

## Form BN - Additional detail of non-resident business

This form provides additional sectoral and instrument breakdowns of liabilities to and claims on non-residents for certain items on Form BT. These definitions should be read in conjunction with both the definitions to Form BT and specifically the similarly numbered items therein and also the General Notes and Definitions.

Definitions for each sector are given in the Classification of Accounts Guide Part III:

<http://www.bankofengland.co.uk/statistics/Documents/reporters/defs/class04.pdf>.

### Item no

#### Liabilities

#### 2J Sight deposits

Enter here the sectoral breakdown of all sight deposits recorded under item 2J on Form BT. Sight deposits are broadly defined as credit balances on customers' accounts (including shareholders' deposits) where the entire balance is accessible without penalty either on demand or by close of business on the day following that on which the deposit was made.

#### 3J Time deposits

Enter here the sectoral breakdown of all time deposits recorded under item 3J on Form BT, broadly defined as those where part of the balance is not accessible without penalty either on demand or by close of business on the day following that on which the deposit was made.

#### 6J Liabilities under sale and repurchase agreements

This corresponds to item 6J on Form BT. Enter here the sectoral breakdown of liabilities under sale and repurchase agreements, provided the securities or other assets are sold for cash. Reporting institutions should report the gross liabilities under sale and repurchase agreements, with any claims in respect of cash margins paid (including initial deposits) included in the relevant asset item.

#### Assets

#### 23K Balances with, and loans & advances to, non-resident deposit-taking corporations, including finance leasing

This corresponds to item 23K on Form BT. Enter the breakdown of all balances which relate to intra-group non-resident deposit-taking corporations under item 23KG. Exclude any funds provided as working capital (see BT item 32J).

## **29E Other loans, advances and amounts receivable under finance leases**

This corresponds to item 29E on Form BT. Enter here the sectoral breakdown of all balances with, and funds lent to, non-residents excluding non-resident deposit-taking corporations (whether against collateral or not), including amounts receivable under finance leases, but excluding claims under sale and repurchase (reverse repo) agreements (item 30J below). Include overdrafts, defined as debit balances on accounts which, if in credit, would be classed as deposits.

### **29EAU, 29EAV, 29EBU and 29EBV**

#### **Loans, advances and amounts receivable split by original maturity**

The “original maturity” of a loan is defined as the length of time between the drawdown of the loan and the final scheduled repayment date.

Where a reporting institution has loans outstanding at the reporting date under revolving credit lines, and does not expect that they will be renewed upon maturity, these loans should be entered according to their immediate maturity; loans that the reporting institution expect to be routinely renewed on maturity should be entered according to the end date of the credit facility.

Where the borrower has notified the reporting institution that funds will be repaid on a specific date in advance of final maturity, the specific date should be taken as the maturity date.

For a loan that has been renewed upon final maturity i.e. a ‘roll-over’, this should be treated as a new loan, and the original maturity should be defined as the length of time between the date of the roll-over and the final scheduled repayment date. However, purely technical break facilities should be disregarded. If a loan is re-negotiated during its life, but the final scheduled repayment date is unchanged, then this should not be treated as a new loan and the original maturity should not change.

For example, in the case of a loan with a final repayment date in three years, but where a ‘break clause’ after one year gives the borrower the opportunity to repay, but is not expected to do so, or where changes are made to the terms of the loan (e.g. the interest rate), then the original maturity should be reported as three years. If, after 3 years, the loan is then rolled over upon maturity for a further twelve months, then the original maturity should be reported as twelve months from then on.

Reporting institutions should inform the Bank if any changes in approach are made with respect to original maturity classification. If any reporting institutions are unable to fully align their reporting with these definitions then they should

contact the Bank.

**30J Claims under sale and repurchase agreements**

This corresponds to item 30J on Form BT. Enter here the sectoral breakdown of claims under sale and repurchase agreements, provided the securities or other assets are bought for cash. Reporting institutions should report gross claims under sale and repurchase agreements, with any liabilities in respect of cash margins received (including initial deposits) included in the relevant liability item.

**32K Securities**

This corresponds to item 32K on Form BT. Enter here the sectoral breakdown of all securities issued by non-residents and beneficially owned by the reporting institution. For the purposes of this return, securities are defined as marketable or potentially marketable income-yielding instruments, for example euro-bonds, floating rate notes, shares and other equity, investments in related companies, and also subordinated loan capital (which may not necessarily be represented by the issue of securities).

**32KA and 32KB** Include here the instrument breakdown of investments in securities issued by non-resident deposit-taking corporations (32KA) and non-resident other financial corporations (32KB).

**Quoted shares** are those whose price is quoted on a recognised exchange or other form of secondary market. **Unquoted shares** should contain all other shares except for preference shares. Unquoted shares which are not traded on organised markets, should be estimated with reference to the value of own funds. **Bonds and other debt securities** should contain bonds, notes, preference shares, subordinated loan capital (which may not necessarily be represented by the issue of securities) and all other debt securities, defined as negotiable financial instruments serving as evidence of debt. **All other securities** will include all equity other than shares.

**Historic cost** (see items 32KABA and 32KBBA) refers to the original cost of an asset when purchased by the reporting institution, excluding any revaluations.

**32KBF Non-resident collective investment schemes**

Enter here all investments in shares / units issued by non-resident collective investment schemes (as defined in the Classification of Accounts Guide). The split between 'non-resident money market funds' (32KBFM) and 'non-resident non-money market fund collective investment schemes' (32KBFN) is optional: only include units / shares where the specific type of scheme can be ascertained.

### **32KC Non-resident central governments**

Include here all securities, including government bonds, issued by central government agencies and institutions of countries outside the UK (including governments of states and provinces within a federation, union or commonwealth which constitute a country).

Exclude:

- a) Local government institutions and public corporations of non-resident countries. These should be included in BN item 32KD, 'other non-residents'.
- b) Central monetary institutions and state-owned banks. These should be included in BN item 32KA, 'non-resident deposit-taking corporations'.

### **32KD Other non-residents**

Include here all securities issued by non-residents other than non-resident deposit-taking corporations, non-resident other financial corporations and non-resident central governments.