



Financial Sector Regulation Act, 2017 (Act No. 9 of 2017), read with Prudential Standards relating to Financial Conglomerates

Determination of regulatory reporting return for financial conglomerates

On 1 January 2022, the following Prudential Standards became applicable to financial conglomerates:

- (a) FC02: Intragroup Transaction and Exposure Requirements for Financial Conglomerates (Prudential Standard FC02);
- (b) FC04: Governance and Risk Management Requirements for Financial Conglomerates (Prudential Standard FC04); and
- (c) FC05: Risk Concentration Requirements for Financial Conglomerates (Prudential Standard FC05).

On 10 December 2021, in terms of paragraph 9 of Prudential Standard FC02, paragraph 35 of Prudential Standard FC04 and paragraph 8 of Prudential Standard FC05, the PA determined the regulatory reporting return for financial conglomerates, namely FC_V1, for regulatory reporting effective from 1 January 2022. The return comprised the following worksheets:

Worksheet name and number	Heading of worksheet
FC001	Statement of financial position
FC002	Off-balance sheet activities
FC003	Statement of comprehensive income
FC200	Intragroup exposures
FC400 and 401	Governance and risk management
FC500	Risk concentration

As a result of the transition from the existing reporting system to the Umoja portal, it has become necessary to update the existing return for financial conglomerates. The changes to the worksheets are not material and include the following:

- (a) Introduction – removed this sheet as these instructions will be catered for in the dictionary section of the return and on the Umoja portal;
- (b) updated line and column numbers on all worksheets to be in line with the Umoja standards;
- (c) FC001 – updated the formula for total assets in all columns to deduct provisions instead of adding them. This will result in the provisions being captured as a positive amount instead of a negative amount. This will allow consistency with other returns;
- (d) FC001 – made corrections to formulas relating to the totals for preference shareholders and minority shareholders' equity as well as total equity and liabilities;

- (e) FC200 – added columns for an ID type for the institution and counterparty. This field will allow a financial conglomerate to select the identifier type (ID, CIPC, LEI, etc) and then provide the identifier value;
- (f) FC200 – amended to no longer require a fixed number of rows. Financial conglomerates will be able to submit as many lines as required;
- (g) FC400 – removed all management details requested as this is already captured on the institution profile within the Umoja Supervision Centre;
- (h) FC401 – removed this worksheet as it contained information about directors which is already captured on the financial conglomerate profile within the Umoja Supervision Centre;
- (i) FC500 – added columns for an ID type for the institution and counterparty. This field will allow an institution to select the identifier type (ID, CIPC, LEI, etc) and provide the identifier value; and
- (j) comments – added a comments template to allow the financial conglomerate to provide comments on any of the other worksheets.

In consideration of the above-mentioned, the PA hereby determines a new version of the regulatory reporting return for financial conglomerates, as outlined in the schedule hereto. The new return is available on the Umoja portal. The new return replaces the return issued by the PA on 10 December 2021.

The return must be completed and submitted to the PA via the Umoja portal. The effective date from which the reporting of the new return will apply is 30 June 2024.

Fundi Tshazibana
Chief Executive Officer

Date:

SCHEDULE

Regulatory reporting returns for financial conglomerates

- 1.1 Financial conglomerates must submit the following regulatory reporting returns:

Return number	Heading of return	Submission	Reporting period
FC001	Statement of financial position	6 monthly	As at 30 June and As at 31 December
FC002	Off-balance sheet activities		
FC003	Statement of comprehensive income		
FC200	Intragroup exposures		
FC400	Governance and risk management		
FC500	Risk concentration		

- 1.2 The regulatory reporting returns must be submitted by the holding company of the financial conglomerate within two months after the end of the reporting period, the latest being the end of August for the January to June reporting period and the end of February for the July to December reporting period.