax and other government charges on income		
Profit for the year		

[14] Including administrative provisions.
[15] Including administrative provisions.
[16] This item shall be used in case of outsourced banknote production (for the cost of the services provided by external companies in charge of the production of banknotes on behalf of the central banks).