

## Single Rulebook Q&A

<b>QUESTION ID</b>	2018_3835
<b>STATUS</b>	Final Q&A
<b>LEGAL ACT</b>	Regulation (EU) No 575/2013 as amended by Regulation (EU) 2019/876 – CRR2
<b>TOPIC</b>	Supervisory reporting
<b>ARTICLE</b>	99
<b>PARAGRAPH</b>	
<b>SUBPARAGRAPH</b>	
<b>ARTICLE/PARAGRAPH</b>	Annex V, template F 12.01.a
<b>COM DELEGATED OR IMPLEMENTING ACTS/RTS/ITS/GLS</b>	Regulation (EU) No 680/2014 - ITS on supervisory reporting of institutions (as amended)
<b>TYPE OF SUBMITTER</b>	Credit institution
<b>DATE OF SUBMISSION</b>	08/05/2018
<b>PUBLISHED AS FINAL Q&amp;A</b>	22/11/2019
<b>SUBJECT MATTER</b>	IFRS 9, validation rule v6030_m
<b>QUESTION</b>	<p>Validation rule v6030_m for IFRS 9 (taxonomy 2.7) seems to be incorrect. Subsequently validation rules v6031_m, v6032_m, v6033_m, v6034_m, v6035_m, v6036_m, v6037_m and v6038_m seem also to be incorrect. Template F 12.1 contains a reconciliation of the opening and closing balances of the allowance account for financial assets measured at amortised cost and at fair value through other comprehensive income broken down by impairment stages, by instrument and by counterparty. If there are allowances for other demand deposits (table F 01.01. row 040) do these allowances have to be reported in table F 12.01.a as well? In case of that allowances for other demand deposits have to be shown in table F 12.01.a the validation v6030_m (and subsequently the validation rules v6031_m, v6032_m, v6033_m, v6034_m, v6035_m, v6036_m, v6037_m and v6038_m) can't be fulfilled as table F 04.03.1 and F 04.03.1 do not include other demand deposits.</p>
<b>BACKGROUND ON THE QUESTION</b>	<p>Based on the validation rule v5582_i ({F 01.01, r141, c010}=={F 04.03.1, r180, c010}) the carrying amount of table F 04.03.1. has to be equal with the Financial assets at fair value through other comprehensive income of table F 01.01 (row 141). Based on the validation rule v5029_m ({c010} = {c015} + {c030} + {c040} + {c050} + {c060} + {c070}) gross carrying amount and Accumulated impairment have to be the carrying amount in table F 04.03.1. Based on the validation rule v5587_i ({F 01.01, r183, c010}=={F 04.04.1, r070, c010}) and the validation rule v5586_i ({F 01.01, r182, c010}=={F 04.04.1, r010, c010}) the carrying amount of table F 04.04.1. has to be equal with the Financial assets at amortised cost of table F 01.01 (row 182+183). Based on the validation rule v5032_m ({c010} = {c015} + {c030} + {c040} + {c050} + {c060} + {c070}) gross carrying amount and Accumulated impairment have to be the carrying amount in table F 04.04.1. Subsequently template F 04.03.1 and F 04.04.1 do not include the amount of rows 030/040 of table F 01.01.</p>
<b>EBA ANSWER</b>	<p>According to Part 2, paragraph 156 of Annex V to Regulation (EU) No 680/2014 (ITS on Supervisory Reporting), template F 12.01 of Annexes III and IV to the ITS on Supervisory Reporting “contains a reconciliation of the opening and closing balances of the allowance account for financial assets measured at amortised cost and at fair value through other comprehensive income broken down by impairment stages, by instrument and by counterparty”. The paragraph refers to the specific portfolios that should be considered in the template F12.01 and therefore, cash balances at central</p>

	banks and other demand deposits even if there would be impairments booked against them are excluded. Consequently, the validation rules v6030_m, v6032_m, v6033_m, v6035_m, v6036_m, v6038_m hold. However, validations rules v6031_m, v6034_m, and v6037_m are not affected as they relate to debt securities.
<b>LINK</b>	<a href="https://eba.europa.eu/single-rule-book-qa/-/qna/view/publicId/2018_3835">https://eba.europa.eu/single-rule-book-qa/-/qna/view/publicId/2018_3835</a>

European Banking Authority, 03/12/2019

[www.eba.europa.eu](http://www.eba.europa.eu)