

Pursuant to Article 26, paragraph 3 of the Accounting Law (RS Official Gazette, No 62/2013) and Article 18, paragraph 1, item 3 of the Law on the National Bank of Serbia (RS Official Gazette, Nos 72/2003, 55/2004, 85/2005 – other law, 44/2010, 76/2012 and 106/2012), the Governor of the National Bank of Serbia adopts the following

DECISION
ON THE CONTENT AND LAYOUT OF FORMS OF
FINANCIAL STATEMENTS OF FINANCIAL LESSORS

I. INTRODUCTORY PROVISIONS

1. This Decision sets out the content and layout of forms of financial statements of financial lessors (hereinafter: lessors), including the content of items in the *Balance Sheet*, *Income Statement*, *Statement of Other Comprehensive Income*, *Cash Flow Statement* and *Statement of Changes in Equity* forms, and notes to financial statements.

2. The forms referred to in Section 1 hereof are enclosed to this Decision as Annexes 1, 2, 3, 4 and 5 and form its integral part.

Provisions of the decision governing the chart of accounts and the content of accounts in the chart of accounts for lessors shall apply to the content of individual groups of accounts and accounts in the forms referred to in paragraph 1 of this Section.

A lessor shall enter data into particular items in the column indicating the opening balance of the previous year (column 7 of the *Balance Sheet* form), in cases envisaged by the IAS1, i.e. when it:

- retrospectively applies the accounting policy;
- retrospectively corrects items in its financial statements;
- reclassifies items in its financial statements;
- performs retrospective application, retrospective correction or reclassification with a materially significant effect on information in the *Balance Sheet* form at the start of the previous period.

Net amounts (balance in the account less the appertaining part of the value adjustment account) shall be entered in the *Balance Sheet* form.

Amounts in the forms referred to in Section 1 hereof shall be expressed in thousands of dinars and the number of shares in the whole number format.

3. A lessor undergoing a status change or subject to bankruptcy or liquidation proceedings shall submit its annual financial statement to the

Business Registers Agency in a consolidated form for the entire reporting period, as a net change before and after. All forms shall contain the designation: "STATUS CHANGE", "BANKRUPTCY" or "LIQUIDATION".

A lessor incorporated following a status change or sale in bankruptcy shall present data as a newly incorporated lessor, and shall designate all statement forms with either "INCORPORATION" or "SALE".

II. CONTENT OF ITEMS IN THE *BALANCE SHEET* FORM

4. In the *Balance Sheet* form, a lessor shall enter data in columns 4 to 7, under ADP 0001 to 0014 in assets and ADP 0401 to 0418 in liabilities – according to the content of groups of accounts and accounts designated in column 1 of the form.

In items under ADP 0002, 0003, 0401 and 0402 data shall be entered according to explanations from this Section.

Item under ADP 0002 – Financial placements to banks, shall disclose such placements, according to the content of accounts designated in column 1, including term deposits with banks disclosed as part of account 238.

Item under ADP 0003 – Other financial placements and derivatives, shall disclose other financial placements and derivatives, according to the content of accounts designated in column 1, and part of account 238 which does not relate to placements to banks.

Item under ADP 0401 – Financial liabilities borrowed from banks and other financial institutions, shall disclose financial liabilities in respect of funds borrowed from banks and other financial institutions and/or financial sector persons, according to the content of groups of accounts and accounts designated in column 1. A financial sector person means a bank, insurance company, securities underwriter, investment and voluntary pension fund management companies, a broker-dealer company, lessor, and other legal person generally engaged in a financial activity in the country or abroad

Item under ADP 0402 – Other financial liabilities and derivatives, shall disclose such liabilities and derivatives, according to the content of groups of accounts and accounts designated in column 1. Other financial liabilities means such liabilities towards non-financial sector persons.

Column 5 shall contain data for the period that the financial statement is prepared for, column 6 shall contain data for the closing balance of the previous year (opening balance of the current year) and column 7 shall contain data for the opening balance of the previous year.

If data for the previous year have been adjusted in line with regulations, such adjusted data shall be entered in columns 6 and 7.

III. CONTENT OF ITEMS IN THE *INCOME STATEMENT* FORM

5. In the *Income Statement* form, a lessor shall enter data in columns 5 and 6, according to the content of groups of accounts and accounts designated in column 1 of the form.

Items under ADP 1001 to 1030 shall disclose revenue and expenses from regular operation;

Items under ADP 1031 and 1032 shall disclose pre-tax profit and loss;

Items under ADP 1033 to 1035 shall disclose the amount of profit tax, amount of profit under deferred taxes and amount of loss under deferred taxes;

Items under ADP 1036 and 1037 shall disclose after-tax net profit and loss;

Items under ADP 1038 and 1039 shall disclose profit and loss from discontinued operations in accordance with the IFRS 5;

Items under ADP 1040 and 1041 shall disclose profit and loss of the period;

Item under ADP 1042 – Profit belonging to the parent legal person, shall disclose a part of profit under ADP 1040 which belongs to the parent legal person, while item under ADP 1043 – Profit belonging to owners with non-controlling participation, shall disclose a part of profit from item ADP 1040 which belongs to owners with non-controlling participation.

Item under ADP 1044 – Loss belonging to the parent legal person, shall disclose a part of loss from item ADP 1041 which belongs to the parent legal person, while item under ADP 1045 – Loss belonging to owners with non-controlling participation, shall disclose a part of loss from item ADP 1041 which belongs to owners with non-controlling participation.

Item under ADP 1046 – Basic earnings per share, shall disclose the amount of basic earnings per share determined in accordance with the IAS 33.

Item under ADP 1047 – Reduced (diluted) earnings per share, shall disclose the amount of such earnings determined in accordance with the IAS 33.

Data from relevant accounts designated in column 1 shall be reported by entering data for the appropriate period of the previous year in column 6 (previous year), reclassified in accordance with the structure of data for the current period, while column 5 (current year) shall contain data from the account at the end of the period for which the statement is compiled.

If data for the previous year have been adjusted in line with regulations, such adjusted data shall be entered in column 6.

IV. CONTENT OF ITEMS IN THE *STATEMENT OF OTHER COMPREHENSIVE INCOME* FORM

6. A lessor shall enter data in columns 5 and 6 of the *Statement of Other Comprehensive Income* form in accordance with the content of groups of accounts designated in column 1 of the form.

In the *Statement of Other Comprehensive Income* form, a lessor shall disclose components of other comprehensive profit or loss in accordance with the IAS 1, IAS 16, IAS 38, IAS 19, IAS 21, IAS 28, IAS 39, IFRS 7, IFRS 9 and other relevant IAS and IFRS.

Items of the form referred to in this Section shall comprise revenue and expense items (including reclassifications due to adjustments) that have not been recognised in the *Income Statement*, and/or items that are recognised as capital in line with requirements of some IFRS.

Items under ADP 2001 and 2002 shall disclose profit or loss of the period, expressed in the *Balance Sheet* under items ADP 1040 and 1041.

Items under ADP 2003 to 2008 shall disclose components of other comprehensive income which may not be reclassified into profit or loss, while items under ADP 2009 to 2016 shall disclose components of other comprehensive income which may be reclassified into profit or loss.

Items under ADP 2017 and 2018 shall disclose profit or loss based on tax relating to other result of the period, calculated by applying the prescribed tax rate.

Items under ADP 2019 and 2020 shall disclose total positive or negative other result of the period.

Items under ADP 2021 and 2022 shall disclose total positive or negative comprehensive result of the period (including profit or loss of the period from the *Balance Sheet*).

Items under ADP 2023 and 2024 shall disclose total positive result of the period belonging to the parent legal person and/or owners with non-controlling participation, while items under ADP 2025 and 2026 shall disclose total negative result of the period belonging to the parent legal person and/or owners with non-controlling participation.

V. CONTENT OF ITEMS IN THE *CASH FLOW STATEMENT* FORM

7. For the purpose of this Decision, cash flows means collections and payments in cash and cash equivalents through business accounts (dinar and foreign currency), including any compensations, assignments and cessions carried out via those accounts.

Intra-lessor transfers across individual cash and cash equivalents accounts shall not be deemed to constitute cash flows.

The amount of cash inflows and outflows may be determined based on records of inflows and outflows in the cash vault, business or relevant accounts in the *Balance Sheet* and *Income Statement* forms and groups of accounts and accounts in business books of a lessor. In notes to financial statements, a lessor shall disclose the items included in cash and cash equivalents at the period start and end.

When completing the *Cash Flow Statement* form, column 4 shall include data for the appropriate period of the previous year, and column 3 shall include data for the current year.

1. Cash flows from operating activities

8. Item under ADP 3001 – Cash inflows from operating activities, shall disclose data on total cash inflows from items under ADP 3002 to 3005.

Item under ADP 3002 – Inflows from placements in financial leasing, shall disclose data on cash inflows in the accounting period from lessees in respect of payment of instalments of the leasing fee, which also contains interest.

Item under ADP 3003 – Inflows and advances received in respect of a financial leasing transaction, shall disclose data on cash inflows during the accounting period based on charged participations, fees and costs from lessees and advances received on these grounds.

Item under ADP 3004 – Inflows from rental and sale and other advances received, shall disclose data on cash inflows during the accounting period in respect of collected receivables from tenants and buyers, and amounts collected in advance and monetary collateral for current assets, except for lease assets.

Item under ADP 3005 – Other inflows from regular operation, shall disclose data on cash inflows during the accounting period from government authorities in respect of premiums, subsidies, grants etc, in respect of the collection of revenue from rents, membership fees and other business revenue, as well as the collection of claims from employees and other claims.

9. Item under ADP 3006 – Cash outflows from operating activities, shall disclose data on total cash outflows from items ADP 3007 to 3012.

Item under ADP 3007 – Payment of obligations and advances made in respect of a financial leasing transaction, shall disclose the amounts of payments made to suppliers of lease assets during the accounting period, in respect of invoices, including the amounts of payments made in advance for the procurement of the lease asset.

Item under ADP 3008 – Payment of other obligations arising from operation

and advances made, shall disclose the amounts of payments made to suppliers during the accounting period, in respect of other costs of operation, and amounts of advances paid to suppliers for future supplies of material, goods, energy and services.

Item under ADP 3009 – Salaries, employee benefits and other personal expenses, shall disclose the amounts of gross salaries, employee benefits and other personal expenses paid during the accounting period.

Item under ADP 3010 – Profit tax, shall disclose the amounts of profit tax prepayments made during the accounting period and under the final calculation for the previous year, reduced by refunds made during the accounting period.

Item under ADP 3011 – Payments under other public revenue, shall disclose the amounts of payments during the accounting period in respect of VAT and other taxes, customs duties and other levies.

Item under ADP 3012 – Other outflows from regular operation, shall disclose data on cash outflows during the accounting period from regular operation under other grounds.

10. Item under ADP 3013 – Net cash inflows from operating activities, shall disclose the difference between ADP 3001 and 3006.

Item under ADP 3014 – Net cash outflows from operating activities, shall disclose the difference between ADP 3006 and 3001.

2. Cash flows from investing activities

11. Item under ADP 3015 – Cash inflows from investing activities, shall disclose data on total cash inflows from investing activities from items ADP 3016 to 3021.

12. Item under ADP 3016 – Sale of shares and interests, shall disclose the amount of cash received during the accounting period in respect of sale of shares and interests.

Item under ADP 3017 – Sale of intangible assets, property, plant, equipment and other assets, shall disclose the amount of cash received during the accounting period from the sale of intangible assets and fixed assets.

Item under ADP 3018 – Sale of financial instruments, shall disclose the amount of cash received during the accounting period in respect of sale of securities and other financial instruments, reduced by the amounts of payments made for the purpose of their acquisition.

Item under ADP 3019 – Other inflows from investing activities, shall disclose the amount of cash received during the accounting period from other investing activities.

Item under ADP 3020 – Interest received from investing activities, shall disclose the amount of cash from interest collected from investing activities during the accounting period.

Item under ADP 3021 – Dividends received and share in profit, shall disclose the amount of cash received on these grounds during the accounting period.

13. Item under ADP 3022 – Cash outflows from investing activities, shall disclose data on total cash outflows from investing activities from items ADP 3023 to 3026.

Item under ADP 3023 – Purchase of shares and interests, shall disclose the amount of cash outflows during the accounting period in respect of the acquisition of shares and interests.

Item under ADP 3024 – Purchase of intangible assets, property, plant and equipment, shall disclose the amount of cash outflows during the accounting period in respect of the procurement of intangible assets and fixed assets.

Item under ADP 3025 – Purchase of financial instruments, shall disclose the amount of cash outflows during the accounting period based on the purchase of securities and other financial instruments.

Item under ADP 3026 – Other outflows from investing activities, shall disclose the amount of cash outflows during the accounting period in respect of other investing activities.

14. Item under ADP 3027 – Net cash inflows from investing activities, shall disclose the difference between ADP 3015 and 3022.

Item under ADP 3028 – Net cash outflows from investing activities, shall disclose the difference between ADP 3022 and 3015.

3. Cash flows from financing activities

15. Item under ADP 3029 – Cash inflows from financing activities, shall disclose data on total cash inflows under ADP 3030 to 3033.

Item under ADP 3030 – Increase in core capital, shall disclose the amounts of cash inflows during the accounting period, based on payment for shares and other interests in core capital of the lessor.

Item under ADP 3031 – Long- and short-term credits and loans to the lessor, shall disclose the amount of cash inflows during the accounting period, based on long- and short-term credits and loans.

Item under ADP 3032 – Long- and short-term loans of the lessor, shall disclose the amount of cash inflows during the accounting period, based on the repayment of long- and short-term loans.

Item under ADP 3033 – Other inflows from financing activities, shall disclose

the amount of cash inflows during the accounting period from other financing activities of the lessor.

16. Item under ADP 3034 – Cash outflows from financing activities, shall disclose data on total cash outflows from financing activities from items ADP 3035 to 3039.

Item under ADP 3035 – Repurchase of own shares and interests, shall disclose the amount of cash outflows during the accounting period for the repurchase of own shares and interests.

Item under ADP 3036 – Long- and short-term credits and loans to the lessor, shall disclose the amount of capital outflows during the accounting period, based on the repayment of long- and short-term credits, loans and other obligations.

Item under ADP 3037 – Long- and short-term loans of the lessor, shall disclose the amount of cash outflows during the accounting period, based on long- and short-term loans.

Item under ADP code 3038 – Dividends paid and share in profit, shall disclose the amount of cash outflows during the accounting period based on dividends and share in profit.

Item under ADP 3039 – Other outflows from financing activities, shall disclose the amount of cash outflows during the accounting period from other financing activities of the lessor.

17. Item under ADP 3040 – Net cash inflows from financing activities, shall disclose the difference between ADP 3029 and 3034.

Item under ADP 3041 – Net cash outflows from financing activities, shall disclose the difference between ADP 3034 and 3029.

4. End of cash flow statement

18. Item under ADP 3042 – Total cash inflows, shall disclose the sum of amounts in items under ADP 3001, 3015 and 3029.

Item under ADP 3043 – Total cash outflows, shall disclose the sum of amounts in items under ADP 3006, 3022 and 3034.

Item under ADP 3044 – Net cash inflows, shall disclose the difference between the amounts in items under ADP 3042 and 3043.

Item under ADP 3045 – Net cash outflows, shall disclose the difference between the amounts in items under ADP 3043 and 3042.

Item under ADP 3046 – Cash and cash equivalents at the beginning of the accounting period, shall disclose cash amounts as at 1 January of the previous and the current year.

Item under ADP 3047 – Exchange rate gains from revaluation of cash, shall disclose the amount of exchange rate gains on the balance date.

Item under ADP 3048 – Exchange rate losses from revaluation of cash, shall disclose the amount of exchange rate losses on the balance date.

Item under ADP 3049 – Cash and cash equivalents at the end of the accounting period, shall disclose the amount of cash at the end of the accounting period (ADP 3044 - ADP 3045 + ADP 3046 + ADP 3047 - ADP 3048).

VI. CONTENT OF ITEMS IN THE *STATEMENT OF CHANGES IN EQUITY* FORM

19. A lessor shall enter data in columns 2–11 on balance and changes in equity in the *Statement of Changes in Equity* form.

Under items ADP 4001 to 4220, a lessor shall enter data from appropriate groups of accounts and accounts designated in columns 2 to 11, and based on the reversal of items given in column 1, under numbers 1 to 40.

Data from paragraph 1 of this Section shall be entered in columns 6 and 7 as the opening balance (numbers 1 and 21), depending on the balance in accounts of group 33. When the adjusted opening balance of reserves is disclosed in column 6 (numbers 4 and 24) and the lessor recorded total negative other result of the period above the amount of reserves (numbers 6 and 26) – the result shall be disclosed in column 6 only up to the level of the disclosed adjusted opening balance (ADP 4118 and ADP 4125), and the rest shall be disclosed in the appropriate item in column 7 (ADP 4132 and ADP 4139). When the adjusted opening balance of reserves is disclosed in column 7 (numbers 4 and 24) and the lessor recorded total positive other result of the period above the amount of reserves (numbers 5 and 25) – the result shall be disclosed in column 7 only up to the level of the disclosed adjusted opening balance (ADP 4131 and ADP 4138), and the rest shall be disclosed in the appropriate item in column 6 (ADP 4117 and ADP 4124).

VII. NOTES TO FINANCIAL STATEMENTS

1. General information

20. Notes to financial statements contain descriptions or detailed breakdown of amounts presented in the *Balance Sheet*, *Income Statement*, *Statement of Other Comprehensive Income*, *Cash Flow Statement* and *Statement of Changes in Equity*, and additional information not presented in financial statements, in line with the requirements of individual IAS and/or IFRS relating to disclosure.

Notes to financial statements shall include in particular:

- 1) general information on the lessor (head office, legal form, description of operation and main activities, name of the parent legal person and ultimate owner of the parent legal person, data on the average number of employees during the year based on the balance at the end of each month);
- 2) information on harmonisation with national regulations and the IAS;
- 3) information on adjustment of the opening balance due to errors and changes in accounting policies;
- 4) information on grounds for valuing items, applied in preparing the financial statement;
- 5) information on accounting policies selected and applied to important business changes and events.

Notes to financial statements shall be marked by Arabic ordinal numbers, according to the order of presentation of data in the financial statement.

Within accounting policies for cash and cash equivalents, a lessor shall specify which items of cash and cash equivalents are included in the *Cash Flow Statement*.

2. Additional presentations and disclosures

21. Additional presentations and disclosures include:

- 1) additional information on items presented in the financial statement, according to the order of forms and items in forms;
- 2) additional disclosures required by the IAS and/or IFRS (shown in the order required by the IAS and/or IFRS).

VIII. TRANSITIONAL PROVISION AND FINAL PROVISIONS

22. This Decision shall apply to financial statements compiled as at 31 December 2014.

When compiling statements referred to in paragraph 1 of this Section, lessors shall enter data on the opening balance for the previous year in the *Balance Sheet* form.

23. This Decision repeals the Rules on the Content and Layout of Forms of Financial Statements of Financial Lessors (RS Official Gazette, No 46/2010).

24. This Decision shall be published in the RS Official Gazette and shall

enter into force on 31 December 2014.

D. No 15

20 August 2014

Belgrade

Governor

National Bank of Serbia

dr Jorgovanka Tabaković