

SUPERVISION MANUAL (AMENDMENT NO 13) INSTRUMENT 2005

Powers exercised

- A. The Financial Services Authority makes this instrument in the exercise of the following powers in or under the Financial Services and Markets Act 2000 (“the Act”):
- (1) section 138 (General rule-making power);
 - (2) section 156 (General supplementary powers); and
 - (3) section 157(1) (Guidance).
- B. The rule-making powers listed above are specified for the purpose of section 153(2) (Rule-making instruments) of the Act.

Commencement

- C. This instrument comes into force as follows:
- (1) part 3 of the Annex to this instrument comes into force on 1 March 2006;
 - (2) the remainder of this instrument comes into force on 1 January 2006.

Amendments to the Supervision manual

- D. The Supervision manual is amended in accordance with the Annex to this instrument.

Citation

- E. This instrument may be cited as the Supervision Manual (Amendment No 13) Instrument 2005.

By order of the Board
15 December 2005

Annex

Amendments to the Supervision manual

In this Annex, which is in three parts, underlining indicates new text and striking through indicates deleted text.

Part 1: Amendments to SUP 3: Auditors

3.9.5R Auditor's report

...
...

(6) Except in the case of a *small personal investment firm*, the relevant ...

...

(b) ~~a personal investment firm: the annual financial statement (see SUP 16.7.45R) (except a *small personal investment firm*):~~ sections A, B & D of the *RMAR* as at the *firm's accounting reference date* (see SUP 16.7.77R) (see Note); or

...

(7) ~~...and returns;~~

(8) in the case of:

(a) a *personal investment firm*; or

(b) a *securities and futures firm*;

the balance sheet of the relevant financial reporting statement in (6) has been properly reconciled to, respectively, the *RMAR* submitted under SUP 16.7.77R, or quarterly reporting statement or monthly reporting statement prepared as at, in respect of the same *accounting reference date*;

...

Note: The data submitted in section B (Profit & Loss) will be cumulative over the financial year.

3.9.6R ...

Part 2: Amendments to SUP 16 Reporting Requirements

16.7.77R	...			
	Reports...			
	Consolidated supervision return (in Note 5)	
	<u>Audited consolidated statutory accounts (Note 9)</u>		<u>annually</u>	<u>4 months after the firms accounting reference date</u>
	...			

...

Note 9 = required from all *personal investment firms* if it is a *holding company*, or if one of its *controllers is a company*.

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Sup 16 Annex 4 G: Guidance Notes on Building Societies: Form QFS1

INTRODUCTION: GENERAL NOTES ON THE RETURN

...

3. Accounting conventions

Unless advice is given to the contrary in these Guidance Notes, the return should be compiled using standard accounting practice and in accordance with accounts regulations made under the 1986 Act.

However, information on lending (e.g. balances, advances, interest rates, arrears etc.) in sections G, H, I, J, K and L of the return should be reported on a contractual basis (i.e. as between the lender and the borrower).

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Sup 16 Annex 4 G: Guidance Notes on Building Societies: Form AFS1

INTRODUCTION: GENERAL NOTES ON THE RETURN

...

3. Accounting conventions

Unless advice is given to the contrary in these Guidance Notes, the return should be compiled using standard accounting practice and in accordance with accounts regulations made under the 1986 Act.

However, information on selected business volumes in section G of the return should be reported on a contractual basis (i.e. as between the lender and the customer).

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Part 3: Amendment to SUP 16 Annex 3R: Building Societies: Form MFS1

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B(7) BALANCE SHEET : ELIGIBLE LIABILITIES : Society	£000's	Society	Month ended .../.....
	<i>Sterling (except where indicated)</i>		
B20.1 Sterling share and deposit liabilities	_____	<i>(B1.1 + B1.2 + B2.0a + B2.0b + B2.10 -B2.5a + B2.13 + B2.14 + B2.15 + B2.16)</i>	
...			
B20.6 Sterling repo liabilities with the Bank of England	<u><u>N/A</u></u>	<i>(Column 5 of item B2.5a)</i>	
...			
B20.10 Sterling balances with the Bank of England (excluding CRD's)	<u><u>N/A</u></u>	<i>(B6.2a minus OW1.1)</i>	

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