

Deposit Guarantee Fund: One Perspective

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Abstract—The Deposit Guarantee Fund (DGF) and its communication with the Society, in general, and with the deposit client of Financial Institutions, in particular, is discussed through the challenges of the accounting and financial report. The Bank of Portugal promotes the Portuguese Deposit Guarantee Fund (PDGF) as a financial institution that enhanced the market confidence and stability on the deposit-insurance system. Due to the nature of their functions, it must be subject to regulation and supervision that provides a first line of defense against adversely affect confidence on the Portuguese financial market. First, this research provides evidence of the effectiveness of the protection mechanisms on the deposit insurance system, which provides high and equal protection to all stakeholders. Second, it emphasizes the need of requirements of rigorous accounting process and effective financial report to reduce the moral hazard implications. Third, this research focuses on the need of total disclosure of the financial information which gives higher transparency and protection to deposit client of financial institutions.

Keywords—Deposit Guarantee Fund, Portugal, Accounting, Financial Report.

I. INTRODUCTION

THIS research explores the disclosure practices of the PDGF as function of its interaction with financial stability as an explicit objective to encourage deposit client of financial institutions and an implicit objective to recognize the role of the deposit guarantee entity, in particular, and the *Bank of Portugal*, financial market and financial institutions, in general [1].

The annual report of the PDGF seeks to enhance the credibility of deposit client of financial institutions in order to understand the deposit insurance scheme. As [2] concludes: “to ensure a clear definition of responsibility for taking decisions and paying out money is a separation of the functions of guaranteeing, restructuring and last-chance lending”. As [3] defends, this problem rises, because Portugal has been bit by a multiplicity of crises in the last decade and the Governments are reluctant to permit to Banks to go insolvent without providing relief to depositors then the moral hazard of the agency theory is mitigated.

Indeed to completely understand the level of commitment with this scheme, the authors used the same research design by [1], [4]. Indeed, they use several sources and types of documents, such as: firstly, academic papers [5]-[9] were used to conceptually frame the issues under discussion. Secondly, Government, European Union and Other Institutional reports

[10]-[13] were analyzed, as well as, the Portuguese Legal Framework of Credit Institutions and Financial Companies [14]. Thirdly, statistics related with financial market were obtained through websites of the *Bank of Portugal* [15] and, in the period that the information is available, since 2001 till 2011, the annual report of the PDGF [16].

This last year (2011) has been marked by the financial assistance from the European Union (EU) and the International Monetary Fund (IMF) that it has implications on the DGF [15]. Also important it is the lack of empirical evidence, but it is better to have less evidence that could improve the knowledge of the PDGF than not knowing at all of the reality. Reference [17] defends: “facts, research methods and research data do not speak for themselves; they are interpreted by researchers and others”.

The main contribution of this paper is to explore the communication with the society and deposit client of the Portuguese Deposit Guarantee Fund. Then, the authors aim to understand the PDGF activity, the accounting processes and the financial report that it is strongly regulated as a fundamental area of the financial markets. This paper is organized as follows. Section II presents the Portuguese regulation of the Deposit Guarantee Fund. Section III explains the accounting framework in Portugal. Section IV focuses on the financial report framework of Annual Reports of the Portuguese Deposit Guarantee Fund. Section V presents the conclusions through embedding risk management to create necessary controls subject to this new risks and this will empowerment the deposit client of financial institutions, including limitations and future developments.

II. PORTUGUESE REGULATION

Fundo de Garantia de Depósitos, on the premises of *Bank of Portugal*, is a public-law legal person, with administrative and financial autonomy and it has been established by the Legal Framework of Credit Institutions and Financial Companies, approved by the Decree-Law n° 298/92, of 31 December [14]. The head Office is in Lisbon and it starts activity on December of 1994 [18]. Also, the Bank of Portugal provided the initial capital and the Legal Framework of Credit Institutions and Financial Companies [14] details that: “All credit institutions having their head office in Portugal and authorized to take deposits shall compulsory be members of the Fund, except the mutual agricultural credit banks and their *Caixa Central*, belonging to the Integrated Mutual Agricultural Credit System, which are covered by the Agricultural Guarantee Fund. Branches of credit institutions having their head office in non-EC Member States, shall also compulsory be members of the Fund, except when deposits are covered by a guarantee scheme in the home country under

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terms deemed equivalent by the Bank of Portugal to those of the Fund and without prejudice to any bilateral agreements on the matter.”

From a macroeconomic point of view, the PFGD was intended to meet the need of guaranteeing the stability of the financial and payment systems [19] and then prevent the adverse effects and the systemic consequences of possible bank insolvency [20]. Then, the authors agree with [21], when they say that “the weakest banks are the ones most likely to fail, but it is the macroeconomic tension, as much as the weakness of individual banks, that causes the failures.”

From a microeconomic point of view, the PFGD has the function of guaranteeing the payment of deposits is aimed at safeguarding the interests of depositors [22], [23], mainly the small depositors, who have more difficulty in assessing the risks underlying the activities of credit institutions and as [24] defends “the action of the State is a matter of elementary duty”.

From a social responsibility point of view, UNEP Finance Initiative [25] publish several principles promoted by the Federal Deposit Insurance Corporation to accomplish the mission, such as: Integrity (highest ethical and professional standards), Competence (highly skilled, dedicated, and diverse workforce that is empowered to achieve outstanding results), Teamwork (communicate and collaborate effectively with one another and with other regulatory agencies), Effectiveness (respond quickly and successfully to risks in insured depository institutions and the financial system), Accountability (accountable to each other and to our stakeholders to operate in a financially responsible and operationally effective manner) and Fairness (respect individual viewpoints and treat one another and our stakeholders with impartiality, dignity, and trust). These principles allow developing in the future the responsible investment, because each deposit client of financial institutions that subscribe a financial product or service may forget the complexity involving, especially if it is a bank customer not informed, and then it must be protected by the public agency.

III. ACCOUNTING FRAMEWORK

A. Members of the PDGF

Table I shows all banks, saving banks and mutual agricultural and credit banks that exist in Portugal and are allowed to promote their financial activities. This table presents two separate tendencies. The first tendency demonstrates the stability of the number of saving Banks and mutual agricultural and credit banks. The second tendency expresses the changes of commercial banks with a minimum of 37 in 2011 and a maximum of 46 in 2003.

TABLE I
ENTITY MEMBERS OF THE PDGF, 2001-2011

(n° of entities)	Banks	Saving Banks	Mutual Agricultural and Credit Banks	Total
2001	43	6	4	53
2002	44	6	4	54
2003	46	5	5	56
2004	40	5	5	50
2005	39	5	5	49
2006	39	5	5	49
2007	42	5	5	52
2008	44	5	5	54
2009	43	5	5	53
2010	39	5	5	49
2011	37	5	5	47

Source: [26]-[37]

The main reason for the changes on the number of Banks is the deposit placed within several institutions ceased to be covered by the PPDF, because the deposit protections schemes are based on their home countries, for example, Deutsche Bank Europe GmbH as part of its transformation into a branch of Deutsche Bank AG promotes protection on Germany.

B. Audited Financial Statements

Ernest & Young is the External Auditor and in compliance with a Protocol established between the Management Committee and the *Banco de Portugal* is responsible in accordance with International Standards of Auditing to produce the External Audit Report. Table II presents the distribution of the external auditing firm and the chartered accountant, during the period of analysis (2001-2011).

TABLE II
ENTITY MEMBERS OF THE PDGF, 2001-2011

Year	External Auditing Firm	Chartered Accountant
2001	Ernest & Young	Not available
2002		Not available
2003		634-Pedro Manuel Carvalho
2004		896-João Carlos Alves
2005		896-João Carlos Alves
2006		896-João Carlos Alves
2007		896-João Carlos Alves
2008		1230-Ana Rosa Pinto
2009		1230-Ana Rosa Pinto
2010		1230-Ana Rosa Pinto
2011		1230-Ana Rosa Pinto

Source: [26]-[37]

This auditing professional made each a report that it requires to plan and to perform the auditing process in order to obtain reasonable assurance on whether the financial statements that it is free of material misstatements. Also, it includes examinations, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the accounting principles and valuation criteria adopted, as well as of the overall presentation of the data appearing in the financial statements. For example, in the annual report of 2011 [37], the ROC express the opinion about the financial statements: “In our

opinion, the financial statements give in all material respects a true and fair view of the Financial Position of the Deposit Guarantee Fund as at 31 December 2011, and of the results of its operations, change in Own resources and its cash flows for the year then ended, in accordance with the accounting principles adopted in the Fund's Chart of Accounts (Note 2 to the Financial Statements)."

Also, the Board of Auditors of *Banco de Portugal* is the Internal Auditor and this entity is responsible for monitoring the Fund's activity, pursuant to the provisions laid down in Article 171 of the Legal Framework of Credit Institutions and Financial Companies [14] and in Article 25 of the Fund's Regulations, approved by Executive Order No 285-C/95 of 19 September.

The authors agree with [38], when they say that "when financial companies are considered then there are significant implications from the agency problem. The first of these is that there are considerably more stakeholders than for an ordinary company. The second implication is concerned with information asymmetry because the level of risk taken in financial transactions is often much higher, but more importantly cannot be assessed by the stakeholders to the financial company even though the managers have sophisticated methodologies for doing so." Thus, the transparency and total disclosure of the accounting and financial information must be a promoted, due to the fact that the deposits are the beginning and the ending of the bank system.

C. Contributions of Each Member of PDGF

In view of the number 2 of the article 161 of Legal Framework of Credit Institutions and Financial Companies [14], the amount of the annual contribution of each credit institution: "shall be based on the average amount of monthly credit balances of deposits over the previous year, not considering those excluded". Therefore, the *Bank of Portugal*, after consultation with the Executive Committee of the Fund and the Portuguese Association of Banks [39], provides that: "reduced rate applied to calculate the annual contribution relating to deposits constituted outside the off-shore financial subsidiaries of Madeira and Santa Maria Island is set at 0.01%." The payment of the annual contributions may be partly (up to a limit of 75 per cent) replaced by an irrevocable contract, guaranteed where necessary by securities having a low credit risk and high liquidity.

Table III presents the annual contributions defined according to the monthly average of the deposits made in the previous year and to the fixed contribution rate, weighted by the solvency ratio of each institution. Table III shows the annual contributions paid to the Fund by cash between 2001 and 2011 have increase 2,523.2% or €35 million from €1 million in 2001 to M€39 in 2011. The more important contribution in cash happens in 2004 that it has increase 690.1% or €13 million in 2004. Furthermore, the irrevocable payment commitments have decrease 58.1% or €5 million from €69 million in 2001 to €4 million in 2009.

TABLE III
ANNUAL CONTRIBUTIONS FROM EACH MEMBER OF THE PDGF, 2001-2011

(thousands of EUR)	Banks	Saving Banks	Mutual Agricultural and Credit Banks	Total
2001	87,389	4,706	517	95,063
2002	91,596		407	97,808
2003	95,569	6,017	479	103,065
2004	49,302	3,355	264	52,921
2005	38,407	2,465	212	41,084
2006	31,027	1,943	186	33,156
2007	31,900	1,947	195	34,042
2008	34,371	2,149	199	36,719
2009	37,605	2,003	205	39,813
2010	36,886	1,910	214	39,010
2011	37,007	2,140	217	39,365

Source: [26]-[37]

D. Financial Resources of PDGF

The impact assessment on Deposit Guarantee Schemes [40]-[43] defines topping-up scheme as: "The sole responsibility to reimburse depositors lies with the DGS of the country where the bank has its registered seat, regardless whether it the bank is a stand-alone company or a subsidiary controlled by another company. This responsibility extends to all legally dependent parts of a bank, i.e. its branches, even if they are located in another Member State."

The ratio of the Fund's resources to guaranteed deposits has shown a favorable performance in the past years, both in terms of the Fund's total resources, which include irrevocable payment commitments, and the financial resources directly managed by the Fund is presented in Table IV.

TABLE IV
COVERAGE LEVEL OF DEPOSITS OF THE PDGF, 2001-2012

(thousand s of EUR)	Fund resources including commitments (A)	Fund resources excluding commitments (B)	Guaranteed deposits (C)	Ratio A / C	Ratio B / C
2001	814,000	n.a.	110,567,000	0.74	n.a.
2002	928,000	622,000	109,939,000	0.84	0.57
2003	1,047,000	666,000	111,270,000	0.94	0.60
2004	1,118,000	711,000	115,729,000	0.97	0.62
2005	1,171,000	751,000	119,630,000	0.98	0.63
2006	1,221,000	796,000	123,478,000	0.99	0.64
2007	1,283,000	853,000	130,120,000	0.99	0.66
2008	1,356,607	922,842	144,679,918	0.94	0.64
2009	1,407,512	969,899	146,987,453	0.96	0.66
2010	1,354,056	912,662	154,130,704	0.88	0.59
2011	1,397,010	952,576	158,154,036	0.88	0.60

Source: [26]-[37]

Table IV presents in the year 2001 the ratio A/C achieves the minimum value of 0.74% and in the year 2006 and 2007 obtains the maximum value of 0.99%. Also, the ratio B/C obtains the minimum value of 0.57% in 2002 and the maximum value of 0.66% in 2007. Developments in funds, when compared with the volume of collateralized deposits, have contributed to the increasing improvement of the financial capacity indicators of the PDGF. Taking into account

the amount of guaranteed deposits (M€158,154), the Fund's capital coverage ratio was 0.88% at 2011 and 2010 December 31 [37].

IV. FINANCIAL REPORT FRAMEWORK

The financial statements made available by PDFG to the society has been prepared using accounting and financial report framework that details the general decision making process of the accountability process [44]. This disclosure ensures the requirements of stakeholders and thus it satisfies the general purpose financial report. This framework answers to the needs of protection of deposit client of banks as a specific users of financial statements then such framework provide useful information which can help in assessing the solvency and the performance of PDFG [45].

A. Profit and Loss Account of PDFG

The loss and profit account of the PDFG has change considerable during the period of 2001-2011. The biggest increase happens, in 2007, with 53.2% or €1,115 thousands and the biggest decrease happens, in 2005, with -28.5% or €6,114 thousands.

TABLE V
TOTAL OF LOSS AND PROFIT ACCOUNT OF THE PDFG, 2001-2004

(thousands of EUR)	2001	2002	2003	2004
Supplies and services third parties	83	108	107	116
Staff costs	42	42	28	32
Depreciation of tangible fixed and intangible assets	1	1	1	1
Taxes	4,538	3,808	2,285	3,490
Financial costs and losses	88	0	5	104
Extraordinary costs and losses	0	0	0	0
Net profit and loss for the year	19,322	17,004	16,072	18,050
Financial income and gains	24,010	20,963	18,497	21,793
Extraordinary income and gains	64	0	1	0
Total of income and gains	24,074	20,963	18,498	21,793

Source: [26]-[37]

Due to different taxation procedure, the item "taxes", in 2001, paid €1,453 thousands, in 2002 paid €2,536 thousands and in 2003 paid €1,523 thousands. But, the PFGD is a legal person exempt from the corporate income tax, in accordance with Article 9 of Corporate Income Tax Code.

Following the annual report of 2008 [34] says that the capital income as defined for personal income tax purposes and: "As regards capital income earned abroad, which is not subject to tax withholding in Portugal, the Fund submits an income tax statement to the Portuguese Tax Administration. Where the capital income in question is not subject to tax withholding in the home country, a 20% rate shall apply. Where it is subject to tax withholding in the home country, the taxable amount shall correspond to the difference between the tax rate applicable in Portugal and the withholding rate applicable abroad."

The supplies and services of third parties exposed an item calls "Fees" reflect expenses paid to the securities settlement system, within the scope of the Fund's operating activities

with €109,568 thousands in 2009 and €30,107 thousands in 2001.

TABLE VI
TOTAL OF LOSS AND PROFIT ACCOUNT OF THE PDFG, 2005-2008

(thousands of EUR)	2005	2006	2007	2008
Supplies and services third parties	141	158	155	169
Staff costs	42	42	42	30
Depreciation of tangible fixed and intangible assets	1	1	1	1
Taxes	3,082	3,666	1	1
Financial costs and losses	1,072	427	3,945	5,163
Extraordinary costs and losses	0	0	45	169
Net profit and loss for the year	11,341	16,593	27,813	37,089
Financial income and gains	15,679	20,887	32,002	42,621
Extraordinary income and gains	0	0		
Total of income and gains	15,679	20,887	32,002	42,621

Source: [26]-[37]

TABLE VII
TOTAL OF LOSS AND PROFIT ACCOUNT OF THE PDFG, 2009-2011

(thousands of EUR)	2009	2010	2011
Supplies and services third parties	172	283	277
Staff costs	21	33	38
Depreciation of tangible fixed and intangible assets	1	1	1
Taxes	2,478	1,089	2,913
Other costs and losses	2	12	194
Net profit and loss for the year	11,042	3,809	11,663
Interest and similar income expenses	1,908	143	227
Financial income and gains	11,775	5,083	13,706
Other income and gains	33	0	153
Total of income and gains	13,716	5,226	14,086

Source: [26]-[37]

The financial profit and loss is considerable lower in the year 2008 due to much lower interest rate levels and the decrease in the pace of the interest rate reduction in relation to 2008, against financial market stabilization and the resulting of discontinuation of the pronounced safe haven flows into less risky assets. In the year 2009, the financial profit and loss benefited from the positive slope of the curve of euro area sovereign risk interest rates and its downward shift.

The important decrease of the profit and loss accountant in 2010 is justified by the repayment of deposits with BPP, amounting to M€90.7 which also implied making provisions to the amount of M€5,6 for repayments to be made relating to deposits whose right to repayment has been recognized but which had not been paid by December 2010.

B. Balance Sheet

The Balance Sheet is one of the fundamental financial statements that indicate the bank activities and repercussions on the deposit client of banks. For example, the annual report of 2011 [37] argues that "the deposit guarantee scheme was strengthened by limit the purpose of the Fund, which now precludes the use of the Fund's resources for any purpose other than safeguarding deposits". This finding is based primarily on the disclosure of the annual report and as a result of a financial safety that consists on prudential regulation and

supervision.

As a result of such finding, the authors have a clear understanding of the PDFG Balance Sheet which aims to prevent and detected the existence of lack of confidence or allocation of assertions that could affect the cycle of transitions [46]. However, those efforts had not yet had a significant impact on the combination of lower assessed level of risk and primarily substantive strategies because of the financial crisis [47]. In terms of the assets on the balance sheet of PDGF, are separate in current as presented on Table VIII and noncurrent assets on Table IX.

TABLE VIII
CURRENT ASSETS OF THE BALANCE SHEET OF THE PDGF, 2001-2011

(thousands of EUR)	Current Assets				Total Assets
	Marketable securities	State and Other Public Entities	Bank deposits and cash	Accruals and prepaid expenses	
2001	393,477	0	97,000	10,343	820,442
2002	475,962	0	150,000	11,661	938,920
2003	577,244	0	179,000	6,512	1,055,280
2004	712,152	0	310,000	1,864	1,121,532
2005	748,030	0	467,000	4,195	1,173,120
2006	788,164	0	342,000	12,265	1,226,175
2007	844,696	0	383,000	14,723	1,290,216
2008	917,491	0	315,000	10,003	1,361,776
2009	970,458	200	153,000	13,000	1,408,425
2010	920,386	200	60,000	39,000	1,362,046
2011	835,233	1	126,108	40,000	1,405,819

Source: [26]-[37]

The “Marketable securities” corresponds to securities acquired by the Fund within the scope of its investment policy. All issuers of government debt securities held in the Fund’s portfolio are euro area countries. As regards private debt, all securities held in portfolio are mortgage-backed securities issued by highly rated European credit institutions between the years 2001 till 2009 have increase 147% or €576,696 thousands from €393,477 thousands in 2001 to €970,446 thousands in 2009.

The item “bank deposits and cash” includes demand deposits with *Bank of Portugal* and with a number of financial institutions and from the years 2001 till 2009 have increases 57% or €36 thousands from €7 thousands in 2001 to €153 thousands in 2009.

Table IX presents the noncurrent assets that it includes tangible fixed assets. They entered at purchase cost and from the years 2001 till 2009 have decreases 100% or €181,904 thousands from €181,905 thousands in 2001 to €1 thousands in 2009. Depreciation is calculated on an annual basis, according to the straight-line method, by applying to the historical cost the maximum annual rates allowed for tax purposes, which reflect the lifetime of the Fund’s assets.

TABLE IX
NONCURRENT ASSETS OF THE BALANCE SHEET, 2001-2011

(thousands of EUR)	Noncurrent Assets		Total Assets
	Debts of third parties	Fixed assets	
2001	234,62	181,905	820,442
2002	306,09	145,057	938,920
2003	381,382	89,963	1,055,280
2004	407,205	1	1,121,532
2005	420,427	1	1,173,120
2006	425,403	1	1,226,175
2007	430,413	1	1,290,216
2008	433,965	2	1,361,776
2009	437,612	1	1,408,425
2010	441,356	5	1,362,046
2011	444,434	4	1,405,819

Source: [26]-[37]

It appears “Debts of Third Parties” that are subdivided by the item “Government and other public entities” registers the tax withheld at source by the Spanish State relating to income from Spanish government bonds with an outstanding redemption request and mainly tax payable not withheld at source, relating to income from government debt securities. From the year 2001 till the year 2009 have increase 87% or €203,192 thousands from €234,620 thousands in 2001 to €437,812 thousands in 2009.

The value entered under the item “Periodical contributions – Commitments assumed” corresponds to irrevocable payment commitments of member credit institutions to the Fund. The increase of €3,551,731 posted in 2008 is accounted for by commitments assumed when annual contributions were paid in April 2008 [34].

The Own Funds - Equity comprise the initial contributions of Bank of Portugal, the initial and periodical contributions of member institutions and income from the investment of the Fund’s resources. Also, the own funds and liabilities includes accounting information about reserves, net profit and liabilities of the year. The composition and changes in this item are shown in detail in Table X.

TABLE X
OWN FUNDS AND LIABILITIES OF THE BALANCE SHEET, 2001-2011

thousands of EUR)	Own Funds- Equity	Own Funds- Reserves	Own Funds- Profit	Liabilities	Total Own Funds, Liabilities and Profit
2001	723,569	70,608	19,322	6,944	820,442
2002	821,377	89,929	17,004	10,609	938,920
2003	924,442	106,934	16,072	7,833	1,055,280
2004	977,362	123,006	18,05	3,114	1,121,532
2005	1,018,447	141,056	11,342	2,277	1,173,120
2006	1,051,654	153,397	16,593	5,530	1,226,175
2007	1,085,845	168,991	27,813	7,568	1,290,216
2008	1,122,714	196,804	37,089	5,169	1,361,776
2009	1,162,577	233,893	11,461	914	1,408,425
2010	1,105,313	244,934	3,809	7,990	1,362,046
2011	1,136,604	248,743	11,663	8,808	1,405,819

Source: [26]-[37]

In 2010, the amount of own funds has been used to repay deposits with *Banco Privado Português, SA* totaled M€96.3. Following the annual report of 2011 [34], “the *Bank of Portugal* withdrew the authorization of BPP to pursue its activity. Under the terms of law, the Fund triggered the guarantee covering the deposits with that credit institution, having effectively recognized, in cumulative terms, repayment rights to M€8,132 up to December 2011 and M€0,669 up to December 2010.”

The authors defend that accounting and financial report could be supported by the scientific and technical knowledge [48]. But, it does not exist one solution as it appears insufficient the level of disclosure. An explicit objective is promoting deposit protection of bank clients and an implicit objective is understood the role of the PDGF, in particular, and the bank of Portugal, in general. The importance of this entity due to the need of ensures financial stability is always related with the execution of the overall objectives of the PDGF that must be supported. The authors defend that the DGF system must be helpful, with early recognition of risk level and higher timely involvement in each decision.

V.CONCLUSION

The authors aim to explore the accounting process and financial report behavior of the PDGF that it cannot simply be done as an abstraction of the framework and its influence by the needs of deposit client of banks and then empirically it is proved that the communication of the PDGF must be made to increase the confidence of the society and the stability of financial market. So more than competition between financial institutions, it is important to promote the citizenship and reduce the risk management through the deposit client management best practices and it will be a long time till complete understand of it is arrived at.

This research was developed with the accounting and financial report framework of the Annual Reports made by the PDGF. So, transparency is strongly encouraged by the authors, who will promote social responsibility and then protection to the deposit client of banks. It is essential that all of them are always informed to careful judgment each finance decision.

The limitation is the existence of an enormous body of laws, regulations and codes that have emerged and been enforced reform that are necessary. The challenge is to truly enable the financial market with the regulatory framework that enables resilient absorber of shocks.

As the future development, the authors aim to widespread the accounting and financial report as weapon to combat malfunctioning of the financial markets and help several stakeholders, such as: the Portuguese Guarantee Deposit Fund, the Bank of Portugal, banks and the society to reduce financial illiteracy and innumeracy that has become ubiquitous, because banks have been the most important financial entity [49] that sells valuable services [50], [51].

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