



# Life Insurance (Prudential Rules) Determination No. 5 of 2005

## Prudential Rules No 35 - Financial Statements

### *Life Insurance Act 1995*

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I, John Francis Laker, Chair of APRA, under subsection 252(1) of the *Life Insurance Act 1995* (the Act) and subsection 33(3) of the *Acts Interpretation Act 1901*:

- REVOKE the Prudential Rules No. 35 (made on 31 March 1999 under subsection 252(1) of the Act for the purposes of subsection 82(5) of the Act, and varied on 20 April 1999, on or about June 2002, and on 15 December 2004 by Life Insurance (prudential rules) determination No 3 of 2004); and
- MAKE the Prudential Rules No. 35 set out in the Schedule for the purposes of subsection 82(5) of the Act.

This Determination shall take effect upon registration on the Federal Register of Legislative Instruments.

Dated 16 December 2005

*[Signed]*

John Francis Laker  
Chair

## **Interpretation**

In this Determination

**APRA** means the Australian Prudential Regulation Authority.

## **Schedule**

Prudential Rules No. 35 comprises the 41 pages commencing on the following page.



## **Prudential Rules No. 35**

### **Financial Statements**

#### ***Life Insurance Act 1995 (s 82(5))***

These Prudential Rules are made under subsection 252(1) of the *Life Insurance Act 1995* (the Act) for the purposes of subsection 82(5) of the Act and apply to life companies registered under the Act (other than friendly societies).

#### **Part 1 – Basic requirement**

##### **Financial statements must comply with these rules**

1. The financial statements mentioned in subsections 82(1) and (2) of the Act must comply with these rules.

#### **Part 2 – Commencement, application and interpretation**

##### **Commencement and application**

2. These rules:
  - (a) take effect on 31 December 2005; and
  - (b) apply in relation to a financial year of a life company ending on or after 31 December 2005.

##### **Interpretation**

3. In these rules:

- (a) “**AASB**”, accompanied by a number, means the Accounting Standard made by the Australian Accounting Standards Board, which is designated by that number, as in force from time to time;
  - (b) “**accounting standards**” means the Accounting Standards made by the Australian Accounting Standards Board, as in force from time to time; and those Australian Accounting Standards issued by the Australian Accounting Research Foundation for which there is no corresponding applicable Accounting Standard made by the Australian Accounting Standards Board, as in force on 31 December 2005;
  - (c) “**actuarial standards**” means the actuarial standards made by the Life Insurance Actuarial Standards Board under the Act, as in force from time to time;
  - (d) “**Corporations Act**” means the Corporations Act 2001 as amended from time to time;
  - (e) “**economic entity**” has the same meaning as in accounting standards and the Corporations Act;
  - (f) “**entity**” has the same meaning as in accounting standards and the Corporations Act;
  - (g) “**fair value**” means the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm’s length transaction;
  - (h) “**general purpose financial statements**” means the financial statements as required under the Corporations Act;
  - (i) “**regulatory financial statements**” means the financial statements as required under subsections 82(1) and 82(2) of the Act and in the forms submitted to APRA in accordance with the Schedules to these rules;
  - (j) “**parent company**” has the same meaning as in accounting standards and the Corporations Act;
  - (k) “**policy conversion**” means:
    - (i) a policy ceasing to be referable to one statutory fund of a life company and becoming referable to another statutory fund of the life company; or
    - (ii) a policy referable to one or more statutory funds of a life company becoming referable to a further statutory fund or funds of the life company, as a consequence of a change in the terms and conditions of the policy.
4. In these rules, whether one entity controls another is to be determined in accordance with the accounting standards and the Corporations Act.

5. In its application to a company other than a company limited only by shares, a provision of these rules that includes the expression “shareholders” is to be read as if “members” were substituted for “shareholders”.
6. Where these rules are applied to regulatory financial statements, a reference in these rules to a financial year includes a reference to a period other than a financial year.
7. A reference in these rules to the interest of shareholders in, or in relation to, a statutory fund is a reference to the interest of those shareholders in, or in relation to:
  - (a) shareholders’ retained profits (Australian participating); and
  - (b) shareholders’ retained profits (overseas and non-participating); and
  - (c) shareholders’ capital;relating to the statutory fund.
8. A reference in these rules to a thing being in accordance with, or required by, the accounting standards or the Corporations Act is a reference to that thing being in accordance with, or required by, the accounting standards or the Corporations Act as they are applied to regulatory financial statements by rule 10 of these rules.
9. Where the context permits, a reference in these rules to a profit and loss statement or balance sheet includes a reference to a consolidated profit and loss statement or consolidated balance sheet , respectively.

## **Part 3 – Application of accounting standards, actuarial standards and Corporations Act**

### **Regulatory financial statements must comply with accounting standards and the Corporations Act**

10. Regulatory financial statements must comply with the following, to the extent that they are not inconsistent with these rules:
  - (a) the accounting standards; and
  - (b) the provisions of the Corporations Act which specify requirements relating to the form and content of a financial report (within the meaning of the Corporations Act).

[NOTE: Accounting standards AASB 1038 – Life Insurance Contracts, AASB 139 – Financial Instruments, AASB 118 – Revenue, AASB 138 – Intangible Assets and AASB 136 – Impairment of Assets will apply in relation to financial periods ending on or after 31 December 2005.]

### **Actuarial valuations and calculations must be in accordance with actuarial standards**

11. Actuarial valuations and calculations included in regulatory financial statements must be in accordance with the actuarial standards, except where specifically allowed under transitional arrangements agreed in writing between APRA and the life company.

### **How are assets to be valued?**

12. All assets of a statutory fund must be measured at fair value, with movement in fair value recognised in profit and loss.

### **How are contracts to be classified?**

13. All policies are to be categorised as either life insurance contracts or life investment contracts in accordance with accounting standards, but subject to the further constraints imposed by Prudential Rules No. 49 – Contract Classification, and treated accordingly for the purposes of the accounting standards, the actuarial standards and these rules.

## **Part 4 – What regulatory financial statements must comprise**

14. Regulatory financial statements of a life company must comprise a financial report that contains:
  - (a) a profit and loss statement in the form specified in Form A in Schedule 1 of these rules that truly represents the profit or loss of the life company determined in accordance with the requirements of the Act and these rules, for the financial year; and
  - (b) a balance sheet in the form specified in Form B in Schedule 1 of these rules that truly represents the financial position of the life company consistent with the requirements of the Act and these rules, as at the end of the financial year; and
  - (c) the notes mentioned in Part 5; and
  - (d) statements and reports (other than a directors' report, an appointed actuary's statement mentioned in Part 6 or an auditor's report mentioned in Part 6) attached to, or intended to be read with, that profit and loss statement or balance sheet.
  
15. Where the life company is a parent company in an economic entity:
  - (a) the profit and loss statement must include a consolidated profit and loss statement that truly represents the profit or loss determined in accordance with the requirements of the Act and these rules, for the financial year to which the regulatory financial statements relate, of the economic entity constituted by the life company and the entities that it controlled from time to time during the financial year; and
  - (b) the balance sheet must include a consolidated balance sheet that truly represents the financial position consistent with the requirements of the Act and these rules, as at the end of the financial year, of the economic entity constituted by the life company and the entities that it controlled at the end of the financial year; and
  - (c) the notes mentioned in Part 5 must include consolidated figures in respect of the economic entity constituted by the life company and the entities that it controlled from time to time during the financial year where required; and
  - (d) statements and reports attached to, or intended to be read with, the financial report must encompass the consolidated statements in rules 15(a), (b) and (c).

## **Regulatory financial statements must be in English and in Australian currency**

16. Regulatory financial statements must be in English with all amounts in Australian currency.

### **Amounts may be rounded off**

17. Amounts in regulatory financial statements may be rounded off in accordance with the Corporations Act.

## **Part 5 – Notes to be included in regulatory financial statements**

18. Regulatory financial statements must contain the notes specified in Forms A to K in Schedule 2 of these rules.
19. The notes mentioned in rule 18 must:
  - (a) deal separately with:
    - (i) shareholders' funds; and
    - (ii) statutory funds, in aggregate; and
  - (b) provide consolidated information in accordance with these rules.
20. The notes relating to the items mentioned in rule 18 must, when dealing with the statutory funds of the life company, deal separately with:
  - (a) life insurance business that consists of life insurance contracts;
  - (b) life insurance business that consists of the issuing of investment-linked contracts; and
  - (c) life insurance business that consists of other life investment contracts.

## **Part 6 – Declaration, statement and report to be attached to regulatory financial statements**

### **Directors' declaration must be attached to regulatory financial statements**

21. There must be attached to the regulatory financial statements of a life company a declaration by its directors stating whether or not, in their opinion:
  - (a) the regulatory financial statements are properly drawn up in accordance with the requirements of the Act and these rules; and
  - (b) the profit and loss statement truly represents the profit or loss determined in accordance with the requirements of the Act and these rules, for the financial year to which the regulatory financial statements relate, of:
    - (i) the life company; or
    - (ii) the economic entity constituted by the life company and the entities that it controlled from time to time during the financial year; and
  - (c) the balance sheet truly represents the financial position consistent with the requirements of the Act and these rules, as at the end of the financial year, of:
    - (i) the life company; or
    - (ii) the economic entity constituted by the life company and the entities that it controlled at the end of the financial year; and
  - (d) the allocation and distribution of the Life Act Operating Profit of the statutory funds of the life company have been made in accordance with Divisions 5 and 6 of Part 4 of the Act and the Constitution of the life company; and
  - (e) any assets of the statutory funds of the life company have been applied or invested in contravention of the Act; and
  - (f) there are reasonable grounds to believe that, as at the time the statement is made, the shareholders' fund of the life company and each of the statutory funds of the life company will be able to pay all debts or claims that are referable to it.
22. The directors' declaration must:
  - (a) be made in accordance with a resolution of the directors; and
  - (b) specify the day on which it was made; and
  - (c) be signed by at least 2 directors.

### **Appointed actuary's statement must be attached to regulatory financial statements**

23. There must be attached to the regulatory financial statements of a life company a statement by its appointed actuary stating whether or not, in his or her opinion:
- (a) the value of the policy liabilities of the life company and the solvency of the life company have been determined using methods and assumptions consistent with the actuarial standards; and
  - (b) the allocation and distribution of the Life Act Operating Profit of the statutory funds of the life company have been made in accordance with Divisions 5 and 6 of Part 4 of the Act and the Constitution of the life company; and
  - (c) proper records have been kept by the life company from which its policy liabilities and solvency have been properly determined.
24. If, in the appointed actuary's opinion, the regulatory financial statements contain information based on actuarial valuations or calculations which do not comply with the actuarial standards, the actuary's statement must:
- (a) be appropriately qualified; and
  - (b) give particulars of the non-compliance; and
  - (c) to the extent practicable, quantify the financial effects of the non-compliance.

### **Auditor's report must be attached to regulatory financial statements**

25. There must be attached to the regulatory financial statements of a life company a report by its auditor in a form which complies with:
- (a) the Australian Auditing Standards issued by the AASB, as in force at the time the audit was carried out; and
  - (b) the Corporations Act; and
  - (c) rule 26 of these rules,
- to the extent that they apply for the purposes of these rules.
26. The auditor's report must include a statement by the auditor of the life company as to whether or not, in his or her opinion:
- (a) the apportionment of the expenses of the life company has been made in accordance with Division 2 of Part 6 of the Act; and
  - (b) any part of the assets of the statutory fund has been applied directly or indirectly in contravention of Division 1 of Part 4 of the Act.

[NOTE: An auditor's report complying with rules 25 and 26 will satisfy the requirements of subsection 83(3) of the Act.]

## **Part 7 – General Purpose Financial Statements to be submitted to APRA**

27. When a life company submits to APRA its regulatory financial statements prepared in accordance with these rules, the life company must also submit to APRA a copy of its general purpose financial statements in respect of the same financial year.

# Schedule 1 - Form A

## Profit and Loss Account

Profit and Loss Account

Year Start: Year End: Units:			Version 6	
			<b>Profit and Loss Account                      Schedule 1, Form A</b>	
			Life Company	Consolidated
<b>Revenue</b>	Insurance Contracts Revenue	(1)		
	Outward Reinsurance Expense	(2)		
	<b>Net Insurance Contracts Premiums</b>	(3) = (1)+(2)	<b>0</b>	<b>0</b>
	Fees for Management Services rendered	(4)		
	Investment Revenue	(5)		
	Other Revenue	(6)		
	<b>Total Revenue</b>	(7) = (3)+(4)+(5)+(6)	<b>0</b>	<b>0</b>
<b>Net Costs/Payments</b>	Claims Expenses	(8)		
	Reinsurance Recoveries Revenue	(9)		
	<b>Net Claim Expenses</b>	(10) = (8)+(9)	<b>0</b>	<b>0</b>
	Operating Expenses	(11)		
	Increase/(Decrease) in Net Policy Liabilities	(12)		
	Increase/(Decrease) in Policy Owner Retained Profits	(13)		
	Other Expenses	(14)		
	<b>Total Expenses</b>	(15) = (10)+...+(14)	<b>0</b>	<b>0</b>
	<b>Operating Profit/(Loss) before Income Tax</b>	(16) = (7) - (15)	<b>0</b>	<b>0</b>
	Income Tax Attributable to Operating Profit	(17)		
	<b>Life Insurance Act Operating Profit (Loss) after Income Tax</b>	(18) = (16) - (17)	<b>0</b>	<b>0</b>
	Outside Equity Interests in Operating Profit/(Loss) After Income Tax	(19)		
	<b>Operating Profit/(Loss) after Income Tax attributable to members of the Parent Entity/Statutory Funds</b>	(20) = (18) - (19)		<b>0</b>
	Life Insurance Act Retained Profits at the Beginning of the Year	(21)		
	Dividends Provided for or Paid	(22)		
	Transfer of Retained Profits between life companies	(23)		
	<b>Life Insurance Act Shareholders' Retained Profits at the End of the Year</b>	(24) = (18) - (19) + (21)+(22)+(23)	<b>0</b>	<b>0</b>

# Schedule 1 - Form B

## Balance Sheet

Balance Sheet

Year Start: Year End: Units:			Version 6	
			<b>Balance Sheet Schedule 1, Form B</b>	
			Life Company	Consolidated
<u>Assets</u>	Cash	(1)		
	Outstanding Premiums	(2)		
	Other Receivables	(3)		
	Equity Securities	(4)		
	Debt Securities	(5)		
	Investment Property	(6)		
	Other Investments	(7)		
	<b>Total Investment Assets</b>	(8) = (4)+...+(7)	<b>0</b>	<b>0</b>
	Property, Plant and Equipment	(9)		
	Gross Policy Liabilities Ceded Under Reinsurance	(10)		
	Other Assets	(11)		
	<b>LIFE INSURANCE ACT TOTAL ASSETS</b>	(12) = (1)+(2)+(3) + (8)+...+(11)	<b>0</b>	<b>0</b>
<u>Liabilities</u>	Creditors	(13)		
	Provisions	(14)		
	Borrowings	(15)		
	Premiums in Advance	(16)		
	Subordinated Debt	(17)		
	Gross Policy Liabilities	(18)		
	Gross Policy Liabilities Assumed Under Reinsurance	(19)		
	Policy Owner Retained Profits	(20)		
	Other Liabilities	(21)		
	<b>TOTAL LIABILITIES</b>	(22) = (13)+...+(21)	<b>0</b>	<b>0</b>
	<b>LIFE INSURANCE ACT NET ASSETS</b>	(23) = (12) - (22)	<b>0</b>	<b>0</b>
	<u>Capital</u>	Share Capital	(24)	
Reserves		(25)		
Shareholders' Retained Profits		(26)		
Foreign Currency Reserve		(27)		
<b>Total Life Insurance Interest in Shareholders' Equity</b>		(28) = (24)+...+(27)	<b>0</b>	<b>0</b>
	Outside equity interests	(29)		
	<b>Life Insurance Act Total Shareholders' Equity</b>	(30) = (28)+(29) = also = (23)	<b>0</b>	<b>0</b>

## Schedule 2 - Form A

### Summary of Shareholders' Interests

Summary of Shareholders' Interests

Year Start: Year End: Units:			Version 6 <b>Summary of Shareholders' Interests Schedule 2, Form A</b>					
			Life Company			Consolidated		
			Statutory Funds	Shareholders' Fund	Total	Statutory Funds	Shareholders' Fund	Total
<b><u>Retained Profits</u></b>	Operating Profit/(Loss) after Income Tax (1)				0		0	
	Life Insurance Act Shareholders' Retained Profits at Beginning of Year (2)				0		0	
	Transfer of Profits Between Funds (3)				0		0	
	Dividends Provided for or Paid (4)				0		0	
	Purchase of Participating Business (5)				0		0	
	Transfer of Retained Profits between life companies (6)				0		0	
	Transfer to or from Reserves (7)				0		0	
	<b>Life Insurance Act Shareholders' Retained Profits at End of Year (8) = (1)+...+(7)</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b><u>Capital</u></b>	Share Capital (9)				0		0	
	Reserves (10)				0		0	
	Capital Transfers to Statutory Funds (11)				0		0	
<b><u>TOTAL</u></b>	<b>Life Insurance Act Shareholders' Equity (12) = (8)+...+(11)</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	
<b><u>Components of Life Insurance Act Shareholder's Interests in Statutory Funds</u></b>	Shareholders' Retained Profits (Australian Participating) (13)							
	Shareholders' Retained Profits (Overseas and Non-Participating) (14)							
	Shareholders' Capital (15)							
	<b>Total of Components (16) = (13)+(14)+(15) = also = (12)</b>		<b>0</b>			<b>0</b>		
<b><u>Reconciliation with Shareholders' Equity in general purpose financial statements</u></b>	Shareholders' Equity, from general purpose financial statements (17)				0		0	
	Accumulated adjustment for assets not held at Fair value (18)				0		0	
	Accumulated adjustment for initial fee net revenue (19)				0		0	
	<b>Life Insurance Act Shareholders' Equity (20) = (17)+(18)+(19) = also = (12)</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

## Schedule 2 - Form B

Operating Profit and Retained Profit of Statutory Funds

Operating Profit and Retained Profit of Statutory Funds

Year Start: Year End: Units:		Version 6			
		<b>Life Insurance Act 1995 Operating Profit and Retained Profit of Statutory Funds Schedule 2, Form B</b>			
			Policy Owners' Interests	Shareholders' Interests	Total Statutory Funds
<b><u>Part 3 - Details of Operating Profits</u></b>	Operating Profit After Income Tax in general purpose financial statements	(1)			0
<b><u>Bonuses Provided for or Paid in the current period:</u></b>	Interim & Terminal Bonus on Claims Paid	(2)			0
	Declared Bonus on In Force Policies	(3)			0
	Increase/(Decrease) in Policy Owner Retained Profits	(4)			0
	Adjustment for Assets not held at Fair Value	(5)			0
	Adjustment for Assets revalued direct to Equity	(6)			0
	Adjustment for initial fee net revenue	(7)			0
	<b>Life Insurance Act Operating Profit After Tax</b>	(8) = (1)+...+(7)		<b>0</b>	<b>0</b>
<b><u>Sources of Life Insurance Act Operating Profit:</u></b>	From Life Insurance contracts - Australian Participating Business	(9)			0
	From Life Insurance Contracts - Overseas Participating Business	(10)			0
	From Life Insurance Contracts - Non-Participating Business	(11)			0
	From Investment-Linked Contracts - Australian Participating Business	(12)			0
	From Investment-Linked Contracts - Overseas Participating Business	(13)			0
	From Investment-Linked Contracts - Non-Participating Business	(14)			0
	From Other Life Investment Contracts - Australian Participating Business	(15)			0
	From Other Life Investment Contracts - Overseas Participating Business	(16)			0
	From Other Life Investment Contracts - Non-Participating Business	(17)			0
	<b>Life Insurance Act Operating Profit After Tax</b>	(18) = (9)+...+(17); also = (8)	<b>0</b>	<b>0</b>	<b>0</b>

<b><u>Part 4 - Details Retained Profits</u></b>	Shareholders' Retained Profits at the Beginning of the Year	(19)			0
<b><u>Liability for Policy Owners' Retained Profits:</u></b>	Australian Participating Business	(20)			0
	Overseas Participating Business	(21)			0
	<b>Life Insurance Act Retained Profits at the Beginning of the Year</b>	(22) = (19)+...+(21)	0	0	0
	Life Insurance Act Operating Profit After Tax	(23) = (8)	0	0	0
<b><u>Transfer of Profits to Shareholders' Fund from:</u></b>	Australian Participating Business	(24)			0
	Overseas Participating Business	(25)			0
	Non-Participating Business	(26)			0
	Transfer between Shareholders' and Policy Owners' Interests	(27)			0
<b><u>Provision for Bonuses to Participating Policy Owners</u></b>	to Australian Policy Owners - from Retained Profits - Australian Participating Business	(28)			0
	to Overseas Policy Owners - from Retained Profits - Overseas Participating Business	(29)			0
	Purchase of Participating Business	(30)			0
	Transfer of Retained Profits between life companies	(31)			0
	<b>Life Insurance Act Retained Profits at the End of the Year</b>	(32) = (22)+...+(31)	0	0	0
	Policy Owners' Retained Profits at End of Year	(33)			0
	Shareholders' Retained Profits at End of Year	(34)			0
<b><u>Components of Life Insurance Act Retained Profits at the end of the year</u></b>	Australian Policy Owners'	(35)			0
	Overseas Policy Owners'	(36)			0
	Shareholders' (Australian Participating)	(37)			0
	Shareholders' (Overseas and Non-Participating)	(38)			0
	<b>Life Insurance Act Retained Profits at the End of the Year</b>	(35)+...+(38); (39) = also = (32)	0	0	0

## Schedule 2 - Form C

### Solvency Requirements

Solvency Requirement

Year Start: Year End: Units:			Version 6 <b>Solvency Requirements Schedule 2, Form C</b>			
			Total	Elimination	SF1	
<b><u>Represented by:</u></b>	<b>Solvency Requirement</b>	(1)	<b>0</b>			
	Minimum Termination Value (excluding IL risk margin)	(2)	0			
	Other Liabilities, including Approved Subordinated Debt	(3)	0			
	less: Approved Subordinated Debt	(4)	0			
	Solvency Reserve (includes IL risk margin)	(5)	0			
	<b>Solvency Requirement</b>	(6) = (2)+...+(5) also = (1)	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b><u>Determined as:</u></b>	Assets Available for Solvency Reserve	(7)	0			
	Life Insurance Act Shareholders' Equity	(8)	0			
	Liabilities for Policy Owner Retained Profits at the end of year	(9)	0			
	Approved Subordinated Debt	(10) = - (4)	0			
	Excess of Policy Liability (including Policy Owner Bonuses) over Minimum Termination Value	(11)	0			
	<b>Assets Available for Solvency Reserve</b>	(12) = (8)+...+(11) also = (7)	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
	<b>Solvency Reserve %</b>	(13) = 100*(5)/[(1) - (5)]	<b>0.00%</b>		<b>0.00%</b>	<b>0.00%</b>
<b>Coverage of Solvency Reserve</b>	(14) = (7)/(5)	<b>0.00</b>		<b>0.00</b>	<b>0.00</b>	

## Schedule 2 - Form D

Insurance Premium Revenue

Insurance Premium Revenue

Year Start: Year End: Units:			Version 6						
			<b>Insurance Premium Revenue Schedule 2, Form D</b>						
			Life Company				Consolidated		
			Life Insurance Contracts	Investment Linked Contracts	Other Life Investment Contracts	Total Statutory Funds	Shareholders' Fund	Total Statutory Funds	Shareholders' Fund
<b><u>Direct Insurance Premiums (gross)</u></b>	Direct Consideration for Annuities	(1)				0			
	Other Life Insurance Direct Premiums	(2)				0			
	Policy Conversions	(3)				0			
	<b>Direct Life Insurance Premium Revenue</b>	<b>(4) = (1)+(2)+(3)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
	Inwards Life Reinsurance Premium Revenue	(5)				0			
	Total Non-Life Insurance Premiums	(6)							
	<b>Total Insurance Premium Revenue</b>	<b>(7) = (4)+(5)+(6)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
	Insurance Premium recognised as a Deposit or as a Change in Policy Liability	(8)				0			
	Fees for Management Services Rendered	(9)				0			
	Non-Premium Related Fees	(10)				0			
	Premium Related Fees Received or Receivable	(11) = (9) - (10)		0	0	0	0	0	0
	<b>Total Insurance Premium Received or Receivable</b>	<b>(12) = (7)+(8)+(11)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
	Outwards Reinsurance Premium Paid or Payable	(13)				0			
	<b>Total Insurance Premium Received or Receivable, net of Outwards Reinsurance Premiums</b>	<b>(14) = (12)+(13)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

## Schedule 2 - Form E

### Investment Revenue

Investment Revenue

Version 6

**Investment Revenue  
Schedule 2, Form E**

Year Start:  
Year End:  
Units:

			Life Company				Consolidated			
			Life Insurance Contracts	Investment Linked Contracts	Other Life Investment Contracts	Total Statutory Funds	Shareholders' Fund	Total Statutory Funds	Shareholders' Fund	
<b>Interest, Dividends, Rent &amp; Similar Revenue Sourced from:</b>										
<b><u>Investment Income</u></b>	Equity Securities	(1)				0				
	Debt Securities	(2)				0				
	Investment Property	(3)				0				
	Other	(4)				0				
	<b>Total Investment Income</b>	(5) = (1)+...(4)		<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
	Net Realised and Unrealised Gains/Losses	(6)				0				
	<b>Total Investment Revenue</b>	(7) = (5)+(6)		<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	
<b><u>Included in Total Investment Revenue is Income from Controlled Entities</u></b>	Equity Securities	(8)				0				
	Debt Securities	(9)				0				
	Investment Property	(10)				0				
	Other	(11)				0				
	<b>Total Income from Controlled Entities</b>	(12) = (8)+...(11)		<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

## Schedule 2 - Form F

### Claims Expense

Claims Expense

Year Start: Year End: Units: <input type="text"/>			Version 6						
			<b>Claims Expense                      Schedule 2, Form F</b>						
			Life Company			Consolidated			
			Life Insurance Contracts	Investment Linked Contracts	Other Life Investment Contracts	Total Statutory Funds	Shareholders' Fund	Total Statutory Funds	Shareholders' Fund
<b><u>Claim Expense (including bonuses paid as a distribution of current year profit) - gross</u></b>									
	Death and Disability	(1)				0			
	Maturities	(2)				0			
	Annuities	(3)				0			
	Surrenders and Terminations	(4)				0			
	Policy Conversions	(5)				0			
	Other	(6)				0			
	<b>Direct Claims Expense</b>	<b>(7) = (1)+...(6)</b>				<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
	Inwards Reinsurance Claims Expense (including current year bonus)	(8)				0			
	Total Non-life Policy Payments	(9)							
	<b>Total Claims Expense</b>	<b>(10) = (7)+(8)+(9)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
	Policy Payments recognised as a Withdrawal of Deposit or as a Change in Policy Liability	(11)				0			
	<b>Total Claims Paid or Payable</b>	<b>(12) = (10)+(11)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
	Outward Reinsurance Claims Received or Receivable	(13)				0			
	<b>Total Claims Paid or Payable, net of reinsurance Outward Reinsurance Recoveries</b>	<b>(14) = (12)+(13)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
	Interim & Terminal Bonuses Paid, Included in Total Claims Paid or Payable	(15)				0			

## Schedule 2 - Form G

### Operating Expenses

Operating Expenses

Year Start: Year End: Units:			Version 6						
			<b>Operating Expenses                      Schedule 2, Form G</b>						
			Life Company				Consolidated		
			Life Insurance Contracts	Investment Linked Contracts	Other Life Investment Contracts	Total Statutory Funds	Shareholders' Fund	Total Statutory Funds	Shareholders' Fund
<b><u>Administration Expenses</u></b>	Policy Acquisition - Commission and Other Incremental	(1)				0			
	Policy Acquisition - Other	(2)				0			
	Policy Maintenance - Commission and Other Incremental	(3)				0			
	Policy Maintenance - Other	(4)				0			
	Investment Management	(5)				0			
	Acquisition Expenses reported as a movement in Policy Liabilities (i.e. Net Movement in DAC)	(6)				0			
	Other Administration Expenses	(7)							
	<b>Total Administration Expenses</b>	<b>(8) = (1)+...+(7)</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b><u>Interest Expenses</u></b>	Interest Expense on Subordinated Debt	(9)				0			
	Interest Expense on Other Borrowings	(10)				0			
	<b>Total Interest Expenses</b>	<b>(11) = (9)+(10)</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
	<b>Total Non-life Operating Expenses</b>	<b>(12)</b>							
	<b>Total Operating Expenses</b>	<b>(13) = (8)+(11)+(12)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

## Schedule 2 - Form H

### Policy Liabilities

Policy Liabilities

Year Start: Year End: Units:			Version 6 <b>Policy Liabilities Schedule 2, Form H</b>			
			Life Insurance Contracts	Investment Linked Contracts	Other Life Investment Contracts	Total Statutory Funds
<b><u>Part 1 - Movements in Policy Liabilities</u></b>	Gross Policy Liabilities	(1)				0
	Reinsured Policy Liabilities - Gross Policy Liabilities Ceded	(2)				0
	Reinsured Policy Liabilities - Gross Policy Liabilities Assumed	(3)				0
	<b>Net Policy Liabilities</b>	(4) = (1)+(2)+(3)	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
	Net Policy Liabilities at end of the previous year	(5)				0
	Transfer of Policy Liabilities between Life Companies	(6)				0
	<b>Increase / (Decrease) in Policy Liabilities</b>	(7) = (4) - (5)	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
	The Net Policy Liabilities includes Policy Liabilities Subject to Capital Guarantees	(8)				0
<b><u>Part 2 - Movements in Policy Owner Retained Profits</u></b>	Policy Owner Retained at the end of the year	(9)				0
	Policy Owner Retained at the end of the previous year	(10)				0
	<b>Increase / (Decrease) in Policy Owner Retained Profits</b>	(11) = (9) - (10)	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

Year Start:

Year End:

Units:

Version 6

**Policy Liabilities (cont'd)  
Schedule 2, Form H**

			This Year		Last Year
			Current Basis	Previous Basis	Last Year's
					Basis
<b>Part -3 Components of Policy Liabilities</b>					
<b><u>Life Insurance Contracts - Best Estimate Liability</u></b>					
[see Note (2) ]	Value of Future Policy Benefits	(12) [see Note (3) ]			
	Value of Future Expenses	(13)			
	Value of Unrecouped Acquisition Expense	(14)			
	Value of (Balance of) Future Premiums	(15)			
	<b>Total Best Estimate Liability for Life Insurance Contracts</b>	(16) = (12)+...+(15)	<b>0</b>	<b>0</b>	<b>0</b>
<b><u>Life Insurance Contracts - Value of Future Profits</u></b>					
[see Note (2) ]	Value of Future Policy Owner Bonuses	(17) [see Note (4) ]			
	Value of Future Shareholder Profit Margins	(18)			
	<b>Total Value of Future Profits</b>	(19) = (17)+(18)	<b>0</b>	<b>0</b>	<b>0</b>
	Total Value of Declared Bonuses	(20) [see Note (5) ]			
	<b>NET POLICY LIABILITIES for Life Insurance Contracts</b>	(21) = (16)+(19)+(20)	<b>0</b>	<b>0</b>	<b>0</b>
<b><u>For Investment -Linked Contracts</u></b>					
	Investment Contract Liability	(22)			
	Management Services Asset or Liability	(23) [see Note (6) ]			
	<b>NET POLICY LIABILITIES for Investment-linked Contracts</b>	(24) = (22)+(23)	<b>0</b>	<b>0</b>	<b>0</b>
<b><u>For Other Life Investment Contracts</u></b>					
	Investment Contract Liability	(25)			
	Management Services Asset or Liability	(26) [see Note (6) ]			
	<b>NET POLICY LIABILITIES for Other Life Investment Contracts</b>	(27) (25)+(26)	<b>0</b>	<b>0</b>	<b>0</b>
<b>Total Value for NET POLICY LIABILITIES</b>			<b>0</b>	<b>0</b>	<b>0</b>
			(28) = (21)+(24)+(27)	<b>0</b>	<b>0</b>

## Schedule 2 - Form I

### Statement of Sources of Operating Profit

Statement of Sources of Operating Profit

Year Start: Year End: Units:			Version 6 <b>Statement of Sources of Operating Profit</b> <b>Schedule 2, Form I</b>				
			Life Insurance Contracts	Investment Linked Contracts	Other Life Investment Contracts	Total Statutory Funds	
<b>Part 1 - Life Insurance Act Shareholders' Operating Profit in the Statutory Funds</b> <i>The Shareholders' interest in Operating Profit after Tax for the Statutory Funds is Represented by:</i>	Investment earnings on assets in excess of policy liabilities	(1)				0	
	Emergence of Shareholders' Planned Profit	(2)				0	
	Experience Profit / (Loss)	(3)				0	
	(Capitalisation of Loss) / Reversal of Capitalised Loss	(4)				0	
	Financial Instrument Profit	(5)				0	
	Management Services Profit	(6)				0	
	Change in valuation methods and assumptions	(7)				0	
	<b>Life Insurance Act Shareholders' Operating Profit After Income Tax</b>	(8) = (1)+...+(7)		<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Cumulative Losses Carried Forward at the end of the Year	(9)					0	
<b>Part 2 - Life Insurance Act Policy Owners' Operating Profit in the Statutory Funds</b> <i>is Represented by:</i>	Investment earnings on assets in excess of policy liabilities	(10)				0	
	Emergence of Policy Owners' Planned Profits	(11)				0	
	Experience Profit / (Loss)	(12)				0	
	(Capitalisation of Loss) / Reversal of Capitalised Loss	(13)				0	
	Change in valuation methods and assumptions	(14)				0	
	<b>Life Insurance Act Policy Owners' Operating Profit After Income Tax</b>	(15) = (10)+...+(14)		<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
	Cumulative Losses Carried Forward at the end of the Year	(16)					0

## Schedule 2 - Form J

### Subordinated Debt

Subordinated Debt

Year Start: Year End: Units:			Version 6			
			<b>Subordinated Debt                  Schedule 2, Form J</b>			
			Non- Investment Linked	Investment Linked	Total Statutory Funds	Shareholders' Fund
<b><i>Subordinated Debt</i></b>	Approved	(1)			0	
	Other	(2)			0	
	<b>Total Subordinated Debt</b>	(3) = (1)+(2)	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

## Schedule 2 - Form K

### Segmented Information

Segmented Information – Abbreviated Profit and Loss Account at Fund Level

Year Start: Year End: Units:			Version 6 <b>Part 2 - Segmented Information</b> <b>Abbreviated Profit and Loss Account</b> <b>at Fund level</b> <b>Schedule 2, Form K</b>			
			Statutory Fund X Total	Elimination	Total for all Stat Funds	Shareholders' Fund
<b><u>Revenue</u></b>	Insurance Contracts Revenue	(1)	0		0	
	Outward Reinsurance Expense	(2)	0		0	
	<b>Net Insurance Contracts Premiums</b>	<b>(3) = (1)+(2)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
	Fees for Management Services rendered	(4)	0		0	
	Investment Revenue	(5)	0		0	
	Other Revenue	(6)	0		0	
	<b>Total Revenue</b>	<b>(7) = (3)+...(6)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b><u>Net Costs/Payments</u></b>	Claims Expenses	(8)	0		0	
	Reinsurance Recoveries Revenue	(9)	0		0	
	<b>Net Claim Expenses</b>	<b>(10) = (8)+(9)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
	Operating Expenses	(11)	0		0	
	Increase/(Decrease) in Net Policy Liabilities	(12)	0		0	
	Increase/(Decrease) in Policy Owner Retained Profits	(13)	0		0	
	Other Expenses	(14)	0		0	
	<b>Total Expenses</b>	<b>(15) = (10)+...(14)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
	<b>Operating Profit/(Loss) before Income Tax</b>	<b>(16) = (7) - (15)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
	Income Tax Attributable to Operating Profit	(17)	0		0	
	<b>Life Insurance Act Operating Profit/(Loss) after Income Tax</b>	<b>(18) = (16) - (17)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

Segmented Information – Abbreviated Profit and Loss Account at Category Level

Year Start: Year End: Units: SF: SF1			Version 6									
			<b>Part 3 - Segmented Information</b>									
			<b>Abbreviated Profit and Loss Account at Category Level</b>									
			<b>Schedule 2, Form K</b>									
Total for this SF			Australian						Overseas			
			Ordinary			Super			Total	Par	Non-Par	Total
Par	Non-Par	Total	Par	Non-Par	Total	Total	Par	Non-Par				
<b>Revenue</b>	Insurance Contracts Revenue	(1)	0		0			0	0			0
	Outward Reinsurance Expense	(2)	0		0			0	0			0
	<b>Net Insurance Contracts Premiums</b>	(3) = (1)+(2)	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
	Fees for Management Services rendered	(4)	0		0			0	0			0
	Investment Revenue	(5)	0		0			0	0			0
	Other Revenue	(6)	0		0			0	0			0
	<b>Total Revenue</b>	(7) = (3)+...+(6)	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Net Costs/Payments</b>	Claims Expenses	(8)	0		0			0	0			0
	Reinsurance Recoveries Revenue	(9)	0		0			0	0			0
	<b>Net Claim Expenses</b>	(10) = (8)+(9)	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
	Operating Expenses	(11)	0		0			0	0			0
	Increase/(Decrease) in Net Policy Liabilities	(12)	0		0			0	0			0
	Increase/(Decrease) in Policy Owner Retained Profits	(13)	0		0			0	0			0
	Other Expenses	(14)	0		0			0	0			0
	<b>Total Expenses</b>	(15) = (10)+...+(14)	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
	<b>Operating Profit/(Loss) before Income Tax</b>	(16) = (7) - (15)	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
	Income Tax Attributable to Operating Profit	(17)	0		0			0	0			0
	<b>Life Insurance Act Operating Profit/(Loss) after Income Tax</b>	(18) = (16) - (17)	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

Segmented Information – Abbreviated Balance Sheet at Fund Level

Year Start: Year End: Units: \$'000			Version 6 <b>Part 4 - Segmented Information</b> <b>Abbreviated Balance Sheet at Fund Level</b> <b>Schedule 2, Form K</b>			
			Totals for SF1	Elimination	Total for all Stat Funds	Shareholders' Fund
<b><u>Assets</u></b>	Investment Property	(1)	0		0	
	Equities	(2)	0		0	
	National Government IBS	(3)	0		0	
	Other Public Sector IBS	(4)	0		0	
	Private Sector IBS	(5)	0		0	
	Loans	(6)	0		0	
	Convertible Notes	(7)	0		0	
	Other Direct	(8)	0		0	
	Unit Trusts	(9)	0		0	
	Partnerships & Joint Ventures	(10)	0		0	
	Other Indirect	(11)	0		0	
	<b>Total Investment Assets</b>	(12) = (1)+...+(11)	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
	Property, Plant and Equipment	(13)	0		0	
	Gross Policy Liabilities Ceded Under Reinsurance	(14)	0		0	
	Other Assets	(15)	0		0	
<b>LIFE INSURANCE ACT TOTAL ASSETS</b>	(16) = (12)+...+(15)	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	
<b><u>Liabilities</u></b>	Gross Policy Liabilities	(17)	0		0	
	Gross Policy Liabilities Assumed Under Reinsurance	(18)	0		0	
	Policy Owner Retained Profits	(19)	0		0	
	Subordinated Debt	(20)	0		0	
	Other Liabilities	(21)	0		0	
	<b>TOTAL LIABILITIES</b>	(22) = (17)+...+(21)	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
	<b>LIFE INSURANCE ACT NET ASSETS</b>	(23) = (16) - (22)	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b><u>Capital</u></b>	Share Capital	(24)			0	
	Reserves	(25)			0	
	Life Insurance Act Retained Profits	(26)			0	
	<b>Life Insurance Act Total Equity</b>	(27) = (24)+(25)+(26) also = (23)	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

Segmented Information – Abbreviated Balance Sheet at Category Level

Year Start: Year End: Units: SF: SF1			Version 6												
			<b>Part 5 - Segmented Information</b>												
			<b>Abbreviated Balance Sheet at Category Level</b>												
			<b>Schedule 2, Form K</b>												
Total for this SF			Australian						Overseas						
			Ordinary			Super			Total	Par	Non-Par	Total			
Par	Non-Par	Total	Par	Non-Par	Total	Par	Non-Par	Total							
<b>Assets</b>	Investment Property	(1)	0			0				0	0			0	
	Equities	(2)	0			0				0	0			0	
	National Government IBS	(3)	0			0				0	0			0	
	Other Public Sector IBS	(4)	0			0				0	0			0	
	Private Sector IBS	(5)	0			0				0	0			0	
	Loans	(6)	0			0				0	0			0	
	Convertible Notes	(7)	0			0				0	0			0	
	Other Direct	(8)	0			0				0	0			0	
	Unit Trusts	(9)	0			0				0	0			0	
	Partnerships & Joint Ventures	(10)	0			0				0	0			0	
	Other Indirect	(11)	0			0				0	0			0	
	<b>Total Investment Assets</b>	(12) = (1)+...+(11)		<b>0</b>											
	Property, Plant and Equipment	(13)	0			0				0	0			0	
	Gross Policy Liabilities Ceded Under Reinsurance	(14)	0			0				0	0			0	
	Other Assets	(15)	0			0				0	0			0	
<b>LIFE INSURANCE ACT TOTAL ASSETS</b>	(16) = (12)+...+(15)		<b>0</b>						<b>0</b>				<b>0</b>		
<b>Liabilities</b>	Gross Policy Liabilities	(17)	0			0				0	0			0	
	Gross Policy Liabilities Assumed Under Reinsurance	(18)	0			0				0	0			0	
	Policy Owner Retained Profits	(19)	0			0				0	0			0	
	Subordinated Debt	(20)	0			0				0	0			0	
	Other Liabilities	(21)	0			0				0	0			0	
	<b>TOTAL LIABILITIES</b>	(22) = (17)+...+(21)		<b>0</b>						<b>0</b>				<b>0</b>	
	<b>LIFE INSURANCE ACT NET ASSETS</b>	(23) = (16) - (22)		<b>0</b>						<b>0</b>				<b>0</b>	

Segmented Information – Life Insurance Act Operating Profit and Retained Profits

Year Start: Year End: Units:			Version 6 <b>Part 6 - Segment Information</b> <b>Life Insurance Act Operating Profit and Retained Profits</b> <b>Schedule 2, Form K</b>		
			SF1	Elimination	Total for All Stat Funds
<b><u>Allocated to:</u></b>	Life Insurance Act Operating Profit After Tax	(1)			0
	Policy Owners	(2)			0
	Shareholders	(3)			0
	Policy Owner Retained Profits Beginning of Year	(4)			0
	Operating Profit Allocated	(5)			0
	Transfers from other Statutory Funds	(6)			0
	Bonuses to Policy Owners	(7)			0
	<b>Policy Owner Retained Profits End of Year</b>	<b>(8) = (4)+...(7)</b>	<b>0</b>	<b>0</b>	<b>0</b>
	Shareholders' Retained profits (Aust Participating) Beginning of Year	(9)			0
	Operating Profit Allocated	(10)			0
	Transfers from other Statutory Funds	(11)			0
	Transfers to Shareholders' Fund	(12)			0
	Transfers to other Statutory Funds	(13)			0
	<b>Life Insurance Act Shareholders' Retained profits (Aust Participating) End of Year</b>	<b>(14) = (9)+...(13)</b>	<b>0</b>	<b>0</b>	<b>0</b>
	Shareholders' Retained profits (Overseas & Non-participating) Beginning of Year	(15)			0
	Operating Profit Allocated	(16)			0
	Transfers from other Statutory Funds	(17)			0
	Transfers to Shareholders' Fund	(18)			0
	Transfers to other Statutory Funds	(19)			0
	<b>Life Insurance Act Shareholders' Retained Profits (Overseas &amp; Non-participating) End of Year</b>	<b>(20) = (15)+...(19)</b>	<b>0</b>	<b>0</b>	<b>0</b>
	Shareholders' Capital Beginning of Year	(21)			0
	Transfers from Shareholders' Fund	(22)			0
	Transfers to Shareholders' Fund	(23)			0
	Transfers to other Statutory Funds	(24)			0
	<b>Life Insurance Act Shareholders' Capital End of Year</b>	<b>(25) = (21)+...(24)</b>	<b>0</b>	<b>0</b>	<b>0</b>