

Financial and Statistical Return Template and Reporting Instructions

Summary of Changes – 2021 Revision

This document outlines the changes made to the Financial and Statistical Return (“FSR”) template and reporting instructions during the 2021 revision. The revised FSR is effective April 2022.

Financial and Statistical Return (“FSR”) Template and Reporting Instructions

Section 1000 & 2000 – Non-consolidated Balance Sheet

- **Simplified** the presentation of the non-consolidated balance sheet by moving the details of some major components (such as cash and investments, loans and leases, borrowings, and deposits) to separate sections supporting the balance sheet
- **Added new line** for Right-of-Use Assets (previously included in Premises and Equipment, Property Held for Investments, and Intangible Assets lines) in the Other Assets section
- **Moved lines** Subordinated Debt and Deferred Income Tax Liabilities from the Capital section to the Other Liabilities section
- **Replaced** Capital section with Members’ Equity section
- **Added new line** Equity Shares (equity share details (primary and secondary capital) remained in the Capital Adequacy Return (“CAR”))

Section 3000 – Non-consolidated Comprehensive Income Statement

- **Simplified** the presentation of the non-consolidated comprehensive income statement by moving the details of some major components (such as interest income and expense) to separate sections supporting the income statement
- **Renamed** Non-Interest Income to Other Income
- **Renamed** Non-Interest Expenses to Operating Expenses
- **Added new lines** for Gains (Losses) on Financial Instruments, including separate lines for trading gains (losses), fair value gains (losses), and impairment losses (recoveries) in the Other Income section
- **Renamed line** Capital Gain (Loss) to Gains (Losses) on Sale of Other Assets
- **Added new line** for reporting Income (Loss) from Discontinued Operations

Cash and Investments

- **Added new section** (Section 1100 – Cash and Deposits) to provide details and calculation for the Cash and Deposits line on the balance sheet
- **Added new line** for Cash Deposits Held in Trust

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- **Added new section** (Section 1110 – Investments) to provide details and calculation for the Investments line on the balance sheet
- **Clarified** that liquid assets held in trust with Central 1 Credit Union (“Central 1”), as statutory liquidity, should be reported on the appropriate lines in the Investments section
- **Separated** the Guaranteed Security Instruments line into federal, provincial, and municipal, and other guaranteed securities lines
- **Separated** Debt Security Instruments line into financial institution issued or guaranteed and other debt securities lines
- **Merged** non-guaranteed commercial paper lines into the appropriate Debt Security Instruments lines (details remained in the CAR)
- **Added new lines** for reporting equity shares and other equity instruments
- **Added new line** CMB Principal and Interest Reinvestment

Loans and Leases

- **Added new section** (Section 1200 – Loans and Leases) to provide details and calculation for the personal and commercial loans and leases lines on the balance sheet
- **Removed** subsection (f) and (g) from the “commercial loan” definition, as those only apply when calculating the capital adequacy position of a credit union
- **Deleted lines** for Securitizations and included securitized loans and leases in the appropriate loans and leases lines in Section 1200
- **Moved** securitizations details to Section 1200 – Memo Items
- **Added new line** Personal: Real Estate Secured: Uninsured by merging Residential \leq 75% of FMV and Residential $>$ 75% of FMV lines (details remained in the CAR)
- **Merged** Personal: Otherwise Secured: Fully Secured by Deposits and Government Securities line into the Personal: Otherwise Secured line (details remained in the CAR)
- **Merged** Commercial: Otherwise Secured: Fully Secured by Deposits and Government Securities line into the Commercial: Otherwise Secured line (details remained in the CAR)
- **Merged** Commercial: Unsecured: Governments & Municipalities line into the Commercial: Unsecured line (details remained in the CAR)
- **Added new memo items** section to provide additional details for the personal and commercial loans and leases reported in Section 1200, including securitized loans and leases, credit cards information (new line), syndicated loans, and mortgage broker originated loans
- **Merged** delinquencies of securitized loans and leases into the appropriate real estate secured, otherwise secured, or unsecured columns in Section 1220 – Loans and Leases in Arrears
- **Added new section** (Section 1230 – Allowance for Credit Losses on Loans and Leases) to report specific and total allowance for credit losses on loans and leases
- **Added new section** (Section 1240 – Credit Impaired Loans and Leases) to monitor expected losses on credit impaired loans and leases

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- **Extended** reporting of commercial risk rating (Section 1260) to the entire commercial loans and leases portfolio (including all commercial loans and leases regardless of their risk-weighting in the capital adequacy calculation)

Other Assets

- **Included** additional details, in Section 1400 – Equity Investments – 10% or Greater Ownership, to report for insurance, property/real estate development, wealth management/trust services, and all other type of subsidiaries and other equity investments in separate columns (and deleted Gross Revenue column)
- **Added new section** (Section 1500 – Derivatives) to provide details for Derivative Assets and Derivative Liabilities lines on the balance sheet reported at each quarter end (and added notional principal, maturities, and fair value details in separate columns)

Borrowings

- **Added new section** (Section 2100 – Borrowings) to provide details and calculation for the Central 1 Borrowings and Other Borrowings lines on the balance sheet

Deposits

- **Added new section** (Section 2200 – Deposits) to provide details and calculation for the Demand Deposits and Term Deposits lines on the balance sheet
- **Deleted** references to specific types of chequing and savings accounts to adopt clear and concise language
- **Added new memo items** section to provide additional details for the demand and term deposits reported in Section 2200, including foreign currency deposits
- **Added new section** (Section 2210 – Deposits by Depositor Type) to provide details of the credit union’s deposit portfolio by depositor type (retail, brokered, and wholesale deposits definitions are consistent with the liquidity reporting requirements)
- **Clarified** that Brokered deposits include retails, small business, and wholesale deposits sourced from unaffiliated third parties or acquired through deposit agents
- **Added new definition** for Small Business deposits as follows: “deposits that are managed by the credit union as retail deposits, and the aggregate balance by a depositor is less than \$1.5 million.”

Members’ Equity

- **Added new section** (Section 2500 – Retained Earnings (Deficit)) to provide details and calculation for the retained earnings (deficit) line on the balance sheet
- **Added new line** Retained Earnings (Deficit): Year-to-Date: Other Items
- **Added new section** (Section 2600 – Accumulated Other Comprehensive Income (Loss) (“AOCI”)) to provide details and calculation for the AOCI line on the balance sheet
- **Added new lines** AOCI: Adjustment to Previous Year End and AOCI: Year-to-Date: Other Items

Net Interest Income

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- **Added new section** (Section 3100 – Interest Income) to provide details and calculation for the interest income line on the comprehensive income statement
- **Added new section** (Section 3110 – Interest Expense) to provide details and calculation for the interest expense line on the comprehensive income statement

Other

- **Separated lines** (in Section 2610 – Accumulated Other Comprehensive Income (Loss)) for revaluation surplus for credit union own use property and for any other use
- **Separated lines** (in Section 3610 – Other Comprehensive Income (Loss)) for revaluation surplus for credit union own use property and for any other use
- **Added new section** (Section 4200 – Lending Policy Limits) to monitor compliance with lending policy limits established in the credit union’s board approved Investment and Lending Policy

Deleted Sections

- Capital section was eliminated, as details are included in the CAR
- Liquidity section was eliminated, as details are included in the Liquidity Adequacy Return
- Unauthorized Advances (Lines of credit Exceeded, and Overdraft > 3 days)
- Deposit Account Balances > \$100,000
- Loan Portfolio Details – Industry & Restricted