



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.
3. This Reporting Standard is an Economic and Financial Statistics (EFS) Reporting Standard for the purposes of paragraph 3 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.

Class of financial institution	Applicable
Banks	Yes
Non-bank ADIs	No

RFCs	Yes if total assets \geq \$500m
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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 (Banks & RFCs)* (ARF 720.0A).

5. *APRA* may ~~specify from time to time determine that~~ a higher ~~level of a reporting~~ threshold will apply to a particular *ADI* or *RFC* than that specified in paragraph 4 ~~by providing a direction to~~ of this standard and if *APRA* does so it will notify the *ADI* or *RFC* concerned in writing.
6. This Reporting Standard applies for *reporting periods* ending on or after 31 ~~January 2018~~ March 2019.

Information required

7. An *ADI* or *RFC* to which this Reporting Standard applies must provide *APRA* with the information required by ~~ARF 720.7~~ this Reporting Standard for each *reporting period* at a *domestic books* consolidation.

Method of submission

8. The information required by this Reporting Standard must be given to *APRA* in electronic form using the ‘Direct to APRA’ (also known as ‘D2A’) application, or by a method notified by *APRA* in writing prior to submission.

Note: the ‘Direct to APRA’ application software 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 and 5:
 - (a) in respect of each calendar month by a *bank*; 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) ~~15 calendar~~ 10 business days after the end of the *reporting period* to which the information relates for *banks*; and
 - (b) 28 calendar days after the end of the *reporting period* to which the information relates for *RFCs*.¹

¹ To avoid doubt, if the *due date* for a particular *reporting period* falls on a day other than a usual business day, an ~~*ADI* or *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 and assurance

- ~~13.~~ All information provided by ~~the~~ **ADI** or **RFC** under this Reporting Standard ~~is subject to~~ must be the product of systems, processes and controls that have been reviewed and tested by the requirements external auditor of the **ADI** or **RFC** as set out in *Reporting Prudential Standard ARS 702.0 ABS/RBA Data Quality APS 310 Audit and Related Matters* for *the EFS Collection (ARF 702.0)*.
- ~~14.~~ None of the series in this **ADIs** or Reporting Standard are classified as ‘very high’ priority *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 purposes of *ARS 702.0 paragraph 8 and Attachment A*.
- ~~15.~~ 13. ~~None~~ scope and nature of the series in this Reporting Standard ~~are subject to audit for the purposes of *ARS 702.0 Attachment B paragraphs 4(a), 4(b) and 4(c)*. The limited assurance requirement in *ARS 702.0 Attachment B paragraph 4(d)* applies~~ 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

- ~~16.~~ 15. When an officer or agent of an **ADI** or **RFC** provides the information required by this Reporting Standard using the ‘Direct to APRA’ software application, it will be necessary for the officer or agent to digitally sign the relevant information using a digital certificate acceptable to **APRA**.

Minor alterations to forms and instructions

- ~~17.~~ 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 form without changing any substantive requirement in the form or instructions.

~~18.17.~~ 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

~~19.18.~~ ARS 701.0 applies to this Reporting Standard.

~~20.19.~~ In this reporting standard:

ABS means the Australian Bureau of Statistics established under the *Australian Bureau of Statistics Act 1975*.

APRA means the Australian Prudential Regulation Authority established under the *Australian Prudential Regulation Authority Act 1998*.

due date means the last day of the ~~15~~10 **business days** or 28 calendar days provided for in paragraph 10 or, if applicable, 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, paragraph 11.

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

ARF_720_7: ABS/RBA Bill Acceptances and Endorsements

Australian Business Number	Institution Name
Reporting Period	Scale Factor
Banks - monthly RFCs - quarterly	Banks - millions of dollars to 3 decimal places RFCs - thousands of dollars
Reporting Consolidation	
Domestic books	

	Accepted (1)	Endorsed (2)
1. Total bill acceptances and endorsements		
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 Banks		
1.2.5.2 Non-bank ADIs		
1.2.5.3 Registered financial corporations		
1.2.5.4 Central borrowing authorities		
1.2.5.5 Life insurance corporations		
1.2.5.6 Other insurance corporations		
1.2.5.7 Self-managed superannuation funds		
1.2.5.8 Other superannuation funds		
1.2.5.9 Financial auxiliaries		

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

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 and 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 ~~are to be entered~~ as a positive number.

Counterparties

Include **bills of exchange** issued by **related parties** and **non-related parties**. ~~Note that this treatment differs from 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 Reporting Form ARF 720.0A ABS/RBA Statement of Financial Position (Banks & RFCs) (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

~~Closing~~Report closing balances ~~should be reported~~ at *market price* effective at the reference date. Where denominated in foreign currency, ~~convert~~ *market values* in foreign currency ~~should be converted~~ 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 ~~accounting standards~~ *Australian Accounting Standards* and ARF_720.0A depending on the classification of these items in your statutory accounts.

~~Items~~Report items on ARF 720.7 ~~are to be reported~~ as millions of dollars to 3 decimal places for *banks* and thousands of dollars for *RFCs*.

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*** ~~indicate that the definition is provided either~~ are defined in Reporting Standard ARS 701.0 ABS/RBA Definitions for the EFS Collection (ARS 701.0) or in this Reporting Standard.

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’ ~~are examples and should~~ 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.

Column 1	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> .
Column 2	Report the <i>market value</i> of <i>bills of exchange</i> that have been <i>endorsed</i> by the <i>ADI</i> .

Item 1	Report total <i>bills of exchange</i> . 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: <ul style="list-style-type: none"> • the value of <i>bills of exchange</i>—<i>residents</i> reported in item 1.2; and the value of <i>bills of exchange</i>—<i>non-residents</i> reported in item 1.3.
Item 1.1	Of the total reported in item 1, report the value that is drawn by <i>related parties</i> .
Item 1.2	Report total <i>bills of exchange</i> drawn by <i>residents</i> . Item 1.2 is a derived item. Report the value of <i>bills of exchange</i> in item 1.2 as the sum of: <ul style="list-style-type: none"> • the value of <i>bills of exchange</i>—<i>households</i> reported in item <u>items</u> 1.2.1; • the value of <i>bills of exchange</i>—<i>community service organisations</i> reported in item 1.2.2; • the value of <i>bills of exchange</i>—<i>non-financial businesses</i> reported in item <u>to</u> 1.2.3; • the value of <i>bills of exchange</i>—<i>general government</i> reported in <u>inclusive,</u> item 1.2.4; and

	the value of <i>bills of exchange</i>—<i>financial institutions</i> reported in item 1.2.5.
Item 1.2.1	Report <i>bills of exchange</i> drawn by <i>resident households</i> .
Item 1.2.2	Report <i>bills of exchange</i> drawn by <i>resident community service organisations</i> .
Item 1.2.3	Report <i>bills of exchange</i> drawn by <i>resident non-financial businesses</i> . 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: <ul style="list-style-type: none"> • the value of <i>bills of exchange</i>—<i>private non-financial investment funds</i> reported in item <u>items</u> 1.2.3.1; • the value of <i>bills of exchange</i>—<i>other private non-financial corporations</i> reported in item 1.2.3.2; • the value of <i>bills of exchange</i>—<i>private unincorporated businesses</i> reported in item 1.2.3.3; • the value of <i>bills of exchange</i>—<i>state, territory and local government non-financial corporations</i> reported in item 1.2.3.4; and the value of <i>bills of exchange</i>—<i>Commonwealth Government non-financial corporations</i> reported in item <u>to</u> 1.2.3.5—<u>inclusive</u>.
Item 1.2.3.1	Report <i>bills of exchange</i> drawn by <i>resident private non-financial investment funds</i> .
Item 1.2.3.2	Report <i>bills of exchange</i> drawn by <i>resident other private non-financial corporations</i> .
Item 1.2.3.3	Report <i>bills of exchange</i> drawn by <i>resident private unincorporated businesses</i> .
Item 1.2.3.4	Report <i>bills of exchange</i> drawn by <i>resident state, territory and local government non-financial corporations</i> .
Item 1.2.3.5	Report <i>bills of exchange</i> drawn by <i>Commonwealth Government non-financial corporations</i> .
Item 1.2.4	Report <i>bills of exchange</i> drawn by <i>resident general government</i> . 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: <ul style="list-style-type: none"> • the value of <i>bills of exchange</i>—<i>state, territory and local general government</i> reported in item 1.2.4.1; and the value of <i>bills of exchange</i>—<i>Commonwealth general government</i> reported in item 1.2.4.2.
Item 1.2.4.1	Report <i>bills of exchange</i> drawn by <i>resident state, territory and local general government</i> .
Item 1.2.4.2	Report <i>bills of exchange</i> drawn by <i>Commonwealth general government</i> .

Item 1.2.5	<p>Report <i>bills of exchange</i> drawn by <i>resident financial institutions</i>.</p> <p>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:</p> <ul style="list-style-type: none"> • the value of <i>bills of exchange</i> — <i>banks</i> reported in item <u>items</u> 1.2.5.1; • the value of <i>bills of exchange</i> — <i>non-bank ADIs</i> reported in item 1.2.5.2; • the value of <i>bills of exchange</i> — <i>registered financial corporations</i> reported in item 1.2.5.3; • the value of <i>bills of exchange</i> — <i>central borrowing authorities</i> reported in item 1.2.5.4; • the value of <i>bills of exchange</i> — <i>life insurance corporations</i> reported in item 1.2.5.5; • the value of <i>bills of exchange</i> — <i>other insurance corporations</i> reported in item 1.2.5.6; • the value of <i>bills of exchange</i> — <i>self-managed superannuation funds</i> reported in item 1.2.5.7; • the value of <i>bills of exchange</i> — <i>other superannuation funds</i> reported in item 1.2.5.8; • the value of <i>bills of exchange</i> — <i>financial auxiliaries</i> reported in item 1.2.5.9; • the value of <i>bills of exchange</i> — <i>securitisers</i> reported in item 1.2.5.10; • the value of <i>bills of exchange</i> — <i>money-market investment funds</i> reported in item 1.2.5.11; • the value of <i>bills of exchange</i> — <i>non-money-market financial investment funds</i> reported in item 1.2.5.12; and <p>the value of <i>bills of exchange</i> — <i>financial institutions n.e.c.</i> reported in item <u>to</u> 1.2.5.13. — <u>inclusive</u>.</p>
Item 1.2.5.1	Report <i>bills of exchange</i> drawn by <i>resident banks</i> .
Item 1.2.5.2	Report <i>bills of exchange</i> drawn by <i>resident non-bank ADIs</i> .
Item 1.2.5.3	Report <i>bills of exchange</i> drawn by <i>resident registered financial corporations</i> .
Item 1.2.5.4	Report <i>bills of exchange</i> drawn by <i>resident central borrowing authorities</i> .
Item 1.2.5.5	Report <i>bills of exchange</i> drawn by <i>resident life insurance corporations</i> .
Item 1.2.5.6	Report <i>bills of exchange</i> drawn by <i>resident other insurance corporations</i> .

Item 1.2.5.7	Report <i>bills of exchange</i> drawn by <i>resident self-managed superannuation funds</i> .
Item 1.2.5.8	Report <i>bills of exchange</i> drawn by <i>resident other superannuation funds</i> .
Item 1.2.5.9	Report <i>bills of exchange</i> drawn by <i>resident financial auxiliaries</i> .
Item 1.2.5.10	Report <i>bills of exchange</i> drawn by <i>resident securitisers</i> .
Item 1.2.5.11	Report <i>bills of exchange</i> drawn by <i>resident money-market investment funds</i> .
Item 1.2.5.12	Report <i>bills of exchange</i> drawn by <i>resident non-money-market financial investment funds</i> .
Item 1.2.5.13	Report <i>bills of exchange</i> drawn by any <i>resident financial institutions n.e.c.</i>
Item 1.3	Report <i>bills of exchange</i> drawn by <i>non-residents</i> .