

## GRF\_300\_0 Statement of Financial Position

These instructions must be read in conjunction with the general instruction guide.

### Instructions for specific items

#### Category of insurer

The different categories of insurer are defined in *Prudential Standard GPS 001 Definitions* (GPS 001). The reporting insurer is required to select the category from the drop-down box that best describes their status.

#### Probability of sufficiency of outstanding claims liabilities (%)

Report the probability of sufficiency used to calculate the outstanding claims liabilities (OCL) reported in this form.

#### Assets

##### 1. Total cash and liquid assets

This reporting item should be brought to account at the face value or the gross value of the outstanding balance, where appropriate. Interest is taken to GRF 310.0 Statement of Financial Performance when earned.

##### 1.1. Notes and coins

Include Australian and foreign currency notes and coins of the reporting insurer. Notes and coins in transit between any branches or offices of the reporting insurer should be reported.

##### 1.2. Money at short call

Include deposits available on demand (11am accounts, money market or 24-hour money) that are used by the reporting insurer for daily liquidity/operations.

Do not include any deposits at call that are held as part of the reporting insurer's investments. Do not include bank overdraft balances.

##### 1.3. Securities purchased under agreements to resell

Treatment is to be consistent with *Australian Accounting Standard AASB 139 Financial Instruments: Recognition and Measurement* (AASB 139).

The following treatment is to be applied:

- the asset account termed 'Securities purchased under agreements to resell' represents the receivable due from counterparties from whom the securities have been borrowed and with whom cash has been lodged;

- the reporting insurers insurer's physical security holdings/portfolio recorded on the balance sheet is not affected (i.e. increased or decreased by the securities subject to this agreement); and
- disclosure of 'Securities purchased under agreements to resell' with related parties is in accordance with the related party disclosure requirements.

**1.4. *Cash and liquid assets with related parties of the reporting insurer***

Report the value of cash and liquid assets with related parties of the reporting insurer.

**2. Receivables**

**2.1. Total investment income receivable**

Report the total of investment income that is receivable. Investment income receivable will include items such as interest, dividends, rental income and trust distributions accrued but not yet received.

**2.2. Total net recoveries other than reinsurance receivable**

This is automatically calculated as Item 2.2.1 less Item 2.2.2.

**2.2.1. Recoveries other than reinsurance**

Claims recoveries may also consist of subrogation, salvage or other recoveries. Where such other recoveries are expected to be made, they are to be valued in accordance with *Australian Accounting Standard AASB 1023 General Insurance Contracts (AASB 1023)* and disclosed here.

**2.2.2. Provision for doubtful debts – recoveries other than reinsurance**

Where applicable, disclose the value of 'recoveries other than reinsurance receivable' where collection/receipt is assessed as doubtful.

***Total net amounts recoverable (other than reinsurance recoveries receivable) that are reported in item 2.2 and that relate to claims recognised in the calculation of insurance liabilities that have not been paid***

**2.2.2.1. Outstanding claims liabilities (OCL)**

Of the total value reported in Item 2.2 for recoveries other than reinsurance, report the value that relates to claims that are recognised in the value reported for the OCL reported in Item 16 of this form. Exclude recoveries that relate to claims that have been paid.

**2.2.2.1.1. Input tax credits on OCL included in item 2.2.2.1**

Of the amount reported in Item 2.2.2.1 for recoveries other than reinsurance recognised in the calculation of the OCL, report the gross

value of Input Tax Credits (ITCs) receivable from the Australian Taxation Office.

### **2.3. Premiums receivables**

Include all premiums that are due to be received. Include unpaid premiums available for collection and premiums not yet available for collection. Unpaid reinsurance premiums are also disclosed here.

If the unpaid premium is from a reinsurance contract where a legal right of set-off exists, the amount may be included as an amount recoverable under a reinsurance contract, but only if the amount is the balance after set-off against other amounts owing under that contract. Where no legal right of set-off exists, the unpaid premium from the reinsurance contract is to be shown as an unpaid premium.

All unpaid premiums on such policies are to be disclosed here according to the length of time the premium has been due and the party from whom it was due. The due date is the date of inception or, for instalment premiums, the date from when the instalment is owed.

Unpaid instalment premiums are to be reported as unpaid premiums and are to include all unpaid instalments. If any instalment is due for more than 6 months, all the unpaid instalments are to be regarded as over 6 months.

For premium ageing purposes, inward reinsurance premiums may be aged from the statement (bordereaux) date.

#### **2.3.1. Due in 6 months or less**

Report the premiums that are receivable (e.g. from insurance brokers or other intermediaries), as at the reporting date, in 6 months or less.

#### **2.3.2. Provision for doubtful debts**

Include the value of premiums receivable where collection is considered doubtful (full or partial).

#### **2.3.3. Net amount receivable**

This is automatically calculated as Item 2.3.1 less Item 2.3.2.

#### **2.3.4. Due in more than 6 months**

Report the premiums that are receivable (e.g. from insurance brokers or other intermediaries), as at the reporting date, in more than 6 months.

#### **2.3.5. Provision for doubtful debts**

Include the value of premiums receivable where collection is considered doubtful (full or partial).

#### **2.3.6. Net amount receivable**

This is automatically calculated as Item 2.3.4 less Item 2.3.5.

#### **2.3.7. On unclosed business**

Include business written close to the balance date where acceptance of risk is prior to the balance date but there is insufficient information to accurately identify the business.

#### **2.3.8. Provision for doubtful debts**

Include the value of premiums receivable where collection is considered doubtful (full or partial).

#### **2.3.9. Net amount receivable**

This is automatically calculated as Item 2.3.7 less Item 2.3.8.

#### **2.3.10. Total net premiums receivable**

This is automatically calculated as the total of net premiums receivable reported in items 2.3.3, 2.3.6 and 2.3.9.

##### ***2.3.10.1. Total net premiums that are receivable from related parties***

This is the value of net premiums receivable from related parties of the reporting insurer.

#### **2.4. Net amount recoverable from reinsurance contracts on outstanding claims and paid claims**

Disclose the amount of total net reinsurance recoverable on outstanding claims and paid claims (net of provisions for doubtful debts).

Reinsurance recoverables on outstanding claims is the reinsured portion of the OCL to be recovered from reinsurers on settling the OCL. Measurement of the outstanding claims is to be in accordance with the requirements of AASB 1023. Accordingly, estimation of reinsurance recoveries relating to the OCL is to be estimated on a basis similar to the measurement of the claims liabilities to which it relates.

##### **2.4.1. Amount recoverable from reinsurance contracts on outstanding claims and paid claims**

This is the value, gross of provisions for doubtful debts, as at the relevant date, of reinsurance recoverables on outstanding claims and paid claims.

**2.4.2. Provision for doubtful debts – reinsurance recoverable on outstanding claims and paid claims**

This is the value of provisions for doubtful debts (impairment), as at the relevant date, for reinsurance recoverables on outstanding claims and paid claims.

**2.4.3. *Total net amount recoverable on reinsurance contracts reporting in item 2.4 that relates to claims recognised in the calculation of the OCL (i.e. other than reinsurance recoveries relating to claims that have been paid)***

Report the amount of total net reinsurance recoverable reported in Item 2.4 that relates to claims recognised in the calculation of the OCL (i.e. other than reinsurance recoveries relating to claims that have been paid).

**2.4.4. *Net reinsurance recoverables on outstanding claims and paid claims under reinsurance contracts that do not meet the reinsurance documentation test***

This is the value, net of provisions for doubtful debts, as at the relevant date, of reinsurance recoverables on outstanding claims and paid claims where the reporting insurer has not complied with the reinsurance documentation test under *Prudential Standard GPS 230 Reinsurance Management* (GPS 230).

**2.4.5. *Net reinsurance recoverables on outstanding claims and paid claims under reinsurance contracts that do not meet governing law requirements***

This is the value, net of provisions for doubtful debts, as at the relevant date, of reinsurance recoverables on outstanding claims and paid claims where the reporting insurer has not complied with the governing law requirements under GPS 230.

**2.5. Other reinsurance assets**

Report the amount of total other reinsurance assets (including deposits retained by reinsurers).

Other reinsurance assets are any asset recognised by the reporting insurer that relates to reinsurance, other than those relating to: reinsurance recoverables, being any amounts due to the reporting insurer under a reinsurance arrangement that arise from paid claims and the recognition of OCL in accordance with *Prudential Standard GPS 320 Actuarial and Related Matters* (GPS 320); or deferred reinsurance expense, as determined in accordance with GPS 320.

**2.5.1. *Net amounts of other reinsurance assets under reinsurance contracts that do not meet the reinsurance documentation test***

This is the value, net of any provisions for impairment, as at the relevant date, of other reinsurance assets where the reporting insurer has not complied with the reinsurance documentation test under GPS 230.

**2.5.2. Net amounts of other reinsurance assets under reinsurance contracts that do not meet governing law requirements**

This is the value, net of any provisions for impairment, as at the relevant date, of other reinsurance assets where the reporting insurer has not complied with the governing law requirements under GPS 230.

**2.6. Current tax assets**

Report the value of current tax assets as determined in accordance with Australian Accounting Standards.

**2.7. GST receivable**

Record the amount of GST that is receivable by the reporting insurer.

**2.8. Other receivables**

Report the aggregate value of 'Other receivables' other than those disclosed specifically above.

This is automatically calculated as Item 2.9 less the sum of Items 2.1, 2.2, 2.3.10, 2.4, 2.5, 2.6 and 2.7.

**2.9. Total receivables**

This is the total value of all receivables of the reporting insurer.

**3. Investments (related to GRF 114.4)**

The value of investments reported here should correspond to the aggregate value of investments reported in GRF 114.4.

Derivative instruments that are used to hedge investments that are included in the above forms are not to be reported here. The values of derivative instruments are to be separately reported in the relevant items in GRF 114.2.

Any changes in the values at which such investments are measured (i.e. foreign exchange gains/ losses and changes in fair value) must be recognised as revenues (or losses) in GRF 310.0 and GRF 310.3 in the reporting period in which the changes occur.

No revaluation reserve shall be recognised in the Statement of Financial Position for such investments.

**4. Total derivative financial instruments (related to GRF 114.2)**

This is the net fair value of derivative financial instruments where the derivatives position is favourable to the reporting insurer. Include all derivatives consistent with the classification and measurement basis used for derivatives in accordance with *Australian Accounting Standard AASB 7 Financial Instruments: Disclosures* (AASB

7), *Australian Accounting Standard AASB 132 Financial Instruments: Presentation* (AASB 132) and AASB 139.

Fair values are obtained from quoted market prices, discounted cash flow models and options pricing models.

## **5. Total deferred tax assets**

This is the value of deferred tax assets, defined in accordance with *Australian Accounting Standard AASB 112 Income Taxes* (AASB 112).

### **5.1. Carried forward unused tax losses**

Report all deferred tax assets arising out of tax losses in accordance with AASB 112.

### **5.2. Attributable to insurance liability provisions**

Report all deferred tax assets associated with the OCL that satisfy the recognition requirements of AASB 112.

### **5.3. Other**

Report all deferred tax assets other than those disclosed above. This is automatically calculated as Item 5 less the sum of Items 5.1 and 5.2.

## **6. Total other assets**

This is the total value of assets other than those specifically identified in Items 1 to 13.

### **6.1. Prepayments**

Reflects payment for services not fully delivered e.g. payments for subscriptions, rental and interest expense.

### **6.2. Surplus in defined benefit superannuation fund**

Disclose the value of any surplus, net of deferred tax liabilities, in any defined benefit superannuation fund of which the reporting insurer is an employer-sponsor, consistent with the classification and measurement basis used in *Australian Accounting Standard AASB 119 Employee Benefits* (AASB 119).

### **6.3. Non-current assets and disposal groups classified as held for sale**

Include non-current assets and disposal groups classified as held for sale consistent with the classification and measurement used in *Australian Accounting Standard AASB 5 Non-current Assets Held for Sale and Discontinued Operations* (AASB 5).

### **6.4. Other**

Report the value of any other asset that has not been disclosed above. This is automatically calculated as Item 6 less the sum of Items 6.1 to 6.3.

## **7. Deferred levies and charges**

Deferred levies and charges should be recognised as an asset under AASB 1023 and amortised over the period of the general insurance contract or the period of indemnity for reinsurance business in a manner consistent with the recognition of premium revenue in accordance with AASB 1023.

## **8. Deferred reinsurance expense (DRE)**

Premiums ceded to reinsurers should be recognised as an expense in GRF 310.1 and deferred in accordance with the pattern of reinsurance service received. This asset must represent the deferral of the premiums over the full term of the reinsurance contract.

The recognition of this asset should include any minimum / deposit premiums paid under excess of loss treaties.

### **8.1. *Deferred reinsurance expense as reporting under AASB 1023***

Report the total deferred reinsurance expense that would be reported under AASB 1023. Where there is no difference from Item 8, input the same number as Item 8. Where the reporting insurer does not ordinarily calculate deferred reinsurance expense under AASB 1023, input zero. This item is a memo item for reconciliation purposes only.

### **8.2. *Deferred reinsurance expense under reinsurance contracts that do not meet the reinsurance documentation test***

This is the value, as at the relevant date, of deferred reinsurance expense where the reporting insurer has not complied with the reinsurance documentation test under GPS 230.

### **8.3. *Deferred reinsurance expense under reinsurance contracts that do not meet governing law requirements***

This is the value, as at the relevant date, of deferred reinsurance expense where the reporting insurer has not complied with the governing law requirements under GPS 230.

## **9. Deferred acquisition costs**

Deferred acquisition costs (DAC) should be recognised as an asset under AASB 1023 and amortised in accordance with the expected pattern of the incidence of risk under the related general insurance contracts.

### **9.1. *Deferred acquisition costs prior to liability adequacy test write-downs***

Report the amount of DAC which existed prior to any liability adequacy test write-downs.



## **9.2. Liability adequacy test write-downs**

Report the amount of any liability adequacy test write-downs that relate to Item 9.1.

## **10. Total other investments**

This is the value, as at the relevant date, of strategic investments / acquisitions of the reporting insurer or any other related party investments, measured in accordance with Australian Accounting Standards. They do not include investments that constitute assets backing general insurance liabilities.

### **10.1. Parent entity**

Report the total amount of equity investments in the parent entity. Parent entity is defined in accordance with *Australian Accounting Standard AASB 127 Separate Financial Statements* (AASB 127) and refers to the entity that owns the reporting insurer.

#### **10.1.1. Controlled entities**

Report the total amount of equity investments in controlled entities of the parent. This is defined in accordance with AASB 127.

### **10.2. Associates**

Report the total amount of equity investments in associates defined in accordance with *Australian Accounting Standard AASB 128 Investments in Associates and Joint Ventures* (AASB 128).

An associate is an entity, including an unincorporated entity such as a partnership, over which the investor has significant influence and that is neither a subsidiary nor an interest in a joint venture.

### **10.3. Joint ventures**

Report the total amount of interests in joint ventures defined in accordance with *Australian Accounting Standard AASB 11 Joint Arrangements* (AASB 11).

Joint venture means a contractual arrangement whereby two or more parties undertake an economic activity that is subject to joint control.

### **10.4. Other**

This is automatically calculated as Item 10 less the sum of Items 10.1, 10.1.1, 10.2 and 10.3.

## **11. Total plant & equipment net of depreciation / impairment**

The reporting of all fixed asset items should be in accordance with applicable Australian Accounting Standards (mainly AASB 1023). Do not include property acquired or held that is available for sale.

This is automatically calculated as Item 11.1 less Item 11.2.

### **11.1. Plant and equipment**

This includes motor vehicles, office furniture and equipment. Do not include holdings of land and buildings, even if these are for the use and occupation of the reporting insurer. These would be included in Item 3 and disclosed in Section 3 of GRF 114.4.

### **11.2. Accumulated depreciation / impairment**

Report total depreciation and impairment for all fixed assets.

## **12. Intangible assets**

Classification of assets as intangible assets must be in compliance with *Australian Accounting Standard AASB 138 Intangible Assets* (AASB 138).

### **12.1. Goodwill**

Record the value of goodwill associated with the acquisition of assets, other than a controlled entity/subsidiary. This value should be recognised and measured in accordance with *Australian Accounting Standard AASB 3 Business Combinations* (AASB 3), AASB 138 and AASB 127.

AASB 3 provides that goodwill represents the future benefits from unidentifiable assets. Only goodwill which is purchased by the entity can be recognised. Internally generated goodwill by the entity must not be recognised. Goodwill must be recognised as in accordance with *Prudential Standard GPS 112 Capital Adequacy: Measurement of Capital* (GPS 112).

### **12.2. Accumulated impairment – Goodwill**

Include the total amount of impairment losses of goodwill, over the period, from the date of acquisition to the end of the reporting period.

Goodwill of the entity must be tested for impairment annually, or more frequently if events or changes in circumstances indicate that it might be impaired, in accordance with *Australian Accounting Standard AASB 136 Impairment of Assets* (AASB 136).

### **12.3. Identifiable intangible assets**

Intangible assets have been divided into Item 12.3.1 and Item 12.3.2. The measurement and classification basis used is to be in accordance with Australian Accounting Standards.

#### **12.3.1. Intangible assets with a finite life**

This is the value of intangible assets, other than goodwill, held by the reporting insurer, gross of any provision for impairment, and which are deemed to have a finite life.

### **12.3.2. Intangible assets with an indefinite life**

This is the value of intangible assets, other than goodwill, held by the reporting insurer, gross of any provision for impairment, and which are deemed to have an indefinite life.

### **12.3.3. Total identifiable intangible assets**

This is automatically calculated as the sum of Items 12.3.1 and 12.3.2.

### **12.4. Accumulated amortisation and impairment – Identifiable intangible assets**

Include the total amount of amortisation and impairment losses of identifiable intangible assets, over the period from the date of acquisition to the end of the reporting period, in item 12.4.1 or 12.4.2.

#### **12.4.1. Accumulated amortisation – Intangible assets with a finite life**

Report the value, as at the reporting date, of accumulated amortisation and impairment on intangible assets with a finite life.

#### **12.4.2. Accumulated impairment – Intangible assets with an indefinite life**

Report the value, as at the reporting date, of accumulated amortisation and impairment on intangible assets with an indefinite life.

#### **12.4.3. Total accumulated amortisation and impairment – Identifiable intangible**

This is automatically calculated as the sum of Items 12.4.1 and 12.4.2.

### **12.5. Total intangible assets after amortisation and impairment**

This is automatically calculated as Item 12.1 less Item 12.2 plus item 12.3.3 less item 12.4.3.

### **13. Total assets**

This is automatically calculated as the sum of Items 1, 2.9, 3, 4, 5, 6, 7, 8, 9, 10, 11 and 12.5.

## **Liabilities**

### **14. Total creditors and accruals**

This is automatically calculated as the sum of Items 14.1 and 14.2.

#### **14.1. GST payable**

Report the value of GST that is payable by the reporting insurer.

#### **14.2. Creditors and accruals**

Include the total of creditors and accruals, including account payables. Do not include overdrafts here. These should be disclosed as 'Borrowings'.

#### **14.3. *Total creditors/accruals that are payable to related parties***

Include the total of creditors and accruals that are payable to related parties of the reporting insurer.

#### **15. Amounts due on reinsurance contracts**

Include the net amount payable by the insurer to reinsurers or retrocessionaires where a legal right of set-off exists. This reflects the current working balance due for settlement. Include premiums payable but not yet due for payment under the terms of the reinsurance contracts and deposits withheld from reinsurers which should correspond to the recognition of DRE under Item 8, and represent the total premium payable under reinsurance contracts. Include items such as the reinsurer's portion of recoveries and salvage and commissions due to reinsurers.

#### **15.1. *Amounts due on reinsurance contracts that are payable to related parties***

Include the total of amounts due on reinsurance contracts that are payable to related parties of the reporting insurer.

#### **16. Outstanding claims liabilities**

OCL relate to all claims incurred prior to the valuation date, whether or not they have been reported to the reporting insurer. The value of OCL must include an amount in respect of the expenses that the reporting insurer expects to incur in settling these claims. The amount reported is to be that amount provided by the reporting insurer as calculated in accordance with AASB 1023.

The amount of OCL provided in GRF 300.0 may be different to the amount of OCL reported in GRF 115.0.

The OCL must be stated without deducting reinsurance and other recoveries (these are disclosed as reinsurance receivables).

The liability is in respect of both direct business and inward reinsurance business and must take into account unpaid reported claims, claims incurred but not reported, adjustments for claims development and claims incurred but not enough reported, and costs including the direct and indirect claims settlement costs that the reporting insurer expects to incur in settling its outstanding claims.

#### **16.1. *Total OCL that is associated with claims / settlements in a currency other than the Australian***

Report the amount of claims that have been recognised in the OCL that are ultimately going to be settled or paid in a currency other than the Australian currency.

**17. Unearned premium liability**

Report the unearned premium liability recognised in accordance with AASB 1023 that represents the component of premium revenue that is unearned. Premium should be earned in accordance with the pattern of the incidence of risk expected under the general insurance contract.

**18. Unexpired risk liability**

Report any unexpired risk liability recognised in accordance with AASB 1023 as a result of liability adequacy test failures.

**19. Total borrowings**

This is automatically calculated as the sum of Items 19.1 to 19.5.

**19.1. Securities sold under agreements to repurchase**

Treatment is to be consistent with AASB 139 and the General Instruction Guide.

**19.2. Financial lease liability**

Report the value of any finance lease liability.

**19.3. Overdraft**

Any bank overdraft taken out by the reporting insurer is to be disclosed along with any bank trading account credit balances.

**19.4. Securities issued (e.g. promissory notes / commercial paper)**

Report all borrowings by the reporting insurer in the form of commercial paper, promissory notes and other forms of securities issued by the insurer. Classification is to be consistent with Australian Accounting Standards.

**19.5. Term loans:**

**19.5.1. Term loans with variable interest rate**

Report all borrowings by the reporting insurer in the form of variable interest rate short-term and long-term loans. A loan is considered to be short-term if its residual term to maturity is 12 months or less.

**19.5.2. Term loans with fixed interest rate**

Report all borrowings by the reporting insurer in the form of fixed interest rate short-term and long-term loans. A loan is considered to be short-term if its residual term to maturity is 12 months or less.

**19.6. Total borrowings which are:**

**19.6.1. Payable to parent entity**

Of the total amount reported for Item 19, identify the component that is payable to the Parent Entity of the reporting insurer.

**19.6.1.1. Payable to controlled entities**

Of the total amount reported for Item 19, identify the component that is payable to controlled entities of the parent.

**19.6.2. Payable to other related parties**

Of the total amount reported for Item 19, identify the component that is payable to other related parties of the reporting insurer not separately disclosed above.

**19.6.3. Secured against assets of the insurer**

Of the total amount reported for Item 19, identify the component that is secured against assets of the reporting insurer.

**19.6.4. Denominated in a currency other than Australian currency**

Of the total amount reported for Item 19, identify the component that is denominated in a currency other than the Australian currency.

**20. Total income tax liability**

This is automatically calculated as the sum of Items 20.1 and 20.2.

**20.1. Current tax liability**

This is defined, measured and recognised in accordance with AASB 112. This item should be reported net of current tax assets.

**20.2. Deferred tax liability**

This is defined, measured and recognised in accordance with AASB 112. This item should be reported net of deferred tax assets.

**21. Total provisions**

This is the total of all provisions held by the reporting insurer in accordance with Australian Accounting Standards.

**21.1. Dividends**

A provision for dividends is the allowance that the reporting insurer has made in terms of the obligation for declared dividends.

## **21.2. Employee entitlements**

This includes provisions for long service leave, annual leave, staff housing loan benefits, health fund subsidy and other employee entitlements. The value of employee entitlements should be measured and recognised in accordance with the requirements of AASB 119.

## **21.3. Restructuring costs**

Report all provisions raised for the restructuring of an organisation, including:

- severance, termination and redundancy payments; and
- integration costs.

## **21.4. Other**

Report all other provisions not identified above. This is automatically calculated as Item 21 less the sum of Items 21.1 to 21.3.

## **22. Total other liabilities**

This is the total value of liabilities other than those specifically identified in Items 14 to 23. This would include any deferred commission income.

### **22.1. Total derivative financial instruments**

This is the net fair value of derivative financial instruments where the derivatives position is unfavourable to the reporting insurer. Include all derivatives consistent with the classification and measurement basis used for derivatives in accordance with AASB 7, AASB 132 and AASB 139.

Fair values are obtained from quoted market prices, discounted cash flow models and options pricing models.

### **22.2. Deficit in defined benefit superannuation fund**

Disclose the value of any deficit in a defined benefit superannuation fund of which the reporting insurer is an employer-sponsor, consistent with the classification and measurement basis used in AASB 119.

### **22.3. Liabilities included in disposal groups classified as held for sale**

Include liabilities included in disposal groups classified as held for sale consistent with the classification and measurement basis used in AASB 5.

### **22.4. Other liabilities**

Report the value of any other liability that has not been disclosed above. This is automatically calculated as Item 22 less the sum of Items 22.1 to 22.3

## **23. Total loan capital and hybrid securities**

Report the value of all loan capital and hybrid securities that have been issued by the reporting insurer and have a residual term to maturity of more than one year. Classification is to be consistent with AASB 7 and AASB 132.

This is automatically calculated as the sum of Items 23.1 and 23.2.

### **23.1. Loan capital**

As a guide, this item may include subordinated loans of a residual maturity of more than one year (unless already included at Item 19 above).

### **23.2. Hybrid securities**

As a guide, this item may include:

- convertible preference shares; and
- convertible notes.

### **23.3. Total loan capital and hybrid securities which are:**

#### ***23.3.1. Payable to parent entity***

Of the total amount reported for loan capital and hybrid securities, identify the component that is payable to the parent entity(s) of the reporting insurer.

##### ***23.3.1.1. Payable to controlled entities***

Of the total amount reported for loan capital and hybrid securities, identify the component that is payable to controlled entities of the parent.

#### ***23.3.2. Payable to other related parties***

Of the total amount reported for loan capital and hybrid securities, identify the component that is payable to other related parties of the reporting insurer not separately disclosed above.

#### ***23.3.3. Secured against assets of the insurer***

Of the total amount reported for loan capital and hybrid securities, identify the component that is secured against assets of the reporting insurer.

#### ***23.3.4. Denominated in a currency other than Australian currency***

Of the total amount reported for loan capital and hybrid securities, identify the component that is denominated in a currency other than the Australian currency.

## **24. Total liabilities**

This is automatically calculated as the sum of Items 14, 15, 16, 17, 18, 19, 20, 21, 22 and 23.



## **25. Net assets**

This is automatically calculated as Item 13 less Item 24.

(Note: When reporting on 'Amount – Inside Australia', Net Assets may not necessarily balance with the total for Shareholders' Equity. This situation may arise where not all assets, liabilities and reserves are inside Australia.

## **Shareholders' equity**

### **26. Total share capital**

This is the total share capital of the reporting insurer in accordance with Australian Accounting Standards. This item and its sub-items are only to be completed for insurers that are not Category C insurers.

#### **26.1. Ordinary shares**

Report ordinary share capital issued by the reporting insurer.

#### **26.2. Preference shares**

Report the preference share capital issued by the reporting insurer. Preference shares have a priority over dividend payments and to the assets of the reporting company.

#### **26.3. Other**

Include any other form of share capital not included above that satisfy the requirements of AASB 7 and AASB 132 to be disclosed as equity.

This is automatically calculated as Item 26 less the sum of Items 26.1 and 26.2.

### **27. Total reserves**

This is the value, as at the relevant date, of the total of all reserves that have been measured and disclosed in accordance with relevant Australian Accounting Standards.

#### **27.1. General reserve**

This is derived from revenue profits and is mostly available for dividend payment.

#### **27.2. Capital profits reserve**

A capital profits reserve represents the realised value of revaluations associated with an asset or class of assets that have been disposed of. These assets have been subject to the fair value basis of measurement and revaluations accounted for in accordance with Australian Accounting Standards. Due to the disposal of these assets, the balance of the Asset Revaluation Reserve associated with these assets has been transferred to a capital profits reserve.

### **27.3. Total asset revaluation reserve:**

Report the value, as at the relevant date, of all asset revaluation reserves, determined in accordance with Australian Accounting Standards.

If the reporting insurer does not use either the revaluation method under *Australian Accounting Standard AASB 116 Property, Plant and Equipment* (AASB 116) or other revaluation criteria to value assets that are not deemed to constitute assets backing general insurance liabilities, then these items are not applicable to the insurer. Only complete these if the reporting insurer uses these accounts for its financial reporting.

#### **27.3.1. Property**

This is the value of asset revaluation reserves relating to property.

#### **27.3.2. Plant and equipment**

This is the value of the balance of the asset revaluation reserve relating to the revaluation of plant and equipment.

#### **27.3.3. Intangibles revaluation surplus**

This is the value of the balance of the asset revaluation reserve relating to the revaluation of intangible assets.

#### **27.3.4. Investment in controlled entities**

This is the value of asset revaluation reserves relating to investments in controlled entities. This item is not applicable for Category C insurers.

#### **27.3.5. Investments in associates / share of associates ARR**

Include the balance of the asset revaluation reserve relating to the revaluation of investments in associates.

#### **27.3.6. Relating to non-current assets or disposal groups held for sale**

Report the value of the balance of the asset revaluation reserve relating to the revaluation of non-current assets or disposal groups held for sale.

#### **27.3.7. Other**

This is the value of asset revaluation reserves other than those specifically identified above. It is automatically calculated as Item 27.3 less the sum of Items 27.3.1 to 27.3.6.

### **27.4. Foreign currency translation reserve**

Include the exchange rate differences arising on translation of assets and liabilities in accordance with *Australian Accounting Standard AASB 121 The Effects of Changes in Foreign Exchange Rates* (AASB 121).

## **27.5. Cash flow hedge reserve**

Include the effective portion of the gain or loss on the cash flow hedging instrument as required by AASB 7, AASB 132 and AASB 139.

## **27.6. Share-based payments reserve**

Include the equity settled share-based payments reserve amounts as required by *Australian Accounting Standard AASB 2 Share-based Payment* (AASB 2).

## **27.7. Other reserves**

Include all reserves not separately identified above. Report dividend reinvestment plan reserve in this reporting item.

This is automatically calculated as Item 27 less the sum of Items 27.1 to 27.6.

## **28. Retained earnings at end of the period**

Represents the opening balance of retained earnings or accumulated losses at the beginning of the period plus current profit or loss after tax for the reporting period, and after any transfers to or from reserves.

## **29. Total shareholders' equity attributable to shareholders of the company**

This is automatically calculated as the sum of Items 26, 27 and 28. This item is not applicable to Category C insurers.

## **30. Additional disclosure required for the adjusted net assets in Australian calculation**

### **30.1. OCL surplus / (deficit)**

Include in this item the value of net OCL that are recognised in GRF 300.0 that are in surplus or deficit of the technical provisions required by GPS 320 (i.e. the net OCL reported in GRF 115.0). Both inside Australia and Total amounts should be reported.

This must be calculated on a net basis as per the following:

- Net OCL as per GRF 300.0 (Item 16 less Item 2.4.1 less Item 2.2.2.1); less
- Net OCL as per GRF 115.0 (Total - Column 10 in Section 3 of GRF 115.0).

### **30.2. Premiums liabilities surplus / (deficit) calculation:**

#### **30.2.1. Premiums liabilities surplus / (deficit)**

Include in this item the value of net AASB 1023 premiums liabilities (PL) that are recognised in GRF 300.0 that are in surplus or deficit of the technical provisions required by GPS 320 (i.e. the net premiums liabilities reported in GRF 115.1). Both inside Australia and Total amounts should be reported.

This must be calculated on a net basis as per the following:

- AASB 1023 net PL as per GRF 300.0:
  - Item 17 less Item 9 less Item 8 plus Item 18; less
  - the net value of any other items which form the total of AASB 1023 net premiums liabilities. This would include: deferred reinsurance exchange commission; unearned commission revenue; and deferred levies and charges.
- Less net premiums liabilities as per GRF 115.1 (Total - Column 11 in Section 3A of GRF 115.1).

### **30.2.2. Deferred reinsurance expense for future business not yet written**

Include in this item the amount of the total deferred reinsurance expense reported at Item 8 that relates to business that has not yet been written. This amount represents the cover that an insurer has under a particular reinsurance contract which is available for future business written up to the end of the reinsurance contract. Amounts must not be included in this item where the underlying reinsurance arrangement does not comply with the threshold levels of reinsurance documentation set out in GPS 112 or the governing law requirements set out in GPS 230.

### **30.2.3. Total premiums liabilities surplus / (deficit)**

This is automatically calculated as the sum of Items 30.2.1 and 30.2.2.

### **30.3. Tax effect of net OCL and premium liabilities surplus / (deficit)**

Any surplus / deficit of technical provisions must be adjusted for the tax effect (i.e. the corporate tax rate multiplied by the net amount).

Note: this requirement is not mandating the recognition of a deferred tax asset in GRF 300.0. This adjustment is required purely for prudential capital purposes to derive the accounting after tax cost to capital of creating the excess insurance provision.

The recording of the tax effect is not required where the surplus / deficit of technical provisions has been included in the recognition of a deferred tax asset associated with the recognition of insurance liabilities in GRF 300.0. Deducting the tax effect in this case would constitute double counting, as deferred tax assets are deducted from Net Assets inside Australia.

### **30.4. Net surplus / deficit relating to insurance liabilities**

This is automatically calculated as Item 30.1 plus Item 30.2.2 less Item 30.3.