

Pursuant to Article 26, paragraph 3 of the Accounting Law (RS Official Gazette No 62/2013) and Article 18, paragraph 1, Section 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, 106/2012, 14/2015 and 40/2015 – Constitutional Court decision), the Governor of the National Bank of Serbia hereby issues

DECISION
ON FORMS AND CONTENT OF ITEMS IN FINANCIAL STATEMENT
FORMS TO BE COMPLETED BY BANKS

I. INTRODUCTORY PROVISIONS

1. This Decision prescribes financial statement forms to be completed by banks and the content of items in the following forms: *Balance Sheet*, *Income Statement*, *Statement of Other Comprehensive Income*, *Statement of Changes in Equity* and *Cash Flow Statement*.

A parent legal entity shall submit all forms listed in paragraph 1 hereof and designate them as “consolidated”, and a legal entity which has become parent in the reporting year shall designate all forms as “newly consolidated”.

The forms referred to in paragraph 1 of this Section are enclosed herewith as Schedules 1, 2, 3, 4 and 5, and are integral thereto.

2. The forms referred to in Section 1 of this Decision shall be completed by entering data under groups of accounts and accounts prescribed by the decision governing the Chart of Accounts and content of accounts in the Chart of Accounts for banks into appropriate fields in columns for the current and prior year.

A bank shall enter data in appropriate fields in the column for the opening balance of the prior year (column 7 of the *Balance Sheet*) in cases stipulated by IAS 1, i.e. when the bank:

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

Amounts disclosed in forms referred to in Section 1 hereof shall be expressed in thousands of dinars.

Net amounts shall be entered in the *Balance Sheet* form (balance in the account minus the appertaining portion from the impairment account).

3. In its approved financial statement, a bank which underwent a status change or had bankruptcy or liquidation proceedings instituted against it shall disclose consolidated data for the entire reporting period, as a net amount, after the balancing of results before and after the change, and shall designate all such statement forms as either "STATUS CHANGE", "BANKRUPTCY" or "LIQUIDATION".

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

3a. A bank to which another bank is being merged shall compile its financial statements presenting the balance as at the agreed date of the merger by acquisition, and/or the date of the registration of the merger by acquisition in the register of business entities if the two dates are different.

Financial statements from paragraph 1 hereof, accompanied with external auditor's report on performed audit of those statements, shall be delivered by the bank to the National Bank of Serbia within 60 days from the date of registration of the merger by acquisition from that paragraph in the register of business entities.

The bank to which another bank is being merged shall cover and disclose in its income statement for the period from the beginning of the year until the agreed date of the merger by acquisition and/or date of the registration of the merger by acquisition in the register of business entities if the two dates are different all the effects of the assets acquired and liabilities assumed of another bank, including gain from a bargain purchase, regardless of when it acquired ownership in that bank.

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

4. A bank shall enter data in columns 5, 6 and 7 of the *Balance Sheet* form, according to the prescribed content for each item of the form.

5. Item *Cash and assets held with the central bank* under ADP code 0001 shall disclose cash in dinars and in foreign currency, and/or cash in giro and current accounts, vault cash and other pecuniary assets in dinars and foreign currency, gold and other precious metals, excess liquidity deposited

with the National Bank of Serbia and required reserve allocations in foreign currency in special accounts with the National Bank of Serbia (groups 00 excluding 002, 05 excluding 050, 052 and part of 059, 07, accounts 010, 025, 060, 085, 196 and 296 and parts of accounts 009, 019, 029, 069, 089, 199 and 299).

6. Item *Pledged financial assets* under ADP code 0002 shall disclose all pledged financial assets that can be repledged or sold, which are entered as such in off-balance sheet records (account 919). Pledged financial assets shall be disclosed in the balance sheet as a separate asset item, with a concurrent reduction in corresponding items of financial assets in assets (classes 0, 1 and 2) by the value of the financial asset provided as collateral against bank's liabilities.

7. Item *Receivables under derivatives* under ADP code 0003 shall disclose receivables under derivatives, excluding those intended for risk hedging, in dinars and foreign currency, including all effects of change in value of such derivatives recorded under income and expenses arising from change in value of derivatives (accounts 125 and 225).

8. Item *Securities* under ADP code 0004 shall disclose securities measured at fair value through income statement in dinars and foreign currency, securities in dinars and foreign currency measured at fair value through other comprehensive income, securities in dinars and foreign currency measured at amortised cost (accounts 120, 122, 124, 220, 222, 224, 129 and 229).

9. Item *Loans and receivables from banks and other financial organisations* under ADP code 0005 shall disclose loans and other receivables from banks in dinars and foreign currency presented as such in the form prescribed by the Decision on Collection, Processing and Submission of Data on the Balance and Structure of Accounts in the Chart of Accounts (hereinafter: SSKR Form) – Sectoral breakdown – code 1 (excluding code 17), code 70 and parts of codes 71 and 74, as well as cash in the bank's foreign currency accounts. This item shall also disclose all receivables arising from interest, fees and commissions, including prepayments and accrued income pertaining to accrued receivables on these grounds, related to loans and receivables from banks disclosed as such in the SSKR Form (Sectoral breakdown – code 1 (excluding code 17), code 70 and parts of codes 71 and 74) (002, group 01 excluding 010 and part of 019, group 06 excluding 060 and part of 069, group 10, 11, 16, 20, 21 and 26, receivables arising from interest, fees and commissions in accounts 020, 028, 080 and 088, 190, 191, 290 and 291, 493 and 593 as a deductible, accounts 050 and 052 and parts of accounts 009, 029, 059, 089, 199 and 299).

10. Item *Loans and receivables from clients* under ADP code 0006 shall disclose loans and other receivables from other clients in dinars and foreign currency that are disclosed as such in the SSKR Form (Sectoral breakdown – code 17 and all other codes, except 70 and parts of codes 71 and 74). This item shall also disclose all receivables arising from interest, fees and commissions, including prepayments and accrued income pertaining to accrued receivables arising from interest, fees and commissions, related to loans and receivables from clients disclosed as such in the SSKR Form – Sectoral breakdown – code 17 and all other codes excluding code 70 and parts of codes 71 and 74 (group 01 excluding 010 and part of 019, group 06 excluding 060 and part of 069, groups 10, 11, 16, 20, 21 and 26, receivables arising from interest, fees and commissions in accounts 020, 028, 080 and 088, 190, 191, 290 and 291, 493 and 593 as a deductible and parts of accounts 029, 089, 199, 299).

11. Item *Change in fair value of hedged items* under ADP code 0007 shall disclose changes in fair value of loans, deposits and other hedged items on grounds of macro hedging in dinars and foreign currency, including all effects of change in fair value recorded under income and expenses (accounts 123 and 223).

12. Item *Receivables under hedging derivatives* under ADP code 0008 shall disclose receivables in dinars and foreign currency arising from the said derivatives which may relate to risk hedging and a group of financial instruments and individual financial instruments (accounts 126 and 226).

13. Item *Investments in associated companies and joint ventures* under ADP code 0009 shall disclose the said investments in dinars and foreign currency (accounts 130, 131, 230 and 231, as well as parts of accounts 139 and 239).

14. Item *Investments into subsidiaries* under ADP code 0010 shall disclose stakes in equity of subsidiaries in dinars and foreign currency (accounts 132 and 232, and parts of accounts 139 and 239).

15. Item *Intangible investments* under ADP code 0011 shall disclose investments into an identifiable non-monetary asset without physical substance used for service provision, rental to others or for administrative purposes (group of accounts 33).

16. Item *Property, plant and equipment* under ADP code 0012 shall disclose land, constructed facilities, equipment, other fixed assets, fixed

assets under preparation, leased fixed assets and investment in other owner's fixed assets (group of accounts 34).

17. Item *Investment property* under ADP code 0013 shall disclose property (land or building, or part of building or both) which the owner (or the user of the leased fixed assets) holds for the purpose of income generation from property rental or for increasing the value of capital or both, but does not use it for his own purposes or sale within regular operations (group of accounts 35).

18. Item *Current tax assets* under ADP code 0014 shall disclose current tax assets on account of overpaid profit tax from the current and previous periods (account 034 and part 039).

19. Item *Deferred tax assets* under ADP code 0015 shall disclose deferred tax assets carried forward from the previous year and tax assets created during the year (group of accounts 37).

20. Item *Non-current assets held for sale and discontinued operations* under ADP code 0016 shall disclose non-current assets held for sale and discontinued operations (group of accounts 36).

21. Item *Other assets* under ADP code 0017 shall disclose other receivables and prepayments and accrued income in dinars and foreign currency, inventories and value added tax (group of accounts 03, excluding account 034, group of accounts 09, accounts 021, 022, 024, 027, 081, 082, 084, 087, 134, 192, 194, 195, 234, 292, 294 and 295, groups of accounts 30 and 38 and parts of accounts 029, 039, 089, 139, 199, 239 and 299).

22. Item *Total assets* under ADP code 0018 shall disclose total assets of a bank.

23. Item *Liabilities under derivatives* under ADP code 0401 shall disclose liabilities under derivatives, excluding those intended for risk hedging, in dinars and foreign currency, including all effects of a change in the value of such derivatives recorded under income and expenses (accounts 411 and 511).

24. Item *Deposits and other financial liabilities to banks, other financial organisations and central bank* under ADP code 0402 shall disclose liabilities to banks arising from deposits, credits and other liabilities in dinars and foreign currency that are disclosed as such in the SSKR Form – Sectoral breakdown – code 1 (excluding code 17) and code 70 and parts of codes 71 and 74 (groups of accounts 40 and 50). This item shall also disclose all

liabilities arising from interest, fees and commissions, including accrued expenses and deferred income pertaining to deferred liabilities on the said grounds related to liabilities to banks, which are disclosed as such in the SSKR Form – Sectoral breakdown – code 1 (excluding code 17) and code 70 and parts of codes 71 and 74 (accounts 420, 421, 520, 521, 490 and 590, part of account 193 and 293 as deductibles).

25. Item *Deposits and other financial liabilities to clients* under ADP code 0403 shall disclose liabilities to clients arising from deposits, credits and other liabilities in dinars and foreign currency that are disclosed as such in the SSKR Form – Sectoral breakdown – code 17 and all other codes, except code 70 and parts of codes 71 and 74 (groups of accounts 40 and 50). This item shall also disclose all liabilities arising from interest, fees and commissions, including accrued expenses and deferred income pertaining to deferred liabilities on the said grounds related to liabilities to clients, which are disclosed as such in the SSKR Form – Sectoral breakdown – code 17 and all other codes, except code 70 and parts of codes 71 and 74 (accounts 420, 421, 520, 521, 490 and 590, part of account 193 and 293 as deductibles).

26. Item *Liabilities under hedging derivatives* under ADP code 0404 shall disclose liabilities in dinars and foreign currency arising from the said derivatives which may relate to risk hedging and a group of financial instruments and individual financial instruments (accounts 417 and 517).

27. Item *Change in fair value of hedged items* under code ADP 0405 shall disclose changes in fair value of liabilities arising from loans, deposits and other hedged items on the basis of macro hedging in dinars and foreign currency, including all effects of change in fair value recorded under income and expenses (accounts 418, 518).

28. Item *Liabilities under securities* under ADP code 0406 shall disclose liabilities arising from securities issued by the bank (bonds, bank commercial notes, certificates etc.), liabilities arising from hybrid securities, liabilities arising from securities and other financial liabilities measured at fair value through income statement, excluding derivatives, and repurchased own securities prior to their maturity date, except own shares, in dinars and foreign currency. This item shall also disclose all liabilities arising from interest, fees and commissions, including accrued expenses and deferred income pertaining to deferred liabilities on the said grounds related to issued securities (accounts 410, 412, 415, 423, 496, 510, 512, 515, 523 and 596, and accounts 127 and 227 as deductibles).

29. Item *Subordinated liabilities* under ADP code 0407 shall disclose subordinated liabilities in dinars and foreign currency, and/or acquired

deposits, loans and long-term securities that, in the event of liquidation or bankruptcy of a bank, are repaid only after full settlement of liabilities to other creditors. This item shall also disclose all liabilities arising from interest, fees and commissions, including accrued expenses and deferred income pertaining to deferred liabilities on the said grounds related to subordinated liabilities (accounts 424, 425, 482, 497, 524, 525, 582 and 597, and parts of accounts 193 and 293 as deductibles).

30. Item *Provisions* under ADP code 0408 shall disclose provisions made in accordance with IAS 37, provisions related to employee benefits in accordance with IAS 19, provisions for losses on off-balance sheet assets and other provisions (accounts 450, 451, 452, 453 and 454).

31. Item *Liabilities under assets held for sale and discontinued operations* under ADP code 0409 shall disclose liabilities under non-current assets held for sale and discontinued operations (group of accounts 46).

32. Item *Current tax liabilities* under ADP code 0410 shall disclose profit tax liabilities (account 455).

33. Item *Deferred tax liabilities* under ADP code 0411 shall disclose deferred tax liabilities carried forward from the previous year and tax liabilities incurred during the year (group of accounts 47).

34. Item *Other liabilities* under ADP code 0412 shall disclose other liabilities in dinars and foreign currency, liabilities under salaries and salary compensations, liabilities for value added tax and other taxes and contributions. This item shall also disclose all liabilities under interest, fees and commissions related to other liabilities (group of accounts 43, 44 and 53, accounts 426, 427, 526, 527, 456, 457, 491, 492, 494, 495, 591, 592, 594 and 595).

35. Item *Total liabilities* under ADP code 0413 shall disclose total bank liabilities.

36. Item *Share capital* under ADP code 0414 shall disclose bank's share capital, premium on issue of shares and unpaid subscribed share capital, as well as other non-current assets (group of accounts 80).

37. Item *Own shares* under ADP code 0415 shall disclose the amount of acquired own shares (account 128).

38. Item *Profit* under ADP code 0416 shall disclose retained earnings in the current year and profit in previous years (group of accounts 83).

39. Item *Loss* under ADP code 0417 shall disclose loss in the current year, loss in previous years and loss in excess of capital (group of accounts 84).

40. Item *Reserves* under ADP code 0418 shall disclose reserves from profit and other reserves formed including revaluation reserves (groups of accounts 81 and 82 when they sum up to credit balance).

41. Item *Unrealised losses* under ADP code 0419 shall disclose unrealised losses under components of other comprehensive income (groups of accounts 81 and 82 when they sum up to the debit balance).

42. Item *Non-controlling participation* under ADP code 0420 shall disclose capital in a subsidiary legal person which cannot be ascribed to a parent legal person – either directly or indirectly.

43. Item *Total capital* under ADP code 0421 shall disclose total capital of a bank.

44. Item *Total capital shortfall* under ADP code 0422 shall disclose negative capital of a bank.

45. Item *Total liabilities* under ADP code 0423 shall disclose total liabilities of a bank.

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

46. A bank shall enter data in columns 5 and 6 of the *Income Statement* form, in accordance with the content of groups of accounts and accounts specified in column 1 of the form.

47. Item *Interest income* under ADP code 1001 shall disclose calculated income from regular interest and interest on arrears in the current accounting period, irrespective from the payment due date, including also income from collected calculated interest by type of placement for which the interest income is calculated (group of accounts 70).

48. Item *Interest expenses* under ADP code 1002 shall disclose calculated expenses under regular interest and interest on arrears in the current accounting period, irrespective of the payment due date (group of accounts 60).

49. Item *Net interest gains* under ADP code 1003 shall disclose difference between items ADP 1001 and 1002.

50. Item *Net interest losses* under ADP code 1004 shall disclose difference between items ADP 1002 and 1001.

51. Item *Income from fees and commissions* under ADP code 1005 shall disclose income from fees and commissions calculated in the current accounting period, irrespective of the time of collection (group of accounts 71).

52. Item *Expenses on fees and commissions* under ADP code 1006 shall disclose calculated expenses on fees and commissions in the current accounting period, irrespective of the time of payment (group of accounts 61).

53. Item *Net gains from fees and commissions* under ADP code 1007 shall disclose difference between items ADP 1005 and 1006.

54. Item *Net losses on fees and commissions* under ADP code 1008 shall disclose difference between items ADP 1006 and 1005.

55. Item *Net gains from change in fair value of financial instruments* under ADP code 1009 shall disclose net positive effect arising from change in value of derivatives, excluding those intended for risk hedging (accounts 774 and 674), arising from change in value of financial assets measured at fair value through income statement (accounts 776 and 676), and arising from change in value of financial liabilities measured at fair value through income statement (accounts 777 and 677).

56. Item *Net losses on change in fair value of financial instruments* under ADP code 1010 shall disclose net negative effect arising from change in value of derivatives, excluding those intended for risk hedging (accounts 674 and 774), arising from change in value of financial assets measured at fair value through income statement (accounts 676 and 776), and arising from change in value of financial liabilities measured at fair value through income statement (accounts 677 and 777).

57. Item *Net gains from reclassification of financial instruments*, under ADP code 1011 shall disclose net positive effect arising from reclassification of financial instruments measured at fair value through other comprehensive income to the fair value through income statement (accounts 728 and 628), and arising from reclassification of financial instruments measured at amortised cost to the fair value through income statement (accounts 727 and 627).

58. Item *Net losses on reclassification of financial instruments*, under ADP code 1012 shall disclose net negative effect arising from reclassification of financial instruments measured at fair value through other comprehensive income to the fair value through income statement (accounts 628 and 728), and arising from reclassification of financial instruments measured at amortised cost to the fair value through income statement (accounts 627 and 727).

59. Item *Net gains from derecognition of financial instruments measured at fair value* under ADP code 1013 shall disclose net positive effect arising from derecognition of financial instruments measured at fair value through income statement (accounts 720 and 620, as well as 721 and 621).

60. Item *Net losses on derecognition of financial instruments measured at fair value* under ADP code 1014 shall disclose net negative effect arising from derecognition of financial instruments measured at fair value through income statement (accounts 620 and 720, as well as 621 and 721).

61. Item *Net gains from hedging* under ADP code 1015 shall disclose positive effect of change in the value of hedging derivatives (accounts 775 and 675) and change in the value of items subject to hedging (accounts 770 and 670).

62. Item *Net losses on hedging* under ADP code 1016 shall disclose negative effect arising from change in value of hedging derivatives (accounts 675 and 775) and change in value of items subject to hedging (accounts 670 and 770).

63. Item *Net exchange rate gains and gains from agreed currency clause* under ADP code 1017 shall disclose positive effect of exchange rate gains and losses (groups of accounts 78 and 68).

64. Item *Net exchange rate losses and losses on agreed currency clause* under ADP code 1018 shall disclose negative effect of exchange rate gains and losses (groups of accounts 68 and 78).

65. Item *Net income from reduction in impairment of financial assets not measured at fair value through income statement* under ADP code 1019 shall disclose net positive effect arising from cancelling of indirect write-offs of financial instruments measured at amortised cost (accounts 750 and 650), from cancelling of provisions for off-balance sheet items (account 751 and 651), from cancelling of reduction in impairment of financial assets measured at fair value through other comprehensive income on the basis of change in

the credit risk (accounts 756 and 656), on the basis of recovered written-off receivables (accounts 760 and 660) and on the basis of modified financial instruments (accounts 729 and 629).

66. Item *Net expenses on impairment of financial assets not measured at fair value through income statement* under ADP code 1020, shall disclose net negative effect arising from value adjustment of financial instruments measured at amortised cost (accounts 650 and 750), from provisions for off-balance sheet items (account 651 and 751), from value adjustment and reduction of financial assets measured at fair value through other comprehensive income on the basis of change in the credit risk (accounts 656 and 756), on the basis of direct write-offs of loans, investments and other claims (accounts 660 and 760) and on the basis of modified financial instruments (accounts 629 and 729).

67. Item *Net gains from derecognition of financial instruments measured at amortised cost*, under ADP code 1021 shall disclose a positive effect on the basis of derecognition of financial instruments measured at amortised cost (accounts 726 and 626).

68. Item *Net losses on derecognition of financial instruments measured at amortised cost*, under ADP code 1022 shall disclose a negative effect on the basis of derecognition of financial instruments measured at amortised cost (accounts 626 and 726).

69. Item *Net gains from derecognition of investments in associated companies and joint ventures* under ADP code 1023 shall disclose positive effect of sale of stake (participation) (accounts 723 and 623).

70. Item *Net losses on derecognition of investments in associated companies and joint ventures* under ADP code 1024 shall disclose negative effect of sale of stake (participation) (accounts 623 and 723).

71. Item *Other operating income* under ADP code 1025 shall disclose gains from other operating income (group of accounts 74), income from dividends and other income from participation (account 766).

72. Item *Total net operating income* under ADP code 1026 shall disclose positive effect of items under ADP codes (1003 - 1004 + 1007 - 1008 + 1009 - 1010 + 1011 - 1012 + 1013 - 1014 + 1015 - 1016 + 1017 - 1018 + 1019 - 1020 + 1021 - 1022 + 1023 - 1024 + 1025).

73. Item *Total net operating expenses* under ADP code 1027 shall disclose negative effect of items under ADP codes (1003 - 1004 + 1007 -

1008 + 1009 - 1010 + 1011 - 1012 + 1013 - 1014 + 1015 - 1016 + 1017 - 1018 + 1019 - 1020 + 1021 - 1022 + 1023 - 1024 + 1025).

74. Item *Salaries, salary compensations and other personal expenses* under ADP code 1028 shall disclose expenses of calculated net salaries and salary compensations, taxes and contributions on salaries and salary compensations and remuneration for temporary and occasional work, irrespective of the time of payment (group of accounts 63), as well as increase/decrease in the amount of provisions for pensions and other provisions (accounts 655 and 755).

75. Item *Depreciation costs* under ADP code 1029 shall disclose costs of depreciation of intangible investments, fixed assets and investment property (account 642).

76. Item *Other income* under ADP code 1030 shall disclose the decreased amount of provisions for liabilities to cover obligations arising as a result of past events and other provisions (accounts 752 and 753), income from a reduction in liabilities under law, extrajudicial settlement, etc., (account 762), documented gains from surpluses as determined by the official commission or in other way (account 767), income from collected penalties and indemnities, income from the correction of materially insignificant errors in previous periods and other income (account 768), positive effects of change in the value of fixed assets, investment properties and intangible assets (account 773) and positive effects from sale of fixed assets and intangible assets (account 761).

77. Item *Other expenses* under ADP code 1031 shall disclose operating expenses, excluding depreciation costs (group of accounts 64 excluding 642), increase in the amount of provisions for coverage of liabilities arising from past events and other provisions (accounts 652 and 653), unwritten-off value and additional costs of disposal of fixed assets and intangible assets (account 662), documented losses from shortages and damages determined by the official commission or in other ways (account 667), write-off of obsolete inventory, fines, penalties and indemnities, expenses from the correction of materially insignificant errors in previous periods and other expenses (account 668) and negative effects of changes in the value of fixed assets, investment properties and intangible assets (account 673) and negative effect of the sale of fixed assets and intangible assets (account 661).

78. Item *Profit before tax* under ADP code 1032 shall disclose positive effect of items under ADP codes (1026 - 1027 - 1028 - 1029 + 1030 - 1031).

79. Item *Losses before tax* under ADP code 1033 shall disclose negative effect of positions under ADP codes (1026 - 1027 - 1028 - 1029 - 1031).

80. Item *Profit tax* under ADP code 1034 shall disclose profit tax for the period (account 850).

81. Item *Gains from deferred taxes* under ADP code 1035 shall disclose profit from creation of deferred tax assets and reduction in deferred tax liabilities (account 861).

82. Item *Losses on deferred taxes* under ADP code 1036 shall disclose losses from reduction in deferred tax assets and creation of deferred tax liabilities (account 860).

83. Item *Profit after tax* under ADP code 1037 shall disclose positive effect of items under ADP codes (1032 - 1033 - 1034 + 1035 - 1036).

84. Item *Losses after tax* under ADP code 1038 shall disclose negative effect of items under ADP codes (1032 - 1033 - 1034 + 1035 - 1036).

85. Item *Net profit from discontinued operations* under ADP code 1039 shall disclose positive effect from discontinued operations (accounts 769 and 669).

86. Item *Net losses on discontinued operations* under ADP code 1040 shall disclose negative effect from discontinued operations (accounts 669 and 769).

87. Item *Result for the period – Profit* under ADP code 1041 shall disclose positive effect of items under ADP codes (1037 - 1038 + 1039 - 1040).

88. Item *Result for the period – Losses* under ADP code 1042 shall disclose negative effect of items under ADP codes (1037 - 1038 + 1039 - 1040).

89. Item *Profit belonging to a parent entity* under ADP code 1043 shall disclose profit for the period belonging to a parent entity.

90. Item *Profit belonging to non-controlling owners* under ADP code 1044 shall disclose profit for the period belonging to non-controlling owners.

91. Item *Losses belonging to a parent entity* under ADP code 1045 shall disclose losses for the period belonging to a parent entity.

92. Item *Losses belonging to non-controlling owners* under ADP code 1046 shall disclose losses for the period belonging to non-controlling owners.

93. Items under ADP codes 1047 and 1048 shall disclose data on basic and diluted earnings per share, calculated in dinars without paras.

94. End-of-reporting period data shall be entered in column 5 (current year), while data on the corresponding period of the previous year shall be entered in column 6 (previous year).

95. If previous year data have been adjusted to comply with regulations, such adjusted data shall be entered in column 6.

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

96. In columns 5 and 6 of the *Statement of Other Comprehensive Income* form, a bank shall enter appropriate data on changes pertaining to the reporting period, by contents of groups of accounts and accounts specified in column 1 of the form.

Data referred to in paragraph 1 of this Section in items under ADP codes 2003 to 2026 shall be entered without the effects of calculated tax.

97. Item *Profit for the period* under ADP code 2001 shall disclose the amount of profit for the period shown in the *Balance Sheet* form (ADP code 1041), while item *Losses for the period* under ADP code 2002 shall disclose the amount of losses for the period shown in that form (ADP code 1042).

98. Items under ADP codes from 2003 to 2014 shall be disclosed in the part of the *Statement of Other Comprehensive Income* which pertains to components of other comprehensive income which cannot be reclassified to profit or loss.

99. Item *Increase in revaluation reserves based on intangible assets and fixed assets* under ADP code 2003 shall disclose increase in revaluation reserves based on intangible assets and fixed assets (account 820).

100. Item *Decrease in revaluation reserves based on intangible assets and fixed assets* under ADP code 2004 shall disclose decrease in revaluation reserves based on intangible assets and fixed assets (account 820).

101. Item *Actuarial gains* under ADP code 2005 shall disclose actuarial gains under defined benefit plans, while *Actuarial losses* under ADP code 2006 shall disclose losses under those plans (account 822).

102. Item *Positive effects of change in value of equity instruments measured at fair value through other comprehensive income* under ADP code 2007 shall disclose positive effects of change in value of equity instruments measured at fair value through other comprehensive income in accordance with the IFRS 9, while item *Negative effects of change in value of equity instruments measured at fair value through other comprehensive income* under ADP code 2008 shall disclose negative effects of such change (account 821).

103. Item *Unrealised gains from equity hedges measured at fair value through other comprehensive income* under ADP code 2009, shall disclose unrealised gains from equity hedges measured at fair value through other comprehensive income in accordance with IFRS 9, while item *Unrealised losses from equity hedges measured at fair value through other comprehensive income* under ADP code 2010, shall disclose such unrealised losses (account 825).

104. Item *Unrealised gains from bank's financial liabilities measured at fair value through profit or loss attributable to changes in bank's creditworthiness* under ADP code 2011, shall disclose unrealised gains from bank's financial liabilities measured at fair value through profit or loss attributable to changes in bank's creditworthiness, while item *Unrealised losses from bank's financial liabilities measured at fair value through profit or loss attributable to changes in bank's creditworthiness* under ADP code 2012, shall disclose such unrealised losses (account 825).

105. Item *Positive effects of changes in value arising from other items of other comprehensive income that may not be reclassified to profit or loss* under ADP code 2013 shall disclose other unrealised gains measured through other comprehensive income that may not be reclassified to profit or loss in accordance with IAS and IFRS requirements, while item *Negative effects of changes in value arising from other items of other comprehensive income that may not be reclassified to profit or loss* under ADP code 2014 shall disclose other unrealised losses measured through other comprehensive income that may not be reclassified to profit or loss in accordance with IAS and IFRS requirements (account 825).

106. Items under ADP codes 2015 to 2026 shall be disclosed in the part of the *Statement of Other Comprehensive Income* which pertains to

components of other comprehensive income that may be reclassified to profit or loss.

107. Item *Positive effects of change in value of debt instruments measured at fair value through other comprehensive income* under ADP code 2015 shall disclose positive effects of change in value of debt instruments measured at fair value through other comprehensive income in accordance with IFRS 9, while item *Negative effects of change in value of debt instruments measured at fair value through other comprehensive income* under ADP code 2016 shall disclose negative effects of such change (account 823).

108. Item *Gains from cash flow hedges* under ADP code 2017, shall disclose gains from cash flow hedges in accordance with IFRS 9, while item *Losses from cash flow hedges* under ADP code 2018 shall disclose losses on those grounds (account 824).

109. Item *Unrealised gains from calculation of foreign currency transactions and balances and translation of result and financial position of foreign operation*, under ADP code 2019, shall disclose unrealised gains on those grounds in accordance with IAS 21, while item *Unrealised losses from calculation of foreign currency transactions and balances and translation of result and financial position of foreign operation*, under ADP code 2020, shall disclose unrealised losses on those grounds in accordance with IAS 21 (account 826).

110. Item *Unrealised gains from hedge of net investments in foreign operations* under ADP code 2021 shall disclose unrealised gains on those grounds, while item *Unrealised losses from hedge of net investments in foreign operations* under ADP code 2022 shall disclose unrealised losses on those grounds (account 826).

111. Item *Unrealised gains from other hedging instruments* under ADP code 2023 shall disclose unrealised gains from hedging instruments including part of change in fair value of time value of options, forward elements of forward contracts or foreign currency basis spread of financial instruments, while item *Unrealised losses from other hedging instruments* under ADP code 2024 shall disclose unrealised losses on those grounds (account 826).

112. Item *Positive effects of changes in value arising from other items of other comprehensive income that may be reclassified to profit or loss* under ADP code 2025 shall disclose other unrealised gains disclosed through other comprehensive income that may be reclassified to profit or loss in accordance with IAS and IFRS requirements, while item *Negative effects of changes in*

value arising from other items of other comprehensive income that may be reclassified to profit or loss under ADP code 2026 shall disclose other unrealised losses disclosed through other comprehensive income that may be reclassified to profit or loss in accordance with IAS and IFRS requirements (account 826).

113. Item *Tax gains relating to other comprehensive income for the period* under ADP code 2027 shall disclose positive effects of tax recorded in three-digit accounts of group 82, calculated by applying the mandated profit tax rate on all components of other comprehensive income of the period disclosed in items under ADP codes 2003 to 2026, while *Tax losses relating to other comprehensive income for the period* under ADP code 2028 shall disclose negative effects of tax recorded in three-digit accounts of group 82, calculated on those grounds.

114. Item *Total positive other comprehensive income* under ADP code 2029 shall disclose total other comprehensive income of the period if positive (ADP 2003 - ADP 2004 + ADP 2005 - ADP 2006 + ADP 2007 - ADP 2008 + ADP 2009 - ADP 2010 + ADP 2011 - ADP 2012 + ADP 2013 - ADP 2014 + ADP 2015 - ADP 2016 + ADP 2017 - ADP 2018 + ADP 2019 - ADP 2020 + ADP 2021 - ADP 2022 + ADP 2023 - ADP 2024 + ADP 2025 - ADP 2026 + ADP 2027 - ADP 2028 \geq 0), while Item *Total negative other comprehensive income* under ADP code 2030 shall disclose total other comprehensive income of the period if negative (ADP 2003 - ADP 2004 + ADP 2005 - ADP 2006 + ADP 2007 - ADP 2008 + ADP 2009 - ADP 2010 + ADP 2011 - ADP 2012 + ADP 2013 - ADP 2014 + ADP 2015 - ADP 2016 + ADP 2017 - ADP 2018 + ADP 2019 - ADP 2020 + ADP 2021 - ADP 2022 + ADP 2023 - ADP 2024 + ADP 2025 - ADP 2026 + ADP 2027 - ADP 2028 $<$ 0).

115. Item *Total positive comprehensive income for the period* under ADP code 2031 shall disclose total comprehensive income for the period if positive (ADP 2001 - ADP 2002 + ADP 2029 - ADP 2030 \geq 0), while item *Total negative comprehensive income for the period* under code ADP 2032 shall disclose total comprehensive income for the period if negative (ADP 2001 - ADP 2002 + ADP 2029 - ADP 2030 $<$ 0).

116. Item *Total positive comprehensive income for the period attributable to the parent entity* under code ADP 2033 shall disclose total positive comprehensive income for the period attributable to the parent entity, while item *Total positive comprehensive income for the period attributable to non-controlling owners* under code ADP 2034 shall disclose total positive comprehensive income for the period attributable to non-controlling owners.

117. Item *Total negative comprehensive income for the period attributable to the parent entity* under ADP code 2035 shall disclose total negative comprehensive income for the period attributable to the parent entity, while item *Total negative comprehensive income for the period attributable to non-controlling owners* under ADP code 2036 shall disclose total negative comprehensive income for the period attributable to non-controlling owners.

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

118. A bank shall enter data on balance and changes in equity in columns 2 to 12 of the *Statement of Changes in Equity* form.

119. Data referred to in item 118 of this Decision shall be entered in columns 6 and 7 as an opening balance (ordinal numbers 1 and 23) depending on balances in accounts of group 82. When the adjusted opening balance of reserves is disclosed in column 6 (ordinal numbers 6 and 28) and the bank realised total negative comprehensive income for the period in excess of that amount of reserves (ordinal numbers 8 and 30) such comprehensive income shall be disclosed in column 6 only up to the amount of disclosed adjusted opening balance (ADP 4136 and ADP 4145), while the rest shall be disclosed in the appropriate item in column 7 (ADP 4154 and ADP 4163). When the adjusted opening balance of reserves is disclosed in column 7 (ordinal numbers 6 and 28) and the bank realised total negative comprehensive income for the period in excess of that amount of reserves (ordinal numbers 7 and 29) such comprehensive income shall be disclosed in column 7 only up to the amount of disclosed adjusted opening balance (ADP 4153 and ADP 4162), while the rest shall be disclosed in the appropriate item in column 6 (ADP 4135 and ADP 4144).

120. Under ADP codes 4001 to 4296, the bank shall enter data from appropriate groups of accounts and accounts specified in columns 2 to 12, based on the description of items given in column 1, ordinal numbers 1 to 44.

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

121. When completing the *Cash Flow Statement* form, data relating to the corresponding accounting period of the previous year shall be entered in column 4, while data for the current year shall be entered in column 3.

1. Cash flow from operating activities

122. Item *Cash inflow from operating activities* under ADP code 3001 shall disclose total inflow of cash in items under ADP codes 3002 to 3005.

123. Item *Interest* under ADP code 3002 shall disclose cash inflow arising from the collection of lending interest.

124. Item *Fees* under ADP code 3003 shall disclose inflow arising from collection of all fees and commissions in regular bank's operations.

125. Item *Other operating income* under ADP code 3004 shall disclose cash inflow from sale of products and services (except fees and commissions), rentals and other cash inflow from regular operations.

126. Item *Dividends and profit sharing* under ADP code 3005 shall disclose earnings from investment in the form of dividends and profit sharing.

127. Item *Cash outflow from operating activities* under ADP code 3006 shall disclose total outflow of cash in items under ADP codes 3007 to 3011.

128. Item *Interest* under ADP code 3007 shall disclose cash outflow arising from payment of interest on deposits.

129. Item *Fees* under ADP code 3008 shall disclose the amount of fees and commissions paid out in regular bank's operations.

130. Item *Gross salaries, salary compensations and other personal expenses* under ADP code 3009 shall disclose the amounts of gross salaries, salary compensations, remuneration for temporary and occasional work, and other personal expenses in the accounting period.

131. Item *Taxes, contributions and other duties charged to income* under ADP code 3010 shall disclose the amounts of taxes, contributions and other duties paid out during the accounting period.

132. Item *Other operating expenses* under ADP code 3011 shall disclose outflow arising from procurement of material, payment for services rendered and other intangible costs and payments under other operating expenses.

133. Item *Net cash inflow from operating activities before an increase or decrease in financial assets and financial liabilities* under ADP code 3012 shall disclose difference between item *Cash inflow from operating activities* under ADP code 3001 and item *Cash outflow from operating activities* under ADP code 3006.

134. Item *Net cash outflow from operating activities before an increase or decrease in financial assets and financial liabilities* under ADP code 3013 shall disclose the difference between item *Cash outflow from operating activities* under ADP code 3006 and item *Cash inflow from operating activities* under ADP code 3001.

135. Item *Decrease in financial assets and increase in financial liabilities* under ADP code 3014 shall disclose data on total inflow of cash in items under ADP codes 3015 to 3020.

136. Items under ADP codes 3015, 3016 and 3017 shall disclose net decrease in receivables on grounds specified in the names of those items. Net decrease in receivables shall represent the negative difference between total amount of new receivables and total amount of receivables collected in the accounting period.

137. Items under ADP codes 3018, 3019 and 3020 shall disclose net increase in financial liabilities on grounds specified in the names of those items. Net increase in financial liabilities shall represent a positive difference between the total amount of new financial liabilities and total amount of financial liabilities paid out in the accounting period.

138. Item *Increase in financial assets and decrease in financial liabilities* under ADP code 3021 shall disclose data on total outflow of cash in items under ADP codes 3022 to 3027.

139. Items under ADP codes 3022, 3023 and 3024 shall disclose net increase in receivables on grounds specified in the names of those items. Net increase in receivables shall represent a positive difference between the total amount of new receivables and total amount of receivables collected in the accounting period.

140. Items under ADP codes 3025, 3026 and 3027 shall disclose net decrease in financial liabilities on grounds specified in the names of those items. Net decrease in financial liabilities shall represent a negative difference between the total amount of new financial liabilities and total amount of financial liabilities paid out in the accounting period.

141. Item *Net cash inflow from operating activities before profit tax* under ADP code 3028 shall disclose the sum of differences between amounts disclosed in items under codes ADP 3012 and 3013 and items under codes ADP 3014 and 3021.

142. Item *Net cash outflow from operating activities before profit tax* under ADP code 3029 shall disclose the sum of differences between amounts disclosed in items under codes ADP 3013 and 3012 and items under codes ADP 3021 and 3014.

143. Item *Profit tax paid* under ADP code 3030 shall disclose the amounts of advance payments of profit tax during the accounting period, according to final entries for the previous year, less tax refunds effected during the accounting period.

144. Item *Dividends paid* under ADP code 3031 shall disclose the amounts of advance payments of dividends from profit during the year, and amounts of dividends from profit for previous years paid out in the current year.

145. Item *Net cash inflow from operating activities* under ADP code 3032 shall disclose the difference between the amount disclosed in item under ADP code 3028 and the amounts disclosed in items under ADP codes 3029, 3030 and 3031.

146. Item *Net cash outflow from operating activities* under ADP code 3033 shall disclose the sum of amounts disclosed in items under ADP codes 3029, 3030 and 3031 less amount disclosed in item under ADP code 3028.

2. Cash flow from investing activities

147. Item *Cash inflow from investing activities* under ADP code 3034 shall disclose data on total inflow of cash in items under ADP codes 3035 to 3039.

148. Item *Investment in investment securities* under ADP code 3035 shall disclose the amounts earned from investment in investment securities.

149. Item *Sale of investments into subsidiaries and associated companies and joint ventures* under ADP code 3036 shall disclose the amounts earned through such sale.

150. Item *Sale of intangible investments, property, plants and equipment* under ADP code 3037 shall disclose the amounts earned through sale of intangible investments and fixed assets.

151. Item *Sale of investment property* under ADP code 3038 shall disclose the amounts earned through sale of investment property of the bank.

152. Item *Other inflow from investing activities* under ADP code 3039 shall disclose the amounts earned from other investing activities of the bank.

153. Item *Cash outflow from investing activities* under ADP code 3040 shall disclose data on total outflow of cash in items under ADP codes 3041 to 3045.

154. Item *Investment into investment securities* under ADP code 3041 shall disclose payments arising from investment in investment securities.

155. Item *Purchase of investments into subsidiaries and associated companies and joint ventures* under ADP code 3042 shall disclose outflows arising from purchase of the said investments.

156. Item *Purchase of intangible investments, property, plant and equipment* under ADP code 3043 shall disclose the amounts paid out for purchase of certain intangible investments and fixed assets.

157. Item *Purchase of investment property* under ADP code 3044 shall disclose the amounts paid out for purchase of investment property of the bank.

158. Item *Other outflow from investing activities* under ADP code 3045 shall disclose the amounts paid out under other investment activities of the bank.

159. Item *Net cash inflow from investing activities* under ADP code 3046 shall disclose the difference between item *Cash inflow from investing activities* under ADP code 3034 and item *Cash outflow from investing activities* under ADP code 3040.

160. Item *Net cash outflow from investing activities* under ADP code 3047 shall disclose the difference between item *Cash outflow from investing activities* under ADP code 3040 and item *Cash inflow from investing activities* under ADP code 3034.

3. Cash flow from financing activities

161. Item *Cash inflow from financing activities* under ADP code 3048 shall disclose data on total cash inflow in items under ADP codes 3049 to 3054.

162. Item *Capital increase* under ADP code 3049 shall disclose the amounts of cash inflow arising from payment for bank shares.

163. Item *Subordinated liabilities* under ADP code 3050 shall disclose the amount of total inflow under subordinated liabilities during the accounting period.

164. Item *Loans taken* under ADP code 3051 shall disclose the amount of loans taken during the accounting period.

165. Item *Issuance of own securities* under ADP code 3052 shall disclose the amount of cash inflow arising from issuance of own securities during the accounting period.

166. Item *Sale of own shares* under ADP code 3053 shall disclose the amount of cash inflow arising from sale of own shares during the accounting period.

167. Item *Other inflow from financing activities* under ADP code 3054 shall disclose the amount of cash inflow from other financing activities.

168. Item *Cash outflow from financing activities* under ADP code 3055 shall disclose data on total outflow of cash from items under ADP codes 3056 to 3060.

169. Item *Purchase of own shares* under ADP code 3056 shall disclose cash outflow arising from purchase of own shares during the accounting period.

170. Item *Subordinated liabilities* under ADP code 3057 shall disclose the amount of total repayment of subordinated liabilities during the accounting period.

171. Item *Loans taken* under ADP code 3058 shall disclose the amount of loan repayments during the accounting period.

172. Item *Issuance of own securities* under ADP code 3059 shall disclose the amount of purchase of own securities issued.

173. Item *Other outflow from financing activities* under ADP code 3060 shall disclose the amount of cash outflow arising from other financing activities.

174. Item *Net cash inflow from financing activities* under ADP code 3061 shall disclose the difference between item *Cash inflow from financing*

activities under ADP code 3048 and item *Cash outflow from financing activities* under ADP code 3055.

175. Item *Net cash outflow from financing activities* under ADP code 3062 shall disclose the difference between item *Cash outflow from financing activities* under ADP code 3055 and item *Cash inflow from financing activities* under ADP code 3048.

4. End of cash flow statement

176. Item *Total cash inflow* under ADP code 3063 shall disclose the sum of amounts disclosed in items under ADP codes 3001, 3014, 3034 and 3048.

177. Item *Total cash outflow* under ADP code 3064 shall disclose the sum of amounts disclosed in items under ADP codes 3006, 3021, 3030, 3031, 3040 and 3055.

178. Item *Net increase in cash* under ADP code 3065 shall disclose the difference between the amounts disclosed in items under ADP codes 3063 and 3064.

179. Item *Net decrease in cash* under ADP code 3066 shall disclose the difference between the amounts disclosed in items under ADP codes 3064 and 3063.

180. Item *Cash and cash equivalents at the beginning of the year* under ADP code 3067 shall disclose the amount of cash and cash equivalents as at the date of the opening balance of the accounting period.

181. Item *Exchange rate gains* under ADP code 3068 shall disclose the amount of exchange rate gains as at the balance date.

182. Item *Exchange rate losses* under ADP code 3069 shall disclose the amount of exchange rate losses as at the balance date.

183. Item *Cash and cash equivalents at end-period* under ADP code 3070 shall disclose the amount of cash and cash equivalents at the end of the accounting period (ADP 3065 – ADP 3066 + ADP 3067 + ADP 3068 – ADP 3069).

VII. NOTES TO FINANCIAL STATEMENTS

184. Notes to financial statements contain descriptions or breakdown of items disclosed in statements referred to in Section 1, paragraph 1 of this Decision, the applied accounting policies, and information about items which did not qualify for recognition in those statements but are relevant for assessment of the financial position and success of operation of a legal person, as well as other information in accordance with IFRS requirements.

185. In notes referred to in Section 184 of this Decision banks shall also disclose the mismatched receivables and liabilities in total amount, in accordance with the provisions of the Accounting Law.

VIII. FINAL PROVISIONS

186. Provisions of this Decision shall apply to financial statements compiled after this Decision has entered into force.

187. As of the day of entry into force of this Decision, the Decision on the Forms and Content of Items in Financial Statement Forms to Be Completed by Banks (RS Official Gazette, Nos 71/2014 and 135/2014) shall cease to be valid.

188. This Decision enters into force on the eighth day following its publication in the RS Official Gazette and applies as of 1 January 2018.

Decision No 7
6 November 2017
Belgrade

G o v e r n o r
of the National Bank of Serbia

Jorgovanka Tabaković, PhD