

Question ID	2013_87
Status	Final Q&A
Legal act	Regulation (EU) No 575/2013 (CRR)
Topic	Supervisory reporting - FINREP (incl. FB&NPE)
Article	Article 99
Paragraph	5
Subparagraph	-
COM Delegated or Implementing Acts/RTS/ITS/GLs/Recommendations	Regulation (EU) No 680/2014 - ITS on supervisory reporting of institutions (as amended)
Article/Paragraph	Annex III, F 16.07, (r070, 080, 090)
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Disclose name of institution / entity	Yes
Name of institution / submitter	CREDIT AGRICOLE
Country of incorporation / residence	FRANCE
Type of submitter	Credit institution
Subject matter	FINREP - F16.7 Impairment on financial and non-financial assets - "Impairment or (-) reversal of impairment of investments in subsidiaries, joint ventures and associates" (Rows 070 à 090)
Question	FINREP - Template 16.7 Impairment on financial and non-financial assets - "Impairment or (-) reversal of impairment of investments in subsidiaries, joint ventures and associates" (Rows 070 à 090) : in spite of the reference to IAS 28, we presume that the row 080 "joint ventures" anticipates IFRS 11 (with the end of proportionally consolidation). But we don't understand what is expected on the row 070 "subsidiaries" : these one are all fully consolidated and not with the equity method.
Background on the question	We need this information for FINREP mapping.
EBA answer	FINREP templates (with the exception of template F 17 and F 40) are

	<p>applied based on the CRR scope of consolidation which excludes, among others, insurance corporations and other non-financial subsidiaries. These subsidiaries, which do not appear in the consolidated financial statements, shall be accounted for in the balance sheet as "Investments in subsidiaries, joint ventures and associates ". In those cases where these investments are impaired, related amounts shall be reported in row 510 of template F 02.02 (Statement of profit or loss) as well as in row 070 of template F16.07 (Impairment on financial and non-financial assets).</p> <p>Furthermore, moving into the institutions within the CRR scope of consolidation, IFRS 10 contains one exemption for full consolidation of subsidiaries in the case of investment entities. Any impairment related to a subsidiary under this exemption should be accounted for in row 070 of template F16.07.</p> <p>Lastly, investments in joint ventures which are not under the scope of CRR and associates are allowed to be recognised using the equity method, according to the IFRS. If that were the case, they can be subject of impairment and the provisions in IAS 36 apply to them. Additions and reversals to the impairment of joint ventures and associates shall thus be reported in rows 080 and 090 of template F16.07 of FINREP.</p>
Link	https://www.eba.europa.eu/single-rule-book-qa/-/qna/view/publicId/2013_87

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