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DECISION OF THE EUROPEAN CENTRAL BANK
of 10 November 2006
on the annual accounts of the European Central Bank
(ECB/2006/17)
(2006/888/EC)
(OJ L 348, 11.12.2006, p. 38)

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		Official Journal		
		No	page	date
► <u>M1</u>	Decision ECB/2007/21 of the European Central Bank of 17 December 2007	L 42	83	16.2.2008
► <u>M2</u>	Decision ECB/2008/22 of the European Central Bank of 11 December 2008	L 36	22	5.2.2009
► <u>M3</u>	Decision ECB/2009/19 of the European Central Bank of 17 July 2009	L 202	54	4.8.2009
► <u>M4</u>	Decision ECB/2009/29 of the European Central Bank of 14 December 2009	L 348	57	29.12.2009

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DECISION OF THE EUROPEAN CENTRAL BANK
of 10 November 2006
on the annual accounts of the European Central Bank
(ECB/2006/17)
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THE GOVERNING COUNCIL OF THE EUROPEAN CENTRAL BANK,

Having regard to the Statute of the European System of Central Banks and of the European Central Bank, and in particular to Article 26.2 thereof,

Whereas:

- (1) Decision ECB/2002/11 of 5 December 2002 on the annual accounts of the European Central Bank⁽¹⁾ (ECB) requires significant amendment. From 1 January 2007 the European System of Central Banks (ESCB) will use the economic approach as defined in Guideline ECB/2006/16 of 10 November 2006 on the legal framework for accounting and financial reporting in the European System of Central Banks⁽²⁾ to record foreign exchange transactions, financial instruments denominated in foreign currency and related accruals. It is desirable for reasons of clarity to recast the Decision in a single text.
- (2) Decisions ECB/2002/11, ECB/2005/12 and ECB/2006/3 which are replaced by this Decision should be repealed,

HAS DECIDED AS FOLLOWS:

CHAPTER I

GENERAL PROVISIONS

Article 1

Definitions

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1. The terms defined in Article 1 of Guideline ECB/2006/16 shall have the same meaning when used in this Decision.

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2. Other technical terms used in this Decision shall have the same meaning as in Annex II to Guideline ECB/2006/16.

Article 2

Scope of application

The rules set out in this Decision shall apply to the annual accounts of the ECB comprising the balance sheet, items recorded in the books of the ECB off-balance sheet, the profit and loss account and the notes to the annual accounts of the ECB.

⁽¹⁾ OJ L 58, 3.3.2003, p. 38. Decision as last amended by Decision ECB/2006/3 (OJ L 89, 28.3.2006, p. 56).

⁽²⁾ See page ... of this Official Journal.

▼B*Article 3***Basic accounting assumptions**

The basic accounting assumptions defined in Article 3 of Guideline ECB/2006/16 shall also apply for the purposes of this Decision.

*Article 4***Recognition of assets and liabilities**

A financial or other asset/liability shall only be recognised in the balance sheet of the ECB in accordance with Article 4 of Guideline ECB/2006/16.

*Article 5***Economic and cash/settlement approaches**

Article 5 of Guideline ECB/2006/16 shall apply to this Decision.

CHAPTER II

COMPOSITION AND VALUATION RULES FOR THE BALANCE SHEET*Article 6***Composition of the balance sheet**

The composition of the balance sheet shall be based on the structure set out in Annex I.

▼M4*Article 7***Provision for foreign exchange rate, interest rate, credit and gold price risks**

Taking into due consideration the nature of the ECB's activities, the Governing Council may establish a provision for foreign exchange rate, interest rate, credit and gold price risks in the balance sheet of the ECB. The Governing Council shall decide on the size and use of the provision on the basis of a reasoned estimate of the ECB's risk exposures.

▼B*Article 8***Balance sheet valuation rules**

1. Current market rates and prices shall be used for balance sheet valuation purposes unless specified otherwise in Annex I.

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2. The revaluation of gold, foreign currency instruments, securities other than those classified as held-to-maturity and non-marketable securities, as well as financial instruments, both on-balance-sheet and off-balance-sheet, shall be performed at the year-end at mid-market rates and prices.

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3. No distinction shall be made between price and currency revaluation differences for gold, but a single gold revaluation difference shall be accounted for, based on the euro price per defined unit of weight of gold derived from the euro/US dollar exchange rate on the quarterly revaluation date. Revaluation shall take place on a currency-by-currency basis for foreign exchange, including

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on-balance-sheet and off-balance-sheet transactions, and on a code-by-code basis i.e. same ISIN number/type for securities, except for those securities included in the items 'Other financial assets' or 'Sundry', or securities held for monetary policy purposes, which shall be treated as separate holdings.

4. Securities classified as held-to-maturity shall be treated as separate holdings, shall be valued at amortised costs and shall be subject to impairment. The same treatment shall apply to non-marketable securities. Securities classified as held-to-maturity may be sold before their maturity:

- (i) if the quantity sold is considered not significant in comparison with the total amount of the held-to-maturity securities portfolio; or
- (ii) if the securities are sold during the month of the maturity date; or
- (iii) under exceptional circumstances, such as a significant deterioration of the issuer's creditworthiness, or following an explicit monetary policy decision of the Governing Council of the ECB.

▼ B*Article 9***Reverse transactions**

Reverse transactions shall be accounted for in accordance with Article 8 of Guideline ECB/2006/16.

▼ M2*Article 10***Marketable equity instruments**

Marketable equity instruments shall be accounted for in accordance with Article 9 of Guideline ECB/2006/16.

▼ M1*Article 10a***Synthetic instruments**

The accounting treatment of synthetic instruments shall be in accordance with Article 9a of Guideline ECB/2006/16.

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CHAPTER III

INCOME RECOGNITION*Article 11***Income recognition**

1. Article 11(1), (2), (3), (5) and (7) of Guideline ECB/2006/16 shall apply to income recognition.

2. Holdings on special revaluation accounts stemming from contributions according to Article 49.2 of the Statute with respect to central banks of Member States for which the derogation has been abrogated shall be used to offset unrealised losses when exceeding previous revaluation gains registered in the corresponding standard revaluation account as laid down by Article 11(1)(c) of Guideline ECB/2006/16, prior to the offsetting of such losses in accordance with Article 33.2 of the Statute. The holdings on special revaluation accounts for gold, for currencies and for securities shall be reduced pro rata in the event of a reduction in the holdings of the relevant assets.

▼B*Article 12***Cost of transactions**

Article 12 of Guideline ECB/2006/16 shall apply to this Decision.

CHAPTER IV

ACCOUNTING RULES FOR OFF-BALANCE-SHEET INSTRUMENTS*Article 13***General rules**

Article 13 of Guideline ECB/2006/16 shall apply to this Decision.

*Article 14***Foreign exchange forward transactions**

Foreign exchange forward transactions shall be accounted for in accordance with Article 14 of Guideline ECB/2006/16.

*Article 15***Foreign exchange swaps**

Foreign exchange swaps shall be accounted for in accordance with Article 15 of Guideline ECB/2006/16.

▼M2*Article 16***Future contracts**

Future contracts shall be accounted for in accordance with Article 16 of Guideline ECB/2006/16.

▼B*Article 17***Interest rate swaps**

Interest rate swaps shall be accounted for in accordance with Article 17 of Guideline ECB/2006/16. Unrealised losses taken to the profit and loss account at the year-end shall be amortised in subsequent years according to the straight-line method. ►M2 In the case of forward interest rate swaps the amortisation shall begin from the value date of the transaction. ◀

*Article 18***Forward rate agreements**

Forward rate agreements shall be accounted for in accordance with Article 18 of Guideline ECB/2006/16.

*Article 19***Forward transactions in securities**

Forward transactions in securities shall be accounted for in accordance with Method A in Article 19(1) of Guideline ECB/2006/16.

▼B*Article 20***Options**

Options shall be accounted for in accordance with Article 20 of Guideline ECB/2006/16.

CHAPTER V

ANNUAL PUBLISHED BALANCE SHEET AND PROFIT AND LOSS ACCOUNT*Article 21***Formats**

1. The format for the ECB's published annual balance sheet shall follow the format in Annex II.
2. The format of the ECB's published profit and loss account shall comply with Annex III.

CHAPTER VI

FINAL PROVISIONS*Article 22***Development, application and interpretation of rules**

1. The ESCB's Accounting and Monetary Income Committee (AMICO) shall report to the Governing Council, via the Executive Board, on the development, application and implementation of the ESCB's accounting and financial reporting rules.
2. In interpreting this Decision, account shall be taken of the preparatory work, the accounting principles harmonised by Community law and generally accepted international accounting standards.
3. If a specific accounting treatment is not laid down in this Decision and in the absence of a decision to the contrary by the Governing Council, the ECB shall follow valuation principles in accordance with International Accounting Standards as adopted by the European Union relevant to the activities and accounts of the ECB.

*Article 23***Repeal**

Decisions ECB/2002/11, ECB/2005/12 and ECB/2006/3 are hereby repealed. References to the repealed Decisions shall be construed as references to this Decision and shall be read in accordance with the correlation table in Annex IV.

*Article 24***Final provision**

This Decision shall enter into force on 1 January 2007.

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ANNEX I

COMPOSITION AND VALUATION RULES FOR THE BALANCE SHEET

Note: the numbering relates to the balance sheet format given in Annex II.

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ASSETS

Balance sheet item	Categorisation of contents of balance sheet items	Valuation principle
1. Gold and gold receivables	Physical gold, i.e. bars, coins, plates, nuggets, in storage or 'under way'. Non-physical gold, such as balances in gold sight accounts (unallocated accounts), term deposits and claims to receive gold arising from the following transactions: (i) upgrading or downgrading transactions; and (ii) gold location or purity swaps where there is a difference of more than one business day between release and receipt	Market value
2. Claims on non-euro area residents denominated in foreign currency	Claims on counterparties resident outside the euro area including international and supranational institutions and central banks outside the euro area denominated in foreign currency	
2.1. Receivables from the International Monetary Fund (IMF)	<p>(a) <i>Drawing rights within the reserve tranche (net)</i> National quota minus balances in euro at the disposal of the IMF. The No 2 account of the IMF (euro account for administrative expenses) may be included in this item or under the item 'Liabilities to non-euro area residents denominated in euro'</p> <p>(b) <i>Special drawing rights</i> Holdings of special drawing rights (gross)</p> <p>(c) <i>Other claims</i> General arrangements to borrow, loans under special borrowing arrangements, deposits within the framework of the Poverty Reduction and Growth Facility</p>	<p>(a) <i>Drawing rights within the reserve tranche (net)</i> Nominal value, translation at the foreign exchange market rate</p> <p>(b) <i>Special drawing rights</i> Nominal value, translation at the foreign exchange market rate</p> <p>(c) <i>Other claims</i> Nominal value, translation at the foreign exchange market rate</p>
2.2. Balances with banks and security investments, external loans and other external assets	<p>(a) <i>Balances with banks outside the euro area other than those under asset item 'Other financial assets'</i> Current accounts, fixed-term deposits, day-to-day money, reverse repo transactions</p> <p>(b) <i>Security investments outside the euro area other than those under asset item 'Other financial assets'</i> Notes and bonds, bills, zero bonds, money market paper, equity instruments held as part of</p>	<p>(a) <i>Balances with banks outside the euro area</i> Nominal value, translation at the foreign exchange market rate</p> <p>(b)(i) <i>Marketable securities other than held-to-maturity</i> Market price and foreign exchange market rate Any premiums or discounts are amortised</p>

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Balance sheet item	Categorisation of contents of balance sheet items	Valuation principle
	<p>the foreign reserves, all issued by non-euro area residents</p> <p>(c) <i>External loans (deposits) to non-euro area residents other than those under asset item 'Other financial assets'</i></p> <p>(d) <i>Other external assets</i> Non-euro area banknotes and coins</p>	<p>(b)(ii) <i>Marketable securities classified as held-to-maturity</i> Cost subject to impairment and foreign exchange market rate Any premiums or discounts are amortised</p> <p>(b)(iii) <i>Non-marketable securities</i> Cost subject to impairment and foreign exchange market rate Any premiums or discounts are amortised</p> <p>(b)(iv) <i>Marketable equity instruments</i> Market price and foreign exchange market rate</p> <p>(c) <i>External loans</i> Deposits at nominal value, translated at the foreign exchange market rate</p> <p>(d) <i>Other external assets</i> Nominal value, translation at the foreign exchange market rate</p>
3. Claims on euro area residents denominated in foreign currency	<p>(a) <i>Security investments inside the euro area other than those under asset item 'Other financial assets'</i> Notes and bonds, bills, zero bonds, money market paper, equity instruments held as part of the foreign reserves, all issued by euro area residents</p> <p>(b) <i>Other claims on euro area residents other than those under asset item 'Other financial assets'</i> Loans, deposits, reverse repo transactions, sundry lending</p>	<p>(a)(i) <i>Marketable securities other than held-to-maturity</i> Market price and foreign exchange market rate Any premiums or discounts are amortised</p> <p>(a)(ii) <i>Marketable securities classified as held-to-maturity</i> Cost subject to impairment and foreign exchange market rate Any premiums or discounts are amortised</p> <p>(a)(iii) <i>Non-marketable securities</i> Cost subject to impairment and foreign exchange market rate Any premiums or discounts are amortised</p> <p>(a)(iv) <i>Marketable equity instruments</i> Market price and foreign exchange market rate</p> <p>(b) <i>Other claims</i> Deposits and other lending at nominal value, translated at the foreign exchange market rate</p>

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Balance sheet item	Categorisation of contents of balance sheet items	Valuation principle
4. Claims on non-euro area residents denominated in euro		
4.1. Balances with banks, security investments and loans	<p>(a) <i>Balances with banks outside the euro area other than those under asset item 'Other financial assets'</i></p> <p>Current accounts, fixed-term deposits, day-to-day money, reverse repo transactions in connection with the management of securities denominated in euro</p> <p>(b) <i>Security investments outside the euro area other than those under asset item 'Other financial assets'</i></p> <p>Equity instruments, notes and bonds, bills, zero bonds, money market paper, all issued by non-euro area residents</p> <p>(c) <i>Loans to non-euro area residents other than those under asset item 'Other financial assets'</i></p> <p>(d) <i>Securities issued by entities outside the euro area other than those under asset item 'Other financial assets'</i></p> <p>Securities issued by supranational or international organisations, e.g. the European Investment Bank, irrespective of their geographical location</p>	<p>(a) <i>Balances with banks outside the euro area</i> Nominal value</p> <p>(b)(i) <i>Marketable securities other than held-to-maturity</i> Market price Any premiums or discounts are amortised</p> <p>(b)(ii) <i>Marketable securities classified as held-to-maturity</i> Cost subject to impairment Any premiums or discounts are amortised</p> <p>(b)(iii) <i>Non-marketable securities</i> Cost subject to impairment Any premiums or discounts are amortised</p> <p>(b)(iv) <i>Marketable equity instruments</i> Market price</p> <p>(c) <i>Loans outside the euro area</i> Deposits at nominal value</p> <p>(d)(i) <i>Marketable securities other than held-to-maturity</i> Market price Premiums/discounts are amortised</p> <p>(d)(ii) <i>Marketable securities classified as held-to-maturity</i> Cost subject to impairment Any premiums or discounts are amortised</p> <p>(d)(iii) <i>Non-marketable securities</i> Cost subject to impairment Any premiums or discounts are amortised</p>
4.2. Claims arising from the credit facility under ERM II	Lending according to the ERM II conditions	Nominal value
5. Lending to euro area credit institutions related to monetary policy operations	Items 5.1 to 5.5: transactions according to the respective monetary policy instruments described in Annex I to Guideline ECB/2000/7 of 31 August 2000 on monetary policy	

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Balance sheet item	Categorisation of contents of balance sheet items	Valuation principle
denominated in euro	instruments and procedures of the Eurosystem ⁽¹⁾	
5.1. Main refinancing operations	Regular liquidity-providing reverse transactions with a weekly frequency and normally a maturity of one week	Nominal value or repo cost
5.2. Longer-term refinancing operations	Regular liquidity-providing reverse transactions with a monthly frequency and normally a maturity of three months	Nominal value or repo cost
5.3. Fine-tuning reverse operations	Reverse transactions, executed as ad hoc transactions for fine-tuning purposes	Nominal value or repo cost
5.4. Structural reverse operations	Reverse transactions adjusting the structural position of the Eurosystem vis-à-vis the financial sector	Nominal value or repo cost
5.5. Marginal lending facility	Overnight liquidity facility at a pre-specified interest rate against eligible assets (standing facility)	Nominal value or repo cost
5.6. Credits related to margin calls	Additional credit to credit institutions, arising from value increases of underlying assets regarding other credit to these credit institutions	Nominal value or cost
6. Other claims on euro area credit institutions denominated in euro	Current accounts, fixed-term deposits, day-to-day money, reverse repo transactions in connection with the management of security portfolios under the asset item 'Securities of euro area residents denominated in euro', including transactions resulting from the transformation of former foreign currency reserves of the euro area, and other claims. Correspondent accounts with non-domestic euro area credit institutions. Other claims and operations unrelated to monetary policy operations of the Eurosystem	Nominal value or cost
7. Securities of euro area residents denominated in euro		
7.1. Securities held for monetary policy purposes	Securities issued in the euro area held for monetary policy purposes. ECB debt certificates purchased for fine-tuning purposes	<p>(i) <i>Marketable securities other than held-to-maturity</i> Market price Any premiums or discounts are amortised</p> <p>(ii) <i>Marketable securities classified as held-to-maturity</i> Cost subject to impairment Any premiums or discounts are amortised</p> <p>(iii) <i>Non-marketable securities</i> Cost subject to impairment Any premiums or discounts are amortised</p>
7.2. Other securities	Securities other than those under asset item 7.1 'Securities held for	(i) <i>Marketable securities other than held-to-maturity</i>

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Balance sheet item	Categorisation of contents of balance sheet items	Valuation principle
	monetary policy purposes' and under asset item 11.3 'Other financial assets': notes and bonds, bills, zero bonds, money market paper held outright, including government securities stemming from before EMU, denominated in euro. Equity instruments	<p>Market price</p> <p>Any premiums or discounts are amortised</p> <p>(ii) <i>Marketable securities classified as held-to-maturity</i></p> <p>Cost subject to impairment</p> <p>Any premiums or discounts are amortised</p> <p>(iii) <i>Non-marketable securities</i></p> <p>Cost subject to impairment</p> <p>Any premiums or discounts are amortised</p> <p>(iv) <i>Marketable equity instruments</i></p> <p>Market price</p>
8. General government debt denominated in euro	Claims on government stemming from before EMU (non-marketable securities, loans)	Deposits/loans at nominal value, non-marketable securities at cost
9. Intra-Eurosystem claims		
9.1. Claims related to promissory notes backing the issuance of ECB debt certificates	Only an ECB balance sheet item Promissory notes issued by NCBs, due to the back-to-back agreement in connection with ECB debt certificates	Nominal value
9.2. Claims related to the allocation of euro banknotes within the Eurosystem	Claims related to the ECB's banknote issue, according to Decision ECB/2001/15 of 6 December 2001 on the issue of euro banknotes ⁽²⁾	Nominal value
9.3. Other claims within the Eurosystem (net)	Net position of the following sub-items: (a) net claims arising from balances of TARGET2 accounts and correspondent accounts of NCBs, i.e. the net figure of claims and liabilities — see also liability item 'Other liabilities within the Eurosystem (net)' (b) other intra-Eurosystem claims denominated in euro that may arise, including the interim distribution of ECB seigniorage income to NCBs	(a) Nominal value (b) Nominal value
10. Items in course of settlement	Settlement account balances (claims), including the float of cheques in collection	Nominal value
11. Other assets		
11.1. Coins of euro area	Euro coins	Nominal value
11.2. Tangible and intangible fixed assets	Land and buildings, furniture and equipment including computer equipment, software	Cost less depreciation Depreciation is the systematic allocation of the depreciable amount of an asset over its useful life. The useful life is the period

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Balance sheet item	Categorisation of contents of balance sheet items	Valuation principle
		<p>over which a fixed asset is expected to be available for use by the entity. Useful lives of individual material fixed assets may be reviewed on a systematic basis, if expectations differ from previous estimates. Major assets may comprise components with different useful lives. The lives of such components should be assessed individually.</p> <p>The cost of intangible assets includes the price for the acquisition of the intangible asset. Other direct or indirect costs are to be expensed</p> <p>Capitalisation of expenditure: limit based (below EUR 10 000 excluding VAT: no capitalisation)</p>
11.3. Other financial assets	<ul style="list-style-type: none"> — Participating interests and investments in subsidiaries, equities held for strategic/policy reasons — Securities including equities, and other financial instruments and balances including fixed-term deposits and current accounts held as an earmarked portfolio — Reverse repo transactions with credit institutions in connection with the management of securities portfolios under this item 	<ul style="list-style-type: none"> (a) <i>Marketable equity instruments</i> Market price (b) <i>Participating interests and illiquid equity shares, and any other equity instruments held as permanent investments</i> Cost subject to impairment (c) <i>Investment in subsidiaries or significant interests</i> Net asset value (d) <i>Marketable securities other than held to maturity</i> Market price Premiums/discounts are amortised (e) <i>Marketable securities classified as held-to maturity or held as a permanent investment</i> Cost subject to impairment Any premiums or discounts are amortised (f) <i>Non-marketable securities</i> Cost subject to impairment (g) <i>Balances with banks and loans</i> Nominal value, translated at the foreign exchange market rate if the balances/deposits are denominated in foreign currencies
11.4. Off-balance-sheet instruments revaluation differences	Valuation results of foreign exchange forwards, foreign exchange swaps, interest rate swaps, forward rate agreements, forward transactions in securities, foreign exchange spot transactions from trade date to settlement date	Net position between forward and spot, at the foreign exchange market rate

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Balance sheet item	Categorisation of contents of balance sheet items	Valuation principle
11.5. Accruals and prepaid expenditure	Income not due in, but assignable to the reported period. Prepaid expenditure and accrued interest paid (i.e. accrued interest purchased with a security)	Nominal value, foreign exchange translated at market rate
11.6. Sundry	<p>(a) Advances, loans and other minor items. Loans on a trust basis</p> <p>(b) Investments related to customer gold deposits</p> <p>(c) Net pension assets</p> <p>(d) Outstanding claims arising from the default of Eurosystem counterparties in the context of Eurosystem credit operations</p> <p>(e) Assets or claims (vis-à-vis third parties) appropriated and/or acquired in the context of the realisation of collateral submitted by Eurosystem counterparties in default</p>	<p>(a) Nominal value or cost</p> <p>(b) Market value</p> <p>(c) As per Article 22(3)</p> <p>(d) Nominal/recoverable value (before/after settlement of losses)</p> <p>(e) Cost (converted at the foreign exchange market rate at the time of the acquisition if financial assets are denominated in foreign currencies)</p>
12. Loss for the year		Nominal value

⁽¹⁾ OJ L 310, 11.12.2000, p. 1.

⁽²⁾ OJ L 337, 20.12.2001, p. 52.

▼ **M4***LIABILITIES*

Balance sheet item	Categorisation of contents of balance sheet items	Valuation principle
1. Banknotes in circulation	Euro banknotes issued by the ECB, according to Decision ECB/2001/15	Nominal value
2. Liabilities to euro area credit institutions related to monetary policy operations denominated in euro	Items 2.1, 2.2, 2.3 and 2.5: deposits in euro as described in Annex I to Guideline ECB/2000/7	
2.1. Current accounts (covering the minimum reserve system)	Euro accounts of credit institutions that are included in the list of financial institutions subject to minimum reserves according to the Statute. This item contains primarily accounts used in order to hold minimum reserves	Nominal value
2.2. Deposit facility	Overnight deposits at a pre-specified interest rate (standing facility)	Nominal value
2.3. Fixed-term deposits	Collection for liquidity absorption purposes owing to fine-tuning operations	Nominal value
2.4. Fine-tuning reverse operations	Monetary policy-related transactions with the aim of liquidity absorption	Nominal value or repo cost
2.5. Deposits related to margin calls	Deposits of credit institutions, arising from value decreases of underlying assets regarding credits to these credit institutions	Nominal value
3. Other liabilities to euro area credit institutions denominated in euro	Repo transactions in connection with simultaneous reverse repo transactions for the management of securities portfolios under asset item 'Securities of euro area residents denominated in euro'. Other operations unrelated to Eurosystem monetary policy operations. No current accounts of credit institutions	Nominal value or repo cost
4. ECB debt certificates issued	Only an ECB balance sheet item. Debt certificates as described in Annex I to Guideline ECB/2000/7. Discount paper, issued with the aim of liquidity absorption	Nominal value
5. Liabilities to other euro area residents denominated in euro		
5.1. General government	Current accounts, fixed-term deposits, deposits repayable on demand	Nominal value
5.2. Other liabilities	Current accounts of staff, companies and clients including financial institutions listed as exempt from the obligation to hold minimum reserves — see liability item 2.1, etc.; fixed-term deposits, deposits repayable on demand	Nominal value

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Balance sheet item	Categorisation of contents of balance sheet items	Valuation principle
6. Liabilities to non-euro area residents denominated in euro	Current accounts, fixed-term deposits, deposits repayable on demand including accounts held for payment purposes and accounts held for reserve management purposes: of other banks, central banks, international/supranational institutions including the European Commission; current accounts of other depositors. Repo transactions in connection with simultaneous reverse repo transactions for the management of securities denominated in euro. Balances of TARGET2 accounts of central banks of Member States that have not adopted the euro	Nominal value or repo cost
7. Liabilities to euro area residents denominated in foreign currency	Current accounts. Liabilities under repo transactions; usually investment transactions using foreign currency assets or gold	Nominal value, translation at year-end foreign exchange market rate
8. Liabilities to non-euro area residents denominated in foreign currency		
8.1. Deposits, balances and other liabilities	Current accounts. Liabilities under repo transactions; usually investment transactions using foreign currency assets or gold	Nominal value, translation at the year-end foreign exchange market rate
8.2. Liabilities arising from the credit facility under ERM II	Borrowing according to the ERM II conditions	Nominal value, translation at the year-end foreign exchange market rate
9. Counterpart of special drawing rights allocated by the IMF	SDR-denominated item which shows the amount of SDRs that were originally allocated to the respective country/NCB	Nominal value, translation at the year-end foreign exchange market rate
10. Intra-Eurosystem liabilities		
10.1. Liabilities equivalent to the transfer of foreign reserves	ECB balance sheet item, denominated in euro	Nominal value
10.2. Other liabilities within the Euro-system (net)	Net position of the following sub-items: (a) net liabilities arising from balances of TARGET2 accounts and correspondent accounts of NCBs i.e. the net figure of claims and liabilities -see also asset item 'Other claims within the Euro-system (net)' (b) other intra-Eurosystem liabilities denominated in euro that may arise, including the interim distribution of ECB income on euro banknotes to NCBs	(a) Nominal value (b) Nominal value
11. Items in course of settlement	Settlement account balances (liabilities), including the float of giro transfers	Nominal value

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Balance sheet item	Categorisation of contents of balance sheet items	Valuation principle
12. Other liabilities		
12.1. Off-balance sheet instruments revaluation differences	Valuation results of foreign exchange forwards, foreign exchange swaps, interest rate swaps, forward rate agreements, forward transactions in securities, foreign exchange spot transactions from trade date to settlement date	Net position between forward and spot, at the foreign exchange market rate
12.2. Accruals and income collected in advance	Expenditure falling due in a future period but relating to the reporting period. Income received in the reported period but relating to a future period	Nominal value, foreign exchange translated at market rate
12.3. Sundry	(a) Taxation suspense accounts. Foreign currency credit or guarantee cover accounts. Repo transactions with credit institutions in connection with simultaneous reverse repo transactions for the management of securities portfolios under asset item 'Other financial assets'. Compulsory deposits other than reserve deposits. Other minor items. Liabilities on a trust basis (b) Customer gold deposits (c) Net pension liabilities	(a) Nominal value or (repo) cost (b) Market value (c) As per Article 22(3)
13. Provisions	(a) For foreign exchange rate, interest rate, credit and gold price risks, and for other purposes e.g. expected future expenses and contributions according to Article 49.2 of the Statute with respect to central banks of Member States whose derogations have been abrogated (b) For counterparty risks arising from monetary policy operations	(a) Cost/nominal value (b) Nominal value
14. Revaluation accounts	(a) Revaluation accounts related to price movements for gold, for every type of euro-denominated securities, for every type of foreign currency-denominated securities, for options; market valuation differences related to interest rate risk derivatives; revaluation accounts related to foreign exchange rate movements for every currency net position held, including foreign exchange swaps/forwards and SDRs (b) Special revaluation accounts stemming from contributions according to Article 49.2 of the Statute with respect to central banks of Member States whose derogations have been abrogated — see Article 11(2)	Revaluation difference between average cost and market value, foreign exchange translated at market rate

▼ **M4**

Balance sheet item	Categorisation of contents of balance sheet items	Valuation principle
15. Capital and reserves		
15.1. Capital	Paid-up capital	Nominal value
15.2. Reserves	Legal reserves, according to Article 33 of the Statute and contributions according to Article 49.2 of the Statute with respect to central banks of Member States whose derogations have been abrogated	Nominal value
16. Profit for the year		Nominal value

▼B

ANNEX II

▼M3

Annual balance sheet of the ECB

(EUR million) ⁽¹⁾

Assets ⁽²⁾	Reporting year	Previous year	Liabilities	Reporting year	Previous year
1. Gold and gold receivables			1. Banknotes in circulation		
2. Claims on non-euro area residents denominated in foreign currency			2. Liabilities to euro area credit institutions related to monetary policy operations denominated in euro		
2.1. Receivables from the IMF			2.1. Current accounts (covering the minimum reserve system)		
2.2. Balances with banks and security investments, external loans and other external assets			2.2. Deposit facility		
3. Claims on euro area residents denominated in foreign currency			2.3. Fixed-term deposits		
4. Claims on non-euro area residents denominated in euro			2.4. Fine-tuning reverse operations		
4.1. Balances with banks, security investments and loans			2.5. Deposits related to margin calls		
4.2. Claims arising from the credit facility under ERM II			3. Other liabilities to euro area credit institutions denominated in euro		
5. Lending to euro area credit institutions related to monetary policy operations denominated in euro			4. ECB debt certificates issued		
5.1. Main refinancing operations			5. Liabilities to other euro area residents denominated in euro		
5.2. Longer-term refinancing operations			5.1. General government		
5.3. Fine-tuning reverse operations			5.2. Other liabilities		
5.4. Structural reverse operations			6. Liabilities to non-euro area residents denominated in euro		
5.5. Marginal lending facility			7. Liabilities to euro area residents denominated in foreign currency		
5.6. Credits related to margin calls			8. Liabilities to non-euro area residents denominated in foreign currency		
6. Other claims on euro area credit institutions denominated in euro			8.1. Deposits, balances and other liabilities		
7. Securities of euro area residents denominated in euro			8.2. Liabilities arising from the credit facility under ERM II		
7.1. Securities held for monetary policy purposes			9. Counterpart of special drawing rights allocated by the IMF		
7.2. Other securities			10. Intra-Eurosystem liabilities		
8. General government debt denominated in euro			10.1. Liabilities equivalent to the transfer of foreign reserves		
9. Intra-Eurosystem claims			10.2. Other liabilities within the Eurosystem (net)		
9.1. Claims related to promissory notes backing the issuance of ECB debt certificates			11. Items in course of settlement		
9.2. Claims related to the allocation of euro banknotes within the Eurosystem			12. Other liabilities		

▼ M3

(EUR million) ⁽¹⁾

Assets ⁽²⁾	Reporting year	Previous year	Liabilities	Reporting year	Previous year
9.3. Other claims within the Eurosystem (net)			12.1. Off-balance sheet instruments revaluation differences		
10. Items in course of settlement			12.2. Accruals and income collected in advance		
11. Other assets			12.3. Sundry		
11.1. Coins of euro area			13. Provisions		
11.2. Tangible and intangible fixed assets			14. Revaluation accounts		
11.3. Other financial assets			15. Capital and reserves		
11.4. Off-balance sheet instruments revaluation differences			15.1. Capital		
11.5. Accruals and prepaid expenses			15.2. Reserves		
11.6. Sundry			16. Profit for the year		
12. Loss for the year					
Total assets			Total liabilities		

⁽¹⁾ The ECB may alternatively publish exact euro amounts, or amounts rounded in a different manner.

⁽²⁾ The table of assets may also be published above the table of liabilities.

▼ **M4**

ANNEX III

PUBLISHED PROFIT AND LOSS ACCOUNT OF THE ECB(EUR million) ⁽¹⁾

Profit and loss account for the year ending 31 December ...	Reporting year	Previous year
1.1.1. <i>Interest income on foreign reserve assets</i>		
1.1.2. <i>Interest income arising from the allocation of euro banknotes within the Eurosystem</i>		
1.1.3. <i>Other interest income</i>		
1.1. <i>Interest income</i>		
1.2.1. <i>Remuneration of NCBs' claims in respect of foreign reserves transferred</i>		
1.2.2. <i>Other interest expense</i>		
1.2. <i>Interest expense</i>		
1. <i>Net interest income</i>		
2.1. <i>Realised gains/losses arising from financial operations</i>		
2.2. <i>Write-downs on financial assets and positions</i>		
2.3. <i>Transfer to/from provisions for foreign exchange rate, interest rate, credit and gold price risks</i>		
2. <i>Net result of financial operations, write downs and risk provisions</i>		
3.1. <i>Fees and commissions income</i>		
3.2. <i>Fees and commissions expense</i>		
3. <i>Net income/expense from fees and commissions</i> ⁽²⁾		
4. <i>Income from equity shares and participating interests</i>		
5. <i>Other income</i>		
Total net income		
6. <i>Staff costs</i> ⁽³⁾		
7. <i>Administrative expenses</i> ⁽³⁾		
8. <i>Depreciation of tangible and intangible fixed assets</i>		
9. <i>Banknote production services</i> ⁽⁴⁾		
10. <i>Other expenses</i>		
(Loss)/profit for the year		

⁽¹⁾ The ECB may alternatively publish exact euro amounts, or amounts rounded in a different manner.

⁽²⁾ The breakdown between income and expense may alternatively be provided in the explanatory notes to the annual accounts.

⁽³⁾ Including administrative provisions.

⁽⁴⁾ This item is used in case of outsourced banknote production (for the cost of the services provided by external companies in charge of the production of banknotes on behalf of the central banks). It is recommended that the costs incurred in connection with the issue of euro banknotes should be taken to the profit and loss account as they are invoiced or otherwise incurred, see also Guideline ECB/2006/16.



ANNEX IV

CORRELATION TABLE

Decision ECB/2002/11	This Decision
—	Article 7
Article 7	Article 8
Article 8	Article 9
Article 9	Article 10
Article 10	Article 11
Article 11	Article 12
Article 12	Article 13
Article 13	Article 14
Article 14	Article 15
Article 15	Article 16
Article 16	Article 17
Article 17	Article 18
Article 18	Article 19
—	Article 20
Article 19	Article 21
Article 20	Article 22
Article 21	Article 23
Article 22	Article 24