



## Reporting Standard ARS 720.7

### ABS/RBA Bill Acceptances and Endorsements

#### Objective of this Reporting Standard

This Reporting Standard outlines the requirements for the provision of information to APRA relating to an authorised deposit-taking institution's or registered financial corporation's bill acceptances and endorsements.

It includes *Reporting Form ARF 720.7 ABS/RBA Bill Acceptances and Endorsements* and the associated specific instructions.

#### Authority

1. This Reporting Standard is made under section 13 of the *Financial Sector (Collection of Data) Act 2001*.

#### Purpose

2. Information collected by *Reporting Form ARF 720.7 ABS/RBA Bill Acceptances and Endorsements* (ARF 720.7) is used by the **ABS** and **RBA** for various purposes, including the compilation of Australia's National Accounts and the calculation of the monetary and credit aggregates. This information may also be used by **APRA** for prudential and publication purposes.
3. This Reporting Standard is an Economic and Financial Statistics (EFS) Reporting Standard for the purposes of *Reporting Standard ARS 701.0 ABS/RBA Definitions for the EFS Collection* (ARS 701.0).

#### Application and commencement

4. This Reporting Standard applies to an **authorised deposit-taking institution (ADI)** or **registered financial corporation (RFC)** as set out in the table below, where 'total assets' are measured by the value reported in item 13 (column 1) on *Reporting Form ARF 720.0A ABS/RBA Statement of Financial Position (Standard)* (ARF 720.0A).

| <b>Class of financial institution</b> | <b>Applicable</b>                 |
|---------------------------------------|-----------------------------------|
| <i>ADI Reporting Category A</i>       | No                                |
| <i>ADI Reporting Category B</i>       | Yes                               |
| <i>RFCs</i>                           | Yes if total assets $\geq$ \$500m |

5. *APRA* may from time to time determine that a threshold, or a higher threshold than that specified in paragraph 4 of this Reporting Standard, will apply to a particular *ADI* or *RFC*. If *APRA* does so it will notify the *ADI* or *RFC* concerned in writing.
6. This Reporting Standard commences on 1 January but only applies for *reporting periods* ending on or after 31 March 2019.

### Information required

7. An *ADI* or *RFC* to which this Reporting Standard applies must provide *APRA* with the information required by this Reporting Standard for each *reporting period* on a *domestic books* consolidation.

### Method of submission

8. The information required by this Reporting Standard must be given to *APRA* in electronic format, using the 'Direct to *APRA*' application or by a method (i.e. a web-based solution) notified by *APRA*, in writing, prior to submission.

*Note:* the Direct to *APRA* application software (also known as D2A) may be obtained from *APRA*.

### Reporting periods and due dates

9. The information required by this Reporting Standard must be provided by an *ADI* or *RFC* to which this Reporting Standard applies under paragraphs 4 or 5:
  - (a) in respect of each calendar month by an *ADI*; and
  - (b) in respect of each quarter ended 31 March, 30 June, 30 September and 31 December by an *RFC*.
10. The information required by this Reporting Standard must be provided to *APRA* within:
  - (a) 10 business days after the end of the *reporting period* to which the information relates for *ADIs*; and
  - (b) 28 calendar days after the end of the *reporting period* to which the information relates for *RFCs*.<sup>1</sup>

<sup>1</sup> To avoid doubt, if the *due date* for a particular *reporting period* falls on a day other than a usual business day, an *RFC* is nonetheless required to submit the information required no later than the *due date*.

11. **APRA** may, by notice in writing, change the *reporting periods*, or specified *reporting periods*, for a particular **ADI** or **RFC**, to require it to provide the information required by this Reporting Standard more frequently, or less frequently, having regard to:
  - (a) the particular circumstances of the **ADI** or **RFC**; and
  - (b) the extent to which the information is required for the purposes of the **ABS** or **RBA**.
12. **APRA** may grant an **ADI** or **RFC** an extension of a *due date*, in writing, in which case the new *due date* for the provision of the information will be the date on the notice of extension.

### Quality control

13. All information provided by an **ADI** or **RFC** under this Reporting Standard must be the product of systems, processes and controls that have been reviewed and tested by the external auditor of the **ADI** or **RFC** as set out in *Prudential Standard APS 310 Audit and Related Matters for ADIs* or *Reporting Standard RRS 710.0 ABS/RBA Audit Requirements for Registered Financial Corporations for RFCs*. Relevant standards and guidance statements issued by the Auditing and Assurance Standards Board provide information on the scope and nature of the review and testing required from external auditors. This review and testing must be done on an annual basis or more frequently if required by the external auditor to enable the external auditor to form an opinion on the accuracy and reliability of the information provided by an **ADI** or **RFC** under this Reporting Standard.
14. All information provided by an **ADI** or **RFC** under this Reporting Standard must be subject to systems, processes and controls developed by the **ADI** or **RFC** for the internal review and authorisation of that information. These systems, processes and controls are to assure the completeness and reliability of the information provided.

### Authorisation

15. When an officer or agent of an **ADI** or **RFC** submits information under this Reporting Standard and uses the D2A application, or other method notified by **APRA**, it will be necessary for the officer or agent to digitally sign the relevant information using a digital certificate or other digital identity credential acceptable to **APRA**.

### Minor alterations to forms and instructions

16. **APRA** may make minor variations to:
  - (a) a form that is part of this Reporting Standard, and the instructions to such a form, to correct technical, programming or logical errors, inconsistencies or anomalies; or
  - (b) the instructions to a form, to clarify their application to the formwithout changing any substantive requirement in the form or instructions.

17. If **APRA** makes such a variation it must notify in writing each **ADI** or **RFC** that is required to report under this Reporting Standard.

### **Interpretation**

18. Terms that are defined in ARS 701.0 appear in bold and italics in this Reporting Standard.

19. In this Reporting Standard:

***due date*** means the last day of the 10 business days or 28 calendar days provided for in paragraph 10 or, if applicable, the date on a notice of extension given under paragraph 12.

***reporting period*** means a month of a year or a quarter ended 31 March, 30 June, 30 September or 31 December as provided for in paragraph 9 or, if applicable, the date on a notice given under paragraph 11.

20. Unless the contrary intention appears, any reference to an Act, Prudential Standard, Reporting Standard, Australian Accounting or Auditing Standard is a reference to the instrument as in force or existing from time to time.

## ARF\_720\_7: ABS/RBA Bill Acceptances and Endorsements

|                                   |                         |
|-----------------------------------|-------------------------|
| <b>Australian Business Number</b> | <b>Institution Name</b> |
|                                   |                         |
| <b>Reporting Period</b>           | <b>Scale Factor</b>     |
| Monthly/quarterly                 |                         |
| <b>Reporting Consolidation</b>    |                         |
| Domestic <del>books</del>         |                         |

|  | Accepted<br>(1) | Endorsed<br>(2) |
|--|-----------------|-----------------|
| <b>1. Total bill acceptances and endorsements</b>                        |                 |                 |
| 1.1 <i>of which:</i> Related parties                                     |                 |                 |
| 1.2 Residents  |                 |                 |
| 1.2.1 Households   |                 |                 |
| 1.2.2 Community service organisations                                    |                 |                 |
| 1.2.3 Non-financial businesses   |                 |                 |
| 1.2.3.1 Private non-financial investment funds                           |                 |                 |
| 1.2.3.2 Other private non-financial corporations                         |                 |                 |
| 1.2.3.3 Private unincorporated businesses                                |                 |                 |
| 1.2.3.4 State, territory and local government non-financial corporations |                 |                 |
| 1.2.3.5 Commonwealth Government non-financial corporations               |                 |                 |
| 1.2.4 General government   |                 |                 |
| 1.2.4.1 State, territory and local general government                    |                 |                 |
| 1.2.4.2 Commonwealth general government                                  |                 |                 |
| 1.2.5 Financial institutions   |                 |                 |
| 1.2.5.1 ADIs   |                 |                 |
| 1.2.5.2 Registered financial corporations                                |                 |                 |
| 1.2.5.3 Central borrowing authorities                                    |                 |                 |
| 1.2.5.4 Life insurance corporations                                      |                 |                 |
| 1.2.5.5 Other insurance corporations                                     |                 |                 |
| 1.2.5.6 Self-managed superannuation funds                                |                 |                 |
| 1.2.5.7 Other superannuation funds                                       |                 |                 |
| 1.2.5.8 Financial auxiliaries  |                 |                 |
| 1.2.5.9 Securitiser  |                 |                 |
| 1.2.5.10 Money-market investment funds                                   |                 |                 |

1.2.5.11 Non-money-market financial  
investment funds  
1.2.5.12 Financial institutions n.e.c.  
1.3 Non-residents

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# Reporting Form ARF 720.7

## ABS/RBA Bill Acceptances and Endorsements

### Instructions

These instructions assist completion of *Reporting Form ARF 720.7 ABS/RBA Bill Acceptances and Endorsements* (ARF 720.7). ARF 720.7 collects information relating to **bill acceptances** and **endorsements** by **ADIs** and **RFCs**.

Information reported in ARF 720.7 is required primarily for purposes of the **ABS** and the **RBA**. Items on ARF 720.7 are required for various purposes, including the compilation of Australia's National Accounts and the calculation of the monetary and credit aggregates. Information reported in ARF 720.7 may also be used by **APRA** for prudential and publication purposes.

### Reporting level

ARF 720.7 must be completed for each **ADI** and **RFC** to which this Reporting Standard applies under paragraphs 4 or 5.

### Reporting basis and unit of measurement

These instructions specify the reporting basis and unit of measurement that applies to each item.

Items on ARF 720.7 must be reported as at the end of the **reporting period**.

For reporting purposes, unless specified otherwise, enter data as a positive number.

### Counterparties

Include **bills of exchange** issued by **related parties** and **non-related parties**. Note that this treatment differs from *Reporting Form ARF 720.0A ABS/RBA Statement of Financial Position (Standard)* (ARF 720.0A) where **bills of exchange** issued by **related parties** are reported separately.

Data for **resident** and **non-resident** drawers are collected separately. Note that this treatment differs from ARF 720.0A where **bills of exchange** issued by **non-residents** are not separately identified.

### Bills of Exchange

Include all **bills of exchange** that have been **accepted** regardless of whether or not the **bills of exchange** are held by the **ADI** or **RFC**.

Only include **endorsed bills of exchange** where the **ADI** or **RFC** is the first endorser of a **bill of exchange** that has not been accepted by any **ADI** or **RFC**.

## Values

Report closing balances at *market price* effective at the reference date. Where denominated in foreign currency, convert *market values* in foreign currency to AUD at the spot rate effective as at the reference date. This valuation approach for *bills of exchange* on the ARF 720.7 may differ from the Australian Accounting Standards and ARF 720.0A depending on the classification of these items in your statutory accounts.

Report items on ARF 720.7 as whole dollars.

## Standard Business Reporting (SBR)

Report items on ARF 720.7 with accounting type of credit (liabilities). The accounting type (i.e. credit or debit) applies to all monetary items and represents the natural accounting treatment of the item collected.

## Specific instructions

Terms highlighted in *bold italics* are defined in ARS 701.0.

All derived fields in the form are shaded in grey and are explained in words as a mathematical expression in these instructions.

Examples included under 'Include' and 'Exclude' must not be taken as an exhaustive list of items to be included or excluded.

### 1. Total bill acceptances and endorsements

Item 1 collects information on the value of *bills of exchange* that have been *accepted* and/or *endorsed* by the *ADI* or *RFC*, by the counterparty of the drawer.

|                 |   |
|-----------------|---|
| <b>Column 1</b> | Report the <i>market value</i> of <i>bills of exchange</i> that have been <i>accepted</i> by the <i>ADI</i> or <i>RFC</i> . |
| <b>Column 2</b> | Report the <i>market value</i> of <i>bills of exchange</i> that have been <i>endorsed</i> by the <i>ADI</i> .               |

|                   |  |
|-------------------|--|
| <b>Item 1</b>     | Report total <i>bills of exchange</i> .<br>Item 1, column 1 is a derived item. Report the value of total <i>bills of exchange</i> in item 1, column 1 as the sum of item 1.2 and item 1.3.   |
| <b>Item 1.1</b>   | Of the total reported in item 1, report the value that is drawn by <i>related parties</i> .  |
| <b>Item 1.2</b>   | Report total <i>bills of exchange</i> drawn by <i>residents</i> .<br>Item 1.2 is a derived item. Report the value of <i>bills of exchange</i> in item 1.2 as the sum of items 1.2.1 to 1.2.3 inclusive, item 1.2.4 and item 1.2.5. |
| <b>Item 1.2.1</b> | Report <i>bills of exchange</i> drawn by <i>resident households</i> .  |



|                     |   |
|---------------------|---|
| <b>Item 1.2.2</b>   | Report <i>bills of exchange</i> drawn by <i>resident community service organisations</i> .  |
| <b>Item 1.2.3</b>   | Report <i>bills of exchange</i> drawn by <i>resident non-financial businesses</i> .<br>Item 1.2.3 is a derived item. Report the value of <i>bills of exchange</i> in item 1.2.3 as the sum of items 1.2.3.1 to 1.2.3.5 inclusive. |
| <b>Item 1.2.3.1</b> | Report <i>bills of exchange</i> drawn by <i>resident private non-financial investment funds</i> .   |
| <b>Item 1.2.3.2</b> | Report <i>bills of exchange</i> drawn by <i>resident other private non-financial corporations</i> .   |
| <b>Item 1.2.3.3</b> | Report <i>bills of exchange</i> drawn by <i>resident private unincorporated businesses</i> .  |
| <b>Item 1.2.3.4</b> | Report <i>bills of exchange</i> drawn by <i>resident state, territory and local government non-financial corporations</i> .   |
| <b>Item 1.2.3.5</b> | Report <i>bills of exchange</i> drawn by <i>Commonwealth Government non-financial corporations</i> .  |
| <b>Item 1.2.4</b>   | Report <i>bills of exchange</i> drawn by <i>resident general government</i> .<br>Item 1.2.4 is a derived item. Report the value of <i>bills of exchange</i> in item 1.2.4 as the sum of item 1.2.4.1 and item 1.2.4.2.            |
| <b>Item 1.2.4.1</b> | Report <i>bills of exchange</i> drawn by <i>resident state, territory and local general government</i> .  |
| <b>Item 1.2.4.2</b> | Report <i>bills of exchange</i> drawn by <i>Commonwealth general government</i> .   |
| <b>Item 1.2.5</b>   | Report <i>bills of exchange</i> drawn by <i>resident financial institutions</i> .<br>Item 1.2.5 is a derived item. Report the value of <i>bills of exchange</i> in item 1.2.5 as the sum of items 1.2.5.1 to 1.2.5.12 inclusive.  |
| <b>Item 1.2.5.1</b> | Report <i>bills of exchange</i> drawn by <i>resident ADIs</i> .   |
| <b>Item 1.2.5.2</b> | Report <i>bills of exchange</i> drawn by <i>resident registered financial corporations</i> .  |
| <b>Item 1.2.5.3</b> | Report <i>bills of exchange</i> drawn by <i>resident central borrowing authorities</i> .  |
| <b>Item 1.2.5.4</b> | Report <i>bills of exchange</i> drawn by <i>resident life insurance corporations</i> .  |
| <b>Item 1.2.5.5</b> | Report <i>bills of exchange</i> drawn by <i>resident other insurance corporations</i> .   |
| <b>Item 1.2.5.6</b> | Report <i>bills of exchange</i> drawn by <i>resident self-managed superannuation funds</i> .  |
| <b>Item 1.2.5.7</b> | Report <i>bills of exchange</i> drawn by <i>resident other superannuation funds</i> .   |
| <b>Item 1.2.5.8</b> | Report <i>bills of exchange</i> drawn by <i>resident financial auxiliaries</i> .  |
| <b>Item 1.2.5.9</b> | Report <i>bills of exchange</i> drawn by <i>resident securitisers</i> .   |

|                      |  |
|----------------------|--|
| <b>Item 1.2.5.10</b> | Report <i>bills of exchange</i> drawn by <i>resident money-market investment funds</i> .               |
| <b>Item 1.2.5.11</b> | Report <i>bills of exchange</i> drawn by <i>resident non-money-market financial investment funds</i> . |
| <b>Item 1.2.5.12</b> | Report <i>bills of exchange</i> drawn by any <i>resident financial institutions n.e.c.</i>             |
| <b>Item 1.3</b>      | Report <i>bills of exchange</i> drawn by <i>non-residents</i> .  |