



## **National Consumer Credit Protection (Large ADI) Determination 2023**

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I, Stephen Jones, Assistant Treasurer and Minister for Financial Services, make the following determination.

Dated                    14 September 2023

Stephen Jones  
Assistant Treasurer  
Minister for Financial Services

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## Part 1—Preliminary

### 1 Name

This instrument is the *National Consumer Credit Protection (Large ADI) Determination 2023*.

### 2 Commencement

- (1) Each provision of this instrument specified in column 1 of the table commences, or is taken to have commenced, in accordance with column 2 of the table. Any other statement in column 2 has effect according to its terms.

Commencement information		
Column 1	Column 2	Column 3
Provisions	Commencement	Date/Details
1. The whole of this instrument	The day after this instrument is registered.	

Note: This table relates only to the provisions of this instrument as originally made. It will not be amended to deal with any later amendments of this instrument.

- (2) Any information in column 3 of the table is not part of this instrument. Information may be inserted in this column, or information in it may be edited, in any published version of this instrument.

### 3 Authority

This instrument is made under the *National Consumer Credit Protection Act 2009*.

### 4 Definitions

Note: Expressions have the same meaning in this instrument as in the *National Consumer Credit Protection Act 2009* as in force from time to time—see paragraph 13(1)(b) of the *Legislation Act 2003*.

In this instrument:

**final report** means a report in relation to an ADI's final reporting period in a financial year submitted by the ADI to APRA under:

- (a) Reporting Standard ARS 323.0; or
- (b) Reporting Standard ARS 720.0.

**financial year** of an ADI has the meaning given by section 323D of the *Corporations Act 2001*.

**large ADI**: see section 5.

**old determination** means the *Banking Executive Accountability Regime (Size of an Authorised Deposit-taking Institution) Determination 2021* as in force

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immediately before the commencement of Part 2 of Schedule 1 to the *Financial Accountability Regime (Consequential Amendments) Act 2023*.

**Reporting Standard:** see section 7.

**Reporting Standard ARS 323.0** means the reporting standard set out in the Schedule to the *Financial Sector (Collection of Data) (reporting standard) determination No. 27 of 2019*.

**Reporting Standard ARS 720.0** means the reporting standard set out in the Schedule to the *Financial Sector (Collection of Data) (reporting standard) determination No. 25 of 2021*.

**the Act** means the *National Consumer Credit Protection Act 2009*.

**total asset size:** see section 5.

**total resident assets value:** see section 6.

## Part 2—Determining the kinds of ADIs that are large ADIs

### 5 Size of an ADI

- (1) Under subsection 5(1A) of the Act, the kinds of ADIs that are large ADIs, is determined by this section.
- (2) An ADI is a large ADI at a time during a financial year if the ADI's total asset size at the start of the financial year is or exceeds \$124 billion (indexed in accordance with section 8).
- (3) An ADI's total asset size at the start of a financial year is:
  - (a) if, as at the start of that financial year, the ADI has submitted a final report for only one earlier financial year—the ADI's total resident assets value (see section 6) in that final report; or
  - (b) if, as at the start of that financial year, the ADI has submitted final reports for only 2 earlier financial years—the average of the total resident assets value in the final report for each of those financial years; or
  - (c) if, as at the start of that financial year, the ADI has submitted final reports for 3 or more earlier financial years—the average of the total resident assets value in the final report for each of the 3 most recent of those earlier financial years.
- (4) For the purposes of subsection (3), if an ADI has submitted final reports for a financial year under both Reporting Standard ARS 720.0 and Reporting Standard ARS 323.0, take into account only the total resident assets value in the final report under Reporting Standard ARS 720.0.

### 6 Total resident assets value

- (1) An ADI's **total resident assets value** in a final report is determined in accordance with this section.
- (2) If the report is under Reporting Standard ARS 323.0, the total resident assets value is the amount reported in Section A, item 11 Total assets in Form ARF 323.0 in that Reporting Standard.
- (3) If the report is under Reporting Standard ARS 720.0 and Form ARF 720.0A in that Reporting Standard, the total resident assets value is worked out in accordance with the following method:

*Method Statement*

- Step 1. Identify the amount reported in Section A, item 13 Total assets including intra-group assets.
- Step 2. Subtract from the result of Step 1 the amount required to be reported in Section A, item 11.1 Total assets excluding intra-group assets of which: Due from non-residents.

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Step 3. Subtract from the result of Step 2 the amount required to be reported in Section A, item 12.1 Total intra-group assets of which: Due from non-residents.

- (4) If the report is under Reporting Standard ARS 720.0 and Form ARF 720.0B in that Reporting Standard, the total resident assets value is the amount reported in Section A, item 13 Total assets including intra-group assets.

## 7 Reporting Standards

- (1) If a provision (the referring provision) of this instrument refers, in relation to an ADI's final reporting period in a financial year, to a Reporting Standard with a particular identifier, the referring provision is to be taken to refer to the version of the Reporting Standard with that identifier that applied to that reporting period because of a determination made under section 13 of the *Financial Sector (Collection of Data) Act 2001*.

Example: Reporting Standard ARS 323.0.

- (2) However, if no version of that Reporting Standard applies to that reporting period because that Reporting Standard has been replaced by a Reporting Standard with a different identifier:
- (a) subsection (1) applies as if the referring provision referred instead to the Reporting Standard with the different identifier; and
  - (b) if the referring provision also refers to particular material in the Reporting Standard that has been replaced, it is taken to refer instead to the corresponding material in the applicable version of the Reporting Standard with the different identifier.
- (3) In this section:

**identifier** means a combination of letters and numbers (with or without punctuation marks, and whether or not followed by a title).

## 8 Indexation of large ADI threshold

- (1) The amount referred to subsection 5(2) is indexed in accordance with this section on 1 January 2024 and each 1 January after that.
- (2) The amount is indexed by:
- (a) multiplying the amount by its indexation factor worked out under this section; and
  - (b) rounding the result down to the nearest multiple of \$1 billion.
- (3) The indexation factor for the amount is the following fraction, calculated to 3 decimal places (but rounding up the third decimal place if the fourth decimal place would be 5 or more):

$$\frac{\text{relevant GDP number}}{\text{base GDP number}}$$



where:

**base GDP** number is the annual estimate of the Gross Domestic Product: Current Prices-Original series most recently published by the Australian Statistician for the financial year ending on 30 June 2022.

**relevant GDP** number is the first-published annual estimate of the Gross Domestic Product: Current Prices-Original series published by the Australian Statistician for the last financial year that ends before the 1 January on which the indexation occurs, disregarding any revisions of that estimate.

- (4) An indexation factor that is less than 1 is to be increased to 1.

## **Part 3—Transitional provision**

### **9 Transitional provision for large ADIs**

If an ADI was a large ADI under the old determination for the financial year in which this instrument commences, then despite section 5 of this instrument, the ADI continues to be a large ADI for the remainder of that financial year for the purpose of subsection 5(1A) of the Act.