



Federal Deposit Insurance Corporation
550 17th Street, NW, Washington, D.C. 20429-9990

Financial Institution Letter
FIL-137-2004
December 21, 2004

ANNUAL AUDIT AND REPORTING REQUIREMENTS

Extended Filing Deadline for Management's Internal Control Assessment and the Independent Auditor's Attestation

Summary: The FDIC is providing guidance to insured institutions with \$500 million or more in total assets that are required to comply with the FDIC's annual audit and reporting requirements about the Securities and Exchange Commission's (SEC) exemptive order postponing the filing date for internal control reports.

Distribution:

FDIC-Insured Institutions With \$500 Million or More in Assets

Suggested Routing:

Chief Executive Office
Chief Financial Officer
Audit Committee

Related Topics:

Federal Deposit Insurance Act Section 36
Part 363 of the FDIC's Regulations

Attachment:

Part 363 Annual Report

Contact:

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Note:

For your reference, FDIC Financial Institution Letters (FILs) may be accessed from the FDIC's Web site at www.fdic.gov/news/news/financial/2004/ind_ex.html.

To learn how to receive FILs electronically, please visit <http://www.fdic.gov/about/subscriptions/fil.html>.

Paper copies of FDIC Financial Institution Letters may be obtained through the FDIC's Public Information Center, 801 17th Street, NW, Room 100, Washington, DC 20434 (1-877-275-3342 or 202-416-6940).

Highlights:

- The annual audit and reporting requirements for insured institutions with \$500 million or more in total assets in Part 363 of the FDIC's regulations require assessments of internal control over financial reporting by both management and independent auditors.
- On November 30, 2004, the SEC issued an exemptive order to grant certain public companies that are accelerated filers additional time to include in their annual reports on Form 10-K the reports on internal control over financial reporting by management and the independent auditor that are required by Section 404 of the Sarbanes-Oxley Act.
- The FDIC has received questions about the applicability of the SEC's exemptive order to institutions subject to Part 363.
- Subject to certain conditions, the FDIC is following the SEC's lead and allowing those institutions subject to Part 363 that fall directly or indirectly within the scope of the SEC's exemptive order to take up to 120 days after their fiscal year-end to submit the assessments of internal control by both management and independent auditors that are required in their Part 363 annual reports.