

## **BANK PROFITABILITY: FINANCIAL STATEMENTS OF BANKS**

### **1. Standard framework for detailed statistics by country**

National data are grouped and, where necessary, re-classified to fit as far as possible into the following standard framework of presentation.

#### ***Income statement***

##### *1. Interest income*

This item generally includes income on interest-bearing assets, fee income related to lending operations, and dividend income on shares and participations. In some cases it may also include income on bonds calculated as the difference between the book value and the redemption value of bonds.

##### *2. Interest expenses*

This item generally includes interest paid on liabilities, fee expenses related to borrowing operations and may include in some cases the difference between the issue price on debt instruments and their par value.

##### *3. Net interest income (item 1 minus item 2)*

##### *4. Non-interest income (net)*

- a. Fees and commissions receivable
- b. Fees and commissions payable
- c. Net profit or loss on financial operations
- d. Other

This item is generally the net result of a number of different income and expense items (other than those included in items 1 and 2) such as the following: commissions received and paid in connection with payments services, securities transactions and related services (new issues, trading, portfolio management, safe-custody) and foreign exchange transactions in the banks own name and on behalf of clients. Other income and expenses resulting from special transactions which do not represent ordinary and regular banking business may also be included. Realised losses and gains on foreign-exchange operations and securities transactions are generally included as well.

5. *Gross income* (item 3 plus item 4)

6. *Operating expenses*

a. Staff costs

b. Property costs

c. Other

This item includes all expenses relating to the ordinary and regular banking business other than those included in items 2 and 4, particularly salaries and other employee benefits, including transfers to pension reserves (staff costs), and expenses for property and equipment and related depreciation expenses. Taxes other than income or corporate taxes are also included.

7. *Net income* (item 5 minus item 6)

8. *Provisions (net)*

a. Provisions on loans

b. Provisions on securities

c. Other

This item includes, in part or in full, charges for value adjustments in respect of loans, credits and securities, book gains from such adjustments, losses on loans and transfers to and from reserves for possible losses on such assets. Realised gains or losses from foreign exchange transactions and securities transactions are, however, generally included under *Non-interest income (net)* (item 4).

9. *Profit before tax* (item 7 minus item 8)

10. *Income tax*

11. *Profit after tax* (item 9 minus item 10)

12. *Distributed profit*

13. *Retained profit* (item 11 minus item 12)

## ***Balance sheet***

### ***Assets***

*14. Cash and balance with Central bank*

*15. Interbank deposits*

*16. Loans*

*17. Securities*

*18. Other assets*

### ***Liabilities***

*19. Capital and reserves*

*20. Borrowing from Central bank*

*21. Interbank deposits*

*22. Non-bank deposits*

*23. Bonds*

*24. Other liabilities*

### ***Balance sheet total***

*25. End-year total (sum of items 14 to 18 or 19 to 24)*

*26. Average total*

Method of calculation varies between countries. The majority is the average of two end-year totals. Others are based on 13-month averages.

### ***Memorandum items***

*27. Short-term securities (included in item 17)*

Following the definition used in the European System of Integrated Accounts (paragraph 539), short-term securities with an original maturity of usually up to 12 months, but with a maximum maturity of two years.

28. *Bonds* (included in item 17)

Following the definition of the European System of Integrated Accounts (paragraph 542), this item includes fixed or variable-interest rate securities with an original maturity of several years.

29. *Shares and participations* (included in item 17)

30. *Claims on non-residents* (included in items 15 to 18)

31. *Liabilities to non-residents* (included in items 21 to 24)

***Capital Adequacy***

32. *Tier 1 Capital*: paid up shared capital/common stocks, disclosed reserves

33. *Tier 2 Capital*: undisclosed reserves, asset revaluation reserves, general provision/general loan loss reserves, debt/equity capital instruments, subordinated term debt.

34. *Supervisory deductions*

35. *Total net capital resources* (item 32 plus item 33 minus item 34)

36. *Risk-weighted assets*

***Supplementary information***

37. *Number of institutions* (covered by the data)

38. *Number of branches* (covered by the data)

39. *Number of staff* ('000) (of the institutions covered by the data)

2. Standard presentations for general tables

**Structure of the financial system**

*Year*

	Number of institutions	Number of branches	Number of employees	Total assets or liabilities in national currency	Total financial assets	
					in national currency	%
<i>Central bank</i>						
<i>Other monetary institutions</i>						
Commercial banks						
Foreign owned banks						
Savings banks						
Co-operative banks						
<i>Other financial institutions</i>						
Mortgage credit institutions						
Development credit institutions						
Finance companies						
Others						
<i>Insurance institutions</i>						
Insurance companies						
Pension funds and foundations						
Others						
<i>All financial institutions</i>						

**Resident/non-resident and domestic/foreign currency  
classification of bank assets and liabilities**

*Year*

*in national currency*

	Residents	Non-residents	Total
<i>Assets</i>			
Domestic currency			
Foreign currencies			
<i>Total</i>			
<i>Liabilities</i>			
Domestic currency			
Foreign currencies			
<i>Total</i>			