

SUPERVISION MANUAL (REPORTING No 18) INSTRUMENT 2022

Powers exercised

- A. The Financial Conduct Authority (“the FCA”) makes this instrument in the exercise of the following powers and related provisions in the Financial Services and Markets Act 2000 (“the Act”):
- (1) section 137A (The FCA’s general rules);
 - (2) section 137T (General supplementary powers); and
 - (3) section 139A (Power of the FCA to give guidance).
- B. The rule-making provisions listed above are specified for the purposes of section 138G(2) (Rule-making instruments) of the Act.

Commencement

- C. This instrument comes into force on 31 December 2022.

Amendments to the FCA Handbook

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

Citation

- E. This instrument may be cited as the Supervision Manual (Reporting No 18) Instrument 2022.

By order of the Board
28 October 2022

Annex

Amendments to the Supervision manual (SUP)

In this Annex, underlining indicates new text and striking through indicates deleted text.

16 Reporting requirements

...

16 Data items for SUP 16.12

**Annex
24R**

...

The form (Data items for SUP 16.12) referred to in SUP 16 Annex 24R is amended as shown.

FSA034

Capital adequacy (for firms subject to IPRU(INV) Chapter 5 ~~not subject to the exemption in IPRU(INV) 5.2.3(2)R~~ that do not fall within any of the exceptions listed in IPRU(INV) 5.4.2R)

...

FSA035

Capital adequacy (for firms subject to IPRU(INV) Chapter 5 ~~subject to the exemption in 5.2.3(2)R~~ that fall within one of the exceptions in IPRU(INV) 5.4.2R)

...

Regulatory capital test

...

Own funds requirement: ~~either~~

18 ~~£5 or~~ [deleted]

19 ~~£4,000~~ [deleted]

23 Own funds requirement calculated in accordance with IPRU(INV) 5.4.3R

20 Surplus / Deficit of Own Funds

...

16 Guidance notes for data items in SUP 16 Annex 24R
Annex
25G

The form (Guidance notes for data items in SUP 16 Annex 24R) referred to in SUP 16 Annex 25G is amended as shown.

FSA033 – Capital Adequacy (for firms subject to IPRU(INV) Chapter 3) validations

...

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FSA034 – Capital Adequacy (for firms subject to IPRU(INV) Chapter 5 ~~not subject to exemption in IPRU(INV) 5.2.3(2)R~~ that do not fall within any of the exceptions listed in IPRU(INV) 5.4.2R)

...

FSA034 – Capital Adequacy (for firms subject to IPRU(INV) Chapter 5 ~~not subject to exemption in IPRU(INV) 5.2.3(2)R~~ validations that do not fall within any of the exceptions listed in IPRU(INV) 5.4.2R) validations

...

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FSA035 – Capital Adequacy (for firms subject to IPRU(INV) Chapter 5 ~~and to the exemption in IPRU(INV) 5.2.3(2)R~~ that fall within one of the exceptions in 5.4.2R)

...

Defined Terms

...

- The requirement that any figures be audited does not apply to small companies exempted from audit under the Companies Act 2006.
- Firms should review their own funds requirement according to IPRU(INV) 5.4.3R before submission of this form and ensure that the correct amount is reported in field 23A. Any currency conversions must use the relevant conversion rate as of the period end date. For example, if a firm is reporting in United States dollar (USD), and their own funds requirement is 4 million British pound sterling (GBP) (4,000k GBP), then they should use the period end date currency conversion rate to convert 4,000k GBP into USD and report this USD figure in field 23A.

FSA035 –Capital Adequacy (for firms subject to IPRU(INV) Chapter 5 validations that fall within one of the exceptions in 5.4.2R)

Internal validations

Data elements are referenced by row, then column.

Validation number	Data element	
...		
4	18A	= blank or 5 <u>[deleted]</u>
5	19A	= blank or 4000 <u>[deleted]</u>
6	19A	If 18A = blank, then 4000, else blank <u>[deleted]</u>
7	20B	= $17B - (18A + 19A)$ <u>23A</u>
...		
<u>10</u>	<u>23A</u>	<u>Value calculated in accordance with IPRU (INV) 5.4.3R</u>

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