
STATUTORY INSTRUMENTS

1997 No. 2911

INSURANCE

The Insurance Companies (Accounts and Statements) (Amendment) Regulations 1997

Made - - - - *30th November 1997*
Laid before Parliament *9th December 1997*
Coming into force - - *31st December 1997*

The Secretary of State, in exercise of the powers conferred on her by sections 17, 18, 21, 96(1) and 97 of the Insurance Companies Act 1982⁽¹⁾ and of all other powers enabling her in that behalf, hereby makes the following Regulations:—

Citation, commencement and application

1.—(1) These Regulations may be cited as the Insurance Companies (Accounts and Statements) (Amendment) Regulations 1997 and shall come into force on 31st December 1997.

(2) In these Regulations the “1996 Regulations” means the Insurance Companies (Accounts and Statements) Regulations 1996⁽²⁾.

(3) These Regulations apply to the documents submitted to the Secretary of State pursuant to section 22 of the Insurance Companies Act 1982 in respect of any financial year ending on or after 31st December 1997.

Value of assets and amounts of liabilities

2.—(1) Regulation 4 of the 1996 Regulations shall be amended as follows.

(2) In sub-paragraph (a), for “(other than a linked asset)” substitute “(other than a linked asset not required to be valued in accordance with Part VIII of the Insurance Companies Regulations⁽³⁾ by virtue of regulation 45(2) of those Regulations)”.

(3) In sub-paragraph (b), after the words “a linked asset of the company” insert “(other than a linked asset required to be valued in accordance with Part VIII of the Insurance Companies Regulations by virtue of regulation 45 of those Regulations)”.

(1) 1982 c. 50; section 21 was amended by the Companies Consolidation (Consequential Provisions) Act 1985 (1985 c. 9), section 30 and Schedule 2; and by S.I. 1991/97, reg. 2 and Schedule, para 47.
(2) S.I. 1996/943.
(3) S.I. 1994/1516; Part VIII was amended by S.I. 1994/3133, regs. 7 to 12; S.I. 1995/3248, regs. 2 to 12 and S.I. 1996/942, regs. 3 to 9.

Balance Sheet

3. For paragraph (6) of regulation 6 of the 1996 Regulations (balance sheet), substitute—
- “(6) Form 14 shall be completed by every company which carries on long term business in respect of:
- (i) its total long term business liabilities and margins; and
 - (ii) the long term business liabilities and margins for each separate long term business fund or group of funds for which separate assets have been appropriated.”

Schedule 1 to the 1996 Regulations: balance sheet and profit and loss account

4. In paragraph 14 of Schedule 1 to the 1996 Regulations (reconciliation), for the words “United Kingdom company”, in each place where they occur, substitute “a company (other than a company incorporated outside the United Kingdom)”.

5.—(1) The forms contained in Schedule 1 to the 1996 Regulations shall be amended as follows.

(2) In the instructions for completion of Form 9 (statement of solvency), for paragraphs 4 and 5 substitute—

“4. The entry at line 23 shall be equal to the sum of lines 11 and 63 in Form 14.

5. The entry at line 24 shall be equal to the sum of lines 12 and 49 in Form 14.”.

(3) In the instructions for completion of Form 13 (analysis of admissible assets)—

(a) for paragraph 3 substitute—

(a) In the case of the United Kingdom branch of an external company (other than a pure reinsurer) Form 13 shall be completed for the following categories of assets—

Category	Code – other than long term business assets	Code – long term business assets
Assets deposited with the Accountant General	2	6
Assets maintained in the United Kingdom	3	7
Assets maintained in the United Kingdom and the other EEA States	4	8

(b) In the case of the United Kingdom branch of an external company (other than a pure reinsurer) Form 13 shall be completed for the following categories of assets—

Category	Code – other than long term business assets	Code – long term business assets
Assets deposited with the Accountant General	2	6
Assets maintained in the United Kingdom and the other EEA States	4	8

Category	Code – other than long term business assets	Code – long term business assets
Assets maintained in the United Kingdom and the other EEA States where business is carried on	5	9”; and

(b) after paragraph 10 add—

“11. Lines 60 to 63 and 85 relate only to general business insurance.

12. Lines 60 to 63 and 85 should be left blank for “Category of assets” codes “2”, “3”, “4” and “5”.”

(4) For Form 14 (long term business liabilities and margins), substitute the Form 14 as set out in the Schedule to these Regulations.

Schedule 2 to the 1996 Regulations: general business: revenue account and additional information

6.—(1) In paragraph 11 of Schedule 2 to the 1996 Regulations, after the words “under a transfer approved by the Secretary of State under Schedule 2C to the Act” insert “or approved by the competent authority of another EEA State under Article 12 of Council Directive [92/49/EEC](#)”(4)

(2) In sub-paragraph 4 of paragraph 13 of Schedule 2 to the 1996 Regulations, after the words “under a transfer approved by the Secretary of State under Schedule 2C to the Act” insert “or approved by the competent authority of another EEA State under Article 12 of Council Directive [92/49/EEC](#).”

(3) In sub-paragraph (1)(b) of paragraph 17 of Schedule 2 to the 1996 Regulations, after the words “approved by the Secretary of State under Part II of Schedule 2C to the Act” insert “or approved by the competent authority of another EEA State under Article 12 of Council Directive [92/49/EEC](#)”.

7.—(1) Paragraph 19 of Schedule 2 to the 1996 Regulations (provision for unexpired risks) shall be amended as follows.

(2) In sub-paragraph (1), omit the words “or business category” and the words “or business categories”.

(3) In sub-paragraph (2), after the words “line 19 of Form 22” insert “or line 23 of Form 25, as appropriate,”.

8. In paragraph 20 of Schedule 2 to the 1996 Regulations, after the words “at column 3 line 19 (provision for unexpired risks) in any Form 22” insert “or at column 99-99 of line 23 (provision for unexpired risks) in any Form 25”.

9. In paragraph 24 of Schedule 2 to the 1996 Regulations (underwriting year accounting), for paragraph (b) of sub-paragraph (3) substitute—

“(b) A year is “open” with respect to any business incepting during its period if the provision for outstanding claims in respect of that business is set using the non-annual method and if so set previously has not now been replaced in accordance with the requirements of paragraph 52(4) of the shareholder accounts rules, and “closed year” and “closing a year” shall be construed accordingly.”.

10.—(1) The Forms included in Schedule 2 to the 1996 Regulations shall be amended as follows.

(2) For Form 20 (technical account (excluding equalisation provisions)), substitute the Form 20 as set out in the Schedule to these regulations.

(3) In the instructions for completion of Form 24 (underwriting year accounting: analysis of premiums, claims and expenses), after paragraph 4 add—

“5. The amounts shown at lines 11 to 49 shall be the amounts payable or receivable during this financial year.”.

(4) In paragraph 5 of the instructions for completion of Form 28 (underwriting year accounting: analysis of premiums, claims and expenses by category for treaty reinsurance), for the words “ended prior to 31 December 1982” substitute “beginning prior to 1 January 1983” and after paragraph 6 add—

“7. The amounts shown at lines 11 to 49 shall be the amounts payable or receivable during this financial year.”.

(5) In the instructions for completion of Form 29 (underwriting year accounting: analysis of technical provisions by category for treaty reinsurance)—

(a) in paragraph 3, for “Form 24” substitute “Form 28”; and

(b) in paragraph 7, for the words “ended prior to 31 December 1982” substitute “beginning prior to 1 January 1983”.

(6) In lines 34/35 of Form 30 (expected income and yield from admissible assets covering discounted provisions), for the words “Variable interest” substitute “Variable interest and variable yield”.

(7) In paragraph 1 of the instructions for completion of Form 30, for “30.37.1 shall equal 13.50.1” substitute “30.37.1 shall equal 13.50.1 + the appropriate part of 13.84.1” and for “30.49.1 shall equal 13.87.1 + 13.89.1 – 13.58.1 – 13.59.1” substitute “30.49.1 shall equal 13.87.1 + 13.89.1 – 13.60.1 – 13.61.1 – 13.62.1 – 13.63.1 – 13.85.1”.

(8) In the instructions for completion of Form 30, after paragraph 11 insert—

“12. The references in the Form to “outstanding claims” and “technical provisions” are to those amounts net of reinsurance.”.

(9) In the instructions for completion of Form 32 (accident year accounting: analysis of gross claims and premiums for motor vehicle direct insurance and facultative reinsurance), for paragraphs 6 and 7 substitute—

“6. The number of vehicle years insured in any accident years is the aggregate of the product for each contract of insurance of the period (being the period during that accident year when the contract was in force) and the number of vehicles insured under the contract. Figures are to be rounded to the nearest thousand-vehicle years only after aggregating component figures.

7. The percentage shown at column 13 shall be the ratio of the sum of columns 1 and 2 to the product of 1000 and column 12.

8. The percentages shown at columns 11 and 13 are to be expressed as percentages to one place of decimals.”.

(10) In the instructions for completion of Form 33 (accident year accounting: reconciliation of gross claims and premiums for direct insurance and facultative reinsurance), after paragraph 3 insert—

“4. “Gross earned premiums” refers to all amounts reported in column 1 of lines 11 to 19 of Form 20, but only to the extent such premiums have not been reported in Forms 31 or 32.”.

(11) In the instructions for completion of Form 34 (underwriting year accounting: analysis of gross claims and premiums by risk group for direct insurance and facultative reinsurance), after paragraph 7 insert—

“8. The claims frequency is the ratio of the sum of columns 1 and 2 on the Form to the product of 1000 and the amount stated under paragraph 8(a) above.”.

12. In the instructions for completion of Form 35 (underwriting year accounting reconciliation for gross claims and premiums for direct insurance and facultative reinsurance), after paragraph 3 insert—

“4. “Gross written premiums” refers to all amounts reported in column 99-99 of line 11 of Form 24, but only to the extent such premiums have not been reported in Form 34.”.

(13) After form 36 (currency rates) insert—

“Instructions for completion of Form 36

1. Where any of Forms 26 to 29 or 31, 32 or 34 contains a figure in a currency other than sterling the rate of conversion of those figures into sterling shall be stated in column 1 to this form.

2. Where the rate of conversion differs according to whether it applies to income and expenditure items or asset and liability items, the former only is to be the rate included.”.

(14) In Form 37 (equalisation provision), for “F37” substitute “R37”.

(15) In the instructions for completion of Form 37—

(a) in paragraph 1, for the words “annually accounted business” substitute “accident year business” and for the words “non-annually accounted business” substitute “underwriting year business”; and

(b) in paragraph 10, for the words “statutory equalisation provisions” substitute “equalisation provisions required by the Insurance Companies (Reserves) Regulations 1996”(5).

(16) In Form 38 (equalisation provisions technical account: accident year accounting), for “F38” substitute “R38”.

(17) In the instructions for completion of Form 38—

(a) in paragraph 1, for the words “Schedule 2c of the Insurance Companies Regulations 1994” substitute “Schedule 2C to the Insurance Companies Act 1982”(6); and

(b) in paragraph 4, after the words “line 11” insert “(or nil if line 11 is negative)”.

(18) In Form 39 (equalisation provisions technical account: underwriting year accounting), for “F39” substitute “R39”.

(19) In the instructions for completion of Form 39 (equalisation provisions technical account: underwriting year accounting)—

(a) in paragraph 1, for the words “Schedule 2c of the Insurance Companies Regulations 1994” substitute “Schedule 2C to the Insurance Companies Act 1982”;

(b) for paragraph 3 substitute—

“3. The entries at line 12 should be derived from column 99-99 of Forms 24 and 25, that in whole or in part covers the business group, as follows: line 29 on Form 24 plus line 29 less line 15 less line 24 on Form 25 less line 29 plus line 15 plus line 24 on Form 25 for the preceding financial year.”; and

(5) S.I. 1996/946.

(6) Schedule 2C was inserted by S.I. 1994/1696, reg. 28 and Schedule 3 and amended by S.I. 1994/3132, reg. 7.

(c) in paragraph 4, after the words “line 11” insert “(or nil if line 11 is negative).”

Schedule 3 to the 1996 Regulations: long term business: revenue account and additional information

11. In paragraph 2 of Schedule 3 to the 1996 Regulations, omit the full stop after the words “All amounts shall be shown in sterling to the nearer £1000” and insert “except valuation unit prices which shall be shown to the same accuracy as required under Schedule 4.”.

Schedule 4 to the 1996 Regulations: abstract of valuation report prepared by the appointed actuary

12. In sub-paragraph 6 of paragraph 7 of Schedule 4 to the 1996 Regulations, omit the full stop at the end of the sub-paragraph and insert “identifying that scenario which produces the most onerous requirement (whether or not a reserve is thereby required).”.

13. Renumber paragraph 15 of Schedule 4 to the 1996 Regulations as 15(1) and after the renumbered 15(1) insert—

“(2) Information required under sub-paragraph (1) above need not be provided for any category of contract—

- (a) where no contracts were effected by the company during the report period; and
- (b) which has been included under the miscellaneous heading in Forms 51, 52, 53 or 54.”.

14.—(1) Paragraph 19 of Schedule 4 to the 1996 Regulations shall be amended as follows.

(2) In sub-paragraph (1), for the words “assets covering long term liabilities” substitute “long term business assets”.

(3) In sub-paragraph (2), after the words “derivative contracts” insert “or contracts having the effect of derivative contracts”.

15.—(1) Renumber paragraph 20 of Schedule 4 to the 1996 Regulations as 20(1) and after the renumbered 20(1) insert—

“(2) The analyses of unit liabilities shall also include the liabilities in respect of any amounts deposited with the company under a deposit back arrangement as defined in paragraph 12(4)(a) of this Schedule which are either unit liabilities in respect of property linked benefits or investment liabilities in respect of index linked benefits.

(3) In the event that the liability for a specific fund link is wholly reinsured so that entries in columns 8 and 9 of Form 55 are omitted in accordance with paragraph 4 of the instructions for the completion of that form a statement, if such be the case, to the effect that the provisions of section 35A of the Insurance Companies Act 1982 have been complied with in accordance with any published guidance in relation to the liabilities so reinsured.”.

16.—(1) At the end of sub-paragraph (1)(c) of paragraph 21 of Schedule 4 to the 1996 Regulations, delete the full stop and insert

“; and

- (d) the liabilities in respect of any amounts deposited with the company under a deposit back arrangement as defined in paragraph 12 (4)(a) of this Schedule which are either unit liabilities in respect of property linked benefits or investment liabilities in respect of index linked benefits.”.

17.—(1) The Forms included in Schedule 4 to the 1996 Regulations shall be amended as follows.

(2) In Form 47 (analysis of new ordinary long term business), omit the words “Non-linked/Linked”.

(3) In lines 14/15 of Form 48 (expected income from admissible assets not held to match liabilities in respect of linked benefits), for the words “Variable yield” substitute “Variable interest and variable yield”.

(4) In paragraph 1 of the instructions for completion of Form 48, for “48.17.1 shall equal 13.50.1” substitute “48.17.1 shall equal 13.50.1+ the appropriate part of 13.84.1”.

(5) In Form 49 (analysis of admissible fixed interest and variable yield securities not held to match liabilities in respect of linked benefits), for the words “variable yield”, in each place they occur, substitute “Variable interest and Variable yield”.

(6) After paragraph 6 of the instructions for completion of Forms 51, 52, 53 and 54, add—

“Provided that where any information to be provided in accordance with sub-paragraph (iii) duplicates any information required to be provided in accordance with paragraphs 7, 8 and 9 in respect of sub-paragraphs (i) or (ii), then for the purpose of sub-paragraph (iii), the total of the reinsurance ceded may be shown in respect of the duplicated information.”.

(7) In column 6 of Form 53 (valuation summary of property linked contracts), for the words “Current on death” substitute “Current on death/current payable per annum”.

(8) In column 6 of Form 54 (valuation summary of index linked contracts), for the words “Current on death” substitute “Current on death/current payable per annum”.

(9) In paragraph 4 of the instructions for completion of Form 55, after the words “column 8” insert “(excluding any amount shown in column 8 pursuant to paragraph 8 below)”.

(10) After paragraph 6 of the instructions for completion of Form 55 insert—

7. Where the liability shown in column 11 of Form 53 for a specific fund link is wholly reinsured with a reinsurer being an insurance company to which Part II of the Insurance Companies Act 1982 applies, so that the entries in columns 8 and 9 of this form would otherwise be identical, the entries in respect of that fund link shall be aggregated and shown on a separate line with the name of fund link to be shown in column 1 as “wholly reinsured”.

8. Any amounts included in this analysis in accordance with paragraph 20 of this Schedule, being unit liabilities in respect of property linked benefits deposited with the company under a deposit back arrangement, shall (for each internal linked fund or directly held asset), be shown in column 8 on a separate line with the name of the unit type to be shown in column 2 as “amounts deposited back”.

(11) For paragraphs 3 and 4 of the instructions for completion of Form 56 (analysis of assets and liabilities matching investment liabilities in respect of index linked benefits), substitute—

3. A separate sub-total of assets and liabilities shall be used for each index link and for each combination of assets and liabilities matching the company’s liability under any deposit back arrangement. Links to different percentages of an index shall be treated as different index links.

4. For each index link, the sub-totalled values in column 2 (excluding those held in respect of any deposit back arrangement) shall match the appropriate entries in column 12 of Form 54 net of reinsurance ceded.”.

(12) For Form 57 (matching rectangle), substitute Form 57 as set out in the Schedule to these Regulations.

Schedule 5 to the 1996 Regulations: general business: additional information on business ceded

18.—(1) After sub-paragraph (2) of paragraph 4 of Schedule 5 to the 1996 Regulations, insert—

“(3) The disclosure required by sub-paragraph (1) above shall be given in respect of all business categories, risk groups, or parts thereof, of the insurance business carried on by the company whether or not the company has purchased any reinsurance cover for that business category, risk group, or part thereof; and in sub-paragraph (2) above deciding upon the reinsurance cover includes deciding not to obtain any reinsurance cover.”

Schedule 6 to the 1996 Regulations: certificates by directors and actuary and report of the auditors

19. In paragraph 1 of Schedule 6 to the 1996 Regulations (certificate by directors etc.), after the words “Forms 9 to 17, 20 to 45” insert “(including the supplementary notes thereto)”.

20.—(1) Paragraph 10 of Schedule 6 to the 1996 Regulations (auditors' report) shall be amended as follows.

(2) After “Forms 9 to 17, 20 to 45” insert “(including the supplementary notes thereto)” and for the words “statements required by regulations 24, 26 and 31 above”, in each place they occur, substitute “statements to which sub-paragraph (2) below relates”.

(3) Renumber paragraph 10 as 10(1) and after the renumbered paragraph 10(1) insert—

“(2) The statements to which this sub-paragraph relates are those required by:

- (a) regulations 24, 26 and 31 above;
- (b) sub-paragraph (d) of paragraph 4 above; and
- (c) paragraph 5 above but only in so far as it relates to published guidance which either states that compliance with the guidance need not be audited or which relates to controls with respect to money laundering.”.

30th November 1997

Margaret Beckett
Secretary of State for Trade and Industry
Department of Trade and Industry

Status: This is the original version (as it was originally made). This item of legislation is currently only available in its original format.

SCHEDULE

Regulations 5, 10 and 17

[FORM 14 IN SCHEDULE 1, FORM 20 IN SCHEDULE 2 AND FORM 57 IN SCHEDULE 4 TO THE INSURANCE COMPANIES (ACCOUNTS AND STATEMENTS) REGULATIONS 1996]

SCHEDULE

Regulations 5, 10 and 17

[FORM 14 IN SCHEDULE 1, FORM 20 IN SCHEDULE 2 AND FORM 57 IN SCHEDULE 4 TO THE INSURANCE COMPANIES (ACCOUNTS AND STATEMENTS) REGULATIONS 1996]

Returns under Insurance Companies Legislation

Form 14

Long term business liabilities and margins

Name of company

Global business/UK branch business/EEA branch business

Financial year ended

Category of assets

		Company registration number	GL/UK/EEA	Period ended	Units	Category of assets
				day month year		
		R14			£000	
				As at the end of this financial year	As at the end of the previous year	Source
				1	2	
Mathematical reserves, after deduction of surplus				11		See instruction 2
Cash not yet which had not been paid to policyholders prior to end of the financial year				12		See instruction 3
Balance of surplus/valuation deficit				13		See instruction 4
Long term business fund carried forward (11 to 13)				14		See instruction 5
Claims outstanding which had fallen due for payment before the end of the financial year	Gross amount			15		
	Reinsurers' share			16		
	Net (15-16)			17		
Provisions for other risks and charges	Taxation			21		
	Other			22		
Capital received from reinsurers				23		
Creditors and other liabilities	Arising out of insurance operations	Direct business		31		
		Reinsurance accepted		32		
		Reinsurance ceded		33		
	Debtors/loans	Secured		34		
		Unsecured		35		
	Amounts owed to credit institutions				36	
Other creditors	Taxation			37		
	Other			38		
Accruals and deferred income				39		
Provision for adverse charges (calculated in accordance with regulation 81 of the Insurance Companies Regulations 1994)				41		
Total other insurance and non-insurance liabilities (17 to 41)				49		
Excess of the value of net admissible assets				51		See instruction 6
Total liabilities and margins				59		
Amounts included in the 59 attributable to liabilities to related companies, other than those under contracts of insurance or reinsurance				61		
Amounts included in the 59 attributable to liabilities in respect of property linked benefits				62		
Amount of any sufficient mathematical reserves included in the 51 which have been taken into account in the approved actuary's certificate				63		See instruction 7

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Instructions for completion of Form 57

1. The word "Total" or the name of the fund shall be shown against the heading "Category of assets". The corresponding code box shall contain "10" for the total assets and, in the case of separate funds, code numbers corresponding to those allocated on completion of Form 13.
2. Separate forms shall be prepared for sterling and non-sterling liabilities. The box marked "Stg/NonStg" shall be completed by the insertion of "Stg" for Sterling liabilities and "NonStg" for non-sterling liabilities.
3. Separate forms are required for with profit and non-profit contracts within the following types of business
 - (i) life assurance and annuity business
 - (ii) pension business
 - (iii) permanent health business
 - (iv) other business.
4. The box marked "L&GA/Pens/PHI/Other" shall be completed by the insertion of "L&GA", "Pens", "PHI" or "Other" respectively for each of the types (i), (ii), (iii) and (iv) specified above. The box marked "WP/NP" shall be completed by the insertion of "WP" for with profits policies or "NP" for non-profit policies both as defined in Regulation 3.
5. Separate forms shall be prepared for each rate of interest used in the valuation in pursuance of regulation 69(12) of the Insurance Companies Regulations and may include all contracts valued at the same rate, subject to instructions 2 and 3 to this Form. Contracts valued at a lower rate of interest but subject to the same apportionment of assets may also be included provided that the rationale for such inclusion is given in a supplementary note. Each of the valuation rates of interest used shall be itemised against the heading "Valuation rate(s) of interest". The highest valuation rate of interest used shall be shown in line 31 or 32 as appropriate and in the code box headed "Valuation rate of interest".
6. The forms specified above shall exclude the liabilities described in paragraph 21(1) (a) to (d) of Schedule 4, and must cover at least 90% of the remaining long term liabilities.

The balance of the remaining long term liabilities shall be shown in a separate form in which lines 31 and 32 shall be left blank, and details of the contracts covered by the form shall be given in a supplementary note. The word "Balance" shall be shown against the heading "Valuation rate(s) of interest" and the corresponding code box shall contain "98".
7. A summary of all the separate forms shall be produced as a separate form in which lines 31 and 32 shall be left blank. The word "Total" shall be shown against the heading "Valuation rate(s) of interest" and the corresponding code box shall contain "99".
8. The risk adjusted yield in columns 2 and 6 for each asset included in column 1 and 5 respectively shall be that calculated as in Regulations 69(3) to (5) of the Insurance Companies Regulations 1994, taking account of any adjustment considered necessary because of Regulation 69(7). Where a number of assets with different risk adjusted yields are held, the weighted average risk adjusted yield shall be calculated using as weights the value of the asset applicable for entry into columns 2 and 6.
9. The value of each asset included in column 1 shall be the value attributed to it in Form 13 and the assets will be grouped according to instruction 1 to Form 48 including adjustments in respect of accrued interest as required by that instruction.
10. Where the valuation has been carried out at a net rate or rates of interest the figure in line 31 shall be the net rate grossed up at the corresponding effective rate of tax in respect of the highest valuation rate of interest used in the Form.
11. The mathematical reserve in line 33 will include any increase in reserve resulting from the bonus declaration for the year and shall be net of reinsurance ceded.

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Form 67

Returns under Insurance Companies Legislation

Long term business : **Matching rectangle**

Name of company

Global business/UK branch business/EEA branch business

Financial year ended

Steering/Non steering liabilities

Valuation rate(s) of interest

Type of business

With profits/Non profit

Category of assets

Company registration number	F67	The valuator				The resilience scenario				
		Quarters	Per 30 day month	Per 12 month	Units	Rate of increase	Value of assets not onally allocated	Total under resilience scenario	Risk adjusted yield %	Category of assets
		1	2	3	4	5	6			
Type of asset notionally allocated										
Land and buildings										
Fixed interest securities	Approved securities									
	Other									
Variable interest and variable yield securities (excluding items shown at line 16)	Approved securities									
	Other									
Equity shares and holdings in collective investment schemes										
Loans secured by mortgages										
All other assets	Producing income									
	Not producing income									
Total (7-1 to 19)										
Gross valuation interest rate %										
Net valuation interest rate % (where appropriate)										
Mathematical reserve or other liability, net of reinsurance										

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Returns under Insurance Companies Legislation

Form 20

General business : Technical account (excluding equalisation provisions)

Name of company

Global business/UK branch business/EEA branch business

Financial year ended

		Company registration number	GLUKICOM	Period ended			Units	Accounting class summary
		R20		day	month	year	€000	
				This financial year	Previous year	Source		
				1	2	Page	Line	Column
Items to be shown net of reinsurance								
This year's underwriting (accident year accounting)	Earned premium			11			21	13 5
	Claims incurred			12			22	17 4
	Claims management costs			13			22	18 4
	Adjustment for discounting			14			22	52 4
	Increase in provision for unexpired risks			15			22	19 4
	Other technical income or charges (particulars to be specified by way of supplementary note)			16				
	Net operating expenses			17			22	42 4
	Balance of year's underwriting (= 11-12-13+14-15+16-17)			19				
Adjustment for prior years' underwriting (accident year accounting)	Earned premium			21			21	11 5
	Claims incurred			22			22	13 4
	Claims management costs			23			22	14 4
	Adjustment for discounting			24			22	51 4
	Other technical income or charges (particulars to be specified by way of supplementary note)			25				
	Net operating expenses			26			22	41 4
Balance (21-22-23+24+25-26)			29					
Balance from underwriting year accounting	Per Form 24			31			24	68 99 99
	Other technical income and charges (particulars to be specified by way of supplementary note)			32				
	Total			39				
Balance of all years' underwriting (19+29+39)				49				
Allocated investment return				51				
Transfer to non-technical account (49+51)				58				

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Instructions for completion of Form 14

1. The Form shall be completed for the total long term business liabilities and margins of the company or branch and for each fund or group of funds for which separate assets are appropriated. The words "Total long term business assets" or the name of the fund shall be shown against the heading "Category of assets". The corresponding code box shall be completed with the same entries as were used on the corresponding Form 13.
2. The entry at line 11 shall equal the sum of lines 21, 43, 44 and 45 of the appropriate Form or Forms 58.
3. The entry at line 12 shall equal line 42 of the appropriate Form or Forms 58.
4. The entry at line 13 shall equal line 49 of the appropriate Form or Forms 58.
5. The entry at line 14 shall equal line 59 of the appropriate Form or Forms 40.
6. The entry at line 51 shall be:
 - (a) the value of the admissible assets (as included in line 89 of the appropriate Form 13) representing the long term business funds, fund or group of funds to which the Form relates, less
 - (b) the amount of those funds, fund or group of funds, being the sum of the amounts shown at lines 14 and 49.
7. The entry at line 63 shall be the amount specified in the appointed actuary's certificate in accordance with paragraph 8(a)(ii) of Schedule 6, but only insofar as it relates to the fund, funds or group of funds to which this Form 14 relates.
12. The entries shown in columns 3, 4, 5 and 6 shall be those applicable to the scenario described in the answer to paragraph 7(8) of Schedule 4. The entries in column 3 shall be the value of the assets shown in column 1 according to the changed assumptions of that scenario. The entries in column 4 shall be the value of assets on the changed assumptions for each type of asset notionally re-allocated to cover the mathematical reserve or other liability, net of reinsurance, in the resilience scenario. The entries in column 5 shall equal the sum of the entries in columns 3 and 4.
13. The entries in line 29, column 1 shall equal the entries in line 33, column 1. The entries in line 29, column 5 shall not be less than the entries in line 33, column 5.

EXPLANATORY NOTE

(This note is not part of the Regulations)

These Regulations, which come into force on 31 December 1997, make amendments to the Insurance Companies (Accounts and Statements) Regulations 1996 ("the 1996 Regulations"). They concern the scope of the audit required under section 21 and the extent of disclosures required under section 17 and 18 of the Insurance Companies Act 1982.

Status: This is the original version (as it was originally made). This item of legislation is currently only available in its original format.

Regulation 1 provides for the citation, commencement and application of the Regulations.

Regulation 2 amends the provisions for the valuation of assets contained in Regulation 4 of the 1996 Regulations.

Regulation 3 provides for Form 14 to be completed in respect of the long term business liabilities and margins for each separate long term business fund or group of funds.

Regulation 4 amends paragraph 14 of Schedule 1 to the 1996 Regulations in respect of the companies to which this paragraph applies.

Regulation 5 amends Forms 9 and 13 contained in Schedule 1 to the 1996 Regulations and introduces a new Form 14.

Regulation 6 amends Schedule 2 to the 1996 Regulations to include disclosures of transfers approved by competent authorities of EEA States other than the United Kingdom.

Regulations 7 and 8 amend the provisions in respect of unexpired risk reserves in paragraph 19 and 20 of Schedule 2 to the 1996 Regulations.

Regulation 9 amends the definition of an “open year” in paragraph 24 of Schedule 2.

Regulation 10 amends Forms 24, 28, 29, 30 and 32 to 39 in Schedule 2 to the 1996 Regulations and introduces a new Form 20.

Regulation 11 amends paragraph 2 of Schedule 3 to the 1996 Regulations so as to specify the level of precision to which valuation units are to be disclosed.

Regulations 12 to 17 amend the provisions in Schedule 4 to the 1996 Regulations concerning the content of the abstract of valuation report to be prepared by the appointed actuary in respect of assets and liabilities, amend Forms 47, 48, and 51 to 56 inclusive and introduce a new Form 57.

Regulation 18 amends the disclosure requirements in respect of maximum net probable losses in paragraph 4 of Schedule 5 to the 1996 Regulations.

Regulation 19 makes a minor amendment to the content of directors' certificates.

Regulation 20 removes from the scope of the auditors' report certain parts of the paragraphs in the directors' certificate relating to money laundering and to representations made to policyholders.

NOTE AS TO EARLIER COMMENCEMENT ORDERS

(This note is not part of the Regulations)

A Compliance Cost Assessment is available, copies of which have been placed in the Library of both Houses of Parliament. Copies are also available from the Insurance Directorate of the Department of Trade and Industry, Room 5.E.53, 1 Victoria Street, London SW1H 0ET.