

Supervisory Statement | SS34/15

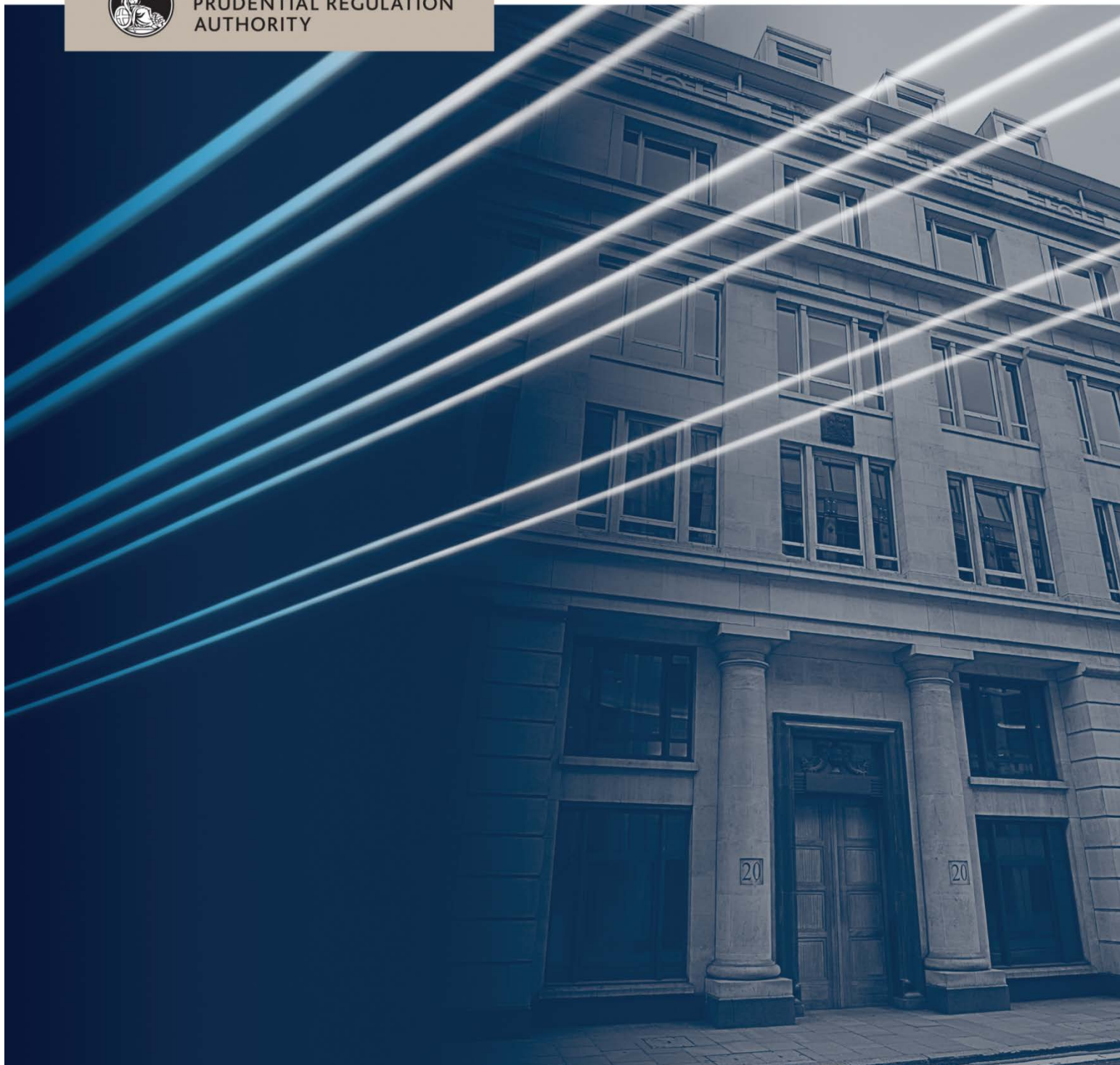
Guidelines for completing regulatory reports

July 2017

(Updating June 2017)



BANK OF ENGLAND
PRUDENTIAL REGULATION
AUTHORITY



**20 July 2017: This document has been superseded, see
<http://www.bankofengland.co.uk/pru/Pages/publications/ss/2017/ss3415update5.aspx>**



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**20 July 2017: This document has been superseded, see
<http://www.bankofengland.co.uk/prd/Pages/publications/ss/2017/ss3415update5.aspx>**

1 Overview

1.1 This statement is addressed to all firms regulated by the Prudential Regulation Authority (PRA) who are required to submit supervisory reports under the Regulatory Reporting, Close Links and Change in Control Parts of the PRA Rulebook.¹ Its purpose is to set out the PRA's expectations for how firms should complete the data items and returns required by those Parts.

- Chapter 2 and Appendices 1, 3 and 4 of this SS took effect from 1 January 2016, except PRA101-103 which take effect from 1 October 2017 and PRA104-108 which take effect from 1 January 2018.
- Appendix 2 took effect from 1 July 2017.
- Appendices 5 – 7 took effect from 7 March 2016.
- Appendix 8 takes effect from 1 January 2018.
- Appendix 9 takes effect from 1 January 2019.
- Appendix 10 takes effect from 1 January 2019.

1.2 This SS sets out the basis on which firms should complete data items and returns required under PRA rules. This is intended to ensure a consistent reporting framework to enable the PRA to use the information collected efficiently and effectively. It allows the PRA to meet its objective of promoting the safety and soundness for firms, as it enables the PRA to monitor firms' compliance with the requirement to maintain adequate financial resources, and with other requirements and standards under the regulatory system.

1.3 Chapter 2 sets out an example of how to interpret the reporting requirements where a firm carries out activities in more than one RAG.

1.4 The guidance on completing data items is set out in the following series of appendices:

Appendix	Data items	Description
1	FSA001 to FSA048; PRA101 to PRA108.	Instructions for completing data items FSA001 to FSA048 and PRA101 to PRA108.
2	MLAR	Notes for completing Mortgage Lenders and Administrators Return (MLAR).
3a	Removed 16 November 2016 (see Appendix 10)	
3b	Removed 16 November 2016 (see Appendix 10)	
4	Prudent Valuation	Guidelines for completing the prudent valuation return
5	Close links monthly report	Guidelines for completing the close links monthly report
6	Close links annual report	Guidelines for completing the close links annual report
7	Controllers report	Guidelines for completing the controllers report
8	FINREP templates	Details of FINREP templates required and related reporting instructions

¹ On 6 July, this SS was updated – see the annex for full details.

9	Reporting requirements for ring-fenced bodies (RFBs)	Instructions for completing data items RFB001 to RFB008.
10	PRA109	Instructions for completing data item PRA109.

1.5 In the SS and the accompanying appendices, the meanings are as given in the Regulatory Reporting Part where the term is specific to that Part, or in the PRA Rulebook Glossary.

2 Integrated regulatory reporting

2.1 This chapter is designed to assist firms to understand the reporting requirements set out in Chapter 2 of the Regulatory Reporting Part and in particular rules 2.1 - 2.3.

2.2 In the example of a UK bank that is not a FINREP firm or ring-fenced body, and that does not apply International Financial Reporting Standard 9 (IFRS 9), in Regulatory Activity Group (RAG) 1 that also carries on activities in RAG 5, overlaying the RAG 1 reporting requirements (Regulatory Reporting 7.1) with the requirements for a RAG 5 firm (Regulatory Reporting 11.2) gives the following:

RAG 1 requirements (7.1)	RAG 5 requirements (11.2)
Annual report and accounts	Annual report and accounts
Annual report and accounts of the mixed-activity holding company	
Solvency statement	
Balance sheet	Balance Sheet
Income statement / Statement of profit or loss	Income statement
Statement of Comprehensive income	
Market risk	
Market risk - supplementary	
Exposures between core UK group and non-core large exposures group	
Forecast data	
Solo consolidation data	
Interest rate gap report	
Sectoral information, including arrears and impairment	
IRB portfolio risk	
Daily Flows	
Enhanced Mismatch Report	
Memorandum items	
	Lending - Business flow and rates
	Residential Lending to individuals - New business profile
	Lending - Arrears analysis
	Mortgage administration - Business profile

	Mortgage Administration - Arrears analysis
	Analysis of loans to customers
	Provisions analysis
	Fees and levies
	Sale and Rent back

2.3 In this case, it is more obvious that the firm's reporting requirement in RAG 1 is not all the data items listed above. However, for the purposes of this exercise, it is the list of potential data items that is important. Thus comparing RAG 1 with RAG 5, the additional reporting requirements are:

- (a) lending - Business flow and rates, where Section D MLAR is required;
- (b) residential Lending to individuals - New business profile, where Section E MLAR is required;
- (c) lending - Arrears analysis, where Section F MLAR is required;
- (d) mortgage administration - Business profile, where Section G MLAR is required;
- (e) mortgage administration - Arrears analysis, where Section H MLAR is required;
- (f) analysis of loans to customers, where Section A3 of MLAR is required;
- (g) provisions analysis, where Section B2 of MLAR is required; and
- (h) sale and rent back, where Section K of the MLAR is required.

2.4 Fees and levies are not applicable as Regulatory Reporting 2.3 states that they are not required to be submitted under the lowest numbered RAG in this example.

2.5 The reporting frequency and submission times for items (a) to (h) above are then derived from the rules applicable to RAG 5 firms in Regulatory Reporting 11.2.

3 Accounting standards

3.1 The PRA may periodically request that firms provide the PRA with details of the accounting standard they use, including options chosen within this.

4 Waiver from individual reporting of certain FINREP templates

4.1 In the example of a UK bank or building society that forms part of a UK consolidation group (other than a group subject to ring-fencing), the PRA may, upon the fulfilment of certain criteria, grant a waiver from the requirement to report the following FINREP templates (included in Appendix 8) on an individual basis:

Template 4.3.1	Financial assets at fair value through other comprehensive income
Template 4.4.1	Financial assets at amortised cost
Template 5.1	Loan and advances other than held for trading by product
Template 7.1	Financial assets subject to impairment that are past due
Template 9.1.1	Off-balance sheet exposures and commitments and guarantees measured at fair value: Loan commitments, financial guarantees and other commitments given
Template 12.1	Movements in allowances and provisions for credit losses
Template 12.2	Transfers between impairment stages (gross basis presentation)
Template 13.1	Breakdown of collateral and guarantees by loans and advances other than held for trading
Template 18	Information on performing and non-performing exposures
Template 19	Information forborne exposures
Template 20.4	Geographical breakdown of assets by residence of the counterparty
Template 20.7	Geographical breakdown by residence of the counterparty of loans and advances other than held for trading to non-financial corporations by NACE codes

4.2 A firm may apply for a waiver from the individual requirements above if during the two most recent successive reporting periods set out in Regulatory Reporting 7.2, one entity within the UK consolidation group contributes between 90% and 95% of the total assets of the consolidation group (once intragroup assets have been deducted). When considering whether to grant the waiver, supervisors will make a qualitative assessment about the alignment of the business models of the individual entity and the group to determine whether it is appropriate to only collect consolidated data.

4.3 Any firm granted a waiver from those requirements on an individual basis must still report those templates on a consolidated basis, in accordance with Regulatory Reporting 7.1. One firm within the UK consolidation group should request the waiver on behalf of all firms in the group that require it. Details of the waiver are available on the PRA's webpages.¹

¹ www.bankofengland.co.uk/pr/Pages/authorisations/waivers/default.aspx.

Appendices

1	Instructions for completing data items FSA001 to FSA048 and PRA101 to PRA108
2	Notes for completion of the Mortgage Lenders and Administrators Return – see www.bankofengland.co.uk/prd/Documents/crdiv/mlarnotesjune2017.pdf
3a	Removed 16 November 2016 – see Appendix 10
3b	Removed 16 November 2016 – see Appendix 10
4	Guidelines for completing the Prudent Valuation Return – see www.bankofengland.co.uk/prd/Documents/crdiv/pva001instructionsjan2016.pdf
5	Guidelines for completing the Close Links Monthly Report – see www.bankofengland.co.uk/prd/Documents/crdiv/clmrguidelinesmar2016.pdf
6	Guidelines for completing the Close Links Annual Report – see www.bankofengland.co.uk/prd/Documents/crdiv/clarguidelinesmar2016.pdf
7	Guidelines for completing the Controllers Report – see www.bankofengland.co.uk/prd/Documents/crdiv/controllersguidelinesmar2016.pdf
8	Details of FINREP templates required and related reporting instructions
9	Reporting requirements for ring-fenced bodies (RFBs)
10	Instructions for completing PRA109 - Operational continuity see www.bankofengland.co.uk/prd/Documents/crdiv/prd109instructions.pdf

Appendix 1 - Guidelines for completing data items FSA001 to FSA048 and PRA101 to PRA108

Name		Data item	Instructions
FSA001	Balance sheet (until 1 January 2018)	www.bankofengland.co.uk/pr/Documents/crdiv/fsa001jan2016.pdf	www.bankofengland.co.uk/pr/Documents/crdiv/fsa001instructionsjan2016.pdf
FSA002	Income statement (until 1 January 2018)	www.bankofengland.co.uk/pr/Documents/crdiv/fsa002jan2016.pdf	www.bankofengland.co.uk/pr/Documents/crdiv/fsa002instructionsjan2016.pdf
FSA005	Market risk	www.bankofengland.co.uk/pr/Documents/crdiv/fsa005jan2016.pdf	www.bankofengland.co.uk/pr/Documents/crdiv/fsa005instructionsjan2016.pdf
FSA006	Market risk; supplementary data	www.bankofengland.co.uk/pr/Documents/crdiv/fsa006jan2016.pdf	www.bankofengland.co.uk/pr/Documents/crdiv/fsa006instructionsjan2016.pdf
FSA011	Building society liquidity	www.bankofengland.co.uk/pr/Documents/crdiv/fsa011jan2016.pdf	www.bankofengland.co.uk/pr/Documents/crdiv/fsa011instructionsjan2016.pdf
FSA014	Forecast data (until 1 January 2018)	www.bankofengland.co.uk/pr/Documents/crdiv/fsa014jan2016.pdf	www.bankofengland.co.uk/pr/Documents/crdiv/fsa014instructionsjan2016.pdf
FSA015	Sectoral information	www.bankofengland.co.uk/pr/Documents/crdiv/fsa015jan2016.pdf	www.bankofengland.co.uk/pr/Documents/crdiv/fsa015instructionsjan2016.pdf
FSA016	Solo consolidated data	www.bankofengland.co.uk/pr/Documents/crdiv/fsa016jan2016.pdf	www.bankofengland.co.uk/pr/Documents/crdiv/fsa016instructionsjan2016.pdf
FSA017	Interest rate gap report	www.bankofengland.co.uk/pr/Documents/crdiv/fsa017jan2016.pdf	www.bankofengland.co.uk/pr/Documents/crdiv/fsa017instructionsjan2016.pdf
FSA018	UK Integrated Group - large exposures	www.bankofengland.co.uk/pr/Documents/crdiv/fsa018jan2016.pdf	www.bankofengland.co.uk/pr/Documents/crdiv/fsa018instructionsjan2016.pdf
FSA019	Pillar 2 information	www.bankofengland.co.uk/pr/Documents/crdiv/fsa019jan2016.pdf	www.bankofengland.co.uk/pr/Documents/crdiv/fsa019instructionsjan2016.pdf
FSA038	Volumes and type of business	www.bankofengland.co.uk/pr/Documents/crdiv/fsa038jan2016.pdf	www.bankofengland.co.uk/pr/Documents/crdiv/fsa038instructionsjan2016.pdf
FSA042	UCITS	www.bankofengland.co.uk/pr/Documents/crdiv/fsa042jan2016.pdf	www.bankofengland.co.uk/pr/Documents/crdiv/fsa042instructionsjan2016.pdf
FSA045	IRB portfolio risk	www.bankofengland.co.uk/pr/Documents/crdiv/fsa045jan2016.pdf	www.bankofengland.co.uk/pr/Documents/crdiv/fsa045instructionsjan2016.pdf
FSA047	Daily flows	www.bankofengland.co.uk/pr/Documents/crdiv/fsa047jan2016.pdf	www.bankofengland.co.uk/pr/Documents/crdiv/fsa047instructionsjan2016.pdf
FSA048	Enhanced mismatched report	www.bankofengland.co.uk/pr/Documents/crdiv/fsa048jan2016.pdf	www.bankofengland.co.uk/pr/Documents/crdiv/fsa048instructionsjan2016.pdf
PRA101	Capital+ actuals and forecasts	www.bankofengland.co.uk/pr/Documents/crdiv/pr101template.pdf	www.bankofengland.co.uk/pr/Documents/crdiv/pr101instructions.pdf

PRA102	Capital+ forecast semi annual	www.bankofengland.co.uk/pr/Documents/crdiv/pr102template.pdf	www.bankofengland.co.uk/pr/Documents/crdiv/pr102instructions.pdf
PRA103	Capital+ forecast annual	www.bankofengland.co.uk/pr/Documents/crdiv/pr103template.pdf	www.bankofengland.co.uk/pr/Documents/crdiv/pr103instructions.pdf
PRA104	Forecast balance sheet (assets)	www.bankofengland.co.uk/pr/Documents/crdiv/pr104template.pdf	www.bankofengland.co.uk/pr/Documents/crdiv/pr104106instructions.pdf
PRA105	Forecast balance sheet (liabilities)	www.bankofengland.co.uk/pr/Documents/crdiv/pr105template.pdf	www.bankofengland.co.uk/pr/Documents/crdiv/pr104106instructions.pdf
PRA106	Forecast balance sheet (equity)	www.bankofengland.co.uk/pr/Documents/crdiv/pr106template.pdf	www.bankofengland.co.uk/pr/Documents/crdiv/pr104106instructions.pdf
PRA107	Forecast profit or loss	www.bankofengland.co.uk/pr/Documents/crdiv/pr107template.pdf	www.bankofengland.co.uk/pr/Documents/crdiv/pr107instructions.pdf
PRA108	Memorandum items return	www.bankofengland.co.uk/pr/Documents/crdiv/pr108template.pdf	www.bankofengland.co.uk/pr/Documents/crdiv/pr108instructions.pdf

Appendix 8 – Details of FINREP templates and related reporting instructions

The reporting rules in the Regulatory Reporting Part of the PRA Rulebook refer to the following FINREP templates:

Templates 1.1, 1.2, 1.3	Balance Sheet Statement (assets, liabilities and equity)
Template 2	Statement of profit or loss
Template 3	Statement of comprehensive income
Template 4.3.1	Financial assets at fair value through other comprehensive income
Template 4.4.1	Financial assets at amortised cost
Template 5.1	Loan and advances other than held for trading by product
Template 7.1	Financial assets subject to impairment that are past due
Template 9.1.1	Off-balance sheet exposures and commitments and guarantees measured at fair value: Loan commitments, financial guarantees and other commitments given
Template 12.1	Movements in allowances and provisions for credit losses
Template 12.2	Transfers between impairment stages (gross basis presentation)
Template 13.1	Breakdown of collateral and guarantees by loans and advances other than held for trading
Template 18	Information on performing and non-performing exposures
Template 19	Information forborne exposures
Template 20.4	Geographical breakdown of assets by residence of the counterparty
Template 20.7	Geographical breakdown by residence of the counterparty of loans and advances other than held for trading to non-financial corporations by NACE codes

The reporting templates and instructions are available as part of the European Banking Authority's (EBA's) Implementing Technical Standards (ITS) on Supervisory Reporting (680/2014),¹ as periodically amended:

- Template for IFRS firms: Annex III
- Template for firms that are not IFRS firms: Annex IV
- Reporting instructions for all firms: Annex V

¹ The EBA ITS on Supervisory Reporting: www.eba.europa.eu/risk-analysis-and-data/reporting-frameworks

Appendix 9 – Reporting requirements for ring-fenced bodies (RFBs)

Name		Data item	Instructions
RFB001	Intragroup exposures	www.bankofengland.co.uk/pr/Documents/ringf/rfb001template.pdf	www.bankofengland.co.uk/pr/Documents/ringf/rfb001instructions.pdf
RFB002	Intragroup funding	www.bankofengland.co.uk/pr/Documents/ringf/rfb002template.pdf	www.bankofengland.co.uk/pr/Documents/ringf/rfb002instructions.pdf
RFB003	Intragroup financial reporting (core)	www.bankofengland.co.uk/pr/Documents/ringf/rfb003template.pdf	www.bankofengland.co.uk/pr/Documents/ringf/rfb0034instructions.pdf
RFB004	Intragroup financial reporting (detailed breakdown)	www.bankofengland.co.uk/pr/Documents/ringf/rfb004template.pdf	
RFB005	Joint and several liability arising from taxes	www.bankofengland.co.uk/pr/Documents/ringf/rfb005template.pdf	www.bankofengland.co.uk/pr/Documents/ringf/rfb005instructions.pdf
RFB006	Excluded activity entities	www.bankofengland.co.uk/pr/Documents/ringf/rfb006template.pdf	www.bankofengland.co.uk/pr/Documents/ringf/rfb006instructions.pdf
RFB007	Use of financial market infrastructures	www.bankofengland.co.uk/pr/Documents/ringf/rfb007template.pdf	www.bankofengland.co.uk/pr/Documents/ringf/rfb007instructions.pdf
RFB008	Excluded activities and prohibitions	www.bankofengland.co.uk/pr/Documents/ringf/rfb008template.pdf	www.bankofengland.co.uk/pr/Documents/ringf/rfb008instructions.pdf

Appendix 10 – Operational continuity

Name		Data item	Instructions
PRA109	Operational continuity	www.bankofengland.co.uk/pr/Documents/crdiv/pr109template.pdf	www.bankofengland.co.uk/pr/Documents/crdiv/pr109instructions.pdf

Annex – SS34/15 updates

This annex details changes made to SS34/15 following its initial publication in August 2015 following Policy Statement (PS) 19/15 ‘The PRA Rulebook: Part 3’.¹

2017

6 July 2017

This SS was updated following Policy Statement 18/17 ‘IFRS 9: Changes to Reporting Requirements’.² Paragraph 2.2 was updated to clarify the reporting requirements for UK banks that are not FINREP firms or ring-fenced bodies, and not implementing IFRS 9, that carry out both RAG 1 and RAG 5 activities. Chapter 3 was added to include expectations for firms on the process for notifying the PRA of their accounting standard. Chapter 4 was added to include expectations for firms on applying for a waiver from reporting certain FINREP templates in Regulatory Reporting 7.1. Appendix 8 was updated to give details of the FINREP templates required and the related reporting instructions. The effective date for these templates and expectations is 1 January 2018.

23 June 2017

This SS was updated following Consultation Paper 45/16 ‘Amendments to Notes for completion of the MLAR’,³ to include updated Notes for completing the Mortgage Lenders and Administrators Return (MLAR) (Appendix 2). The Notes take effect on 1 July 2017. See Appendix 2 for details.

28 April 2017

This SS was updated following publication of PS10/17 ‘Ensuring operational continuity in resolution: reporting requirements’. The update includes a new appendix (Appendix 10) which provides reporting instructions to operational continuity firms required to complete template PRA109. The effective date for the instructions is 1 January 2019. The SS was also updated to rename Appendix 10 as ‘Annex’.

1 February 2017

This SS was updated following publication of PS3/17 ‘The implementation of ring-fencing: reporting and residual matters – response to CP25/16 and Chapter 5 of CP36/16’,⁴ to include a new appendix (Appendix 9) giving details of templates and reporting instructions for reporting requirements applying to ring-fenced bodies. The effective date for these templates and instructions is 1 January 2019.

2016

12 December 2016

This SS was updated following publication of:

- (i) PS35/16 ‘Response to CP26/16’⁵ to remove rows in Appendix 1 relating to redundant items (FSA050-FSA053) and correct the title of FSA019; and
- (ii) PS36/16 ‘Financial statements - responses to Chapter 3 of CP17/16’⁶ to include links in Appendix 1 to the guidelines for the new returns relating to financial statements (PRA104-

1 August 2015: www.bankofengland.co.uk/pr/Pages/publications/ps/2015/ps1915.aspx.
2 July 2017: www.bankofengland.co.uk/pr/Pages/publications/ps/2017/ps1817.aspx.
3 December 2016: www.bankofengland.co.uk/pr/Pages/publications/cp/2016/cp4516.aspx.
4 February 2017: www.bankofengland.co.uk/pr/Pages/publications/ps/2017/ps317.aspx.
5 December 2016: www.bankofengland.co.uk/pr/Pages/publications/ps/2016/ps3516.aspx.
6 December 2016: www.bankofengland.co.uk/pr/Pages/publications/ps/2016/ps3616.aspx.

PRA108) and a new Appendix (Appendix 8) giving details of FINREP templates required and related reporting instructions. The effective date for these forms and guidelines is 1 January 2018.

16 November 2016

This SS was updated following publication of:

- (ii) PS32/16 'Responses to Chapter 3 of CP17/16 - forecast capital data'¹ to include links in Appendix 1 to the guidelines for the new returns relating to forecast capital data (PRA101-PRA103); and
- (iii) PS31/16 'Credit union regulatory reporting'² to delete appendix 3a 'Notes for completing the Quarterly Return (CQ) for Credit Unions' and 3b 'Notes on completing the Annual Return (CY) for Credit Unions', which are available on the 'Credit unions – forms and guidance' webpage.³ The notes updated following PS31/16, are effective from 3 January 2017, and are available in the appendices of PS31/16.

26 February 2016

This SS was updated following Policy Statement 8/16 'Internal governance of third country branches and response to CP3/16',⁴ to include guidelines for completing supervisory reports relating to the Close Links and Change in Control Parts of the PRA Rulebook. This update supplements the PRA's expectations set out in the original statement, published on 3 August. This supervisory statement is addressed to all firms regulated by the PRA who are required to submit supervisory reports under the Regulatory Reporting, Close Links and Change in Control Parts of the PRA Rulebook. Its purpose is to set out the PRA's expectations for how firms should complete the data items and returns required by those Parts.

1 November 2016: www.bankofengland.co.uk/pr/Pages/publications/ps/2016/ps3216.aspx.
2 November 2016: www.bankofengland.co.uk/pr/Pages/publications/ps/2016/ps3116.aspx.
3 www.bankofengland.co.uk/pr/Pages/regulatorydata/formscreditunions.aspx.
4 February 2016: www.bankofengland.co.uk/pr/Pages/publications/ps/2016/ps816.aspx.