



Centraal Bureau  
voor de Statistiek

DeNederlandscheBank

EUROSYSTEEM

# **CBS-DNB**

## **Finances of enterprises and balance of payments**

Version 1.0

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# 1. Why this questionnaire

## Purpose of this questionnaire

De Nederlandsche Bank (DNB) and CBS (*Centraal Bureau voor de Statistiek*) use data from this questionnaire to compile several key statistics, i.e. DNB's Dutch balance of payments and international investment position (IIP) and CBS's Dutch sector accounts. This is a questionnaire for the non-financial institutions sector. The balance of payments and sector accounts are prepared in relation to each other.

The European Central Bank (ECB) and the statistical office of the European Union (Eurostat) also use the data to produce the balance of payments, international investment position (IIP) and sector accounts of the Economic and Monetary Union (EMU) and the European Union (EU). Lastly, each year the data are used to compile statistics on inward foreign direct investment (FDI) for the Organisation for Economic Cooperation and Development (OECD), the United Nations Conference on Trade and Development (UNCTAD) and the International Monetary Fund (IMF).

## What has changed?

Two questionnaires that you used to receive from CBS, the quarterly survey of finances of enterprises (*Kwartaal Enquête Financiën van Ondernemingen - KSFO*) and the annual statistics of finances of large enterprises (*Statistiek Financiën van Grote ondernemingen - SFGO*), and two that you used to receive from DNB, i.e. data submission requests for the purpose of monthly and annual DRA (Directe Rapportage) reports, have been combined into a single quarterly questionnaire. We will make additional annual data submission requests only in exceptional cases. These may involve situations where there is no four consecutive quarters' usable response or where full consolidation on a quarterly basis is not possible, which renders quarterly information "preliminary" in nature. Queries on securities are limited in these reports, as DNB will continue issuing comprehensive securities data submission requests on a monthly basis.

To the extent possible, we have derived the terminology used in this questionnaire from the statistical terms defined in the guidelines of Eurostat and the ECB, while careful alignment with the annual accounts format ensures easy recognition from the accounting records. In a small number of cases, statistical terms are not fully consistent with the company accounting previously applied for the purpose of statistics of finances of enterprises (*Statistiek Financiën van Ondernemingen – SFO*). The main differences between statistical and accounting terms are:

- the maturity of receivables and payables is based on the original rather than the residual maturity,
- participating interests are taken to be holdings of 10% or more, and
- changes in assets and liabilities are based on operating income, i.e. net income or expenses excluding non-operating items such as impairments and unrealised gains.

New is the introduction of sister companies in the collection of data on participating interests, receivables and payables with respect to group companies in another country. In order to report the direction of the influence of financial flows to and from other countries, the questionnaire differentiates between parent, subsidiary and sister companies. In the direct investment statistics, investments of parents and subsidiaries may be netted against investments of subsidiaries and parents. Investments between sister companies are also netted in some cases.

## 2. Key terms and areas for attention

### 2.1 General information

This chapter discusses key terms and areas for attention.

The questionnaire concerns the balance sheet and profit and loss account before profit appropriation. If the contacted enterprise has group companies based in **the Netherlands**, we would ask you to submit **consolidated** information for the Dutch group. This means that group companies based **abroad** must be excluded from the **consolidation**. The relationships with these group companies can be included in various sections under the item "foreign participating interests".

#### Reporting period

If your enterprise's financial year does not coincide with the calendar year, please report on the most recent financial quarter.

#### Currency unit

All amounts must be rounded off to the nearest EUR 1,000.

#### Figures that can be either positive or negative

For items where amounts can be either positive or negative (e.g. "minority interests" and "net reversals/impairments"), the figure must be preceded by a minus sign (-) for a negative value.

#### Structure and consolidation cluster

The questionnaire contains the most recent organisation structure, the top and all group companies based in the Netherlands, specifying the consolidation method and the percentage of the holding. If previous to or during the reporting period changes have occurred in the supplied organisation structure, CBS must be informed accordingly in the comments field of the questionnaire. Changes in the organisation structure must be reflected in the reported figures.

### 2.2 Key terms used

#### 2.2.1 Consolidated report

The questionnaire requests data about the balance sheet and profit and loss account before profit appropriation. To the extent relevant, this involves the integral consolidated information for the contacted enterprise, including all group companies based in the Netherlands in which the parent company holds more than half of the voting capital or in which, under additional arrangements, the parent company has decisive control over the group company's management and financial policy. Relationships with any parent, subsidiary or sister company based abroad must be accounted for as a foreign group company.

#### Territory principle

The territory principle is decisive for the requested consolidation. The distinction between domestic and foreign legal forms of group companies is not relevant. This means that foreign legal entities based in the Netherlands must also be included in the consolidation. Conversely, any group company with a Dutch legal form which is based abroad must be excluded from the consolidation.

In addition, the description "based in the Netherlands" must be interpreted in spirit rather than in letter. For instance, a Dutch private limited liability company based in the

Netherlands for legal purposes but conducting virtually all of its activities abroad on a permanent basis must be excluded from the consolidation and stated as a foreign group company.

#### **Branch offices and/or permanent establishments**

Branch offices and permanent establishments of group companies based in the Netherlands that are active outside the Netherlands must be excluded from the consolidation and reported in the questionnaire as foreign group companies. Conversely, branch offices and/or permanent establishments of group companies based outside the Netherlands that are active in the Netherlands must be consolidated.

#### **2.2.2 Domestic-foreign-domestic constructions**

A domestic-foreign-domestic construction occurs when a domestic group company is a subsidiary of a foreign group company that is not to be included in the consolidation. This domestic group company should be included in the figures as follows. The equity of this domestic group company must be added to the equity of the company. Elimination of the equity of this group company on the item 'Participating interests foreign' is not desirable in this case. The receivables and debts that this domestic group company has with other domestic group companies, within the company that has been registered, must be eliminated.

In the item ' Movements and specifications Equity, incl. members capital code 266', the equity of this domestic group company must be included with the country of the foreign direct mother.

The result of the domestic group company, which has been included in the nominated company through this domestic-foreign-domestic construction, must be fully processed in the profit and loss account of the foreign group company. The item 'Participating interests foreign' of the company that has been contacted therefore also contains the result of the domestic group company.

#### **2.2.3 Financial institutions**

The consolidated statement includes all foreign group companies as far as they perform non-financial activities. Domestic group companies performing financial activities, financial institutions and special financial institutions (SFIs) are excluded from the consolidation and are accounted for under group companies and other domestic participating interests.

The term 'financial institution' means:

- money-creating financial institutions, e.g. universal banks, banks organised on a cooperative basis and universal savings banks;
- other financial institutions, e.g. mortgage banks, building societies, consumer credit institutions, repayment and hire-purchase finance institutions, bill brokers, investment funds and local government banks;
- insurance companies; and
- pension funds.
- special financial institutions (SFIs).

## 2.3 Important points for attention

### 2.3.1 Change in accounting policy

If the enterprise changes its accounting policy (change in principles), the opening balance sheet in the questionnaire must be adjusted accordingly.

### 2.3.2 Acquisition or privatisation in the course of the financial year

If, during the course of the financial year, your addressed company was taken over, privatised or was sold, please contact CBS by telephone at +31 45 570 6973 or by email at [statnfo@cbs.nl](mailto:statnfo@cbs.nl), to discuss whether and if so, which data must be provided.

If, during the course of the financial year, your addressed company has taken over or set up a group company in the Netherlands, this new group company must be consolidated into the closing figures of the balance sheet and into the profit and loss account from the date of acquisition or incorporation. If the contacted enterprise sold or wound up any group company based in the Netherlands, the relevant group company or companies must be consolidated only into the opening figures of the balance sheet and into the profit and loss account until the sale or winding-up date.

### 2.3.3 Temporary staff

Costs of temporary staff must be included under the item "raw materials and consumables and other operating expenses" (code 462) rather than under "wages, salaries, social security contributions, pension costs and other staff costs (excluding temporary staff)" (code 455).

If, however, the contacted enterprise is a temporary staffing agency or if the consolidation includes one or more temporary staffing agencies, we would ask that you do include the costs of the deployed staff under the item "wages, salaries, social security contributions, pension costs and other staff costs (excluding temporary staff)" (code 455).

### 2.3.4 Writing off or cancelling loans

Loans written off or cancelled must be recognised in the profit and loss account under "other financial income and expenses" (codes 520 and 525).

### 2.3.5 Reclassifications

Reclassifications are about positions that are moved from one reporting category to the other without real changes occurring. Reclassifications must be reported as "other changes". For example shareholdings abroad exceeding 10% must be reported under main item 32 "group companies and other participating interests: foreign". If such shareholdings fall below the 10% limit, however, they must be reported under main item 162 "securities and other negotiable instruments". This results in a negative "other change" under participating interests and a corresponding positive "other change" under shareholdings.

### 2.3.6 Gains and losses on sale or disposal

Gains and losses on the sale or disposal of tangible and intangible fixed assets must be included in "(net) turnover and other operating income" (codes 446 and 447). Gains and losses on the sale or disposal of equity participations must be included under "income from participating interests" (codes 492 and 493) in the profit and loss account.

### 2.3.7 Subsidies

Employment subsidies must not be deducted from wage costs (code 455) but must be included under "income from grants, etc." (code 470). Other cost-reducing subsidies must be deducted from "raw materials and consumables and other operating expenses" (codes 461 and 462).

Transport companies receiving subsidies for ticket purposes must record this contribution in their turnover (codes 446 and 447).

### 2.3.8 Intra-quarter balance sheet item changes reflecting fair value adjustments, e.g. impairments

- **Intangible fixed assets**

Intra-quarter changes reflecting fair value adjustments must be included under balance sheet item "revaluation". In the profit and loss account, the changes must be reflected in the item "net reversals/impairments" (code 468). Existing **negative goodwill** must be credited to the reserve in the opening balance sheet.

- **Tangible fixed assets**

Intra-quarter changes reflecting fair value adjustments must be included under the balance sheet item "revaluation". In the profit and loss account, the changes must be reflected under the item "net reversals/impairments" (code 468).

- **Group companies and other participating interests domestic**

Intra-quarter changes reflecting fair value adjustments must be included under the balance sheet item "revaluation". In the profit and loss account, the change must be reflected in "results of group companies and other participating interests" (code 492).

- **Group companies and other participating interests foreign**

Intra-quarter changes reflecting fair value adjustments must be included under the balance sheet item "revaluation". In the profit and loss account, these changes must be reflected in "results of group companies and other participating interests" (code 493).

### 2.3.9 Preference shares

Preference shares must be presented as loan capital. Preference share dividend distributions must be included in "interest expenses" (codes 510 and 515). If the shareholders' meeting can block a dividend distribution or repayment indefinitely, this qualifies as "paid-up and called-up capital" (code 250). Preference share dividend distributions must be included under the item "change in retained earnings and other reserves" (code 265).

### 2.3.10 Release of revaluation reserve

Any "realised revaluation reserve" must not be released to the profit and loss account but be credited directly to the item "retained earnings and other reserves" (code 265).

### 2.3.11 Pensions

Fair-value changes in pensions must be credited/debited directly to the item "retained earnings and other reserves" (code 265).

## 3. Balance sheet, assets

### 3.1 Tangible and intangible assets (codes 005, 006 and 009)

Immovable property must be reported separately under the item "tangible fixed assets". Your enterprise must report "immovable property located abroad" if it buys or sells immovable property abroad directly, i.e. not via a foreign subsidiary. These are always premises "not in use by the company", as non-resident parts of the reporting enterprise may not be included in the consolidation. If the immovable property is managed by a foreign subsidiary, it must be reported under "foreign participating interests". Units held in investment funds specialising in immovable property must be reported as equity investments.

### 3.2 Group companies and other participating interests (codes 027 and 032)

#### Group companies and other participating interests domestic (code 027)

The value of domestic group companies and domestic other participating interests excluded from the consolidation must be included under this item.

Your enterprise must report non-consolidated domestic group companies if it has one or more group companies classified as financial institutions or as insurance companies generally servicing a broad audience. Reference is made to section 2, "Basic principles", for a comprehensive description of the term "financial institutions".

"Other domestic participating interests" are domestic minority interests.

#### Group companies and other participating interests foreign (code 032)

The value of the shareholdings of all group companies based abroad must be included under this item, as they are entirely excluded from the consolidated statement.

Any other foreign minority interests must also be included in this item.

Shareholdings are not limited to transactions involving a physical cash flow but also include:

- exchange of shares
- transfer of assets and/or liabilities (in exchange for shares)
- conversion of dividends, loans or current account into shares.

### 3.3 Long-term receivables and investments (codes 056 to 065)

As opposed to the customary procedure, the short-term proportion of long-term receivables and investments (i.e. the repayment obligations) must also be included in this item, because of the transition from residual to original maturity.

#### Derivatives (codes 056 and 318)

The total value of derivatives placed on the assets side of the balance sheet must be reported here. Detailed information on derivatives, including off-balance derivatives will be requested as a separate block; see chapter 7 of these notes.

### 3.4 Inventories and short-term receivables (codes 091 to 135)

#### **Inventories** (code 091)

The volume of work in progress and stocks of raw materials and consumables, finished goods and goods for resale, excluding prepayments on inventories must be reported here. Instalments invoiced for work in progress must be deducted from inventories.

#### **Short-term receivables excluding repayment obligations** (codes 112 to 135)

The transition from residual to original maturity implies that repayment obligations must be reported under the item "long-term receivables".

#### **Short-term receivables from group companies and other participating interests** (codes 112 and 113)

The enterprise's short-term receivables from group companies and other participating interests must be reported here. Examples include trade receivables, current account balances and money-market loans.

#### **Trade receivables** (codes 115 and 120)

This item covers trade receivables other than receivables from group companies or other participating interests. Forward receivables and unbilled trade receivables must also be reported under this item.

#### **Pensions** (code 127)

The balances ensuing from your pension scheme as well as the outstanding claim in pension contributions must be reported here.

#### **Other short-term receivables** (codes 130 and 135)

Money-market loans, unless the counterparty is a group company or other participating interest, must be reported here.

### 3.5 Securities and other negotiable instruments (code 162)

This item covers investments that can be converted into liquid assets in the short term, e.g. equity and debt securities and other negotiable instruments, excluding term deposits (codes 175 and 190) (see explanatory notes to "Liquid assets"). Short-term investments also include commercial paper.

### 3.6 Liquid assets (codes 170 to 193)

Cash, term deposits and bank accounts must be reported under this item.

#### **Term deposits** (codes 175 and 190)

This item covers all term deposits, irrespective of the original maturity.

#### **Bank accounts** (codes 180 and 193)

This item also includes current account balances at insurance companies and pension funds.

It is not permitted to offset current account balances at banks against debts (liability item "bank accounts", codes 390 and 395), not even with one and the same bank.

## 4. Balance sheet, liabilities

### 4.1 Third-party interests (codes 269 and 271)

As a rule, group companies based in the Netherlands are consolidated in full. If the interest is less than 100%, the value of third-party interests is recognised under this item.

### 4.2 Equalisation accounts, grants, etc. (code 275)

This item covers the value of grants, etc. imputable to future financial years.

### 4.3 Provisions (code 280)

Both short-term and long-term provisions must be reported under this item. Deferred tax liabilities and employee benefits must also be reported under this item.

### 4.4 Non-current liabilities (codes 307 to 333)

As opposed to what is customary, the short-term proportion of long-term liabilities (i.e. the repayment obligations) must also be included in this item, because of the transition from residual to original maturity.

#### **Debt paper, including bond loans** (code 314)

Debt paper also includes commercial paper.

#### **Derivatives** (including codes 056 and 318)

The total value of derivatives placed on the liabilities side of the balance sheet must be reported here. Detailed information on derivatives, including off-balance derivatives will be requested as a separate block; see chapter 7 of these notes.

### 4.5 Current liabilities (codes 377 to 415)

#### **Current liabilities to group companies and other participating interests** (codes 377 and 378)

Current liabilities (original maturity < 1 year) to group companies and other participating interests, e.g. trade payables, current account balances payable and money-market loans must be reported under this item.

#### **Trade payables** (codes 380 and 385)

This item covers trade payables other than payables to group companies or other participating interests (see the item "current liabilities to group companies and other participating interests", codes 360 to 375).

#### **Bank accounts** (codes 390 and 395)

This item also includes current account balances payable to insurance companies and pension funds.

It is not permitted to offset current account balances payable to banks against balances (asset item "bank accounts", codes 180 and 193), not even with one and the same bank.

#### **Pensions** (code 407)

The liabilities ensuing from your pension scheme as well as the outstanding amounts owing in pension contributions must be reported here.

**Other current liabilities** (codes 410 and 415)

Money-market loans must also be recorded here, unless the counterparty is a group company or other participating interest. Other advance payments received, excluding invoiced instalments on work in progress must also be reported here.

## 5. Profit and loss statement

### 5.1 (Net) turnover and other operating income (codes 447 to 450)

**(Net) turnover** includes:

- a. the amounts charged to third parties for goods supplied and services provided, after deduction of rebates and discounts; "third parties" also include:
  - the foreign parent company;
  - other group companies based abroad (subsidiaries and sister companies);
  - participating interests over which the enterprise cannot exercise predominant control;
- b. the increase or decrease in the stocks of finished goods and the volume of work in progress on the closing balance sheet relative to the opening balance sheet;
- c. cost price increasing taxes, such as excise duties.

**Other operating income** is income other than from the enterprise's regular business operations, e.g.:

- tangible and intangible fixed assets created by the enterprise itself for the purpose of its own business operations, including work on existing tangible and intangible fixed assets performed by the enterprise itself that considerably extend their useful life;
- non-recurring income from leasing property, land, plant and equipment;
- receipts for labour force made available;
- income from letting residential property to employees;
- income from licences, royalties and the like;
- capitalised interest on tangible fixed assets under construction;
- profit or loss on the disposal of tangible and intangible fixed assets.

### 5.2 Costs (codes 455 to 464)

**Wages, salaries, social security contributions, pension costs and other staff costs (excluding temporary staff)** (code 455)

This item covers all benefits paid to employees on the payroll, irrespective of the number of hours worked. These include all actual payments and benefits to which employees are entitled as remuneration for the work performed, including employer social security and pension contributions.

**Pension costs** also include the employer's allocation to the pension provision.

**Employment subsidies** must not be deducted from wage costs but must be included under "income from grants, etc." (code 470). However, sickness benefits received must be deducted from wage costs. Wage costs include commuting expense allowances.

**Other staff costs** include supplementary payments to benefits under social security legislation, employer's contributions towards non-mandatory health insurance, study expense allowances, course fees and the like. Costs of insourced and temporary staff must be included under "raw materials and consumables and other operating expenses" (codes 462 to 464). See also the explanatory notes on temporary staff in section 2, "Basic principles".

**Amortisation/depreciation of intangible and tangible fixed assets** (codes 458 and 459)

Amortisation/depreciation in the profit and loss account must be equal to amortisation/depreciation specified in the balance sheet changes in intangible and

tangible fixed assets (code 621). Gains and losses on the disposal of tangible and intangible fixed assets must be recognised as other operating income, under “(net) turnover and other operating income” (codes 447 to 449).

**Raw materials and consumables and other operating expenses** (codes 462 to 464)

This item covers the raw materials and consumables used and the cost of goods for resale included in net turnover (code 450). “Other operating expenses” include all costs except those related to wages (code 455), amortisation/depreciation (code 460), net reversals/impairments (code 468), interest expenses (codes 510 and 515) and other financial expenses (codes 520 and 525).

They also cover:

- price-increasing taxes to be remitted, e.g. excise duties, included in the net turnover figures;
- costs of insourced and temporary staff;
- additions to provisions, excluding deferred taxes and pensions.

**5.3 Net reversals/impairments** (code 468)

This item represents the balance of impairments of tangible and intangible fixed assets and reversed impairments.

**5.4 Income from grants, etc.** (code 470)

Grants, etc. credited to the result must be recognised separately under this item. This income must not be included in corporation tax. Employment subsidies and third-party contributions must also be recognised under this item.

**5.5 Financial income and expenses** (codes 492 to 525)

**Results of group companies and other participating interests** (codes 492 and 493)

Net profits or losses from group companies and other participating interests must be reported here. This is profit or loss net of taxes and any shares of third parties. Please also refer to the “Basic principles” here, in particular the explanatory notes on consolidated annual figures. Gains and losses on the sale or disposal of shareholdings must also be recognised under “results of group companies and other participating interests” (codes 492 and 493). Fair-value changes, e.g. impairments, relating to the participating interests must also be included under these items.

If participating interests are valued on the balance sheet at purchase price, the dividends received or receivable must be reported under these items.

**Interest income** (codes 500 and 505)

It is not permitted to offset interest income against interest expenses, not even with one and the same bank.

**Interest expenses** (codes 510 and 515)

It is not permitted to offset interest expenses against interest income, not even with one and the same bank. Capitalised interest on tangible fixed assets under construction may not be deducted from the interest expenses but must be recognised under “(net) turnover and other operating income” (codes 447 to 449).

**Other financial income and expenses** (codes 520 and 525)

Exchange difference arising from foreign-currency denominated transactions, receivables

and payables must be recorded here (code 525). Loans written off or cancelled must also be recognised under this item.

**5.6 Non-recurring income and expenses** (codes 530 and 535)

The amount that must be stated and explained separately pursuant to the new financial reporting legislation in effect since 2016 must be reported here. This item covers income and expenses of an exceptional scale or nature.

**5.7 Corporation tax** (code 545)

The net amount in Dutch corporation tax paid or refunded in the current quarter must be reported here. It is not permitted to offset investment grants against corporation tax. These must be recognised separately in "income from grants, etc." code 470.

**5.8 Share of third parties in group profit or loss** (code 555)

This item concerns the share of third parties in the profit or loss after tax of the group companies based in the Netherlands that are included in the consolidated figures and in which the holding percentage is less than 100%.

## 6. Changes in balance sheet items and specifications

### 6.1 Changes in tangible and intangible assets (codes 005, 006 and 009)

If group companies were consolidated or deconsolidated in the course of the quarter, and there is no question of a real purchase or sale, the corresponding change must be recorded under "other changes".

#### **Country (only in respect of immovable property)**

The country where the immovable property is located must be stated.

#### **Acquisitions of intangible and tangible fixed assets**

Gross fixed investment must be recorded here. Any related investment grants must be included under "other changes".

#### **Book value of sales of intangible and tangible assets**

Sold as well as decommissioned or scrapped intangible and tangible fixed assets must be included here.

#### **Amortisation/depreciation of intangible and tangible assets**

Amortisation/depreciation in the profit and loss account must be equal to amortisation/depreciation specified in the balance sheet changes in intangible and tangible fixed assets.

#### **Exchange differences**

Exchange rate changes must be included under this item.

#### **Revaluation, value adjustments on intangible and tangible fixed assets**

Fair-value changes, e.g. impairments, must also be included under this item.

#### **Other changes**

This item covers all other changes in intangible and tangible fixed assets, e.g. changes arising from consolidation, deconsolidation and write-off of investment grants.

#### **Sale value of intangible and tangible fixed assets**

The actual gross sale value must be reported here, i.e. not the gain or loss relative to the book value. Gains and losses on the disposal of tangible and intangible fixed assets must be recognised as other operating income in the profit and loss account.

#### **Income from immovable property (only in respect of immovable property)**

This item concerns income from leasing or letting of immovable property.

### 6.2 Changes; group companies and other participating interests (codes 027 and 032)

#### **Group companies and other participating interests domestic (code 027)**

The value of domestic group companies and domestic other participating interests excluded from the consolidation must be included under this item.

Your enterprise must report non-consolidated domestic group companies if it has one or more group companies classified as financial institutions or as insurance companies generally servicing a broad audience. For a comprehensive description of the term

“financial institutions”, we refer you to the “Key terms and areas for attention” section of this document.

“Other domestic participating interests” concerns domestic minority interests.

**Group companies other participating interests foreign (code 032)**

The value of the shareholdings of all group companies based abroad must be reported under this item, as they are entirely excluded from the consolidated statement.

Any other foreign interests and minority interests must also be included under this item.

Shareholdings are not limited to transactions involving a physical cash flow but also include:

- exchange of shares
- transfer of assets and/or liabilities (in exchange for shares)
- conversion of dividends, loans or current account into shares.

**Type of participating interest (only in respect of foreign participating interests)**

The format of the participating interest may vary from case to case:

- By holding shares: your enterprise holds a full or partial equity interest in a foreign enterprise or makes a capital contribution of another nature, e.g. relating to loss hedging; shareholding is distinguished according to listed and non-listed.
- other than by holding shares: your enterprise provides working capital to a foreign subsidiary that is not an independent legal entity (branch office).

**Category participating interest (only in respect of foreign participating interests)**

Shareholdings must be broken down into the following categories:

- - your participating interests in group companies equalling or exceeding 10%. These are involved if your enterprise has a permanent interest of at least 10% in the share capital or equivalent assets of the non-resident within the global group. This category also includes all legally dependent branch offices established abroad that are part of the reporting enterprise, as well as participating interests in non-resident shareholders (cross-participations) equalling or exceeding 10%.
- - your participating interests in your parent company not exceeding 10% (cross-participations). These are involved if your enterprise has an interest in your non-resident shareholder not exceeding 10%. Cross-participations equalling or exceeding 10% must be accounted for under the first category.
- - your participating interests not exceeding 10% in other group companies, not being your non-resident shareholder (sister companies).
- - other minority interest greater than or equal to 10% (outside the global group)

**Country (only in respect of foreign participating interests)**

Under "country" the country of incorporation of the participating interest must be stated.

**Acquisitions/sales**

Under this item you must also include:

- capital contributions to resident and non-resident subsidiaries;
- hedging of losses at (= deemed capital contributions to) resident and non-resident subsidiaries;
- contribution of working capital to non-resident branch offices;
- share capital repayments;
- conversion of loans into shares, stock dividend conversion, etc.

**Net result excl. non-operational results**

The enterprise's profit or loss from operating activities after taxes, excluding non-recurring income and expenses and before profit appropriation must be reported under this item. Gains and losses arising from value adjustments to assets due to, e.g., exchange rate changes, fair value change, revaluations (impairments), depreciation or amortisation (of financial assets or liabilities) must not be reflected under this item but in "exchange differences" or "revaluation". Non-recurring income and expenses must be recognised in "other changes". Non-recurring income and expenses include non-recurring gains and losses on the sale of participating interests.

In a net asset valuation, the total results reported will therefore deviate from the results of group companies and other participating interests in the profit and loss account, as the latter does include non-operating items.

If a participating interest was valued at historical cost and the actual profit or loss is not available, the declared dividends must also be stated in the "net result excl. non-operational results" column in order to balance the report.

**Declared gross dividends**

Gross dividends (before deduction of any dividend tax) declared by your enterprise's non-resident participating interest(s) during the reporting period must be reported under this item. If the declared dividends were not effectively received in the same reporting period, you must include a short-term receivable from the subsidiary for the period between the declaration and the actual receipt, unless the receivable forms part of the current account balance between the parties involved and recognised as such. Declared dividends relating to gains from the participating interest's non-operating activities, e.g. a non-recurring gain on the sale of a participating interest, must not be accounted for as dividends but must be reported as a disposal under "sales" for the same amount in dividends, less the dividend tax (i.e. on a net basis).

**Exchange differences**

Exchange rate changes must be included under this item.

**Revaluation**

Fair-value changes, e.g. impairments, must also be included in this item.

**Other changes**

All other causes of balance sheet changes must be included under this item, e.g. reclassifications or non-recurring income or expenses.

**Sale value of group companies and other participating interests**

The sale value of the participating interests sold must be reported under this item, which usually is the book value increased or reduced by any gain or loss on sale, respectively.

### **6.3 Changes in long-term receivables and investments from foreign group companies and other participating interests, including repayment obligations, and changes in other foreign long-term receivables and investments, (codes 058 and 065)**

In this section, you must report changes in long-term receivables from foreign group companies and other participating interests, and changes in other foreign long-term receivables and investments, including repayment obligations. Note: contrary to standard accounting practices, the repayment obligation in respect of the balances must be included in this category. If the receivable is related to a loan, the interest block must be entered in full. If not, the interest received will suffice.

#### **Counterparty**

In this regard a distinction is made between the following categories:

- group company parent
- group company subsidiary
- other group companies not being a parent or subsidiary; parents of direct parents are considered "group company parent" and subsidiaries of direct subsidiaries are considered "group company subsidiary"
- other minority interests (outside the global group)

#### **Country**

The country of incorporation of the recipient must be stated here.

#### **Sector**

Here, the changes must be broken down by sector of the participating interest or group of participating interests.

#### **Original maturity**

The original maturity of the agreement must be reported under this item, broken down into two categories: 1-5 yrs and > 5 yrs. If you use the import function, you may also include the exact original maturity, which will then be automatically converted into either category.

#### **Loan yes/ no**

Does the long-term receivable have the characteristics of a loan?

#### **Opening/closing balance (excluding accrued interest)**

The opening balance of the receivable must be the same as the closing balance for the preceding quarter. The opening and closing balances of receivables must be stated excluding accrued interest.

#### **Receivable increase/decrease**

"Transactions" in the course of the quarter must be reported on a gross basis, i.e. the total amounts drawn and repaid must be stated separately in the increase and decrease columns, respectively.

#### **Exchange differences**

In this item you must report exchange rate changes if the commitment was assumed in a currency other than the euro.

#### **Other changes**

This residual item is for reporting e.g. remission of a receivable.

**Opening/closing balance of accrued interest**

Interest must be reported on an accrual basis. This means that interest receivable is not earned upon interest payment but accrues during the period to maturity. The opening balance of the accrued interest must be the same as the closing balance for the preceding quarter and represents the interest receivable but not yet paid. The quarter-end balance is the opening balance of the accrued interest plus the accrued and received interest. All interest amounts must be reported on a gross basis, before deduction of any withholding tax.

**Increase in accrued interest**

The accrued interest is the interest portion imputable to the reporting period in proportion to the duration of the current interest period.

**Interest received**

The gross interest received or set off in the reporting period, before deduction of any withholding tax must be reported here.

**Valuation and other differences**

If the interest is denominated in a currency other than the euro, changes in the value of the accrued interest caused by exchange rate changes must be reported in this item.

Any other changes in the accrued interest balance that cannot be explained elsewhere must also be reported in this item.

## **6.4 Changes in short-term receivables from foreign group companies and other participating interests, excluding repayment obligations, and changes in other foreign short-term receivables, excluding repayment obligations (codes 113 and 135)**

In this section you must report changes in short-term receivables from foreign group companies and other participating interests, and changes in other foreign short-term receivables, excluding repayment obligations. Short-term means an original maturity < 1 year. Note: contrary to standard accounting practices, the repayment obligation in respect of the balances must not be included in this category. If the receivable is related to a loan, the interest block must be entered in full. If not, the interest received will suffice.

**Counterparty**

In this regard a distinction is made between the following categories:

- group company parent,
- group company subsidiary,
- other group companies not being a parent or subsidiary; parents of direct parents are considered "group company parent" and subsidiaries of direct subsidiaries are considered "group company subsidiary",
- other minority interests (outside the global group)

**Country**

The country of incorporation of the recipient must be stated here.

**Sector**

Here, the changes must be broken down by sector of the participating interest or group of participating interests.

**Loan yes/no**

Does the short-term receivable have the characteristics of a loan?

**Opening/closing balance (excluding accrued interest)**

The opening balance of the receivable must be the same as the closing balance for the preceding quarter. The opening and closing balances of receivables must be stated excluding accrued interest.

**Receivable increase/decrease**

"Transactions" in the course of the quarter must be reported on a gross basis, i.e. the total amounts drawn and repaid must be stated separately in the increase and decrease columns, respectively.

**Exchange differences**

In this item you must report exchange rate changes if the commitment was assumed in a currency other than the euro.

**Other changes**

This residual item is for reporting e.g. remission of a receivable.

**Opening/closing balance of accrued interest**

Interest must be reported on an accrual basis. This means that interest receivable is not earned upon interest payment but accrues during the period to maturity. The opening balance of the accrued interest must be the same as the closing balance for the preceding quarter and represents the interest receivable but not yet paid. The quarter-end balance is the opening balance of the accrued interest plus the accrued and received interest. All interest amounts must be reported on a gross basis, before deduction of any withholding tax.

**Increase in accrued interest**

The accrued interest is the interest portion imputable to the reporting period in proportion to the duration of the current interest period.

**Interest received**

The gross interest received or set off in the reporting period, before deduction of any withholding tax must be reported here.

**Valuation and other differences**

If the interest is denominated in a currency other than the euro, changes in the value of the accrued interest caused by exchange rate changes must be reported in this item. Any other changes in the accrued interest balance that cannot be explained elsewhere must also be reported in this item.

## 6.5 Changes in pensions (code 127)

**Country**

The country of incorporation of the pension fund must be stated here.

**Opening/closing balance**

The opening balance of the receivable from the pension fund must be the same as the closing balance for the preceding quarter.

**Receivable increase/decrease**

The increase/decrease in the receivable in the course of the quarter must be reported on a gross basis, i.e. the total increase and the total decrease separately.

**Exchange differences**

Exchange rate changes must be reported under this item. This item is relevant only if the agreement was concluded in a currency other than the euro.

**6.6 Changes in foreign time deposits (code 190)****Country**

The country of incorporation of the deposit provider must be stated here.

**Original maturity**

The original maturity of the agreement must be reported under this item, broken down into two categories: 1-5 yrs and > 5 yrs. If you use the import function, you may also include the exact original maturity, which will then be automatically converted into either category.

**Opening/closing balance (excluding accrued interest)**

The opening balance of the deposit must be the same as the closing balance for the preceding quarter.

The opening and closing balances of deposits must be stated excluding accrued interest.

**Receivable increase/decrease**

The transactions conducted in the reporting period must be reported on a gross basis, i.e. the total advances and the total repayments separately.

**Exchange differences**

Exchange rate changes must be reported under this item. This item is relevant only if the agreement was concluded in a currency other than the euro.

**Opening/closing balance of accrued interest**

Interest must be reported on an accrual basis. This means that interest receivable is not earned upon interest payment but accrues during the period to maturity. The opening balance of the accrued interest must be the same as the closing balance for the preceding quarter and represents the interest receivable but not yet paid. The quarter-end balance is the opening balance of the accrued interest plus the accrued and received interest. All interest amounts must be reported on a gross basis, before deduction of any withholding tax.

**Increase in accrued interest**

The accrued interest is the interest portion imputable to the reporting period in proportion to the duration of the current interest period.

**Interest received**

The gross interest received or set off in the reporting period, before deduction of any withholding tax must be reported here.

**Valuation and other differences**

If the interest is denominated in a currency other than the euro, changes in the value of the accrued interest caused by exchange rate changes must be reported in this item. Any other changes in the accrued interest balance that cannot be explained elsewhere must also be reported in this item.

## 6.7 Changes in foreign bank accounts (code 193)

### Country

The country of incorporation of the bank must be stated under this item.

### Opening/closing balance (excluding accrued interest)

The opening balance of the deposit must be the same as the closing balance for the preceding quarter. The opening and closing balances of deposits must be stated excluding accrued interest.

### Receivable increase/decrease

The transactions conducted in the reporting period must be reported on a gross basis, i.e. total advances and total repayments separately.

### Exchange differences

Exchange rate changes must be reported under this item. This item is relevant only if the agreement was concluded in a currency other than the euro.

### Interest received

The gross interest received or offset in the reporting period, before deduction of any withholding tax must be reported here.

## 6.8 Changes in equity, including members' capital and minority interests (codes 266 and 271)

### Changes in equity, including members' capital (code 266)

If non-residents participate in the equity of the Dutch reporting institution (foreign equity participations), changes must be broken down by the nature of the participating interest ( $\geq 10\%$ ,  $< 10\%$  by subsidiary or sister company) and the shareholder's country of incorporation. All other equity participations can be accounted for in a single total item.

If no non-residents participate in the equity of the Dutch reporting institution (no foreign equity participations), changes in equity must be reported in a single total line item.

### Minority interests held by non-residents (foreign participations) (code 271)

As a rule, group companies incorporated in the Netherlands are consolidated in full. If your enterprise holds less than 100%, the value of the minority interest is recognised in this item. If minority interests are held by non-residents, this item must be broken down in the same way as for equity.

Equity participations are not limited to transactions involving a physical cash flow but also include:

- exchange of shares
- transfer of assets and/or liabilities (in exchange for shares)
- conversion of dividends, loans or current account into shares.

### **Category shareholder**

Equity participations must be broken down into the following categories:

- participating interests by foreign group companies in your enterprise equalling or exceeding 10%.  
These are participations of at least 10% in your enterprise's share capital or equivalent assets. This category also includes the working capital of legally dependent branch offices established in the Netherlands that are part of enterprises established abroad, as well as participating interests in your enterprise held by your foreign subsidiaries (cross-participations) equalling or exceeding 10%;
- your foreign subsidiaries' participating interests in your enterprise (cross-participations) not exceeding 10%.  
These are a subsidiary's participations not exceeding 10% in your enterprise's share capital or equivalent assets. Cross-participations equalling or exceeding 10% must be accounted for in the first category.
- participations in your enterprise by foreign group companies, not being subsidiaries, not exceeding 10%.  
These are a sister company's participations not exceeding 10% in your enterprise's share capital or equivalent assets.
- minority participations in your enterprise by foreign shareholders (outside the global group) equalling or exceeding 10%
- participations in your enterprise by other domestic or foreign shareholders. The equity of a Dutch plc ("BV") falls into this category

### **Country**

The country of incorporation of the shareholder must be stated here.

### **Opening/closing balance**

This item concerns paid-up and called-up capital and all reserves.

For cooperatives, it covers members' capital and all reserves.

### **Transfers to/from capital**

"Contributions and withdrawals" in respect of equity participations in residents in the reporting period must be reported on a gross basis, i.e. contributions and withdrawals separately.

This item covers contributions to and withdrawals from share capital, i.e. paid-up and called-up capital and share premium reserve. For cooperatives, it covers contributions to and withdrawals from the members' capital. Transfers to and from share capital also include:

- capital contributions by non-resident shareholder(s);
- hedging of losses (= deemed capital contributions) by non-resident shareholder(s);
- contribution of working capital to the Dutch branch office by the foreign parent company;
- share capital repayments to your non-resident shareholder(s);
- conversion of loans into shares, stock dividend conversion, etc.

### **Net result excl. non-operational results**

The enterprise's profit or loss from operating activities after taxes, excluding non-recurring income and expenses and before profit appropriation must be reported under this item. Gains and losses arising from value adjustments to assets due to for example exchange rate changes, fair-value change, revaluations (impairments), depreciation or amortisation (of financial assets or liabilities) must not be reflected under this item but in "exchange differences" or "revaluation". Non-recurring income and expenses must be

recognised under "other changes". Non-recurring income and expenses include non-recurring gains and losses on the sale of participating interests.

The result reported will therefore deviate from the net result in the profit and loss account, as the latter does include non-operating items.

#### **Declared gross dividends and other distributions**

In this item, you must report the gross dividends (before deduction of any dividend tax) declared in the reporting period by your enterprise's non-resident shareholder(s) whose equity holdings are regarded as a participating interest. If the declared dividends were not effectively distributed in the same reporting period, you must include a short-term payable to the parent company for the period between the declaration and the actual payment, unless the payable forms part of the current account balance between the parties involved and is recognised as such. Declared dividends relating to gains from your enterprise's non-operating activities, e.g. a non-recurring gain on the sale of a participating interest, must not be accounted for as dividends but must be reported as a disposal under "sales" for the same amount in dividends less the dividend tax (i.e. on a net basis).

#### **Exchange differences**

Exchange rate changes must be included under this item.

#### **Revaluation**

In addition to asset revaluations (revaluation reserve), this item also covers transfers to and from the provision for tax liabilities and amortisation of goodwill.

#### **Other changes**

All other causes of balance sheet changes must be included under this item, e.g. reclassifications and changes in other reserves required by law.

## **6.9 Changes in long-term payables to foreign group companies and other participating interests, including repayment obligations, and changes in other foreign long-term payables, including repayment obligations (codes 308 and 333)**

In this section you must report changes in long-term payables to foreign group companies and other participating interests, and changes in other foreign long-term payables, including repayment obligations. Note: contrary to standard accounting practices, the repayment obligation in respect of the payables must be included in this category. If the payable is related to a loan, the interest block must be entered in full. If not, the interest paid will suffice.

#### **Counterparty**

In this regard a distinction is made between the following categories:

- group company parent,
- group company subsidiary,
- other group companies not being a parent or subsidiary; parents of direct parents are considered "group company parent" and subsidiaries of direct subsidiaries are considered "group company subsidiary",
- other minority interests (outside the global group)

#### **Country**

Under this item you must state the country in which the lender is established.

**Sector**

Here, the changes must be broken down by the sector of the participating interest or group of participating interests.

**Original maturity**

The original maturity of the agreement must be reported under this item, broken down into two categories: 1-5 yrs and > 5 yrs. If you use the import function, you may also include the exact original maturity, which will then be automatically converted into either category.

**Loan yes/no**

Does the long-term payable have the characteristics of a loan?

**Opening/closing balance (excluding accrued interest)**

The opening balance of the payable must be the same as the closing balance for the preceding quarter. The opening and closing balances of payables must be stated excluding accrued interest.

**Payable increase/decrease**

"Transactions" in the course of the quarter must be reported on a gross basis, i.e. the total amounts drawn and repaid must be stated separately in the payable increase and decrease columns, respectively.

**Exchange differences**

Under this item, exchange rate changes must be reported if the commitment was assumed in a currency other than the euro.

**Other changes**

This residual item is for instance for reporting remission of a payable.

**Opening/closing balance of accrued interest**

Interest must be reported on an accrual basis. This means that interest payable is not earned upon interest payment but accrues during the period to maturity. The opening balance of the accrued interest must be the same as the closing balance for the preceding quarter and represents the interest payable but not yet paid. The quarter-end balance is the opening balance of the accrued interest plus the accrued and paid interest. All interest amounts must be reported on a gross basis, before deduction of any withholding tax.

**Increase in accrued interest**

The accrued interest is the interest portion imputable to the reporting period in proportion to the duration of the current interest period.

**Interest paid**

Under this item, the gross interest paid or offset in the reporting period, before deduction of any withholding tax must be reported.

**Valuation and other differences**

If the interest is denominated in a currency other than the euro, changes in the value of the accrued interest caused by exchange rate changes must be reported in this item. Any other changes in the accrued interest balance that cannot be explained elsewhere must also be reported under this item.

## **6.10 Changes in short-term debts to foreign group companies and other participating interests, excluding repayment obligations, and changes in other foreign short-term debts, excluding repayment obligations** (codes 378 and 415).

In this section, changes in short-term payables to foreign group companies and other participating interests, and changes in other foreign short-term payables, excluding repayment obligations must be reported. Short-term means an original maturity < 1 year. Note: contrary to standard accounting practices, the repayment obligation in respect of the payables must not be included in this category. If the payable is related to a loan, the interest block must be entered in full. If not, the interest paid will suffice.

### **Counterparty**

In this regard a distinction is made between the following categories:

- group company parent,
- group company subsidiary,
- other group companies not being a parent or subsidiary; parents of direct parents are considered "group company parent" and subsidiaries of direct subsidiaries are considered "group company subsidiary",
- other minority interests (outside the global group)

### **Country**

Under this item you must state the country in which the lender is established.

### **Sector**

Here, the changes must be broken down by the sector of the participating interest or group of participating interests.

### **Loan yes/no**

Does the short-term payable have the characteristics of a loan?

### **Opening/closing balance (excluding accrued interest)**

The opening balance of the payable must be the same as the closing balance for the preceding quarter. The opening and closing balances of payables must be stated excluding accrued interest.

### **Payable increase/decrease**

"Transactions" in the course of the quarter must be reported on a gross basis, i.e. the total amounts drawn and repaid must be stated separately in the payable increase and decrease columns, respectively.

### **Exchange differences**

Under this item, exchange rate changes if the commitment was assumed in a currency other than the euro must be reported.

### **Other changes**

This residual item is for instance for reporting remission of a payable.

### **Opening/closing balance of accrued interest**

Interest must be reported on an accrual basis. This means that interest payable is not earned upon interest payment but accrues during the period to maturity. The opening balance of the accrued interest must be the same as the closing balance for the preceding quarter and represents the interest payable but not yet paid. The quarter-end balance is the opening balance of the accrued interest plus the accrued and paid interest. All interest amounts must be reported on a gross basis, before deduction of any withholding tax.

**Increase in accrued interest**

The accrued interest is the interest portion imputable to the reporting period in proportion to the duration of the current interest period.

**Interest paid**

Under this item, the gross interest paid or offset in the reporting period, before deduction of any withholding tax must be reported.

**Valuation and other differences**

If the interest is denominated in a currency other than the euro, changes in the value of the accrued interest caused by exchange rate changes must be reported in this item. Any other changes in the accrued interest balance that cannot be explained elsewhere must also be reported in this item.

**6.11 Changes in foreign bank accounts** (code 395)**Country**

The country of incorporation of the bank must be stated under this item.

**Opening/closing balance (excluding accrued interest)**

The opening balance of the debt must be the same as the closing balance for the preceding quarter. The opening and closing balances of debts must be stated excluding accrued interest.

**Debts increase/decrease**

The transactions conducted in the reporting period must be reported on a gross basis, i.e. the total withdrawals and the total repayments separately.

**Exchange differences**

Exchange rate changes must be reported under this item. This item is relevant only if the agreement was concluded in a currency other than the euro.

**Interest paid**

Gross interest paid or offset in the reporting period, before deduction of any withholding tax must be reported here.

**6.12 Changes in pensions** (code 407)**Country**

In this item you must state the country in which the shareholder is established.

**Opening/closing balance**

The opening balance of the payable to the pension fund must be the same as the closing balance for the preceding quarter.

**Payable increase/decrease**

The increase/decrease in the payable in the course of the quarter must be reported on a gross basis, i.e. the total increase and the total decrease separately.

**Exchange differences**

Exchange rate changes must be reported under this item. This item is relevant only if the agreement was concluded in a currency other than the euro.

## 7. Derivatives

Derivatives are financial instruments that are linked to other specific financial instruments, a specific indicator, or a specific commodity of which the specific financial risks (e.g. interest rate, exchange rate, capital costs, commodity price, credit risk, etc.) can be traded on the financial markets independently. Derivatives enable financial market participants to swap these financial risks with other entities that are prepared to take on the concomitant risks, usually without the underlying assets actually being traded. Off-balance derivatives also fall within the scope of this reporting framework.

Derivatives must meet the following requirements:

- a. they are linked to a financial or non-financial asset, a group of assets, or an index;
- b. they can either be traded or offset in the market, and
- c. no repayable principal amount is provided.

The value of a financial derivative is derived from the price of the underlying assets: the benchmark price. The benchmark price can pertain to a financial or non-financial asset, an interest rate, an exchange rate, another derivative or a spread between two prices. The derivative contract may also refer to an index, a basket of prices, or to other entities, such as emissions trading or weather conditions.

### **Collateral**

Repayable margin deposits consisting of cash or other collateral deposited to protect counterparties against credit risk are not classified under derivatives. Collateral in the form of margin accounts held in cash at banks must be reported under "fixed term deposits". Margin accounts held at other institutions are classified under short-term loans issued.

Margin deposits not available on demand (also referred to as variation margin), which may reduce or offset asset or liability positions that may occur during the term of the contract, are treated as contract payments and classified as transactions in financial derivatives.

### **Type of derivative**

This reporting framework distinguishes between the following types of derivatives:

- **Written or bought options**  
Options are contracts giving the holder the right, but not the obligation, to buy from or sell to the writer of the option an asset against a pre-agreed price within a specific period of time or on a specific date. Options include all types of contracts that against payment of a premium give the buyer the right (but not the obligation) to perform a pre-agreed transaction in the underlying value at an exercise price agreed in the contract. Options also include warrants, irrespective of their life. Swaptions, caps, floors and the like are also classified under options, until the moment they are exercised. After exercise, a new derivative contract must be reported. Subscription rights are also classified under options.
- **Seller/buyer credit default swaps**  
Credit default swaps are credit insurance contracts intended to hedge losses of the creditor (a buyer of a credit default swap) in case of:
  - a. a credit event in connection with a reference unit, unconnected with a specific debt certificate or a specific loan;
  - b. default on a specific debt instrument, usually a debt certificate or a loan. The buyer of a credit default swap (to be considered as the risk seller) makes a

series of premium payments to the seller of the credit default swap (to be considered as the risk buyer).

- **Futures**  
Futures are standardised exchange-traded contracts where the buyer undertakes to buy at a specified time in the future the underlying value at a future price agreed in the contract. Futures always have a binding nature and may consequently be viewed as exchange-traded term contracts. Futures are seldom exercised but are subject to "future-style margining" – a system whereby the contract value changes are traded daily (variation margin).
- **Interest rate swaps**  
Interest rate swaps involve a swap of different types of interest payments on a notional principal amount. Neither party pays nor receives the notional principal amount at any time. Examples of swapped types of interest rates are fixed and variable interest rates. Settlement often takes place by means of net payments to the amount of the current differential between the two interest rates described in the contract applied to the agreed notional principal amount.
- **Forward rate agreements**  
Forward rate agreements are agreements whereby, in order to hedge themselves against interest rate fluctuations, two parties agree to pay on a specific settlement date an amount in interest on a notional principal amount that is never effectively swapped. Such term contracts are usually settled by means of net payments. The payments are linked to the differential between the interest rate agreed in the term contract and the market interest rate prevailing at the moment of settlement.
- **Cross-currency interest rate swaps**  
In cross-currency interest rate swaps the interest rates are swapped in specific currencies as well as in underlying amounts. These swapped amounts are not classified as loans, but as spot transactions and forward transactions. The market value of the forward contract must be included in the market value of the swap.
- **Forward foreign exchange contracts**  
A forward foreign exchange contract is an agreement to swap one currency against another at a contractually agreed exchange rate at an agreed date in the future.
- **Other term contracts**  
These are other derivatives contracts that cannot be classified under one of the above categories, such as total return swaps and equity swaps.

### **Counterparty country**

This is the country of incorporation of the direct counterparty. With the European Market Infrastructure Regulation (EMIR) becoming effective, certain OTC contracts will become subject to a phased clearing obligation and must be settled through a central counterparty (CCP). This means that when reporting on derivatives, a new type of counterparty, a CCP, may have to be notified to us. The question whether the financial intermediary acts as the principal party or as an agent for these contracts is essential here. If your intermediary acts as the principal party, you conclude a contract with a clearing member, after which the clearing member concludes a back-to-back contract with the CCP. If your intermediary acts as an agent, the clearing member only functions as an intermediary in concluding the contract between you and the CCP. If the intermediary

acts as the principal party, the clearing member is your counterparty. If your intermediary acts as an agent, the CCP is your counterparty.

**Opening/closing balance**

Derivatives must be carried at market or fair value. For exchange-traded derivatives this is their commercial value established on the stock exchange. If no commercial value is available, the buying or selling rate may be used as an alternative. For futures contracts, an approximation of the market value applying a generally accepted pricing model may be used. The underlying value (e.g. the notional amount for swaps) may not be reported anywhere.

**Receipts/ payments**

Paid and received premiums must be recognised under this item, as well as cash settlements upon exercise or termination before expiry. In case of actual delivery of an option, the value of the option contract at the time of expiration must be recognised under "receipts" (bought option) or "payments" (written option). The delivery itself, in as far as relevant, must not be recognised here, but elsewhere.

**Revaluation**

The value of financial derivatives may vary according to the value changes, or the volatility in the price of the underlying instrument, or alternatively as the time of execution or the expiry date approaches. All these value changes must be classified as revaluations.

**Other changes**

All other causes of balance sheet changes must be included under this item. Other changes are only applicable sporadically.