



Bank Reports

FIL-8-98  
January 20, 1998

TO: CHIEF EXECUTIVE OFFICER

SUBJECT: *Revisions to the Reports of Condition and Income (Call Report) for 1998*

The Federal Financial Institutions Examination Council (FFIEC) has approved a few revisions to the reporting requirements for the Reports of Condition and Income (Call Report) for 1998. The FFIEC is providing this advance notification to assist you in planning for these upcoming Call Report changes. The changes must be approved by the U.S. Office of Management and Budget (OMB) before they can become final.

On October 2, 1997, the federal banking agencies issued for public comment proposed Call Report revisions for 1998. The revisions approved by the FFIEC, which are described in the attached document, incorporate modifications to the proposal that were prompted by comments. The revisions for 1998 include:

- Reducing the frequency for reporting "preferred deposits" in the deposit schedule from quarterly to annually for all banks, and reducing the level of detail in the trading assets and liabilities schedule filed by larger banks;
- Adding new items for reporting low level recourse transactions and, for larger banks, capital requirements for market risk;
- Changing the reporting basis used for reporting holdings of available-for-sale securities in the domestic office assets and liabilities schedule completed by banks with foreign offices;
- Clarifying the reporting requirements relating to allowances and provisions for credit losses;
- Modifying the categorization of securitized consumer loans for the purchase of certain types of vehicles in two items collected annually from larger banks; and
- Conforming the categorization of industrial development bonds on the Call Report balance sheet with a bank's other public reporting.

These Call Report revisions will take effect as of the March 31, 1998, report date. In that Call Report, banks may report a reasonable estimate for any new or revised item for which the requested information is not readily available.

Banks are reminded that the effective date for those provisions of Financial Accounting Standards Board Statement No. 125, "Accounting for Transfers and Servicing of Financial Assets and Extinguishments of Liabilities," addressing the accounting for collateral and secured borrowings, repurchase agreements, dollar-rolls, securities lending, and similar transactions was deferred until January 1, 1998. For Call Report purposes, banks must apply the provisions

of Statement No. 125 to transactions of these types that occur after December 31, 1997. Banks are encouraged to consult with their outside accountants for assistance in implementing Statement No. 125.

Please forward this letter to the person responsible for preparing Call Reports at your bank. For more information or assistance, national banks and FDIC-supervised banks may contact the FDIC's Call Reports Analysis Section in Washington, DC, toll-free on 1-800-688-3342 or 202-898-6607. Assistance is provided Monday through Friday between 8:00 a.m. and 5:00 p.m. Eastern time. State member banks may contact their district Federal Reserve Bank.

Joe M. Cleaver  
Executive Secretary

[Attachment:](#)

REVISIONS TO THE REPORTS OF CONDITION AND INCOME (CALL REPORT) FOR 1998  
(Available electronically on the FDIC's web site at /banknews)

Distribution: Insured Commercial Banks and FDIC-Supervised Savings Banks