

SCHEDULE 1

Form and Content of Accounts of Banking Companies and Groups

CHAPTER II

Accounting Principles and Rules

Accounting principles

19. The amount of any item shall be determined on a prudent basis, and in particular:
- (a) only profits realised at the balance sheet date shall be included in the profit and loss account; and
 - (b) all liabilities and losses which have arisen or are likely to arise in respect of the financial year to which the accounts relate or a previous financial year shall be taken into account, including those which only become apparent between the balance sheet date and the date on which it is signed on behalf of the board of directors in pursuance of Article 241(1).