

# BACH GET INSIGHTS INTO 2022 DATABASE

February 2024

*Towards a more harmonized and friendly database.*



ERICA Working Group  
**eccbso**  
European Committee of Central  
Balance Sheet Data Offices





## **1. OVERVIEW ON THE BACH DATABASE**

- 1.1 Description of BACH database
- 1.2 National databases
- 1.3 Reference year
- 1.4 Profitability
- 1.5 Financing

## **2. KNOWING MORE**

- 2.1 Outlook #12: The Impact of energy costs on European firm's profitability

## **3. PUBLICATIONS AND BACH PRODUCTS AND SERVICES**

- 3.1. National publications
- 3.2. BACH products and services

## **4. GRAPH NOTES**



A close-up photograph of a human eye with a teal overlay on the left side. The eye is looking slightly to the right. The iris is a light blue-green color with a dark pupil. The eyelashes are dark and well-defined. The skin around the eye is a warm, reddish-brown tone. The teal overlay is a solid, semi-transparent rectangle that covers the left side of the eye and extends to the left edge of the page.

BACH is a database with aggregated  
and harmonized annual accounting  
data on non-financial enterprises

## **1. OVERVIEW ON THE BACH DATABASE**

### 1.1 Description of BACH database





- › **Size class:** 4 size classes (SME, small, medium and large)
- › **Samples:** Variable and sliding samples
- › **NACE industry:** 17 sections and about 80 divisions
- › **Time span:** from 2000 onward
- › **Variables:** Balance sheet items (41), income statement (22), items from the notes (3) and economic and financial ratios (29)
- › **Statistical measures:** coverage rates, some absolute values, number of companies and employees, weighted mean and quartiles (first, median and third)

› **12 European countries:**



› **In a near future:**



**Warning:** Substantial data harmonization efforts have been developed in order to increase the reliability of cross-country comparisons. However, differences in accounting standards and national sample characteristics persist which might impact on the results provided in this document. Information on the accounting deviations and the sample characteristics in each country are available on the BACH website.

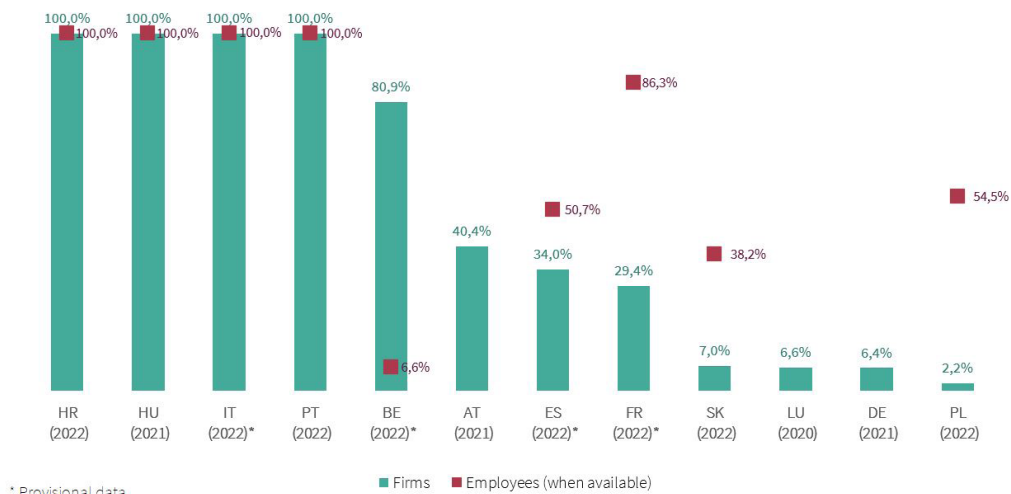
# 1. OVERVIEW ON THE BACH DATABASE

## 1.2 National databases

### COVERAGE

Graph 1 - Weight of national samples in the total population

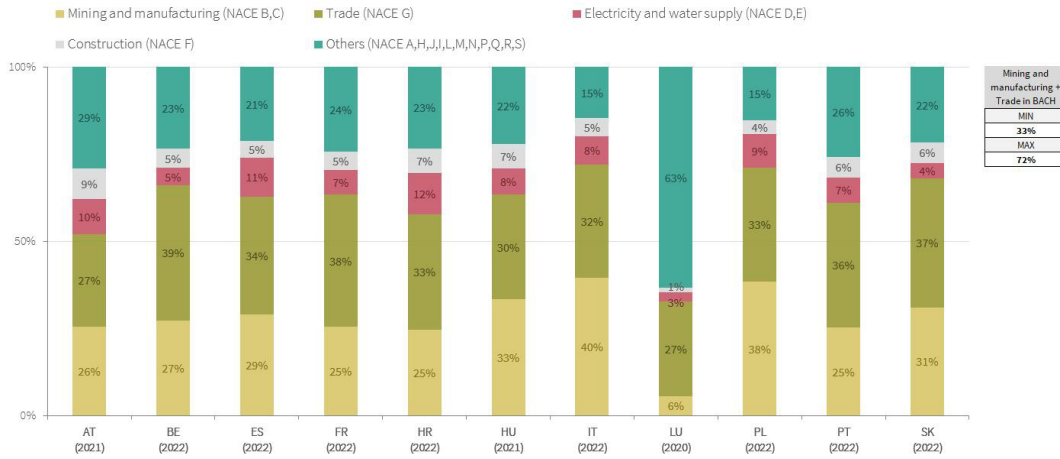
(Total companies without K642 and M701, all sizes)



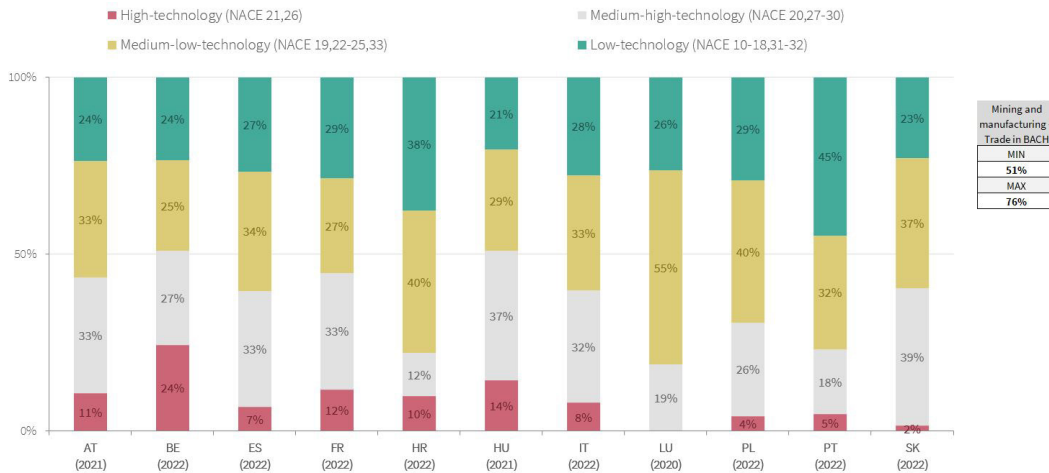
For Poland, data is exhaustive for companies with more than 9 employees that deliver full balance sheet statement. Further, the coverage ratio is calculated for Z0 sector (without K642, but including M701).

# STRUCTURE

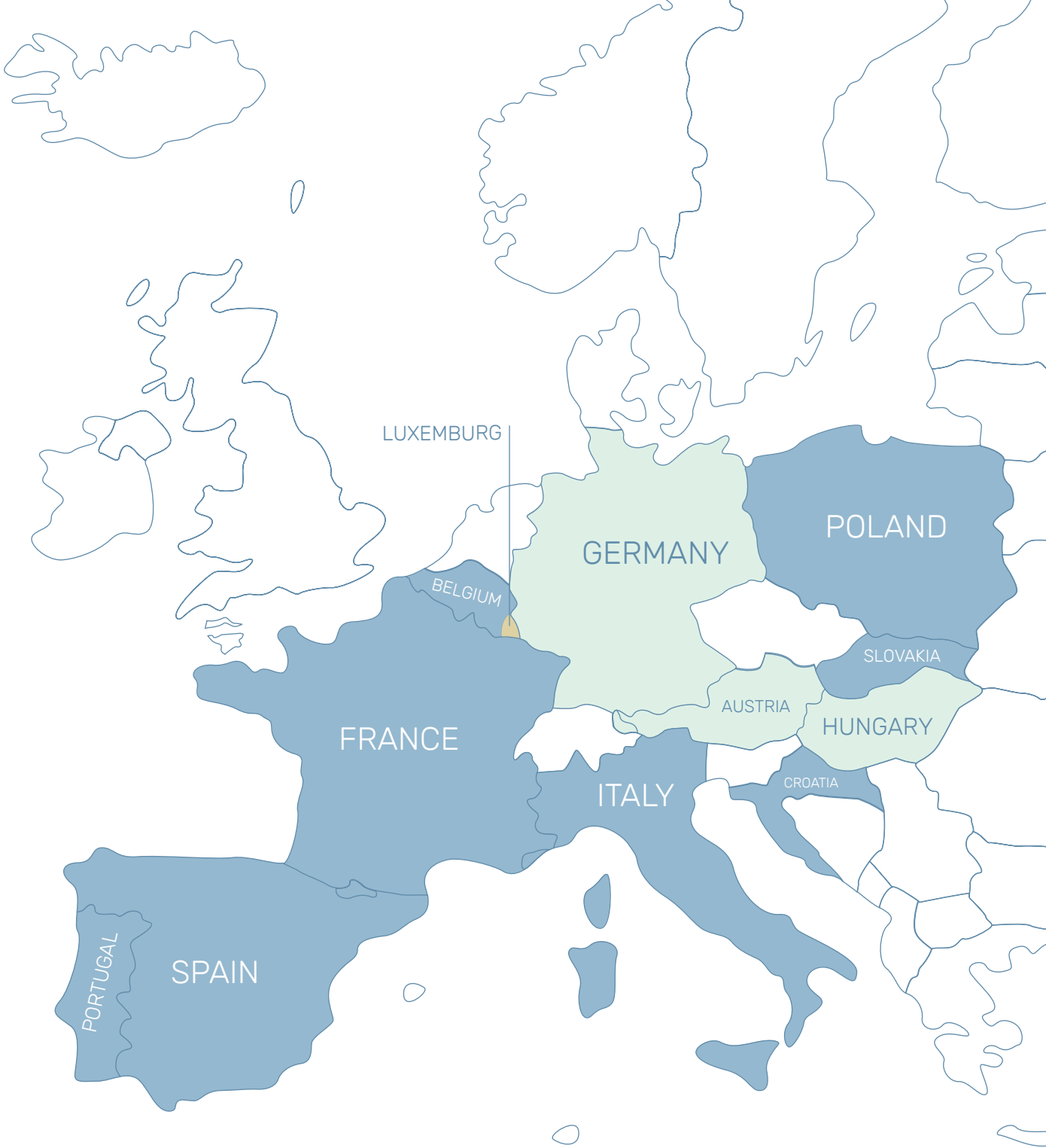
## Graph 2 - Distribution of Turnover by sector of activity (All sizes)

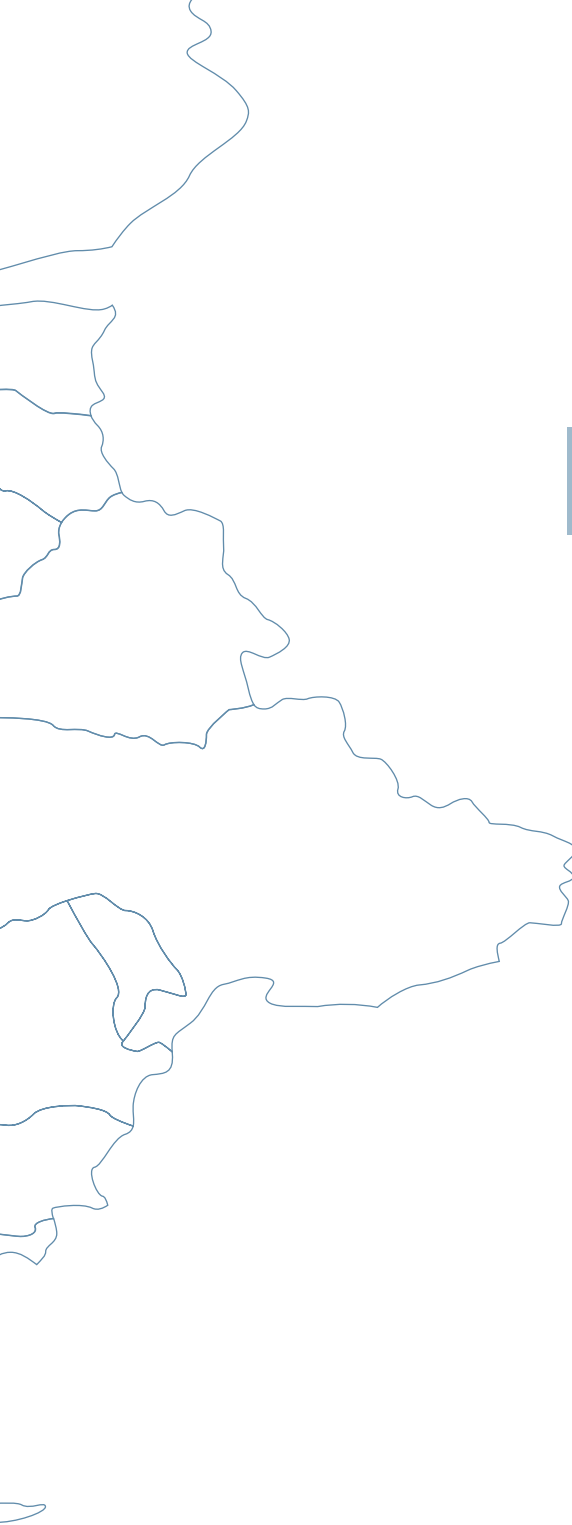


## Graph 3 - Distribution of Manufacturing (NACE C) Gross value added by technological intensity (All sizes)









## 1. OVERVIEW ON THE BACH DATABASE

### 1.3 Reference year

The “Overview on the BACH database”, presented in the next points, is based on the latest available data in BACH database:

-  2020
-  2021
-  2022



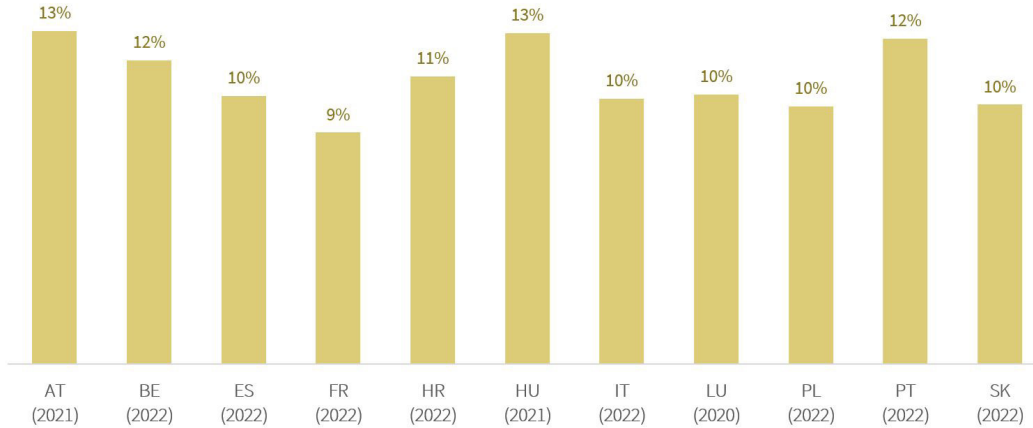
## **1. OVERVIEW ON THE BACH DATABASE**

### 1.4 Profitability



## ACTIVITY AND TECHNICAL RATIOS

**Graph 4 - EBITDA on Net turnover (R33), weighted mean**  
(Total companies without K642 and M701, all sizes)

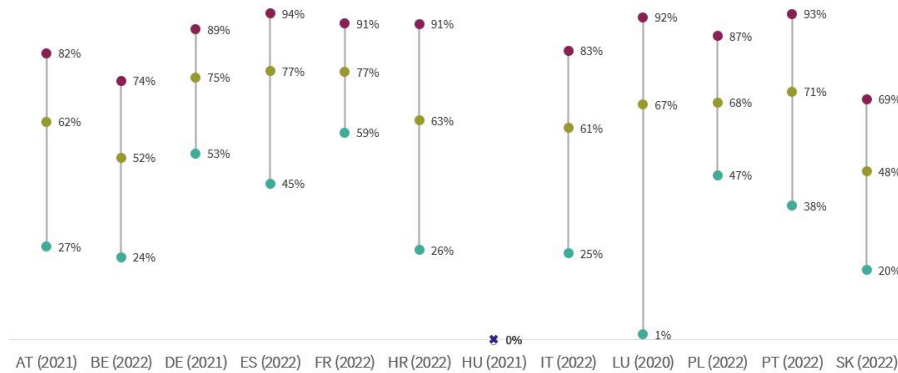


BACH items considered:

EBITDA (numerator) = I1+I2+I3+I41+I42-I5-I6-I7-I81-I83

Net turnover (denominator) = I1

**Graph 5 - Employee expenses over Gross value added (R42), quartiles**  
(Total companies without K642 and M701, all sizes)



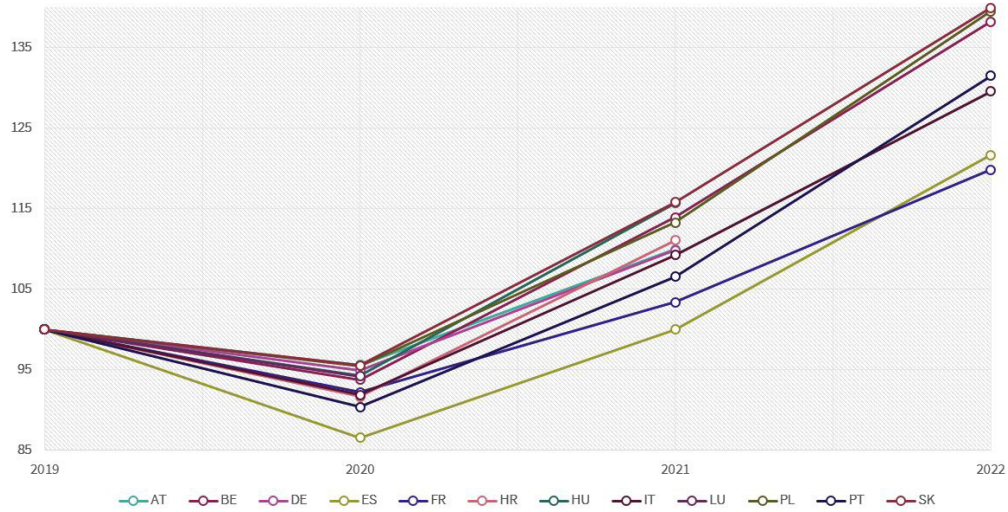
\* No quartiles available for HU

● Q1 ● Q2 (median) ● Q3

## COVID-19 PANDEMIC IMPACTS ON TURNOVER

**Graph 6 - Turnover chain index (sliding sample)**

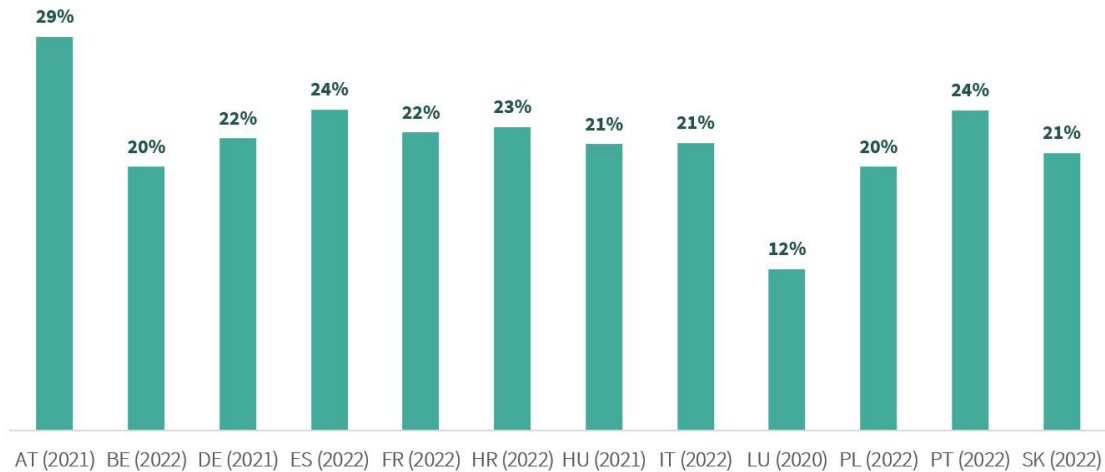
(Total companies without K642 and M701, all sizes) (2019=100)



## PROFITABILITY RATIOS

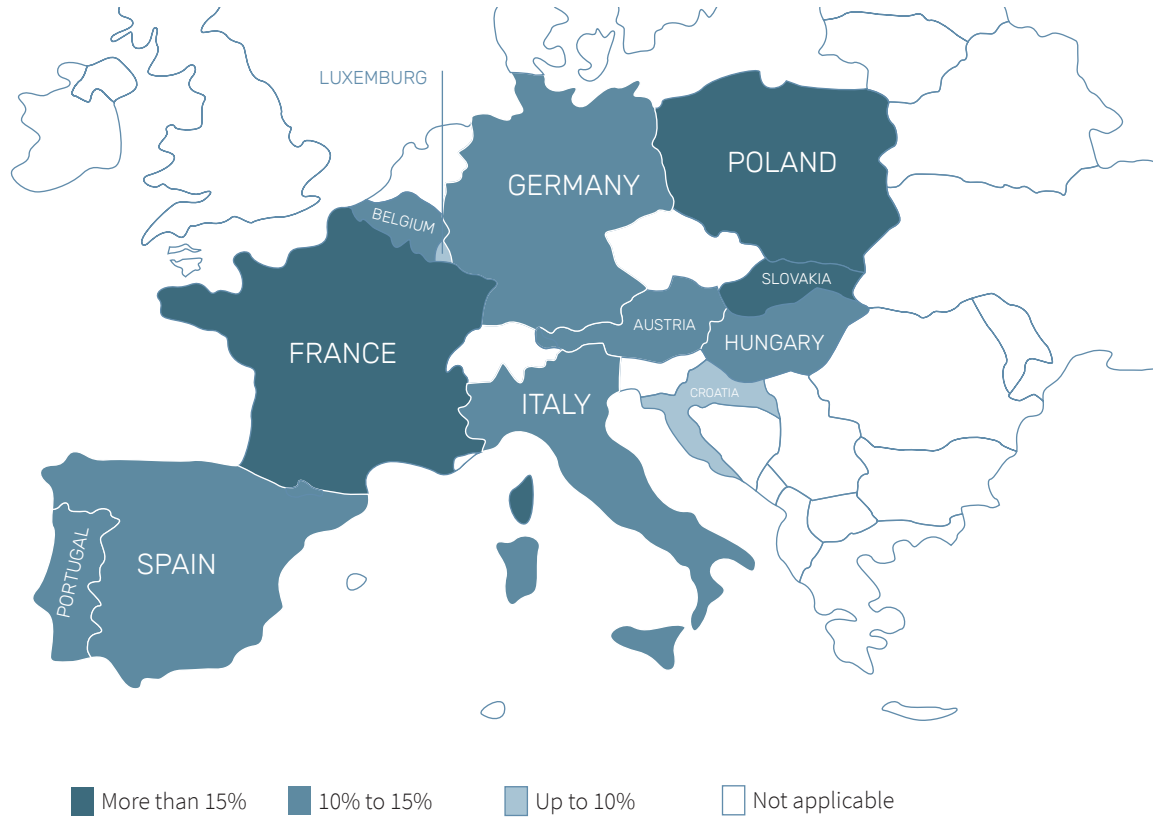
**Graph 7 - Gross value added on Net turnover (R31), weighted mean**

(Total companies without K642 and M701, all sizes)



# PROFITABILITY RATIOS

**Graph 8 - Return on equity (R38), weighted mean**  
(Manufacturing – NACE C, all sizes)



**2020:** LU | **2021:** AT, DE, HU | **2022:** BE, ES, FR, HR, IT, PL, PT, SK





## **1. OVERVIEW ON THE BACH DATABASE**

### 1.5 Financing

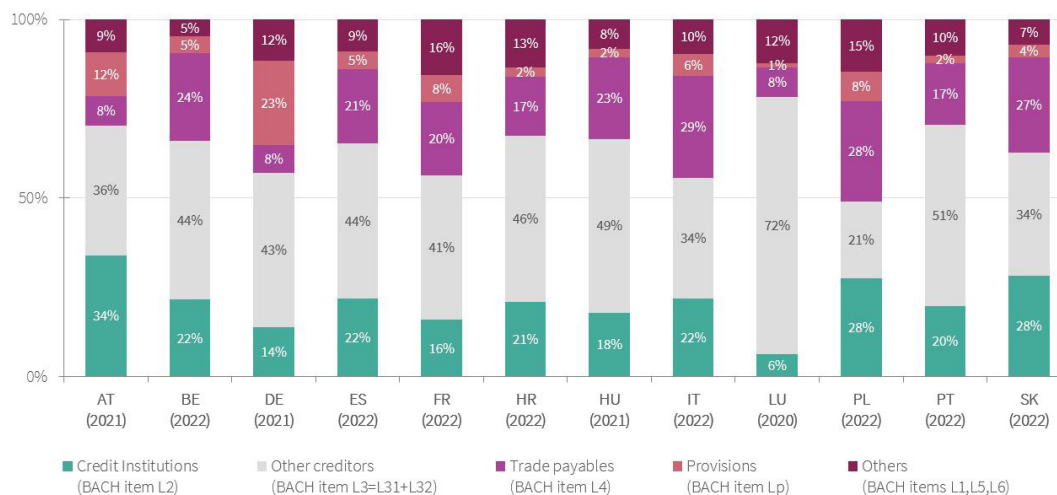
## EQUITY AND LIABILITIES

**Graph 9 - Financial autonomy (Equity/Assets) by enterprise size, weighted mean**  
(Total companies without K642 and M701)

	Total	SME	Large
AT (2021)	37%	35%	39%
BE (2022)	42%	48%	38%
DE (2021)	35%	40%	34%
ES (2022)	46%	55%	40%
FR (2022)	33%	36%	31%
HR (2022)	36%	33%	43%
HU (2021)	45%	48%	43%
IT (2022)	36%	38%	35%
LU (2020)	29%	48%	19%
PL (2022)	46%	52%	44%
PT (2022)	40%	43%	34%
SK (2022)	35%	36%	35%

2020: LU | 2021: AT, DE, HU | 2022: BE, ES, FR, HR, IT, PL, PT, SK

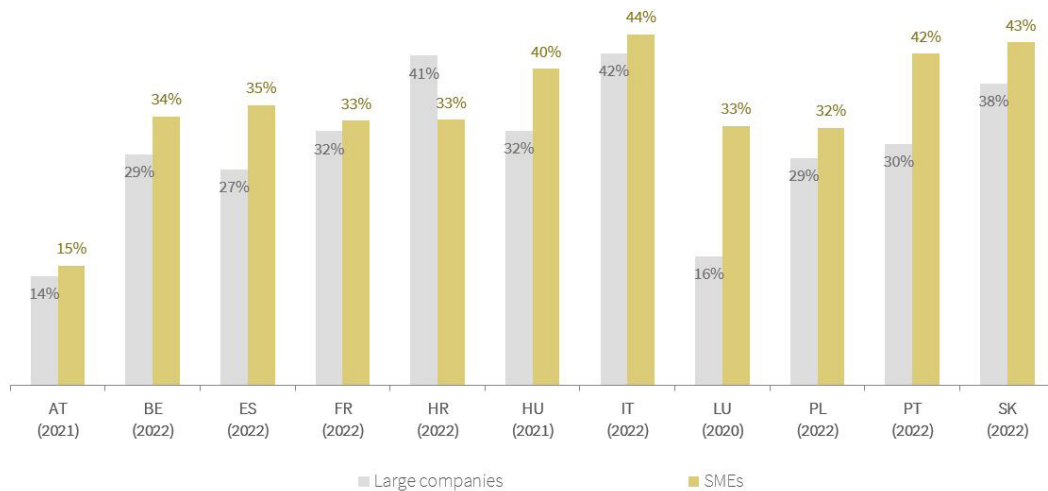
**Graph 10 - Financing structure (in percentage of Total liabilities), weighted mean**  
(Total companies without K642 and M701, all sizes)



The BACH item L3 “Other creditors” includes the other financial creditors component (BACH item L31) and the other non-financial creditors component (BACH item L32). “Others” category includes Bonds and similar obligations (BACH item L1), Payments received on account of orders (BACH item L5) and Deferred liabilities (BACH item L6).

## FINANCIAL STRUCTURE RATIOS

**Graph 11 - Current debt on Total balance sheet (R16), by size, weighted mean**  
(Total companies without K642 and M701)



BACH items:

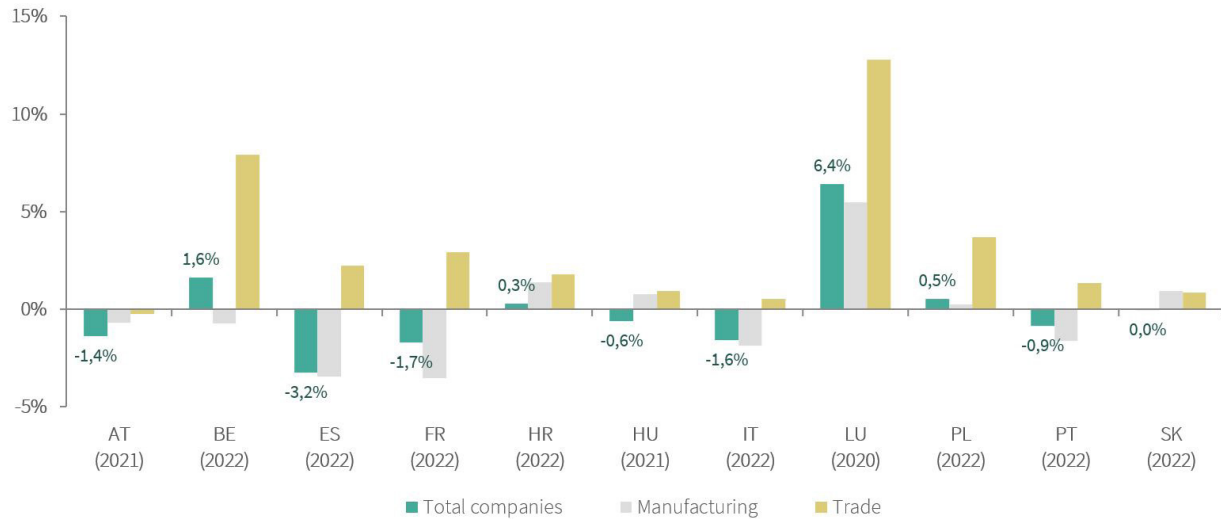
Current debt (numerator) = L11+L21+L311+L321+L4+L5+L61

Total balance sheet (denominator) = A

For AT data, items L311 and L321 are not available. In that sense, the numerator includes only items L11, L21, L4 and L5.

## WORKING CAPITAL RATIOS

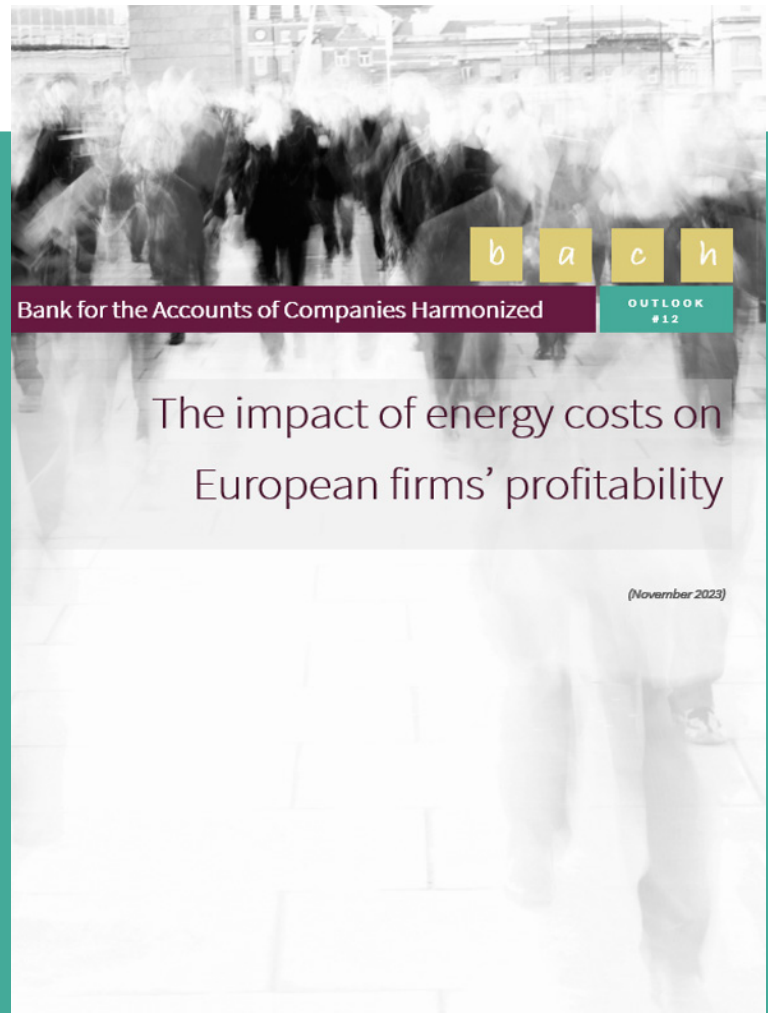
**Graph 12 - Net trade credit financing (Trade payables - Trade receivables), weighted mean**  
 (Total companies without K642 and M701, Trade - NACE G and Manufacturing - NACE C, all sizes)





## 2. KNOWING MORE

### 2.1 Outlook #12: The Impact of energy costs on European firms' profitability





The aim of this study is to assess the implications of energy cost fluctuations on firms' profitability.

The main findings of this study can be summarized as follows:

- i) The stability in energy prices over the past decade was disrupted in 2021 and 2022, leading to significant shocks to firms' cost structure across Europe;
- ii) The projection exercise to forecast the profitability ratios of firms in 2022 suggests that the increasing revenues will entirely offset the increase in energy price;
- iii) There is an inverse correlation between energy price hikes and firm's profit margins;
- iv) Heightened consumption levels and profit margins are positively correlated.

To know more please refer to the complete study, available [here](#).

Ferriani, F; Gazzani, A. (2022). **“The impact of the war in Ukraine on energy prices: consequences for firms’ financial performance”**. Banca d’Italia working papers.

Faiella, I. ; Mistretta, A. (2020). **“Energy cost and competitiveness in Europe”**. Banca d’Italia working papers.

Soederhuizen B.; Bettendorf, L.; Elbourne, A.; Kramer, B.; Meijerink, G.; Wache, B. (2023), **“A simulation of energy prices and corporate profits”**, CPB Publication, CPB Netherlands Bureau for Economic Policy Analysis

Di Bella, G.; M. J. Flanagan; K. Foda; S. Maslova; A. Pienkowski; M. Stuermer; And F. G. Toscani (2022): **“Natural Gas in Europe: The Potential Impact of Disruptions to Supply,”** IMF Working Papers, 2022.

Bachmann, R.; D. Baqaee; C. Bayer; M. Kuhn; A. Löschel; B. Moll; A. Peichl; K. Pittel; M. Schularick Et Al. (2022): **“What if? The economic effects for Germany of a stop of energy imports from Russia,”** ECONtribute Policy Brief, 28, 2022.

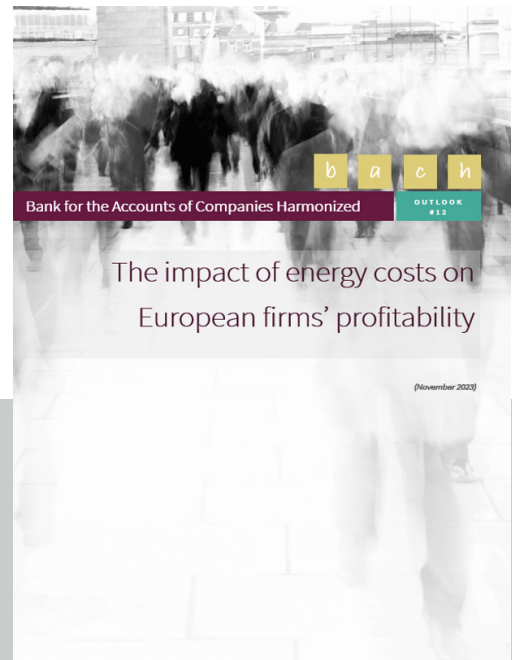




**3. PUBLICATIONS AND BACH PRODUCTS AND SERVICES**

3.1. National publications

Outlook booklets  
Compares recent trends in economic and financial  
issues of the European companies making use of the  
information available within the BACH database



### **3. PUBLICATIONS AND BACH PRODUCTS AND SERVICES**

#### 3.2. BACH products and services

Userguide  
Covers the methodology underpinning the data following a user-friendly approach. It supports the process of observing variables to obtain the extra information needed to compare data

## BACH USERGUIDE SUMMARY

2024



BANK FOR THE ACCOUNTS OF COMPANIES HARMONIZED

[www.bachs.banquefrance.fr](http://www.bachs.banquefrance.fr)

Austria | Belgium | Croatia | Denmark | France | Germany | Hungary | Italy |  
Luxembourg | Poland | Portugal | Slovakia | Spain | Turkey



BACH Get Insights  
Yearly portfolio of selected economic and financial indicators enabling to get easily a picture of the most recent situation of European companies



## 4. GRAPH NOTES

### GRAPH 1

This graph evidences, for each country, the coverage rates regarding the number of firms and the number of employees (when available).

The coverage rate is determined by comparing the sample of non-financial corporations recorded in the database with the total population.

When the coverage rate is equal to 100%, it suggests that the data available in the database covers the whole population.

There are 4 countries (Croatia, Hungary, Italy, Portugal) with full coverage (both regarding the number of firms and the number of employees).

On the other hand, Slovakia, Luxemburg, Germany and Poland present coverage rates (in terms of number of firms) below 10%.

### GRAPH 2

This graph highlights, for each country, the weight of each business sector (according to NACE classification) in the total turnover.

In all countries, Trade (NACE G) and Mining and manufacturing (NACE B,C) sectors have a significant representativeness in the total turnover (on average, more than 50% together), except in Luxemburg (for which the category “Other sectors” prevails with 63%).

### GRAPH 3

This graph shows, for each country, the distribution of the Gross value added (for the Manufacturing sector - NACE C) based on 4 levels of technological intensity (high, low, medium-high, medium-low).

In Luxemburg, Slovakia, Portugal and Poland, a high level of technological intensity is null or residual, whereas Belgium registers the highest share (24%). On the other side, Portugal and Croatia exhibit the highest percentages of low technological intensity.

### GRAPH 4

This graph points out, for each country, the average operating margin (before the impact of interests, taxes, depreciations and amortizations) as a percentage of net turnover (i.e., sales of goods and services net of returns, deductions and rebates).

All countries show an average operating margin around 10% (on net turnover). Austria and Hungary record the highest value (13%) and France the lowest one (9%).

### GRAPH 5

This graph illustrates, for each country, the distribution of staff costs (as a percentage of gross value added) by quartiles.

25% (75%) of companies have a ratio lower (higher) than Q1  
50% (50%) of companies have a ratio lower (higher) than Q2  
75% (25%) of companies have a ratio lower (higher) than Q3.

Germany, Spain and France present the highest staff costs median values (around 80% of GVA). On the other hand, Belgium and Slovakia have the minimum median values (around 50% of GVA). Also, Luxemburg shows the highest dispersion of staff costs, whereas Germany and France exhibit the lowest ones.

### GRAPH 6

This graph aims to illustrate the impact of Covid-19 on turnover, considering 2019 as the base year (index value = 100).

Covid-19 pandemic had a negative impact on companies' turnover in 2020 (especially in Spain and Portugal, for which the negative impact was higher than 10%). However, this negative impact has been overcome in the following years. In all countries, companies have already exceeded pre-Covid values in 2021 and/or 2022.

### **GRAPH 7**

This graph discloses, for each country, the average gross value added as a percentage of net turnover.

Almost all countries present a gross value added between 20% and 30% of net turnover, except Luxemburg (12%). The maximum value is observed for Austria (29%).

### **GRAPH 8**

This map categorizes countries according to their average return on equity (i.e., percentage of net profit or loss for the period on total equity).

The return on equity ratio aims to assess the profitability derived from company's equity. It is often used as a measure of remuneration on the capital invested by partners or shareholders.

Croatia and Luxemburg reveal a return on equity below 10%, while France, Poland and Slovakia show a ratio higher than 15%. The remaining countries present a return on equity ratio between 10% and 15%.

### **GRAPH 9**

This table presents, for each country, the average percentage of total assets financed by equity.

An increase in financial autonomy suggests a reinforcement of companies' capitalization.

On average, companies present a financial autonomy ratio around 40%. Luxemburg is the country with the minimum average percentage of total equity on total assets (29%), while Spain and Poland report the maximum value (46%).

### **GRAPH 10**

This graph exhibits, for each country, the average weight of each financing source as a percentage of total liabilities.

In almost all countries, other financial (L31) and non-financial (L32) creditors represent the main financing source of companies (except for Poland), followed by credit institutions and trade payables. In Luxemburg, the weight of other creditors over total liabilities is even more significant (72%) when compared to other countries.

### **GRAPH 11**

This graph reveals, for each country, the average percentage of assets financed by current debt.

In most countries, the average current debt of companies on total balance sheet ranges between 30% and 40% (except for Austria and Luxemburg - SMEs).

Also, on average, the % of assets financed by current debt is higher for small and medium companies than for large companies (except for Croatia).

### **GRAPH 12**

This graph depicts, for each country, the average difference between trade payables (BACH item R53) and trade receivables (BACH item R52), as a percentage of net turnover.

A positive (negative) value indicates that the percentage of trade payables on net turnover is higher (lower) than the percentage of trade receivables.

In terms of total companies, the difference between trade payables and trade receivables as a percentage of net turnover is positive in Belgium, Croatia, Luxemburg (maximum value) and Poland, whereas negative in Austria, Spain, France, Hungary, Italy and Portugal. In Slovakia, the net trade credit is null. The trend tends to be similar in most of countries when considering only the manufacturing sector. However, by focusing only on the trade sector, the difference between trade payables and trade receivables is positive in almost all countries (except in Austria).

# BACH GET INSIGHTS INTO 2022 DATABASE

*Towards a more harmonized and friendly database.*

February 2024

