

FINANCIAL SERVICES COMMISSION

Instructions for the Completion of the Fund Status Report FSC 45 (Form 7) Investment Managers

1. FILING THE FUND STATUS REPORT (“FSR”)

- 1.1 **Required filings.** These are instructions to assist investment managers subject to the **Pensions (Superannuation Funds and Retirement Schemes) Act**, to complete the Fund Status Report (“FSR”) required to be filed with the Financial Services Commission (“FSC”).
- 1.2 **Periodic Filings.** This form is to be completed quarterly in accordance with the governing legislative and regulatory requirements. The responsible officer of the investment manager must certify the report and ensure that the form is completed and submitted at such intervals as directed by the FSC.
- 1.3 **Guidelines and Written Instructions.** These instructions are to be used as a guide in the completion of the form. However, licensees are required to give due consideration to additional written instructions which the FSC may release from time to time.
- 1.4 **International Financial Reporting Standards.** Unless expressly stated to the contrary, the FSR is to be completed using International Financial Reporting Standards (“IFRS”).

2. FILING REQUIREMENTS

- 2.1 **End of Period.** The FSR is to be completed as at the last day of each quarter ending 31st March, 30th June, 30th September and 31st December. This date is to be shown on each schedule of the report.
- 2.2 **Period Under Review.** The respective periods under review is the 3 calendar months beginning 1st January, 1st April, 1st July and 1st October. All funds/schemes for which assets were held by the investment manager during the respective quarters must be included in the report.
- 2.3 **Filing Deadline.** This form is to be filed with the FSC within sixty (60) days of the End of Period.
- 2.4 **Required Signatories.** All sections should be appropriately completed and the responsible officer of the investment manager must certify to the truth, completeness and accuracy of the representation. (Please see schedule 45.40 of the Report)
- 2.5 **Original Signatures.** The FSR must bear original signatures on the respective certification schedules. To facilitate verification of original signatures, ink different in colour from that of the print should be used for signing hard copies.
- 2.6 **Care and Accuracy.** It is expected that the person certifying the report will ensure that stringent care and accuracy is taken in completing the report. This implies that the person who certifies the report is able to answer questions of a technical nature regarding the preparation of the report.
- 2.7 **Identification.** It is important that the licence number of the investment manager and the date of the End of Period be shown on each schedule. The FSC will maintain a permanent record of the report and this information is needed on each schedule to ensure proper identification.
- 2.8 **Positive Integers and Rounding.** Unless specifically stated in these instructions or indicated on the form, entries should be made as positive integers. Exceptions will arise where an entry is the opposite of what would normally occur. Unless otherwise specified, the FSR is to be completed in thousands ('000) of Jamaican dollars.
- 2.09 **Jamaican Dollar Denominated.** All figures should be stated in Jamaican dollars. The exchange rate used for conversion must be the Bank of Jamaica weighted average buying rate as at the reporting date. Exchange Rates used should be specified in the notes.
- 2.10 **Supporting Details.** The person preparing the report must make supporting information and/or documents, including working papers, available to examiners and investigators of the FSC upon request.
- 2.11 **Opening Balances.** All opening balances should agree with the prior period's closing balance. If the opening balance does not agree with the closing balance for the prior period, a note explaining the difference must be provided.
- 2.12 **Incomplete forms will be returned.** Licensees are reminded that unsatisfactory or incomplete forms may be returned.

3.1 Schedules 45.10 FUNDS/SCHEMES UNDER MANAGEMENT

Purpose

To provide information about the value of the investment portfolio of Superannuation Funds/Retirement Schemes under the management of Investment Managers.

Definitions:

Column

(03) Type of Fund/Scheme: The type can be either:

A defined contribution plan, ("DC"), which is an arrangement whereby benefits for a member are determined solely as a function of the amount that can be provided by

- contributions made by or on behalf of the member, and
- interest earned and other gains and losses allocated to the member or,

A defined benefit plan, ("DB"), which is an arrangement which is not a defined contribution plan

(04) Fund/Scheme Status: The status can be one of the following:

(1) Active Open ("AO"): An active open superannuation fund/retirement scheme is one into which contributions are paid and new members enrolled from time to time.

(2) Active Closed ("AC"): An active closed superannuation fund/retirement scheme is one into which contributions are paid but no new members are enrolled.

(3) Inactive ("IA"): An inactive superannuation fund/retirement scheme is a fund/scheme for which there is a cessation of contributions and member enrollment.

(4) Termination Pending ("TP"): A termination pending superannuation fund/retirement scheme is an active or inactive fund/scheme for which approval of termination/wind-up has not yet been granted by the FSC or Court.

(5) Terminated Open ("TO"): A terminated open superannuation fund/retirement scheme is an active or inactive fund/scheme for which notice to wind-up the fund/scheme has been approved by the FSC/Court but assets remain in the fund/scheme and all the relevant reports have not been filed with the relevant authorities.

(6) Terminated Closed ("TC"): A terminated closed superannuation fund/retirement scheme is an active or inactive fund/scheme for which approval of termination/wind-up has been granted by the FSC/Court, no assets remain in the fund/scheme and all filings have been submitted to the FSC and Taxpayer Audit & Assessment Department ("TAAD").

(7) Transferred ("TR"): Is a fund whose investment management functions have been moved to another investment manager.

Schedules 45.10 FUNDS/SCHEMES UNDER MANAGEMENT

(05, 06) Fund/Scheme Value

For each fund or scheme that the investment manager provides investment services during the period under review, the value of the fund/scheme at the end of the quarter (col. 5) and the beginning of the quarter (col. 6) is to be reported.

3.2 Schedules 45.15 INVESTMENT PORTFOLIO MIX

Purpose

To provide information regarding the allocation of assets under management between/among various asset classes.

Definitions:

Line

- (019) DEPOSITS** This refers to short and long-term deposits in licensed solvent deposit taking institutions.
- (029) COMMERCIAL PAPER.** This refers to Commercial Paper, which as defined in Regulation (2), The Securities (Disclosure of Interest) Regulations 1999 are “securities comprising or evidencing a debt obligation repayable within a year of the date of issue, whether or not secured or guaranteed, but does not include payment obligations arising out of the sale of goods or services.”
- (039) SECURITIES OF GOVERNMENTS.** This comprises all securities issued, assumed or guaranteed by the Government of Jamaica (“GOJ”) and Governments in recognized jurisdictions or its agencies and loans upon the security of general obligations of GOJ/recognized jurisdictions, and includes, but is not limited to treasury bills, local registered stock, bonds and debentures. **Please indicate in the Notes, the amount and percentage of foreign securities which relate to Government of Jamaica and Other Foreign Securities respectively.**
- (049) REPURCHASE AGREEMENTS.** A repurchase agreement is an agreement between a seller and a buyer under which the seller agrees to repurchase the securities at an agreed price and at a stated future date.
- (059) BONDS & DEBENTURES.** This refers to any interest bearing, multilateral or corporate security, which is not a Government of Jamaica instrument (039) that obligate the issuer to pay the bondholder a specified sum of money, usually at specified intervals. The principal amount is repaid at maturity. Debentures are bonds providing the holder with a general claim over the borrower’s assets.
- (069) MORTGAGE LOANS.** This refers to an interest bearing debt instrument by which the borrower or mortgagor gives the lender or mortgagee a lien on real property as security for the repayment of a loan. The lien is removed when the obligation is fully paid.
- (079) OTHER LOANS.** This refers to loan transactions whereby monetary value is passed from lender to borrower, usually for a pre-specified period and at a given interest rate. This item excludes mortgage loans which are to be reported in (069) above.
- (084) PROMISSORY NOTES.** This refers to debt obligations (other than Securities of Governments (039)) repayable in one year or more from the date of issue. They may be secured or unsecured and issued by corporate entities. If the note is repayable within one year then it is classified as commercial paper. See definition at **(029)** above.

(090) TOTAL LEASES. Finance Lease Contracts are special loans where a lessor grants use of real estate or other fixed assets to a lessee and *transfers substantially all the risks and rewards incident to ownership*. Operating leases allow the lessee to use the leased property for only a portion of its economic life.

Schedules 45.15 INVESTMENT PORTFOLIO MIX

(099) STOCKS & SHARES. This refers to ownership interest in a corporate entity. These may be in the form of ordinary, preferred or guaranteed stocks or shares. Stocks listed on a stock exchange of a recognized jurisdiction are classified as “listed” or “quoted”. Investments in shares of unlisted companies are classified as unquoted.

(109) REAL ESTATE. This refers to parcels of land and all physical structures related to same. Investment property is property held either for rental income or capital appreciation or both.

(119) INVESTMENT ARRANGEMENTS. This includes investments in pooled funds and deposit administration contracts. Where the aggregate figure includes both pooled funds and deposit administration contracts, the Investment Manager should provide a break down of the values held in each investment arrangement.

(129) DERIVATIVES. These are contractual obligations, whose value is based on the performance of an underlying financial asset, index or other investments.

(139) OTHER INVESTMENTS. This refers to any investments, which do not fall into any of the above categories. If this line item is used, the type and nature of the instrument(s) must be disclosed in an attachment.

For example: Investment Manager XYZ, manages the following superannuation funds as shown:

	INVESTMENT 1	INVESTMENT 2	INVESTMENT 3	TOTAL
	\$(‘000)	\$(‘000)	\$(‘000)	\$(‘000)
Superannuation Fund - ABC	40	1,250	8,000	9,290
Superannuation Fund - DEF	2,000	3,000	1,750	6,750
Superannuation Fund - GHI	10,240	6,460	5,300	22,000
Totals	12,280	10,710	15,050	38,040

Schedules 45.15 INVESTMENT PORTFOLIO MIX

The above would be reported as follows:

**INVESTMENT PORTFOLIO MIX
FSC 45.15**

Ref No. to Notes								
	Current Period			Previous Period				
	(J\$'000)	% of Total Investments	% Foreign Securities	(J\$'000)	% of Total Investments	% Foreign Securities		
	(01)	(02)	(03)	(01)	(02)	(03)		
	Investment 1	(001)	12,280	32	5			
	Investment 2	(002)	10,710	28				
	Investment 3	(003)	15,050	40	2			
	Investment 4	(004)						
	Investment 5	(005)						
	Investment 6	(006)						
	Investment 7	(007)						
	Investment 8	(008)						
	Investment 9	(009)						
	Investment 10	(010)						
	Investment 11	(011)						
	Investment 12	(012)						
	TOTAL INVESTMENTS		38,040	100	7			

Current Period / Previous Period

For the portfolio of superannuation funds/retirement schemes that the investment manager provides investment services during the period under review, the value of the portfolio at the end of the current (col. 1) and previous (col. 4) quarter is to be reported. These values should reconcile with the totals of columns 05 and 06 of schedule 45.10.

For each period, provide the percentage of each investment to total investment (C 02) and (C03) Foreign securities.

Column 02- **Total Investments**-represents aggregate investments denominated in Jamaican dollars (both foreign and Jamaican).

Column 03- **Foreign Securities**- This refers to the percentage of Total Investments (C 02) for each investment category which represents investments denominated in foreign currency.

The schedule must be separately completed for superannuation funds and retirement schemes.

3.3 Schedules 45.20 TYPE I POOLED FUNDS PORTFOLIO MIX

Purpose

To provide information regarding the allocation of Type I Pooled Funds under management between/among various asset classes.

Current Period / Previous Period

For the portfolio of Type I Pooled Funds that the investment manager provides investment services during the period under review, the value of the portfolio at the end of the current (col. 1) and previous (col. 4) quarter is to be reported.

For each period, provide the percentage of each investment to total Type 1 investment (C 02) and (C03) in foreign currency.

The schedule must be separately completed for superannuation funds and retirement schemes.

General Commentary

Investment Managers should note that the schedule is designed to capture information with respect to the period under review and the period immediately preceding it. Where accounting assumptions have been changed, thus affecting the prior period accounts, this should be explicitly explained in an attachment, using the numerical references provided in the schedule.