Questions raised during the ARS 117 Parallel Run 2 - ADI Briefing Session held on 22 October 2025

Validation & Technical Issues

Question	Answer
Validation Warnings: It appears that only a limited number of validation errors are displayed at any one time. Once these are resolved, additional errors become visible. Furthermore, the export function is unavailable when the number of validation warnings or errors exceeds a certain threshold. Is it possible to access all validation warnings and errors through an export function?	We limit the number of errors displayed to Portal users at 1,000. This is to prevent the rendering of the table of errors from impeding performance of the application. Unfortunately, it is not possible to export all errors when there are more than 1000 errors. Typically, this occurs when there are many instances of the same issue, as APRA Connect raises an issue for every single row for some rules, and often when you fix an issue for the whole file, this addresses the problems in bulk.
Parallel Run 2 Submission: Will data for parallel run 2 need to be submitted in both the APRA Connect Production environment and in D2A?	Yes. During parallel run 2, all data must be submitted via both the APRA Connect production environment and D2A.

APS 330 and APS 310

Question	Answer
For public disclosures under APS 330, are banks required to provide comparative figures if the bank did not need to provide disclosure for the previous period?	Comparative figures are not required in the first reporting quarter where there wasn't previously a requirement. Entities need to report the comparative figures when comparative figures become available in the following quarters.
Given that APS 310 requires limited assurance at the entity's financial year end, is a separate audit or assurance required for December 2024 returns if they do not align with the entity's year end?	No, this was just differentiating between the parallel runs and production submissions. The production submission will be subject to your usual scope of APS 310.
Attestation Requirements 1) Will an executive Attestation of Compliance be required before or at Go Live, and if so, what is the expected timing and format? 2) To clarify, is this a new attestation requirement? For standard returns, executive sign-off is not typically needed, but is it now required for these submissions?	As per expectations communicated on Tuesday 12 December 2023 (Revision to the ADI capital framework: Reporting standards for consultation and parallel run expectations), the **accountable person** is to attest as to compliance. Please use existing channels with your bank supervisor at APRA.

ARS 117.0 Submission Requirements

Question	Answer
Assets and Liabilities: For non-SFIs permitted to report only principal amounts for assets and liabilities, where should interest accruals be recorded? Can these accruals be omitted entirely from the cash flows table? Additionally, for assets classified in a non-rate sensitive bucket, is it acceptable to exclude interest accruals from the balance sheet interest accruals account?	Interest Cash Flow type is new to APRAConnect and is optional for non-SFIs. If a non-SFI chooses to complete Interest Cash Flow type, the interest cash flow should be reported in the same reporting category as principal cash flow by selecting the “interest” field (rather than the “principal” field) for the item from which the interest flow is derived. The interest cash flow should be reported in the time buckets in which it is expected to occur.
Home Loans: Part 1: According to the credit risk standard, loans referencing BBSW that are secured by residential property must be classified as Home Loans. Should these variable-rate "home loans" be reported in the longer time buckets, given that they do not reprice overnight? Part 2: Is there an existing validation rule that applies in this context? This could potentially present an issue.	Part 1: Home Loans referencing BBSW can be reported in a repricing tenor greater than one month. Part2: A warning message will appear when the tenor entered is greater than 1 month. Entities need to provide a response accordingly.
Reporting Categories for Loans: Part 1: Should revolving credit and overdrawn transaction accounts be classified under the Personal Loans category, or is this category intended only for term loans? Alternatively, should these accounts be reported under Other Loans and Advances, or another category? Part 2:	Part 1: Credit & Overdrawn transaction account can be reported under personal loans if the loan itself is for personal use and is revolving. Part 2: Land ADC loans should be reported as

Question	Answer
For LAND ADC loans (as defined in APS/ARS112) where the borrowers are individuals with residential investment property, which Repricing Item should be used for reporting? These loans do not meet the technical definition of Home Loans under ARS117 and seem to align more closely with Personal Loans, but that categorisation may not be appropriate.	Business Loan in ARF117.0
Core Deposits: 1) If behavioural analysis is not performed, should core deposits be reported in the Deposit Replicating Portfolio, or is it acceptable to omit any core deposit adjustment entirely? In cases where no analysis is conducted, what information should be provided? 2) For deposits identified as core, do these deposits need to be reassigned to a different reporting category?	1) ADIs that do not conduct behavioural analysis to determine core/non-core deposits should not report a deposit replicating portfolio in Table 1 nor Table 2. 2) Behavioural deposit cash flows need to go into "Deposit Replication Portfolio" line. Please refer to Reporting Standard ARS 117.0 for further information on core deposit reporting.
1) **Securitisation:** Is there a difference in how liabilities should be reported for capital-relief securitisations compared to funding securitisations? 2) **IRRBB Pillar 3 Disclosures:** When will APRA provide details regarding IRRBB capital disclosures (i.e., RWAs for Pillar 3), given that these are not captured under the Basel DIS70 disclosure? 3) **Current Disclosure Requirements:** Current disclosure guidance requires qualitative disclosure but does not specify the disclosure of RWAs. Which RWAs are required to be disclosed?	1) The liabilities of the securitisation SPV are off-balance where the originating ADI obtains regulatory capital relief, whereas if a funding-only securitisation, the liabilities of the securitisation SPV are on-balance sheet for the originating ADI. 2) Where an ADI is required to disclose their RWA per risk type under the Basel disclosure standard, an ADI must also disclose its IRRBB RWA as a separate line item (see APS 330, Attachment A para.6). 3) Same answer as point (2)

Question	Answer
Swaps and Loans/Deposits: RPG117 addresses swaps and loans/deposits by requiring only the reporting of repricing gap amounts and timings. However, ARS117.0 requires SFIs to report both principal and interest. This appears inconsistent.	SFIs need to complete both principal and interest cash flow for swaps and loans/depos.
Core Deposits For Table 1, which uses the APRA-defined 3-year profile, is it necessary to report interest, or is reporting principal only sufficient—especially in cases where the bank does not generate a replicating portfolio using the APRA-prescribed 3-year profile and therefore does not calculate interest for these items? For Table 2, is it acceptable to report internally modelled principal and interest separately?	Non IRRBB model approved SFI entities that report core deposits in the *Deposit Replication Portfolio* line are also required to report interest cash flows. This amount may be zero but should still be reported. Reporting interest is optional for non-SFIs. For Table 2, internal behavioural assumptions should be used. SFI ADIs are required to express their repricing profiles of banking book items as a series of future notional principal and interest cash flows in Table 1 and 2.
Foreign Currency Principal Swaps: Regarding foreign exchange-related derivatives, specifically foreign currency principal swaps, should these transactions be reported according to the maturity of settlement in the appropriate time bucket, rather than being classified as non-interest rate sensitive?	Entities should put principals into various time buckets depending on maturities of the swaps rather than the NRS bucket.
Fair Value Adjustments Reporting: Should fair value adjustments be reported under “Other Assets/Other Liabilities” at the trade level or at the product level?	Fair Value Adjustments should not be reported in 117.0. Only the gross Notional/ Principal amount should be reported.

ARS 117.1 Submission Requirements

Questions	Answer
Timing Between ARF117.1 and ARF110: What is the required time lag between submitting ARF117.1 and ARF110?	As soon as ARS 117.1 is in a 'Submitted' state, you can submit ARS 110.0 for the same period.
Core NRS Profile Consistency: Is it expected that, for a given core NRS profile reported in ARF117.0, APRA should be able to identify any differences when compared with ARF117.1?	ARF 117.0 Table 1 should show the APRA-approved core NRS profile. Any differences between this profile and Treasury hedging decisions should be shown as open risk, and this should correspond between ARF117.0 and ARF117.1.
Fixed vs Variable Interest Reporting: Could you clarify the requirements for reporting interest on fixed versus variable items?	SFIs are required to report the interest cashflows.
Fixed vs Variable Interest Reporting: Do variable items require interest to be reported, considering that most swaps contain both fixed and variable components?	For a floating leg of a swap, ADIs can just model the interest out to the next reset. There are multiple acceptable methods.
ARF117.1 Table 4 Reporting Frequency: For ARF117.1 Table 4, is it expected that ADIs report each business day within the 10-business-day holding period, or is it sufficient to report only the start and end dates of the holding period?	Please use the start and end date of the holding period only when reporting figures for ARF 117.1 Table 4.
Supplementary Reporting When is the Market Risk Monthly Supplementary Reporting via APRA Connect expected to be updated?	We will update these instructions and will communicate this to the banks bilaterally via the usual channels.

Questions	Answer
Expectation for NII Shocks: For earnings models that are not part of the reaccreditation process, what is the expectation regarding NII (Net Interest Income) shocks?	Given that not all earnings models have been approved by bank internal processes on the same timeline, APRA would expect that September NII shocks are submitted on a best endeavours basis. APRA would expect that these NII models are finalised by 1 October, and as such, the December submission is expected to be accurate.
Prospective Charge: For the monthly submissions made during the quarter, does APRA expect the prospective charge to be calculated as the average of the first two months, or should end-of-month (EOM) standalone results be reported? Is the expectation that we calculate prospective ICC using lagged observation period?	For the selected banks who provide us monthly reporting, the monthly reporting that we receive is on a 'spot' basis - not averaging. The market data should be aligned to capital with the agreed market data refresh (which may be lagged).