

# UNIFORM STATE REPORT USING ELECTRONIC SPREADSHEET

## INTRODUCTION

We have made some changes in the annual report form and want you to report information based upon the following definitions:

*Industrial Loans* – Report only loans made under your Iowa Industrial loan license.

*Regulated Loans* – Report only loans made under your Iowa Regulated loan license.

*Sales Finance Contracts* – If you have a Regulated and/or Industrial Loan license, include these with loans made under your Iowa Regulated or Iowa Industrial loan license unless your organization also holds a “Notification to Iowa Consumer Credit Code.”

*Sales Finance Contracts* – Report loans here **ONLY** if you provide notification to the office of the Attorney General as administrator of the Iowa Consumer Credit Code under Section 537.6201 (1).

*Other* – These are loans made to Iowa residents that include the following: 1) Loans that are not subject to licensing regulations; 2) Out-of-state loans; 3) Loans on Iowa property that are not owner-occupied residential loans.

The purpose of the uniform state report is to provide a detailed summary of information for all operations conducted by entities licensed by the Iowa Division of Banking to make supervised loans.

This report requires information on all industrial loans (536A), regulated loans (536), retail installment contracts, and other business that transpired in your company(s) for the calendar year. If more than one company or corporation is involved, the instructions are explicit as to the proper reporting.

The reporting entity must follow all instructions explicitly. If a company or affiliate operates more than one licensed office, the report must be filed on a composite basis, supported by a Schedule “G.” **Report all amounts in even dollars.**

It is necessary that this report be reviewed promptly upon receipt and any questions be made known early so as to avoid late filing and penalties for doing so.

The following schedule letters, captions, and item numbers correspond with those shown in the report.

The worksheets are password protected, and information can be entered into the shaded cells only.

## REPORTING ENTITY

- Line 2. The name and license number for industrial and/or regulated loan companies or corporations as shown on the license. If more than one license is issued to one company, number 2 should be answered “multiple.” Each license number then will be shown on Schedule “G.”
- Line 4. For a single license operation, industrial and/or regulated loan, enter the address as shown on the license. If more than one license is held, enter the address of the home office.

## SCHEDULE A Statement of Income and Expense

The purpose of this schedule is to show all income derived or produced from all loan and finance operations conducted within the premises of the industrial loan licensee, regulated loan licensee, or both, including any other such activity regardless of whether such other loan and finance operations are conducted by another affiliated company.

For purposes of this schedule, all expenses incurred by the industrial loan licensee, regulated loan licensee, or another affiliated company engaged in operating any type of loan or finance business must be reported in the total column and allocated using the formula defined in Schedule F, “Determination of Allocation Percentages.” Any departure from the prescribed method of allocation will result in the report being returned for correction unless prior written approval from the appropriate Iowa regulatory agency has been obtained in writing at least 60 days prior to the end of the year covered by the report.

- Line 16. *Finance Charges Collected and/or Earned* — This account must include all income derived from receivables. If the reporting entity’s books are kept on a cash basis, this item will show the actual charges collected. If the report entity’s books are kept on an accrual basis, this item will show the charges earned.
- Line 17. *Other Income* — This account must show all other revenue earned or collected from receivables or other sources.
- Line 18. *Late and Deferment Charges* — Report on an actual basis the total late and deferment charges taken into income.
- Line 19. *Other Loan Fees* — Report all other loan fees either earned or collected during the year
- Line 20. *Credit Insurance Income* — Report all credit insurance income. This amount must agree with the income listed on the Insurance Supplement.
- Line 21. *Other Income* — Report all other income either earned or collected during the year as per the books of the industrial loan licensee, regulated loan licensee, or other affiliated company if the affiliated company operates out of the same premises and was engaged in any loan or finance activity. This account must include but is not limited to revenues received from rental income, dividends, interest on investments, income from other types of finance business, commissions, etc.
- Line 22. *Total Operating Income*
- Line 27. *Advertising* — This account must show the amount incurred by the reporting entity during the year for promoting or retaining the business of the reporting entity. Show only the amount for purchases of advertising supplies or outside services.

- Line 28. *Auditing* — This account must show the amount incurred by the reporting entity during the year for accounting, auditing services, and state exam.
- Line 29. *Bad Debts* — This account must reflect the reporting entity's bad debt experience during the year.
- Line 30. *Charge-Off* — If the reporting entity is on a direct charge-off method of accounting for bad debts, this account must show the amount of bad debts actually written off during the year.
- Line 31. *Deduct: Collections on Accounts Previously Charged-Off* — This account must show the total of amounts (principal, interest, and other charges) received by the licensee during the year which were previously written off as a bad debt.
- Line 32. *Additions to Reserve for Bad Debts* — If the reporting entity maintains an accrual method of accounting for bad debts, this account must show the addition to the reserve account for the year.

NOTE: LINES 30 AND 32 ARE MUTUALLY EXCLUSIVE.

- Line 33. *Depreciation and Amortization* — This account must show amount expenses for fixed assets and other depreciable assets, such as debt expenses, organization expense, real and personal property, etc.
- Line 34. *Insurance and Fidelity Bonds* — This account must show the amount expended by the reporting entity during the year for all insurance and bonding of employees.
- Line 35. *Legal Fees and Disbursements* — This account must show the amount expended by the reporting entity during the year for legal fees and disbursements related to the activities of outside counsel. Do not include recording and notary fees.
- Line 36. *Postage, Printing, Stationery, and Supplies* — Self-explanatory.
- Line 37. *Rent, Janitorial Services, and Utilities* — This account must show the total amount paid by the reporting entity during the year for the rental of buildings, office equipment, etc., janitorial services, and utilities, including heat, light, water, sewer, etc. Expenses for janitorial services must be included here if they are not performed by an employee. If they **are** performed by an employee, include in Line 44.
- Line 38. *Salaries of Officers, Owners, and Partners* — This item must include all salaries, bonuses, pensions paid during the year.
- Line 39. *Salaries of All Other Employees* — This item must include all salaries, bonuses, wages, pensions paid during the year.
- Line 40. *Taxes — Other Than on Income* — This item must include all property taxes and any other taxes which are now show separately.
- Line 41. *License Fees* — This account must show the amount incurred by the licensee during the year for license fees paid to city, county, state, and federal governments.
- Line 42. *Telephone and Facsimile* — Self-explanatory.
- Line 43. *Travel, Auto Expense, and Allowance* — This account must show the amount incurred by the licensee during the year for travel and travel-related activities. The amount must include, but is not limited to, either direct payment or employee reimbursement of air, taxi, bus, train, auto rental and leasing fees, lodging and meals, travel insurance, use of employee vehicles and gasoline, registration and other fees, insurance and repairs associated with vehicles owned by the reporting entity.
- Line 44. *Supervision and Administration* — This account must show the total amount of the expenses of an affiliated company during the year directly assigned and/or allocated to the reporting entity when not allocated to other items.

- Line 45. *Other Expenses* — This account must list all other expenses incurred by the reporting entity not otherwise shown.
- Line 46. *Interest Paid on Borrowed Funds* — Represents total interest expense on all debt obligations during the year.
- Line 47. *Total expenses Before Income Taxes* — Total of Lines 27 through 46.
- Line 48. *Income Before Income Taxes* — Line 22 less Line 47.
- Line 49. *Income Taxes* — The actual state and federal income taxes paid or accrued should be allocated between the various lines of business on the basis of taxable income, as determined in this report to be Line 48, “Income Before Income Taxes.” In instances where pre-taxable income (line 48) for a particular line of business is a loss, a tax credit should be assigned to that particular line of business operating at a loss. The allocation of state income taxes and state income tax credit shall be determined by dividing the total amount of taxes on line 50 by the total taxable income or (loss) on line 48 and the result applied to the taxable income or (loss) on line 48 for each type of business. The allocation of federal income taxes, Line 51, is the same as for state income taxes.
- Line 52. *Total Expenses*
- Line 53. *Net Income* — Line 22 less Line 52.
- Line 54. *Net Income as a Percent of Average Net Receivables* — Line 53 divided by Line 171, Schedule F.

## **SCHEDULE B**

### **Balance Sheet**

The purpose of this schedule is to provide a balance sheet for the period covered by this report which conforms to the actual books of reporting entity or entities. If the reporting entity operates under more than one corporation, a composite balance sheet reflecting total assets and liabilities of all corporations should be filed.

- Line 61. *Cash on Hand in Banks* — This account must show the amount of cash on hand or on deposit by the reporting entity with a bank or other financial institution at the end of the year.
- Line 63. *Short Term Investments* — This account must show the amount of certificates of deposit, treasury bills, and other investments of a liquid nature.
- Line 65. *Loans Receivable: Gross Receivables* — Represents the actual assignment of the reporting entity’s receivables at the statement date in conformity with the descriptions set forth in the “Statement of Supplemental Detail on Receivables.”
- Line 66. *Loans Receivable: Less Unearned* — This account must show the amounts for interest and other charges included in 36a which were unearned at the statement date.
- Line 67. *Loans Receivable: Total Net Loans Receivable* — Determined by subtracting Line 66 from Line 65.
- Line 68. *Loans Receivable: Less Reserve for Bad Debts* — This account must show the amount which has been set aside by the reporting entity at the statement date for uncollectible loans.
- Line 69. *Loans Receivable: Adjusted Net Receivable* — Determined by subtracting Line 68 from Line 67.
- Line 70. *Total Liquid and Earning Asset* — Total of Lines 61, 62, 63, and 69.
- Line 71. *Inter-Company Loans* — This account must show the balance owing on loans made to other companies or subsidiaries owned by the reporting entity.

- Line 72. *Investments in Affiliates* — This account must show the investment of capital in other companies or affiliates owned by the reporting entity.
- Line 73. *Other Investments* — This account must show other investments of the reporting entity, such as stocks, bonds, etc.
- Line 74. *Furniture, Fixtures, Equipment and Vehicles (Less Depreciation)* — Self-explanatory.
- Line 75. *Building and Land (Less Depreciation)* — Self-explanatory.
- Line 76. *Repossessed Property* — This account must show the net balance owing on all repossessed property on hand as of the reporting date, including real estate.
- Line 77. *Prepaid Expenses and Deferred Charges* — Self-explanatory.
- Line 78. *Other Assets* — Must show all other assets not shown in this schedule.
- Line 79. *Total Assets* — Must show the total of Lines 70 through 78 and agree with Line 100.
- Line 83. *Short Term Borrowings* — Self-explanatory.
- Line 84. *Long Term Borrowings* — Self-explanatory.
- Line 85. *Reserves* — Self-explanatory.
- Line 89. *Dividends Payable* — This account must show dividends accrued on capital stock of the reporting entity corporation during the reporting year.
- Line 90. *Other Liabilities* — This account must show all other liabilities not shown in Lines 83 through 89.
- Line 91. *Total Liabilities* — This account must show totals of Lines 83 through 90.
- Line 92. *Net Worth* — This account must show net worth of unincorporated business.
- Line 93. *Capital Stock* — Must show issued capital stock less treasury stock, if any.
- Line 97. *Paid-in Surplus* — This account must show the paid-in surplus or additional paid-in capital of the corporation.
- Line 98. *Retained Earnings* — This account must show the accumulative retained earnings or undivided profits.
- Line 99. *Total Shareholders' Equity* — Sum of Lines 93 through 98.
- Line 100. *Total Liabilities and Net Worth or Equity* — This account is the total of Lines 91 and 92 or Lines 91 through 99.

## **DETAIL OF LOANS RECEIVABLE**

*Industrial Loans* – Report only loans made under your industrial loan license.

*Regulated Loans* – Report only loans made under your regulated loan license.

*Sales Finance Contracts* – If you have a Regulated and/or Industrial Loan license, include these with loans made under your regulated or industrial loan license.

*Sales Finance Contracts* – Report loans here **ONLY** if you provide notification to the office of the Attorney General under Section 537.6201 (1).

*Other* – These are loans made to Iowa residents that include the following: 1) Loans that are not subject to licensing regulations; 2) Out-of-state loans; 3) Loans on Iowa property that are not residential loans or owner-occupied.

## **SCHEDULE C**

### **Analysis of Supervised Loan Activity**

NOTE: ALL AMOUNTS ARE TO BE REPORTED NET.

- Line 120. *Loans Outstanding at Beginning of Year* — Same as loan outstandings as of December 31 of the preceding year. Industrial and retail sales must be reduced from gross to net.
- Line 121. *Loans Made During Year* — This item must show the total number and net amount for regulated loans, industrial loans, and retail installment.
- Line 122. *Loan Balances Purchased During Year* — All loans purchased by either inter-company transfer or bulk purchase.
- Line 123. *Total* — Sum of Lines 120 through 122.
- Line 124. *Loan Balances Charged Off During Year* — This account must agree with Line 30, Schedule A, for companies using a direct charge-off method.
- Line 125. *Loan Balances Sold During Year* — This is amount sold by either inter-company transfer or bulk sale.
- Line 126. *Loans Outstanding at End of Year* — Must agree with Net Loans Receivable per Schedule B, B-1, or B-2 where applicable.
- Line 137. *Total* — Sum of Lines 124 through 126.
- Line 128. *Collections of Principal During the Year* — Line 123 less item 127.

#### **SCHEDULE D** **Delinquency Summary**

The purpose of this schedule is to summarize delinquency on a contractual delinquency basis for industrial loans, regulated loans, retail installment contracts, and other receivables.

Lines 135 through 137. *Contractual Past Due Accounts* — Accounts which have two or more full installments owing. Line 139 is computed by dividing Line 138 by item Line 65.

#### **SCHEDULE E** **Legal Action**

Lines 147 - 162. This schedule is designed to show cases in which legal remedies are used for collection of supervised loans. The headings are self-explanatory.

**SCHEDULE F**  
**Determination of Allocation Percentages**

In instances where the licensee conducts one or more types of loan business and/or sales finance business, the apportionment of all common expenses between such businesses should be made on the basis of the average of monthly dollars outstanding (less unearned charges or discount) and the monthly number of accounts outstanding, with the following exceptions:

- a. Interest expense is more closely related to amounts rather than number of accounts, allocate on the percentage of monthly outstanding balances (Line 171) when an actual assignment is not available.
- b. Additions to reserve for bad debts or charge-offs (if a direct charge-off method is used) should be distributed on an actual basis.
- c. Allocation of income taxes - refer to the specific instructions for Schedule A, Line 49.

NOTE: ANY DEPARTURE FROM THE PRESCRIBED METHOD OF ALLOCATION WILL RESULT IN THE REPORT BEING RETURNED FOR CORRECTION UNLESS PRIOR WRITTEN APPROVAL FROM THE APPROPRIATE IOWA REGULATORY AGENCY HAS BEEN OBTAINED IN WRITING AT LAST 60 DAYS PRIOR TO THE END OF THE YEAR COVERED BY THE REPORT.

Line 169. *Average Number of Accounts Outstanding Per Month* — Computed by accumulating the beginning of month balances and dividing by 12. In instances where a reporting entity has not been in operation for a full 12 months, the result shall be divided by actual number of months in operation.

Line 171. *Average Amount of Net Receivables Outstanding Per Month* — Compute using the same procedure as described for Line 169.

Line 172. *Percentage of Average Amount of Net Receivables Outstanding Per Month* — Self-explanatory.

Line 173. *Average of Percentages on Lines 170 and 172* — Sum divided by 2.

**SCHEDULE G**  
**Branch Office Receivable**

The instructions for completing this schedule are the same as those for the corresponding Schedule C, Line 131. Report net loan receivables at year end. Totals to agree with Line 65.

**STATE OF IOWA  
INSURANCE SUPPLEMENT  
INDUSTRIAL LOAN AND REGULATED LOAN**

Any licensee who provides or offers through an agent credit insurance services in connection with regulated loans must complete the Insurance Supplement.

The purpose of this schedule is to highlight insurance transactions of the licensee and determine reasonably the income contribution realized by providing credit insurance services for borrowers, separate and apart from income generated under the applicable loan law. It is not the purpose of this schedule, nor is it practical when making a “reasonable” determination of insurance income, to develop an allocation of the licensee’s operating expenses (such as salaries, rent, postage, etc.) between an insured and uninsured loan.

With these thoughts in mind, the accompanying supplement and related instructions were developed.

Line 181. *Loans Made During the Year* — For “a,” number made per Schedule E, Line 121. For Line 182, enter gross amount of loans made during the year.

Line 187. *Insured Loans Made During Year* — Report the volume of regulated loans made during the year on which credit insurance was written. Line 188, “Amount,” refers to gross balances.

Line 191. *Premiums* — Report the premiums after deduction of prepayment refunds, of the licensee generated by the making of insured regulated loans.

Line 194. *Claims Paid* — Report the amount of claims paid to the licensee by the insurer during the year.

Line 195. Net income from sale of all credit insurance only. This is same as amount reported on Line 20.