

Question ID	2013_442
Status	Final Q&A
Legal act	Regulation (EU) No 575/2013 (CRR)
Topic	Supervisory reporting - FINREP (incl. FB&NPE)
Article	111
Paragraph	1
Subparagraph	(a)
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 V paragraph 60
Date of submission	30/10/2013
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Disclose name of institution / entity	No
Type of submitter	Credit institution
Subject matter	Contradiction between CRR and Draft ITS on Supervisory Reporting of Off-balance items
Question	Following the CRR annex I we should report off-balance: (b) credit derivatives;(c) acceptances;(d) endorsements on bills not bearing the name of another institution;(e) transactions with recourse (e.g. factoring, invoice discount facilities);(g) assets purchased under outright forward purchase agreements;(j) asset sale and repurchase agreements as referred to in Article 12(3) and (5) of Directive 86/635/EEC; Following the Draft ITS on Supervisory Reporting paragraph 60 these items should never be reported off-balance
Background on the question	These off-balance sheet items are often not reported under IFRS, because: 1. these items are regarded as loan commitments or 2. do meet the criteria for recognising.
Final answer	As a general principle, the contracts listed in CRR Annex I should be reported as off-balance sheet exposures insofar they are not recognised in the balance sheet. Following this rationale, paragraph 60 of Part 2 of Annex V provides a closed list of contracts that, under the precise circumstances described in this paragraph (and not other ones), <i>18are recognised in the</i>

	<p><i>balance sheet and, consequently, should not be reported as off-balance sheet exposures 19. It follows that a given contract should be reported as 18off-balance sheet 19 when the circumstances in Paragraph 60 of Part 2 of Annex V are not completely met and it is not recognised in the balance sheet.</i></p> <p><i>*As of 1/8/2014 the content of this answer was modified to reflect the publication of the final ITS on supervisory reporting of institutions in the Official Journal of the European Union. As a result, the references to the ITS were updated and the disclaimer deleted. For reasons of transparency, revisions are highlighted in track changes.</i></p>
Link	https://www.eba.europa.eu/single-rule-book-qa/-/qna/view/publicId/2013_442

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