**MNB identification number:** **F07**

**Completion instructions for the report**

**Statistical balance sheet of investment funds**

**I. General instructions**

1. Data shall be reported in separate reports for each investment fund.

2. For the purposes and the terms used in the tables and in these completion instructions for IFRS appliers regulations set in the IFRS and Hungarian accounting regulations pertinent to IFRS appliers, for appliers of Hungarian regulations the Hungarian accounting regulations as effective from time to time and provisions of the Gov. Decree and Act XVI of 2014 on Collective Investment Trusts and Their Managers, and on the Amendment of Financial Regulations shall apply.

3. The report must contain the assets and liabilities of the investment fund as at the last day of the month concerned and the income and expenditure flows for the month concerned, irrespective of the date of calculation of the net asset value stipulated in the management policy of the investment fund. Assets and liabilities that are not yet or no longer owned by the investment fund on the last day of the reference month are excluded.

4. In the case of venture capital and private equity funds – irrespective of the frequency of the net asset value calculation prescribed in the management regulation of the fund – the valuation of the assets and liabilities reported in the statistical balance sheet shall be performed monthly. If it is not possible to determine the market value of the closing stocks related to the end of the reporting month, estimation shall be used for defining the fair value of the instruments included in the balance sheet. On the launch of a new investment fund or in the case of an issue of a new series of investment fund shares of an existing fund, the closing stocks at the end of the reference month after the subscription period has lapsed and financial settlement has taken place shall be reported from the month in which they fall due.

5. The data of of resident, property investment or property management subsidiaries – operating in a form other than a joint stock company – in the sole or qualified majority ownership of the real estate fund shall be consolidated with the assets and liabilities and income of the fund, and these consolidated assets and liabilities and income shall be included in the statistical balance sheet of the real estate fund. Private equity funds may, on a case-by-case basis, upon a written request of the MNB to do so, consolidate their assets and liabilities and income with the data of the domestic subsidiaries specified in the request.

6. The statistical sectoral classification of the counterparties and clients of investment funds shall be carried out using the lists set out in Section I.A of this Annex and in Section 1 of Annex 3 published on the MNB’s website, with the sector codes to be used in each table being determined by the completion instructions for the table concerned.

7. The codes to be used to determine the denominations and country codes are provided in the technical guidelines referred to in Sections 4.1 and 4.2 of Annex 3, published on the MNB’s website. The relations within the tables and the verification rules helping completion of the tables can be found in the technical guidelines set out in Section 5 of Annex 3, published on the MNB’s website.

8. Data providers shall report ad hoc data on the type of the investment fund upon a request sent by the MNB through ERA, with the content specified in the request.

**II. Detailed instructions for the completion of the tables**

**Table 01: Statistical balance sheet of investment funds**

The table shall contain stock data related to assets and liabilities in million HUF.

All of the rows of the statistical balance sheet contain a “Total” column. The month-end-balance of foreign currencies and receivables/liabilities in foreign currency must be reported at the official exchange rate of the last day of the month, reported in HUF, used in the calculation of the net asset value, as published by the MNB.

The data of resident, property investment or property management subsidiaries – operating in a form other than a joint stock company – in the sole or qualified majority ownership of the real estate fund shall be subjected to the consolidation detailed below.

With consolidation, the net asset value of real estate funds should not change; instead of the business shares of the respective subsidiaries, their external assets and liabilities – other than those vis-à-vis the real estate fund – shall be stated in the data supply of the respective real estate funds. It is not necessary to submit a separate data supply on the subsidiaries. The non-financial assets of subsidiaries shall be stated under non-financial assets, its liquid fund under cash and bank deposits, the securities held under the corresponding securities, and loan debts under the loans received in the balance sheet of the fund concerned. Subsidiaries’ receivables from and liabilities to the real estate fund (e.g. credits and loans taken from the fund) shall be eliminated from the balance sheet. The value of the assets (receivables) and liabilities, and accruals of subsidiaries other than non-financial assets (property, inventories), liquid assets, securities, credits and loans may be estimated and shall be reported under ‘Other assets’ and   
‘Other liabilities’ in the balance sheet of the real estate fund concerned in such a way that the balance sheet of the real estate fund balances. Instead of dividend income from subsidiaries, the income from the assets of subsidiaries should be included under the corresponding income from equity holdings.

Instructions for completing the rows in the table

***1. Total assets (2+3+4+7+8+11+12+15+16+17)***

All of the assets in the portfolio of the investment fund must be reported at market value or fair value.

The amount of unpaid interest accrued pro rata temporis on securities, loans and deposits stated under the assets may not be reported as accrued income or other assets but should be included in the value of the assets concerned.

*2. Cash (holdings of forint and foreign currency)*

This is where the cash holdings in forint and foreign currency held by the investment fund should be shown.

*3. Net book value of bank accounts, bank deposits with accrued interest*

This row should contain the bank accounts and deposits held under deposit agreements with domestic and foreign credit institutions, including accrued interest. Accounts and funds held with entities other than credit institutions (investment firms, other financial intermediaries) must be stated under the loans granted.

*4. Market value of debt securities with accrued interest*

Debt securities include the following types of securities: bonds, government bonds, discount treasury bills, interest-bearing treasury bills, treasury saving bonds, other government securities, MNB bonds, deposit certificates, mortgage bonds, commercial papers, certificates, compensation bonds.

For debt securities, the market value includes accrued interest.

For amortised bonds, the market value adjusted for repayment should be stated. On repayment day, the capital value thus reduced must be reported.

Regardless of the accounting method, debt securities temporarily transferred to counterparties under repurchase and securities lending transactions should be stated on the balance sheet of the data provider. However, debt securities temporarily received under repurchase and securities borrowing transactions should not be included in this row.

If an investment fund transfers a security it has acquired in a repo-type transaction – which is, therefore, not stated on its balance sheet – the balance of such security on the balance sheet becomes negative.

Matured securities may not be reported. Accordingly, if no new securities are purchased in lieu of the matured one, the countervalue received should be shown in row 2 or 3.

*5. Securities held in a securities account*

This row should show the debt securities held in a securities account, consistent with the custodian’s statement. It must not include securities temporarily transferred to counterparties under repurchase and securities lending transactions but shall contain securities temporarily received under repurchase and securities borrowing transactions.

*6. Adjustment for repo-type transactions*

The difference between the value of debt securities temporarily transferred to and temporarily received from counterparties under repurchase and securities lending and borrowing transactions should be reported here. Securities transferred should be recorded with a positive and securities received with a negative value. Consequently, the value of the securities stated in this row may be negative.

*7. Net book value of loans granted with accrued interest*

The net book value of receivables from companies owned by the investment fund (from borrowing), including accrued interest, should be reported in this row. Claims arising from repurchase or lending transactions, collaterals provided, deposits and accounts held with investment service providers or clearing houses other than credit institutions should also be stated here. If a foreign debt security (bond) held by the investment fund does not have an ISIN code, its value should be shown in this row instead of row 4.

*8. Market value of listed and unlisted shares*

Listed shares and unlisted shares with an ISIN code must be reported at market value.

Irrespective of the accounting method, shares temporarily transferred to counterparties in repurchase and securities lending transactions should be stated on the balance sheet of the data provider. However, shares temporarily received under repurchase and securities borrowing transactions may not be included in this row.

If an investment fund transfers a security it has acquired in a repo-type transaction – which is, therefore, not stated on its balance sheet – the balance of such security on the balance sheet becomes negative.

*9. Securities held in a securities account*

This row should show the quoted and unquoted shares held in a securities account, consistent with the custodian’s statement. It must not include shares temporarily transferred to counterparties under repurchase and securities lending transactions but shall contain shares temporarily received under repurchase and securities borrowing transactions.

*10. Adjustment for repo-type transactions*

The difference between the value of quoted and unquoted shares temporarily transferred to and temporarily received from counterparties under repurchase and securities lending and borrowing transactions should be reported here. Securities transferred should be recorded with a positive and securities received with a negative value. Consequently, the value of the securities stated in this row may be negative.

*11. Market value of other equity*

This row should indicate the market value of other equity issued in the form of securities held by the investment fund and, as other shares, the market value of foreign shares, participations and fund units with no ISIN code.

*12. Market value of investment fund shares/units*

The investment fund shares/units held by the investment fund must be stated at market value.

Regardless of the accounting method, investment fund shares temporarily transferred to counterparties in repurchase and securities lending transactions should be stated on the balance sheet of the data provider. However, investment fund shares temporarily received under repurchase and securities borrowing transactions may not be included in this row.

If an investment fund transfers a security it has acquired in a repo-type transaction – which is, therefore, not stated on its balance sheet – the balance of such security on the balance sheet becomes negative.

*13. Securities held in a securities account*

This row should show the investment fund shares held in a securities account, consistent with the custodian’s statement. It must not include investment fund shares temporarily transferred to counterparties under repurchase and securities lending transactions but shall contain the investment fund shares temporarily received under repurchase and securities borrowing transactions.

*14. Adjustment for repo-type transactions*

The difference between the value of investment fund shares temporarily transferred to and temporarily received from counterparties under repo and securities lending and borrowing transactions should be reported here. Securities transferred should be recorded with a positive and securities received with a negative value. Consequently, the value of the securities stated in this row may be negative.

*15. Financial derivatives – assets*

The net asset value (market value) of derivative transactions on a given day should be valuated one-by-one, netted on a transaction-by-transaction basis. Accordingly, transactions with a positive balance must be shown on the asset side and those with a negative balance on the liability side.

Warrant and rights must be stated as derivatives.

Mark-to-market (MTM) claims against credit institutions related to derivatives shall be reported in row 3, MTM claims against other sectors in row 7, and MTM liabilities in row 20.

*16. Non-financial assets*

Non-financial assets are tangible assets (property, plant and equipment), intangible assets and inventories owned by the investment fund. The value of non-financial assets should not include advances on investment or stocks, which should be reported in row 17.

*17. Other assets*

Included the non-specified assets stated on the balance sheet. These typically include advances, other receivables or accruals.

Claims on the sale of securities and claims against the investment fund should be shown here separately.

***18. Total liabilities (19+20+21+22)***

*19. Net asset value of investment fund shares/units*

The month-end value of the investment fund shares issued representing the net asset value of the investment fund shall be reported in this row. If the investment fund shares issued are held in a securities account (dematerialised securities), their reported amount must be consistent with the custodian’s month-end statement.

*20. Net book value of loans and deposites recieved with accrued interest*

For the purposes of reporting, in addition to money borrowed, funds obtained in repurchase or securities lending transactions, financial leasing debt, collaterals or deposits received are also considered loans.

*21. Financial derivatives – liabilities*

The net asset value (market value) of derivative transactions on a given day should be valuated one-by-one, netted on a transaction-by-transaction basis. Accordingly, transactions with a positive balance should be shown on the asset side and those with a negative balance on the liability side.

Warrant and rights must be stated as derivatives.

MTM claims related to derivatives must be reported in row 20.

*22. Other liabilities*

Included the non-specified liabilities stated on the balance sheet, typically advances received, other payables or accruals.

Liabilities relating to the sale of securities and liabilities to the investment fund should be shown here.

**Tables 02 to 04: Debt securities held**

**Listed and unlisted shares held**

**Investment fund shares/units held**

Individual details of the different security types listed in Table 01. Equity securities (shares, investment fund shares) and certificates are to be reported in the table by number of securities, while debt securities other than certificates are to be reported at nominal value (in thousands of foreign currency) or at market value or fair value in million HUF.

In column (b) of the tables, the names of the securities must be given in quotation marks.

Securities of the same ISIN code must be reported on a consolidated basis.

**Table 06: Memorandum items**

Instructions for completing the rows in the table

*1. Investment fund’s income received (due for the reference month)*

The income of an investment fund from the different assets owned by it (deposits, securities, equities, mutual fund shares, business participations, loans granted, tangible assets) received in (due for) the reference period must be stated in HUF millions, broken down by income from interests, dividends and investment fund shares, and rents. Interest income shall be reported on deposits, loans granted and debt securities also, including discount papers. In the sub-row for interest received for the reference month, the monthly interest income on interest-bearing assets (deposits, debt securities, loans granted) held by the investment fund due for the reference period should be reported as the portion of interest payments or accruals due for the given month.

For zero coupon (discount) debt securities, interest is the pro rata accrued difference between the purchase price and the nominal value.

The income from investment fund shares held shall be reported as the positive return on the units in the reference month.

However, interest-type incomes from or the costs of derivative transactions may not be listed under (the interest section of) proprietary income. Where a real estate fund consolidates its subsidiary, the interest and rents received by the subsidiary shall be stated as proprietary income received instead of dividends.

*6. Investment fund’s expenses paid (interest expenditure on loans)*

Proprietary income paid (payable) by the investment fund is the interest income payable on liabilities (loan debts) in the given month. For assets and investments, only income can be recognised; no potentially negative interest income may be stated as expense, expenditure or proprietary income payable. Nor must the return paid on the fund units issued be shown as proprietary income paid.

*7. Investment fund’s fees and costs paid (payable for the reference month)*

Fees and costs paid (payable) by the investment fund include the fees and operating costs paid to an asset management company, custodian, fund manager or other intermediary in the given month (payable for the given month), as well as the tax liabilities and the expenditure incurred in connection with the real estates owned (operating expenses, depreciation).

*8. Amount of capital replenishment in the reference month for private equity and venture capital funds*

In the case of venture capital and private equity funds, the amount of the capital that is already issued (subscribed) after the founding but is not yet paid by the owners shall be reported in a separate row in the given month. This capital replenishment increases equity without changing the number of fund units issued.

*9. Dividends paid in the reference month on investment fund shares/units issued*

If the investment fund pays income or return on the traded investment funds shares that were issued by it, the actual amount paid in the reference month shall be reported in a separate row.

*10. Market value of investment fund shares/units sold (transaction in the reference month)*

*11. Market value of redemption of investment fund shares/units (transaction in the reference month)*

Investment funds shall use these two rows to report the monthly turnover of own investment fund shares (new issue or repurchase) at market value, indicating sold and repurchased items in separate rows.

**Table 08: Details of investment fund shares issued**

The table shall contain the numbers taken into account for calculating the month-end net asset value reported in row 19 of Table 01 and the net asset value per investment fund shares/units stated by securities series (ISIN codes).

Column (p) should only be completed in the case of a new investment fund or the issue of a new series of securities.

In the case of venture capital funds and private equity funds, in the period until the full payment of the capital contribution allocable to the mutual fund share – identically with the securities accounts held by the custodians – the temporary mutual fund share series (ISIN code) and the related total number of mutual fund shares issued shall be reported. In the case of proprietary capital contribution, only the net asset value (price) allocable to 1 mutual fund share will change rather than the number of mutual fund shares issued.

If the investment fund shares issued were produced as printed (physical) securities, a total sectoral breakdown of ownership as at the end of the reference month (columns (c) to (n)) is required.

For new venture capital and private equity funds or the issue of a new series of investment fund shares, a total sectoral breakdown of ownership (columns (c) to (n)) must be provided for the first reference month reported, irrespective of the method of production.

**Table 08A: Investment fund shares/units issued in printed (physical) form by shareholders**

This table must provide a breakdown of printed investment fund shares issued by the investment fund, taken into account for the calculation of the month-end net asset value, by shareholderand by ISIN code.

Instructions for completing the columns in the table

*(b) Shareholder's name*

The official name of the shareholder. For natural persons, this data is not required.

*(c) Shareholder's registration number*

For resident business entities, their registration number (the first 8 digits of the tax number or the standard statistical number) must be provided.

For non-resident clients, the technical code 00000001, and for natural persons (retail clients), the technical code 00000004 shall be indicated.

*(d) Sector code*

Applicable sector codes:

|  |  |
| --- | --- |
| **Sector code** | **Description** |
| A | Non-financial corporations |
| B | Central Bank |
| C | Other monetary financial institutions (credit institutions and money market funds) |
| D | Other financial intermediaries (including captive financial institutions) |
| E | Auxiliary financial service providers |
| F | Insurance companies, pension funds |
| G | Central government |
| H | Local governments |
| I | Social security funds |
| J | Households |
| K | Non-profit institutions serving households |
| L | Non-residents |

(e) *Securities (pieces)*

The end-of-month volume of securities held by a shareholder should be reported by number of pieces.

**Table 09: Other equity**

Each row in this table should contain the aggregate data reported in row 11 of Table 01, broken down by company and issuer.

In the case of real estate funds, the ownership shares (business shares) in consolidated subsidiaries shall be also listed in Table 09. It shall be indicated for these business shares that they are consolidated in the balance sheet of the real estate fund. The amount of business shares and other equity reported in Table 09 as per the above – less the value of consolidated business shares – should correspond with the data reported in row 11 of Table 01.

Instructions for completing the columns in the table

*a) Registration number of the company*

In the case of resident companies, their registration number (the first 8 digits of the tax number or the standard statistical number), for non-resident companies, the technical code 00000001 must be provided.

*c) Country code*

The country code is the two-digit ISO code of the country where the company issuing the business share or other equity is resident, is registered, or has its registered office.

*d) Denomination*

The three-digit currency code of the currency in which the share capital or subscribed capital of the company issuing the business share or other equity is denominated. This is usually the same as the company’s accounting currency. The value of business share and other equity should be stated in HUF millions, regardless of denomination.

*g) Ownership share (%)*

Ownership share of the investment fund in the respective company’s share capital/registered capital. Enter the value to two decimal places.

*h) Is it consolidated in the balance sheet of the fund?*

For business shares, code 1 or 0 must be entered (1=Yes, 0=No) in this column. For other equities, code 0 must be used.

**Table 10: Detailed asset and liability instruments**

In Table 10, some of the data provided in Table 01 must be further detailed. Each value must match the corresponding value reported in Table 01. The exact relations are provided in the technical guidelines set out in Section 5 of Annex 3, published on the MNB’s website.

Items whose stock is zero at the end of the period but have a (transactional) value field assigned which is required to be completed must also be included in the table.

Instructions for completing the columns in the table

*Data description fields*

*(a) Type of instrument*

The type of instruments must be determined according to the table below, using the codes defined therein:

|  |  |
| --- | --- |
| **Code** | **Description** |
| E1 | Cash |
| E21 | Bank accounts, bank deposits – current account deposits |
| E22 | Bank accounts, bank deposits – time deposits |
| E31 | Loans granted – housing loans |
| E32 | Loans granted – consumer loans |
| E33 | Loans granted – investment loans |
| E34 | Loans granted – claims from repo transaction |
| E35 | Loans granted – other loans and credits |
| E4 | Financial derivatives – assets |
| E51 | Non-financial assets – residential real estate |
| E52 | Non-financial assets – commercial real estate |
| E53 | Non-financial assets – industrial real estate |
| E54 | Non-financial assets – offices |
| E55 | Non-financial assets – other real estate |
| E56 | Non-financial assets – other non-financial assets |
| E61 | Other assets – receivables from sales of securities |
| E62 | Other assets – other unclassified assets |
| F11 | Loans received – revolving loans and overdrafts |
| F12 | Loans received – liabilities from repo transaction |
| F13 | Loans received – other loans and deposits |
| F2 | Financial derivatives – liabilities |
| F31 | Other liabilities – liabilities related to the sale of securities |
| F32 | Other liabilities – other unclassified liabilities |

*(d) Denomination*

The currency effective on the last day of the reference month should be provided with its three-digit ISO code.

*(c) Original maturity*

The maturity set when entering into the agreement, which may be less than 1 year (0-1EV), between 1 and 2 years (1-2EV), or more than 2 years (2-XEV).

The original maturity of claims arising from repo-type transactions should be determined on the basis of the maturity of the transaction, not the maturity of the security that is the subject of the transaction.

Bank deposits and loans granted and received shall be reported according to their original (contractual) maturity.

*(d) Country code*

The unique two-digit ISO code of the given country.

Claims arising from repo-type transactions should be reported with the country code of the country of the counterparty to the transaction.

*(e) Sector of the partner*

The sector of both domestic and foreign counterparties to transactions must be provided using the following sector codes:

|  |  |
| --- | --- |
| **Sector code** | **Description** |
| A | Non-financial corporations |
| B | Central Bank |
| C-HIT | Credit institutions |
| C6 | Money market funds |
| D3 | Investment funds (except money market funds) |
| D-EPK | Other financial intermediaries, except investment funds |
| E | Auxiliary financial service providers |
| F-BIZT | Insurers |
| F-NYP | Pension funds |
| Z | Captive financial institutions |
| G | Central government |
| H | Local governments |
| I | Social security funds |
| T | Provincial government (only applicable to foreign partners) |
| J | Households |
| K | Non-profit institutions serving households |

Claims arising from repo-type transactions should be reported with the sector code corresponding to the sector of the counterparty involved.

**Value fields**

The value fields must be completed in all cases, i.e. value fields with a value of zero may not be left blank. Values should be expressed in HUF millions.

*(f) Net book value*

This column should show the closing book balance of each item and the amount of the related impairment losses. The net book value includes accrued interest.

*(g) Gross outstanding principal amount of loans and deposits*

Gross outstanding principal amount is the amount (contractually repayable value) of the principal of loans and deposits at the end of the reference month, net of accrued interest, without any impairment or valuation adjustment.

*(h) Accrued interest on loans and deposits*

Accrued interest on loans and deposits at the end of the reference month must be reported also in this column. If accrued interest is negative, it should be shown with a negative sign.

*(i) Impairment and valuation adjustment of loans and deposits*

The amount of impairment losses recognised in the book value must be stated here, as well as the amount of the difference between the gross outstanding principal amount and the book value which is unaccounted for by accrued interest and impairment losses.

For loans and deposits, the sum of the gross outstanding principal amount, accrued interest, impairment and valuation adjustment should equal the net book value.

*(j) Price change/write-offs*

Price change mean changes in market value and, in some cases, in the exchange rate, which are easiest to calculate by means of an indirect method. The value of write-offs in the reference period shall also be stated as price change, with a negative sign.

Price changes of non-financial assets are the balance sheet changes in such assets due to market revaluation. Using an indirect method, price changes are calculated as the total change in assets in the reference month, less the turnover due to purchase and sales transactions, investments, and capital expenditure in the reference month.

Price changes of financial derivatives are the respective changes in the balance sheet compared with the previous month, adjusted for total cash payments related to derivatives and reclassifications in the month concerned, if any.

*(k) Value of reclassifications, other volume changes*

All changes during the reference period shall be reported as reclassification or other change in volume if

– there is a change in the sectoral classification of the investment fund’s clients or counterparties (e.g. a non-money market fund transforms into a money market fund or vice versa; a credit institution transforms into another financial institution, or a new credit institution not considered a financial undertaking yet receives its operating licence; or a subsidiary of an investment fund is consolidated with the investment fund as a non-financial corporation),

– there is a change in classification by instrument type, maturity, or denomination (even if due to changes of reporting rules).

Decreases due to reclassification must be reported with a negative sign, and increases should not be marked with a sign. The table should only include reclassifications where the amount reclassified exceeds HUF 100 million. For more details about reclassifications, please consult the technical guidelines provided in Section 1 of Annex 3, published on the MNB’s website.

If no reclassification took place in the reference month, the value field should be set to zero.

Corrections made to classification on account of self-detected errors must be considered reclassification if such correction is not made with retrospective effect covering all the relevant points in time but from one point in time to another.