

Methodological Notes

For the quarterly publication of the central bank entitled Key financial data of corporations classified into general government sector

The purpose of the publication is to provide information on the key financial data of large corporations and non-profit institutions classified into general government sector. The published data are produced from the aggregation of the quarterly data of these companies and non-profit institutions provided to the MNB, based on the business accounting balance sheets and profit and loss accounts prepared in accordance with national accounting regulations. Such data – together with other data sources – are used for the financial accounts statistics of the MNB in the process of determining certain financial assets and liabilities of non-financial corporations and non-profit institutions classified in general government. The publication, however, is made according to statistical categories, based on business accounting records, therefore the content of certain items, the evaluation of data and the method of accounting may vary from data contained in the national and financial accounts compiled in accordance with the statistical methodology.

The published corporate data may provide information on the amount of and changes in the debt of large corporations and other institutions classified into general government sector, whether these units are typically profitable or unprofitable and the amounts of funding and capital the companies receive from general government.

Content of published data

In terms of the publication, corporations and non-profit institutions classified into general government are made up of business associations and other legal units which are classified into general government (as non-market producers) in terms of statistics, as their sales revenue covers a smaller portion of their operating costs.

Our data collection covers practically all of the large companies classified into general government (with a balance sheet total of over HUF 14000 billion). The publication does not contain data on companies that are only indirectly in an ownership relationship with general government (as a subsidiary of corporations classified into general government).

The source of the accounting data serving as a basis for the publication is the quarterly data collection entitled “Interim balance sheet report” ordered by the MNB since 2007, that contains the balance sheet data and certain supplementary turnover data of the group of companies and other institutions defined above. Both the received individual data and aggregate data published are based on reports completed in accordance with Hungarian business accounting regulations, on the basis of accounting records (see the list and content of published balance sheet items and supplementary turnover data at the end of the methodological notes).

The group of companies and non-profit institutions designated to supply data changed moderately each year from the launching of the data collection. For the purpose of avoiding breaks in the time series, data – relating to earlier years – of companies newly designated for data provision after 2007 were reversed until the end of 2006, on the basis of their annual reports, if they were classified into general government in the given period. In this case, the quarterly calculation of annual data was performed by linear estimation.

The quarterly data provision of companies and non-profit institutions, jointly with data relating to the reference quarter, also contain end-of-year data relating to the preceding year that are finalised after the approval of the annual report. Accordingly, end-of-year data of the previous year become finalised in our publication only concurrently with (after the deadline for issue of the annual reports) the publication of data on the second reference quarter.

Rules, structure of publication

The publication entitled “Key financial data of corporations classified into general government sector” is published each quarter, with a three month time lag, concurrently with the publication of the complete financial accounts on the website of the Magyar Nemzeti Bank, under the menu Statistics/Statistical data and information/Statistical time series/XII Financial accounts, sub-menu “Other data relating financial accounts”.

Date of first publication: 1 July 2011

The publication contains quarterly data from the end of 2006. The aggregated data are published in time series, indicated in HUF million.

The publication shows the aggregated data of large corporations and non-profit institutions classified into general government sector in two types of breakdown.

The first published table provides information on the balance sheet items (rows 1-21) of the participating companies and certain supplementary data (rows 22-26). The balance sheet items show the amount of assets and liabilities at the end of the quarter, while the supplementary data indicate turnover cumulated within the calendar year. The tables of the publication are adjusted to the instrument categories of the financial accounts, supplemented on the asset side with non-financial instruments and provisions on the liabilities side.

The balance sheet is presented in accordance with the annual report prepared according to the Hungarian business accounting regulations; the content of instrument categories contained in the financial accounts statistics may vary from the above. The differences are explained in the footnotes at the bottom of the tables and at the end of the Methodological Notes. Supplementary turnover data indicate the key items of the profit and loss account (net sales revenue, operating costs, balance sheet profit/loss) and serve to quantify the financial relationship with general government (liquid assets received).

For information purposes, each quarter the bottom of the table indicates the number of institutional units accounted for in the aggregates. Changes in the number of units indicates if a new data provider is included in the given group or a company is excluded from the scope of monitoring due to cessation or change of ownership.

The second table shows the aggregated data of the corporations and non-profit institutions in the structure of the data collection No. F97 entitled “Interim balance sheet report”, ordered by the MNB. The table of the data collection and completion notes are accessible on the MNB website in connection with the MNB decree in force, under the menu Statistics/Information for data suppliers/Regulations and resolutions.

List of published balance sheet items and supplementary flow data, balance sheet worksheet

Balance sheet items (rows 1-21):

1. Non-financial assets

Combined amount (stock) of the balance sheet groups of intangible assets, tangible assets and inventories in accordance with Hungarian accounting regulations at the end of the period, at net balance sheet value. The item does not include advance payments for intangible assets, advance payments for investments, advance payments for inventories.

2. Financial assets

Amount of financial instruments on the asset side.

3. Currency and deposits

Item corresponding to the Liquid assets category of the balance sheet in accordance with Hungarian accounting regulations, amount of cash and bank deposits.

4. Currency

Amount of forint and foreign currency cash on hand within Liquid assets. Content corresponds to cash item contained in the financial accounts.

5. Deposits

Non-cash items among Liquid assets. Content corresponds to deposits item contained in the financial accounts, with the exception of accrued interest.

6. Securities other than shares

In the balance sheet prepared in accordance with Hungarian accounting regulations, combined amount of debt securities stated among fixed assets and current assets. In the Financial accounts, the amount stated under this instrument may vary, as it also contains accrued interest and the instrument is valued at a fair value.

7. Loans

Amount of the statutory balance sheet items long term loans and loan-type instrument stated among receivables (also vis-à-vis affiliated enterprises or employees). The credit instrument shown in the Financial accounts may vary from this, as the instrument is valued at nominal value increased with accrued interest.

8. Shares and other equities

Combined amount of shares and participations held by the data providers, stated among fixed assets and current assets. The valuation of the instrument may vary, as it must be recorded at fair value in the financial accounts.

9. Other assets

Amount of Trade credits and prepayments and Other assets, other rows.

10. Trade credits and advances

Amount of prepayments on intangible assets, investments, inventories, amount of receivables from trade credits (trade receivables) among receivables (also receivable due from affiliated and participating enterprises) and unbilled services, advances on accrued and deferred assets. The valuation of data in the financial accounts may vary from accounting valuation.

11. Other assets, other

The statutory balance sheet item Receivables, with the exception of trade receivables and loans provided, and the amount of accrued and deferred assets reported in row 11. It is not clearly reconcilable with the other receivables instrument of the financial accounts.

12. Total assets

Amount of non-financial instruments and financial instruments. Statutory balance sheet total.

13. Financial liabilities

Amount of financial instruments on the liabilities side.

14. Securities other than shares

Statutory balance sheet aggregate amount of issued, debt securities (commonly bonds), irrespective whether stated as subordinated, short or long term liabilities in the balance sheet or the item under which it is classified in the balance sheet. Also including such type of liabilities vis-à-vis affiliated enterprises. In the Financial accounts, the amount stated under this instrument may vary, as it also contains accrued interest and the instrument is valued at a fair value.

15. Loans

In accordance with Hungarian accounting regulations, combined amount of credit and loan type debt stated among subordinated liabilities, short and long term liabilities, irrespective as to whom these are owed to in the accounting balance sheet. Including loans received from affiliated enterprises. The credit instrument recorded in the financial accounts may vary, as it also contains accrued interest.

16. Shares and other equities

A magyar számviteli előírások szerinti saját tőke mérlegtétel állománya. Év közben, illetve év végi előzetes (első) adatszolgáltatáskor évközi halmozott, illetve előzetes, megszavazott osztalékkal nem csökkentett eredményt tartalmazó saját tőke. Az éves adat a későbbiekben módosul az éves beszámolóknak megfelelő összegre. A pénzügyi számlákban a részvények és részesedések értékelése eltérhet a számviteli saját tőke értékétől, mert a pénzügyi számlákban valós értéken kell nyilvántartani ezeket az instrumentumokat.

Statutory balance sheet amount of shareholders' equity. Shareholders' equity cumulated during the year and interim shareholders' equity cumulated for year-end preliminary (first) data provision and preliminary shareholders' equity including profit not reduced with approved dividend. The annual figure is subsequently modified to the amount contained in the annual report. The valuation of shares and participations in the financial accounts may vary from the value of accounting shareholders' equity, as such instruments must be stated at fair value in the financial accounts.

17. Other liabilities

Amount of Trade credits and prepayments and Other liabilities, other rows.

18. Trade credits and advances

This item includes statutory advance payments received from customers, amount of liabilities relating to the supply of goods and services (trade payables), also in consideration of such type of liabilities vis-à-vis affiliated companies, and the portion of accrued revenues and expenditures under accrued and deferred liabilities that is related to unbilled services and advance payments.

19. Other liabilities, other

Within the statutory amount of liabilities, with the exception of long and short term credits, loans, debt securities, advance payments from customers, trade payables and amount of accrued and deferred liabilities, with the exception of unbilled services, advance payments. This item mainly indicates assets received from general government and liabilities and accruals resulting from funds received from general government and the EU. It is not clearly reconcilable with the other liabilities instrument of the financial accounts.

20. Provisions

Item stated as residual value on the liabilities side of the balance sheet. Provisions are not indicated in the financial accounts.

21. Total liabilities

Amount of financial instruments and provisions on the liabilities side. Statutory balance sheet total.

Supplementary data (rows 22-26):

22. Funds received from general government (included in data collection only from the end of 2008)

Cash flow of capital raise, loans, funding (including EU funding) received from general government, asset management organisation exercising ownership rights in the reference year.

23. Total operating costs (included in data collection only from the end of 2008)

Amount of total costs, expenditures up to business, operating profit/loss in the reference year, including material expenditures, payments to personnel and other expenditures and depreciation.

24. Net sales revenue

Turnover data corresponding to the accounting category of net sales revenue.

25. Net income, profit

Preliminary accounting profit/loss during the year, including dividend; at year's end, upon finalisation of annual data, balance sheet profit/loss of annual report. This row only contains reported amounts (profit) larger than zero.

26. Net income, loss

Preliminary accounting profit/loss during the year, including dividend; at year's end, upon finalisation of annual data, balance sheet profit/loss of annual report. This row only contains reported amounts (loss) smaller than zero.