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Regulatory Reporting Academy

Overview
2024

The regulatory landscape today

- The 2008 global financial crisis exposed many weaknesses in the regulatory framework which had allowed banks to take on excessive risk, ultimately leading to the collapse of several financial institutions.

- In the years since, we have seen the implementation of stricter regulations to strengthen the resilience of the global banking system.

- These reforms have updated the regulatory returns that banks need to submit to the relevant supervisory bodies which detail their capital, liquidity, and leverage positions

- KPMG have developed a regulatory reporting enhancement learning curriculum for colleagues who work directly in regulatory reporting teams and those who support and input into the reports.

- The curriculum contains 14 modules that aim to provide colleagues with knowledge of regulatory requirements and explores the common issues.

- Additionally, 3 modules are available that cover the latest financial reporting requirements (FINREP).

Document Classification: KPMG Public

Regulatory Reporting Academy

The Regulatory Reporting Academy covers the core components of Prudential Regulatory Reporting. It contains 17 digital modules focused on regulatory and financial reporting – marked by icons in the diagram below. The curriculum begins with a foundational module on Banking Prudential Regulation and then is split into 4 key areas: risk types, banking capital, financial and regulatory reporting and controls.

Basel 3.1

Impacted by Basel 3.1

The Academy contains a standalone module on Basel 3.1. The unshaded boxes below highlight what is covered in this module.

Banking Prudential Regulation 101

Risk Types

Banking Capital

Securitisation

Credit Risk

Counterparty Credit Risk

Liquidity Risk

Market Risk

Operational Risk

Capital Resources

Securitisation

Standardised approach

IRB approach

EAD Calculation Approaches

Risk Weight Approaches

Credit Valuation Approach

Liquidity coverage ratio

Net stable funding ratio

Standardised Approach

IMA Approach

Basic Indicator Approach

Standardised Approach

Advanced Measurement Approach

Internal ratings based approach

Standardised approach

Leverage

Leverage ratio

Standardised Approach

Standardised Approach

Standardised Approach

IMM Approach

IRB Approach

Advanced Approach

Financial & Reg Reporting

COREP Return & Pillar 3 Disclosures

Controls for Regulatory Reporting

Regulatory reporting: Data

Regulatory reporting: Controls

Financial Reporting

Financial Reporting 101

FINREP Primary Financial Statements, Derivatives and other reporting

FINREP Credit Reporting

Regulatory Reporting Learning Academy

What does each of the Regulatory Reporting modules cover?

Each digital module is c.30 minutes in duration. Outlined below is a summary of what is covered in each module

1. Banking Prudential Regulation 101

This module provides an overview of the fundamental principles that shape regulatory reporting obligations and the key calculations that underpin regulatory reporting for banks in the UK.

2. Capital Resources

This module provides an overview of the different types of capital resources banks are required to maintain, as well as the instruments and buffers regulators use to help banks protect themselves against insolvency and other key risks.

3. Credit Risk: Standardised Approach

This module provides an introduction into calculating the amount of capital a bank needs to hold to reflect the level of credit risk it faces under the standardised approach.

4. Credit Risk: IRB Approach

This module provides an introduction to a more advanced method of calculating the credit risk capital requirement, known as the Internal Rating Based Approach (IRB).

5. Credit Risk: Counterparty

This module provides an introduction to calculating Counterparty Credit Risk (CCR) using the standardised approach, the Internal Models Method approach, and alternative methods.

6. Securitisation

This module provides an introduction to the securitisation framework, the different ways to calculate its capital requirements, and its minimum compliance and regulatory reporting requirements.

7. Market Risk

This module provides an explanation of how to calculate market risk, including market risk factors, risk sensitivities, and the scope of regulatory mandates including upcoming regulations.

8. Operational Risk

This module provides an overview of the key operational risks inherent in banking products, as well as the different approaches to quantifying the capital required for this risk.

9. Liquidity Risk

This module provides an introduction to the way liquidity risk is measured, and provides a clear understanding of the regulatory requirements banks must report on.

10. Leverage Ratio

This module provides an introduction to calculating a bank s leverage ratio, the capital and exposure measures that comprise the ratio, and the related leverage minimum requirements and buffers.

11. COREP Return and Pillar 3 Disclosures

This module provides an overview of the Common Reporting Framework and the Pillar 3 disclosures to emphasise the breadth and depth of reporting required to regulators and external stakeholders.

12. Basel 3.1 Standards

This module provides an overview of the proposed changes in Basel 3.1, as proposed by the PRA. This module will highlight the implications these changes will have on financial institutions as they are introduced.

13. Regulatory Reporting: Data

This module provides an introduction to the components and requirements of data management and relevant frameworks, and highlights its importance in the context of regulatory reporting.

14. Regulatory Reporting: Controls

This module provides an overview of controls and how controls are applied to the regulatory reporting process to ensure reports meet regulatory expectations.

Regulatory Reporting Learning Academy

What is covered in each of the FINREP modules?

The FINREP modules aims to provide colleagues with knowledge of how and where FINREP fits into the supervisory reporting landscape, the latest regulatory requirements and the common challenges banks face in their Prudential Regulation Authority (PRA) reporting.

Each module is c.30 minutes in duration and is followed with a short end of module assessment. Outlined below is a summary of what is covered in each module:

1. Financial Reporting 101	2. FINREP Primary Financial Statements, Derivatives and other reporting	3. FINREP Credit Reporting
This module provides an overview of the objectives and main requirements of FINREP as set out in the Prudential Regulation Authority (PRA) rulebook and the main interactions between FINREP and other reporting and regulations.	This module provides an overview of the FINREP templates that contain detail related to the financial statements, derivatives information and non-credit supplementary disclosures.	An introduction to the concepts and reporting requirements for the completion of the FINREP templates related to the reporting institution's credit related activity. This module also looks at how FINREP interacts with other regulatory reporting requirements.

Regulatory Reporting Learning Academy

Key Business Outcomes

The Regulatory Reporting Learning Academy has been designed to equip learners with:

- ✓ An understanding of the relevant regulatory requirements and their purposes within the broader macroeconomic context

- ✓ An understanding of how to effectively identify and manage issues through the appropriate channels and governance

- ✓ An understanding of the processes involved in regulatory reporting, including data collection and analysis

- ✓ The ability to identify and manage the risks associated with regulatory reporting

- ✓ Deep knowledge of the activities and considerations involved in regulatory reporting processes and practices

The Academy will suit banking professionals in the following areas:

- ✓ Regulatory Reporting
- ✓ Finance
- ✓ Regulatory compliance

Regulatory Reporting Learning Academy

How to access the content?

Each digital module within the programme can be purchased separately or as part of a package depending on your needs. This flexibility allows tailoring of the learning experience according to specific requirements and focus areas for different roles. The assessments built in the modules, crucial for tracking progress and reinforcing learning outcomes, are included with each digital module.

There are also two different options for accessing the learning depending on your needs:

Hosted on your Learning Management System

Hosted on your own learning management system with a licence to use the content for a number of learners per annum.

KPMG hosted

Hosted on KPMG's Learning Enablement and Analytics Platform (LEAP). Provides access for a specific number of learners for 12 months.

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