BANK OF ENGLAND
PRUDENTIAL REGULATION AUTHORITY

Interim LCR reporting – notes

On 18 December 2015, the PRA updated the Interim LCR reporting – notes. The new text is underlined and deleted text is struck through.

1. Firms are asked to report in a designated XML format:

    a. Interim LCR Reporting Template; and/or
    b. Simplified LCR Reporting Template.

2. The Excel tools to create the XML submission are available in updates issued on 30 October 2015 and 28 August 2015 on the dedicated CRD IV updates page on the Bank of England website at www.bankofengland.co.uk/pra/Pages/crdiv/updates.aspx or via the firm's usual supervisory contact.

3. Firms should report monthly, with a 30 day delay; i.e. first reports to be submitted on 30 November 2015 with a reporting period end date of 31 October 2015. <u>The "Reporting period end date" (Header Info sheet, Item 9) should always be the **last calendar day of the month**</u>.

4. Report on an all currency basis only, i.e. not by significant currency.

5. Reports should be completed in XML format. There are two methods for generating the XML data:

    a. Using the Excel workbook provided, complete the templates. Once complete:

        i.   right-click any of the data cells, and select XML > Export or;
        ii. under the 'Developer' tab on the ribbon, select Export from the XML menu; and
        iii. do not manually change the file type from .xls to .xml

    b. Directly from your systems in XML format.

        i.   If you choose this method then use the included XSD to validate your XML structure before submission.
        ii. You must also ensure that the data included within the XML file conforms to the computational validation checks built into the XLS workbook.

6. <u>Monetary values should be reported **in thousands** with no decimals. Note: the applicable weights are decimals and the LCR ratio is a percentage</u>. ~~Numerical data should be reported in absolute values rounded to the nearest whole number in the firm's reporting currency.~~

7. Only values should be inserted; please do not insert any formulae or links to other spreadsheets in the reports.

8. Please do not insert any additional rows or columns into the XML.

9. Please complete the header which includes the entity name and associated firm reference number (FRN); reporting period end date; and the reporting currency used in the reporting.

10. Smaller firms. The PRA's expectation on interim liquidity reporting has been structured proportionately. To reduce the burden on smaller firms, the PRA is content for firms with a balance sheet total of under £3 billion on an individual and, where the PRA is the consolidating supervisor, on a consolidated basis as of the last accounting reference date before 1 October 2015 to report only certain key metrics. Specifically:

    a. Liquidity buffer (C 76.00 Row 010, ID 1);

    b. Net liquidity outflow (C 76.00 Row 030, ID 2); and

    c. Liquidity coverage ratio (%) (C 76.00 Row 030, ID 3).

11. Do not Password Protect the email or document.

12. Do not 'zip' the file.

13. Do not embed the XML in any other document.

14. Do not attempt to use templates other than those published on the CRD IV website as they do not have the XML schema embedded in them.

15. Please send completed reporting via the firm's usual secure e mail system to LCR.Data@bankofengland.gsi.gov.uk.

16. Firms should refer to PRA Supervisory Statement 29/15 for further details, available at www.bankofengland.co.uk/pra/Pages/publications/ss/2015/ss2915.aspx.

17. Please note that this is a secure automated mailbox and should not be used to channel queries on the submission. These should be submitted to your line supervisor in the usual way.

18. We expect firms to complete all applicable rows of the Interim LCR Reporting Template, **including the Memorandum Items**.

19. The **Pillar 2 item** (C 76.00 Row 380) should be completed in thousands using the **sum** of the "Interim Pillar 2 add-ons for liquidity" detailed in the last letter sent by the PRA (where applicable). Do not report these Pillar 2 add-ons in other rows of the template.

20. The **applicable weight column** should be populated with the weight used to calculate the weighted flow (some firms have reported an amount and flow, but no applicable weight). If you have used a range of weights when calculating the flow in a particular row, report the overall weight for that row (do not report a range).

21. Firms which report balances in **Other products and services**: credit cards, overdrafts & trade finance OBS (C 73.00 Rows 760, 770 & 860) are reminded to report "**an outflow rate higher than 0%**" as per the reporting clarifications http://www.bankofengland.co.uk/pra/Documents/crdiv/lcrrepclarify0915.pdf.

22. Firms which report balances in other Article 23 rows (C 73.00 Rows 730, 740 & 750) are expected to have carried out an assessment of the outflow rates and to report the applicable weight and outflow.

23. Firms should not report a figure in the **HLBA or AMAO** rows (C 73.00 Rows 320 & 330) until such time as the Regulatory Technical Standard (RTS) on additional collateral outflows on derivatives contracts under Article 423(3) of the Capital Requirements Regulation (575/2013) (CRR) has been adopted by the Commission.

24. The **subtotals rows** should be populated (this is automatic if using the tool, but some firms have only reported figures in the respective row and not in the subtotal row).

25. If you are submitting for more than one **basis of reporting**, please select the correct basis of reporting for each submission (Header Info sheet, Item 3).

26. Please increase the **Submission Number** manually for re-submissions (Header Info sheet, Item 4). For example: First submission =1, Second (re)-submission = 2, etc.

December 2015