

FSA001 – Balance sheet

This data item provides the appropriate regulator with a snapshot of the assets and liabilities of a firm, and details of items which although not on the balance sheet, nevertheless will have a potential impact on the financial health of the firm if they were to crystallise.

Valuation

Firms should follow their normal accounting practice wherever possible.

Consolidation

When reporting the balance sheet on a *consolidation group* basis, firms should where possible treat the consolidation group as a single entity (ie line-by-line) rather than on an aggregation basis. However, for the liabilities, the consolidation should only treat the group as a single entity (ie line-by-line).

Currency

You should report in the currency of your annual audited accounts ie in either Sterling, Euro, US dollars, Canadian dollars, Swedish Kroner, Swiss Francs or Yen. Figures should be reported in 000s.

Data elements

These are referred to by row first, then by column, so data element 2B will be the element numbered 2 in column B.

Assets

These are broken down between trading book assets, and those that are not trading book assets. Hence the items reported in column B will exclude the items reported in column A. If a firm cannot easily identify trading book assets, all assets should be reported in the non-trading book column.

Firms can determine whether they have trading book or not. However, it is expected that a firm that identifies trading book profits in FSA002 should be able to identify trading book assets.

1 Is this report on behalf of a UK consolidation group?

Firms should answer yes or no.

2 If yes, please list the firm reference numbers of the other firms in the UK consolidation group.

Firms should list the reference numbers of all the firms included within the *consolidation group* in Column B.

3 If no (to data element 1), is this a solo consolidated report?

Firms that have an individual consolidation permission should answer yes here.

5 Cash and balances at central banks (excluding client money)

This is money physically held by the firm, and money deposited with central banks. Include any gold coin and bullion held.

Any client money held should be reported in data element 64A.

6 Credit items in the course of collection from banks

This data element is only relevant for *UK banks* and *building societies*.

This includes the total amount of cheques, etc drawn on and in the course of collection on other firms, and debit items in transit between domestic offices of the reporting firm in each country. Report cheques that have been credited to customers' accounts but are held overnight before being presented or paid into the reporting firm's account with another firm.

7 Securities eligible for use in central bank operations

Enter here any holdings of treasury bills or other securities eligible for use at *central banks*.

8 Deposits with, and loans to, credit institutions

For *UK designated investment firms*, this will include any bank balances. Overdrawn accounts with banks should be reported in data element 23A.

It includes funds lent to or placed with customers/counterparties. This includes holdings of certificates of deposit (other than those issued by the firm) and negotiable deposits made on terms identical to those on which a certificate of deposit would have been issued, but for which it has been mutually convenient not to have issued a certificate (these items should be reported on a contract date basis).

It also includes funds lent to or placed with customers/counterparties including:

- (a) assets leased out under finance lease agreements, but legally owned by the firm;
- (b) loans made under conditional sale agreements and hire purchase contracts;
- (c) acceptances discounted;
- (d) advances purchased by or assigned to the firm under a transferable loan facility, purchase and resale agreements, factoring, or similar arrangement; and
- (e) bills (including eligible bills), promissory notes and other negotiable paper owned (including à forfait paper), which should be reported according to the drawee.

9 Loans and advances to customers

This will mainly be relevant for *UK banks* and *building societies*. It covers all funds lent or placed with all counterparties other than credit institutions.

10 Debt securities

All long positions in debt securities, with the exception of gilts, should be reported in data element 10. If there is an overall short position, it should be reported in data element 30A.

Gilts should be reported in data element 7.

11 Equity shares

This comprises long holdings of securities. If there is an overall short position, it should be reported in data element 30A.

12 Investment in group undertakings

This will generally only apply for solo and unconsolidated reporting.

When completing this on a *consolidation group* basis, investments in subsidiary and associated companies should only include those companies that are excluded from the consolidation.

13 Reverse repurchase agreements and cash collateral on securities borrowed

Report here any reverse repos or stock borrowing.

14 Derivatives

Report here derivatives balances, on the same basis as they are reported on the face of the firm's balance sheet.

15 Goodwill

Report here the amount of any goodwill.

16 Other intangible assets

Include here intangible assets, other than goodwill.

17 Tangible fixed assets

Includes property, real estate, plant and equipment beneficially owned by the firm.

18 Prepayments and accrued income

Include here any sundry debtors arising in the course of the firm's business, including prepayments and accruals.

19 Other assets

Include any other assets not reported elsewhere on FSA001, items in suspense (in the case of *UK banks* and *building societies*), and any assets in respect of trading settlement accounts.

For *consolidation group* reports, any assets consolidated other than on a line-by-line basis may be reported here.

Includes exchange traded margins.

20 Total assets

The sum of the trading book total assets plus the non-trading book total assets will equal the sum of total liabilities and equity of the firm in data element 45A.

Liabilities

21A Own bank notes issued

This is only relevant for those banks that can issue bank notes. It is the figure of bank notes in circulation, ie the firm's issue of bank notes less any own notes held.

22A Items in the course of collection due to other banks

This is only likely to be relevant for *UK banks* and *building societies*.

It should include items in the course of transmission.

23A Deposits from banks and building societies, including overdrafts and loans from them

For *UK designated investment firms*, this element will contain any borrowings made from banks or building societies. Deposit-taking firms will include here deposits from other credit institutions.

24A Customer accounts

This is unlikely to be relevant for *UK designated investment firms*.

It comprises deposits from all customers other than credit institutions (that are reported in 23A). These should be broken down into retail (excluding e-money), e-money issued (this should be identified where firms have permission to issue e-money), corporate, intra-group and other in data elements 25A to 29A.

Firms should use their best endeavours to allocate customers, but should follow a consistent approach on each reporting date.

30A Trading liabilities

Include here any short positions in equities or debt securities.

31A Debt securities in issue, excluding covered bonds

This data element is unlikely to be relevant to *UK designated investment firms*.

Report all certificates of deposit issued by the firm, whether at fixed or floating rates, and still outstanding. Also report negotiable deposits taken on terms in all respects identical to those on which a certificate of deposit would have been issued, but for which it has been mutually convenient not to have issued certificates. If a firm holds certificates of deposits which it has itself issued, these should not be reported.

Also report promissory notes, bills and other negotiable paper issued (including commercial paper) by the reporting institution including bills drawn under an acceptance credit facility provided by another firm.

Include unsubordinated FRNs and other unsubordinated market instruments issued by the firm.

Covered bonds should be excluded and reported in data element 32A.

32A Covered bonds

This data element is unlikely to be relevant to *UK designated investment firms*.

See the Glossary for a definition of *covered bonds*.

33A Derivatives

Report here any derivative liabilities.

34A Liabilities in respect of sale and repurchase agreements and cash collateral received for securities lent

This entry applies to the cash liability on sale and repurchase and stock lending agreements. Where the firm reports assets reversed in on the balance sheet, the liability under such agreements should be reported here. Stock borrowing that is reported on balance sheet should also be included here.

35A Retirement benefit liabilities

Include liabilities arising in respect of pension scheme deficiencies.

36A Taxation liabilities

Deferred tax assets should be reported as an asset in data element 19A or 19B.

37A Provisions

Report general provisions / collective impairment that are held against possible or latent losses but where the losses have not as yet been identified, in line with the accounting practice adopted by the firm.

38A Subordinated liabilities

Include all subordinated debt issued by the firm. *Building societies* should include *PIBS* here.

39A Accruals and deferred income

Include here accruals and deferred income.

40A Other liabilities

Include net short positions in physical commodities where the appropriate regulator has agreed that commodity transactions may be included in the non-trading Book.

UK banks and building societies should include items in suspense here.

Includes exchange traded margins.

41A Subtotal

This is the total of data elements 21A, 22A, 23A and 30A to 40A.

42A Called up share capital, including partnership, LLP and sole trader capital

Exclude holdings by the firm of its own shares and also excess of drawings over profits for partnerships, LLPs or sole traders. *Building societies* should exclude *PIBS*, which should be reported in 38A.

43A Reserves

Firms may use figures compiled on the same basis as audited accounts.

44A Minority interests

Firms may use figures compiled on the same basis as audited accounts.

45A Total liabilities and shareholders' funds

This will equal the sum of trading book plus non-trading book assets (data elements 20A plus 20B), and also the sum of 41A to 44A.

Memorandum items

46-53 Derivatives

This provides further information on OTC derivatives. Firms should allocate the contracts to the bands as accurately as possible but, if some of the breakdowns are not available, they should report on the basis of the predominant type of derivative.

A – Notional contract amount

Firms should provide this amount, if available, or their best estimate of it from internal sources.

B – Assets

Firm should use the value placed on these contracts in the balance sheet, before accounting netting.

C – Liabilities

Firm should use the value placed on these contracts in the balance sheet, before accounting netting.

53B/53C Total after netting

This is the value of derivatives, for columns B and C, after accounting netting. 53B should equal 14A plus 14B, while 53C should equal 33A.

Other items

54A Direct credit substitutes

This is likely to be relevant only for *UK banks* and *building societies*.

Report here those direct credit substitutes which do not appear on the face of the balance sheet.

Direct credit substitutes relate to the financial requirements of a counterparty, where the risk of loss to the firm on the transaction is equivalent to a direct claim on the counterparty, ie the risk of loss depends on the creditworthiness of the counterparty. Report instruments such as:

- (a) acceptances granted and risk participations in bankers' acceptances. Where a firm's own acceptances have been discounted by that institution the nominal value of the bills held should be deducted from the nominal amount of the bills issued under the facility and a corresponding on-balance sheet entry made:
- (b) guarantees given on behalf of customers to stand behind the current obligations of the customer and to carry out these obligations should the customers fail to do so, eg a loan guarantee;
- (c) guarantees of leasing operations;

- (d) guarantees of a capital nature such as undertakings given to firms authorised under the Financial Services and Markets Act 2000 which are considered as capital;
- (e) letters of credit not eligible for inclusion in 54A;
- (f) standby letters of credit, or other irrevocable obligations, serving as financial guarantees where the firm has an irrevocable obligation to pay a third party beneficiary if the customer fails to repay an outstanding commitment, eg letters of credit supporting the issue of commercial paper, delivery of merchandise, or for stock lending (standby letters of credit which are related to non-financial transactions should be reported in 55A below);
- (g) re-insurance or window letters of credit;
- (h) acceptances drawn under letters of credit, or similar facilities where the acceptor does not have specific title to an identifiable underlying shipment of goods (eg sales of electricity); and
- (i) confirmations of letters of credit.

55A Transaction-related contingents

This is likely to be relevant only for *UK banks* and *building societies*.

Report here those transaction-related contingents which do not appear on the face of the balance sheet.

Transaction-related contingents relate to the on-going trading activities of a counterparty where the risk of loss to the firm depends on the likelihood of a future event which is independent of the creditworthiness of the counterparty. They are essentially guarantees which support particular non-financial obligations rather than supporting customers' general financial obligations. Report such items as:

- (a) performance bonds, warranties and indemnities (indemnities given for lost share certificates or bills of lading and guarantees of the validity of papers rather than of payment under certain conditions should not be reported);
- (b) bid or tender bonds;
- (c) advance payment guarantees;
- (d) VAT, customs and excise bonds. The amount recorded for such bonds should be the firm's maximum liability (normally twice the monthly amount being guaranteed); and
- (e) standby letters of credit relating to a particular contract or to non-financial transactions (including arrangements backing, inter alia, subcontractors' and suppliers' performance, labour and materials, contracts, and construction bids).

56A Trade-related contingents

This is likely to be relevant only for *UK banks* and *building societies*.

Report here those trade-related contingents which do not appear on the face of the balance sheet.

Report short-term, self liquidating trade-related items such as documentary letters of credit issued by the firm which are, or are to be, collateralised by the underlying shipment, ie where the credit provides for the firm to retain title to the underlying shipment.

Letters of credit issued by the firm without provision for the firm to retain title to the underlying shipment or where the title has passed from the firm should be reported under direct credit substitutes (54A). A memorandum of pledge and a trust receipt are not regarded as giving the firm title, and transactions secured by these should be shown under 54A.

Letters of credit issued on behalf of a counterparty back-to back with letters of credit of which the counterparty is a beneficiary ("back-to-back" letters) should be reported in full.

Letters of credit advised by the firm or for which the firm is acting as reimbursement agent should not be reported.

57A Asset sales with recourse

This is likely to be relevant only for *UK banks* and *building societies*.

Report here those asset sales without recourse which do not appear on the face of the balance sheet.

Report put options written where the holder of the asset is entitled to put the asset back to the firm, eg if the credit quality deteriorates. Also report put options written by the firm attached to marketable instruments or other physical assets.

58A Forward asset purchases

This is likely to be relevant only for *UK banks* and *building societies*.

Report here those forward asset purchases which do not appear on the face of the balance sheet.

Include commitments for loans and other on-balance sheet items with certain drawdown. Exclude foreign currency spot deposits with value dates one or two working days after trade date.

59A Forward forward deposits placed

This is likely to be relevant only for *UK banks* and *building societies*.

Report here those forward forward deposits placed which do not appear on the face of the balance sheet.

This covers agreements between two parties whereby one will pay, and the other receive, an agreed rate of interest on a deposit to be placed by one with the other at some predetermined date in the future. Exclude foreign currency spot deposits with value dates one or two working days after trade date.

60A Uncalled partly-paid shares and securities

Only report if there is a specific date for the call on the unpaid part of the shares and securities held. If there is no specific date, the unpaid part should be treated as a long-term commitment (see 63A).

61A NIFs and RUFs

This is likely to be relevant only for *UK banks* and *building societies*.

Report here those NIFs and RUFs which do not appear on the face of the balance sheet.

Note issuance facilities and revolving underwriting facilities should include the total amounts of the firm's underwriting obligations of any maturity. Where the facility has been drawn down by the borrower and the notes are held by anyone other than the firm, the underwriting obligation should continue to be reported at the full nominal amount.

The firm's own holding of the notes should be reported in data elements 8 and 9 and therefore the nominal amount of the notes held should be deducted from the nominal amount of the facility to be shown here.

62A Endorsements of bills

This is likely to be relevant only for *UK banks* and *building societies*.

Report here those endorsed bills which do not appear on the face of the balance sheet.

Endorsements of bills (including per aval endorsements) should be reported at the full nominal amount, less any amount for bills which the firm now holds but had previously endorsed.

63A Other commitments

This is likely to be relevant only for *UK banks* and *building societies*.

Report here other commitments which do not appear on the face of the balance sheet, and are not reported in items 54A to 62A above.

The firm is regarded by the appropriate regulator as having a commitment regardless of whether it is revocable or irrevocable, conditional or unconditional and, in particular whether or not it contains a "material adverse change" clause.

Include unused credit card lines.

Commitments for loans and other on-balance sheet items with certain drawdown should not be reported here but under 58A.

64A Client money held

Provide the total amount of client money held at the reporting date. Firms should be identifying this already to ensure compliance with CASS. For *consolidation group* reports, firms should only include client money to which CASS applies.

65A Number of UK retail customers

This is only applicable to *UK banks* and *building societies*.

This is intended to identify the number of UK retail customers. Firms should use their best estimate for this, which might even be based on the number of accounts. It can even be the firms most reasonable approximation, based on whatever information they can use. We recognise that this may lead to firms duplicating customers who have a number of different products or accounts and thus we are provided with the number of total customers, rather than different customers. We do not expect firms to develop systems to give precise numbers, although obviously we would prefer the figures to be as reliable as possible. (We have considered bandings, but that will not give the degree of precision we require.)

FSA001 – Balance sheet validations

Internal validations

Data elements are referenced by row then column.

Validation number	Data element		
1	20A	=	5A + 6A + 7A + 8A + 9A + 10A + 11A + 12A + 13A + 14A + 15A + 16A + 17A + 18A + 19A
2	20B	=	5B + 6B + 7B + 8B + 9B + 10B + 11B + 12B + 13B + 14B + 15B + 16B + 17B + 18B + 19B
3	24A	=	25A + 26A + 27A + 28A + 29A
4	41A	=	21A + 22A + 23A + 24A + 30A + 31A + 32A + 33A + 34A + 35A + 36A + 37A + 38A + 39A + 40A
5	45A	=	41A + 42A + 43A + 44A
6	45A	=	20A + 20B
7	52A	=	46A + 47A + 48A + 49A + 50A + 51A
8	52B	=	46B + 47B + 48B + 49B + 50B + 51B
9	52C	=	46C + 47C + 48C + 49C + 50C + 51C
10	53B	=	14A + 14B
11	53C	=	33A

External validations

There are no external validations for this data item.

FSA002 – Income statement

This data item provides the appropriate regulator with information on the main sources of income and expenditure for a firm. It should be completed on a cumulative basis for the firm's current financial year up to the reporting date.

Valuation

Firms should follow their normal accounting practice wherever possible.

Currency

You should report in the currency of your annual audited accounts ie in either Sterling, Euro, US dollars, Canadian dollars, Swedish Kroner, Swiss Francs or Yen. Figures should be reported in 000s.

Consolidation

Firms reporting on a *consolidation group* basis can use the same accounting basis for consolidation as in their accounts, as long as the group on which it is based accords with the *consolidation group*.

Data elements

These are referred to by row first, then by column, so data element 2B will be the element numbered 2 in column B.

Trading book

Data elements in column A relate only the trading book. Firms should identify their trading book profits separately from the non-trading book profits wherever possible.

Column B should contain the total (in this regard, it differs from the layout in FSA001).

1B Financial and operating income

This is the total of financial and operating income, which is broken down in more detail in elements 2B, 7B, 15B and 20B to 24B.

Where firms can allocate financial and operating income to the trading book, this should be reported in 1A. Firms that intend to include 'net interim trading book profit and loss' in element 61A of FSA003 should be able to identify the trading book portion separately here.

2B Interest income

Include both interest actually received and interest receivable which has accrued but has not yet been received. Amounts accrued should be based on the latest date to which these calculations were made; thus for an institution which accrues profits on a daily basis, accruals should include amounts up to and including the reporting date.

Elements 3B to 6B break this down in more detail, but only 4B and 6B are likely to be relevant for *UK designated investment firms*.

Firms should use their best endeavours to allocate interest income according to the categories shown, and should adopt a consistent approach on each reporting date.

3B Of which: Retail secured loans

This is unlikely to be relevant for *BIPRU investment firms*.

This part of interest income comprises interest received or receivable from any secured lending to retail customers. Firms may use their best estimate to derive this figure, as long as the approach is applied consistently at each reporting date.

4B Of which: Retail unsecured loans (including bank deposits)

For *UK designated investment firms*, this will include interest paid by banks or building societies on deposits with them.

For deposit takers, this comprises interest received or receivable from retail customers other than on secured lending or card accounts. It includes overdrafts. Firms may use their best estimate to derive this figure, as long as the approach is applied consistently at each reporting date.

Any interest from credit or charge cards should be included in data element 5B.

5B Of which: Card accounts

This is unlikely to be relevant for *UK designated investment firms*.

This includes any interest received on charge cards accounts. Firms may use their best estimate to derive this figure, as long as the approach is applied consistently at each reporting date.

6B Of which: Other

This comprises all other interest received and receivable and will include all interest receivable on bonds, floating rate notes (FRNs) and other debt instruments as well as interest receivable on repos / reverse repos.

Receipts from security lending / borrowing should only be included when cash collateral is involved – other income from security lending / borrowing should be classified as fees.

It also comprises any interest received not reported in items 3B to 5B.

Include here any interest received on swaps entered into for the purposes of hedging interest rate risk.

7B Fee and commission income

This covers all fee and commission income, and is broken down in more detail in elements 8B to 14B below. If a firm cannot allocate the income in a precise manner, it should allocate the income on a best endeavours basis, which should be consistently applied on each reporting date.

Firms should use their best endeavours to allocate fee and commission income according to the categories shown, and should adopt a consistent approach on each reporting date.

8B Of which: Gross commission and brokerage

Include commission and brokerage earned by the firm, before the deduction of commissions shared or paid to third parties (these commissions paid to others should be reported in 32B). It will include income from the provision of foreign exchange facilities.

9B Of which: Performance fees

This will include incentive fees received by the firm.

To avoid double counting, data input here should not include amounts input under data element 10B below. Data element 9B and data element 10B are mutually exclusive.

10B Of which: Investment management fees

Include all underwriting fees and commissions, and fees and commissions from valuations, management of investments and unit trusts and pension funds.

To avoid double counting, data input here should not include amounts input under data element 9B above. Data element 9B and data element 10B are mutually exclusive.

11B Of which: Investment advisory fees

Include all fees arising from investment advice.

12B Of which: Corporate finance

Include all income earned by the firm from corporate finance business.

13B Of which: UCITS management fees

This covers income earned through the management of UCITS.

14B Of which: Other fee and commission income

Report here any other fee and commission income not reported in data elements 8B to 13B.

15B Trading income (losses)

A net loss should be shown with a minus sign to indicate a negative figure.

This is further broken down in elements 16B to 19B.

Firms should use their best endeavours to allocate trading income (losses) according to the categories shown, and should adopt a consistent approach on each reporting date.

16B of which: Trading investments

This portion of 15B includes all profits or losses (including revaluation profits or losses) on investments held for dealing. This will generally exclude profits or losses arising from the sale of investments in subsidiary or associated companies, trade investments or the amortisation of premiums or discounts on the purchase of fixed maturity investments.

17B of which: Charges on UCITS sales / redemptions

This is that part of 15B (dealing profits/losses) arising from charges made to clients for UCITS sales or redemptions.

18B of which: Foreign exchange

This is unlikely to be relevant for *UK designated investment firms*.

This part of 15B includes revaluations of foreign exchange positions, but excludes fees and commissions relating to foreign exchange business (which should be included under data element 8B).

19B Other trading income (losses)

Report here any other trading income not reported in data elements 16B to 18B.

20B Gains (losses) arising from non-trading instruments

This element is unlikely to be relevant for *UK designated investment firms*.

Includes gains (losses) arising from non-trading instruments designated at initial recognition to be measured at fair value through profit and loss (FVTPL), commonly referred to as the 'fair value option'.

21B Realised gains (losses) on financial assets & liabilities (other than HFT and FVTPL)

This element is unlikely to be relevant for *UK designated investment firms*.

This should include gains (losses) on financial assets and liabilities (other than those held for trading ('HFT') or those measured at fair value through profit and loss ('FVTPL')).

22B Dividend income

This includes dividend income on all equity investments.

23B Other operating income

This is unlikely to be relevant for *UK designated investment firms*.

It includes property rentals and increases in respect of linked liabilities.

24B Gains (losses) on disposals of HFS non-current assets & discontinued operations

This is unlikely to be relevant for *UK designated investment firms*.

Includes gains (losses) on non-financial items which are 'held for sale' as defined in IFRS 5.

25B Financial & operating charges

This is the total of the firm's operating charges that are broken down in more detail in elements 26B, 32B and 33B.

Where firms can allocate financial and operating charges to the trading book, this should be reported in 25A.

26B Interest paid

This is broken down in further detail in 27B to 31B. Firms should use their best endeavours to allocate interest paid according to the categories shown, and should adopt a consistent approach on each reporting date.

For *UK designated investment firms*, this is likely to be limited to interest paid, or overdraft charges paid, to banks (also detailed in 27B) or on intra-group loans (detailed in 30B) or on other deposits (detailed in 31B).

Include both interest actually paid and interest payable which has accrued but has not yet been paid.

27B Of which: Bank and building society deposits

In the case of *UK designated investment firms*, this will include interest payments to banks for loans or overdrafts.

For deposit takers, this will include all interest paid on balances placed by banks, building societies or other financial institutions.

28B Of which: Retail deposits

This will not be relevant for *UK designated investment firms*.

Deposit takers will include here all interest paid on balances placed by retail customers.

29B Of which: Corporate deposits

This will not be relevant for *UK designated investment firms*.

Deposit takers will include here all interest paid on balances placed by non-bank, non-connected corporate customers.

30B Of which: Intra-group deposits

This will only be relevant for *UK designated investment firms* that have borrowed money from other group companies.

Deposit takers will include all interest paid on balances placed by group companies.

31B Of which: On other items

This will only be relevant for *UK designated investment firms* if they have issued bonds, interest rate swaps for hedging purposes or commercial paper.

Deposit takers will include all interest paid on all other balances not reported in 27B to 30B. It includes interest payments on bonds and subordinated loans, certificates of deposits and commercial paper issued.

Include here any losses on interest rate swaps used for hedging purposes.

32B Fees and commissions expenses

Include commissions paid or shared with other firms, plus fees, brokerage and other charges paid in relation to the execution, registration or clearing of transactions. Commissions paid to staff should be reported under 35B.

33B Other operating expenses

Include here other expenses (that are not identified elsewhere) that arise in the course of undertaking the firm's activities. However, costs such as electricity and rent should be reported under 38B (general administrative expenses).

34B Other costs

This is the total of other costs and charges that are detailed in items 35B and 38B to 43B below.

Where firms can allocate other costs to the trading book, this should be reported in 34A.

35B Staff expenses

This is the total of the costs broken down in 36B and 37B.

It should exclude general staff benefits, such as subsidised restaurants, which should be included in general administrative expenses in 38B.

36B Of which: Staff costs (ie non-discretionary)

Include salary costs, employer's national insurance contributions and social security costs, the employer's contribution to any pension scheme, and benefits in kind. Also include here commissions paid to staff on business they have introduced.

37B Of which: Charges for discretionary staff costs

Include discretionary bonuses and profit/performance share and share option schemes. Any commissions paid to staff on business they did not introduce should be recorded here.

38B General administrative expenses

This includes rates, rent, insurance of building, lighting, heating, depreciation and maintenance costs. Also include marketing, communications, professional fees including auditor's remuneration and other general overheads of the business.

39B Depreciation and amortisation

This covers the depreciation of property, plant and equipment and includes amortisation of intangibles.

40B Impairment/provisions

This is the total cost of impairment charges and provisions made.

41B Other charges

This will include operating lease rentals.

42B Share of profit (losses) of associates

Firms reporting on a solo or unconsolidated basis should include the dividends from other group companies only.

43B Exceptional items

Include here any significant items which are separately disclosed in your accounts by virtue of their size or incidence to enable a full understanding of the group's financial performance. Transactions which may give rise to exceptional items may include gains or losses on disposal of investments, subsidiaries and early termination of debt instruments. Details relating to these amounts should be provided in data element 48A.

44B Profit (loss) before tax

This is the total financial and operating income (data element 1) less the financial and operating charges (25), and other costs (34). If the profit attributable to the trading book can be calculated, it should be reported in 44A.

45B Tax charge (income)

This comprises current tax charge (income) and deferred tax charge (income). Include any adjustments recognised in the period for current tax of prior periods. It may also include the amount of deferred tax charge (income) relating to the origination and reversal of temporary differences.

46B Net profit (loss)

This is the total profit (loss) after tax, before accounting for any minority interests.

Memorandum items**47B Dividends paid during year**

Only those dividends paid in the period should be reported here.

48A Details of exceptional items

Please provide details of any amounts included in data item 43B.

FSA002 – Income statement validations

Internal validations

Data elements are referenced by row then column.

Validation number	Data element		
1	1B	=	2B + 7B + 15B + 20B + 21B + 22B + 23B + 24B
1a	1A	≤	1B
2	2B	=	3B + 4B + 5B + 6B
3	7B	=	8B + 9B + 10B + 11B + 12B + 13B + 14B
4	15B	=	16B + 17B + 18B + 19B
5	25B	=	26B + 32B + 33B
6	25A	≤	25B
7	26B	=	27B + 28B + 29B + 30B + 31B
8	34B	=	35B + 38B + 39B + 40B + 41B + 42B + 43B
8a	34A	≤	34B
9	35B	=	36B + 37B
10			[deleted]
11	44A	=	1A – 25A – 34A
12	44B	=	1B – 25B – 34B
13	46B	=	44B – 45B

External validations

There are no external validations for this data item.

FSA005 – Market risk

This data item provides the PRA with information on Risks Not in VaR(RNIV) on a standardised basis.

Completion of data item

All cells not specifically referred to below should be left blank.

62 Grand total PRR

Firms should input “0” in order for all validations to succeed

63 Add-ons

This comprises the add-ons under the RNIV framework.

64 Total Add-ons

The total of items 1 to n in 63

FSA005 – Market risk validations

Internal validations

Data elements are referenced by row then column.

53	64G	=	SUM (63B)
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FSA006 – Market risk supplementary

This data item provides the appropriate regulator with VaR backtesting reports. It contains daily outturn data which is only reported to the appropriate regulator quarterly in arrears.

Valuation

For the general policy on valuation, please see the relevant provisions of the *EU CRR*.

Currency

You should report in the currency of your annual audited accounts ie in either Sterling, Euro, US dollars, Canadian dollars, Swedish Kroner, Swiss Francs or Yen. Figures should be reported in 000s.

Data elements

These are referred to by row first, then by column, so data element 2B will be the element numbered 2 in column B.

Daily outturn data

1A Closing P&L data

This is the daily figure.

1B VaR confidence level

The number reported here will remain constant throughout the period.

1C Holding period (days)

The number reported here will remain constant throughout the period.

1D Business unit code

This will record the codes for the major business units, typically ones the firm uses itself, that has previously been agreed with the appropriate regulator.

1E Currency

This identifies the VaR reporting currency.

1F Value at Risk

This is the *One day VaR measure* Article 365 of the *EU CRR*.

1J Date on which VaR computed

This is the date when the VaR is computed.

1K Last date VaR historic data updated

This is the last date on which this has been updated.

FSA006 – Market risk supplementary validations

Internal validations

There are no validations for this data item.

FSA011 – Building society liquidity

This data item is used to monitor the liquidity position of *building societies* under *IPRU(BSOC)*.

Valuation

For the general policy on valuation, please see the rules and guidance set out in *GENPRU* 1.3.

Currency

You should report in the currency of your annual audited accounts ie in either Sterling, Euro, US dollars, Canadian dollars, Swedish Kronor, Swiss Francs or Yen. Figures should be reported in 000s.

Data elements

These are referred to by row first, then by column, so data element 2B will be the element numbered 2 in column B.

Definitions

Column A Values here should be reported on the same basis as they are reported in the balance sheet (FSA001), except they should include accrued interest for each item. It may include items which are not eligible for inclusion within the prudential liquidity calculation.

9A SDL at reporting date

This is calculated as the sum of share liabilities including interest accrued, plus deposits and debt securities including interest accrued. See *IPRU(BSOC)* 5.3.2G for a definition of SDL.

12A Building society holdings at reporting date

This is the total of liquid asset holdings with all other societies in total, and includes any undrawn committed facilities provided to societies. It covers securities and money market instruments issued by and deposits placed with any other building society.

Specialist data

This is the value of funding accounted for by those elements which are restricted (ie funding excluding shares held by individuals).

The purpose of 13A and 14A is to report the actual value of the QE of the statutorily defined percentages relating to the funding and lending nature limits.

13A Business assets not FSRP as % of business assets

This is the value of business assets that are not fully secured on residential property (FSRP) as a % of total business assets. It is monitored under Section 6 of the Building Societies Act 1986.

14A Deposits and loans as % of SDL

These are monitored under Section 7 of the Building Societies Act 1986.

15A Amount of offshore deposits

This is the amount of deposits taken by societies' undertakings doing deposit taking offshore (eg in the Channel Islands or Isle of Man), or other undertakings established in other countries primarily to take deposits.

16A Large shareholdings as % of SDL

This item relates to the aggregate balances on both share and deposit holdings (where a single holding in respect of an individual is the totality of accounts held by that individual), excluding accrued interest, which are each in excess of 0.25% of total SDL.

FSA014 – Forecast data

This data provides details of a firm's financial forecasts for the year following the reporting date, or an updated forecast at the interim stage. If a firm does not re-forecast (or update the forecast) at the interim stage, then the figures will be the same as previously reported.

The data elements 6A, 12A, 13A and 14A should be provided by all firms as a minimum.

The firm should complete the other data elements to the extent it has the data available. Forecasts should be made on a best endeavours basis, aiming where possible to match with specific data elements in other data items that are provided regularly. Firms should aim for consistency in approach when compiling these data.

Currency

You should report in the currency of your annual audited accounts ie in either Sterling, Euro, US dollars, Canadian dollars, Swedish Kroner, Swiss Francs or Yen. Figures should be reported in 000s.

1A Net interest income

This item should be equivalent to data elements 2B minus 26B on data item FSA002 (Income statement).

2A Other income

This is equivalent to data elements 1B minus 2B on data item FSA002.

3A Expenditure

This is equivalent to data element 25B minus 26B, plus 34B on data item FSA002.

4A Impairment/provisions

This is equivalent to data element 40B on data item FSA002.

5A Total profit before tax

This is equivalent to data element 44B on data item FSA002.

6A Net profit (loss)

This data element should be completed by all firms.

This is equivalent to data element 46B on FSA002.

7A Cash and balances at central banks

This is equivalent to data element 5A plus 5B on data item FSA001 (Balance sheet).

8 Loans and advances to customers

This is equivalent to data elements 9A plus 9B on data item FSA001.

9 Investments

This is equivalent to data elements 10A plus 10B plus 11A plus 11B plus 13A plus 13B plus 14A plus 14B on data item FSA001.

10A Retail deposits

This is equivalent to data element 25A on data item FSA001.

11A Deposits by banks, including overdrafts

This is equivalent to data element 23A on data item FSA001.

12A Total assets/liabilities

This data element should be completed by all firms.

This is equivalent to data elements 20A plus 20B on data item FSA001.

13A Total capital after deductions

This data element should be completed by all firms.

This is equivalent to data element 15A on data item FSA003 (Capital adequacy).

14A Variable capital requirement at end of period

This data element should be completed by all firms.

This is equivalent to data element 70A on data item FSA003.

FSA014 – Forecast data validations

There are no validations for his data item.

FSA015 – Sectoral information, including arrears and impairment

This data item provides the appropriate regulator with information on the credit quality of a *firm's* portfolio, enabling the appropriate regulator to assess potential threats to the firm's viability. It also provides information to be used at a macro level to monitor changes in the economic climate. This *data item* relates only to credit risk.

Completion of this data item is acceptable on a best endeavours basis. Allocation between sectors is adequate at portfolio level; accuracy to individual account level is not required.

Valuation

For the general policy on valuation, please see the relevant provisions in the *EU CRR*.

Currency

You should report in the currency of your annual audited accounts i.e. in either Sterling, Euro, US dollars, Canadian dollars, Swedish Kroner, Swiss Francs or Yen. Figures should be reported in 000s.

Data elements

These are referred to by row first, then by column, so data element 2B will be the element numbered 2 in column B.

Definitions

Coverage

Only assets held in the banking book at amortised cost, including overdrafts, should be included in FSA015. Derivatives, trading book exposures and intragroup exposures should be excluded. In addition, as FSA015 relates mainly to loans and similar financial assets, other asset types likely to be excluded are those covered by FSA001, *data elements* 11-19, e.g. intangible assets, fixed assets and prepayments. Also, in general we would not expect trade debtors to be included unless the debts are treated as loans or advances in the statutory annual accounts.

All relevant assets should be included in columns A and H, even where the accounts have no associated arrears or impairments.

Column A: "All balances (customer) outstanding at period end"

This is the amount of total debt owed by the customer at the reporting date, and should comprise the total amount outstanding (after deducting any write-offs but without deduction for any provisions or impairments) in respect of:

- (i) the principal of the debt (including any further advances made);
- (ii) interest due on the debt (but only up to the reporting date), including any interest suspended; do not include interest accrued but not yet payable unless it would not be reasonably practicable for the *firm* to separately identify and exclude such accrued interest; and
- (iii) any other sum which the borrower is obliged to pay the *firm* and which is due from the borrower, e.g. fees, fines, administration charges, default interest and insurance premiums.

In the case of (ii) above, where a *firm* at first includes accrued interest as it is not reasonably practicable not to do so but subsequently is able to do so, the appropriate regulator would expect to be notified of this change of approach under *Principle 11* (Relation with regulators).

The information in respect of balances to be reported in this column should not be fair-valued but should report the contractual position (i.e. between the lender and borrower).

The treatment of loan assets that are being operated as part of a current account offset mortgage product (or similar products where *deposit* funding is offset against loan balances in arriving at a net interest cost on the account) will depend on the conditions pertaining to the product. The balance outstanding on such loans will need to be reported on the basis of the contractually defined balance according to the terms of the product. This might be the amount of loan excluding any offsetting funds, or it might be the net amount, depending upon the terms of the offset arrangement.

The appropriate rows of column A should be completed for all the categories to which the *firm* has an exposure even if there are no associated arrears.

It is not expected that these figures in this column will necessarily reconcile to any of the *firm's* published statutory data or on other *data items*, as the valuation basis is likely to differ.

Columns B-G, rows 1-11: "Balances of accounts in arrears /default by band"

The balance of the account in arrears should be reported within these columns, rather than the amount of the arrears. This should be reported after deducting write-offs but before deducting provisions.

Columns B to F are headed with the following:

Column B: $1.5 < 2.5\%$

Column C: $2.5 < 5\%$

Column D: $5.0 < 7.5\%$

Column E: $7.5 < 10\%$

Column F: $\geq 10\%$

"<" means less than, ">" means greater than and " \geq " means an amount greater than or equal to.

For example where accounts are 2.5% in arrears this will go into column C which is headed for amounts from 2.5% to less than 5%.

The analysis is based on expressing the amount of arrears and/or the amount past due on each loan as a percentage of the balance outstanding on the loan (calculated in the same way as for column A) and then reporting the total balance of the account in the relevant arrears band. In cases where there is more than one loan to a debtor (or debtors) secured on a single property, these should be amalgamated, where possible, in reporting with balances allocated to the row representing the predominant part of the debt outstanding.

Arrears and amounts past due will arise through the borrower failing to service any element of his debt obligation to the *firm*, including capital, interest, or fees, fines, administrative charges, default interest or insurance premiums.

At the reporting date, for loan accounts the amount in arrears or past due is the difference between:

(i) the accumulated total amounts of (monthly or other periodic) payments due to be received from the borrower; and

(ii) the accumulated total amount of payments actually made by the borrower.

Only amounts which are contractually due at the reporting date should be included in the above. That is:

(i) include interest and amounts due for payments only up to the reporting date but not beyond, do not include interest accrued but not yet payable (unless this would not be reasonably practicable, see under Column A, paragraph (ii) above);

(ii) only include a proportion of any annual insurance premium if the firm permits such amounts to be paid in periodic instalments. However if the terms of the loan or the lender's practice are such as to permit insurance premiums to be added to the loan principal then do not treat such amounts as contractually due;

(iii) similarly, where 'any other sum' has been added to the loan, only include such proportions as are contractually due (e.g. if it is the practice in particular circumstances to add the sum/charge to the loan and require repayment over the residual term of the loan);

(iv) in assessing 'payments due' when a borrower has a flexible loan, it is important to apply the contractual terms of the loan: for example, payment holidays which satisfy the terms of the loan should not be treated as giving rise to an arrears position;

(v) do not however include 'Deeds Store' loans in the arrears figures (that is, loans where the debt is de minimis e.g. £100, but the borrower still has insurance premiums to pay and perhaps some instalments are overdue).

In the case of annual review schemes the 'payment due to be received' is that calculated under the scheme. This may well differ from the amount charged to the account but should not of itself give rise to any arrears, providing the borrower is making the level of payments advised by the *firm*. The same principles apply to deferred interest products – if the borrower is making the payments that are required under the loan arrangements then he is not in arrears, even though the debt outstanding is increasing.

Where a firm makes a temporary 'concession' to a borrower (i.e., an agreement with the borrower whereby monthly payments are either suspended or less than they would be on a fully commercial basis) for a period, the amounts included are those contractually due (and at commercial rates of interest). Hence the borrower will continue to be in arrears and the level of arrears will in fact continue to increase until such time as he is able fully to service the debt outstanding.

Where the terms of the loan do not require payment of interest (or capital) until a stated date or until redemption or until certain conditions are triggered, as for example in the case of

certain building finance loans, then the loan is not in arrears until such time as contractual repayments are overdue.

The decision to 'capitalise' arrears (or treat as if capitalised) is a business decision between the *firm* and the borrower. By 'capitalisation' we mean a formal arrangement agreed with the borrower to add all or part of a borrower's arrears to the amount of outstanding principal (i.e. advance of principal including further advances less capital repayments received during the period of the loan) and then treating that amount of overall debt as the enlarged principal. This enlarged principal is then used as the basis for calculating future monthly payments over the remaining term of the loan. Where less than the full amount of arrears is capitalised (or indeed where none of the arrears is capitalised) then, providing there are arrangements made for the borrower to repay the non-capitalised arrears over a shorter period ranging for example from 3 to 18 months, this type of arrangement should also be regarded as an equivalent of 'capitalisation'.

For the purposes of consistency in reporting arrears cases the following reporting criteria should be used where a *firm* has capitalised the loan (or treated as if capitalised) and reset the monthly payment:

(i) such an arrears case should continue to be included as an arrears case until the loan has been 'fully performing' (see (ii) below) for a period of six consecutive months (any temporary increase in arrears during this qualifying period has the effect of requiring six consecutive months of full performance after such an event). Until that time the balance of the loan should be included in the table and be allocated to the arrears band applicable at each reporting date as if 'capitalisation' had not taken place;

(ii) for these purposes a loan is considered to be 'fully performing' only where the borrower has been meeting all obligations on the loan with regard to repayments of principal, interest (at a normal mortgage rate on the full balance outstanding, including as appropriate any relevant past arrears), any payment towards clearing past arrears as agreed with the *firm* and any default payments due levied in respect of previous missed repayments. That is, amounts may be either added to the principal of the loan or otherwise repaid over a shorter period than the residual term of the mortgage, as agreed between firm and borrower. But then this revised payment schedule must be fully maintained for a six month period before the arrears can qualify to be treated as capitalised for reporting purposes and hence removed from the arrears cases in this table.

In some cases there may be loans where the security has been taken and is in the process of being realised (a 'property in possession'). While this is happening it is likely the underlying loan continues to exist and may be accruing arrears. Therefore the loan balance should still be included within the relevant arrears band in columns B-F.

Where a 'capitalisation' case becomes fully performing but later the borrower defaults again, this subsequent default should be regarded as a new default and the amount of arrears should be the amount arising from this new default. That is, the previously capitalised arrears should not be reinstated as current arrears.

For **overdrafts**, the amount to be treated as in arrears or past due is:

(i) any amount borrowed and/or outstanding in excess of the overdraft limit for that account (whether explicitly agreed with the borrower or otherwise);

(ii) the whole amount of any balance outstanding (regardless of whether within the overdraft limit or not) where no credit has been received into the account in the previous 90 days; and

(iii) the whole amount of any balance outstanding (regardless of whether within the overdraft limit or not) where the *firm* has determined that a default has occurred and/or where an impairment or provision charge has been raised and/or where formal demand for repayment has been made.

All amounts to include interest and fees and/or other charges. Do not include interest accrued but not yet payable.

For **credit cards** (and equivalent revolving credit facilities) the amount to be treated as in arrears or past due is:

(i) any amount outstanding above the agreed card limit (as advised to the customer);

(ii) any amount of the minimum monthly payments due which has not been met by credits to the account (on a cumulative basis, where the latest credit is applied to extinguish the earliest minimum payment due);

(iii) the whole amount of any balance outstanding (regardless of whether within limit or not) where no credit has been received to the account in the previous 90 days; and

(iv) the whole amount of any balance outstanding (regardless of whether within limit or not) where the *firm* has determined that a default has occurred and/or where an impairment or provision charge has been raised) and/or where formal demand for repayment has been made.

All amounts to include interest and fees and other charges. Do not include interest accrued but not yet payable.

Column B rows 12-26

Include here the balance of all accounts where a counterparty has failed to make payments when they were contractually due.

Where a proportion of the balance is past due, this column should be populated with the total balance of the exposure for which a portion is past due. For example, for a loan of £100,000 where a payment of £5,000 is contractually past due, a value of £100,000 should be recorded in column B, not £5,000.

For overdrafts and other revolving credit facilities, the amount to be treated as in arrears and/or past due is:

(i) any amount borrowed and/or outstanding in excess of the overdraft limit for that account (whether explicitly agreed with the borrower or otherwise);

(ii) the whole amount of any balance outstanding (regardless of whether within limit or not) where no credit has been received to the account in the previous 90 days; and

(iii) the whole amount of any balance outstanding (regardless of whether within limit or not) where the firm has determined that a default has occurred and/or where an impairment or provision charge has been raised) and/or where formal demand for repayment has been made.

All amounts to include interest and fees and other charges due but not paid (unless incorporated in a balance that is within the agreed limit). Do not include interest accrued but not yet payable.

Column C rows 12-26

Past due: 'o/w impaired' is shorthand for 'of which impaired'. The terms 'impaired' and 'impairment' here, and in other places in FSA015, should be consistent with that used in the *firm's* statutory Annual Accounts. Where the firm's accounts are compiled under UK GAAP the terms should be equated to 'general provisions' and 'specific provisions'.

Include here the balances of any *exposures* in column B which are also deemed to be impaired.

Where a proportion of the balance is impaired, this column should be populated with the total balance of the exposure, not just the amount by which the account is deemed impaired.

If impaired exposures are reported in column C, we would usually expect the balances to be reported in column N or, where applicable, column P.

Column D rows 12-26

'Other impaired' refers to impaired *exposures* which have no past due element.

Include here the total balance of any other *exposures* which, whilst not past due, are deemed to be impaired. Do not just record the amount of the impairment charge.

Where a *firm* is using UK GAAP rather than IFRS any balances in columns D and E should relate to exposures which, even though they are not past due, have been deemed to require either a general or specific provision.

Column E rows 12-26

For unsecured *exposures* and partially secured *exposures* (where the collateral held does not cover the entire *exposure*) enter the total gross value, before deduction of impairment charges, of *exposures* which have been classified as impaired (i.e. included in columns C and D) and for which either no collateral is held or where collateral is held but is insufficient to cover the entire *exposure*. Report here loans which are included in columns C and D because they are impaired, reporting the balance owed, less the realisable value of the security held, for each loan.

For fully secured lending (rows 13 and 17) we would usually expect a nil value in column E, unless it is known that the current realisable value of the security shows a shortfall. Where such a loan is subsequently restructured, it should be reclassified to the row appropriate for the security cover at that point.

Column B rows 27-31

Include here any *exposures* where payments have not been made on the date due and are now overdue and where there is little prospect for recovery of principal or interest.

Column C rows 27-31

Include here the amount of any other *exposures* which, whilst not in default, are deemed to be impaired.

Column D rows 27-31

Include here the Mark-to-market value of any impaired *exposures* included in columns B and C.

Column H: All balances (accounting) at period end

This is the total value of the on balance sheet *exposures* in each category, valued in line with the *firm's* accounting policies. However, there will not necessarily be a direct reconciliation between column H and the firm's statutory published Balance Sheet, nor between column H and FSA001, as FSA015 does not include all asset classes (and excludes trading book assets).

A *firm* should report here the balance sheet valuation of its *exposures* valued in accordance with IFRS or UK GAAP as appropriate.

Whether the balances in column H are reported net or gross of impairments or provisions, they should be consistent with how balances are calculated for the *firm's* statutory accounts.

FSA015 is intended to relate to on balance sheet arrears. That means that securitisations that attract off-balance sheet treatment should not be included. However, if a securitisation attracts on-balance sheet treatment (for instance because there is recourse to the *firm* or, in the case of consolidated returns, the securitisation SPV is included in the scope of the consolidation), it should be included. The appropriate rows of column H should be completed for all the sectors to which the *firm* has an exposure, even if these are all fully performing and there are no associated write-offs or impairment charges.

Columns J-M

The reference to 'in periods' at columns J to M is a reference to the amount of write-offs or impairment charges since the last reported FSA015.

In completing column J there may be a difference to accounting convention as write-offs should be reported as a positive figure. On FSA015 a negative number will be taken to indicate a write-back. Similarly for columns K and L, where an impairment charge is being put though the income statement it should be reported as a positive amount. A negative number will indicate the release of an impairment charge (reduction in provision).

Column J: Write-offs net of recoveries

Enter the net amount written off during the period, after any recoveries of exposures previously written off.

The figure reported here should only relate to the amount of write-offs net of recoveries made since the last reporting period end date (i.e. in the latest quarter or half-year). Unlike the data reported on the Income Statement (FSA002) it is not a cumulative figure for the financial year to date.

Columns K and L: Charge/credit to the Income statement (P&L)

The figure reported in column K should only relate to the amount of new individual impairments or specific provisions charged to the income statement since the last reporting period end date (i.e. in the latest quarter or half-year). The figure reported in column L should only relate to the amount of new collective impairments or general provisions charged to the income statement since the last reporting period end date (i.e. in the latest quarter or half-year). Unlike the data reported on the appropriate regulator Income Statement (FSA002) it is not a cumulative figure for the financial year to date.

A net credit should be shown with a minus sign (not brackets). The gross charge for new impairment charges should be offset by other items including any charges made in earlier periods but now released. The charge or credit for individual impairment charges should include the charge or credit for provisions in respect of suspended interest where it is the practice of the reporting institution to show suspended interest as interest receivable in the income statement (profit and loss account).

Column M: Other Adjustments

The “in period” for columns J to M means the amount of write-offs or impairment charges since the last reported FSA015.

This includes any adjustments made as a result of an acquisition or disposal of a subsidiary company the balance sheet of which includes impairment balances and is included in the consolidation for the particular return. Also include any adjustments made for exchange rate movements in respect of impairment balances denominated in currencies other than the reporting currency. Where the adjustment is negative, report the amount with a minus sign (not brackets).

The figure reported here should only relate to the amount of other adjustments since the last reporting period end date (i.e. in the latest quarter or half-year). Unlike the data reported on appropriate regulator Income Statement (FSA002) it is not a cumulative figure for the financial year to date.

Column N: individual impairment balance or specific provisions

Enter the total value of individual impairment balances.

Note that if all of the *firm's* provisions relate to accounts included in this *data item* this would be the total value of the individual impairment balance or provisions as detailed on the *firm's* financial balance sheet. If some of the impairments or provisions relate to accounts that are not included in this *data item* then this will not be the case.

In most cases we would expect that, for the current period, for each line item, the following would be true: (N+P for the previous period) – J + (K+L+M) (where J, K, L & M are for the current period) is approximately equal to (N+P for the current period).

Individual impairment balances or specific provisions are those generated following the impairment assessment of a loan on a standalone basis.

Column P: collective impairment balance or general provision

Enter the total value of collective impairment balances.

Note that if all of the *firm's* provisions relate to accounts included in this *data item* this would be the total value of the collective impairment balance as detailed on the *firm's* financial balance sheet. If some of the provisions relate to accounts that are not included in this *data item* then this will not be the case.

Collective impairment balances or general provisions are those generated following the impairment assessment of a group of loans.

Columns L and P: collective impairments

Collective impairment charges should be applied at portfolio or product level and should be allocated to the most appropriate category for that portfolio or product.

Column Q: balances of loans with individual impairment

Include the total balance of any *exposures* that are judged to be impaired. This should be gross of impairment provisions but net of write-offs as per the statutory annual accounts. Loans which have been tested for impairments, but which are not classed as impaired, should not be included.

Sectors (rows)

UK and Non-UK

For Retail and Corporate sectors (lines 1-20), where a split of *exposures* between UK and non-UK is required, this should be done based on the location of the lending entity.

Financial sector and Non-financial institutions categories (lines 21-26) should be split by domicile of the counterparty to which the *firm* has an *exposure*. If the *firm* does not have details of the counterparty then it should report the UK/Non-UK split in the same way as done for Retail and Corporate sectors i.e. using the location of the lending entity.

Retail sector

This section comprises all *Retail exposures*, including exposures to *retail SME*. Note that loans should only be reclassified between “partially secured” and “fully secured” where there has been a formal revaluation exercise carried out by the *firm* of the specific security held, i.e. excluding revaluations conducted for the purposes of re-indexing for capital calculation purposes.

1 First charge mortgages to individuals

This comprises lending to individuals secured by mortgage on land and buildings, where such loans are fully secured by a first equitable or legal charge, where at least 40% of the land and buildings is used for residential purposes, and where the premises are for occupation by either the borrower (or dependant), or any other third party (e.g. it includes ‘buy to let’ lending to individuals). Both regulated and non-regulated mortgage contracts should be included.

Do not include here any residential loans to individuals that are part of a ‘business loans’ type package (involving multiple loans and multiple securities, where there is no one-to-one correspondence between a loan and a specific security), but report them under ‘other secured loans to individuals’.

2 Other fully secured loans to individuals

Include here all other *secured lending* in the UK to individuals where the *firm* does not have a first charge.

3 Partially secured exposures to individuals

Include here any lending in the UK to individuals where the exposure is only partially secured.

4 Card accounts

This includes UK charge card lending (even if the outstanding balance is required to be paid off in full at the end of each charging period).

5 Unsecured exposures to individuals

Report here all other *exposures* in the UK to individuals.

6 Retail SME

Include here all UK *exposures to retail SME* irrespective of security held.

7 Fully secured loans to individuals

Include here any lending outside the UK to individuals where the *exposure* is fully secured.

8 Partially secured exposures to individuals

Include here any lending outside the UK to individuals where the *exposure* is only partially secured.

9 Unsecured exposures to individuals

Comprises all other exposures outside the UK to individuals. Credit card lending outside the UK should be included here.

10 Retail SME

Include here all non-UK *exposures to retail SME* irrespective of security held.

Corporate sector

This section comprises all *corporate exposures* that are not included in retail SME. This should include *exposures* to and/or balances with non consolidated group companies as well as third parties. It should exclude securities which are included in lines 27 – 30. Where a *firm* holds securities but cannot distinguish between quoted and unquoted securities these should also be reported as debt instruments (lines 27 – 30).

12 UK commercial real estate (secured and unsecured)

This will typically include any *exposures* defined by Basel as "Claims secured by commercial real estate" or "Income-producing real estate", or lending where the counterparty has been allocated to SIC code 68 or 41.1 and the lending is done in the UK. These SIC codes include exposures to social housing companies. Exposures included here are those that are linked to the commercial nature of the borrower rather than the type of real estate held as security.

13, 17 Other fully secured lending

Include here any lending where the *exposure* is fully secured

14, 18 Other partially secured lending

Include here any lending where the *exposure* is only partially secured.

15, 19 Unsecured lending

Include here all other *corporate exposures*.

16 Non-UK commercial real estate

This will typically include any *exposures* defined by Basel as "exposures secured by commercial real estate" or "Income-producing real estate", or lending where the counterparty has been allocated to SIC code 68 or 41.1 and the lending is done outside the UK.

Financial sector

This section comprises all *exposures* to the *financial sector*.

21 Exposures to UK financial institutions, credit institutions and insurance companies

Include *exposures* to all UK financial institutions, credit institutions (including banks) and insurance companies.

This line should include, for example, cash on deposit with UK financial institutions, money market deposits with UK banks and UK bank securities excluding securities which are included in lines 27 – 30 below.

22 Exposures to non-UK financial institutions, credit institutions and insurance companies

Include exposures to all non-UK financial institutions, credit institutions (including banks) and insurance companies.

This line should include, for example, cash on deposit with non-UK financial institutions, money market deposits with non-UK banks and non-UK bank securities excluding securities which are included in lines 27 – 30 below.

Non-financial institutions (including government)

Include all other *exposures* other than those defined above or debt instruments in the banking book.

Debt instruments (banking book)

Any debt instruments that are:

- (i) quoted on any investment exchange; or
- (ii) CDOs; or
- (iii) government gilts or Treasury Bills;

and held in the banking book, regardless of the issuer type, should be reported in lines 27 – 30 and not elsewhere.

27 UK collateralised debt obligations

Include here all CDOs issued by UK companies. CDOs are a type of asset-backed security whose value and payments are derived from a portfolio of fixed-income underlying assets.

28 Other UK asset backed securities

Include holdings of all other *asset backed securities*, except CDOs, issued by UK entities.

29 Other UK securities

Include holdings of all other securities, except those listed above, issued by UK entities. Include here also gilts and Treasury bills issued by the UK government.

Exposures to equities are not included in FSA015 and need not be reported.

30 Other non-UK securities

Include holdings of any securities issued by non-UK companies including non-UK CDOs and non-UK *asset backed securities*. Also include here non-UK government securities.

Debt instruments should be classified according to the domicile or geographical location of the issuer.

FSA015– sectoral information, including arrears and impairment - validations

Internal validations

Data elements are referenced by row then column

Validation number	Data element		
1	1G	=	1B+1C+1D+1E+1F
2	2G	=	2B+2C+2D+2E+2F
3	3G	=	3B+3C+3D+3E+3F
4	4G	=	4B+4C+4D+4E+4F
5	5G	=	5B+5C+5D+5E+5F
6	6G	=	6B+6C+6D+6E+6F
7	7G	=	7B+7C+7D+7E+7F
8	8G	=	8B+8C+8D+8E+8F
9	9G	=	9B+9C+9D+9E+9F
10	10G	=	10B+10C+10D+10E+10F
11	11G	=	11B+11C+11D+11E+11F
12	11A	=	1A+2A+3A+4A+5A+6A+7A+8A+9A+10A
13	11B	=	1B+2B+3B+4B+5B+6B+7B+8B+9B+10B
14	11C	=	1C+2C+3C+4C+5C+6C+7C+8C+9C+10C
15	11D	=	1D+2D+3D+4D+5D+6D+7D+8D+9D+10D
16	11E	=	1E+2E+3E+4E+5E+6E+7E+8E+9E+10E
17	11F	=	1F+2F+3F+4F+5F+6F+7F+8F+9F+10F
18	11G	=	1G+2G+3G+4G+5G+6G+7G+8G+9G+10G
19	20B	=	12B+13B+14B+15B+16B+17B+18B+19B
20	20C	=	12C+13C+14C+15C+16C+17C+18C+19C
21	20D	=	12D+13D+14D+15D+16D+17D+18D+19D
22	20E	=	12E+13E+14E+15E+16E+17E+18E+19E
23	23B	=	21B+22B
24	23C	=	21C+22C
25	23D	=	21D+22D
26	23E	=	21E+22E
27	26B	=	24B+25B
28	26C	=	24C+25C
29	26D	=	24D+25D
30	26E	=	24E+25E
31	31B	=	27B+28B+29B+30B
32	31C	=	27C+28C+29C+30C
33	31D	=	27D+28D+29D+30D
34	11H	=	1H+2H+3H+4H+5H+6H+7H+8H+9H+10H
35	11J	=	1J+2J+3J+4J+5J+6J+7J+8J+9J+10J
36	11K	=	1K+2K+3K+4K+5K+6K+7K+8K+9K+10K
37	11L	=	1L+2L+3L+4L+5L+6L+7L+8L+9L+10L
38	11M	=	1M+2M+3M+4M+5M+6M+7M+8M+9M+10M
39	11N	=	1N+2N+3N+4N+5N+6N+7N+8N+9N+10N
40	11P	=	1P+2P+3P+4P+5P+6P+7P+8P+9P+10P

41	11Q	=	1Q+2Q+3Q+4Q+5Q+6Q+7Q+8Q+9Q+10Q
42	20H	=	12H+13H+14H+15H+16H+17H+18H+19H
43	20J	=	12J+13J+14J+15J+16J+17J+18J+19J
44	20K	=	12K+13K+14K+15K+16K+17K+18K+19K
45	20L	=	12L+13L+14L+15L+16L+17L+18L+19L
46	20M	=	12M+13M+14M+15M+16M+17M+18M+19M
47	20N	=	12N+13N+14N+15N+16N+17N+18N+19N
48	20P	=	12P+13P+14P+15P+16P+17P+18P+19P
49	20Q	=	12Q+13Q+14Q+15Q+16Q+17Q+18Q+19Q
50	23H	=	21H+22H
51	23J	=	21J+22J
52	23K	=	21K+22K
53	23L	=	21L+22L
54	23M	=	21M+22M
55	23N	=	21N+22N
56	23P	=	21P+22P
57	23Q	=	21Q+22Q
58	26H	=	24H+25H
59	26J	=	24J+25J
60	26K	=	24K+25K
61	26L	=	24L+25L
62	26M	=	24M+25M
63	26N	=	24N+25N
64	26P	=	24P+25P
65	26Q	=	24Q+25Q
66	31H	=	27H+28H+29H+30H
67	31J	=	27J+28J+29J+30J
68	31K	=	27K+28K+29K+30K
69	31L	=	27L+28L+29L+30L
70	31M	=	27M+28M+29M+30M
71	31N	=	27N+28N+29N+30N
72	31P	=	27P+28P+29P+30P
73	31Q	=	27Q+28Q+29Q+30Q
74	32H	=	11H+20H+23H+26H+31H
75	32J	=	11J+20J+23J+26J+31J
76	32K	=	11K+20K+23K+26K+31K
77	32L	=	11L+20L+23L+26L+31L
78	32M	=	11M+20M+23M+26M+31M
79	32N	=	11N+20N+23N+26N+31N
80	32P	=	11P+20P+23P+26P+31P
81	32Q	=	11Q+20Q+23Q+26Q+31Q
82	12C	<=	12B
83	13C	<=	13B
84	14C	<=	14B
85	15C	<=	15B
86	16C	<=	16B
87	17C	<=	17B
88	18C	<=	18B

89	19C	<=	19B
90	20C	<=	20B
91	21C	<=	21B
92	22C	<=	22B
93	23C	<=	23B
94	24C	<=	24B
95	25C	<=	25B
96	26C	<=	26B

External validations

There are no external validations for this data item.

FSA016 – Solo consolidation data

This data item collects information on the subsidiaries included within solo-consolidation. It is designed to provide the appropriate regulator with sufficient information to understand the impact and profile of the solo-consolidated subsidiaries on the balance sheet of the firm, while at the same time limiting the information to the most material subsidiaries.

Currency

You should report in the currency of your annual audited accounts ie in either Sterling, Euro, US dollars, Canadian dollars, Swedish Kroner, Swiss Francs or Yen. Figures should be reported in 000s.

Data elements

These are referred to by row first, then by column, so data element 2A will be the element numbered 2 in column A.

1A – Number of subsidiaries included in the solo-consolidation

This is the number of firms that are included within the solo-consolidation and for which waivers have been granted.

2A – Book value of investments included in solo-consolidation – EEA incorporated

This is the book value of EEA- incorporated investments that are included within the firm's solo-consolidated reporting, in the unconsolidated accounts of the firm.

3A – Book value of investments included in solo-consolidation – non-EEA incorporated

This is the book value of non-EEA incorporated investments that are included within the firm's solo-consolidated reporting, in the unconsolidated accounts of the firm.

4A Surplus capital in the parent firm

This figure is the total capital after deductions from the solo-consolidated FSA003 (data element 15A) less the value of the investments reported in data elements 2A and 3A above, to which has been added back the value of any investments by the solo-consolidated subsidiaries in their own non solo-consolidated subsidiaries.

5 Top 5 solo-consolidated subsidiaries ranked by book value of investment

For each of the subsidiaries listed, the following details should be provided:

- 5A the name of the subsidiary;
- 5B the country of incorporation;
- 5C a brief business descriptor from a pre-defined list – funding; lending; investment; other;
- 5D the main underlying assets from a predefined list – commercial property; residential property; fixed assets; plant; investment grade debt securities; investment grade equity; debt securities; equity; other;
- 5E the book value of the subsidiary (included within 2A or 3A above); and
- 5F the capital requirements arising from the assets held by the subsidiary.

6 Top 5 solo-consolidate subsidiaries ranked by aggregate exposure of parent to subsidiary

For each of the subsidiaries listed, the following details should be provided:

- 6A the name of the subsidiary;
- 6B the country of incorporation;
- 6C a brief business descriptor from a pre-defined list – funding; lending; investment; other;
- 6D the main underlying assets from a predefined list – commercial property; residential property; fixed assets; plant; investment grade debt securities; investment grade equity; debt securities; equity; other;
- 6E the aggregate exposure of the parent to the subsidiary, including funding in a capital form;
- 6F the exposure of the parent to the subsidiary at the reporting date with a residual maturity of less than one year; and
- 6G the capital requirements arising from the assets held by the subsidiary.

7 Top 5 solo consolidated subsidiaries ranked by net flow of funds from parent to subsidiary during the period

For each of the subsidiaries listed, the following details should be provided:

- 7A the name of the subsidiary;
- 7B the country of incorporation;
- 7C a brief business descriptor from a pre-defined list – funding; lending; investment; other;
- 7D the main underlying assets from a predefined list – commercial property; residential property; fixed assets; plant; investment grade debt securities; investment grade equity; debt securities; equity; other; and
- 7E the net flow of funds from the parent to the subsidiary, including funding in a capital form.

FSA016 – Solo consolidated data validations

Internal validations

There are no internal validations for this data item.

External validation

There are no external validations for this data item.

FSA017 – Interest rate gap

This data item collects information on the interest rate gap. It is designed to provide the appropriate regulator with sufficient information to understand the interest rate sensitivity of a firm's assets and liabilities.

Currency

You should report in the currency of your annual audited accounts ie in either Sterling, Euro, US dollars, Canadian dollars, Swedish Kroner, Swiss Francs or Yen. Figures should be reported in 000s.

Data elements

These are referred to by row first, then by column, so data element 2A will be the element numbered 2 in column A.

Gap analysis is undertaken by examining details of interest sensitive assets and liabilities to establish when they will next reprice (i.e. be subject to a change in interest rate), and then tabulating those which reprice within set time periods (known as 'time buckets', within which all items repricing are grouped together). Interest rate sensitive items are those assets and liabilities that are subject to contractual change in interest rates, or which mature (fall due for repayment) during the period of the return. (Note that the contractual date for repricing purposes is not necessarily the maturity date of the asset/liability. For example, a 3 year loan could be repriced every six months at a spread above 6 month LIBOR. If it was rolled over a month ago then it will reprice in 5 months', not in 3 years', time.)

Those assets and liabilities lacking definitive repricing intervals (e.g. sight deposits or savings accounts) or actual maturities that could vary from contractual maturities (e.g. mortgages with an option for early repayment) should be assigned to repricing time bands according to the judgement and past experience of the firm.

When fixed rate liabilities in an individual time bucket exceed fixed rate assets in the same bucket, a 'negative gap' exists for that period - implying that a rise in interest rates for that period should produce an increase in net interest income, and a fall in rates should give rise to a fall in net interest income. Conversely, when fixed rate assets exceed fixed rate liabilities in the same time bucket, a 'positive gap' exists and net interest income should fall if interest rates increase and rise if rates reduce.

Variable rate items, for which there is no lead time between a change in market rates and a corresponding change in the contracted interest rate (i.e. effectively overnight) should be placed in the "overnight" time bucket. Conventionally, first year time buckets are of shorter duration than later time buckets. However, the precise choice of time buckets is a matter for each firm.

On and off balance sheet items should be allocated to the various time buckets in accordance with their repricing date. The information in respect of balances to be used in this data item should not be fair-valued but should be based on the contractual position (i.e. between the lender and borrower).

Care should be taken in allocating off balance sheet items. Firms need to consider the essential interest-bearing characteristics of these instruments. For example:

Swaps: if a fixed rate mortgage of 3 years maturity is swapped to a 6 month LIBOR rate then the impact on the gap analysis should be shown by placing the notional swapped amount into the 3 year liability time bucket and the same amount in the 6 month asset time bucket.

FRAs: if a deposit is due to reprice in 3 months' time for 3 months and the firm wishes to hedge its exposure, then it might do so by buying an FRA where in 3 months' time it receives an amount of interest covering the further 3 month period (i.e. it will buy a 3v6 FRA). This should be shown as a 6 month liability and a 3 month asset in the gap analysis, reflecting the fact that effectively (a) the firm has locked in now (at time zero) to paying a fixed rate in 3 months' time covering a 3 month period (hence in total 6 months), and (b) the firm has an exposure now for 3 months to the rate at which the receiving leg of the FRA will settle. In 3 months' time, on settlement, the FRA will disappear from the analysis as proceeds, or preferably payments, will have been settled and the derivative interest rate exposure extinguished.

Non interest rate sensitive items (e.g. fixed assets, reserves or interest accruals) should be placed in the most distant time bucket. This should not be included in the sensitivity calculations but remains on the gap report for the sake of balance sheet completeness. The appropriate regulator recognises that there are several schools of thought over where to allocate reserves in a gap analysis and will consider other board-approved scenarios which are consistently applied and rationalised.

Where firms fully hedge or match customer products, in theory, there is no gap created. However, in practice, permanent one-for-one matching is not always possible. There may be lead times during which the asset/liability and the related hedge/match are out of step. For example, this may occur when swapping fixed rate mortgages: the mortgages can complete over a period of time, whilst the swap is typically effected in full at a particular point in time. A perfect match or hedge may be disrupted by the early repayment of a fixed rate mortgage or early withdrawal of a fixed rate savings product on the death of an investor.

The appropriate regulator recognises that the contractual repricing relating to certain assets and liabilities do not bear a close relationship to their actual behavioural characteristics. So a firm may report its interest rate gap analysis after taking account of these "behavioural" assumptions; these should be included in the rows for "adjusted for actual expected re-pricing date".

Where balances are committed but not yet drawn down, the amount should be included in the relevant row for "pipeline products".

The information in respect of balances to be reported in column A should not be fair-valued but should report the contractual position.

The data item should be completed for all currencies in aggregate.

FSA017 – Interest rate gap report validations

Internal validations

Data elements are referenced first by row then by column.

Validation number	Data element	
1	1A	= 2%
2	2A	= 2B+2C+2D+2E+2F+2G+2H+2J+2K+2L+2M+2N+2P+2Q
3	3A	= 3B+3C+3D+3E+3F+3G+3H+3J+3K+3L+3M+3N+3P+3Q
4		[deleted – replaced by validation 201]
5	4A	= 4B+4C+4D+4E+4F+4G+4H+4J+4K+4L+4M+4N+4P+4Q
6	5A	= 5B+5C+5D+5E+5F+5G+5H+5J+5K+5L+5M+5N+5P+5Q
7	6A	= 6B+6C+6D+6E+6F+6G+6H+6J+6K+6L+6M+6N+6P+6Q
8		[deleted – replaced by validation 202]
9	7A	= 7B+7C+7D+7E+7F+7G+7H+7J+7K+7L+7M+7N+7P+7Q
10	8A	= 8B
11		[deleted – replaced by validation 203]
12	10A	= 10B+10C+10D+10E+10F+10G+10H+10J+10K+10L+10M+10N+10P+10Q
13		[deleted – replaced by validation 205]
14		[deleted – replaced by validation 206]
15		[deleted – replaced by validation 207]
16		[deleted – replaced by validation 208]
17		[deleted – replaced by validation 209]
18		[deleted – replaced by validation 210]
19		[deleted – replaced by validation 211]
20		[deleted – replaced by validation 212]
21		[deleted – replaced by validation 213]
22		[deleted – replaced by validation 214]
23		[deleted – replaced by validation 215]
24		[deleted – replaced by validation 216]
25		[deleted – replaced by validation 217]
26		[deleted – replaced by validation 218]
27		[deleted – replaced by validation 219]
28	11A	= 11B+11C+11D+11E+11F+11G+11H+11J+11K+11L+11M+11N+11P+11Q

29 12A = 12B+12C+12D+12E+12F+12G+12H+12J+12K+12L+12M+12N
+12P+12Q

30 13A = 13B+13C+13D+13E+13F+13G+13H+13J+13K+13L+13M+13N
+13P+13Q

31 13A = 10A+11A+12A

32 13B = 10B+11B+12B

33 13C = 10C+11C+12C

34 13D = 10D+11D+12D

35 13E = 10E+11E+12E

36 13F = 10F+11F+12F

37 13G = 10G+11G+12G

38 13H = 10H+11H+12H

39 13J = 10J+11J+12J

40 13K = 10K+11K+12K

41 13L = 10L+11L+12L

42 13M = 10M+11M+12M

43 13N = 10N+11N+12N

44 13P = 10P+11P+12P

45 13Q = 10Q+11Q+12Q

46 14A = 14B+14C+14D+14E+14F+14G+14H+14J+14K+14L+14M+14N
+14P+14Q

47 15A = 15B+15C+15D+15E+15F+15G+15H+15J+15K+15L+15M+15N
+15P+15Q

48 [deleted – replaced by validation 220]

49 16A = 16B+16C+16D+16E+16F+16G+16H+16J+16K+16L+16M+16N
+16P+16Q

50 17A = 17B+17C+17D+17E+17F+17G+17H+17J+17K+17L+17M+17N
+17P+17Q

51 18A = 18B+18C+18D+18E+18F+18G+18H+18J+18K+18L+18M+18N
+18P+18Q

52 [deleted – replaced by validation 221]

53 19A = 19B+19C+19D+19E+19F+19G+19H+19J+19K+19L+19M+19N
+19P+19Q

54 20A = 20B

55 20A = 8A

56 20B = 8B

57 [deleted – replaced by validation 223]

58	22A	=	22B+22C+22D+22E+22F+22G+22H+22J+22K+22L+22M+22N +22P+22Q
59	23A	=	23B+23C+23D+23E+23F+23G+23H+23J+23K+23L+23M+23N +23P+23Q
60			[deleted – replaced by validation 224]
61	24A	=	24B+24C+24D+24E+24F+24G+24H+24J+24K+24L+24M+24N +24P+24Q
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75			[deleted – replaced by validation 238]
76			[deleted – replaced by validation 239]
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78	25A	=	11A
79	26A	=	26B+26C+26D+26E+26F+26G+26H+26J+26K+26L+26M+26N +26P+26Q
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85	27C	=	24C+25C+26C
86	27D	=	24D+25D+26D
87	27E	=	24E+25E+26E

88	27F	=	24F+25F+26F
89	27G	=	24G+25G+26G
90	27H	=	24H+25H+26H
91	27J	=	24J+25J+26J
92	27K	=	24K+25K+26K
93	27L	=	24L+25L+26L
94	27M	=	24M+25M+26M
95	27N	=	24N+25N+26N
96	27P	=	24P+25P+26P
97	27Q	=	24Q+25Q+26Q
98	28A	=	28B+28C+28D+28E+28F+28G+28H+28J+28K+28L+28M+28N +28P+28Q
99	28A	=	0
100	28B	=	13B-27B
101	28C	=	13C-27C
102	28D	=	13D-27D
103	28E	=	13E-27E
104	28F	=	13F-27F
105	28G	=	13G-27G
106	28H	=	13H-27H
107	28J	=	13J-27J
108	28K	=	13K-27K
109	28L	=	13L-27L
110	28M	=	13M-27M
111	28N	=	13N-27N
112	28P	=	13P-27P
113	28Q	=	13Q-27Q
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201	3A	= 0
202	6A	= 0
203	9A	= 9B+9C+9D+9E+9F+9G+9H+9J+9K+9L+9M+9N+9P+9Q
204	10A	= 24A
205	10A	= 2A+3A+4A+5A+6A+7A+8A+9A
206	10B	= 2B+3B+4B+5B+6B+7B+8B+9B
207	10C	= 2C+3C+4C+5C+6C+7C+9C
208	10D	= 2D+3D+4D+5D+6D+7D+9D
209	10E	= 2E+3E+4E+5E+6E+7E+9E
210	10F	= 2F+3F+4F+5F+6F+7F+9F
211	10G	= 2G+3G+4G+5G+6G+7G+9G
212	10H	= 2H+3H+4H+5H+6H+7H+9H
213	10J	= 2J+3J+4J+5J+6J+7J+9J
214	10K	= 2K+3K+4K+5K+6K+7K+9K
215	10L	= 2L+3L+4L+5L+6L+7L+9L
216	10M	= 2M+3M+4M+5M+6M+7M+9M
217	10N	= 2N+3N+4N+5N+6N+7N+9N
218	10P	= 2P+3P+4P+5P+6P+7P+9P
219	10Q	= 2Q+3Q+4Q+5Q+6Q+7Q+9Q
220	15A	= 0
221	18A	= 0
222	19A	= 4A+7A-16A
223	21A	= 21B+21C+21D+21E+21F+21G+21H+21J+21K+21L+21M+21N +21P+21Q
224	23A	= 0
225	24A	= 14A+15A+16A+17A+18A+19A+20A+21A+22A+23A

226 24B = 14B+15B+16B+17B+18B+19B+20B+21B+22B+23B

227 24C = 14C+15C+16C+17C+18C+19C+21C+22C+23C

228 24D = 14D+15D+16D+17D+18D+19D+21D+22D+23D

229 24E = 14E+15E+16E+17E+18E+19E+21E+22E+23E

230 24F = 14F+15F+16F+17F+18F+19F+21F+22F+23F

231 24G = 14G+15G+16G+17G+18G+19G+21G+22G+23G

232 24H = 14H+15H+16H+17H+18H+19H+21H+22H+23H

234 24J = 14J+15J+16J+17J+18J+19J+21J+22J+23J

235 24K = 14K+15K+16K+17K+18K+19K+21K+22K+23K

236 24L = 14L+15L+16L+17L+18L+19L+21L+22L+23L

237 24M = 14M+15M+16M+17M+18M+19M+21M+22M+23M

238 24N = 14N+15N+16N+17N+18N+19N+21N+22N+23N

239 24P = 14P+15P+16P+17P+18P+19P+21P+22P+23P

240 24Q = 14Q+15Q+16Q+17Q+18Q+19Q+21Q+22Q+23Q

241 31B = 31C+28B

242 31C = 31D+28C

243 31D = 31E+28D

244 31E = 31F+28E

245 31F = 31G+28F

246 31G = 31H+28G

247 31H = 31J+28H

248 31J = 31K+28J

249 31K = 31L+28K

250 31L = 31M+28L

251 31M = 31N+28M

252 [deleted – replaced by validation 337]

253 38A = 38B+38C+38D+38E+38F+38G+38H+38J+38K+38L+38M+38N
+38P

254 39A = 39B+39C+39D+39E+39F+39G+39H+39J+39K+39L+39M+39N
+39P

255 40A = 40B+40C+40D+40E+40F+40G+40H+40J+40K+40L+40M+40N
+40P

256 41A = 41B+41C+41D+41E+41F+41G+41H+41J+41K+41L+41M+41N
+41P

257 42A = 42B+42C+42D+42E+42F+42G+42H+42J+42K+42L+42M+42N
+42P

258 44B = $1/((1+43B)^{34B})$
 259 44C = $1/((1+43C)^{34C})$
 260 44D = $1/((1+43D)^{34D})$
 261 44E = $1/((1+43E)^{34E})$
 262 44F = $1/((1+43F)^{34F})$
 263 44G = $1/((1+43G)^{34G})$
 264 44H = $1/((1+43H)^{34H})$
 265 44J = $1/((1+43J)^{34J})$
 266 44K = $1/((1+43K)^{34K})$
 267 44L = $1/((1+43L)^{34L})$
 268 44M = $1/((1+43M)^{34M})$
 269 44N = $1/((1+43N)^{34N})$
 270 44P = $1/((1+43P)^{34P})$
 271 45B = $1/((1+(43B+1A))^{34B})$
 272 45C = $1/((1+(43C+1A))^{34C})$
 273 45D = $1/((1+(43D+1A))^{34D})$
 274 45E = $1/((1+(43E+1A))^{34E})$
 275 45F = $1/((1+(43F+1A))^{34F})$
 276 45G = $1/((1+(43G+1A))^{34G})$
 277 45H = $1/((1+(43H+1A))^{34H})$
 278 45J = $1/((1+(43J+1A))^{34J})$
 279 45K = $1/((1+(43K+1A))^{34K})$
 280 45L = $1/((1+(43L+1A))^{34L})$
 281 45M = $1/((1+(43M+1A))^{34M})$
 282 45N = $1/((1+(43N+1A))^{34N})$
 283 45P = $1/((1+(43P+1A))^{34P})$
 284 [deleted – replaced by validation 333]
 285 46C = $1/((1+(43C-1A))^{34C})$
 286 46D = $1/((1+(43D-1A))^{34D})$
 287 46E = $1/((1+(43E-1A))^{34E})$
 288 46F = $1/((1+(43F-1A))^{34F})$
 289 46G = $1/((1+(43G-1A))^{34G})$
 290 46H = $1/((1+(43H-1A))^{34H})$
 291 46J = $1/((1+(43J-1A))^{34J})$
 292 46K = $1/((1+(43K-1A))^{34K})$

293	46L	=	$1/((1+(43L-1A))^{34L})$
294	46M	=	$1/((1+(43M-1A))^{34M})$
295	46N	=	$1/((1+(43N-1A))^{34N})$
296	46P	=	$1/((1+(43P-1A))^{34P})$
297	47B	=	28B*44B
298	47C	=	28C*44C
299	47D	=	28D*44D
300	47E	=	28E*44E
301	47F	=	28F*44F
302	47G	=	28G*44G
303	47H	=	28H*44H
304	47J	=	28J*44J
305	47K	=	28K*44K
306	47L	=	28L*44L
307	47M	=	28M*44M
308	47N	=	28N*44N
309	48B	=	28B*45B
310	48C	=	28C*45C
311	48D	=	28D*45D
312	48E	=	28E*45E
313	48F	=	28F*45F
314	48G	=	28G*45G
315	48H	=	28H*45H
316	48J	=	28J*45J
317	48K	=	28K*45K
318	48L	=	28L*45L
319	48M	=	28M*45M
320	48N	=	28N*45N
321	49B	=	28B*46B
322	49C	=	28C*46C
323	49D	=	28D*46D
324	49E	=	28E*46E
325	49F	=	28F*46F
326	49G	=	28G*46G
327	49H	=	28H*46H

328 49J = 28J*46J
329 49K = 28K*46K
330 49L = 28L*46L
331 49M = 28M*46M
332 49N = 28N*46N
333 46B = 1/1((1+43B-1^a))^34B
334 47P = 28P*44P
335 48P = 28P*45P

336 49P = 28P*46P

337 31N = 31P + 28N

338 31P = 28P

339 38B = 48B-47B

340 38C = 48C-47C

341 38D = 48D-47D

342 38E = 48E-47E

343 38F = 48F-47F

344 38G = 48G-47G

345 38H = 48H-47GH

346 38J = 48J-47J

347 38K = 48K-47K

348 38L = 48L-47L

349	38M	=	48M-47M
350	38N	=	48N-47N
351	38P	=	48P-47P
352	39B	=	49B-47B
353	39C	=	49C-47C
354	39D	=	49D-47D
355	39E	=	49E-47E
356	39F	=	49F-47F
357	39G	=	49G-47G
358	39H	=	49H-47H
359	39J	=	49J-47J
360	39K	=	49K-47K
361	39L	=	49L-47L
362	39M	=	49M-47M
363	39N	=	49N-47N
364	39P	=	49P-47P

FSA018 – Exposures from the core UK group to the non-core large exposures group

This data item is only applicable to *firms* that have both a *core UK group* permission and a an *NCLEG trading book permission* or an *NCLEG non-trading book permission*. It captures information on *exposures* from the members of a *firm's core UK group* (and the *firm*) to members of a *firm's non-core large exposures group*. A single report is required in respect of exposures from all members of the *firm's core UK group* (and the *firm*), reflecting the exposures at the reporting date.

FSA018 was originally constructed to capture information on the level of exposures from the UK integrated group to the diverse blocks and residual blocks, reflecting the intra-group large exposures regime in operation pre-2011. However, *firms* should interpret this form on the basis of the *core UK group* and *non-core large exposures group* respectively, and follow the specific instructions provided for the individual data cells.

Valuation

Unless indicated otherwise, the valuation of data elements should follow article 390 of the *EU CRR*.

Currency

You should report in the currency of your annual audited accounts (i.e. in either Sterling, Euro, US dollars, Canadian dollars, Swedish Kroner, Swiss Francs or Yen). Figures should be reported in 000s.

Data elements

These are referred to by row first, then by column, so data element 2B will be the element numbered 2 in column B. Individual rows within an element are identified as 2B.1, 2B.2 etc.

General

1

Ignore.

2 Firm Reference Numbers

List the Firm Reference Numbers for all the authorised firms in the *firm's core UK group* only. Firms should be listed sequentially in 2A, with the Firm Reference Numbers being entered in 2B. Ignore cell 2C.

3A Core UK group eligible capital

This is *core UK group eligible capital*

4A Exposure number

Complete one line in relation to Section 4B. Ignore line marked 'Total'.

4B Non-core large exposures group

Complete one line only in respect of aggregate exposures of all members of the *core UK group* (and the *firm*) to all members of the *non-core large exposures group*.

4C Gross exposure

Report here the gross exposures (*non-trading book* and *trading book*) of all members of the *firm's core UK group* (and the *firm*) to all members of the *non-core large exposures group*.

4D % of core UK group eligible capital

This is column D as a percentage of data element 3A (*core UK group eligible capital*). It should be entered to two decimal places, omitting the % sign.

4E Exposure after credit risk mitigation

This is the figure reported in column D after credit risk mitigation. This figure is subsequently broken down in columns F to M.

4F Amount of the exposure that is exempt

That part of the amount reported in column E that is exempted, whether under the *firm's NCLEG non trading book permission* or its *NCLEG trading book permission*.

4G % of core UK group eligible capital This is column F as a percentage of data element 3A (*core UK group eligible capital*). It should be entered to two decimal places, omitting the % sign.

4H Amount of the exposure that is not exempt and is in the non-trading book

That part of the exposure reported in column E that is not exempt and is in the *non-trading book*.

4J % of core UK group eligible capital

This is column H as a percentage of *core UK group eligible capital*. It should be entered to two decimal places, omitting the % sign.

4K Amount of the exposure that is not exempt and is in the trading book

Ignore.

4L % of core UK group eligible capital

Ignore.

4M Aggregate % of *core UK group eligible capital*

Ignore.

4N CNCOM

Ignore.

FSA018 – UK integrated group large exposures validations

Internal validations

Data elements are referenced by row then column.

1	2CT	=	$\Sigma 2C$
2			[deleted – replaced by validation 16]
3			[deleted – replaced by validation 17]
4	4H	\leq	4E
5			[deleted – replaced by validation 18]
6	4JT	=	$\Sigma 4J$
7	4K	\leq	4E
8	4F+4H+4K	=	4E
9			[deleted – replaced by validation 19]
10	4LT	=	$\Sigma 4L$
11			[deleted – replaced by validation 20]
12	4NT	=	$\Sigma 4N$
13	4NT	=	2CT
14	4E	\leq	4C
15	4F	\leq	4E
16	4D	=	$(4C/3A) * 100$
17	4G	=	$(4F/3A) * 100$
18	4J	=	$(4H/3A) * 100$
19	4L	=	$(4K/3A) * 100$
20	4M	=	$((4H+4K)/3A) * 100$

FSA019 – Pillar 2 questionnaire

This data, supplemented by other relevant data, will be used to inform the intensity of our risk assessment of a firm, or its group, under the Supervisory Review and Evaluation Process (SREP). It will allow us to reduce supervisory time by helping us to identify those firms with a risk profile for which we will carry out additional individual or thematic work.

Valuation

For the general policy on valuation, please see the relevant provisions in the *EU CRR*.

Currency

You should report in the currency of your annual audited accounts ie in either Sterling, Euro, US dollars, Canadian dollars, Swedish Kroner, Swiss Francs or Yen. Figures should be reported in 000s.

Data elements

These are referred to by row first, then by column, so data element 2B will be the element numbered 2 in column B.

1B Does GENPRU 1.2 apply to your firm?

See the rules on Internal Capital Adequacy Assessment in the PRA Rulebook. The answer is either 'Yes' or 'No'.

Subsequent sections are only completed if the answer to 1B is 'Yes'.

2B How much capital do you consider adequate for the nature, scale and complexity of your firm's activities in line with its Internal Capital Adequacy Assessment Process (ICAAP)?

See 2.1 PRA Rulebook. Enter the figure in 000s.

3B What is the actual amount of capital resource that your firm holds at the accounting reference date?

See 2.1 PRA Rulebook. Enter the figure in 000s.

4B Have you documented your ICAAP?

See 13.1 PRA Rulebook. The answer is either 'Yes' or 'No'.

5B When did you last review the ICAAP?

See 3.4 PRA Rulebook. The answer should be in 'ddmmyy' format.

6B Have your external auditors audited your firm's financial statements in the last 12 months?

The answer 'Yes', 'No' or 'Not applicable'. Firms that have a small firm's exemption audit should choose 'not applicable'.

7B If so, has any audit opinion you received in the last year been qualified in any respect?

This question should only be answered if the response to data element 6B was 'Yes'. The answer to this question is either 'Yes' or 'No'.

8B What is the ratio of dealing errors in relation to the total number of transactions your firm has undertaken in the last 12 months?

See 3.1 PRA Rulebook. This figure should be a percentage to one decimal place.

9B Have you considered your firm's risk appetite when developing its ICAAP?

The answer is either 'Yes' or 'No'.

10B and 11B In your ICAAP, have you considered the impact of an economic downturn on your firm's financial capital, and your business plans?

See 3.1 PRA Rulebook. The answer to each question is either 'Yes' or 'No'.

12A to 23A Is your firm exposed to the risks listed

See 3.1 PRA Rulebook. The answer to each question is either 'Yes' or 'No'.

BIPRU limited activity firms and *BIPRU limited licence firms* that also have to consider a fixed overheads requirement should assess their capital requirements under each of the headings even though their fixed overheads requirement may be higher. *Data element 23A* should include not only any risks other than those separately identified above, but it should also include the *firm's* assessment of how much capital is required to cover the fixed overheads requirement.

12B to 23B If so, what is the amount of capital resource you have allocated to each of them?

For each answer in Column A that is 'Yes', enter the gross amount excluding any management action offsets in column B in 000s.

BIPRU limited activity firms and *BIPRU limited licence firms* should include in 23B their assessment of the capital required to cover the fixed overheads requirement. A *firm* may assess that capital to be allocated to cover the fixed overheads requirement is more than one quarter of their annual fixed overheads.

40B Have you calculated the cost of an orderly wind down of the firm's business?

The answer is either 'Yes' or 'No'. Examples of factors to consider include costs of transferring clients and any client assets, liquidating/closing any positions etc.

41B What length of time have you calculated it will take you to orderly wind down?

If the answer to data element 40B is 'Yes', enter the number of months here in digits. Examples of factors to consider include the time it takes to transfer clients and any client assets, liquidating/closing any positions etc.

42B What is the gross cost to your firm of a wind down?

If the answer to data element 40B is 'Yes', enter the amount here in 000s. This is the total cost of winding down excluding any offsets from revenue/income gained during the wind down period.

43B What is the net cost to your firm of a wind down?

If the answer to data element if 40B is 'Yes', enter the amount here in 000s. This is the total cost of winding down including any offsets from revenue/income gained during the wind down.

24B Does your firm have any professional indemnity insurance?

The answer is either 'Yes' or 'No'.

25B If so, what is the limit of the indemnity in the aggregate?

If the answer to data element 24B is 'Yes', enter the amount here in 000s.

26B What is the largest single claim that can be made on the insurance cover?

If the answer to data element 24B is 'Yes', enter the amount here in 000s.

44B What is the policy excess amount for any single claim?

If the answer to data element 24B is 'Yes', enter the amount here in 000s.

27B What is the credit rating of the lead underwriter?

Only answer if you answered 'Yes' to data element 24B. This is a text field to accept any value.

28B In your firm's ICAAP, do you take account of the results of stress tests?

The answer is either 'Yes' or 'No'.

29B Does your firm deduct illiquid assets as set out in GENPRU 2.2.17R to GENPRU 2.2.19R?

The answer is either 'Yes' or 'No'.

30B Does your firm have sufficient liquidity to meet your liabilities as they fall due in the circumstances of an orderly wind down?

See 3.1 PRA Rulebook. The answer is either 'Yes' or 'No'.

31B Report the amount of illiquid assets

This number should be entered in integers.

32B Do you use credit risk mitigation techniques?

See 3.1 PRA Rulebook. The answer is either 'Yes' or 'No'.

33B If so, have you considered in your ICAAP the fact that those techniques may not fully work as anticipated?

This is only relevant if you answered 'Yes' to data element 32B. See 3.1 PRA Rulebook. The answer is either 'Yes' or 'No'.

34B Have you securitised assets in the last 12 months?

See 3.1 PRA Rulebook. The answer is either 'Yes' or 'No'.

35B Do you use an internal model as described in BIPRU 7.10 to calculate your regulatory market risk?

The answer is either 'Yes' or 'No'.

36B If so, have you taken the results of the market risk stress tests in your ICAAP into account?

This is only relevant if you answered 'Yes' to data element 35B. The answer is either 'Yes' or 'No'.

37B Report the result of a 200 basis point shock to interest rate on your firm's economic value

See 9.1 and 9.2 PRA Rulebook. Enter the figure in 000s.

38B Does the result of the above stress test exceed 20% of your capital resources?

See 9.2 PRA Rulebook. The answer to this is either 'Yes' or 'No'.

39B Would the valuation adjustments required under GENPRU 1.3.35G enable you to sell out of hedge your firm's positions within a short period without incurring material losses under normal market conditions?

The answer to this is either 'Yes' or 'No'.

FSA019 – Pillar 2 questionnaire validations

Internal validations

There are no validations for this data item.

FSA020 – Balance sheet (ELMIs)

There are no definitions for this data item.

FSA020 – Balance sheet (ELMIs) validations

Internal validations

Data elements are referenced by row then column.

Validation number	Data elements		
1	10A	=	1A+2A+3A+4A+5A+6A+7A+8A+9A
2	12A	≤	11A
3	20A	=	15A+16A+17A+18A+19A
4	23A	=	20A+21A-22A
5	26A	=	24A+25A
6	28A	=	26A+27A
7	29A	=	23A+28A
8			[deleted – replaced by validation 10]
9	33A	=	10A
10	33A	=	11A+13A+14A+20A-21A+28A+30A+31A+32A
11	22A	≥	6A+8A

External validations

Validation number	Data elements		
1	11A	=	FSA022.2A
2	29A	=	FSA022.1A
3	3A	=	FSA025.3A
4	4A	≥	FSA025.3A
5	11A	=	FSA025.5A

FSA021 – Income statement (ELMIs)

There are no definitions for this data item.

FSA021 – Income statement (ELMIs) validations

Internal validations

There are no validations for this data item.

FSA022 – Capital adequacy (ELMIs)

There are no definitions for this data item.

FSA022 – Capital adequacy (ELMIs) validations

Internal validations

Data elements are referenced first by row then by column.

Validation number	Data element		
1	4A	=	1A/(maximum 2A, 3A)

External validations

Validation number	Data element		
1	1A	=	FSA020.29A
2	2A	=	FSA020.11A

FSA023 – Foreign exchange risk (ELMIs)

There are no definitions for this data item

FSA023 – Foreign exchange risk (ELMIs) validations

Internal validations

Data elements are referenced first by row then by column.

Validation number	Data element		
1	9A	=	1A+2A+3A+4A+5A+6A+7A+8A
2	10B	=	1B+2B+3B+4B+5B+6B+7B+8B
3	11C	=	Maximum 9A, 10B
4			[deleted – replaced by validation 5]
5			[deleted – replaced by validation 8]
6	15C	=	13C-12C
7	16C	=	14C-12C
8	12C	=	11C*8%

FSA024 – Large exposures (ELMIs)

There are no definitions for this data item.

FSA024 – Large exposures (ELMIs) validations

Internal validations

Validation number	Data element		
1	1BT	=	$\Sigma 1B$
2	1CT	=	$\Sigma 1C$

FSA025 – Liquidity (ELMIs)

There are no definitions for this data item.

FSA025 – Liquidity (ELMIs) validations

Internal validations

Data elements are referenced first by row then by column.

Validation number	Data elements		
1			[deleted – see external validation 5]
2	6A	=	4A/5A (≥ 1)
3			[deleted – see external validation 6]
4			[deleted – replaced by validation 5]
5	4A	\leq	1A+2A+3A

External validations

Validation number	Data elements		
1	2A	=	FSA020.3A
2			[deleted – replaced by validation 4]
3	5A	=	FSA020.11A
4	3A	\leq	FSA020.4A
5	1A	=	FSA020.1A+FSA020.2A
6	4A	=	1A+2A+(min (FSA020.29A*20%), 3A)

FSA026 – ELM I questions

There are no definitions for this data item.

FSA026 – ELM I questions validations

Internal validations

There are no validations for this data item.

FSA029 – Balance Sheet

Introduction

The purpose is to provide a framework for the collection of information required by the appropriate regulator as a basis for its supervision activities. It also has the purpose to help the appropriate regulator to monitor firms' capital adequacy and financial soundness.

Defined Terms

Terms referred to in these notes where defined by the Companies Acts 1985 and 2006, as appropriate, or the provisions of the firm's accounting framework (usually UK GAAP or IFRS) bear that meaning for these purposes. The descriptions indicated in these notes are designed simply to repeat, summarise or amplify the relevant statutory or other definitions and terminology without departing from their full meaning or effect.

- The data item should comply with the principles and requirements of the firm's accounting framework, which will generally be UK GAAP (including relevant provisions of the Companies Acts 1985 and 2006 as appropriate) or IFRS.
- The data item should be unconsolidated.
- For a sole trader, only the assets and liabilities of the business should be included.
- The data item should be in agreement with the underlying accounting records.
- Accounting policies should be consistent with those adopted in the statutory Annual Accounts and should be consistently applied.
- Information required should be prepared in accordance with generally accepted accounting standards.
- The data item should not give a misleading impression of the firm. A data item is likely to give a misleading impression if a firm wrongly omits or includes a material item or presents a material item in the wrong way.
- The requirement that any figures be audited does not apply to small companies exempted from audit under the Companies Act 2006.

Description	Data element	Guidance
Fixed Assets		Fixed assets include all assets used by the firm in its activities on a continuing basis.
Intangible assets	1A	Intangible assets include goodwill, capitalised development costs, patents, licences, exchange seats (such as seats on LIFFE), trademarks and similar rights. Exchange seats held for investment purposes may be treated as a fixed asset investment.

Current assets		
Trade debtors due within 90 days	6A	Amounts due from counterparties should be reflected at gross amounts less any provisions for bad and doubtful debts. Netting is only permitted to the extent that there is express agreement with the counterparty that balances may be settled on a net basis. Firms should ensure that trading book debtors under and over 90 days are disclosed separately.
Trade debtors due after 90 days	7A	
Non-trade debtors	8A	These include debtors not arising from trading book activities. Examples of these are corporate finance fees, commissions, interest and dividends not directly related to items in the trading book. Firms should ensure that non-trading book debtors under and over 90 days and debts with affiliates and non-affiliates are disclosed separately.
Cash at bank and in hand segregated	11A	Segregated client monies on the balance sheet should be disclosed separately from other non segregated funds.
Cash at bank and in hand non segregated	12A	
Capital - <u>for incorporated entities only</u>		
Ordinary shares	29A	
Non cumulative preference shares – fixed term	30A	Cumulative and non cumulative preference shares for fixed and non fixed terms should be disclosed separately. Preference share capital can only be included in financial resources, provided that there is an agreement in place, that redemption may not take place if it would take the firm into a deficit of financial resources.
Non cumulative preference shares – non fixed term	31A	
Cumulative preference shares – fixed term	32A	Preference share capital may only be included in initial capital where the dividends are non-cumulative.
Cumulative preference shares – non fixed term	33A	
Retained earnings	38A	This figure should include audited figures where applicable. The requirement that this figure be audited does not apply to small companies exempted from audit under the Companies Act 2006.

Profit / (loss) current year - externally verified	39A	Incorporated firms should ensure that for both prior year brought forward and current year profit and loss, amounts representing externally audited balances and unverified trading and non trading book balances are identified and disclosed separately. Interim profits may only be included in a firm's initial capital where they have been verified by an external auditor. The requirement that this figure be audited does not apply to small companies exempted from audit under the Companies Act 2006.
Profit / (loss) current year – unverified trading book	40A	
Profit / (loss) current year – unverified non trading book	41A	
Off Balance sheet items	43A, 43B, 43C	Select the off-balance sheet items from the following items: structured products; OTCs; derivatives; operating leases; offshore entities; securitised transactions; and 'other'.

Capital – for Partnerships or sole traders only

Capital account	44A	This represents capital introduced by the partners or sole trader There should be a legal agreement in place to ensure that this capital can not be removed if it would take the firm into a deficit of its financial resources.
Retained earnings	45A	These can only be included in a firm's capital where they have been verified by an external auditor.
Current account current year – externally verified	46A	Unincorporated firms should ensure that for both prior year brought forward and current year current account, amounts representing externally audited balances and unverified trading and non trading book balances are identified and disclosed separately. Interim current account may only be included in a firm's initial capital where they have been verified by an external auditor. The requirement that this figure be audited does not apply to small companies exempted from audit under the Companies Act 2006.
Current account current year – unverified trading book	47A	
Current account current year – unverified non trading book	48A	
Off Balance sheet items	50A, 50B, 50C	Select the off-balance sheet items from the following items: structured products; OTCs; derivatives; operating leases; offshore entities; securitised transactions; and 'other'.

Capital – for Limited Liability Partnerships only

Off Balance sheet items	54A, 54B, 54C	Select the off-balance sheet items from the following items: structured products; OTCs; derivatives; operating leases; offshore entities; securitised transactions; and 'other'.
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FSA029 – Balance sheet validations

Internal validations

Data elements are referenced by row, then column.

Validation number	Data element		
1	4A	=	1A + 2A + 3A
2	13A	=	5A + 6A + 7A + 8A + 9A + 10A + 11A + 12A
3			[deleted – replaced by validation 16]
4	27A	=	22A + 23A + 24A + 25A + 26A
5	28A	=	4A + 13A – 55A -27A
6	34A		If 29A = 0, then 0, else (32A + 33A)
7	42A		If 29A = 0, then 0, else (29A + 30A + 31A + 34A + 35A + 36A + 37A + 38A + 39A + 40A + 41A)
8	42A		If 29A = 0, then 0, else 28A
9	44A		If 29A > 0, then 0
10	49A		If 44A > 0, then (44A + 45A + 46A + 47A + 48A), else 0
11	49A		If 44A > 0, then 28A, else 0
12	51A		If (29A + 44A) > 0, then 0
13	53A		If 51A > 0, then (51A + 52A), else 0
14	53A		If 51A > 0, then 28A, else 0
15	55A	=	14A + 15A + 16A + 17A + 18A + 19A + 20A
16	21A	=	13A – 55A

FSA030 – Income Statement

Introduction

The purpose is to provide a framework for the collection of information required by the appropriate regulator as a basis for its supervision activities. It also has the purpose to help the appropriate regulator to monitor firms' capital adequacy and financial soundness.

The Income Statement should be reported on a cumulative basis throughout the firm's financial year.

Defined Terms

Terms referred to in these notes where defined by the Companies Acts 1985 and 2006, as appropriate, or the provisions of the firm's accounting framework (usually UK GAAP or IFRS) bear that meaning for these purposes. The descriptions indicated in these notes are designed simply to repeat, summarise or amplify the relevant statutory or other definitions and terminology without departing from their full meaning or effect.

- The data item should comply with the principles and requirements of the firm's accounting framework, which will generally be UK GAAP (including relevant provisions of the Companies Acts 1985 and 2006 as appropriate) or IFRS.
- The data item should be unconsolidated.
- The data item should be in agreement with the underlying accounting records.
- Accounting policies should be consistent with those adopted in the statutory Annual Accounts and should be consistently applied.
- Information required should be prepared in accordance with generally accepted accounting standards.
- The data item should not give a misleading impression of the firm. A data item is likely to give a misleading impression if a firm wrongly omits or includes a material item or presents a material item in the wrong way.
- The requirement that any figures be audited does not apply to small companies exempted from audit under the Companies Act 2006.

Description	Data element	Guidance
Dealing Profit /(Loss)		
A firm should complete only the sections relevant to the business it undertakes.		
Dealing profits or (loss) - trading	1A	This is the total gross profit or loss which arises from market making and other dealings as principal in the financial year to date. Stamp duty, exchange fees, commissions and brokerage and any related interest paid or payable should be deducted.

Revenue	A firm should complete only the sections relevant to the business it undertakes	
Gross Commission and brokerage	5A	<p>This includes all commission income in respect of the relevant regulated business.</p> <p>Gross commissions will include commission that is received and passed on to another person.</p> <p>Where commission is shared between two or more firms, the gross commission should not be double counted, i.e. each firm should report only the commission it has received.</p>
Performance fees	6A	Fees received in relation to the firms regulated activities.
Investment management fees	7A	<p>This is the total of underwriting fees and commissions, valuations, management of investments and unit trusts, pension funds, discretionary management and collective investment schemes.</p> <p>Data element 7A and data element 10A are mutually exclusive.</p>
Investment Advisory Fees	8A	Include all fees arising from investment advice (see <i>PERG 2.7.15G</i>).
Corporate Finance	9A	This is the total of all income earned by the firm from corporate finance business.
UCITS management fees	10A	<p>The total fees attributable from UCITS fees should be disclosed here.</p> <p>Data element 7A and data element 10A are mutually exclusive.</p>
Other revenue	12A	<p>You should record here any income that has derived from its business in the financial year, which has not been recorded under commissions or fees.</p> <p>Such income may include interest on client money, where the firm is permitted to retain this, or payments made by product providers on a basis other than fees or commissions.</p>
Total revenue	14A	This is the sum of the revenue which is split under data elements 5-13.
Expenditure		
Commissions and fees	15A	This is the total of commissions paid and shared, plus fees, brokerage and other charges paid in

		relation to the business.
Foreign exchange losses	18A	This is the total of foreign exchange losses.
Interest expense	20A	This is the total of interest payable on borrowings of the firm and interest payable on client bank accounts.

Following section for incorporated entities only

Profit or (loss) on ordinary activities before taxation	23A	Profit / (loss) from the activities carried out by a firm in the carrying out of its business.
Appropriations	26A	Includes dividends paid, or any other items paid out by the firm.

Following section for LLPs only

Operating Profit or (loss)	28A	Operating profit / (loss) arising from the day to day activities of the firm.
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FSA030 – Income statement validations

Internal validations

Data elements are referenced by row, then column.

Validation number	Data element		
1	4A	=	1A + 2A + 3A
2	14A	=	5A + 6A + 7A + 8A + 9A + 10A + 11A + 12A + 13A
3	22A	=	15A + 16A + 17A + 18A + 19A + 20A + 21A
4	23A	=	4A + 14A – 22A
5	25A	=	23A – 24A
6	27A	=	25A – 26A
7	28A		If 23A ≠ 0, then 0, else (4A + 14A – 22A)
8	31A	=	28A + 29A + 30A

FSA031 – Capital Adequacy (for exempt CAD firms subject to IPRU(INV) Chapter 9)

Introduction

The purpose is to provide a framework for the collection of information required by the appropriate regulator as a basis for its supervision activities. It also has the purpose to help the appropriate regulator to monitor a firm's capital adequacy and financial soundness.

Defined Terms

Terms referred to in these notes where defined by the Companies Acts 1985 and 2006, as appropriate, or the provisions of the firm's accounting framework (usually UK GAAP or IFRS) bear that meaning for these purposes. The descriptions indicated in these notes are designed simply to repeat, summarise or amplify the relevant statutory or other definitions and terminology without departing from their full meaning or effect.

- The data item should comply with the principles and requirements of the firm's accounting framework, which will generally be UK GAAP (including relevant provisions of the Companies Acts 1985 and 2006 as appropriate) or IFRS.
- The data item should be unconsolidated.
- For a sole trader, only the assets and liabilities of the business should be included.
- The data item should be in agreement with the underlying accounting records.
- Accounting policies should be consistent with those adopted in the statutory annual accounts and should be consistently applied.
- Information required should be prepared in accordance with generally accepted accounting standards.
- The data item should not give a misleading impression of the firm. A data item is likely to give a misleading impression if a firm wrongly omits or includes a material item or presents a material item in the wrong way.

Description	Data element	Guidance
Regulatory capital		<p>This section has four parts.</p> <ul style="list-style-type: none"> • Part 1 should be completed by all firms • Part 2 should only be completed by those firms whose own funds requirement is calculated in accordance with <i>IPRU(INV)</i> 9.2.9R • Part 3 should only be completed by those firms whose own funds requirement is calculated in accordance with <i>IPRU(INV)</i> 9.5 • Part 4 should be completed by all firms

Part 1		
Ordinary share capital which is fully paid	1A	Item 1 in <i>IPRU(INV)</i> 9.3.1R
Perpetual non-cumulative preference share capital which is fully paid	5A	Item 2 in <i>IPRU(INV)</i> 9.3.1R
Share premium account	3A	Item 3 in <i>IPRU(INV)</i> 9.3.1R
Reserves excluding revaluation reserves	4A	Item 4 in <i>IPRU(INV)</i> 9.3.1R
Audited retained earnings	36A	Item 5 in <i>IPRU(INV)</i> 9.3.1R
Externally verified interim net profits	37A	Item 6 in <i>IPRU(INV)</i> 9.3.1R
Partners' capital	38A	Item 7 in <i>IPRU(INV)</i> 9.3.1R
Eligible LLP Members Capital (in accordance with the provisions of <i>IPRU(INV)</i> Annex A)	2A	Item 8 in <i>IPRU(INV)</i> 9.3.1R
Sole trader capital	39A	Item 9 in <i>IPRU(INV)</i> 9.3.1R
Initial capital	17A	This comprises the items listed in <i>IPRU(INV)</i> 9.3.1R
Part 2	To be completed by those firms whose own funds requirement is calculated in accordance with <i>IPRU(INV)</i> 9.2.9R	
Initial capital	40A	As calculated in Part 1 data element 17A
Investment in own shares at book value	6A	Item 5 in <i>IPRU(INV)</i> Table 5.2.2(1)
Intangible shares	7A	Item 6 in <i>IPRU(INV)</i> Table 5.2.2(1)
Material current year losses	8A	Item 7 in <i>IPRU(INV)</i> Table 5.2.2(1)
Revaluation reserves	11A	Item 9 in <i>IPRU(INV)</i> Table 5.2.2(1)
Fixed term cumulative preference share capital	12A	Item 10 in <i>IPRU(INV)</i> Table 5.2.2(1)
Long term subordinated loans	13A	Item 11 in <i>IPRU(INV)</i> Table 5.2.2(1)

Perpetual cumulative preference share capital and qualifying capital instruments	14A	Item 12 in <i>IPRU(INV)</i> Table 5.2.2(1)
Qualifying arrangements	15A	Item 13 in <i>IPRU(INV)</i> Table 5.2.2(1)
Material holdings in credit and financial institutions and material insurance holdings	9A	Item 8 in <i>IPRU(INV)</i> Table 5.2.2(1)
Part 3	To be completed by those firms whose own funds requirement is calculated in accordance with <i>IPRU(INV)</i> 9.5	
Initial capital	41A	As calculated in Part 1 data element 17A
Investments in own shares at book value	18A	In <i>IPRU(INV)</i> Table 9.5.2, item 1 of part B
Intangible assets	19A	In <i>IPRU(INV)</i> Table 9.5.2, item 2 of part B
Material current year losses	20A	In <i>IPRU(INV)</i> Table 9.5.2, item 3 of part B
Perpetual cumulative preference share capital	22A	In <i>IPRU(INV)</i> Table 9.5.2, item 2 of part C
Fixed term capital preference shares	23A	In <i>IPRU(INV)</i> Table 9.5.2, item 5 of part C
Perpetual long term subordinated loans	24A	In <i>IPRU(INV)</i> Table 9.5.2, item 4 of part C
Long term subordinated loans	25A	In <i>IPRU(INV)</i> Table 9.5.2, item 3 of part C
Revaluation reserves	26A	In <i>IPRU(INV)</i> Table 9.5.2, item 1 of part C
Part 4	Regulatory capital test to be completed by all firms	
How do you meet your regulatory capital requirement?	29A	<p>The rules allow a firm to specify the method in which it will meet the regulatory capital requirement. A firm can:</p> <ul style="list-style-type: none"> • use capital to meet the regulatory requirement; or • use PII to meet the regulatory requirement; or • use a combination of capital and PII to meet the regulatory requirement. <p>A firm should select from the drop-down options. (If a firm uses PII to meet the regulatory</p>

		requirement it will nevertheless always require a minimum of £5,000 initial capital)
Own funds requirement	30A	The own funds requirement ('OFR') should be calculated in accordance with section <i>IPRU(INV)</i> 9.2. Where a firm chooses to meet the regulatory requirements using PII the OFR will always be a minimum of £5,000.
Other appropriate regulator own funds requirements (if applicable)	31A	Firms subject to a requirement under another chapter of <i>IPRU(INV)</i> should include that requirement to the extent it exceeds the own funds requirement in 30A. For example, where an ECF also conducts non-MiFID activities, such as operating an unregulated collective investment scheme, it may be subject to a liquid capital requirement under <i>IPRU(INV)</i> chapter 5. The firm would need to express the liquid capital requirement in terms of 'own funds' by adjusting (adding back or deducting as relevant) those items of liquid capital which do not constitute items of the own funds computation e.g. the illiquid assets deduction. Where the liquid capital requirement, expressed in terms of own funds, exceeds the own funds requirement reported in 30A, the difference between both requirements should be reported here.
<i>Professional Indemnity Insurance</i>		
This section requires each firm to confirm it is in compliance with the prudential requirements in relation to professional indemnity insurance (PII). Data is required in relation to all PII policies that a firm has in place, up to a limit of ten (this is provided in columns A-H). If a firm has more than ten policies, it should report only on the ten largest policies by premium. For each insurer, if there are any business lines with different excess, then they should be reported in columns J and K (so there can be multiple entries in columns J and K for each insurer).		
Does your firm hold a Comparable Guarantee in lieu of PII or is it otherwise exempt from PII?	33A	This question will establish whether a firm is exempt from the requirements and so is not required to hold PII. If the firm is required to hold PII – i.e. is not exempt from holding PII – you should enter 'no' in the data field. A firm is NOT exempt from holding PII if: <ul style="list-style-type: none"> • the firm has a group policy with an insurer; or • the firm has permission for the regulated business that requires PII, but does not

		<p>currently carry it out; or</p> <ul style="list-style-type: none"> it is a personal investment firm meeting the exemption requirements for mortgage intermediaries and insurance intermediaries in <i>MIPRU</i> 3.1. <p>Select either 'Comparable guarantee' or 'Exempt'.</p>
Does your firm conduct insurance mediation activities?	34A	Insurance mediation activities are defined in the Handbook glossary.
Annualised premium	35A	This should state the premium payable (in descending order of size), net of tax and any other add-ons. If the premium covers a period other than 12 months, it should be annualised before ranking.
PII Insurer	35B	Select the PII insurer from the list provided (to follow). If you have more than one policy with the same insurer, they should be combined. If the insurer is not listed, select 'Other'. If a policy is underwritten by more than one insurance undertaking or Lloyd's syndicate, you should select 'multiple'.
Start date	35C	Enter the start date of the policy.
Renewal date	35D	Enter the renewal date of the policy
Currency of indemnity limits	35L	Using the appropriate International Organization for Standardization ISO 4217 three digit code (e.g. GBP), enter the currency in which the indemnity limits, in fields 35E to 35H are reported.
Limit of indemnity required – single	35E	<p>You should record here the required indemnity limits on the firm's PII policy or policies, in relation to single claims. These can be reported either in Euros or the currency of the report, if different.</p> <p>See <i>MIPRU</i> 3.2.8R for requirements about the calculation of indemnity limits where the <i>policy</i> is denominated in a currency other than Euros.</p>
Limit of indemnity required – aggregate	35F	<p>You should record here the required indemnity limits on the firm's PII policy or policies, in aggregate. These can be reported either in Euros or the currency of the report, if different.</p> <p>See <i>MIPRU</i> 3.2.8R for requirements about the calculation of indemnity limits where the <i>policy</i> is denominated in a currency other than euros.</p>

Limited of indemnity obtained – single	35G	<p>You should record here the indemnity limits on the firm’s PII policy or policies obtained in relation to single claims. These can be reported either in Euros or the currency of the report, if different.</p> <p>See <i>MIPRU</i> 3.2.8R for requirements about the calculation of indemnity limits where the <i>policy</i> is denominated in a currency other than euros.</p>
Limited of indemnity obtained – aggregate	35H	<p>You should record here the indemnity limits on the firm’s PII policy or policies obtained in aggregate. These can be reported either in Euros or the currency of the report, if different.</p> <p>See <i>MIPRU</i> 3.2.8R for requirements about the calculation of indemnity limits where the <i>policy</i> is denominated in a currency other than euros.</p>
Business line	35J	<p>For policies that cover all business lines, firms should select ‘All’ from the list provided (to follow). Where the policy contains different excess for different business lines, firms should identify these business lines from the list (or the closest equivalent) and report the (highest) excess for that business line in data element 35K. Once these ‘non-standard’ excesses have been identified, the remaining business lines should be reported under ‘All other’.</p> <p>(Some typical business types include pensions, endowments, FSAVCs, splits/zeros, precipice bonds, income drawdown, lifetime mortgages, discretionary management).</p>
Policy excess	35K	<p>For policies that cover all business lines with no difference in excesses, this should be the excess applicable. Otherwise, it should contain the highest excess for each business line that differs.</p>

FSA031 – Capital Adequacy (for exempt CAD firms subject to IPRU(INV) Chapter 9) validations

Internal validations

Data elements are referenced by row, then column.

Validation number	Data element		
1			[deleted –replaced by validation 9]
2			[deleted – replaced by validation 10]
3			[deleted]
4			[deleted]
5			[deleted – replaced by validation 12]
6			[deleted]
7	17A	=	1A +5A +3A +4A + 36A + 37A + 38A + 2A + 39A
8	40A	=	17A or 0
9	10A	=	40A – 6A – 7A – 8A
10	16A	=	10A + 11A + 12A + 13A +14A +15A – 9A
11	41A	=	17A or 0
12	28A	=	41A – 18A – 19A – 20A + 22A + 23A + 24A + 25A + 26A – 27A
13			[deleted – replaced by validation 15]
14	42A	=	30A+31A
15	32A	=	(16A or 28A) – 42A

FSA032 – Capital Adequacy (for exempt CAD firms subject to IPRU(INV) Chapter 13)

Introduction

The purpose is to provide a framework for the collection of information required by the appropriate regulator as a basis for its supervision activities. It also has the purpose to help the appropriate regulator to monitor a firms' capital adequacy and financial soundness.

Defined Terms

Terms referred to in these notes where defined by the Companies Acts 1985 and 2006, as appropriate, or the provisions of the firm's accounting framework (usually UK GAAP or IFRS) bear that meaning for these purposes. The descriptions indicated in these notes are designed simply to repeat, summarise or amplify the relevant statutory or other definitions and terminology without departing from their full meaning or effect.

- The data item should comply with the principles and requirements of the firm's accounting framework, which will generally be UK GAAP (including relevant provisions of the Companies Acts 1985 and 2006 as appropriate) or IFRS.
- The data item should be unconsolidated.
- For a sole trader, only the assets and liabilities of the business should be included.
- The data item should be in agreement with the underlying accounting records.
- Accounting policies should be consistent with those adopted in the statutory annual accounts and should be consistently applied.
- Information required should be prepared in accordance with generally accepted accounting standards.
- The data item should not give a misleading impression of the firm. A data item is likely to give a misleading impression if a firm wrongly omits or includes a material item or presents a material item in a wrong way

Description	Data element	Guidance
Regulatory Capital		
Ordinary share capital which is fully paid up	1A	Item 1 in <i>IPRU(INV)</i> 13.1A.7R
Perpetual non-cumulative preference share which is fully paid	5A	Item 2 in <i>IPRU(INV)</i> 13.1A.7R
Share premium account	3A	Item 3 in <i>IPRU(INV)</i> 13.1A.7R
Reserves excluding	4A	Item 4 in <i>IPRU(INV)</i> 13.1A.7R

revaluation reserves		
Audited retained earnings	45A	Item 5 in <i>IPRU(INV)</i> 13.1A.7R
Externally verified interim net profits	46A	Item 6 in <i>IPRU(INV)</i> 13.1A.7R
Partners' capital	47A	Item 7 in <i>IPRU(INV)</i> 13.1A.7R
Eligible LLP members' capital (in accordance with the provisions of <i>IPRU(INV)</i> Annex A)	2A	Item 8 in <i>IPRU(INV)</i> 13.1A.7R
Sole trader capital	48A	Item 9 in <i>IPRU(INV)</i> 13.1A.7R
Revaluation reserves	13A	Revaluation reserves (unrealised reserves arising from revaluation of fixed assets) can only be included here if audited.
Regulatory capital test(s)		
How do you meet your regulatory capital requirement?	23A	<p>The rules allow a firm to specify the method in which it will meet the regulatory capital requirement. A firm can:</p> <ul style="list-style-type: none"> • use capital to meet the regulatory requirement; or • use PII to meet the regulatory requirement; or • use a combination of capital and PII to meet the regulatory requirement. <p>A firm should select from the drop-down options.</p> <p>(If a firm uses PII to meet the regulatory requirements it will nevertheless always require a minimum £10,000 initial capital. For the purposes of this question, the minimum initial capital held by the firm can be ignored.)</p>
<i>Capital requirement</i>		
Own funds requirement	24A	<p>The own funds requirement ('OFR') should be calculated in accordance with section <i>IPRU(INV)</i> 13.1A.</p> <p>Where a firm chooses to meet the regulatory requirements using PII the OFR will be a minimum of £10,000.</p>
Additional own funds requirement for PII (if applicable)	25A	If the firm has any increased excesses or exclusions on its PII policies, the total of the additional capital requirements required by <i>IPRU(INV)</i> 13.1.4.

Other appropriate regulator capital / own funds requirements (if applicable)	26A	<p>Firms subject to a requirement under <i>IPRU(INV)</i> 13.2-8 or 13.9-12 should include that requirement as calculated by reference to the firm's own funds calculated under <i>IPRU(INV)</i> 13.1A to the extent it exceeds the own funds requirement in 24A. This excludes capital requirements in relation to PII.</p> <p>For example, where an ECF is subject to an expenditure based requirement (EBR) the firm would need to express the EBR in terms of 'own funds' by adjusting for the extent to which the own funds exceeds its Test 2 financial resources. Where the adjusted requirement exceeds the own funds requirement reported in 24A, the difference between both requirements should be reported here.</p>
Surplus / (deficit)	28A	This is the amount of the firm's own funds in relation to its own funds requirement. A firm's own funds requirement is the total of 24A, 25A and 26A. So, such a firm should compare this requirement with the own funds calculated in 27A to compute the surplus/(deficit).
<i>Adjusted net current assets</i>	<p>The purpose of this test is to ensure that the firm has adequate working capital to be able to meet its liabilities as and when they fall due. It does this by taking the firm's net current assets (from FSA029), and applying the following actions:</p> <p>(1) excluding assets which cannot be realised or recovered within twelve months;</p> <p>(2) excluding amounts receivable from connected persons (to the extent that they are not properly secured, except certain allowable deposits);</p> <p>(3) valuing investments at current market value.</p>	
Adjusted net current assets requirement (if applicable)	29A	<p>All personal investment firms except low resource firms should at all times have adjusted net current assets of at least £1.</p> <p>Low resource firms should enter 'n/a' here.</p>
Adjusted net current assets (if applicable)	30A	Adjusted net current assets should be calculated in accordance with <i>IPRU(INV)</i> 13.11.
Surplus / (deficit) (if applicable)	31A	This shows whether the firm's net current assets are positive.
<p><i>Professional Indemnity Insurance</i></p> <p>This section requires each firm to confirm it is in compliance with the prudential requirements in relation to professional indemnity insurance (PII). Data is required in relation to all PII policies that a firm has in place, up to a limit of ten (this is provided in columns A-H). If a firm has more than ten policies, it should report only on the ten largest policies by</p>		

<p>premium. For each insurer, if there are any business lines with different excess, then they should be reported in columns J – L (so there can be multiple entries in columns J, K and L for each insurer).</p>		
<p>Does your firm hold a Comparable Guarantee or equivalent cover in lieu of PII or is it otherwise exempt from holding PII?</p>	<p>32A</p>	<p>This question will establish whether a firm is exempt from the requirements and so is not required to hold PII.</p> <p>If the firm is required to hold PII – i.e. is not exempt from holding PII – you should enter 'no' in the data field.</p> <p>A firm is NOT exempt from holding PII if:</p> <ul style="list-style-type: none"> • the firm has a group policy with an insurer; or • the firm has permission for regulated business that requires PII, but does not currently carry it out; or • it is a personal investment firm meeting the exemption requirements for mortgage intermediaries and insurance intermediaries in <i>MIPRU</i> 3.1. <p>Select either 'Comparable guarantee' or 'Exempt'.</p>
<p>If your firm does not hold a Comparable Guarantee or equivalent cover and is not exempt, does the firm currently hold PII?</p>	<p>33A</p>	<p>This is either 'Yes' or 'No'.</p>
<p>Does the firm conduct insurance mediation activities?</p>	<p>34A</p>	<p>This is either 'Yes' or 'No', and enables us to check that the PII cover meets the minimum requirements.</p>
<p>Has your firm renewed its PII cover since the last reporting date?</p>	<p>35A</p>	<p>This is either 'Yes' or 'No'.</p>
<p>If your policy excludes all business activities carried on prior to a particular date (i.e. a retroactive start date), then insert the date here. If not insert N/A.</p>	<p>36A</p>	<p>Required terms of PII are set out in <i>IPRU(INV)</i> 13.1.4.</p> <p>Examples of a retroactive start date:</p> <p>(1) A firm has a retroactive start date of 01/01/2005 on its policy if:</p> <ul style="list-style-type: none"> • A client is advised by the firm to purchase an XYZ policy on 01/03/2004 (i.e. before the retroactive date) • The client makes a formal complaint about the

		<p>sale of the XYZ policy to the firm on 01/04/2006 (i.e. while this PII cover is still in place).</p> <ul style="list-style-type: none"> The complaint is upheld, but the firm's current PII Insurer will not pay out any redress for this claim as the transaction took place before 01/01/2005, the retroactive date in the policy. <p>Insert '01/01/05' for this question on the data item.</p> <p>(2) A firm does not have a retroactive start date if:</p> <ul style="list-style-type: none"> A client is advised by the firm to purchase an XYZ policy on 01/03/2006. The client makes a formal complaint about the sale of the XYZ policy to the firm on 01/04/2006 (i.e. while this PII cover is still in place). The complaint is upheld, and the firm's current PII Insurer will pay out any redress owed by the firm to the client over any prescribed excess, and to the limit of indemnity provided for. There is no date in the policy before which any business transacted may not give rise to a valid claim. <p>Insert 'n/a' for this question on the data item.</p>
Is the cover compliant?	37A	This is either 'Yes' or 'No'.
Annualised premium	38A	This should state the premium payable (in descending order of size), net of tax and any other add-ons. If the premium covers a period other than 12 months, it should be annualised before ranking.
PII Insurer	38B	Select the PII insurer from the list provided (to follow). If you have more than one policy with the same insurer, they should be combined. If the insurer is not listed, select 'Other'. If a policy is underwritten by more than one insurance undertaking or Lloyd's syndicate, you should select 'multiple'.
Start date	38C	Enter the start date of the policy.
Renewal date	38D	Enter the renewal date of the policy
Currency of indemnity limits	38M	Using the appropriate International Organization for Standardization ISO 4217 three digit code (e.g. GBP), enter the currency in which the indemnity limits, in fields 38E to 38H are

		reported.
Limit of indemnity required – single	38E	<p>You should record here the required indemnity limits on the firm’s PII policy or policies, in relation to single claims, as under <i>IPRU(INV)</i> 13.1.4(2)R. These can be reported either in Euros or the currency of the report, if different.</p> <p>See <i>MIPRU</i> 3.2.8R for requirements about the calculation of indemnity limits where the <i>policy</i> is denominated in a currency other than euros.</p>
Limit of indemnity required – aggregate	38F	<p>You should record here the required indemnity limits on the firm’s PII policy or policies, in aggregate, as under <i>IPRU(INV)</i> 13.1.4(2)R. These can be reported either in Euros or the currency of the report, if different.</p> <p>See <i>MIPRU</i> 3.2.8R for requirements about the calculation of indemnity limits where the <i>policy</i> is denominated in a currency other than euros.</p>
Limited of indemnity obtained – single	38G	<p>You should record here the indemnity limits on the firm’s PII policy or policies obtained in relation to single claims, as under <i>IPRU(INV)</i> 13.1.4(2)R. These can be reported either in Euros or the currency of the report, if different.</p> <p>See <i>MIPRU</i> 3.2.8R for requirements about the calculation of indemnity limits where the <i>policy</i> is denominated in a currency other than euros.</p>
Limited of indemnity obtained – aggregate	38H	<p>You should record here the indemnity limits on the firm’s PII policy or policies obtained in aggregate, as under <i>IPRU(INV)</i> 13.1.4(2)R. These can be reported either in Euros or the currency of the report, if different.</p> <p>See <i>MIPRU</i> 3.2.8R for requirements about the calculation of indemnity limits where the <i>policy</i> is denominated in a currency other than euros.</p>
Business line	38J	<p>For policies that cover all business lines, firms should select ‘All’ from the list provided (to follow). Where the policy contains different excess for different business lines, firms should identify these business lines from the list (or the closest equivalent) and report the (highest) excess for that business line in data element 38K. Once these ‘non-standard’ excesses have been identified, the remaining business lines should be reported under ‘All other’.</p> <p>(Some typical business types include pensions, endowments, FSAVCs, splits/zeros, precipice</p>

		bonds, income drawdown, lifetime mortgages, discretionary management).
Policy excess	38K	For policies that cover all business lines with no difference in excesses, this should be the excess applicable. Otherwise, it should contain the highest excess for each business line that differs.
Policy exclusions	38L	If there are any exclusions in the firm's PII policy, the business type(s) to which they relate should be entered here. This is a free text field.
Annual income as stated on the most recent proposal form	39A	This should be the income as stated on the <i>firm's</i> most recent PII proposal form. This is relevant income arising from all of the <i>firm's</i> activities for the last accounting year before the policy began or was renewed (<i>IPRU(INV)</i> 13.1.3(3)R).
Amount of additional capital required for policy excess(es)	40A	This should be calculated using the tables in <i>IPRU(INV)</i> 13.1.4(12)E. The total of additional capital (i.e. in relation to all of the firm's PII policies) should have been reported under 'additional own funds requirement for PII' (data element 25A).
Total amount of additional own funds required for policy exclusion(s)	41A	This should be calculated in line with <i>IPRU(INV)</i> 13.1.4(13)R. The total of additional own funds (i.e. in relation to all of the firm's PII policies) should have been reported under 'additional own funds for PII' (data element 25A).
Total of additional own funds required	42A	This represents the total of additional own funds required under <i>IPRU(INV)</i> 13.1.4 to 13.1.4(13)G for all of the firm's PII policies (data element 25A).
Total of readily realisable own funds	43A	State here the total of the own funds that are classed as 'readily realisable' under the terms of <i>IPRU(INV)</i> 13.1.4(4)G.
Excess / (deficit) of readily realisable own funds	44A	In this field, enter the result of the 'total of readily realisable own funds' less the 'total of additional own funds required'.

FSA032 – Capital Adequacy (for exempt CAD firms subject to IPRU(INV) Chapter 13) validations

Internal validations

Data elements are referenced by row, then column.

Validation number	Data element		
1			[deleted – replaced by validation 9]
2	22A	=	18A – 19A – 20A-21A
3	28A	=	27A – 24A – 25A – 26A
4	30A	=	22A
5	31A	=	30A – 29A
6			[deleted]
7			[deleted – replaced by validation 10]
8	44A	=	43A – 42A
9	17A	=	1A + 5A + 3A + 4A + 45A + 46A + 47A + 2A + 48A – 8A – 9A – 10A – 12A + 13A + 14A + 15A + 16A – 11A
10	42A	=	25A
11	42A	=	40A + 41A

FSA033 – Capital Adequacy (for firms subject to IPRU(INV) Chapter 3)

Introduction

The purpose is to provide a framework for the collection of information required by the appropriate regulator as a basis for its supervision activities. It also has the purpose to help the appropriate regulator to monitor firms' capital adequacy and financial soundness.

Defined Terms

Terms referred to in these notes where defined by the Companies Acts 1985 and 2006, as appropriate, or the provisions of the firm's accounting framework (usually UK GAAP or IFRS) bear that meaning for these purposes. The descriptions indicated in these notes are designed simply to repeat, summarise or amplify the relevant statutory or other definitions and terminology without departing from their full meaning or effect.

- The data item should comply with the principles and requirements of the firm's accounting framework, which will generally be UK GAAP (including relevant provisions of the Companies Acts 1985 and 2006 as appropriate) or IFRS.
- The data item should be unconsolidated.
- For a sole trader, only the assets and liabilities of the business should be included.
- The data item should be in agreement with the underlying accounting records.
- Accounting policies should be consistent with those adopted in the statutory Annual Accounts and should be consistently applied.
- Information required should be prepared in accordance with generally accepted accounting standards.
- The data item should not give a misleading impression of the firm. A data item is likely to give a misleading impression if a firm wrongly omits or includes a material item or presents a material item in the wrong way.
- the requirement that any figures be audited does not apply to small companies exempted from audit under the Companies Act 2006.

Description	Data element	Guidance
Regulatory Capital		
<i>Tangible net worth</i>	1B and 2B	<p>For an incorporated firm, tangible net worth includes ordinary share capital plus redeemable preference shares, meeting the criteria set out in <i>IPRU(INV)</i> 3- 62R, approved reserves as explained in <i>IPRU(INV)</i> 3-62R, share premium account and retained earnings, less any intangible assets.</p> <p>For a partnership or sole trader, tangible net worth includes the capital account plus current account, less any intangible assets.</p>

<i>Eligible Capital Substitutes</i>	3B to 5B	There are certain limits on subordinated loans, approved bank bonds and approved undertakings which may be taken into financial resources. The total should not exceed four times tangible net worth. The other limits are detailed in <i>IPRU(INV)</i> 3-63R.
<i>Primary requirement</i>		This is the requirement set out in <i>IPRU(INV)</i> 3-70R
Base requirement	7B	The base requirement is the greater of: <ul style="list-style-type: none"> • the absolute minimum requirement which is determined in accordance with <i>IPRU(INV)</i> 3-72R; • the expenditure requirement which is determined in accordance with <i>IPRU(INV)</i> 3-73R; and • the volume of business requirement which is 3.5% of the aggregate of the firm's counterparties' total initial margin requirement.
Total liquidity adjustment	10B	The liquidity adjustment should be calculated in accordance with <i>IPRU(INV)</i> 3-75R and should be deducted in order to arrive at the financial resources.
Charged assets	11B	This is the balance sheet value of each asset charged to a third party (<i>IPRU(INV)</i> 3-76R) unless the related exposure has already been recorded as a liability or is subject to CRR.
Contingent liabilities	12B	An amount should be added to primary requirement in accordance with <i>IPRU(INV)</i> 3-77R.
Deficiencies in subsidiaries	13B	Unless a provision has already been made (ie a reduction of the firm's financial resources), the amount is equal to the deficiency in shareholders' funds in the subsidiary of the firm (<i>IPRU(INV)</i> 3-78R).
Regulatory capital test		
Position Risk Requirement	16A	A firm which trades on its own account should calculate a position risk requirement. The methods and position risk weightings (known as PRRs) to be used can be found in <i>IPRU(INV)</i> 3-80R to 3-169R and <i>IPRU(INV)</i> 3 App 26.

Counterparty Risk Requirement	17A	This section is split into debtors and creditors arising on the trading book. The headings for assets and liabilities are designed to reflect the balance sheet values of transactions analysed by type.
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FSA033 – Capital Adequacy (for firms subject to IPRU(INV) Chapter 3) validations

Internal validations

Data elements are referenced by row, then column.

Validation number	Data element		
1	6B	=	1B – 2B + 3B + 4B + 5B
2	10B	=	8A + 9A
3	14B	=	7B + 10B + 11B + 12B + 13B
4	15A	=	14B
5	18B	=	15A + 16A + 17A
6	19B	=	6B
7	20B	=	19B – 18B

FSA034 – Capital Adequacy (for firms subject to IPRU(INV) Chapter 5 not subject to exemption in IPRU(INV) 5.2.3(2)R)

Introduction

The purpose is to provide a framework for the collection of information required by the appropriate regulator as a basis for its supervision activities. It also has the purpose to help the appropriate regulator to monitor firms' capital adequacy and financial soundness.

Defined Terms

Terms referred to in these notes where defined by the Companies Acts 1985 and 2006, as appropriate, or the provisions of the firm's accounting framework (usually UK GAAP or IFRS) bear that meaning for these purposes. The descriptions indicated in these notes are designed simply to repeat, summarise or amplify the relevant statutory or other definitions and terminology without departing from their full meaning or effect.

- The data item should comply with the principles and requirements of the firm's accounting framework, which will generally be UK GAAP (including relevant provisions of the Companies Acts 1985 and 2006 as appropriate) or IFRS.
- The data item should be unconsolidated.
- For a sole trader, only the assets and liabilities of the business should be included.
- The data item should be in agreement with the underlying accounting records.
- Accounting policies should be consistent with those adopted in the statutory annual accounts and should be consistently applied.
- Information required should be prepared in accordance with generally accepted accounting standards.
- The data item should not give a misleading impression of the firm. A data item is likely to give a misleading impression if a firm wrongly omits or includes a material item or presents a material item in the wrong way.
- The requirement that any figures be audited does not apply to small companies exempted from audit under the Companies Act 2006.

FSA034 – Capital Adequacy (for firms subject to IPRU(INV) Chapter 5 not subject to exemption in IPRU(INV) 5.2.3(2)R) validations

Internal validations

Data elements are referenced by row, then column.

Validation number	Data item		
1			[deleted – replaced by validation 10]
2			[deleted – replaced by validation 11]
3	16B	=	10B + 11B + 12B + 13B + 14B + 15B
4	21B	=	16B + 17B + 18B – 19B + 20B
5	22B	=	21B
6	28B	=	23A + 24A + 25A + 26A + 27A
7	29B	=	22B – 28B
8			[deleted – replaced by validation 12]
9	34B	=	6 or 13
10	9B	=	5A + 6A + 7A + 8A + 36A
11	10B	=	1B + 35B + 2B + 3B + 4B – 9B
12	33B	=	32B*(34B/52)

FSA035 – Capital Adequacy (for firms subject to IPRU(INV) Chapter 5 and to the exemption in IPRU(INV) 5.2.3(2)R)

Introduction

The purpose is to provide a framework for the collection of information required by the appropriate regulator as a basis for its supervision activities. It also has the purpose to help the appropriate regulator to monitor firms' capital adequacy and financial soundness.

Defined Terms

Terms referred to in these notes where defined by the Companies Acts 1985 and 2006, as appropriate, or the provisions of the firm's accounting framework (usually UK GAAP or IFRS) bear that meaning for these purposes. The descriptions indicated in these notes are designed simply to repeat, summarise or amplify the relevant statutory or other definitions and terminology without departing from their full meaning or effect.

- The data item should comply with the principles and requirements of the firm's accounting framework, which will generally be UK GAAP (including relevant provisions of the Companies Acts 1985 and 2006 as appropriate) or IFRS.
- The data item should be unconsolidated.
- For a sole trader, only the assets and liabilities of the business should be included.
- The data item should be in agreement with the underlying accounting records.
- Accounting policies should be consistent with those adopted in the statutory Annual Accounts and should be consistently applied.
- Information required should be prepared in accordance with generally accepted accounting standards.
- The data item should not give a misleading impression of the firm. A data item is likely to give a misleading impression if a firm wrongly omits or includes a material item or presents a material item in the wrong way.
- The requirement that any figures be audited does not apply to small companies exempted from audit under the Companies Act 2006.

FSA035 – Capital Adequacy (for firms subject to IPRU(INV) Chapter 5 and to the exemption in IPRU(INV) 5.2.3(2)R) validations

Internal validations

Data elements are referenced by row, then column.

Validation number	Data element		
1			[deleted – replaced by validation 8]
2			[deleted – replaced by validation 9]
3	16B	=	10B + 11B + 12B + 13B + 14B + 15B
4	18A	=	blank or 5
5	19A	=	blank or 4000
6	19A		If 18A = blank, then 4000, else blank
7	20B	=	17B – (18A + 19A)
8	9B	=	5A + 6A + 7A + 8A + 22A
9	10B	=	1B + 21B + 2B + 3B + 4B – 9B

FSA036 – Capital Adequacy (for UCITS firms)

Introduction

The purpose is to provide a framework for the collection of information required by the appropriate regulator as a basis for its supervision activities. It also has the purpose of helping the appropriate regulator to monitor firms' capital adequacy and financial soundness.

Defined Terms

Terms referred to in these notes where defined by the Companies Acts 1985 and 2006, as appropriate, or the provisions of the firm's accounting framework (usually UK GAAP or IFRS) bear that meaning for these purposes. The descriptions indicated in these notes are designed simply to repeat, summarise or amplify the relevant statutory or other definitions and terminology without departing from their full meaning or effect.

- The data item should comply with the principles and requirements of the firm's accounting framework, which will generally be UK GAAP (including relevant provisions of the Companies Acts 1985 and 2006 as appropriate) or IFRS.
- The data item should be unconsolidated.
- For a sole trader, only the assets and liabilities of the business should be included.
- The data item should be in agreement with the underlying accounting records.
- Accounting policies should be consistent with those adopted in the statutory Annual Accounts and should be consistently applied.
- Information required should be prepared in accordance with generally accepted accounting standards.
- The data item should not give a misleading impression of the firm. A data item is likely to give a misleading impression if a firm wrongly omits or includes a material item or presents a material item in the wrong way.
- The requirement that any figures be audited does not apply to small companies exempted from audit under the Companies Act 2006.

FSA036 – Capital Adequacy (for UCITS firms) validations

Internal validations

Data elements are referenced by row, then column.

Validation number	Data element		
1			[deleted – replaced by validation 12]
2	15B	=	9B + 10B + 11B + 12B + 13B + 14B
3	17B	=	15B – 16B
4	18B	=	9B
5	20B	=	18B – 19B
6	21B	=	17B
7	24B	=	22A + 23A
8			[deleted]
9	26B	=	21B – (Max 24B, 25B)
10	38B	=	27B – 28A – 29A – 30A – 31A – 32A – 33A – 34A – 35A – 36A – 37A
11	40B	=	39B / 4
12	9B	=	1B + 2B + 3B + 4B + 41B – 5B – 6B – 7B – 42B – 8B

FSA038 – Volumes and Type of Business

Invested/uninvested funds

As far as possible, the amount reported should be a true reflection of the value of funds that are available to buy assets at the time of reporting, added to the value of the assets themselves. Funds 'in process' should not be included.

Discretionary/advisory clients

Firms should include any FUM relating to all investment management clients whether managed under a discretionary or an advisory arrangement.

Delegation and extent of delegation

- (a) FUM should exclude the value of those parts of the managed portfolios in respect of which the responsibility for the discretionary management has been formally delegated to another *firm* (and which *firm* will include the value of the assets in question in its own FUM total).
- (b) However, the *firm* must include FUM where:
 - (i) the *firm* to whom the management is delegated will not be reporting it – e.g. if it is not appropriate regulator-regulated, or is a non-UK firm; and
 - (ii) the reporting *firm* has discretion over the delegation or retains the right to terminate an arrangement for third party asset management, and the reporting *firm* may either bring the management of that FUM back in-house or delegate it to another party.
- (c) Funds under management should include the value of those parts of the managed portfolios in respect of which the responsibility for the discretionary management has been formally delegated **to** the *firm* (including delegations from non appropriate regulator regulated and non-UK firms).

Valuation issues

As a general rule, *firms* should apply a consistent basis for valuation across the range of clients in respect of which they are reporting. *Firms* should be able to express and justify the basis of valuation they select and should, as far as possible, consistently apply the methodology, such that time-series analysis is meaningful.

The appropriate regulator is encouraged by the ongoing development of industry standards in relation to valuation and encourages reporters to make use of any relevant industry-agreed standards.

Debt gearing

The value of assets purchased through borrowing should be reported as FUM, including any cash amount available for investment as a result of debt gearing.

Value of derivatives

The value of derivative instruments and other assets is calculated as the fair value (i.e. on a mark-to-market basis). This is not the exposure value. If the *firm* is managing an overlay portfolio where the *firm* does not manage the underlying assets, the *firm* should report the combined fair value of the overlay and the underlying investment portfolio.

Double-counting

Firms should make all reasonable efforts to eliminate double-counting in the submission of sums. However, it is accepted that reporting on the basis of our guidance may in certain circumstances lead to the overstatement of FUM.

Timing of calculation

In respect of the timing for calculating of total FUM, we expect *firms* to collect and aggregate the information to base their reporting on within a reasonable timeframe. However, the valuation point used for any client should be the last mandatory valuation point and the total valuation should not include the sum of valuations that are more than 30 days apart.

Client/fund domicile

The value of all clients' assets, regardless of domicile, should be included in the calculation.

Private equity and venture capital business

In relation to *investment management firms* carrying out *venture capital business*, those firms should report that element of their total FUM by reference to the value of their *drawn down capital* plus any remaining committed but un-drawn investor capital and loans. All the preceding guidelines apply to reporting by these firms.

Description	Data element	Guidance
Total funds under management	1A	This should be reported by all firms with permission of <i>managing investments</i> .
Of which drawn down capital	5A	All <i>firms</i> carrying out <i>venture capital business</i> should report here the amount of <i>drawn down capital</i> included within data element 1A above.
Do you conduct <i>designated investment business</i> with or for retail clients?	3A	<p>This data element in part helps us to differentiate between firms that have direct contact with retail clients in carrying on designated investment business services and firms which are operators, trustees or depositaries of Authorised Unit Trusts (AUTs), Open Ended Investment Companies (OEICs), Recognised schemes (RSs) and Unregulated collective investment schemes (UCISs) in which the unit/shareholders would be retail clients but the firms do not conduct designated investment business directly with or for them. So, a firm that is conducting designated investment business directly with or for an AUT, OEIC, RS or UCIS should, when answering the question in respect of those clients, have regard to how the AUT, OEIC, RS or UCIS has been classified by the firm and not the notional classification of the underlying unit/share holders. Clearly, where the firm has other clients, it will need to take into account their classification when answering the question.</p> <p>If your firm is eligible and has applied under Rule 1.1.7 of <i>DISP</i> (Dispute Resolution: Complaints) for exemption from <i>DISP</i> 1.2 – <i>DISP</i> 1.7, in that the firm does not conduct and</p>

		<p>is not reasonably likely to conduct, business with eligible complainants, then, in respect of data element 3A, it is possible that you will not be conducting designated investment business for or with retail clients, but firms should note that the definition of eligible complainant is different to that of retail client.</p> <p>Where firms conduct non advised investment services (execution only services) for retail clients and are required to complete an appropriateness test (under MiFID) for a retail client in relation to a transaction or service, please be aware that the outcome of that appropriateness test does not alter the classification of that client.</p>
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<p>What is the current approximate percentage of your clients are retail clients?</p>	<p>4A</p>	<p>The purpose of this data element is to give supervisors an indication of the make up of the firm's client base. Whilst it is accepted that this question does not demonstrate a firm's compliance with a particular rule, it will assist supervisors in understanding the level of potential risk facing a firm from those risks that are specific to activities with private customers/retail clients. Firms should be aware that the appropriate regulator is not expecting firms to be able to determine an exact number of private customers/retail clients when answering this question, rather the appropriate regulator is asking for an approximate answer and is not explicitly or implicitly requiring firms to implement systems, or modify existing ones, to collate client classification and activity information. However, the appropriate regulator does expect firms to have adequate risk management systems and controls in place to manage their affairs and risks responsibly and would expect an authorised firm to be able to make a reasonable estimate in answer to this question within the bands specified.</p> <p>It is acknowledged that a client may have different accounts and be classified as a private customer/retail client in relation to one area of business and classified as an intermediate customer or market counterparty/professional client for another. It is acknowledged that this may lead to double counting of some clients between classifications. It is not envisaged that this situation will cause great anomalies in the information provided within the bands specified.</p> <p>The appropriate regulator will not expect firms to apply a stringent criteria to filter out customers that become inactive for the purpose of this question. The answer provided by the firm should, however reflect a firm's recent and ongoing activities. The appropriate regulator would expect a firm to have sufficient management information to be able to avoid a large discrepancy between the true current position and a distorted position through the inclusion of inactive clients, when answering this question.</p>
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FSA038 – Volumes and Type of Business validations

Internal validations

Data elements are referenced by row, then column.

Validation number	Data element	
1	2A	If 1A > 0, then ≥ 0 , else 0
2	4A	If 3A = Yes, then ≥ 0 , else, 0

FSA039 – Client Money and Client Assets

Description	Data element	Guidance
Has your firm held <i>Client Money</i> or Client Assets in this reporting period?	1A	<p>Firms should choose from the options: No; Yes – Client assets; Yes – Client Money; and Yes – Both.</p> <p>Please see the <i>Handbook Glossary</i> for the defined term of <i>Client Money</i>.</p>
Does the firm undertake or allow stock lending activities using <i>clients'</i> custody assets?	2A	<p>Please answer yes or no as applicable.</p> <p>For the purposes of this question, stock lending is an agreement for the temporary transfer of securities, in which the borrower undertakes to return equivalent securities at a pre-determined time. The lender retains ownership of the securities, and typically earns income from the borrower for agreeing to the loan, but the borrower is able to exercise the voting rights attached to the securities.</p> <p><i>Firms</i> should note that CASS requires <i>firms</i> to obtain express prior consent from clients to enter into securities financing transactions and have due regard to the client's best interest rule.</p>

FSA039 – Client Money and Client Assets validations

Internal validations

There are no internal validations for this data item.

FSA040 – CFTC

Description	Data element	Guidance
Balance per previous reporting date	1A	Total amount of all bank bonds held to cover customers' unrealised LME profits as at the previous reporting date.
Addition	2A	Total additions to those bank bonds during the current reporting period.
Termination / cancellation	3A	Total reductions to those bank bonds during the current reporting period.
Current balance	4A	Total amount of all those bank bonds held to cover customers' unrealised LME profits as at the current reporting date.
Deficit open trade equity at LME	5A	Total open trade deficit of US and non-US LME customer positions as at the current reporting date.
House losses at LCH	6A	Any net deficit in the firm's proprietary positions at LCH.Clearnet.
Deficit open trade equity of non-LME customers at LCH	7A	Aggregate customer deficit related to non-segregated non-LME positions cleared at LCH.Clearnet.
LME forward profit	8A	The aggregate of all forward profits on LME positions of US customers.
Total	9A	The lower of (8A) or (5A+6A+7A)
Excess / (deficiency)	10A	4A-9A
Number of occasions when the omnibus letter of credit was deficient	11A	The number of days during the current reporting period when 10A would have been negative.
Secured amount	12A	The secured amount covered by individual letters of credit.
Value of letter of credit	12B	The amount of the individual letter of credit covering that secured amount.
Excess / (deficiency)	12C	12B – 12A
Date rectified	12D	Where a letter of credit was not sufficient to cover the relevant secured amount as at the reporting date, the date on which the deficiency was rectified.

Number of occasions when any one individual letter of credit was deficient	13A	The number of deficiencies on individual letters of credit during the current reporting period.
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FSA040 – CFTC validations

Internal validations

Data elements are referenced by row, then column.

Validation number	Data item		
1	4A	=	$1A + 2A - 3A$
2	9A	=	$\text{Min}(8A, (5A + 6A + 7A))$
3	10A	=	$4A - 9A$
4	12C	=	$12B - 12A$
5	12CT	=	$\Sigma 12C$

FSA042 – UCITS

Description	Data element	Guidance
Do you operate one or more <i>UK</i> authorised <i>UCITS</i> scheme?	1A	That is, are you the <i>authorised fund manager</i> or <i>ACD</i> of at least one <i>UCITS</i> scheme that is authorised by the <i>appropriate regulator</i> (not simply notified under section 264 of the <i>Act</i>)?
Do you use <i>derivatives</i> in the <i>UCITS</i> scheme(s)?	2A	Handbook Glossary Definition: <i>Derivative: a contract for differences, a future or an option.</i>
Are you using <i>derivatives</i> for investment purposes?	3A	"Using <i>derivatives</i> for investment purposes" is a term with which we believe managers are familiar This term suggests that <i>derivatives</i> are not being used in pursuit of efficient portfolio management

FSA042 – UCITS validations

Internal validations

Data elements are referenced by row, then column.

Validation number	Data item	
1	2A	If 1A = No, then No
2	3A	If 2A = No, then No

FSA045 – IRB portfolio risk

Currency

You should report in the currency of your annual audited accounts i.e. in Sterling, Euro, US dollars, Canadian dollars, Swedish Kroner, Swiss Francs or Yen. Figures should be reported in 000s, to 3 decimal places.

Data elements

These are referred to by row first, then by column, so data element 2B will be the element numbered 2 in column B.

PiT, TTC or Hybrid PiT

This should be based on the firm's rating philosophy.

Point in Time (PiT): A rating system which explicitly estimates default risk over a fixed period, typically one year.

Through the Cycle (TTC): A rating system which seeks to take cyclical volatility out of the estimation of default risk by assessing a borrower's performance over the business cycle.

Hybrid PiT: A rating system which sits in-between the PiT and TTC rating systems described above.

Definition of default – number of days

The exact number of days past due that is applied to each asset class as part of the definition of default.

Credit risk

Gross exposure value

Exposure value without taking into account value adjustments and provision/impairments, conversion factors and the effect of credit risk mitigation techniques, except in the case of Funded Credit Protection in the form of master netting agreements.

Exposure at default estimate

Calculate in accordance with the *EU CRR* provisions relating to the IRB approach. This should be the downturn EAD.

Maturity

This is the exposure weighted average maturity in days. It should take into account the maturity floor and ceiling.

PD – Probability of default

The probability of default of a counterparty over a one year period, calculated in accordance with the *EU CRR* provisions relating to the IRB approach. This should be the long-run PD and take into account the 0.03% PD floor.

LGD – Loss given default

The ratio of the loss on an *exposure* due to the default of a counterparty to the amount outstanding at default, calculated in accordance with the *EU CRR* provisions relating to the IRB approach. This should be the downturn LGD.

Expected loss

Calculate in accordance with the *EU CRR* provisions relating to the IRB approach.

Risk weighted exposure amount

Calculate in accordance with the *EU CRR* provisions relating to the IRB approach. The SME-supporting factor according to CRR Article 501 should be excluded.

Counterparty credit risk**Gross exposure value**

Exposure value without taking into account value adjustments and provision/impairments, conversion factors and the effect of credit risk mitigation techniques, except in the case of Funded Credit Protection in the form of master netting agreements.

Exposure at default estimate

Calculate in accordance with the *EU CRR* provisions relating to the IRB approach. This should be the downturn EAD.

Maturity

This is the exposure weighted average maturity in days. It should take into account the maturity floor and ceiling.

PD – Probability of default

The probability of default of a counterparty over a one year period, calculated in accordance with the *EU CRR* provisions relating to the IRB approach. This should be the long-run PD and take into account the 0.03% PD floor.

LGD – Loss given default

The ratio of the loss on an exposure due to the default of a counterparty to the amount outstanding at default, calculated in accordance with the *EU CRR* provisions relating to the IRB approach. This should be the downturn LGD.

Expected loss

Calculate in accordance with the *EU CRR* provisions relating to the IRB approach.

Risk weighted exposure amount

Calculate in accordance with the *EU CRR* provisions relating to the IRB approach.

FSA045 – IRB portfolio risk validations

Internal validations

PD bands should be mutually exclusive and numerically sequential.

External validations

There are no validations for this data item.

FSA047

Daily Flows

The purpose of this *data item* is to record details of an *ILAS BIPRU firm's* liquidity flows. This *guidance* should be read in conjunction with the *rules* and *guidance* in *SUP* 16.12.4R.

Valuation

Except where outlined, a *firm* should follow the *appropriate regulator's rules* and *guidance* on valuation set out in *GENPRU* 1.3. A *firm* not subject to *GENPRU* 1.3, for example, an *incoming EEA firm*, should follow its applicable accounting standards.

All collateral, cash and related deposits segregated for the benefit of a *client* should be excluded from FSA047 irrespective of the accounting treatment used by the *firm*.

Currency

The reporting currency for this *data item* is whichever of the following currencies the *firm* chooses, namely USD (the United States Dollar), EUR (the euro), GBP (sterling), JPY (the Japanese Yen), CHF (the Swiss Franc), CAD (the Canadian Dollar) or SEK (the Swedish Krona).

Amounts should be entered in multiples of 1,000 of the relevant currency unit.

Completion in a material currency

Where a *firm* is completing this *data item* in a *material currency*, the *firm* should only report positions and flows denominated in the *material currency* in question. In the case of off balance sheet items reportable in Part 8 where contingent liabilities or commitments may be drawn in multiple currencies, a *firm* should report these in the base currency of that contingent liability or commitment. Any payments and receipts in the *material currency* resulting from foreign exchange and currency swap flows are reported on line 57. If this *data item* is not being reported in a *material currency*, line 57 is left blank.

Data elements

These are referred to by row first and then by column. So, *data element* 2B will be the element entered in row 2 and column B.

Note this *data item* requires the completion of daily flows for only a subset of the rows in FSA048 and a *firm* is only required to complete the *data elements* as outlined.

For the rows for which a *firm* is required to complete this *data item*, it should make entries in Column A for any daily flows of cash or securities on the day (not being a Saturday or Sunday) following the reporting date, such date being "Date +1", and each day after that (not being a Saturday or a Sunday) in Column B onwards. If there are multiple flows on a single day these should be reported in a single Column.

The final Column required in this form is for the day (not being a Saturday or a Sunday) immediately prior to the earliest date a *firm* would report entries in Column F of FSA048. None of the information entered in rows in FSA047 will therefore overlap with any of the information entered in rows on FSA048 and vice versa.

Completion and submission to the appropriate regulator

A *firm* should complete this *data item* and report cash flows and security flows in the relevant time bands based on their residual contractual maturity. Asset flows should be entered according to their latest maturity. Liability cash flows should be entered according to their earliest possible date of outflow. Any flows or balances between entities included within the scope of the return should be eliminated in accordance with generally accepted accounting principles.

A *firm* should refer to the relevant Guidance Notes for FSA048 to complete the relevant *data elements* of this *data item*.

FSA047 time bands are defined by the reporting date and the application of the 'modified following' market convention, ignoring the existence of any non-settlement weekdays (bank holidays) in any currency.

Validation rules

No rule as cell can be zero, positive or negative.

FSA048

Enhanced Mismatch Report

The purpose of this *data item* is to record details of an *ILAS BIPRU firm's* liquidity mismatch positions. This *guidance* should be read in conjunction with the *rules and guidance* in SUP 16.12.4R.

Valuation

Except where outlined, a *firm* should follow the relevant provisions in the *EU CRR*. A *firm* not subject to the *EU CRR*, for example, an *incoming EEA firm*, should follow its applicable accounting standards.

All collateral, cash and related deposits segregated for the benefit of a *client* should be excluded from FSA048 irrespective of the accounting treatment used by the *firm*.

Currency

The reporting currency for this *data item* is whichever of the following currencies the *firm* chooses, namely USD (the United States Dollar), EUR (the euro), GBP (sterling), JPY (the Japanese Yen), CHF (the Swiss Franc), CAD (the Canadian Dollar) or SEK (the Swedish Krona).

Amounts should be entered in multiples of 1,000 of the relevant currency unit.

Completion in a material currency

Where a *firm* is completing this *data item* in a *material currency*, the *firm* should only report positions and flows denominated in the *material currency* in question. In the case of off balance sheet items reportable in Part 8 where contingent liabilities or commitments may be drawn in multiple currencies, a *firm* should report these in the base currency of that contingent liability or commitment. Any payments and receipts in the *material currency* resulting from foreign exchange and currency swap flows are reported on line 57. If this *data item* is not being reported in a *material currency*, line 57 is left blank.

Data elements

These are referred to by row first and then by column. So, *data element* 2B will be the element entered in row 2 and column B.

Completion and submission to the FSA

A *firm* should complete this *data item* and report cash flows in the relevant time bands based on their residual contractual maturity. Asset flows should be entered according to their latest maturity. Liability cash flows should be entered according to their earliest possible date of outflow. Any flows or balances between entities included within the scope of the return should be eliminated in accordance with generally accepted accounting principles.

FSA048 time bands are defined by the reporting date and the application of the 'modified following' market convention, ignoring the existence of any non-settlement weekdays (bank holidays) in any currency.

General

The completion table at the end of this guidance note identifies the columns which should be populated in respect of each row of *data item* FSA048.

Part 1 Memo items

1 Non-dated capital resources

A *firm* should report here the amount of its *capital resources* which do not have a contractual maturity date, including, but not limited to, a call date. If any instrument comprising a *firm's capital resources* includes a put option for the holder or a call option for the issuer with a pre-determined step and call structure they should be reported in line 41 with a maturity date assuming the option is exercised. Any instrument where the *firm* has a perpetual open call option to buy back the instrument, with no underlying step up or predetermined call structure should be reported as non-dated capital resources.

A *firm* may use the most recent figures from its management accounts for the amount of reserves included within non-dated capital resources and update this *data element* on a monthly basis.

2 Bank of England liquidity facilities

A *firm* should report in this row the total of any secured transactions with the Bank of England.

The Bank of England conducts regular Open Market Operations to provide to the banking system the amount of central bank money needed to enable reserve-scheme members, in aggregate, to achieve their reserves targets and the Operational Standing Lending Facility to give certain banks a means to manage unexpected 'frictional' payments shocks. In *data element 2B*, a *firm* should report the cash received, if any, pursuant to the usage of these or similar Bank of England facilities.

The Bank of England operates facilities to provide liquidity insurance to the banking system, whereby a *firm* can exchange its own collateral for government bonds. In *data element 2C*, a *firm* should report the market value of government bonds it receives pursuant to such Bank of England facilities, if any, in exchange for the *firm's* own collateral.

The Bank of England may also operate other facilities whereby a *firm* may repo securities, distinct from Open Market Operations, such as longer-term repo operations, or operations in exchange for wider collateral. In *data element 2D*, a *firm* should report the cash, if any, received pursuant to the usage of such facilities.

3 Other central bank liquidity facilities

A *firm* should report in this row the total of any secured transactions with central banks other than the Bank of England, mapping such transactions to the following categories:

In *data element 3B*, a *firm* should report outstanding borrowings from other central banks in routine open market operations secured against narrow collateral.

In *data element 3C*, a *firm* should report the market value of any government bonds or other collateral of a comparable quality that it receives in exchange for the *firm's* lower quality collateral.

In *data element* 3D, a *firm* should report the cash received from all other central bank facilities, including those that are for a longer-term or against wider collateral than routine open market operations.

4 Prior period's peak intra-day collateral used for UK settlement and clearing systems

Firms that are direct participants of clearing and settlement systems within the United Kingdom should report here the peak amount of cash and collateral that they used on an intra-day basis to meet the requirements of clearing and settlement systems in the *United Kingdom* since their previous reporting date for this *data item*.

A *firm* should note that the amount to be reported in this *data element* should be the minimum amount of collateral it would have needed to post in order to meet its actual payment and settlement obligations as mandated by the requirements of the system(s) in question. It is not, therefore, the amount of collateral that was in fact posted by the *firm* which could include significant over-collateralisation.

Direct participation in settlement systems does not include intra-day floating charges associated with facilities provided by custodians to facilitate securities settlement.

5 Prior period's peak intra-day collateral used for settlement and clearing systems outside the UK

Firms that are direct participants of clearing and settlement systems outside the United Kingdom should report here the peak amount of cash and collateral that they used on an intra-day basis to meet the requirements of clearing and settlement systems outside the *United Kingdom* since their previous reporting date for this *data item*.

A *firm* should note that the amount to be reported in this *data element* should be the minimum amount of collateral it would have needed to post in order to meet its actual payment and settlement obligations as mandated by the requirements of the system(s) in question. It is not, therefore, the amount of collateral that was in fact posted by the *firm* which could include significant over-collateralisation.

Direct participation in settlement systems does not include intra-day floating charges associated with facilities provided by custodians to facilitate securities settlement.

Part 2 Security, transferable whole-loan and commodity flows

In this part of the *data item* a *firm* should report the current unencumbered stock of securities and their flows based on contractual maturities in the following types of securities by asset class:

- (1) securities and commodities held on the *firm's* own account;
- (2) securities and commodities held as *clients'* or other customers' assets in relation to which the *firm* has re-hypothecation rights;
- (3) securities and commodities held by the *firm* as collateral pursuant to a *margin agreement*; and,
- (4) transferable whole-loans held by the *firm* that meet the criteria set out below in relation to line 9

Contractual security flows will occur as a result of:

- (1) the settlement or maturity of own account securities or certain loans;
- (2) the settlement or maturity of a *repo*, reverse *repo*, securities loans or collateral swap; and
- (3) collateralised lending and borrowing transactions;

A *firm* should report positions at their clean market value (i.e. excluding accrued interest) and assume the maturity date of any collateral is the latest contractual maturity date possible. For securities without contractual maturity dates, it should report a maturity flow in Column J “>5 years”.

The inflow of securities or position balance should be positive while contractual outflow or maturity should be negative. For example, if a *firm* were to purchase a four month security with a market value excluding accrued interest of £100m that it held unencumbered as at the reporting date it would report +100,000 in Column A and -100,000 in column F of the appropriate row 6 to 17.

Own-account security flows (long positions):

Any own-account securities should be reported as a positive flow in Column A if unencumbered or on the settlement date of purchase as appropriate; and as a negative flow at maturity.

A corresponding cash outflow on settlement date and inflow on maturity date should be reported on line 23.

Own-account security flows (short positions):

Any short sale of a security should be treated as having a negative flow on the settlement date of the sale and a positive flow on the maturity date of the underlying security sold.

A corresponding cash inflow on settlement date and outflow on maturity date should be reported on line 23.

Repos, reverse repos, securities loans and collateral swaps:

Repos, reverse repos, securities loans and collateral swaps should be reported as inflows on the date securities are received and outflows on the date securities are delivered. A *firm* should report all such transactions involving own account, client and margin collateral.

Tri-party repo and tri-party reverse repo transactions should be treated in the same manner as all other *repo* and reverse *repo* transactions. For the purpose of this *data item*, any such trade where the cash provider can unilaterally change the collateral eligibility criteria should be treated as having an overnight maturity, irrespective of the stated contractual maturity of the transaction.

In the case of a tri-party reverse repo, where the collateral provider has an option over the nature of the collateral provided, firms should report the actual collateral held on the reporting date, then on the earliest effective date of substitution, report that collateral leaving and an inflow of substitution collateral on a “worst case” basis, and assume that position will then remain unchanged until the maturity date of the transaction. Repo transactions should be reported on the basis of the actual collateral posted for the direction of the transaction.

Where a *firm* enters into forward-starting reverse repo transactions against unspecified collateral that would be reportable in more than one row, it should in the case of reverse repos, assume that it will be delivered collateral, as qualifying, in the following order: lines 17; 9 and 12; 10; 13 to 15; 16; 11; 8; 7; and 6. On settlement it should allocate securities flows based on the collateral it receives.

For similar repo transactions it may assume it delivers any securities it holds unencumbered that are eligible.

In the case of reverse repos and repos corresponding cash outflows and inflows should be reported in lines 25 to 30 and lines 34 to 39 as appropriate.

Margin collateral:

A *firm* should report the net collateral received as margin in Column A if it is unencumbered, and not report a flow for its maturity. Any repos, reverse repos, securities loans or collateral swaps using margin collateral should be reported as outlined above.

Client collateral:

A *firm* should report any client collateral over which it has rehypothecation rights in Column A if it is unencumbered, and not report a flow for its maturity. Any repos, reverse repos, securities loans or collateral swaps using *client* collateral should be reported as outlined above.

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In relation to rows 6 to 17, when determining the *applicable credit quality step* (if any), a *firm* should make such determination in accordance with the *rules and guidance* in *BIPRU 3.6* regardless of whether *BIPRU 3.6* would apply to determine risk weighting. For the avoidance of doubt, this includes covered bonds and own-name securities. The description of which securities or loans should be reported in each row is as follows:

6 Liquid assets buffer-eligible securities

A *firm* should report in this row the unencumbered balances and the contractual securities flows of any securities it holds that qualify for inclusion in its liquid assets buffer as defined in *BIPRU 12.7*.

7 Other high quality central bank, supranational and central government debt

A *firm* should report in this row the unencumbered balances and the contractual securities flows of any securities not reported in line 6 or 8 whose obligor is a central government, *multilateral development bank* or central bank whose credit rating maps to *credit quality step 2* or above in the scale published for the purpose of Articles 111 – 141 of the *EU CRR* (the Standardised Approach to Credit Risk: mapping of the ECAIs credit assessment to credit quality steps (Long term mapping)).

For the avoidance of doubt, any securities that are issued by an agency explicitly guaranteed by the US government and which qualify for inclusion in line 8 should be reported in that line and not in line 7.

8 US GSE/GSA securities

A *firm* should report in this row the unencumbered balances and the contractual securities flows of any senior securities that it holds issued by, or guaranteed by one or more of, the United States Government Sponsored Enterprises (GSEs) or Government Sponsored Agencies (GSAs).

For the purposes of this row, GSAs and GSEs include only the Federal Home Loan Banks, Federal National Mortgage Association (Fannie Mae), Federal Home Loan Mortgage Corporation (Freddie Mac), Government National Mortgage Association (Ginnie Mae), Federal Farm Credit Banks and the Federal Agricultural Mortgage Corporation (Farmer Mac).

9 Own-name securities and transferable whole-loans

A *firm* should report in this row (i) the unencumbered balances and contractual securities flows of any own-name covered bonds and asset-backed securities that it holds secured by the *firm's* assets where the credit rating of such *exposures* has a credit rating associated with *credit quality step 2* or above in the scale published for the purpose of Articles 111 – 141 of the *EU CRR* (the Standardised Approach to Credit Risk: mapping of the ECAIs credit assessment to credit quality steps (Long term mapping)) or *credit quality step 1* in the case of short-term mapping (ii) the unencumbered balances and maturity flows of any whole-loans whose credit rating is associated with *credit quality step 2* or above in the scale published for the purpose of Articles 111 – 141 of the *EU CRR* (the Standardised Approach to Credit Risk: mapping of the ECAIs credit assessment to credit quality steps (Long term mapping)) or *credit quality step 1* in the case of short-term mapping where such *exposures* are held on the *firm's* balance sheet for which there is no operational or contractual impediment to their being transferred to a third party.

Any own-name securities or whole-loans that do not qualify for inclusion on line 9 should not be reported elsewhere in part 2. Any repo collateralised using own-name securities or whole-loans that do not qualify to be reported in part 2 should be reported as an unsecured borrowing in part 6.

10 High quality asset-backed securities

A *firm* should report in this row the unencumbered balances and contractual securities flows of any asset backed securities that it holds where the credit rating of such *exposures* is associated with *credit quality step 2* or above in the scale published for the purpose of Articles 111 – 141 of the *EU CRR* (the Standardised Approach to Credit Risk: mapping of the ECAIs credit assessment to credit quality steps (Long term mapping)) or *credit quality step 1* in the case of short-term mapping, provided that such *exposure* is the most senior tranche of the issuing *securitisation special purpose entity*. All asset backed securities that are not included in this row should be reported in row 17.

For avoidance of doubt, a *firm* should exclude any unencumbered balances and securities flows of covered bonds in this row.

11 High quality covered bonds

A *firm* should report in this row the unencumbered balances and contractual securities flows of all covered bonds, where the credit rating of such *exposures* is associated with *credit quality step 2* or above in the scale published for the purpose of Articles 111 – 141 of the *EU CRR* (the Standardised Approach to Credit Risk: mapping of the ECAIs credit assessment to credit quality steps (Long term mapping)) or *credit quality step 1* in the case of short-term mapping.

For the avoidance of doubt, own-name covered bonds, and covered bonds issued by *group* entities should not be reported in this row, but in rows 9 and 12 respectively.

12 Securities issued by group entities

A *firm* should report in this row the unencumbered balances and security flows attributable to securities where the obligor of those securities forms part of the *firm's group* and where the issuing vehicle is excluded from the scope of the report. If the issuing vehicle is included in the scope of the report, the securities should be reported as own-name securities and reported on line 9, if:

- (1) the securities are own-name covered bonds or asset-backed securities; or
- (2) the credit rating of such *exposures* is associated with *credit quality step 2* or above in the scale published for the purpose of Articles 111 – 141 of the *EU CRR* (the Standardised Approach to Credit Risk: mapping of the ECAIs credit assessment to credit quality steps (Long term mapping)) or *credit quality step 1* in the case of short-term mapping.

If (1) or (2) are not met the securities should be omitted from this report.

For avoidance of doubt, if a *firm* holds bonds issued by its *group*, the security flows attributable to them should be included only in this row, even if such security would otherwise qualify for inclusion in another row in Part 2.

13 High quality corporate bonds (UK credit institutions)

A *firm* should report in this row the unencumbered balances and contractual securities flows of all senior corporate bonds that it holds whose obligor is a credit institution incorporated in the *United Kingdom*, if the credit rating of such *exposures* is associated with *credit quality step 2* or above in the scale published for the purpose of Articles 111 – 141 of the *EU CRR* (the Standardised Approach to Credit Risk: mapping of the ECAIs credit assessment to credit quality steps (Long term mapping)) or *credit quality step 1* in the case of short-term mapping.

For avoidance of doubt, a *firm* should not report in this row any balances or flows from securities whose obligor is a member of the *firm's group*.

14 High quality corporate bonds (non-UK credit institutions)

A *firm* should report in this row the unencumbered balances and contractual securities flows of all senior corporate bonds that it holds whose obligor is a credit institution not incorporated in the *United Kingdom*, if the credit rating of such *exposures* is associated with *credit quality step 2* or above in the scale published for the purpose of Articles 111 – 141 of the *EU CRR* (the Standardised Approach to Credit Risk: mapping of the ECAIs credit assessment to credit quality steps (Long term mapping)) or *credit quality step 1* in the case of short-term mapping.

For avoidance of doubt, a *firm* should not report in this row any balances or flows from securities whose obligor is a member of the *firm's group*.

15 High quality corporate bonds (excluding credit institutions)

A *firm* should report in this row the unencumbered balances and contractual securities flows of all senior corporate bonds that it holds whose obligor is not a credit institution, if the credit rating of such *exposures* is associated with *credit quality step* 2 or above in the scale published for the purpose of Articles 111 – 141 of the *EU CRR* (the Standardised Approach to Credit Risk: mapping of the ECAIs credit assessment to credit quality steps (Long term mapping)) or *credit quality step* 1 in the case of short-term mapping.

In addition a *firm* should include any securities whose obligor is a local government, state or municipality in this line, whose credit rating is associated with *credit quality step* 2 or above in the scale published for the purpose of Articles 111 – 141 of the *EU CRR* (the Standardised Approach to Credit Risk: mapping of the ECAIs credit assessment to credit quality steps (Long term mapping)) or *credit quality step* 1 in the case of short-term mapping.

16 Equities included in major indices

A *firm* should report in this row the unencumbered balances and contractual securities flows of all equities that it holds to the extent they are constituents one or more of the relevant indices.

For the purposes of computing maturity, a *firm* should treat equity securities as if they were instruments with a contractual maturity greater than five years.

17 Other securities and commodities

A *firm* should report in this row unencumbered balances and the contractual securities flows of all other securities, commodities and exchange-traded funds that it holds not reported on lines 6 to 16 of this *data item*.

For the purposes of computing maturity, a *firm* should treat equity securities or commodities as if they were instruments with a contractual maturity greater than five years.

Part 3 Wholesale asset cash flows

In this Part of the *data item*, a *firm* should report the principal cash flows associated with its wholesale assets. Transactions which do not have a specific contractual maturity date should be entered in column A for rows 18 to 22 and column B for rows 25 to 30. Cash flows from outright sales, purchases and maturities associated with securities reported on line 6 may, at the *firm's* election, be reported either on line 25 or on line 23.

18 Designated money market funds

A *simplified ILAS BIPRU firm* should report in this row the balance of any funds it holds in a *designated money market fund*. *Firms* that are not *simplified ILAS BIPRU firms*, should report the balance of any funds held in a *designated money market fund* in row 31 below.

19 Liquid assets buffer-eligible central bank reserves and deposits

A *firm* should report in this row any closing balances placed on deposit or as reserves with a central bank, where such reserves or deposits are eligible for inclusion in a

firm's liquid assets buffer as defined in *BIPRU* 12.7. Deposit placed or reserves maintained with other central banks should be reported in row 22.

20 Lending to group entities

A *firm* should report here all lending, except reverse repo transactions reportable in rows 25 to 30, on both a term and open-maturity basis to entities in that *firm's* group.

21 Lending to UK credit institutions

A *firm* should report here lending on both a term and open-maturity basis to all *credit institutions* incorporated in the *United Kingdom*, except reverse repo transactions reportable in rows 25 to 30. A *firm* should include any cash balances placed on deposit with its agents in payment or settlements systems if appropriate.

A *firm* should report cash flows based on their latest contractual maturity date.

22 Lending to non-UK credit institutions

A *firm* should report here lending on both a term and open-maturity basis to all *credit institutions* incorporated outside the *United Kingdom*, except reverse repo transactions reportable in rows 25 to 30. A *firm* should include any cash balances placed on deposit with its agents in payment or settlements systems and central bank deposits not reported in line 19, if appropriate.

23 Own account security cash flows

A *firm* should report here the cash flows, based on the contractual principal inflows, resulting from the maturity, forward sale or purchase of own account securities reportable in rows 6 to 8 & 10 to 17. Cash flows from outright sales, purchases and maturities associated with securities reported on line 6 may, at the *firm's* election, be reported here or on line 25.

Where a *firm* has written down the principal of a security it should report this written-down principal as the cash inflow.

A *firm* should report cash flows based on their latest contractual maturity date.

24 Notional flows of own-name securities and transferable whole-loans

A *firm* should report here the contractual principal cash flows that would be receivable by a third-party owner of any own-name covered bonds and asset-backed securities and transferable loans reported in line 9.

25 Reverse Repo (items reported in line 6)

A *firm* should report here all cash flows resulting from secured lending transactions where the flow of securities arising from the transactions is reported in line 6.

Cash flows from outright sales, purchases and maturities associated with securities reported on line 6 may, at the *firm's* election, be reported here or on line 23.

A *firm* should only report in this row any secured lending transactions where securities flows are reported in row 6.

26 Reverse Repo (items reported in lines 7 and 8)

A *firm* should report here all cash flows resulting from secured lending transactions where the flow of securities arising from the transactions is reported in rows 7 and 8.

A *firm* should only report in this row any secured lending transactions where securities flows are reported in rows 7 and 8.

27 Reverse Repo (items reported in lines 10 and 11)

A *firm* should report here all cash flows resulting from secured lending transactions where the flow of securities arising from the transactions reported in rows 10 and 11.

A *firm* should only report in this row any secured lending transactions where securities flows are reported in rows 10 and 11.

28 Reverse Repo (items reported in lines 13, 14 and 15)

A *firm* should report here all cash flows resulting from secured lending transactions where the flow of securities arising from the transactions is reported in row 13 to 15.

A *firm* should only report in this row any secured lending transactions where securities flows are reported in rows 13 to 15.

29 Reverse Repo (items reported in line 16)

A *firm* should report here all cash flows resulting from secured lending transactions where the flow of securities arising from the transactions is reported in row 16.

A *firm* should only report in this row any secured lending transactions where securities flows are reported in row 16.

30 Reverse Repo (items reported in lines 9, 12 and 17)

A *firm* should report here all cash flows resulting from secured lending transactions where the flow of securities arising from the transactions is reported in rows 9, 12 and 17.

A *firm* should only report in this row any secured lending transactions where securities flows are reported in rows 9, 12 and 17.

Part 4 Other asset cash flows

In this Part, a *firm* should report lending not reportable in Part 3. In column A, a *firm* should report any open maturity balances, or balances for which it does not have at the time of the reporting date information as to the term.

A *firm* should only report contractual principal repayments and treat all loans using their latest contractual maturity.

A *firm* is not required to update the amounts in rows 31 to 33 more frequently than monthly.

31 Non-retail lending exposures

A *firm* should report here the principal cash flows resulting from lending *exposures* that are not *retail exposures* not reported elsewhere in Parts 3 or 4. These assets represent loans to all enterprises.

32 Retail lending exposures

A *firm* should report here the principal cash flows resulting from all lending *exposures* that are *retail exposures*, provided that they are not reportable in line 33.

33 SSPE asset cash flows

A *firm* should report in here the principal cash flows of the underlying assets transferred to any *securitisation special purpose entities* (SSPEs), that are consolidated in the *firm's* consolidated financial statements and whose liabilities are reported on line 51.

Part 5 Repo cash flows

This part of the *data item* relates to the gross cash flows of secured or collateralised borrowing transactions which encumber the *firm's* securities or transferable whole-loans and/or those of its *clients* in relation to which the *firm* has re-hypothecation rights. This section is further sub-divided into rows 34 to 39 according to the security encumbered in these secured transactions.

34 Repo (items reported in line 6)

A *firm* should report here all cash flows resulting from secured borrowing transactions where the flow of securities arising from the transactions is reported in row 6.

A *firm* should only report in this row any secured borrowing transactions where securities flows are reported in row 6.

35 Repo (items reported in lines 7 and 8)

A *firm* should report here all cash flows resulting from secured borrowing transactions where the flow of securities arising from the transactions is reported in rows 7 to 8.

A *firm* should only report in this row any secured borrowing transactions where securities flows are reported in rows 7 to 8.

36 Repo (items reported in lines 10 and 11)

A *firm* should report here all cash flows resulting from secured borrowing transactions where the flow of securities arising from the transactions is reported in rows 10 and 11.

A *firm* should only report in this row any secured borrowing transactions where securities flows are reported in rows 10 and 11.

37 Repo (items reported in lines 13, 14 and 15)

A *firm* should report here all cash flows resulting from secured borrowing transactions where the flow of securities arising from the transactions is reported in row 13 to 15.

A *firm* should only report in this row any secured borrowing transactions where securities flows are reported in rows 13 to 15.

38 Repo (items reported in line 16)

A *firm* should report here all cash flows resulting from secured borrowing transactions where the flow of securities arising from the transactions is reported in row 16.

A *firm* should only report in this row any secured borrowing transactions where securities flows are reported in row 16.

39 Repo (items reported in lines 9, 12 and 17)

A *firm* should report here all cash flows resulting from secured borrowing transactions where the flow of securities arising from the transactions is reported in rows 9, 12 and 17.

A *firm* should only report in this row any secured borrowing transactions where securities flows are reported in rows 9, 12 and 17.

Part 6 Wholesale liability cash flows

In this Part of the *data item*, a *firm* should report cash flows arising from wholesale liabilities not reported in Part 5. A *firm's* wholesale liabilities are those liabilities not reported in Part 7.

Contractual cash flows related to any open-maturity, callable, puttable or extendable issuance should be analysed based on the earliest possible repayment date and reported in part 6 unless these instruments are perpetually callable (by the *firm*) and qualify as non-dated capital resources reported on line 1.

A *firm* should first assess whether a liability qualifies for reporting in row 44, then row 50, prior to assessing which other row a liability qualifies for.

Contractual cash flows from securities issued should be reported in one of lines 40 to 43 or 51. Contractual cash flows from deposits taken should be reported in one of lines 44 to 50.

40 Primary issuances – senior securities

A *firm* should report here the contractual cash flows of its vanilla senior unsecured debt securities, for the purposes of this row, vanilla means any debt security not reportable in row 41 to 43. A *firm* should include in this row any of its primary issuance that is government-guaranteed.

41 Primary issuances - dated subordinated securities

A *firm* should report here the contractual cash flows of its dated subordinated securities.

A *firm* should, however, exclude from this row any undated capital instrument that it issues. Issuance of this type should be reported in row 1 of this *data item*.

42 Primary issuance – structured notes

A *firm* should report here the contractual cash flows of its senior securities containing embedded *derivatives*.

43 Covered bonds

A *firm* should report here the contractual cash flows of its covered bonds excluding own-name covered bonds it holds for its own account and reports in line 9 of this *data item*.

44 Group entities

A *firm* should report here the contractual cash flows of its borrowing from other entities in its *group*, where such borrowings are not reported in lines 34 to 39.

To the extent the *rules* in SUP 16.12 require a *firm* to report on a basis which includes other entities in its *group*, the *firm* should not report in this line borrowings from those *group* entities.

45 UK credit institutions

A *firm* should report here the contractual cash flows of its borrowing from other from *credit institutions* which are incorporated in the *United Kingdom*, where such borrowings are not reported in lines 34 to 44.

A *firm* should not include in this row unsecured cash deposits received from the Bank of England.

46 Non-UK credit institutions

A *firm* should report here the contractual cash flows of its borrowing from other from *credit institutions* which are not incorporated in the *United Kingdom*, where such borrowings are not reported in lines 34 to 44.

A *firm* should not include in this row unsecured cash deposits received from central banks other than the Bank of England.

47 Governments, central banks and supranationals

A *firm* should report here the contractual cash flows of its borrowing from central and local governments, local authorities, central banks and supra-nationals, where such borrowings are not reported in lines 34 to 44.

48 Non-credit institution financials

A *firm* should report here the contractual cash flows of its borrowing from financial entities which are not *credit institutions*, where such borrowings are not reported in lines 33 to 42.

This category would, for example, include unsecured borrowings from a *depository* or an *investment manager*.

49 Non-financial large enterprises – Type A

A *firm* should report here the contractual cash flows of its borrowing from non-financial large enterprises, where such borrowings are not reported in lines 34 to 44, subject to the funds provider being Type A as assessed by the *firm* according to the guidance in BIPRU 12.5.

A non-financial large enterprise is, for the purpose of identifying depositors in rows 49 and 52 of this *data item*, any depositor-type not captured by rows 44 to 48 and 53 to 56.

50 Conditional liabilities pre-trigger contractual profile

A *firm* should report here the contractual cash flows of liabilities where early repayment can be triggered upon the occurrence of an event or events related to the financial health of the company, (for example, a downgrade of the *firm's* credit rating, or breach of a financial covenant). For avoidance of doubt, acceleration of payment obligations triggered by the *firm's* default does not, in and of itself, qualify a liability for inclusion in this line. A typical example of such liabilities is Guaranteed Investment Contracts (GICs).

Any liability with a trigger and which would otherwise be included in lines 40 to 49 should be included in this row and not any other row.

In addition to reporting in this line, a *firm* should further breakdown the liabilities where those triggers are dependent on its credit rating, in the appropriate *data element* on line 71.

51 SSPE liability cash flows

A *firm* should report here the contractual cash flows of liabilities issued by any *securitisation special purpose entities (SSPEs)* that are consolidated in the *firm's* consolidated financial statements. The maturity profile of the *firm's* assets contained in these SSPEs should be reported on row 33.

Part 7 Other liability cash flows

A *firm* should report in this section of the *data item*, cash flows related to other liabilities according to the following criteria.

52 Non-financial large enterprises – Type B

A *firm* should report here the contractual cash flows of its borrowing from non-financial enterprises, where such borrowings are not reported in lines 33 to 42, subject to the funds provider being Type B as assessed by the *firm* according to the guidance in *BIPRU 12.5*.

A non-financial enterprise is, for the purpose of identifying depositors in rows 49 and 52 of this *data item*, any depositor-type not captured by rows 44 to 48 and 53 to 56.

53 SME deposits

A *firm* should report in this row all its deposits and account balances where the account holder is a *small or medium enterprise (SME)*. A *firm* should also report here deposits and account balances where the account holder is a partnership, a sole trader, or a charity which would be an SME if it were a company.

A non-EEA *firm* may use its local definition of an SME.

54 Retail Deposits – Type A

A *firm* should report in this row, its retail deposits that are Type A, as assessed by the *firm* according to the guidance for *ILAS BIPRU firms* and for *simplified ILAS firms* in *BIPRU 12.5.25G*.

A retail deposit is any deposit in a retail banking account or product type predominantly used by an individual or individuals acting outside their trade, industry or profession, and includes, in each case, savings bonds.

A *firm* should report all deposits in column A, unless the deposit is for a fixed term. In considering whether a deposit is fixed term, a *firm* should assume the immediate exercise of any notice period or other right of the depositor to claim the repayment of funds at the earliest possible repayment date.

55 Retail Deposits – Type B

A *firm* should report in this row, its retail deposits that are Type B, as assessed by the *firm* according to the guidance for *ILAS BIPRU firms* and for *simplified ILAS firms* in *BIPRU 12.5*.

A retail deposit is any deposit in a retail banking account or product type predominantly used by an individual or individuals acting outside their trade, industry or profession, and includes, in each case, savings bonds.

A *firm* should report all deposits in column A, unless the deposit is for a fixed term. In considering whether a deposit is fixed term, a *firm* should assume the immediate exercise of any notice period or other right of the depositor to claim the repayment of funds at the earliest possible repayment date.

56 Client / brokerage free cash

A *firm* should report here all cash balances which it has received from its prime brokerage/prime services *clients* and which are not segregated from the *firm's* own assets. A *firm* should not include *derivatives* margin cash in this row.

Balances should be reported in Column A without regard to their contractual maturity.

Part 8 - Off balance sheet flows and balances

A *firm* should report commitments given and received and contingent liabilities in rows 57 to 69.

A *firm* should separate its commitments and contingent liabilities according to:

(i) stand-by facilities, which would typically be used to backstop outstanding debt of the borrower; and,

(ii) other facilities which would typically be revolving loan facilities to corporate borrowers where utilisation rates will vary over time or letters of credit.

Unless either is reportable in rows 59 to 61, stand-by facilities provided should be reported in rows 62 or 63 and other facilities should be reported in row 64.

57 Principal FX cash flows (including currency swaps)

A *firm* should only make entries on this row where it is completing this *data item* on a non-consolidated *material currency* basis as defined in [SUP 16.], otherwise it should be left blank.

Where a *firm* is completing this *data item* on a *material currency* basis, it should report here all outright flows for its spot foreign exchange and foreign exchange forward transactions and all principal flows on any cross currency swaps, where those flows are payments or receipts of the *material currency* in which the *firm* is completing this *data item*.

For example, if a *firm* was completing this *data item* to show its contractual assets and liabilities denominated in *US dollars* and it had transacted a forward foreign exchange contract to **sell** \$75m against the **purchase** of an equivalent amount of another currency four months after the reporting date, it would enter -75,000 in column F and make no other entries.

58 Committed facilities received

A *firm* should report the balance of any undrawn committed facilities received which the appropriate regulator has permitted it to rely on for the purposes of meeting its *individual liquidity guidance*, as outlined in *BIPRU* 12.9.

Facilities of this kind received by the *firm* should be reported as a positive balance in the column of maturity. Facilities maturing in less than three months should be reported in Column A.

59 Secured facilities provided - liquidity buffer securities

A *firm* should report here the undrawn balance of all committed facilities where the borrower is contractually required to deliver securities eligible for inclusion in the *firm's* liquid assets buffer as defined in *BIPRU* 12.7 and where the market value of those securities will exceed the amount of the loan drawn down.

Note a *firm* should only report committed facilities in this row if there is no impediment to using the securities deliverable under such borrowings for repo transactions.

60 Secured facilities provided - other securities

A *firm* should report here the undrawn balance of all committed facilities where the borrower is contractually required to deliver securities not eligible for inclusion in the *firm's* liquid assets buffer as defined in *BIPRU* 12.7.

Note a *firm* should only report committed facilities in this row if there is no impediment to using the securities deliverable under such borrowings for repo transactions.

61 Unsecured facilities provided - credit institutions

A *firm* should report here the balance of any undrawn committed financing facilities provided by the *firm* to *credit institutions* not reported on lines 59 and 60. Facilities of this kind provided to *credit institutions* should be reported as a negative balance.

62 Unsecured stand-by facilities provided - firm's SSPEs

A *firm* should report here undrawn balance of any committed stand-by facilities provided to the *firm's* SSPEs that are consolidated in its consolidated financial statements.

The assets and liabilities, if any, of these SSPEs will be reported on lines 33 and 51 respectively.

63 Unsecured stand-by facilities provided – entities other than credit institutions and firm's SSPEs

A *firm* should report here the undrawn balance of committed stand-by facilities to entities other than *credit institutions* and the *firm's* SSPE's. Facilities provided should be reported as a negative balance.

64 Unsecured facilities provided by firm's SSPEs to third parties

A *firm* should report here the undrawn balance of any committed facilities provided to third parties by *SSPEs* that are consolidated in its consolidated financial statements and whose assets and liabilities, if any, are reported on lines 33 and 51.

65 Unsecured facilities provided – entities other than credit institutions

A *firm* should report here the undrawn balance of other committed facilities provided to entities other than credit institutions.

Any facilities provided to *credit institutions* and/or secured against securities reportable in Part 2 of this *data item* should be reported on lines 59 to 61 as appropriate.

66 Overdraft and credit card facilities provided

A *firm* should report here the total balance of undrawn retail overdrafts and credit cards facilities provided to retail customers. Facilities provided should be reported as a negative balance.

67 Pipeline Lending Commitments

A *firm* should report here the total balance of any lending commitments to retail customers. A *firm* should only report contractual lending commitments which, if and when exercised, would be reportable in line 32.

68 Contingent obligations to repurchase assets financed through third parties

A *firm* should report here the balance of any of the *firm's* assets financed by third parties, where a *firm* has a contingent obligation to repurchase those assets triggered by deterioration in the *firm's* financial condition.

69 Other commitments and contingent facilities provided

A *firm* should report here all other undrawn commitments, guarantees and contingent liabilities not included elsewhere in Part 8.

Part 9 Downgrade triggers

For the purpose of rows 70 to 73, a *firm* should analyse and report, in the way described, in each of those rows any contractual outflows that would result from a downgrade of the *firm's* current long-term credit rating. A *firm* should consider downgrades of all its long-term counterparty, issuer and debt credit ratings.

A *firm* should assume that each *ECAI* that provides it with a long-term credit rating simultaneously downgrades that rating.

In addition a *firm* should consider the impact of a downgrade of its short-term credit rating. As *ECAIs* may not publish when a specific downgrade of a *firm's* long-term credit rating would result in a downgrade of a *firm's* short-term credit rating, a *firm* should assume its short-term credit rating would be downgraded at the highest long-term rating specified by each agency as being consistent with publically available information.

A *firm* should report such outflows on a non-cumulative basis in the appropriate column according to the severity of the downgrade that would cause such an outflow.

For the purpose of identifying which of columns B to K this Part of the *data item* a “notch” is the smallest discrete step by which a *firm's* long-term credit rating may be downgraded.

70 Asset put-backs from third parties

A *firm* should analyse and report here the outflows that may result from asset put-backs which would be triggered by a downgrade of its existing long and short-term credit rating according to the methodology outlined above.

The triggers for asset put-backs include but are not limited to:

- (1) as past originator of assets the downgrade of the *firm's* credit rating now precludes the continued financing of the assets in the structured vehicle;
- (2) as a swap provider against the assets placed in the vehicle the downgrade of the *firm's* credit rating now renders the *firm* ineligible to continue providing any *derivatives* (e.g. including but not limited to credit default swaps or total return swaps) to the structured vehicle. For the avoidance of doubt, if a *firm* was required to margin this exposure, it would be reported in line 70; and
- (3) the rating of the assets placed is linked to the rating of the *firm*; following a downgrade of the *firm* these assets are ineligible for continued financing by the third party vehicle.

71 Conditional Liabilities

A *firm* should analyse and report here the cash flow impact of a downgrade of its existing credit rating according to the methodology outlined above, on its conditional liabilities reported in row 50.

72 Over the counter (OTC) derivative triggers

A *firm* should analyse and report here any outflows that would be triggered by a downgrade of its credit rating according to the methodology outlined above.

A *firm* should include in this row the impact of increased collateralisation requirements and any termination payments.

73 Other contingent liabilities

A *firm* should report in this row, any other contractual outflows that would occur from the downgrade of its credit rating according to the methodology outlined above.

Part 10 Derivatives margining and exposure

Figures reported in rows 74 to 77 relate to any variation and initial margin given or received in respect of *derivatives* transactions. A *firm* should report together figures for own account and client accounts but exclude any margin (cash or collateral) segregated for the benefit of a *client* and any subsequent placement of segregated margin.

For each row, a *firm* should report:

- (1) In column B, the nominal amount of cash collateral given or received as initial plus variation margin;
- (2) In column C, the market value of collateral securities given or received as initial plus variation margin;
- (3) In column E, the initial margin paid or received;
- (4) In column G, the mark-to-market exposure of underlying *derivatives* transactions that are currently subject to margining for all or part of the exposure; and

- (5) In column H, the mark-to-market exposure of underlying *derivatives* transactions that are currently not subject to margining for any portion of the exposure.

Where a *firm* gives or receives initial margin on a net basis across *derivative* and non-*derivative* transactions, it should report the total amount in Column E without regard to the underlying transaction.

Margin and mark-to-market receivables should be reported with a positive sign while margin received and mark-to-market payables should be reported with a negative sign.

A *firm* should report the gross margin balances received or given by counterparty, e.g. if a *firm* transacts OTC derivatives with two counterparties, from one of which it has received cash collateral as margin of £25m and to the other of which it has paid cash collateral of margin to of £20m, it should report +20,000 in *data element* 72B and -25,000 in *data element* 74B, it should not report a net figure of -5,000 in 74B

74 OTC derivative margin given

A *firm* should report here cash and collateral margin given and mark-to-market on margined *OTC derivatives*.

75 Exchange traded margin given

A *firm* should report here cash and collateral margin given on exchange traded *derivatives*.

76 OTC derivative margin received

A *firm* should report here cash and collateral margin received and mark-to-market on margined *OTC derivatives*.

77 Exchange traded margin received

A *firm* should report here cash and collateral margin received on exchange traded *derivatives*.

Part 11 Assets included in Part 2 held under re-hypothecation rights

Rows 78 to 89 relate to securities reported in Part 2 of this *data item*, held as *clients'* assets or net **derivatives** margin collateral received in relation to which the *firm* has re-hypothecation rights. Row 81 is intentionally left blank.

The definitions of securities reported in rows 78 to 89 are the identical to those in rows 6 to 17 inclusive.

Amounts in lines 78 to 89 should be reported as positive numbers.

Validation rules

Validation number	Data element		
1	2B	>=	0
2	2C	>=	0
3	2D	>=	0

4	3B	>=	0
5	3C	>=	0
6	3D	>=	0
7	4A	>=	0
8	5A	>=	0
9	6A	>=	0
10	7A	>=	0
11	8A	>=	0
12	9A	>=	0
13	10A	>=	0
14	11A	>=	0
15	12A	>=	0
16	13A	>=	0
17	14A	>=	0
18	15A	>=	0
19	16A	>=	0
20	17A	>=	0
21	18A	>=	0
22	19A	>=	0
23	31A+31C+31D+31E+31F+31G+31H+31I+31J	>=	0
24	32A+32C+32D+32E+32F+32G+32H+32I+32J	>=	0
25	33A+33C+33D+33E+33F+33G+33H+33I+33J	>=	0
26	52A+52C+52D+52E+52F+52G+52H+52I+52J	<=	0
27	53A+53C+53D+53E+53F+53G+53H+53I+53J	<=	0
28	54A+54C+54D+54E+54F+54G+54H+54I+54J	<=	0
29	55A+55C+55D+55E+55F+55G+55H+55I+55J	<=	0
30	56A	<=	0
31	58A+58C+58D+58E+58F+58G+58H+58I+58J	>=	0
32	59A	<=	0
33	60A	<=	0
34	61A	<=	0
35	62A	<=	0
36	63A	<=	0
37	64A	<=	0
38	65A	<=	0
39	66A	<=	0
40	67A	<=	0
41	68A	<=	0
42	69A	<=	0
43	Each cell in row 70 (70B to 70K)	<=	0
44	Each cell in row 71 (71B to 71K)	<=	0
45	Each cell in row 72 (72B to 72K)	<=	0
46	Each cell in row 73 (73B to 73K)	<=	0
47	74B	>=	0
48	74C	>=	0
49	74E	>=	0
50	74G	<=	0
51	74H	<=	0
52	75B	>=	0
53	75C	>=	0
54	75E	>=	0
55	76B	<=	0
56	76C	<=	0
57	76E	<=	0
58	76G	>=	0

59	76H	>=	0
60	77B	<=	0
61	77C	<=	0
62	77E	<=	0
63	78A	>=	0
64	79A	>=	0
65	80A	>=	0
66	82A	>=	0
67	83A	>=	0
68	84A	>=	0
69	85A	>=	0
70	86A	>=	0
71	87A	>=	0
72	88A	>=	0
73	89A	>=	0

Cross validation rules for FSA047 and FSA048 (combined)

Validation number	Data element		
1	FSA048(6A) + FSA048(6B) + FSA047(6A+6B+6C+-----+6n) +FSA048(6F) +FSA048(6G)+FSA048(6H)+FSA048(6I) +FSA048(6J)-FSA048(78A)	=	0
2	FSA048(7A) + FSA048(7B) + FSA047(7A+7B+7C+-----+7n) +FSA048(7F) +FSA048(7G)+FSA048(7H)+FSA048(7I) +FSA048(7J)-FSA048(79A)	=	0
3	FSA048(8A) + FSA048(8B) + FSA047(8A+8B+8C+-----+8n) +FSA048(8F) +FSA048(8G)+FSA048(8H)+FSA048(8I) +FSA048(8J)-FSA048(80A)	=	0
4	FSA048(9A) + FSA048(9B) + FSA047(9A+9B+9C+-----+9n) +FSA048(9F) +FSA048(9G)+FSA048(9H)+FSA048(9I) +FSA048(9J)	=	0
5	FSA048(10A) + FSA048(10B) +FSA047(10A+10B+10C+-----+10n) +FSA048(10F)+FSA048(10G)+FSA048(10H)+FSA048(10I) +FSA048(10J)-FSA048(82A)	=	0
6	FSA048(11A) + FSA048(11B) +FSA047(11A+11B+11C+-----+11n) +FSA048(11F)+FSA048(11G)+FSA048(11H)+FSA048(11I) +FSA048(11J)-FSA048(83A)	=	0
7	FSA048(12A) + FSA048(12B) +FSA047(12A+12B+12C+-----+12n) +FSA048(12F)+FSA048(12G)+FSA048(12H)+FSA048(12I) +FSA048(12J)-FSA048(84A)	=	0
8	FSA048(13A) + FSA048(13B) +FSA047(13A+13B+13C+-----+13n) +FSA048(13F)+FSA048(13G)+FSA048(13H)+FSA048(13I) +FSA048(13J)-FSA048(85A)	=	0
9	FSA048(14A) + FSA048(14B) +FSA047(14A+14B+14C+-----+14n) +FSA048(14F)+FSA048(14G)+FSA048(14H)+FSA048(14I) +FSA048(14J)-FSA048(86A)	=	0
10	FSA048(15A) + FSA048(15B) +FSA047(15A+15B+15C+-----+15n) +FSA048(15F)+FSA048(15G)+FSA048(15H)+FSA048(15I) +FSA048(15J)-FSA048(87A)	=	0
11	FSA048(16A) + FSA048(16B) +FSA047(16A+16B+16C+-----+16n) +FSA048(16F)+FSA048(16G)+FSA048(16H)+FSA048(16I) +FSA048(16J)-FSA048(88A)	=	0
12	FSA048(17A) + FSA048(17B) +FSA047(17A+17B+17C+-----+17n) +FSA048(17F)+FSA048(17G)+FSA048(17H)+FSA048(17I) +FSA048(17J)-FSA048(89A)	=	0

13	FSA048(20A) + FSA047(20A+20B+20C+-----+20n) + FSA048(20F) + FSA048(20G) + FSA048(20H) + FSA048(20I) + FSA048(20J)	>=	0
14	FSA048(21A) + FSA047(21A+21B+21C+-----+21n) + FSA048(21F) + FSA048(21G) + FSA048(21H) + FSA048(21I) + FSA048(21J)	>=	0
15	FSA048(22A) + FSA047(22A+22B+22C+-----+22n) + FSA048(22F) + FSA048(22G) + FSA048(22H) + FSA048(22I) + FSA048(22J)	>=	0
16	FSA047(24A+24B+24C+-----+24n) + FSA048(24F) + FSA048(24G) + FSA048(24H) + FSA048(24I) + FSA048(24J)	>=	0
17	FSA048(25B) + FSA047(25A+25B+25C+-----+25n) + FSA048(25F) + FSA048(25G) + FSA048(25H) + FSA048(25I) + FSA048(25J)	>=	0
18	FSA048(26B) + FSA047(26A+26B+26C+-----+26n) + FSA048(26F) + FSA048(26G) + FSA048(26H) + FSA048(26I) + FSA048(26J)	>=	0
19	FSA048(27B) + FSA047(27A+27B+27C+-----+27n) + FSA048(27F) + FSA048(27G) + FSA048(27H) + FSA048(27I) + FSA048(27J)	>=	0
20	FSA048(28B) + FSA047(28A+28B+28C+-----+28n) + FSA048(28F) + FSA048(28G) + FSA048(28H) + FSA048(28I) + FSA048(28J)	>=	0
21	FSA048(29B) + FSA047(29A+29B+29C+-----+29n) + FSA048(29F) + FSA048(29G) + FSA048(29H) + FSA048(29I) + FSA048(29J)	>=	0
22	FSA048(30B) + FSA047(30A+30B+30C+-----+30n) + FSA048(30F) + FSA048(30G) + FSA048(30H) + FSA048(30I) + FSA048(30J)	>=	0
23	FSA048(34B) + FSA047(34A+34B+34C+-----+34n) + FSA048(34F) + FSA048(34G) + FSA048(34H) + FSA048(34I) + FSA048(34J)	<=	0
24	FSA048(35B) + FSA047(35A+35B+35C+-----+35n) + FSA048(35F) + FSA048(35G) + FSA048(35H) + FSA048(35I) + FSA048(35J)	<=	0
25	FSA048(36B) + FSA047(36A+36B+36C+-----+36n) + FSA048(36F) + FSA048(36G) + FSA048(36H) + FSA048(36I) + FSA048(36J)	<=	0
26	FSA048(37B) + FSA047(37A+37B+37C+-----+37n) + FSA048(37F) + FSA048(37G) + FSA048(37H) + FSA048(37I) + FSA048(37J)	<=	0
27	FSA048(38B) + FSA047(38A+38B+38C+-----+38n) + FSA048(38F) + FSA048(38G) + FSA048(38H) + FSA048(38I) + FSA048(38J)	<=	0
28	FSA048(39B) + FSA047(39A+39B+39C+-----+39n) + FSA048(39F) + FSA048(39G) + FSA048(39H) + FSA048(39I) + FSA048(39J)	<=	0
29	FSA047(40A+40B+40C+-----+40n) + FSA048(40F) + FSA048(40G) + FSA048(40H) + FSA048(40I) + FSA048(40J)	<=	0
30	FSA047(41A+41B+41C+-----+41n) + FSA048(41F) + FSA048(41G) + FSA048(41H) + FSA048(41I) + FSA048(41J)	<=	0
31	FSA047(42A+42B+42C+-----+42n) + FSA048(42F) + FSA048(42G) + FSA048(42H) + FSA048(42I) + FSA048(42J)	<=	0

32	FSA047(43A+43B+43C+-----+43n) + FSA048(43F) + FSA048(43G) + FSA048(43H) + FSA048(43I) + FSA048(43J)	<=	0
33	FSA048(44A) + FSA047(44A+44B+44C+-----+44n) + FSA048(44F) + FSA048(44G) + FSA048(44H) + FSA048(44I) + FSA048(44J)	<=	0
34	FSA048(45A) + FSA047(45A+45B+45C+-----+45n) + FSA048(45F) + FSA048(45G) + FSA048(45H) + FSA048(45I) + FSA048(45J)	<=	0
35	FSA048(46A) + FSA047(46A+46B+46C+-----+46n) + FSA048(46F) + FSA048(46G) + FSA048(46H) + FSA048(46I) + FSA048(46J)	<=	0
36	FSA048(47A) + FSA047(47A+47B+47C+-----+47n) + FSA048(47F) + FSA048(47G) + FSA048(47H) + FSA048(47I) + FSA048(47J)	<=	0
37	FSA048(48A) + FSA047(48A+48B+48C+-----+48n) + FSA048(48F) + FSA048(48G) + FSA048(48H) + FSA048(48I) + FSA048(48J)	<=	0
38	FSA048(49A) + FSA047(49A+49B+49C+-----+49n) + FSA048(49F) + FSA048(49G) + FSA048(49H) + FSA048(49I) + FSA048(49J)	<=	0
39	FSA048(50A) + FSA047(50A+50B+50C+-----+50n) + FSA048(50F) + FSA048(50G) + FSA048(50H) + FSA048(50I) + FSA048(50J)	<=	0
40	FSA048(51A) + FSA047(51A+51B+51C+-----+51n) + FSA048(51F) + FSA048(51G) + FSA048(51H) + FSA048(51I) + FSA048(51J)	<=	0

FSA050

Liquidity Buffer Qualifying Securities

The purpose of this *data item* is to record details of an *ILAS BIPRU firm's* unencumbered assets eligible for inclusion in its liquid assets buffer as defined in *BIPRU 12.7*. See further the *rules and guidance* in *SUP 16.12.4*.

A *firm* should complete this *data item* for each of the securities reported in column A, row 6 in Part 2 of FSA048.

Valuation

Except where outlined, a *firm* should follow the *appropriate regulator's rules and guidance* on valuation set out in *GENPRU 1.3*. A *firm* not subject to *GENPRU 1.3*, such as an *incoming EEA firm*, should follow its applicable accounting standards.

Currency

The reporting currency for this *data item* is whichever of the following currencies the *firm* chooses, namely USD (the United States Dollar), EUR (the euro), GBP (sterling), JPY (the Japanese Yen), CHF (the Swiss Franc), CAD (the Canadian Dollar) or SEK (the Swedish Krona).

Amounts should be entered in multiples of 1,000 of the relevant currency unit.

General

A *firm* reports unencumbered holdings of securities eligible for inclusion in its liquid assets buffer in column A, row 6 in Part 2 of FSA048. A *firm* should report in this *data item* a further breakdown by issuer of those securities.

Data elements

These are referred to by row first, and then by column, so *data element 2B* will be the element numbered 2 in column B.

Completion and submission to the appropriate regulator

A *firm* should complete this *data item* on a contractual basis irrespective of whether the position in question is held in the banking book or *trading book*.

A *firm* should report the clean market value of unencumbered securities held in its liquid assets buffer, according to the issuer in rows 1 to 24.

A *firm* should only report balances in row 24 to the extent that it has unencumbered securities delivered under reverse repo transactions where it cannot identify the issuer, but that all eligible issuers would qualify for inclusion in the liquid assets buffer as defined in *BIPRU 12.7*.

Validation rules

No rule as column A can be zero, positive or negative.

Cross validation rules between FSA048 and FSA050

(General note: cross validation rule should be applied only when the returns under consideration are for the same reporting date)

Validation number	Data element		
1	FSA050(1A) + FSA050(2A)+FSA050(3A)+----- +FSA050(23A)+FSA050(24A)	=	FSA048(6A)

FSA051

Funding Concentration

The purpose of this *data item* is to record details of an *ILAS BIPRU firm's* funding concentrations. This *guidance* should be read in conjunction with the *rules and guidance* in *SUP 16.12.4R*.

Valuation

Except where outlined, a *firm* should follow the *appropriate regulator's rules and guidance* on valuation set out in *GENPRU 1.3*. A *firm* not subject to *GENPRU 1.3*, such as an *incoming EEA firm*, should follow its applicable accounting standards.

Currency

The reporting currency for this *data item* is whichever of the following currencies the *firm* chooses, namely USD (the United States Dollar), EUR (the euro), GBP (sterling), JPY (the Japanese Yen), CHF (the Swiss Franc), CAD (the Canadian Dollar) or SEK (the Swedish Krona).

General

This *data item* provides information on funding concentration risk of the *firm*.

Data elements

These are referred to by row first, and then by column, so *data element 2B* will be the element numbered 2 in column B.

Completion and submission to the appropriate regulator

A *firm* should complete this *data item* on a contractual basis irrespective of whether the position in question is held in the banking book or *trading book*.

The following fields are required for each row on this *data item*.

Column A Counterparty

A *firm* should report the identity of the ultimate parent of the entity which provides the *firm* with funding. As an example, where a *firm* raises funding from various entities that are each members of the same *group*, the *firm* should aggregate all such amounts and attribute them to the ultimate parent.

However, a *firm* should distinguish between entities in a *group* investing their own funds and funds which they invest on behalf of others, for example, as a fiduciary. If a fiduciary money manager provides funding to the *firm*, such amounts should not be aggregated outside the entity which holds the fiduciary responsibility for managing the funds. For example, if a Bank XYZ provides funding of £50m to the *firm* and its asset management subsidiary provides funding of £100m from one or more fiduciary accounts, the *firm* should report this as two sources of funding in separate rows.

Where there is a lack of clarity about the ultimate parent to which funding should be attributed, a *firm* should complete this column of this *data item* on a “best efforts” basis.

Column B Amount

Amounts should be entered in multiples of 1,000 of the relevant currency unit.

A *firm* should report the total amount of funding received from the counterparty identified in Column A.

Column C Weighted average residual maturity

A *firm* should report figures in this column in months rounded to one decimal place.

In relation to each counterparty identified in column A, a *firm* should report the weighted average remaining maturity of funding provided by that counterparty and by any other counterparty in that counterparty's *group* which is reported in column B. An example of this would be the following: XYZ Bank receives funding from two ABC Bank group entities. These are aggregated into one line. One ABC Bank entity provides 50% of the funding with 3 months remaining to maturity, while the other ABC Bank entity provides 50% of the funding with 6 months remaining to maturity, producing a weighted average remaining maturity of 4.5 months.

Part 1 Wholesale deposits

In this part of the *data item* the *firm* should analyse and report the counterparties responsible for the 30 largest concentrations of deposits reported in lines 45 to 50 inclusive of FSA047 and FSA 048.

Part 2 Repo funding

In this part of the *data item* a *firm* should analyse and report the counterparties responsible for the 30 largest concentrations of repo funding as reported in Part 5 of FSA047 and FSA 048.

Validation rules

Validation number	Data element		
1	Each cell in column B	>=	0
2	Each cell in column C	>=	0

FSA052**Pricing Data**

The purpose of this *data item* is to record details relating to the average transaction volume of, and prices which the *firm* pays for, certain of its wholesale liabilities. This *guidance* should be read in conjunction with the *rules* and *guidance* in SUP 16.12.4R.

Valuation

Except where outlined, a *firm* should follow the relevant provisions in the *EU CRR*. A *firm* not subject to the *EU CRR* should follow its applicable accounting standards.

Currency

A *firm* should report any wholesale liabilities denominated in sterling in rows 1 to 4, in US dollars in rows 5 to 8 and in euro in rows 9 to 12. A *firm* does not need to report liabilities denominated in any other currency in this *data item*.

Spreads should be reported as a percentage, rounded to two decimal places and volumes should be reported in multiples of 1,000's.

Data elements

These are referred to by row first, and then by column, so *data element* 2B will be the element numbered 2 in column B.

Completion and submission to the appropriate regulator

A *firm* should complete this *data item* on a contractual basis based on the trade date of the liability in question, recording all relevant liabilities issued during the reporting period.

General

There are three different pieces of information required about each type of liability reportable in this *data item*:

- (1) average spread paid;
- (2) volume raised; and
- (3) maturity of the liability.

For the purpose of this *data item*, a *firm* should report the liabilities of the following types in the relevant rows for the currency

(i) Cash deposits

A *firm* should report all fixed term cash deposits reportable in lines 45 to 49 of FSA047 and FSA 048 in row 1 if denominated in GBP, in row 5 if denominated in USD or in row 9 if denominated in EUR.

(ii) Senior unsecured securities

A *firm* should report all senior unsecured securities issued reportable in line 40 of FSA047 and FSA 048 in row 2 if denominated in GBP, in row 6 if denominated in USD or in row 10 if denominated in EUR.

(iii) Covered Bonds

A *firm* should report all covered bonds encumbering the *firm's* own assets the issuance of which would be reportable in line 43 of FSA047 and FSA 048 in row 3 if denominated in GBP, in row 7 if denominated in USD or in row 11 if denominated in EUR.

(iv) Asset-backed securities (including ABCP)

A *firm* should report all debt issued by the *firm's* SSPEs as reported on line 51 of FSA047 and FSA 048. A *firm* should report such liabilities in row 4 if denominated in GBP, in row 8 if denominated in USD or in row 12 if denominated in EUR.

Weighted Average Spread and Volume Analysis:

A *firm* should report the weighted average spread paid and volume data in the following maturity bands, according to the maturity of the instrument issued:

- (1) ≥ 1 month ≤ 3 months in columns A and B;
- (2) > 3 months ≤ 6 months in columns C & D;
- (3) > 6 months ≤ 1 year in columns E & F;
- (4) > 1 year ≤ 2 years in columns G & H;
- (5) > 2 years in columns I & J.

For the purposes of this *data item*, a *firm* should ignore the time period between trade date and settlement date in calculating the maturity of a liability, e.g. a three month liability settling in two weeks time would, for the purposes of this *data item*, be considered as having a three month maturity and be reported in columns A & B. In relation to each instrument of a type identified in this *data item* and issued by the *firm* or the *firm's* SSPEs, it should report:

- (1) the volume issued; and
- (2) the average spread paid (weighted by volume).

For the purposes of reporting the volume of liabilities issued, a *firm* should sum the net proceeds of each liability in the relevant maturity band according to the applicable currency.

For the purpose of reporting the average spread paid, a *firm* should report:

- (1) for an instrument with an original maturity of less than or equal to one year, the spread payable by the *firm* for that liability, if it were to have been swapped to the benchmark overnight index for the appropriate currency no later than close of business on the day of the transaction, and;
- (2) for an instrument with an original maturity in excess of one year, the spread at issuance were it to be swapped to the relevant benchmark floating three month LIBOR for GBP and USD and EURIBOR for EUR, no later than close of business on the day of the transaction.

For the purposes of calculating the average spread paid a *firm* should calculate the all-in cost in the currency of issue ignoring any FX swap, but including any premium or discount and fees payable or receivable, with the term of any theoretical or actual interest rate swap matching the term of the liability. The spread is the liability rate minus the swap rate.

Validation rules

Validation number	Data element		
1	Each cell in columns B	\geq	0
2	Each cell in columns D	\geq	0
3	Each cell in columns F	\geq	0
4	Each cell in columns H	\geq	0
5	Each cell in columns J	\geq	0

FSA053 Retail, SME and Large Enterprises Type B Funding

The purpose of this *data item* is to record details relating to a *firm's* retail accounts and non-credit sensitive corporate accounts. See further the *rules* and *guidance* in SUP 16.12.4.

Valuation

Except where outlined, a *firm* should follow the relevant provisions in the *EU CRR*. A *firm* not subject to the *EU CRR* should follow its applicable accounting standards.

Currency

All figures should be entered in multiples of 1,000 of the relevant currency unit. The reporting currency for this *data item* is whichever of the following currencies the *firm* chooses, namely USD (the United States Dollar), EUR (the euro), GBP (sterling), JPY (the Japanese Yen), CHF (the Swiss Franc), CAD (the Canadian Dollar) or SEK (the Swedish Krona).

Data elements

These are referred to by row first, and then by column, so *data element 2B* will be the element numbered 2 in column B.

Completion and submission to the appropriate regulator

A *firm* should complete this *data item* on a contractual basis based on an analysis of the *firm's* balance sheet on the reporting date in question.

General

A *firm* should report in Column A the outstanding balance at the close of business of the final business day of the month for which the *data item* is submitted, in each category of account identified in this *data item*.

Part 1 Retail deposits (type A and type B)

A *firm* should report information related to the retail accounts reported in lines 54 and 55 of FSA048 in rows 1 to 5 of Part 1 of this *data item*.

A *firm* should report Type A balances in Column A of Part 1 and Type B balances in Column B.

1 Current and/or transactional accounts

A *firm* should report here the total balances of retail deposits held in instant access current and/or transactional accounts. Transactional accounts are those used to process transactions such as day-to-day outgoings, salary and bill payments.

2 Tax-advantaged savings accounts

A *firm* should report here the total balances of cash deposits held in ISA or other tax-advantaged accounts.

3 On demand or instant access accounts

A *firm* should report here the total balances of any remaining instant access retail accounts not reported in lines 1 & 2 of this *data item*.

4 Fixed term accounts

A *firm* should report here the total balances of all retail deposits held in fixed term deposit accounts in relation to which a depositor is unable to access their deposit prior to its contractual maturity.

5 Fixed notice accounts

A *firm* should report here the total balances of all retail deposits held in fixed notice deposit accounts in relation to which a depositor can:

- require the early repayment of an otherwise fixed term deposit by paying an early access charge; or,
- require the repayment of a deposit by giving a specified notice period.

Part 2 SME and large enterprises Type B

A *firm* should report information related to the SME and Large financial Enterprise (Type B) accounts reported in lines 52 and 53 of FSA048 in rows 6 to 10.

6 Current and/or transactional accounts

A *firm* should report here the total of deposits held in instant access current and transactional accounts. Transactional accounts are those used to process transactions such as day-to-day outgoings, salary and invoice payments.

7 Tax-advantaged savings accounts

A *firm* should report here the total balances of deposits held in tax-advantaged accounts.

8 On demand or other instant access accounts

A *firm* should report here the total balances of any remaining instant access accounts not reported in lines 6 or 7 of this *data item*.

9 Fixed term accounts

A *firm* should report here the total balances of all deposits held in fixed term deposit accounts in relation to which a depositor is unable to access their deposit prior to its contractual maturity.

10 Fixed notice accounts

A *firm* should report here the total balances of all deposits held in fixed notice deposit accounts in relation to which a depositor can:

- require the early repayment of an otherwise fixed term deposit by paying an early access charge; or,
- require the repayment of a deposit by giving a specified notice period.

Part 3 Deposit insurance schemes such as FSCS

Part 3 of this *data item* relates to an analysis of a *firm's* retail deposits, as reported on lines 54 and 55 of FSA048, insured by *FSCS* or other similar deposit insurance schemes.

In relation to each depositor who would in principle be eligible to claim compensation from the *FSCS* or another similar deposit insurance scheme in respect of his deposits with a *firm*, that *firm* should report the protected balances of accounts covered by the scheme in question. A *firm* should follow the current rules of any relevant scheme in reporting the protected balances.

11 Deposits covered by deposit insurance schemes such as FSCS

A *firm* should report here the total protected balances held in deposit accounts that would in principle be covered by the *FSCS* or other similar deposit insurance scheme, up to the maximum amount that depositor may be eligible to claim under the relevant scheme.

12 Deposits not covered by deposit insurance schemes such as FSCS

A *firm* should report here the excess of deposit account balances over the total protected balances held in those accounts that would in principle be covered by the *FSCS* or other similar deposit insurance scheme.

Validation rules

Validation number	Data element		
1	1A	>=	0
2	1B	>=	0
3	2A	>=	0
4	2B	>=	0
5	3A	>=	0
6	3B	>=	0
7	4A	>=	0
8	4B	>=	0
9	5A	>=	0
10	5B	>=	0
11	6B	>=	0
12	7B	>=	0
13	8B	>=	0
14	9B	>=	0
15	10B	>=	0
16	11A	>=	0
17	12A	>=	0

Cross validation rules between FSA048 and FSA053

(General note: cross validation rule should be applied only when the returns under consideration are for the same reporting date)

Validation number	Data element		
1	ABS{FSA053(1A+2A+3A+4A+5A)}	=	ABS{FSA048(54A+54C+54D+54E+54F+54G+54H+54I+54J)}
2	ABS{FSA053(1B+2B+3B+4B+5B)}	=	ABS{FSA048(55A+55C+55D+55E+55F+55G+55H+55I+55J)}
3	ABS{FSA053(6B+7B+8B+9B+10B)}	=	ABS{FSA048(52A+52C+52D+52E+52F+52G+52H+52I+52J) + FSA048(53A+53C+53D+53E+53F+53G+53H+53I+53J)}

FSA054

Currency Analysis

The purpose of this *data item* is to record details of a *firm's* currency mismatches. This *guidance* should be read in conjunction with the *rules* and *guidance* in SUP 16.12.4R.

Valuation

Except where outlined, a *firm* should follow the *appropriate regulator's rules* and *guidance* on valuation set out in GENPRU 1.3. A *firm* not subject to GENPRU 1.3, such as an *incoming EEA firm*, should follow its applicable accounting standards.

Currency

Not relevant.

Data elements

These are referred to by row first, and then by column, so *data element* 2B will be the element numbered 2 in column B.

Completion and submission to the appropriate regulator

A *firm* should complete this *data item* on a contractual basis based on an analysis of the *firm's* cash flow and cash balances as reportable for FSA047 and FSA 048, combined (rows 1, 18 to 23 and 25 to 56), based on the FSA047 and FSA048 reporting date closest to the FSA054 reporting date in question.

General

This report has two aspects. It asks a *firm* to report:

- (1) the currencies in which that *firm's* assets and liabilities and shareholders' equity are denominated; and
- (2) the percentage of that *firm's* total assets and liabilities and shareholders' equity which are denominated in those currencies.

A *firm* should exclude from its balance sheet derivative financial instruments as defined under IFRS.

In considering whether a *firm's* assets, liabilities or shareholders' equity are denominated in a specific currency, a *firm* should ignore the effect of any *derivatives*.

For example, if a *firm* issues a liability in GBP and enters into a *derivative* to swap the cash flows of that liability to another currency, for the purposes of this *data item*, it should be denominated in GBP.

For each row from 1 to 13, a *firm* should report column A and B. For example, for row 1, cell 1A should contain GBP (sterling) assets, excluding derivative financial instruments, expressed as a percentage (rounded to two decimal places) of the total assets, excluding derivative financial instruments, of the *firm*.

Validation rules

Validation number	Data element		
1	Each cell in column A	\geq	0
2	Each cell in column B	\geq	0
3	Each cell in column A	\leq	100%
4	Each cell in column B	\leq	100%
5	$1A+2A+3A+\dots+12A+13A$	$=$	100%
6	$1B+2B+3B+\dots+12B+13B$	$=$	100%

FSA055**Systems and Controls Questionnaire**

The purpose of this *data item* is to enable the *appropriate regulator* to monitor a *non-ILAS BIPRU firm's* compliance with the requirements set out in *BIPRU 12.3* (Liquidity risk management) and *BIPRU 12.4* (Stress testing and contingency funding).

In relation to the questions in FSA055, a *firm* should, as appropriate, answer “yes” or “no”, or choose a response from the drop-down menu.

Should a *firm* answer “no” to the first question in FSA055, it need not complete the rest of the *data item*.

Validation rules

All cells are controlled by drop-down menu. The menu option for each row is as under:

Validation number	Data element	Menu options
1	1A	Yes / No
2	2A	Yes / No
3	3A	Yes / No
4	4A	Yes / No
5	5A	Yes / No
6	6A	Yes / No
7	7A	Yes / No
8	8A	<= 52
9	9A	Yes / No
10	10A	Monthly/Quarterly/Semi-annually/Annually/less than once a year
11	11A	<=52
12	12A	Yes / No
13	13A	Monthly/Quarterly/Semi-annually/Annually/less than once a year
14	14A	Yes / No
15	15A	Yes / No
16	16A	Yes / No
17	17A	Yes / No
18	18A	Yes / No
19	19A	Yes / No
20	20A	Yes / No

FIN066 – Capital Adequacy (for *collective portfolio management firms*)

Introduction

FIN066 provides a framework for the collection of prudential information required by the *FCA* for its supervision activities. The data item is intended to reflect the underlying prudential requirements in *IPRU(INV)* 11 and allows monitoring against those requirements.

Defined terms

Where terms used in these notes are defined by the Companies Act 2006, as appropriate, or the provisions of the *firm's* accounting framework (usually UK GAAP or *IFRS*) they should have that meaning. The descriptions in these notes are designed to repeat, summarise or amplify the relevant statutory or other definitions and terminology without departing from their full meaning or effect.

- The data item should comply with the principles and requirements of the *firm's* accounting framework, which will generally be UK GAAP (including relevant provisions of the Companies Act 2006 as appropriate) or *IFRS*.
- The data item should be completed on an unconsolidated basis.
- The data item should be in agreement with the underlying accounting records.
- Accounting policies should be consistent with those adopted in the *firm's* *annual report and accounts* and consistently applied.
- Information required should be prepared in line with generally accepted accounting standards.
- The data item should not give a misleading impression of the *firm*. A data item is likely to give a misleading impression if a *firm* wrongly omits or includes a material item or presents a material item in the wrong way.

Currency

You should report in the currency of your annual audited accounts, ie in Sterling, Euro, US dollars, Canadian dollars, Swedish Kroner, Swiss Francs or Yen. Figures should be reported in 000s.

Data elements

These are referred to by row first, then by column, so data element 2B will be the element numbered 2 in column B.

Regulatory capital		
	1 to 19	The figures in this section should be consistent with those submitted in FSA029 for the same reporting period.
Regulatory capital test		
<i>Own funds test for collective portfolio management firms</i>		
Own funds	20B	The amount of <i>own funds</i> calculated in line with <i>IPRU(INV)</i> 11.4. This is the figure entered at 19B.
Funds under management requirement	21B	Up to a maximum of €10,000,000, this is the <i>base capital resources requirement</i> plus 0.02% of the amount by which the <i>firm's funds under</i>

		<p><i>management</i> exceeds €250,000,000.</p> <p>If the data item is not submitted with figures in Euros, then the figure should be converted to the currency of the submission using the closing mid-market rate of exchange on the reporting period end date.</p> <p>The appropriate definition of <i>funds under management</i> to be used in this calculation is that set out in the <i>FCA Handbook Glossary of definitions</i>.</p>
Fixed overheads requirement	22B	<p>This is one quarter of the annualised fixed expenditure calculated in line with <i>IPRU(INV)</i> 11.3.3R.</p> <p>The amount to be entered in this element is calculated using elements 30 to 42 in the fourth quarter of the preceding financial year. Each of the four quarters in any financial year should use the figure calculated in the fourth quarter of the preceding year.</p> <p>Where there was no preceding year, the figure entered is that determined in line with <i>IPRU(INV)</i> 11.3.6R.</p>
Professional negligence capital requirement	23B	<p>The amount of additional <i>own funds</i> used to cover potential liability risks arising from professional negligence for <i>AIFM</i> activities in lieu of professional indemnity insurance, as per <i>IPRU(INV)</i> 11.3.11G(1)(a).</p> <p>When calculating this amount, <i>firms</i> should include the amount of any assets under management that are delegated to the firm by mandate, see <i>IPRU(INV)</i> 11.3.14EU. Note that this treatment is different from that prescribed for the <i>funds under management requirement</i> (see the guidance in line 21B).</p> <p>If a firm makes an entry in 23B it should not make an entry in 24B.</p>
PII capital requirement	24B	<p>The amount of any additional <i>own funds</i> required to cover any defined excess and exclusions in the insurance policy, as required by <i>IPRU(INV)</i> 11.3.11G(1)(b).</p> <p>If a firm makes an entry in 24B it should not make an entry in 23B.</p>
Total capital requirement	25B	<p>This is the higher of 21B and 22B, plus either</p>

		23B or 24B.
Surplus / deficit of own funds	26B	This is 20B less 25B.
Liquid assets test		
Liquid assets requirement	27B	For a <i>collective portfolio management firm</i> , this is the amount required by <i>IPRU(INV)</i> 11.2.1R(3).
Liquid assets held	28B	This is the amount of liquid assets held by the <i>firm</i> at the reporting date. Assets are regarded as liquid if they are readily convertible to cash within one month. This figure must not include speculative positions.
Surplus / deficit of liquid assets	29B	This is 28B less 27B.
Calculation of relevant annual expenditure for forthcoming year		
	30 to 42	This section of the data item must be completed when the reporting period end date is equal to the <i>firm's</i> accounting reference date, ie the fourth quarter. This does not need to be completed during the other three quarters. Where appropriate, figures entered should match those on FSA030 for the same reporting period. When, as per <i>IPRU(INV)</i> 11.3.6R(2), the <i>firm</i> is using projected figures, these should be entered in this section.
Total expenditure (per income statement)	30B	This should be the amount entered in element 22A of FSA030 for the same reporting period. FSA030 should be completed on a cumulative basis, so the amounts entered in the fourth quarter represent the entire financial year up to the accounting reference date.
Deductions from expenditure	31A to 40A	Deductions from expenditure should be made in line with <i>IPRU(INV)</i> 11.3.4R
Relevant fixed expenditure	41B	This is 30B less the sum of 31A to 40A
Relevant annualised fixed expenditure	42B	If the figures submitted in FSA030 for the period ending on the <i>firm's</i> accounting reference date do not include twelve month's trading, then the amount calculated in 41B must be pro-rated to an equivalent annual amount. This situation may occur if the <i>firm</i> has changed its accounting reference date. Where a <i>firm</i> has not completed a full year since the commencement of its permitted business, an amount based on forecast expenditure included in its budget for the first twelve months' trading, as submitted with its application for membership,

		should be entered.
Professional Indemnity Insurance		
Specify whether your firm holds additional own funds or PII in accordance with IPRU(INV) 7.3.12R	43B	The <i>firm</i> should report either “Own funds” or “PII”. Where a <i>firm</i> has PII but also holds <i>own funds</i> to cover any excesses and/or exclusions on the policy, the <i>firm</i> should report “PII”.
<i>PII Basic information</i>		
	44	<i>Firms</i> should enter details on all relevant PII policies, using a separate line for each policy. A <i>firm</i> may satisfy its requirements for professional indemnity insurance with a policy that also provides cover to one or more entities other than the <i>firm</i> , provided the policy satisfies the conditions of the <i>AIFMD level 2 regulation</i> in respect of the <i>firm</i> , exclusive of the cover provided to other entities by the policy. If such a policy is held, each <i>firm</i> covered by the policy should include the policy information on their return.
Annualised premium	44A	This should state the premium payable (in descending order of size, where relevant), net of tax and any other add-ons. If the premium covers a period other than 12 months, it should be annualised before ranking.
Insurer (from list)	44B	Select the PII insurer from the list provided. If you have more than one policy with the same insurer, they should be combined. If the insurer is not listed, select ‘Other’. If a policy is underwritten by more than one insurance undertaking or Lloyd's syndicate, you should select ‘multiple’.
Start date	44C	Enter the start date of the policy.
Renewal date	44D	Enter the renewal date of the policy.
Currency of indemnity limits	44E	Using the appropriate International Organization for Standardization ISO 4217 three digit code (eg, GBP), enter the currency in which the indemnity limits in fields 44F to 44J are reported.
Limit of indemnity required: single	44F	You should record the required indemnity limits on the <i>firm’s</i> PII policy or policies, in relation to single claims. A <i>firm</i> should calculate this amount with reference to <i>IPRU(INV) 11.3.15EU</i> and include the amount of any assets under management that are delegated to the firm by mandate. Where these are denominated in a currency other than the currency of the report, the figure should be converted to the currency of the submission using the closing mid-market rate of exchange on

		the reporting period end date.
Limit of indemnity required: aggregate	44G	<p>You should record here the required indemnity limits on the <i>firm's</i> PII policy or policies, in aggregate. A <i>firm</i> should calculate this amount with reference to <i>IPRU(INV)</i> 11.3.15EU and include the amount of any assets under management that are delegated to the firm by mandate.</p> <p>Where these are denominated in a currency other than the currency of the report, the figure should be converted to the currency of the submission using the closing mid-market rate of exchange on the reporting period end date.</p>
Limit of indemnity received: single	44H	<p>You should record here the indemnity limits on the <i>firm's</i> PII policy or policies, received in relation to single claims.</p> <p>Where these are denominated in a currency other than the currency of the report, the figure should be converted to the currency of the submission using the closing mid-market rate of exchange on the reporting period end date.</p>
Limit of indemnity received: aggregate	44J	<p>You should record here the indemnity limits on the <i>firm's</i> PII policy or policies, received in aggregate.</p> <p>Where these are denominated in a currency other than the currency of the report, the figure should be converted to the currency of the submission using the closing mid-market rate of exchange on the reporting period end date.</p>
<i>PII detailed information</i>		
Business line (from list)	44K	<p>For policies that cover all business lines, <i>firms</i> should select 'All' from the list provided.</p> <p>Where the policy contains different excesses for different business lines, <i>firms</i> should identify these business lines from the list (or the closest equivalent) and report the (highest) excess for that business line in data element 44L. Once these 'non-standard' excesses have been identified, the remaining business lines should be reported under 'All other'.</p>
Policy excess	44L	<p>For policies that cover all business lines with no difference in excesses, this should be the excess applicable. Otherwise, it should contain the highest excess for each business line that differs.</p> <p>In line with <i>IPRU(INV)</i> 11.3.11G(1)(b), a <i>firm</i></p>

		should include additional own funds sufficient to cover the highest excess in the amount reported in 24B.
Policy exclusions	44M	<p>If there are exclusions in the <i>firm's</i> PII policy, the business type(s) to which they relate should be selected here from the list provided.</p> <p>In line with <i>IPRU(INV)</i> 11.3.11G(1)(b), a <i>firm</i> should include additional own funds sufficient to cover any liabilities arising in the amount reported in 24B.</p>

FIN066 – Capital Adequacy (for *collective portfolio management firms*) validations

Internal validations

Data elements are referenced by row, then column.

Validation number	Data element		
1	6B	=	$\Sigma(1B:5B)$
2	12B	=	$\Sigma(7A:11A)$
3	13B	=	6B – 12B
4	19B	=	$\Sigma(13B:18B)$
5	20B	=	19B
6	25B	=	(higher of 21B and 22B) + 23B + 24B
7	26B	=	20B – 25B
10	41B	=	30B - $\Sigma(31A:40A)$

External validations

Validation number	Data element		
1	30B	=	FSA030.22A

FIN067 – Capital adequacy – supplemental (for *collective portfolio management investment firms*)

Introduction

FIN067 provides a framework for the collection of prudential information required by the *FCA* for its supervision activities. The data item is intended to reflect the underlying prudential requirements in *GENPRU* 2.1.63R to 2.1.74R and allows monitoring against those requirements.

Defined terms

Where terms used in these notes are defined by the Companies Acts 2006, as appropriate, or the provisions of the *firm's* accounting framework (usually UK GAAP or *IFRS*) they should have that meaning. The descriptions indicated in these notes are designed simply to repeat, summarise or amplify the relevant statutory or other definitions and terminology without departing from their full meaning or effect.

- The data item should comply with the principles and requirements of the firm's accounting framework, which will generally be UK GAAP (including relevant provisions of the Companies Acts 2006 as appropriate) or *IFRS*.
- The data item should be completed on an unconsolidated basis.
- The data item should be in agreement with the underlying accounting records.
- Accounting policies should be consistent with those adopted in *annual report and accounts* and should be consistently applied.
- Information required should be prepared in line with generally accepted accounting standards.
- The data item should not give a misleading impression of the *firm*. A data item is likely to give a misleading impression if a *firm* wrongly omits or includes a material item or presents a material item in the wrong way.

Currency

You should report in the currency of your annual audited accounts, ie in Sterling, Euro, US dollars, Canadian dollars, Swedish Kroner, Swiss Francs or Yen. Figures should be reported in 000s.

Data Elements

These are referred to by row first, then by column, so data element 2B will be the element numbered 2 in column B.

Own funds	1A	This amount should be equal to the figure entered in element 57A of FSA003 for the same reporting period.
Funds under management requirement	2A	The <i>base capital resources requirement</i> plus the amount which is 0.02% of <i>funds under management</i> that exceeds €250,000,000, up to a maximum of €10,000,000. If the data item is not submitted with figures in Euros, then the figure should be converted to the currency of the submission using the closing mid-market rate of exchange on the reporting period

		<p>end date.</p> <p>The appropriate definition of <i>funds under management</i> to be used in this calculation is that set out in the <i>FCA Handbook Glossary of definitions</i>.</p>
Fixed overheads requirement	3A	The amount calculated in line with <i>GENPRU 2.1.53R</i> . The amount should equal element 104A on FSA003 for the same reporting period.
Professional negligence capital requirement	4A	<p>The amount of additional <i>own funds</i> used to cover potential liability risks arising from professional negligence in relation to <i>AIFM</i> activities in lieu of professional indemnity insurance, as per <i>GENPRU 2.1.67G(1)(a)</i>.</p> <p>When calculating this amount, <i>firms</i> should include the amount of any assets under management that are delegated to the firm by mandate, as set out in <i>GENPRU 2.1.70EU</i>. Note that this treatment is different from that prescribed for the <i>funds under management requirement</i> (see the guidance in line 2A)</p> <p>If a <i>firm</i> makes an entry in 4A it should not make an entry in 5A.</p>
PII capital requirement	5A	<p>The amount of any additional <i>own funds</i> required to cover any defined excess and exclusions in the insurance policy, as required by <i>GENPRU 2.1.67G(1)(b)</i>.</p> <p>If a <i>firm</i> makes an entry in 5A it should not make an entry in 4A.</p>
Variable capital requirement	6A	The amount calculated in line with <i>GENPRU 2.1.45R</i> . The amount should equal element 70A on FSA003 for the same reporting period.
Total requirement	7A	This is the higher of 2A and 3A plus 4A or 5A, and 6A.
Surplus / deficit of own funds	8A	This is 1A less 7A.
Liquid assets test		
Liquid assets requirement	9A	The amount of <i>own funds</i> required by <i>GENPRU 2.1.64R</i> .
Liquid assets held	10A	The amount of liquid assets held by the <i>firm</i> at the reporting date. Assets are regarded as liquid if they are readily convertible to cash within one month. This figure must not include speculative positions.
Surplus / deficit of liquid assets	11A	This is 10A less 9A.
Professional Indemnity Insurance		

Does your firm hold additional own funds or PII in accordance with GENPRU 2.1.67G	12A	The <i>firm</i> should report either “Own funds” or “PII”. Where a <i>firm</i> has PII but also holds <i>own funds</i> to cover any excesses and/or exclusions on the policy, the <i>firm</i> should report “PII”.
<i>PII Basic information</i>		
	13	<i>Firms</i> should enter details on all relevant PII policies, using a separate line for each policy. A <i>firm</i> may satisfy its requirements for professional indemnity insurance with a policy that also provides cover to one or more entities other than the <i>firm</i> , provided the policy satisfies the conditions of the AIFMD level 2 regulation in respect of the <i>firm</i> , exclusive of the cover provided to other entities by the policy. If such a policy is held, each <i>firm</i> covered by the policy should include the policy information on their return.
Annualised premium	13A	This should state the premium payable (in descending order of size, where relevant), net of tax and any other add-ons. If the premium covers a period other than 12 months, it should be annualised before ranking.
Insurer (from list)	13B	Select the PII insurer from the list provided. If you have more than one policy with the same insurer, they should be combined. If the insurer is not listed, select ‘Other’. If a policy is underwritten by more than one insurance undertaking or Lloyd's syndicate, you should select ‘multiple’.
Start date	13C	Enter the start date of the policy.
Renewal date	13D	Enter the renewal date of the policy.
Currency of indemnity limits	13E	Using the appropriate International Organization for Standardization ISO 4217 three digit code (eg, GBP), enter the currency in which the indemnity limits, in fields 13F to 13J are reported.
Limit of indemnity required: single	13F	You should record here the required indemnity limits on the <i>firm</i> 's PII policy or policies for single claims. A <i>firm</i> should calculate this amount with reference to GENPRU 2.1.71EU and include the amount of any assets under management that are delegated to the firm by mandate. Where these are denominated in a currency other than the currency of the report, the figure should be converted to the currency of the submission using the closing mid-market rate of exchange on the reporting period end date.
Limit of indemnity required: aggregate	13G	You should record here the required indemnity limits on the <i>firm</i> 's PII policy or policies, in

		<p>aggregate. A <i>firm</i> should calculate this amount with reference to <i>GENPRU 2.1.71EU</i> and include the amount of any assets under management that are delegated to the firm by mandate.</p> <p>Where these are denominated in a currency other than the currency of the report, the figure should be converted to the currency of the submission using the closing mid-market rate of exchange on the reporting period end date.</p>
Limit of indemnity received: single	13H	<p>You should record here the indemnity limits on the <i>firm's</i> PII policy or policies received in relation to single claims.</p> <p>Where these are denominated in a currency other than the currency of the report, the figure should be converted to the currency of the submission using the closing mid-market rate of exchange on the reporting period end date.</p>
Limit of indemnity received: aggregate	13J	<p>You should record here the indemnity limits on the <i>firm's</i> PII policy or policies, received in aggregate.</p> <p>Where these are denominated in a currency other than the currency of the report, the figure should be converted to the currency of the submission using the closing mid-market rate of exchange on the reporting period end date.</p>
<i>PII detailed information</i>		
Business line (from list)	13K	<p>For policies that cover all business lines, <i>firms</i> should select 'All' from the list provided. Where the policy contains different excess for different business lines, <i>firms</i> should identify these business lines from the list (or the closest equivalent) and report the (highest) excess for that business line in data element 13L. Once these 'non-standard' excesses have been identified, the remaining business lines should be reported under 'All other'.</p>
Policy excess	13L	<p>For policies that cover all business lines with no difference in excesses, this should be the excess applicable. Otherwise, it should contain the highest excess for each business line that differs.</p> <p>In line with <i>GENPRU 2.1.67G(1)(b)</i>, a <i>firm</i> should include additional own funds sufficient to cover the highest excess in the amount reported in 5A.</p>
Policy exclusions	13M	<p>If there are exclusions in the <i>firm's</i> PII policy, the business type(s) to which they relate should be</p>

		<p>selected from the list provided.</p> <p>In line with <i>GENPRU 2.1.67G(1)(b)</i>, a <i>firm</i> should include additional own funds sufficient to cover any liabilities arising in the amount reported in 5A.</p>
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FIN067 – Capital adequacy – supplemental (for *collective portfolio management investment firms*) validations

Internal validations

Data elements are referenced by row, then column.

Validation number	Data element		
1	7A	=	Higher of ((Higher of 2A and 3A) + 4A + 5A) and 6A
2	8A	=	1A – 7A
3	11A	=	10A – 9A

External validations

Validation number	Data element		
1	1A	=	FSA003.57A
2	3A	=	FSA003.104A
3	6A	=	FSA003.70A