

**AUSTRALIAN PRUDENTIAL REGULATION AUTHORITY**

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**To: Level 2 general insurance groups**

**REMOVAL OF REQUIREMENT TO REPORT UNAUDITED SECOND SEMI-ANNUAL RETURN**

The purpose of this letter is to inform Level 2 insurance groups that APRA has removed the requirement to report the unaudited second semi-annual return for reporting periods ending on or after 30 June 2016.

Until now, Level 2 insurance groups have provided two unaudited semi-annual returns and an audited annual return each financial year. The second unaudited semi-annual return and the audited annual return both cover the full financial year. Previously the second unaudited semi-annual return was due one month prior to the audited annual return. It was used by APRA to review capital position and financial performance prior to submission of the audited annual return.

The due date for the audited annual return was brought one month earlier for reporting periods ending on or after 1 January 2015, and so it is due on the same day as the unaudited second semi-annual return. As both returns cover the same information and are due at the same time, the unaudited second semi-annual return is no longer needed.

APRA has amended 15 reporting standards to remove the requirement to report the unaudited second semi-annual return. This is consistent with APRA's commitment to look for opportunities to reduce compliance costs for business and the community. Amendments to the reporting standards are in Attachments 1 and 2.

The changes take immediate effect. The unaudited second semi-annual return will not be required for reporting periods ending on or after 30 June 2016. This change to reporting has been implemented in APRA's data lodgement system, D2A.

If you have any questions then please send them to Kundan Misra at [statistics@apra.gov.au](mailto:statistics@apra.gov.au) or call 02 9210 3441.

Yours sincerely

Dr Steve Davies  
General Manager, Statistics

## Attachment 1: Amendments to reporting standards

### *Amendments to Reporting Standard GRS 001 Reporting Requirements*

#### Application and Commencement

3. This Reporting Standard applies to all general insurers authorised under the *Insurance Act 1973* (general insurers) and to all parent entities of Level 2 insurance groups as defined in *Prudential Standard GPS 001 Definitions* (GPS 001). This Reporting Standard applies for reporting periods ending on or after ~~30 June 2016~~ January 2013.

#### Periods for Provision of Returns

5. A general insurer is to provide information required under reporting standards:
- (a) in the case of quarterly information - 20 business days after the end of the reporting period to which the information relates; and
  - (b) in the case of annual information three months after the end of the reporting period to which the information relates.:
    - ~~(i) — for reporting periods ending on or after 1 January 2013 but before 1 January 2015 — four months after the end of the reporting period to which the information relates; and~~
    - ~~(ii) — for reporting periods ending on or after 1 January 2015 — three months after the end of the reporting period to which the information relates.~~
6. APRA may, in writing, grant a general insurer an extension of a due date in paragraph 5, for all or specified reporting standards, in which case the new due date will be the date on the notice of extension.
7. A parent entity of a Level 2 insurance group is to provide information required under reporting standards three months after the end of the reporting period to which the information relates.:
- ~~(a) in the case of the half yearly information — three months after the end of the reporting period to which the information relates; and~~
  - ~~(b) in the case of annual information:~~
    - ~~(i) — for reporting periods ending on or after 1 January 2013 but before 1 January 2015 — four months after the end of the reporting period to which the information relates; and~~
    - ~~(ii) — for reporting periods ending on or after 1 January 2015 — three months after the end of the reporting period to which the information relates.~~

*half yearly information* means information required to be provided in respect of ~~each~~the first half year (i.e. the first six months) ~~based on~~fn the financial year of the parent entity of the Level 2 insurance group; and

## 2. Timing of submission

The time for submitting reporting forms varies according to whether the forms require the reporting of quarterly, semi-annual or annual information:

- forms requiring the reporting of quarterly information must be completed as at the end of each quarter based on the financial year of the Level 1 insurers (not the calendar year);
- forms requiring the reporting of half yearly semi-annual information must be completed in respect of the first six months each half year from the start of the financial year of the Level 2 group; and
- forms requiring the reporting of annual information must be completed as at the end of the financial year of the reporting insurer.

### *Amendments to each reporting standard listed in Attachment 2*

#### **Application and commencement**

3. This Reporting Standard applies to a parent entity of a Level 2 insurance group as defined in *Prudential Standard GPS 001 Definitions* (GPS 001). This Reporting Standard applies for reporting periods ending on or after 30 June 2016~~January 2013~~. The parent entity of a Level 2 group is required to ensure that each requirement in this Reporting Standard is complied with.

#### **Reporting periods and due dates**

6. Subject to paragraph 7, the parent entity of a Level 2 insurance group must provide the information required by this Reporting Standard:
  - (a) in respect of ~~each~~the first half year based on the financial year of the Level 2 insurance group on an unaudited basis; and
  - (b) ~~in~~ respect of each financial year of the Level 2 insurance group on an audited basis.

**Attachment 2: Other reporting standards relevant to Level 2 insurance groups**

- *Reporting Standard GRS 110.1\_G Prescribed Capital Amount (Level 2 Insurance Group)*
- *Reporting Standard GRS 112.0\_G Determination of Capital Base (Level 2 Insurance Group)*
- *Reporting Standard GRS 112.3\_G Related Party Exposures (Level 2 Insurance Group)*
- *Reporting Standard GRS 114.0\_G Asset Risk Charge (Level 2 Insurance Group)*
- *Reporting Standard GRS 114.1\_G Assets by Counterparty Grade (Level 2 Insurance Group)*
- *Reporting Standard GRS 114.3\_G Off-balance Sheet Business (Level 2 Insurance Group)*
- *Reporting Standard GRS 115.0\_G Outstanding Claims Liabilities - Insurance Risk Charge (Level 2 Insurance Group)*
- *Reporting Standard GRS 115.1\_G Premiums Liabilities - Insurance Risk Charge (Level 2 Insurance Group)*
- *Reporting Standard GRS 116.0\_G Insurance Concentration Risk Charge (Level 2 Insurance Group)*
- *Reporting Standard GRS 117.0\_G Asset Concentration Risk Charge (Level 2 Insurance Group)*
- *Reporting Standard GRS 118.0\_G Operational Risk Charge (Level 2 Insurance Group)*
- *Reporting Standard GRS 300.0\_G Statement of Financial Position (Level 2 Insurance Group)*
- *Reporting Standard GRS 302.0\_G Statement of Financial Position by Region (Level 2 Insurance Group)*
- *Reporting Standard GRS 310.0\_G Income Statement (Level 2 Insurance Group)*