



25 November 2020

Reporting Form Statement of profit or loss and other comprehensive income – Life Insurers

Reporting Instructions

These instructions assist completion of the *Reporting Form Statement of profit or loss and other comprehensive income – Life Insurers*. The report collects information relating to the licensed insurer's profit or loss and other comprehensive income. APRA intends to leverage off the primary financial statements and disclosures in AASB 17 *Insurance Contracts* as much as possible to better inform supervisors.

Report information on a best endeavours basis. Where information is not available within the timeframes requested, provide available information and do not delay the submission.

Please provide in a response letter, an explanation of the significant judgements made, assumptions used (including an indication of the current level of uncertainty in the working assumptions) and business lines excluded when preparing this QIS. This is to facilitate APRA's understanding of the data included in the QIS.

Reporting consolidation

Information in this form is to be completed by life insurers for each reporting period on statutory fund and licensed insurer bases. The information provided in the form is for non-participating business (as per the *Life Insurance Act 1995* (Life Act)) only.

Reporting basis and units of measurement

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

General accounting basis

For the purposes of this QIS, reporting insurers are requested to follow the AASB 17 requirements, which supersede the requirements in AASB 1023 *General Insurance Contracts* and AASB 1038 *Life Insurance Contracts*.

Please disclose non-distinct investment components in *Reporting Form Liability Roll Forwards* at:

- Part A: Liability Roll Forward 1, item 12 'Investment components and premium refunds', item 18 'Claims and other expenses paid, including investment components'; and
- Part B: Liability Roll Forward 1, item 9: 'Investment components and premium refunds'

as applicable (refer to AASB 17 paragraphs 103(c)) and 105(a)(iii)).

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.

Reporting periods and due dates

Each insurer must complete this form with information as at the most recent reporting year end. The form is required to be provided to APRA by **5pm AEST, 31 March 2021**.

Excel template - Shaded areas

- Shaded areas in grey: Insurers are not to complete these data items.

SPECIFIC INSTRUCTIONS

Each item reported under this form aligns with Australian Accounting Standards Board Standards (AASB). The applicable AASB references are specified with each item.

Report losses and expenses as negative values.

Reporting direction for life insurers

As outlined in the discussion paper, APRA proposes that life insurers determine insurance and reinsurance assets and liabilities separately in accordance with the Life Act reporting structure with an exception for non-participating risk business which could extend across Ordinary and Superannuation classes. The expressions 'Australian Business' and 'Overseas Business' refer to the territories where the life insurance business is carried on, as defined in the Life Act. 'Overseas Business' refers to life insurance business carried on outside Australia.

Life insurers are to follow the reporting direction outlined in the discussion paper when completing the QIS workbook.

Columns for Licensed insurer and Statutory fund eliminations:

Column 1	Report for Australian business before statutory fund eliminations. The information provided is for non-participating business (as per the Life Act) only.
Column 2	Report for overseas business before statutory fund eliminations. The information provided is for non-participating business (as per Life Act) only.
Column 3	Column 3 is a derived column and is calculated as the sum of columns 1 and 2.
Column 4	Report for Australian business the sum of statutory fund eliminations in negative values.
Column 5	Report for overseas business the sum of statutory fund eliminations in negative values.
Column 6	Column 6 is a derived column and is calculated as the sum of columns 4 and 5.
Column 7	Australian business after statutory fund eliminations is a derived column and is calculated as the sum of columns 1 and 4.
Column 8	Overseas business after statutory fund eliminations is a derived column and is calculated as the sum of columns 2 and 5.

Column 9	Column 9 is a derived column and is calculated as the sum of columns 7 and 8.
Column 10	Report for the general fund in positive values.
Column 11	Report for general fund eliminations in negative values.
Column 12	Column 12 is a derived column and is calculated as the sum of columns 9, 10 and 11.

Columns for statutory fund:

Column 1	Report for Australian business for the individual statutory fund. The information provided is for non-participating business (as per the Life Act) only.
Column 2	Report for overseas business for the individual statutory fund. The information provided is for non-participating business (as per the Life Act) only.
Column 3	Column 3 is a derived column and is calculated as the sum of columns 1 and 2.

Item 1: Insurance revenue

Item 1	Item 1 is a derived item and is calculated as the sum of items 1.1 to 1.4. This item is based on 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.

Item 2: Insurance service expense

Item 2	Item 2 is a derived item and is calculated as the sum of items 2.1, 2.2, 2.3 and 2.4. inclusive. Item 2 is based on AASB 17.80(a) and AASB 17.84.
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Item 2.1: Life insurance direct business

Item 2.1	Item 2.1 represents insurance service expenses from life insurance direct business. Item 2.1 is a derived item and is calculated as the sum of items 2.1.1 to 2.1.5 inclusive.
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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.
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 in accordance with AASB 17.103.b(iv).
Item 2.1.5	Report any adjustments to liabilities for incurred claims from direct business.

Item 2.2: Life investment direct business

Item 2.2.1	Report other insurance service expenses from life investment direct business.
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Item 2.3: Inwards reinsurance

Item 2.3	Item 2.3 represents insurance service expenses from inwards reinsurance. Item 2.3 is a derived item and is calculated as the sum of items 2.3.1 to 2.3.5 inclusive.
Item 2.3.1	Report incurred claims from inwards reinsurance.
Item 2.3.2	Report other insurance service expenses from inwards reinsurance.
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 in accordance with AASB 17.103.b(iv).
Item 2.3.5	Report any adjustments to liabilities for incurred claims from inwards reinsurance.

Item 2.4: Non-life insurance business

Item 2.4	Item 2.4 represents insurance service expenses from non-life insurance business. Item 2.4 is a derived item and is calculated as the sum of items 2.4.1 to 2.4.5 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.
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 in accordance with AASB 17.103.b(iv).

Item 2.4.5

Report any adjustments to liabilities for incurred claims from non-life insurance business.

Item 3: Insurance service result before reinsurance contracts held

Item 3

Item 3 is a derived item and is calculated as the sum of item 1 and item 2.

Item 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 for incurred claims reported at item 5.

This item is based on AASB 17.86.

Item 5: Amounts recoverable from reinsurers for incurred claims

Item 5

Report amounts recoverable from reinsurers for incurred claims.

This item is based on AASB 17.86

Item 6: Net expense from reinsurance contracts held

Item 6

Item 6 is a derived item and is calculated as the sum of items 4 and 5. This item can be a net income or net expense.

This item is based on AASB 17.82 and AASB 17.86.

Item 7: Insurance service result

Item 7

Item 7 is a derived item and is calculated as the sum of items 3 and 6.

This item is based on AASB 17.80(a).

Item 8: Interest revenue calculated using the effective interest method

Item 8

Report interest revenue calculated using the effective interest method.

This item is based on AASB 101.82(a).

Item 9: Other interest and similar income

Item 9

Report other interest and similar income.

This item is based on AASB 101.82(a).

Item 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.

This item is based on AASB 7.20(a)(i).

Item 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.

This item is based on AASB 7.20(a)(i).

Item 12: Net change in investment contract liabilities**Item 12**

Report the net change in investment contract liabilities.

Item 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.

This item is based on AASB 101.82(aa).

Item 14: Impairment loss on financial assets**Item 14**

Report impairment loss on financial assets.

This item is based on AASB 101.82(ba).

Item 15: Net gains from fair value adjustments to investment properties**Item 15**

Report net gains from fair value adjustments to investment properties.

This item is based on AASB 140.76(d).

Item 16: Net foreign exchange income / expense**Item 16**

Report net foreign exchange income or expense.

Item 17: Other income**Item 17**

Report other investment related income.

Item 18: Total investment result

Item 18

Item 18 is a derived item and is calculated as the sum of items 8 to 17 inclusive.

Item 19: Insurance finance expenses for insurance contracts issued

Item 19

Report insurance finance expenses for insurance contracts issued.

This item is based on AASB 17.87.

Item 20: Reinsurance finance income for reinsurance contracts held

Item 20

Report reinsurance finance income for reinsurance contracts held.

This item is based on AASB 17.82.

Item 21: Net insurance financial result

Item 21

Item 21 is a derived item and is calculated as the sum of items 19 and 20. This item can be a net income or net expense.

Item 22: Asset management services revenue

Item 22

Report asset management services revenue.

This item is based on AASB 101.82(a).

Item 23: Investment management expenses

Item 23

Report investment management expenses.

Item 24: Share of profit/loss of associates and joint ventures accounted for using the equity method

Item 24

Report the share of profit or loss of associates and joint ventures accounted for using the equity method.

This item is based on AASB 101.82(c).

Item 25: Profit/loss from non-current assets and disposal groups classified as held for sale and not qualifying as discontinued operations

Item 25

Report the profit or loss from non-current assets and disposal groups classified as held for sale and not qualifying as discontinued operations.

Item 26: Impairment loss for goodwill

Item 26	Report impairment loss for goodwill. This item is based on AASB 3.B67(d).
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Item 27: Other income

Item 27	Report other income. Additionally, include income from contracts outside the scope of AASB 17 (including <i>AASB 15 Revenue from Contracts with Customers</i>) under this item.
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Item 28: Other expenses

Item 28	Report other expenses. Additionally, include expenses from contracts outside the scope of AASB 17 under this item.
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Item 29: Profit/loss from continuing operations before tax

Item 29	Item 29 is a derived item and is calculated as the sum of items 7, 18, and 21 to 28 inclusive. This item is based on AASB 101.81A(a) Disclosure.
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Item 30: Income tax expense from continuing operations

Item 30	Report income tax expense from continuing operations. This item is based on AASB 101.82(d) and AASB 112.77.
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Item 31: Profit/loss for the year from continuing operations after income tax

Item 31	Item 31 is a derived item and is calculated as the sum of items 29 and 30 inclusive. This item is based on AASB 101.81A.
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Item 32: Profit/loss from discontinued operations after income tax

Item 32	Report profit or loss from discontinued operations after income tax. This item is based on AASB 101.82(ea).
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Item 33: Profit (loss) after income tax attributable to members of the company

Item 33	Item 33 is a derived item and is calculated as the sum of items 31 and 32 inclusive. This item is based on AASB 101.81A.
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Other comprehensive income

Items that may be reclassified to profit or loss in subsequent periods

This item is based on AASB 101.82A(a)(ii).

Item 34: Change in fair value of financial assets at fair value through other comprehensive income

Item 34

Report change in fair value of financial assets at fair value through other comprehensive income.

This item is based on AASB 7.20(a)(viii).

Item 35: Amount reclassified to profit or loss

Item 35

Report amount reclassified to profit or loss.

This item is based on AASB 7.20(a)(viii).

Item 36: Insurance finance expenses for insurance contracts issued

Item 36

Report insurance finance expenses for insurance contracts issued. This item can be a net income or net expense.

This item is based on AASB 17.90.

Item 37: Reinsurance finance income for reinsurance contracts held

Item 37

Report reinsurance finance income for reinsurance contracts held. This item can be a net income or net expense.

This item is based on AASB 17.82, 90.

Item 38: Net insurance financial result

Item 38

Item 38 is a derived item and is calculated as the sum of items 36 and 37.

Item 39: Share of other comprehensive income of associates and joint ventures accounted for using the equity method

Item 39

Report the share of other comprehensive income of associates and joint ventures accounted for using the equity method.

This item is based on AASB 101.82A(b)(ii).

Item 40: Income tax relating to items that will be reclassified

Item 40

Report income tax relating to items that will be reclassified.

This item is based on AASB 101.91.

Items that will not be reclassified to profit or loss

This item is based on AASB 101.82A(a)(i).

Item 41: Revaluation of land and buildings

Item 41
Report revaluation of land and buildings.
This item is based on AASB 116.39.

Item 42: Share of other comprehensive income of associates and joint ventures accounted for using the equity method

Item 42
Report share of other comprehensive income of associates and joint ventures accounted for using the equity method.
This item is based on AASB 101.82A(b)(i).

Item 43: Remeasurements of post-employment benefit obligations, before tax

Item 43
Report remeasurements of post-employment benefit obligations, before tax.
This item is based on AASB 119.120(c).

Item 44: Income tax relating to items that will not be reclassified

Item 44
Report income tax relating to items that will not be reclassified.
This item is based on AASB 101.91.

Item 45: Total other comprehensive income

Item 45
Item 45 is a derived item and is calculated as the sum of items 34, 35, and 38 to 44.
This item is based on AASB 101.81A(b).

Item 46: Total comprehensive income

Item 46
Item 46 is a derived item and is calculated as the sum of items 33 and 45.
This item is based on AASB 101.81A(c).