



## Instructions on filling in data-points in PRA103 Capital+ forecast annual

These instructions are for the specific purpose of assisting firms to complete the Capital+ data item. They were designed and are intended solely for that purpose based upon CRD IV publications to date. The notes are not and should not be construed as an interpretation of the CRD IV framework for any other purpose nor are they an indication of any future application of the framework.

Unless stated otherwise, reference to 'CRD IV' should be interpreted as referring to the Regulation and Directive package as a whole.

### Introduction

This document covers general instructions regarding the Capital+ data item:

- The basic information page ('Header Info'); and
- The main capital data section ('Capital+ Input'), comprising:
  - sections replicating parts of the COREP CA data items; and
  - a section covering supplementary data items ('PRA Supplementary Data Section').

Firms should use this note alongside the following documents:

- Corrigendum (dated 30 November 2013) to Regulation (EU) No 575/2013 of the European Parliament and of the Council of 26 June 2013 on prudential requirements for credit institutions and investment firms and amending Regulation (EU) No 648/2012:

<http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:L:2013:321:0006:0342:EN:PDF>

- Directive 2013/36/EU of the European Parliament and of the Council of 26 June 2013 on access to the activity of credit institutions and the prudential supervision of credit institutions and investment firms, amending Directive 2002/87/EC and repealing Directives 2006/48/EC and 2006/49/EC:

<http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:L:2013:176:0338:0436:EN:PDF>

- The European Banking Authority's (EBA's) Regulatory Technical Standards (RTS):

<https://www.eba.europa.eu/regulation-and-policy>

- The PRA's Rulebook (<http://www.prarulebook.co.uk>) and supervisory statements available on the Bank's website: (<https://www.bankofengland.co.uk/prudential-regulation>).

## General instructions

Data should be compiled using a consistent and prudent methodology. Firms should have appropriate governance and procedures to ensure the accuracy of the data, which should include signoff by an appropriate senior committee.

### Reporting periods

The submission is focused on **forward projections (forecasts)**; the PRA is not asking firms to provide 'actuals' data for the latest reporting date (in general, these will have been provided through COREP reporting). The latest reporting date will be relevant only as a base date for anchoring forward projections.

Forward projections are to be provided for the firm's accounting reference date which is:

- (a) 1 year after the firm's current accounting reference date;
- (b) 2 years after the firm's current accounting reference date; and
- (c) 3 years after the firm's current accounting reference date.

Firms should therefore complete 3 columns in these templates as follows:

- Q4 (column 050) for the first year after the firm's current accounting reference date;
- Q8 (column 090) for the second year after the firm's current accounting reference date; and
- the final column (column 100) for the firm's accounting year end following Q8.

For example:

- for firms whose financial year-end is end December, the Capital+ projections for reporting period ending December 2017 would cover December 2018, December 2019 and December 2020. These should be reported in columns labelled Q4 (050), Q8 (090), and year-end following Q8 (100) respectively; and
- for firms whose financial year end corresponds to end March, the Capital+ return for reporting period ending March 2018 would include projections for March 2019 (reported in column Q4), March 2020 (reported in column Q8), and March 2021 (reported in column year-end following Q8).

The projections should be aligned with the firm's internal corporate capital plans. Hence, projections should be refreshed promptly to reflect changes in the corporate capital plan. No management actions should be assumed beyond those underlying the firm's capital plan. Projections should be based on internal processes such as a high-level refresh signed off by a senior committee.

The white cells need to be completed, as these are necessary in order to calculate key metrics; the cells highlighted in grey (ie 'actuals' data for the latest reporting date) do not need to be completed. Please input 0 only where the intended value is 0.

**Where data are unavailable, the cell(s) should be left blank.**

Only the columns for which financial year end data exists need to be completed.

### Reporting basis

The following basic principles must be followed in filling in the Capital+ data projections:

1. Throughout the form, data must be entered on an end-of-period basis. That is, the last day of the year in question.

2. As above, all data projections should be completed in line with the firm's current capital plan.

### Validations

Capital+ validation checks are essentially a sub-set of COREP validations.

### Submission

Data items must be submitted by the electronic means specified by the PRA.

### Basic information – 'Header Info' sheet

The worksheet entitled 'Header Info' should be populated with the key information requested. It is essential that each field is completed.

Basis of reporting: Please specify one of the following: Unconsolidated/ Individual-consolidated/ Sub-Consolidated/ Consolidated. 'Consolidated' refers to the UK Consolidated Group.

Reporting period start date: The date immediately following the Reporting period end date for the previous report submitted (e.g. where the previous submission was as at 30 June 2017, please enter 1 July 2017).

Reporting period end date: this is used to populate automatically the **date fields** in the rows at the top of each section. For technical reasons, the date entered must be a calendar month-end date. This date is likely to be the reporting period end date for the most recently submitted COREP data.

There is also a free-form box which may be used to add any relevant information concerning the content of the submission.

Firms should ensure that they have correctly filled in the information on the **Header Info** page. This information is essential for the PRA to process the report.

- Provide the appropriate description for the basis of reporting.
- The Submission number is initially set at 1 and should be increased by 1 in case of a resubmission relating to the same reporting period.
- The reporting period start date and end date correspond to the first and last day of the reporting period respectively. For example, the first and last day of the quarter for quarterly reporting. **Please note that the end date must be the last day of a calendar month.**
- Specify the reporting currency.
- Comment boxes are limited in size. If firms have additional comments to accompany the Capital+ data item, these should be submitted separately via secure electronic means.

### Capital+ input section

This is the section for entering most of the relevant data. It comprises sections replicating small parts of the Capital Adequacy Overview (CA) data items within COREP, and an additional section to capture data that are bespoke to the Capital+ report.

Please note all figures are to be reported in **units** unless otherwise indicated.

## Sections replicating COREP CA data points

The sections headed C 01.00 (CA1), C 02.00 (CA2) and C 04.00 (CA4) are extracts from the same-named data items in the COREP regulatory returns. For these sections, the principal difference between the Capital+ report and COREP reporting is the fact that the Capital+ comprises projections of the COREP items, rather than the latest actuals.

To complete these sections, firms should therefore follow the instructions set out for COREP reporting purposes. Further information can be found under the heading 'ITS on supervisory reporting' at:

<https://www.eba.europa.eu/risk-analysis-and-data/reporting-frameworks>.

### **Only the columns for which financial year end data exists need to be completed.**

The PRA has also issued the additional clarification documents, relating to the reporting of Pillar 2a items, which should be used alongside the instructions above. They can be found in the reporting clarifications section on the following page:

<https://www.bankofengland.co.uk/prudential-regulation/regulatory-reporting/regulatory-reporting-banking-sector>.

For some specific items, the following comments provides further clarification for the purpose of completing Capital+:

### **Incorporation of forecast profits within capital projections**

For the avoidance of doubt, for each projected date, firms should include the projected interim profits that are expected to have been externally verified and agreed with the PRA at that date, after deducting foreseeable charges or dividends.

Please note: on 1 January 2018 the requirement in the Capital Requirements Regulation (CRR) to meet the Basel I floor lapsed and the PRA no longer expects firms to report against fields relevant to the Basel I floor. If you have any questions please get in touch with your usual supervisory contact.

## PRA supplementary data section

This section comprises additional data items that are either not reported in the Capital Adequacy Overview section of COREP (CA), or are covered in COREP CA on a different basis.

Detailed instructions for these items are as follows:

### **Additional information on P&L, balance sheet and leverage data**

#### **260 Profit (+) or loss (-) for the period**

This item is not part of the capital calculation. The PRA is collecting it in order to have underlying information about the profitability assumptions driving the capital plan projections. Enter the P&L assumption (after tax) for that period, as used in building the projections. The profit (or loss) assumption reported in one period should not be reported in subsequent periods (i.e. the data are not cumulative).

#### **270 Total balance sheet assets**

Enter the total accounting balance sheet assets, within the scope of regulatory consolidation if applicable (as per the FSA001 (or its replacement) or FINREP, as applicable).

**281 Total Leverage Ratio exposure - using a fully phased-in definition of Tier 1 Capital**

Please provide the leverage ratio exposure as defined under Article 429(4) CRR.<sup>1</sup>

Please use quarter-end figures for the calculation instead of an average-over-the-quarter for reporting this measure.

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<sup>1</sup> Which can be found in the Leverage Ratio (CRR) Part of the PRA Rulebook.