



Jersey Financial  
Services Commission

# Guidance note

## Prudential Reporting of Other Prudential Data

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# Glossary

The following abbreviations are used within the document:

Branch	Jersey operations of an OIB
DCS	Depositors Compensation Board
FIU	Financial Intelligence Unit
JFSC	Jersey Financial Services Commission
OIB	Overseas Incorporated Bank
SAR	Suspicious Activity Report

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# 1 '9.1 Fiduciary Activity'

## Overview

- 1.1 Where the Branch acts in a fiduciary capacity by placing or holding assets on behalf of clients in its own name, the transactions should not appear on the balance sheet but instead be reported here.
- 1.2 This includes:
  - 1.2.1 assets of trusts under management;
  - 1.2.2 assets held under an investment management mandate; and
  - 1.2.3 assets held as custodian.

## Detailed guidance

Item	Completion Notes
A.1	<b>Deposits and Cash.</b> Enter here the Sterling equivalent of deposits and cash balances held in a fiduciary capacity.
A.2	<b>Securities.</b> Enter here a value of securities held in a fiduciary capacity. In the case of "Quoted" securities (issued debt and equity), enter the most recently obtained valuation. For "Unquoted" securities use the best available estimate.
A.3	<b>Other – Detail.</b> In the case of other assets held in a fiduciary capacity (such as property, gold, and other precious metals), use, where possible, insurance valuations; otherwise use best estimate of value.

## 2 '9.2 Parent Accounts'

### Overview

2.1 Enter here the most recent published figures for the consolidated accounts of the ultimate parent bank. Only certain key figures are required as follows.

### Detailed guidance

Item	Completion Notes
A.1	<b>Name.</b> Enter the full name of ultimate parent/group to which the accounts relate.
A.2	<b>Month.</b> Enter the year end reporting month numerically. For example, December is entered as 12.
A.3	<b>Year.</b> Enter the year, in full, corresponding to the last published year end accounts.
A.4.1	<b>Share Capital incl. Share Premium.</b> Enter here the amount of paid up share capital, including share premium reserves.
A.4.2	<b>Loan Capital.</b> Enter here the sum of all subordinated debt and any other debt that is counted as regulatory capital.
A.4.3	<b>Reserves.</b> Enter here the total of accumulated reserves that are counted as regulatory capital less any deductions from regulatory capital such that A.4 equals total regulatory capital.
<b>A.4</b>	<b>Total Capital Resources.</b> A calculated field, being the sum of items A.4.1 to A.4.3.
A.5	<b>Loans &amp; Advances.</b> Enter here the total of loans and advances to customers, excluding interbank loans and other treasury activity.
A.6	<b>Retail Deposits.</b> Enter here the total amount of credit balances held on non wholesale current, deposit and other accounts.
A.7	<b>Total Footings.</b> Enter here the total balance sheet footings (total assets).
A.8	<b>Pre-tax Profit.</b> Enter here the parent's profit before tax.

2.2 For the avoidance of doubt, parent account data that is reported in a foreign currency must be converted using the exchange rate applicable at the date of the prudential return.

## 3 '9.3 Additional Detail'

### Overview

- 3.1 Report items where further detail is required. These may include items specified by the JFSC from time to time or in any Prudential Reporting Guide, in which case the format will be specified. Otherwise, please follow the below guidance.
- 3.2 Where fields are denoted as 'Detail' in any sheet, identify any component that exceeds 5% of the total for the item.
- 3.3 Enter the relevant figures for this quarter and the preceding quarter.
- 3.4 In the case of Item A.9 'Detail' on sheet '8.3 Total Deposits', report the total deposits for any relevant country only (i.e. no currency breakdown), where this exceeds 5% of the amount reported for that Item.

## 4 '9.4 Commentary on Movements'

### Overview

- 4.1 Report material movements in accordance with the below.
- 4.2 **Material changes to the bank's balance sheet, as reported in the Financials module:** in the description give a brief summary of the change, report the amount for the current quarter in "This Quarter" and previous quarter in "Last Quarter". As a guide to materiality, a movement in an item that exceeds 10% compared to the previous balance and where the item constitutes over 5% of the balance sheet footings should always be considered to be material.
- 4.3 **Other material changes in items reported in all modules in the prudential return:** in the description give a brief summary of the change, report the amount for the current quarter in "This Quarter" and previous quarter in "Last Quarter". As a guide to materiality, a movement in an item that exceeds 10% compared to the previous balance and where the item constitutes over 5% of capital should always be considered to be material.
- 4.4 In all cases, a commentary should be submitted with the return explaining material movements that reference this sheet. It is accepted that there is a degree of subjectivity in respect of materiality.
- 4.5 The above extends to all parts of the prudential return. A shorter explanation may be appropriate where full details have already been communicated to the JFSC but, otherwise, the commentary should be along similar lines to any other communication with the JFSC regarding a significant development.

## 5 '9.5 DCS Data'

### Overview

- 5.1 Further to the work carried out in 2011, the Jersey Bank Depositors Compensation Board (“DCS Board”) has requested that the JFSC collect, and provide to it, updated data in respect of eligible depositors. Data must be provided annually, in the December return. However, Branches that have put in place a robust automated process for the collection of this data are asked to provide this data in every quarterly return.
- 5.2 The DCS Board has accepted that a best endeavours basis may be appropriate and it is therefore accepted that simplifying assumptions may be made provided that they are described within the covering letter submitted with the prudential return and that plans are put in place, and described within the covering letter, to address the underlying issues.
- 5.3 Four items of data are required (one line for each):
  - 5.3.1 A: Total number of eligible depositors;
  - 5.3.2 B: Total eligible deposits (i.e. total of all deposits held by eligible depositors);
  - 5.3.3 C: Total eligible deposits held up to £50,000 per depositor (i.e. the total potential liability of the DCS); and
  - 5.3.4 D: Total eligible deposits held up to £5,000 per depositor (i.e. the total potential liability of the DCS to pay interim compensation).
- 5.4 Branches that are able to provide quarterly data should report the current and prior quarter values. If only Annual data is available, please report only the Current value.

## 6 '9.8 Local Interbank Market'

### Schedule of amounts placed with and received from Jersey banks

- 6.1 Where the gross balance (deposits placed plus received) for any required currency, or aggregate of currencies, is less than £1 million, the Branch may choose not to report an amount for that currency or aggregate.
- 6.2 A counterparty breakdown may be requested by the JFSC. This will typically take the form of a request for information on significant counterparties and the currency of these exposures. If such a request is made, the information should be reported in the rows below the summary data information (rows 1 to 100). Otherwise, these rows should be left blank.
- 6.3 Report gross balances in the columns headed "Placed with" and "Received from", showing the gross amounts placed with and received from:
- 6.3.1 Jersey incorporated banks, including their overseas branches; and
  - 6.3.2 Jersey branches of OIBs, but not overseas branches of OIBs.
- 6.4 This may include amounts already disclosed in the "Large Exposures" and "Exempt Large Exposures" sheets and those disclosed in the Liquidity Module as falling within the top 10 bank depositors. Please aggregate amounts by currency in accordance with the following:

Row	Currency	Balances to be reported
101	GBP	Sterling balances
102	USD	US Dollar balances
103	EUR	Euro balances
104	CHF	Swiss Franc balances
105	JPY	Japanese Yen balances
106	OTH	The aggregate of all other currency balances
<b>107</b>	<b>Total</b>	Calculated by the sheet as the total of rows 101 to 106.

## 7 '9.9 Other Information'

### Non-financial data items

7.1 Four pieces of information are requested, as set out in the table below.

Item	Guidance
OI.1	<p><b>How many internal money laundering reports have been made in the year to date?</b></p> <p>Input the number of such reports made in the current calendar year.</p>
OI.2	<p><b>How many money laundering reports have been made to the police in the year to date?</b></p> <p>Input the number of SARs submitted in the current calendar year to the JFCU or overseas financial intelligence unit (FIU) by the Branch. Where an initial SAR is then followed by a "continuation" SAR (which provides more detail about the same suspicion) then just one SAR should be reported. Where the same suspicion is reported to more than one FIU, e.g. to the Joint Financial Crimes Unit of the States of Jersey Police (JFCU) and Guernsey FIU, then just one SAR should be reported here.</p>
OI.3	<p><b>How many full time equivalent staff members do you have?</b></p> <p>Report all employees, including contractors, employed by the Branch.</p>
OI.4	<p><b>How many full time equivalent vacancies do you have that are unfilled?</b></p>

## 8 '9.11 Whole-bank Prudential Data'

### Overview

- 8.1 The JFSC may ask Branches to provide other prudential data relating to the OIB. This is typically requested where published data is limited and will be expressly requested of relevant Branches on a case-by-case basis. The following instructions will therefore only apply to those Branches that have been requested by the JFSC to supply data on the whole company of which they are a Branch.
- 8.2 Such a request will specify the data required, however, in order to ease the collection and analysis of this data, a standard reporting framework is detailed here that is intended to allow such data to be reported within this sheet. For each data item that has been requested and that falls within the framework set out below, please provide the current value in the "Amount 1" column and the value reported in the last prudential return in the "Amount 2" column.
- 8.3 In the last case, agreement should be sought regarding which metrics to report, which should be those regulator set metrics most relevant to the determination of liquidity. In the case of ratios other than NSFR/LCR, reporting should include the name, the metric and supporting pieces of data to be supplied.
- 8.4 Where reporting is required, it is unlikely that all items will be included – for example, long term liquidity ratios will normally only be required where such monitoring is a regulatory requirement imposed on the parent.

Item	Completion Notes
WB.1	<b>Net Operating Income</b>
WB.2	<b>Operating expenses</b>
WB.3	<b>Provisions charge</b>
WB.4	<b>Profit before tax</b>
WB.5	<b>Extraordinary costs</b>
WB.6	<b>Tax</b>
WB.7	<b>Total BS Assets</b>
WB.8	<b>Customer Loans</b>
WB.9	<b>Customer Deposits</b>
WB.10	<b>Non-performing Loans</b>
WB.11	<b>Credit provisions</b>
WB.12	<b>Risk weighted assets (RWAs)</b>
WB.13	<b>Common Equity</b>
WB.14	<b>Core T1</b>

Item	Completion Notes
WB.15	<b>Tier 1</b>
WB.16	<b>Tier 2</b>
WB.17	<b>Capital</b>
WB.18	<b>Capital / RWAs %</b>
WB.19	<b>Tier 1 / RWAs %</b>
WB.20	<b>Common Equity / RWAs %</b>

- 8.5 In the event that data has been requested that does not fit within the framework set out herein, please provide this data in the accompanying letter or in accordance with any specific instructions.