

Council Directive of 8 December 1986 on the annual accounts and consolidated accounts of banks and other financial institutions (86/635/EEC)

SECTION 8

**CONTENTS OF THE NOTES ON THE ACCOUNTS**

*Article 41*

1 The information prescribed in Article 15 (3) of Directive 78/660/EEC must be given in respect of assets held as fixed assets as defined in Article 35 of this Directive. The obligation to show value adjustments separately shall not, however, apply where a Member State has permitted set-offs between value adjustments pursuant to Article 34 (2) of this Directive. In that event value adjustments may be combined with other items.

2 The Member States shall require credit institutions to give the following information as well in the notes on their accounts:

- a a breakdown of the transferable securities shown under Assets items 5 to 8 into listed and unlisted securities;
- b a breakdown of the transferable securities shown under Assets items 5 and 6 into securities which, pursuant to Article 35, are or are not held as financial fixed assets and the criterion used to distinguish between the two categories of transferable securities;
- c the value of leasing transactions, apportioned between the relevant balance sheet items;
- d a breakdown of Assets item 13, Liabilities item 4, items 10 and 18 in the vertical layout or A 6 and A 11 in the horizontal layout and items 7 and 17 in the vertical layout or B 7 and B 9 in the horizontal layout in the profit and loss account into their main component amounts, where such amounts are important for the purpose of assessing the annual accounts, as well as explanations of their nature and amount;
- e the charges paid on account of subordinated liabilities by a credit institution in the year under review;
- f the fact that an institution provides management and agency services to third parties where the scale of business of that kind is material in relation to the institution's activities as a whole;
- g the aggregate amounts of assets and of liabilities denominated in foreign currencies, translated into the currency in which the annual accounts are drawn up;
- h a statement of the types of unmatured forward transactions outstanding at the balance sheet date indicating, in particular, for each type of transaction, whether they are made to a material extent for the purpose of hedging the effects of fluctuations in interest rates, exchange rates and market prices, and whether they are made to a material extent for dealing purposes. These types of transaction shall include all those in connection with which the income or expenditure is to be included in Article 27, item 6, Article 28, items A 3 or B 4 or Article 29 (3), for example, foreign currencies, precious metals, transferable securities, certificates of deposit and other assets.