

Snapshot

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SEC updates banking statistical disclosures

The SEC issued a [Final Rule, Update of Statistical Disclosures for Bank and Savings and Loan Registrants](#), to codify certain disclosures that are currently located in Industry Guide 3, “Statistical Disclosure by Bank Holding Companies,” in the new Subpart 1400, *Disclosure by Bank and Savings and Loan Registrants*, of Regulation S-K. The Final Rule also eliminates disclosures that overlap with SEC rules, U.S. GAAP, or IFRS Standards, and will rescind Guide 3 as of January 1, 2023. While registrants that comply with Subpart 1400 are not expected to provide Guide 3 disclosures that are not otherwise required, voluntary compliance is permitted.

The Final Rule applies to both foreign and domestic registrants that are bank holding companies, banks, savings and loan associations, and savings and loan holding companies.

The amendments are effective for fiscal years ending on or after December 15, 2021, with early compliance permitted. Disclosure of the information in Subpart 1400 is required for annual periods, while disclosure of only material changes in the information (or trends in the information) is required for interim periods.

New Subpart 1400 in Regulation S-K

Subpart 1400 codifies certain disclosures currently in Guide 3 and adds additional requirements, including disclosure of the following items:

- S-K Item 1402, *Distribution of assets, liabilities and stockholders’ equity; interest rates and interest differential* — The average balance sheets, including major categories of interest-earning assets and interest-bearing liabilities, as well as an analysis of net interest earnings, interest rates, and interest differentials
- S-K Item 1403, *Investments in debt securities* — The weighted-average yield of each category of debt securities not carried at fair value through earnings for which disclosure is required in the financial statements, disaggregated by specified due dates, and the weighted-average yield calculation
- S-K Item 1404, *Loan portfolio* — The amount of loans in each category for which disclosure is required in the financial statements, disaggregated by specified due dates
- S-K Item 1405, *Allowance for credit losses* — Specified credit ratios, including each component of the ratio’s calculation; discussion of the factors driving changes in the ratios; and the breakdown of the allowance for credit losses by each loan category for which disclosure is required by U.S. GAAP
- S-K Item 1406, *Deposits* — The average amount of and the average rate paid on specified deposit categories that exceed 10 percent of average total deposits. Other categories may be used if the registrant believes such categories more appropriately describe the nature of the deposits.

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The Final Rule allows for the statistical disclosures to either be contained within or located outside of the notes to the financial statements. However, if the disclosures are voluntarily included within the notes to the financial statements, the disclosures are subject to financial-statement audit and XBRL requirements.

Contacts



Kendra Decker
Partner-in-charge
SEC Regulatory Matters
T +1 202 521 1530
E Kendra.Decker@us.gt.com



Graham Dyer
Partner
Accounting Principles Group
T +1 312 602 8107
E Graham.Dyer@us.gt.com

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