

Reporting Form WRF 320.0

Statement of Financial Position

Instruction Guide

General directions and notes

Wholesale funders (WF) are requested to complete this form monthly on a Domestic books basis.

Reporting entity

WRF 320.0 Statement of Financial Position (WRF 320.0) is to be completed by WF on a Domestic books basis.

The Domestic book of registered entity relates to the Australian books of the Australian entity and has the following scope:

- do not consolidate Australian and offshore controlled entities or associated entities;
- exclude offshore branches of the Australian registered entity from this reporting unit; and
- include transactions with non-residents recorded on Australian books.

Securitisation deconsolidation principle

Except where stated otherwise on this form, reporting entities must treat any securitisation program special purpose vehicles (SPVs) in which the WF participates in accordance with APRA's clean sale and separation requirements as non-consolidated independent third parties. Where relevant, report on this form any exposure to or other transaction between the WF and any such SPV as if such transaction was conducted with an independent third party, regardless of whether the SPV or its assets is consolidated for accounting purposes.

APRA's clean sale and separation requirements are set out in *APS 120 Funds Management & Securitisation* and related *Guidance Notes AGN 120.3 Purchase and Supply of Assets (including Securities Issued by SPVs)* and *AGN 120.1 Disclosure and Separation*. Whenever the clean sale and separation requirements are not met, all the assets of the SPV are to be consolidated with the WF's reported amounts.

Reporting period

The form is to be completed as at the last business day of the month. All WFs should submit the completed form to APRA within 10 business days of the end of the relevant month.

Unit of measurement

Complete the form in thousands of Australian dollars rounded to the nearest whole number (no decimal place).

Amounts denominated in foreign currency are to be converted to AUD in accordance with *AASB 121 The Effects of Changes in Foreign Exchange Rates (AASB 121)*.

The general requirements of AASB 121 for translation are:

1. foreign currency monetary items outstanding at the reporting date must be translated at the spot rate at the reporting date;¹
2. foreign currency non-monetary items that are measured at historical cost in a foreign currency must be translated using the exchange rate at the date of the transaction; and²
3. foreign currency non-monetary items that are measured at fair value will be translated at the exchange rate at the date when fair value was determined.

Basis of preparation

Unless otherwise specifically stated, institutions are to comply with Australian accounting standards regarding the recognition and measurement of asset items.

1 Monetary items are defined to mean units of currency held and assets and liabilities to be received or paid in a fixed or determinable number of units of currency. Spot rate means the exchange rate for immediate delivery.

2 Examples of non-monetary items include amounts prepaid for goods and services (e.g. prepaid rent); goodwill; intangible assets; physical assets; and provisions that are to be settled by the delivery of a non-monetary asset.

Sector definitions

Households

This comprises individuals, or groups of individuals, resident in Australia whose dealings with other sectors are for personal or household purposes.

Exclude:

- sole proprietors, partnerships, family trusts, and any other unincorporated enterprises owned by households. Show these as private unincorporated businesses.

Private trading corporations

Private trading corporations are those owned and controlled by the private sector whose main activity is producing goods or non-financial services for sale.

Include:

- all resident private corporate trading enterprises and non-profit institutions that are market producers of goods or non-financial services;
- intra-group financiers (*Financial Sector (Collection of Data) Act 2001* category I) and parent companies with significant holdings of shares in private trading companies;
- privately owned schools and hospitals;
- any unincorporated unit that is a branch in Australia of a non-resident company and which is not included in the financial sector; and
- any unincorporated business owned and operated by trading corporations (e.g. joint ventures).

Exclude:

- unincorporated businesses, except for branches of non-resident companies and joint ventures or partnerships owned by corporations; and
- non-resident enterprises.

Public non-financial corporations

Commonwealth Government

Trading enterprises owned by the Commonwealth are those businesses which are owned and controlled by the Australian Commonwealth Government and which produce goods or non-financial services for sale at market prices.

Include:

- all resident trading enterprises owned 50% or more by the Commonwealth Government or controlled by the Commonwealth Government through legislation, decree or regulation (e.g. Australia Post, and Australian Government Solicitor).

Exclude:

- government departments (show as Commonwealth General Government); and
- government-owned financial institutions (these are classified as financial institutions).

State, Territory and local government

State, Territory and local government trading enterprises are those businesses, which are owned and controlled by State, Territory or local governments, which produce goods or non-financial services for sale at market prices.

Include:

- all resident trading enterprises, 50% or more owned by a State, Territory or local government or controlled by a State or Territory government, through legislation, decree or regulation (e.g. state rail and water authorities, gas and fuel authorities, housing commissions, port authorities, non-privatised power authorities).

Exclude:

- State government owned financial institutions and entities in the general government; and
- State and Territory central borrowing authorities.

Private unincorporated businesses

This comprises individuals acting as sole proprietors or in partnerships for commercial or professional purposes. The major businesses to be included in this sub-sector are unincorporated farms, unincorporated retailers, unincorporated professional practices (medical, legal, dental, accounting, etc.), unincorporated businesses of tradesmen such as plumbers, carpenters, etc.

Community service organisations (CSOs)

Include:

- institutions financed mostly by members' contributions, e.g. trade unions, professional societies, consumer associations, political parties, churches and religious societies, and social, cultural, recreational and sports clubs; and
- charities and aid organisations financed by voluntary transfers.

Exclude:

- CSOs and non-profit institutions controlled and mainly financed by government include in general government.

Banks

Banks refers to corporations, in relation to which an authority under subsection 9(3) is in force and which hold a consent under section 66 of the *Banking Act 1959 (Cth)* to use the word *bank*.

Include:

- development banks; and
- foreign banks licensed to operate in Australia under the *Banking Act 1959 (Cth)*.

Exclude:

- merchant banks (record as other financial corporations); and
- non-resident banks.

Other ADIs

Other authorised deposit-taking institutions (**ADIs**) refers to corporations, in relation to which an authority under subsection 9(3) is in force, but which do not hold a consent under section 66 under the *Banking Act 1959 (Cth)* to use the word *bank*.

Registered Financial Corporations (RFCs)

RFCs refers to corporations registered under the *Financial Sector (Collection of Data) Act 2001 (Cth)* that are not licensed to operate in Australia as banks, other authorised depository corporations, life or general insurance corporations, or superannuation funds.

Include:

- money market corporations (also referred to as "merchant banks") (D);
- pastoral finance companies (E);
- non-pastoral finance companies (G, F); and
- cash management trusts.

A list of corporations registered under the *Financial Sector (Collection of Data) Act 2001 (Cth)* and their classification are available on request.

Exclude:

- intra group registered under the *Financial Sector (Collection of Data) Act 2001*, (Category I). Record as private trading corporations.

Other financial corporations

Financial auxiliaries

These are corporations and quasi-corporations engaged primarily in activities closely related to financial intermediation, but which do not themselves perform an intermediation role.

Include:

- fund managers as principal;
- stockbrokers; and
- insurance brokers.

Financial intermediaries

Securitisers

These are financial vehicles that issue short and/or long-term securities (called asset-backed securities) using specifically selected assets (e.g. mortgages, receivables). They provide backing (collateral) for the securities and generate the payment streams necessary to fulfil interest and principal requirements for investors.

Unit trusts

Include:

- mortgage, fixed interest and equity unit trusts.

Exclude:

- cash management trusts (these are to be included in RFCs); and
- property and trading trusts, include in private trading corporations.

Other financial intermediaries

Comprise all financial intermediaries other than central bank institutions, depository corporations, insurance corporations, pension funds, CBAs, securitisers and unit trusts.

Include:

- economic development corporations owned by governments;
- co-operative housing societies;
- investment companies; and
- common funds including cash common funds.

Government

Commonwealth General Government

Australian Commonwealth Government departments and agencies principal function is to provide non-market goods and services, principally financed by taxes, to regulate economic activity, maintain law and order and to redistribute income and wealth by means of transfers.

Include:

- departments and agencies such as Department of Finance, Department of Defence, ABC, SBS, Australian Film Commission and CSIRO;
- Commonwealth government unincorporated enterprises which provide goods and services to the Australian Commonwealth Government and/or to the public for free or at prices that are not economically significant (e.g. government employee cafeterias, munitions factories);
- non-profit institutions controlled and mainly financed by the Commonwealth Government;
- Commonwealth government quasi-corporations which sell their output, at near market prices, exclusively to other government units (e.g. government printers and defence force housing schemes); and

- public universities.

Exclude:

- government trading enterprises such as Telstra and Australia Post (record as trading enterprises owned by the Commonwealth Government);
- departments of the ACT and Northern Territory Governments (record as State, Territory and local general government); and
- the Reserve Bank of Australia (**RBA**) of Australia and Commonwealth government financial institutions such as the Australian Industry Development Corporation (**AIDC**) and the Export Finance and Insurance Corporation (**EFIC**) (record as financial institutions as appropriate).

State, Territory and local general government

State, Territory and local general government provides non-market goods and services principally financed by taxes to regulate economic activity, maintain law and order and to redistribute income and wealth by means of transfers and hence provided free of charge or at nominal prices well below the cost of production.

Include:

- State and local government unincorporated enterprises which provide goods and services to their government and/or to the public for free or at prices that are not economically significant (e.g. government employee cafeterias, municipal swimming pools);
- non-profit institutions controlled and mainly financed by State and local government;
- State government quasi-corporations which sell their output, at near market prices, exclusively to other government units (e.g. government printers);
- ACT and Northern Territory Government departments and agencies; and
- state schools, technical and further education colleges and state owned hospitals.

Exclude:

- all State and local government trading enterprises and financial enterprises (e.g. rail, and municipal water authorities); and
- state and territory central borrowing authorities.

Resident/non-resident classification

- An Australian resident is any individual, business or other organisation domiciled in Australia. Australian branches and Australian subsidiaries of foreign businesses are regarded as Australian residents.
- A non-resident is any individual, business or other organisation domiciled overseas. Foreign branches and foreign subsidiaries of Australian businesses are regarded as non-residents.

Other definitions

Personal refers to individuals, or groups of individuals whose dealings with other sectors are for personal (i.e. non-business) purposes.

Commercial refers to transactions conducted with Private trading companies, Public trading enterprises, Private unincorporated businesses, and Community service organisations, for use in connection with businesses carried on by them.

Specific instructions

1. Loans and advances

Loans and advances are investments of the WF, which are deemed for this form not to be evidenced by the financing/issue of debt securities (e.g. bill financing).

Generally include:

- overdrafts;
- secured and unsecured lending;
- financial lease agreements;
- account balances which do not qualify as deposits;
- credit card outstanding balances;
- term loans;
- mortgage lending;
- commercial loans;
- equity participation in leveraged leases;

- redeemable preference share finance;
- subordinated loans; and
- loans to controlled entities, associates and joint ventures.

Loans and advances should be brought to account at the gross value of the outstanding balance.

Loans and advances should be recorded net of unearned revenue; this is mainly with respect to unearned lease receivables.

Netting is permitted in accordance with the requirements of the Australian accounting standards (i.e. where there is a legal right to set off the recognised amounts and there is an intention to settle on a net basis, or realise the assets and settle the liability simultaneously).

Note: Specific provision for products and counterparties where indicated in the form are to be reported only if the data is already recorded and allocated on that basis by the institution. Otherwise the specific provision can be disclosed in aggregate.

1.1 Loans to households and persons

This comprises individuals, or groups of individuals, whose dealings with other sectors are for personal or household purposes.

Exclude:

- family trusts, sole proprietors, partnerships and any other unincorporated enterprises owned by households. Record these as private unincorporated businesses.

1.1.1.1 (1) Housing: Owner-occupied – Gross of specific provisions

Include:

- the value of housing loans to Australian householders, for the construction or purchase of dwellings for owner occupation; and
- revolving credit or redraw facilities originally approved for a purpose of predominantly owner-occupied housing.

This reporting item should be reported gross of any specific provisions.

1.1.1.1 (2) Housing: Owner-occupied – Specific provisions

Report the specific provisions applied to this loan item, if this is recorded or allocated by the institution on this basis.

1.1.1.2 (1) Housing: Investment – Gross of specific provisions

Include:

- the value of investment housing loans to Australian householders, for the construction or purchase of dwellings for non-owner occupation; and
- revolving credit or redraw facilities originally approved for a purpose of predominantly investment housing.

This reporting item should be reported gross of any specific provisions.

1.1.1.2 (2) Housing: Investment – Specific provisions

Report the specific provisions applied to this loan item, if this is recorded or allocated by the institution on this basis.

1.1.1.3 (2) Total housing – Specific provisions

Report the specific provisions applied to this loan item, if this is recorded or allocated by the institution on this basis.

1.1.1.3.1 (1) Total housing loans of which fixed interest rate – Gross of specific provisions

Of the total reported for “Housing loans” identify the component that has a fixed interest rate. This reporting item should be reported gross of any specific provisions.

1.1.1.3.2 (1) Total housing loans of which variable interest rate – Gross of specific provisions

Of the total reported for “Housing loans” identify the component that has a variable interest rate. This reporting item should be reported gross of any specific provisions.

1.1.2 (1) Revolving credit – Gross of specific provisions

Include the gross value of loans of a revolving credit nature to Australian householders, which were originally approved for a purpose other than housing.

Revolving credit is a loan arrangement in which the borrowing party may repay funds on loan and immediately borrow it again up to an agreed limit. This reporting item should be reported gross of any specific provisions.

1.1.2 (2) Revolving credit – Specific provisions

Report the specific provisions applied to this loan item if this is recorded or allocated by the institution on this basis.

1.1.2.1 (1) Revolving credit – of which revolving credit secured by residential mortgage – Gross of specific provisions

Of the total reported for "Revolving credit", identify the component that is revolving credit facilities secured by residential mortgage originally approved for a purpose other than housing. This reporting item should be reported gross of any specific provisions.

1.1.2.1 (2) Revolving credit – of which revolving credit secured by residential mortgage – Specific provisions

Report the specific provisions applied to this loan item if this is recorded or allocated by the institution on this basis.

1.1.2.2 (1) Revolving credit – of which credit cards – Gross of specific provisions

Include the gross value of credit card liabilities of Australian householders. This reporting item should be reported gross of any specific provision.

1.1.2.2 (2) Revolving credit – of which credit cards – Specific provisions

Report the specific provisions applied to this loan item if this is recorded or allocated by the institution on this basis.

1.1.3 (1) Leasing - Gross of specific

Include the gross value of lease financing to Australian householders. This reporting item should be reported net of unearned revenue and gross of specific provisions.

1.1.3 (2) Leasing – Specific provisions

Report the specific provisions applied to this loan item if this is recorded or allocated by the institution on this basis.

1.1.4 (1) Other personal term loans – Gross of specific provisions

Include the gross value of personal term loans to Australian householders for purposes other than housing and other than revolving credit, credit card and lease financing. This reporting item should be reported gross of any specific provisions.

1.1.4 (2) Other personal term loans – Specific provisions

Report the specific provisions applied to this loan item if this is recorded or allocated by the institution on this basis.

1.1.4.1 (1) Other personal term loans – of which fixed interest rate – Gross of specific provisions

Of the total reported for “Other personal term loans” identify the component that has a fixed interest rate. This reporting item should be reported gross of any specific provisions.

1.1.4.1 (2) Other personal term loans – of which fixed interest rate – Specific provisions

Report the specific provisions applied to this loan item if this is recorded or allocated by the institution on this basis.

1.1.4.2 (1) Other personal term loans – of which variable interest rate – Gross of specific provisions

Include the gross value of variable rate term loans to Australian householders for purposes other than housing and other than revolving credit, credit card and lease financing.

Of the total reported for “Other personal term loans” identify the component that has a variable interest rate. This reporting item should be reported gross of any specific provisions.

1.1.4.2 (2) Other personal term loans – of which fixed interest rate – Specific provisions

Report the specific provisions applied to this loan item if this is recorded or allocated by the institution on this basis.

1.1.5 (1) Total loans to households and persons – Gross of specific provisions

Sum the gross value of loans to Australian householders. This reporting item should be reported gross of any specific provisions and collective provision.

1.1.5 (2) Total loans to households and persons – Specific provisions

Report the specific provisions debts applied to this loan item.

1.2 Commercial lending to residents

1.2.1 (1) Loans to private trading corporations – Gross of specific provisions

Include the gross value of loans to Australian private trading corporations.

1.2.1 (2) Loans to private trading corporations – Specific provisions

Report the specific provisions applied to this loan item if this is recorded or allocated by the institution on this basis.

1.2.2 (1) Loans to public non-financial corporations – Gross of specific provisions

Include the gross value of loans to Australian public non-financial corporations.

1.2.2 (2) Loans to public non-financial corporations – Specific provisions

Report the specific provisions applied to this loan item if this is recorded or allocated by the institution on this basis.

1.2.3 (1) Loans to unincorporated businesses and community service organisations (CSOs) – Gross of specific provisions

Include the total gross value of loans to Australian CSOs and unincorporated businesses.

1.2.3 (2) Loans to unincorporated businesses and CSOs – Specific provisions

Report the specific provisions applied to this loan item, if this is recorded or allocated by the institution on this basis.

1.2.4 (1) Loans to Banks – Gross of specific provisions

Include the gross value of loans to Australian banks.

1.2.4 (2) Loans to Banks – Specific provisions

Report the specific provisions applied to this loan item if this is recorded or allocated by the institution on this basis.

1.2.5 (1) Loans to other ADIs – Gross of specific provisions

Include the gross value of loans to other Australian ADIs.

1.2.5 (2) Loans to other ADIs – Specific provisions

Report the specific provisions applied to this loan item if this is recorded or allocated by the institution on this basis.

1.2.6 (1) Loans to Registered Financial Corporations (RFCs) – Gross of specific provisions

Include the gross value of loans to RFCs.

1.2.6 (2) Loans to RFCs – Specific provisions

Report the specific provisions applied to this loan item if this is recorded or allocated by the institution on this basis.

1.2.7 (1) Loans to other financial corporations – Gross of specific provisions

Include the gross value of loans to all other Australian financial corporations that are not banks or ADIs. This includes life insurance corporations, pension funds, other insurance corporations, central borrowing authorities and other financial institutions.

1.2.7 (2) Loans to other financial corporations – Specific provisions

Report the specific provisions applied to this loan item if this is recorded or allocated by the institution on this basis.

1.2.8 (1) Loans to Government – Gross of specific provisions

Include the total gross value of loans to Commonwealth general government and State, Territory and local general government. This reporting item should be reported gross of any specific provisions.

1.2.8 (2) Loans to Government – Specific provisions

Report the specific provisions applied to this loan item if this is recorded or allocated by the institution on this basis.

1.2.9 (1) Total commercial lending - Gross of specific provisions

Sum the gross value of commercial lending. This reporting item should be reported gross of any specific provisions.

1.2.9 (2) Total commercial lending – Specific provisions

Report the aggregate specific provisions applying to commercial lending.

1.3 (2) Total gross loans and advances – Specific provisions

Record the specific provisions applying to the total loan portfolio.

2.1 Outstanding principal balance of securitised assets

Report and provide a break up of the outstanding principal balance of all loans and other assets that have been sold to or originated into a SPV by or on behalf of the WF or by a third party to a SPV sponsored by the WF (e.g. Warehouse Trust). Do not include in these amounts any assets reported in “total assets” above.

Include loans to:

- households;
- CSOs/non-profit institutions serving households;
- non-financial corporations;
- life insurance corporations;
- pension funds;
- other insurance corporations; and
- other financial institutions (as defined in ‘Other Definitions’ above).

Exclude loans to:

- general government;
- RBA;
- banks;
- other ADIs;
- RFCs;
- central borrowing authorities; and
- also exclude any securitized intra-group loans.