



Financial Sector (Collection of Data) (reporting standard) determination No. 123 of 2023

Reporting Standard LRS 311.0 Statement of profit or loss and other comprehensive income by Product Group

Financial Sector (Collection of Data) Act 2001

I, Michael Murphy, delegate of APRA, under paragraph 13(1)(a) of the *Financial Sector (Collection of Data) Act 2001* (the Act) and subsection 33(3) of the *Acts Interpretation Act 1901*:

- (a) revoke Financial Sector (Collection of Data) (reporting standard) determination No. 34 of 2023, including *Reporting Standard LRS 330.0 Summary of Revenue and Expenses* made under that Determination; and
- (b) determine *Reporting Standard LRS 311.0 Statement of profit or loss and other comprehensive income by Product Group*, in the form set out in the Schedule, which applies to the financial sector entities to the extent provided in paragraph 3 of that reporting standard.

Under section 15 of the Act, I declare that *Reporting Standard LRS 311.0 Statement of profit or loss and other comprehensive income by Product Group* shall begin to apply to those financial sector entities, and the revoked reporting standard shall cease to apply, on the day *Reporting Standard LRS 311.0 Statement of profit or loss and other comprehensive income by Product Group* is registered on the Federal Register of Legislation.

This instrument commences upon registration on the Federal Register of Legislation.

Dated: 2 June 2023

Michael Murphy
General Manager - Chief Data Officer (Acting)
Technology and Data Division

Interpretation

In this Determination:

APRA means the Australian Prudential Regulation Authority.

Federal Register of Legislation means the register established under section 15A of the *Legislation Act 2003*.

financial sector entity has the meaning given by section 5 of the Act.

Schedule

Reporting Standard LRS 311.0 Statement of profit or loss and other comprehensive income by Product Group comprises the document commencing on the following page.



Reporting Standard LRS 311.0

Statement of profit or loss and other comprehensive income by Product Group

Objective of this Reporting Standard

This Reporting Standard sets out the requirements for the provision of information to APRA in relation to a life insurer's profit or loss and other comprehensive income.

It includes associated specific instructions and must be read in conjunction with *Reporting Standard LRS 001 Reporting Requirements* (LRS 001), including the instruction guide.

Authority

1. This Reporting Standard is made under section 13 of the *Financial Sector (Collection of Data) Act 2001*.

Purpose

2. The information reported to APRA under this Reporting Standard is used by APRA for the purpose of prudential supervision including assessing compliance with capital adequacy standards.

Application and commencement

3. This Reporting Standard applies to all life insurance companies other than friendly societies (referred to as life insurers) registered under the *Life Insurance Act 1995* (Life Act). This Reporting Standard applies for reporting periods ending on or after 1 July 2023.

Information required

4. A life insurer must provide APRA with the information required by this Reporting Standard for each reporting period.
5. The information reported to APRA under this Reporting Standard is not required to be given to policy owners pursuant to section 124 of the Life Act. It does not constitute a reporting document for the purposes of section 124.

Method of submission

6. The information required by this Reporting Standard must be given to APRA:
 - (a) in electronic format using an electronic method available on APRA's website; or
 - (b) by a method notified by APRA prior to submission.

Reporting periods and due dates

7. Subject to paragraph 8, a life insurer must provide the information required by this Reporting Standard:
 - (a) in respect of each quarter based on the financial year of the life insurer on an unaudited basis; and
 - (b) in respect of each financial year of the life insurer on an audited basis.

Note 1: This means that information provided under this Reporting Standard will be submitted five times for a full financial year.

Note 2: The annual audited information provided under this Reporting Standard must be submitted in conjunction with the annual auditor's report, as required under *Prudential Standard LPS 310 Audit and Related Matters*.

8. If, having regard to the particular circumstances of a life insurer, APRA considers it necessary or desirable to obtain information more or less frequently than as provided by subparagraph 7(a) or 7(b), APRA may, by notice in writing, change the reporting periods, or specify reporting periods, for the particular life insurer.
9. The information required by this Reporting Standard in respect of a life insurer must be provided to APRA:
 - (a) in the case of quarterly information, within 20 business days after the end of the reporting period to which the information relates;
 - (b) in the case of annual information, within three months after the end of the reporting period to which the information relates; or
 - (c) in the case of information provided in accordance with paragraph 8, within the time specified by notice in writing.
10. APRA may, in writing, grant a life insurer an extension of a due date, in which case the new due date will be the date on the notice of extension.

Note: For the avoidance of doubt, if the due date for a particular reporting period falls on a day other than a usual business day, a life insurer is nonetheless required to submit the information required no later than the due date.

Quality control

11. The information provided by a life insurer under this Reporting Standard must be the product of systems, processes and controls that have been reviewed and tested by the

Auditor of the life insurer. This will require the Auditor to review and test the life insurer's systems, processes and controls supporting the reporting of the information to enable the life insurer to provide reliable financial information to APRA. This review and testing must be done on:

- (a) an annual basis or more frequently if necessary to enable the Auditor to form an opinion on the reliability and accuracy of data; and
 - (b) at least a limited assurance engagement consistent with professional standards and guidance notes issued by the Auditing and Assurance Standards Board as may be amended from time to time, to the extent that they are not inconsistent with the requirements of *Prudential Standard LPS 310 Audit and Related Matters*.
12. All information provided by a life insurer under this Reporting Standard must be subject to systems, processes and controls developed by the life insurer for the internal review and authorisation of that information. It is the responsibility of the Board and senior management of the life insurer to ensure that an appropriate set of policies and procedures for the authorisation of data submitted to APRA is in place.
13. Actuarial valuations and calculations included in or used in the preparation of the information provided to APRA must be in accordance with the prudential standards in force for the reporting period. However, life insurers may use reasonable estimates when preparing information that will not be audited (i.e. for the first four submissions of information for a full financial year).

Authorisation

14. When an officer or agent of a life insurer provides the information required by this Reporting Standard using an electronic format, the officer or agent must digitally sign the relevant information using a digital certificate acceptable to APRA.
15. An officer or agent of a life insurer who submits information under this Reporting Standard must be authorised by either:
- (a) the Principal Executive Officer of the life insurer; or
 - (b) the Chief Financial Officer of the life insurer.

Variations

16. APRA may, by written notice to the life insurer, vary the reporting requirements of this Reporting Standard in relation to that life insurer.

Transition

17. A life insurer must report under the old reporting standard in respect of a transitional reporting period. For these purposes:

old reporting standard means the reporting standard revoked in the determination making this Reporting Standard; and

transitional reporting period means a reporting period under the old reporting standard:

- (a) which ended before 1 July 2023; and
- (b) in relation to which the life insurer was required, under the old reporting standard, to report by a date on or after the date of revocation of the old reporting standard.

Note: For the avoidance of doubt, if a life insurer was required to report under an old reporting standard, and the reporting documents were due before the date of revocation of the old reporting standard, the life insurer is still required to provide any overdue reporting documents in accordance with the old reporting standard.

Interpretation

18. In this Reporting Standard:

- (a) unless the contrary intention appears, words and expressions have the meanings given to them in *Prudential Standard LPS 001 Definitions* (LPS 001); and
- (b) the following definitions are applicable:

Auditor means an auditor appointed under paragraph 83 of the Life Act.

capital adequacy standards means the prudential standards which relate to capital adequacy as defined in LPS 001.

Chief Financial Officer means the chief financial officer of the life insurer, by whatever name called.

financial year has the meaning in the *Corporations Act 2001*.

general instruction guide refers to the general instruction guide set out in Attachment A of LRS 001.

Life Act means the *Life Insurance Act 1995*.

Principal Executive Officer means the principal executive officer of the life insurer, by whatever name called, and whether or not he or she is a member of the governing board of the entity.

reporting period means a reporting period under subparagraph 7(a) or 7(b) or, if applicable, paragraph 8.

19. Unless the contrary intention appears, a reference to an Act, Prudential Standard, Reporting Standard, Australian Accounting or Auditing Standard is a reference to the instrument as in force from time to time.

Reporting Standard LRS 311.0

Statement of profit or loss and other comprehensive income by Product Group

General instructions

These instructions assist completion of the information collected by *Reporting Standard LRS 311.0 Statement of profit or loss and other comprehensive income by Product Group*. This Reporting Standard collects income statement data by **APRA product groups**.

Reporting tables

Tables described in this Reporting Standard list each of the data fields required to be reported. The data fields are listed sequentially in the column order that they will appear in the reported data set. Constraints on the data that can be reported for each field have also been provided.

General accounting basis

In completing the reporting standards, unless otherwise stated specifically, reporting life companies are to follow the basis consistent with the relevant Australian Accounting Standards. In particular, appropriate consideration must be given to the interpretation, the basis for measurement, and the netting between revenues/expenses items and financial assets/liabilities.

References to Australian Accounting Standards

Each item reported under this Reporting Standard aligns with the Accounting Standards made by the Australian Accounting Standards Board (AASB). The applicable AASB references are specified with each item. AASB reference provides a written description of the accounting meaning of an IFRS Taxonomy element.

IFRS taxonomy element reference

Each IFRS taxonomy element contains at least one cross-reference to an AASB Standard (that incorporates IFRS 17 Standards as issued and amended by the International Accounting Standards Board (IASB)) and has a reference type that can be used to identify the source of that element. The IFRS Taxonomy uses the following element reference types:

- (a) disclosure—an element of this type depicts a presentation or disclosure requirement of an IFRS/AASB Standard;
- (b) example—an element of this type represents an example provided in an IFRS/AASB Standard or its accompanying materials; and
- (c) common practice—an element of this type reflects common reporting practice within IFRS/AASB financial statements they not specifically mentioned in IFRS/AASB Standards

or their accompanying materials, but are consistent with IFRS/AASB Standards. They have been found to be frequently disclosed across a range of companies and accounting jurisdictions.

Definitions

Terms that are highlighted in ***bold italics*** are defined in these instructions.

Specific instructions

Reporting basis

Information in this Reporting Standard is to be completed by life insurers for each reporting period on a statutory fund basis. Friendly societies do not have to complete information in this Reporting Standard.

APRA class of business

The APRA *class of business* that apply for the purpose of this Reporting Standard are:

- Australia – **Ordinary Business**
- Australia – **Superannuation Business**
- Overseas – All Business

The expressions ‘Australian Business’ and ‘Overseas Business’ refer to the territories where the life insurance business is carried on.

The expressions ‘**Ordinary Business**’ and ‘**Superannuation Business**’ are defined in the Life Act.

This section is also to be completed for each *participating* and *non-participating business*. The expressions ‘*participating business*’ and ‘*non-participating business*’ are defined in the Life Act.

Direct business is any insurance business written / insurance contracts issued by the reporting insurer.

Inwards reinsurance is any reinsurance business written / reinsurance contracts issued by the reporting insurer.

Non-life insurance business is insurance business carried on by a life company in accordance with APRA’s declaration made under section 12A or section 12B of the Life Act.

APRA product groups

The **APRA product groups** that apply to reporting are defined in LPS 001:

- L1 - Conventional
- L2 - Annuity with longevity risk;
- L3_1 - Individual lump sum risk - stepped premium;
- L6 - Individual disability income insurance - stepped premium;
- L7_1 - Individual lump sum risk - other;
- L10 - Individual disability income insurance - other;
- L11_1 - Group lump sum risk;
- L14 - Group disability income insurance;
- L15 - Investment linked;
- L16 - Investment with discretionary additions;
- L17 - Other investment policy;

- L18 - Annuity without longevity risk; and
- L19 - Other.

Reporting direction for life insurers

For APRA reporting, life insurers must also meet the relevant policy liability valuation requirements outlined in *Prudential Standard LPS 340 Valuation of Policy Liabilities* (LPS 340).

Subject to meeting the requirements in LPS 340, where it is not possible to readily assign AASB 17 numbers to specific **APRA product groups**, life insurers must apply the **allocation principles** to allocate AASB 17 numbers to **APRA product groups**.

Allocation principles are defined in LRS 001.

Investment and insurance finance income and expense items

Life insurers must report investment, and insurance finance income and expense items for the products that have a substantial investment component (i.e. L1, L2, L15, L16, L17 and L18). Life insurers must report unallocated investment and insurance finance income and expense amounts in the unallocated column.

The aggregate of unallocated and allocated investment and insurance finance income and expense amounts must reconcile with the amounts reported under the *Reporting Standard LRS 310.0 Statement of Profit or Loss and Other Comprehensive Income*.

Units of measurement

Report values in this Reporting Standard in whole Australian dollars (AUD) with no decimal place.

Convert amounts denominated in foreign currency to AUD in accordance with *AASB 121 The Effects of Changes in Foreign Exchange Rates*.

Report losses and expenses as negative values.

Columns for the Statutory Fund

Columns 1 to 13	Report the amount by <i>APRA product group</i> for Australia - <i>Ordinary Business</i> .
Columns 14 to 26	Report the amount by <i>APRA product group</i> for Australia - <i>Superannuation Business</i>
Columns 27 to 39	Report the amount by <i>APRA product group</i> for Overseas - All business
Column 40	Report the amount for unallocated items.
Columns 1 to 40 (Total)	The total amount is a derived column and is calculated as the sum of columns 1 to 40 inclusive.

1. Insurance revenue

Item 1	Item 1 insurance revenue is a derived item calculated as the sum of items 1.1 to 1.4 inclusive. Report this item in accordance with AASB 101.82 (a) (ii) Disclosure, AASB 17.80 (a) and AASB 17.83.
Item 1.1	Report insurance revenue from life insurance direct business.
Item 1.2	Report insurance revenue from life investment direct business.
Item 1.3	Report insurance revenue from inwards reinsurance.
Item 1.4	Report insurance revenue from non-life insurance business.

2. Insurance service expense

Item 2	Item 2 insurance service expense, is a derived item calculated as the sum of items 2.1, 2.2, 2.3 and 2.4. inclusive. Report this item in accordance with AASB 101.82 (ab) Disclosure, AASB 17.80 (a) and AASB 17.84.
Item 2.1	Item 2.1 represents insurance service expense from life insurance direct business. Item 2.1 is a derived item and is calculated as the sum of items 2.1.1 to 2.1.6 inclusive.
Item 2.1.1	Report incurred claims from life insurance direct business.
Item 2.1.2	Report other insurance service expenses from life insurance direct business. Report insurance acquisition cash flows that have been recognised as

	expenses when incurred under AASB 17.59(a) at this item.
Item 2.1.3	Report amortisation of insurance acquisition cash flows from life insurance direct business.
Item 2.1.4	Report losses and reversal of losses on onerous contracts from life insurance direct business. Report this item in accordance with AASB 17.47-52.
Item 2.1.5	Report changes that relate to past service: changes to liabilities for incurred claims from life insurance direct business. Report this item in accordance with AASB 17.103 (b) (iii) Disclosure.
Item 2.1.6	Report impairment losses/reversals on assets for insurance acquisition cash flows from life insurance direct business. Report this item in accordance with AASB 17 Appendix A, AASB 17.28B, AASB 17.28E and AASB 17.28F. APRA has interpreted this item to form part of insurance service expense.
Item 2.2	Report life investment direct business
Item 2.2.1	Report other insurance service expenses from life investment direct business. Report this item in accordance with AASB 17.103 (b).
Item 2.3	Item 2.3 represents insurance service expense from inwards reinsurance. Item 2.3 is a derived item and is calculated as the sum of items 2.3.1 to 2.3.6 inclusive.
Item 2.3.1	Report incurred claims from inwards reinsurance.
Item 2.3.2	Report other insurance service expenses from inwards reinsurance. Report insurance acquisition cash flows that have been recognised as expenses when incurred under AASB 17.59 (a) at this item.
Item 2.3.3	Report amortisation of insurance acquisition cash flows from inwards reinsurance.
Item 2.3.4	Report losses and reversal of losses on onerous contracts from inwards reinsurance.

	Report this item in accordance with AASB 17.47-52.
Item 2.3.5	Report changes that relate to past service: changes to liabilities for incurred claims from inwards reinsurance. Report this item in accordance with AASB 17.103 (b) (iii) Disclosure.
Item 2.3.6	Report impairment losses/reversals on assets for insurance acquisition cash flows from inwards reinsurance. Report this item in accordance with AASB 17 Appendix A, AASB 17.28B, AASB 17.28E and AASB 17.28F. APRA has interpreted this item to form part of insurance service expense.
Item 2.4	Item 2.4 represents insurance service expense from non-life insurance business. Item 2.4 is a derived item and is calculated as the sum of items 2.4.1 to 2.4.6 inclusive.
Item 2.4.1	Report incurred claims from non-life insurance business.
Item 2.4.2	Report other insurance service expenses from non-life insurance business. Report insurance acquisition cash flows that have been recognised as expenses when incurred under AASB 17.59(a) at this item.
Item 2.4.3	Report amortisation of insurance acquisition cash flows from non-life insurance business.
Item 2.4.4	Report losses and reversal of losses on onerous contracts from non-life insurance business. Report this item in accordance with AASB 17.47-52.
Item 2.4.5	Report changes that relate to past service: changes to liabilities for incurred claims from non-life insurance business. Report this item in accordance with AASB 17.103 (b) (iii).
Item 2.4.6	Report impairment losses/reversals on assets for insurance acquisition cash flows from non-life insurance business. Report this item in accordance with AASB 17 Appendix A, AASB 17.28B, 17.28E and AASB 17.28F. APRA has interpreted this item to form part of insurance service expense.

3. Insurance service result before reinsurance contracts held

Item 3	Item 3 insurance service result before reinsurance contracts held is a derived item and is calculated as the sum of item 1 and item 2. Report this item in accordance with AASB 17 Appendix A.
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4. Allocation of reinsurance premiums

Item 4	Report allocation of reinsurance premiums. It is requested that the entity present this item separately from amounts recoverable from reinsurers reported at item 5. Report this item in accordance with AASB 17.86.
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5. Amounts recoverable from reinsurers

Item 5	Report amounts recoverable from reinsurers. Include at this item reversals of recoveries of losses from the reinsurance contracts determined in accordance with AASB 17.66B for reinsurance contracts held. Report this item in accordance with AASB 17.86. The amount reported at this item should reconcile to item 8. 'Amounts recoverable from reinsurers' reported in <i>Reporting Standard LRS 320.0 Liability Roll Forwards Part B: Reinsurance contracts held (outwards reinsurance by cedant/retrocedent) Liability Roll Forward 1 – Reconciliation of the remaining coverage and incurred claims</i> (LRS 320.0 Part B RF1).
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6. Net expense from reinsurance contracts held

Item 6	Item 6 is a derived item and is calculated as the sum of item 4 and item 5. This item can be a net income or net expense. Report this item in accordance with AASB 17 Appendix A, AASB 101.82 (ac), AASB 17.82 and AASB 17.86.
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7. Insurance service result

Item 7	Item 7 insurance service result is a derived item and is calculated as the sum of item 3 and item 6. Report this item in accordance with AASB 17.80 (a).
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8. Interest revenue calculated using the effective interest method

Item 8	Report interest revenue calculated using the effective interest method. Report this item in accordance with AASB 101.82 (a) (i) and AASB 9 Appendix A.
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9. Other interest and similar income

Item 9	Report other interest and similar income include income that is not reported at item 8 and items 10 to 16.
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10. Net gains/losses on financial assets at fair value through profit or loss

Item 10	Report net gains/losses on financial assets at fair value through profit or loss. Report this item in accordance with AASB 132.11 and AASB 7.20 (a) (i).
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11. Net gains/losses on derecognition of financial assets measured at fair value through other comprehensive income

Item 11	Report net gains or losses on derecognition of financial assets measured at fair value through other comprehensive income. Report this item in accordance with AASB 132.11 and AASB 7.20 (a) (viii).
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12. Net change in investment contract liabilities

Item 12	Report the net change in investment contract liabilities. Report this item in accordance with AASB 7.20 (a) (i).
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13. Net gains/losses on derecognition of financial assets measured at amortised cost

Item 13	Report net gains/losses on derecognition of financial assets measured at amortised cost. Report this item in accordance with AASB 132.11 and AASB 101.82 (aa).
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14. Impairment loss on financial assets

Item 14	Report impairment loss on financial assets. Report this item in accordance with AASB 9 Appendix A, AASB 132.11 and AASB 101.82 (ba).
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15. Net gains from fair value adjustments to investment properties

Item 15	Report net gains from fair value adjustments to investment properties. Report this item in accordance with AASB 140.5 and AASB 140.76 (d).
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16. Net foreign exchange income / expense.

Item 16	Report the net foreign exchange income / expense. Report this item in accordance with AASB 121.52 (a) Common practice.
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17. Total investment result

Item 17	Item 17 total investment result is a derived item and is calculated as the sum of items 8 to 16 inclusive.
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18. Insurance finance expenses for insurance contracts issued

Item 18	Report insurance finance expenses for insurance contracts issued. This item can be a net income or net expense. Report this item in accordance with AASB 17.87 and AASB 17 Appendix A.
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19. Reinsurance finance income for reinsurance contracts held

Item 19	Report reinsurance finance income for reinsurance contracts held. This item can be a net income or net expense. Report this item in accordance with AASB 17.82 and AASB 17 Appendix A. Insurers shall disclose the "Effect of changes in non-performance risk of reinsurers" as reported in LRS 320.0 Part B RF1 item 14 at this line item.
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20. Net insurance financial result through profit or loss

Item 20	Item 20 net insurance financial result through profit or loss is a derived item and is calculated as the sum of item 18 and item 19. This item can be a net income or net expense.
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21. Asset management services revenue

Item 21	Report asset management services revenue. This includes revenue from investment management services accounted for in accordance with AASB
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	15. Report this item in accordance with AASB 15.113 (a) Disclosure and AASB 15.114 Disclosure .
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22. Investment management expenses

Item 22	Report investment management expenses.
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23. Total of asset management services revenue and investment management expenses

Item 23	Item 23 total asset management services revenue and investment management expenses is a derived item and is calculated as the sum of item 21 and item 22.
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Items that may be reclassified to profit or loss in subsequent periods

Report this item in accordance with AASB 101.82A (a) (ii).

24. Change in fair value of financial assets at fair value through other comprehensive income

Item 24	Report change in fair value of financial assets at fair value through other comprehensive income. Report this item in accordance with AASB 13 Appendix A, AASB 132.11 and AASB 7.20 (a) (viii).
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25. Amount reclassified to profit or loss

Item 25	Report amount reclassified to profit or loss. Report this item in accordance with AASB 7.20 (a) (viii).
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26. Insurance finance expenses for insurance contracts issued

Item 26	Report insurance finance expenses for insurance contracts issued. This item can be a net income or net expense. Report this item in accordance with AASB 17.90 and AASB 17 Appendix A.
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27. Reinsurance finance income for reinsurance contracts held

Item 27	Report reinsurance finance income for reinsurance contracts held. This item can be a net income or net expense. Report this item in accordance with AASB 17.82, AASB 17.90 and AASB 17 Appendix A.
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28. Net insurance financial result through other comprehensive income

Item 28	Item 28 net insurance financial result through other comprehensive income is a derived item and is calculated as the sum of item 26 and item 27.
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