

**STATISTICS OF FINANCIAL LEASING, FACTORING
AND FINANCING COMPANIES**

-METHODOLOGY-



MONETARY AND FINANCIAL DATA DIVISION

METHODOLOGY

In the subsector of the nonbank financial corporations, “Financial Leasing,” “Factoring” and “Financing” companies’ balance sheets, sectoral accounts and loans presenting the amounts of “Receivables from Financial Leasing Transactions (Net),” “Receivables from Factoring Transactions (Net)” and “Financing Loans” are produced and published on quarterly basis beginning from December 2005.

The mentioned data; for December 2005 are supplied from Financial Leasing Association, Factoring Association and directly from financing companies, beginning from March 2006 period are provided by the BRSA on quarterly basis.

Beginning from March 2008, balance sheets and other detailed forms are prepared according to the “Communiqué on Uniform Chart of Accounts to be implemented by Financial Leasing, Factoring and Financing Companies and its Explanation as well as the Form and Scope of Financial Statements to be Announced to Public,” by the BRSA, published in the Official Gazette dated 17/5/2007 and Nr. 26525. Since balance sheets of previous periods have some differences in display and content, balance sheet data are published in two parts reflecting before and after 2008.

Methodology followed corresponding to several items is summarized below:

1. Loans Extended:

a) Receivables from Financial Leasing Transactions

- i. “Receivables from Financial Leasing Transactions” item in the balance sheets of financial leasing companies consists of the invoice amount of goods (principal) that the companies provide by means of financial leasing to other institutional units, and the related interest. By subtracting

“Unearned Financial Leasing Revenues” from this amount, “Receivables from Financial Leasing Transactions (Net)” is reflected to the sectoral accounts and loans tables as net amounts.

- ii. Receivables from financial leasing transactions are not rediscounted. Therefore, neither addition nor separation of accruals and discounts of interest amounts to or from the related items in the balance sheets, sectoral accounts and loans tables is relevant.

b) Receivables from Factoring Transactions

- i. In the balance sheets, “Receivables from Factoring Transactions (Net)” item is followed under “discounted” and “other” separation, and for the discounted transactions, the net amount paid to the client is directly reflected as the loan receivable. (In the asset side of the balance sheet data of periods before 2008, the gross amount that is the invoice amount is shown under “Receivables from Factoring Transactions” item; and the remaining debt amount after the prepayment to the client is shown under “Payables due to Factoring Transactions (-)” item again on the assets side, but with a minus sign. Whereas to provide consistency with the recent display, receivables from factoring transactions are reflected to the sectoral accounts and loans tables after netting down.)
- ii. Beginning from March 2008, “Receivables from Factoring Transactions” item is published as principal including accruals and discounts of interest in the balance sheets. For the balance sheets of the periods between December 2005 – December 2007, the amount of loans extended and the related accruals and discounts of interest amount are separately shown under “Receivables from Factoring Transactions (Net)” and “Accruals and

Rediscounts of Interest and Revenues” items respectively. To provide consistency with the recent display, for the periods before 2008, “Accruals and Rediscounts of Interest and Revenues” item is added to “Receivables from Factoring Transactions (Net),” and aggregated under “Receivables from Factoring Transactions” title in the sectoral accounts and loans tables.

c) Financing Loans

- i. Financing loans consist of the consumer loans amounts extended to households, and the installment commercial loans extended to firms.
- ii. Beginning from March 2008, “Financing Loans” item is published as principal including accruals and rediscounts of interest. For the balance sheets of the periods between December 2005 – December 2007, the amount of loans extended and related accruals and rediscounts of interest are separately shown under “Loans” and “Accruals and Rediscounts of Interest and Revenues” items, respectively. To provide consistency with the recent display, for the periods before 2008, “Accruals and Rediscounts of Interest and Revenues” item is added to “Financing Loans” item, and aggregated under “Financing Loans” title in the sectoral accounts and loans tables.

2. Loans Received:

Beginning from March 2008, loans received by financial leasing, factoring and financing companies are published as principal amount including accruals and rediscounts of interest in “Loans Received” item. For the balance sheets of the periods between December 2005 – December 2007, the amount of loans received and related accruals and rediscounts of interest are separately shown under “Financial Debt” and

“Rediscounts of Debt and Interest,” respectively. To provide consistency with the recent display, for the periods before 2008, “Rediscounts of Debt and Interest” item is added to “Financial Debt” item, and aggregated under “Loans Received” title in the sectoral accounts and loans tables.