

## Chapter 15

# Reporting by the Society

## **LLD 15 Ann 1R: Forms**

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## Statement of solvency

The *Society* of Lloyd's

		Financial year ended			Units
		day	month	year	
L9	Global	31	12	20XX	£000
		As at the end of the financial year	As at the end of the previous financial year	Source	
		1	2	Form	Line Column

**GENERAL INSURANCE BUSINESS****Available assets**

Other than <i>long-term insurance business assets</i> allocated towards <i>general insurance business</i> solvency requirements	11			See Instruction 1
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**Solvency requirements**

Solvency requirements for <i>general insurance business</i>	12			See Instruction 2
Excess (deficiency) of available assets over solvency requirements (11 - 12)	13			
Amount by which <i>members'</i> assets exceed solvency requirements	14			See Instruction 3
Amount by which <i>members'</i> assets are less than solvency requirements <sup>1</sup>	15			See Instruction 4
<i>Central assets</i> available to meet <i>members'</i> solvency shortfalls	16			See Instruction 5
Other assets (particulars to be specified by way of a supplementary note)	17			
Amount by which <i>central assets</i> and other assets exceed/(are less than) <i>members'</i> solvency shortfalls (16+17-15)	18			

**LONG-TERM INSURANCE BUSINESS****Available assets**

<i>Long-term insurance business admissible assets</i>	21			10, 11
Other than <i>long-term insurance business assets</i> allocated towards <i>long-term insurance business</i> solvency requirements	22			See Instruction 1
Total <i>mathematical reserves</i> (after distribution of surplus)	23			See Instruction 6
Other insurance and non-insurance liabilities	24			14, 49
Available assets for <i>long-term insurance business required minimum margin</i> (21 + 22 - 23 - 24)	25			

**Solvency requirements**

Solvency requirements for <i>long-term insurance business</i>	41			See Instruction 7
Amount by which <i>members'</i> assets exceed solvency requirements	45			See Instruction 8
Amount by which <i>members'</i> assets are less than solvency requirements <sup>1</sup>	46			See Instruction 9
<i>Central assets</i> available to meet <i>members'</i> solvency shortfalls	47			See Instruction 5
Other assets (particulars to be specified by way of a supplementary note)	48			
Amount by which <i>central assets</i> and other assets exceed/(are less than) <i>members'</i> solvency shortfalls (47+48-46)	49			

<sup>1</sup> These include any amount by which the aggregate solvency requirement exceeds the sum of the *members' margins*.

- 1 The sum of the entries at lines 11 and 22 must equal the sum of the entries at lines 75 and 83 to Form 10 less line 89 code 2 and 4 to Form 13, i.e.  $9.11+9.22 = 10.75 + 10.83 - 13.89(2+4)$ .
- 2 The entry at line 12 must be the aggregate of the **members' margins** for **general insurance business** or, if greater, the **Society margin**.
- 3 The entry at line 14 must be the aggregate of the excess for each **member** of his **general insurance business assets** over his **required amount** for **general insurance business**.
- 4 The entry at line 15 must be the aggregate of the shortfall for each **member** of his **general insurance business assets** over his **required amount** for **general insurance business**, plus any excess of the **Society margin** over the aggregate of the **members' margins** for **general insurance business**.
- 5 The sum of the entries at line 16 and line 47 must equal line 83 to Form 10.
- 6 The entry at line 23 must equal line 15 to Form 14.
- 7 The entry at line 41 must be the aggregate of the **members' margins** for long-term **insurance business** or, if greater, the sterling equivalent of 800,000 Euros (using the conversion rate notified by the **FSA** from time to time for this purpose).
- 8 The entry at line 45 must be the aggregate of the excess for each **member** of his long-term **insurance business assets** over his **required amount** for **long-term insurance business**.
- 9 The entry at line 46 must be the aggregate of the shortfall for each **member** of his **long-term insurance business assets** over his **required amount** for **long-term insurance business**, plus any excess of the sterling equivalent of 800,000 Euros (using the conversion rate notified by the **FSA** from time to time for this purpose) over the aggregate of the **members' margins** for **long-term insurance business**.

## Statement of net assets

Sheet 1

The Society of Lloyd's

Financial year ended

		day	month	year	Units
L10	Global	31	12	20XX	£000
		As at the end of this financial year	As at the end of the previous financial year	Source	
		1	2	Form	Line Column
Long-term insurance business - admissible assets	11			13. 89. 1 (2, 4, 6 & 200)	
Long-term insurance business - liabilities	12			14. 59. 1 (all)	
Long-term insurance business - net admissible assets (11-12)	13				
Other than long-term insurance business -admissible assets	21			13. 89. 1 (100)	
Other than long-term insurance business - liabilities	22			See Instruction 1	
Other than long-term insurance business - net admissible assets (21 - 22)	23				
Other admissible assets	31			13. 89. (1, 3 & 5)	
Other liabilities	32			See Instruction 2	
Net other admissible assets (31-32)	33				
Total net admissible assets (13+23+33))	41			See Instruction 3	
<b>Represented by:</b>					
Net assets held in <i>premium trust fund</i> excluding items shown at lines 50 and 52-55	49			See Instruction 7	
Declared result	50			See Instructions 4 and 7	
Undistributed profits on run-off <i>syndicate years</i>	51			See Instruction 5	
Technical provisions for run-off <i>syndicate years</i>	52			See Instruction 6	
Technical provisions for naturally open and closing <i>syndicate years</i>	53				
Credit equalisation (other than amounts allocated to the <i>Society</i> )	54			15. 15. ( <i>Syndicate &amp; members</i> )	
Net surpluses in <i>open years</i>	55			15. 16. ( <i>Members</i> )	
Inadmissible assets	56				
Other net admissible assets (line 83)	57				
Other (specify)	58				
Total net admissible assets (49+50-56+57+58)	59			See Instruction 3	

## Total net admissible assets

Sheet 2

The Society of Lloyd's

Financial year ended

		day	month	year	Units
L10	Global	31	12	20XX	£000
		Source			
As at the end of this financial year 1		As at the end of the previous financial year 2			
		Form	Line	Column	

## Members' assets and liabilities

## Long-term insurance business

Assets held in premium trust funds	61			13. 89. (200)
Lloyd's deposits	62			See Instruction 8
Lloyd's special reserve funds	63			
Liabilities	64			14. 59.
Net admissible assets (61+62+63-64)	65			

## General insurance business

Assets held in premium trust funds	71			13. 89. (100)
Lloyd's deposits	72			See Instruction 9
Lloyd's special reserve funds	73			
Liabilities	74			15. 69. Syndicate & other members
Net admissible assets (71+72+73-74)	75			

## Central assets and liabilities

Lloyd's Central Fund	80			13. 89. (3+4)
Corporation of Lloyd's	81			13. 89. (1+2)
Other liabilities	82			15. 69. (Society)
Other net admissible assets (80+81-82)	83			
Total				
Total net admissible assets (65+75+83)	89			See Instruction 3

- 1 Line 22 is the sum of the entries at 15.69 (**syndicates**) and 15.19 (**members**).
- 2 Line 32 comprises **members'** liabilities other than 15.19 (**members**) and central liabilities of the **Society**.
- 3 Lines 41, 59 and 89 must be equal.
- 4 Line 50 is the amount of net results to be released from closing **syndicate years** plus **financial year** results on run-off years.
- 5 Line 51 is the amount of net assets held by **managing agents** for run-off **syndicate years** less the amount at line 52. The assets are to be computed before applying admissibility limits.
- 6 The **technical provisions** in lines 52 and 53 are the amounts shown in line 59 to Form 24 and line 15 to Form 14. They exclude amounts in lines 54 and 55.
- 7 The total of lines 49, 50 and 52 to 55 must equal the assets in **premium trust funds** other than the reinsurance **share** of the **technical provisions**, before applying admissibility limits, less liabilities other than **technical provisions**.
- 8 The sum of lines 62 and 63 must equal Form 13 line 89 code 6.
- 9 The sum of lines 72 and 73 must equal Form 13 line 89 code 5.

Analysis of *admissible assets*The *Society* of Lloyd's

Category of assets

			<i>Financial year ended</i>			Units	Code		
			day	month	year				
			L13	Global	31	12	20XX	£000	
Investments								As at the end of this <i>financial year</i>	As at the end of the previous <i>financial year</i>
Land and buildings							11		
Investments in group undertakings and participating interests	UK insurance dependants	Shares			21				
		Debt securities issued by, and loans to, dependants			22				
	Other insurance dependants	Shares			23				
		Debt securities issued by, and loans to, dependants			24				
	Non-insurance dependants	Shares			25				
		Debt securities issued by, and loans to, dependants			26				
	Other group undertakings and participating interests	Shares			27				
		Debt securities issued by, and loans to, group undertakings			28				
		Participating interests			29				
		Debt securities issued by, and loans to, undertakings in which there is a participating interest.			30				
Total sheet 1 (11 to 30)					39				



					<i>Financial year ended</i>			Units	Code		
					day	month	year				
					L13	Global	31	12	20XX	£000	
Investments										As at the end of this <i>financial year</i>	As at the end of the previous <i>financial year</i>
Deposits with ceding undertakings											
Other financial investments	Equity <i>shares</i>						41				
	Other <i>shares</i> and other variable yield <i>securities</i>						42				
	Holdings in <i>collective investment schemes</i>						43				
	Rights under <i>derivative</i> contracts						44				
	Debt securities and other fixed income securities	Fixed interest	Approved securities				45				
			Other				46				
		Variable interest	Approved securities				47				
			Other				48				
	Participation in investment pools						49				
	Loans secured by mortgages						50				
	Other loans	Loans to public or local authorities and nationalised industries or undertakings						51			
		Loans secured by <i>policies</i> of insurance issued by the company						52			
		Other						53			
	Deposits with approved credit institutions and approved financial institutions	Withdrawal subject to a time restriction of one month or less						54			
		Withdrawal subject to a time restriction of more than one month						55			
Other						56					
Deposits with ceding undertakings						57					
Reinsurers' share of technical provisions	Claims outstanding						61				
	Other						63				
Total sheet 2 (41 to 63)						69					

## Analysis of admissible assets

The Society of Lloyd's

Category of assets

Financial year ended					Units	Code		
		day	month	year				
		L13	Global	31	12	20XX	£000	
Debtors Other assets							As at the end of this <i>financial</i> year	As at the end of the previous <i>Financial</i> year
							1	2
Debtors arising out of direct insurance operations			Policyholders			71		
			Intermediaries			72		
Salvage and subrogation recoveries						73		
Debtors arising out of reinsurance operations		Due from ceding insurers and <i>intermediaries</i> under reinsurance business				74		
		Due from reinsurers and <i>intermediaries</i> under reinsurance contracts ceded				75		
Other debtors		Members	Due in 12 months or less after the end of the <i>financial</i> year			76		
			Due more than 12 months after the end of the <i>financial</i> year			77		
		Other	Due in 12 months or less after the end of the <i>financial</i> year			78		
			Due more than 12 months after the end of the <i>financial</i> year			79		
Tangible assets						80		
Cash at bank and in hand		Deposits not subject to time restriction on withdrawal, with <i>approved credit institutions</i> and <i>approved financial institutions</i> and local authorities				81		
		Cash in hand				82		
Other assets (particulars to be specified by way of supplementary note)						83		
Prepayments and accrued income		Accrued interest and rent				84		
		Other prepayments and accrued income				86		
Deductions under <i>LLD</i> from the aggregate value of assets						87		
Total sheet 3 (71 to 86 less 87)						88		
Grand total of <i>admissible assets</i> (39+69+88)						89		
Reconciliation to asset values in <i>global accounts</i>								
Total <i>admissible assets</i> (as per line 89 above)						91		
Total assets in excess of the admissibility limits						92		
Other differences in the valuation of assets (other than for assets not valued above)						94		
Assets of a type not valued above						95		
Total						99		

- 1 Form 13 must be completed separately for each code written under the following category of:

<b>Category</b>	<b>Code: other than long-term insurance business assets</b>	<b>Code: long-term insurance business assets</b>
<b>Corporation</b>	<b>1</b>	<b>2</b>
<b>Central Fund</b>	<b>3</b>	<b>4</b>
<b>Members' funds at Lloyds</b>	<b>5</b>	<b>6</b>
<b>Total premium trust fund</b>	<b>100</b>	<b>200</b>
<b>Trust fund maintained in respect of an overseas regulator</b>	<b>102, 103, 104, etc.</b>	<b>-</b>
<b>Remaining premium trust fund</b>	<b>101</b>	<b>-</b>
<b>Premium trust fund maintained in respect of each syndicate</b>	<b>-</b>	<b>201, 202, 203, etc.</b>

- 2 Lines 21 to 30 do not apply to codes other than 1-4.
- 3 In lines 11 to 86:
- (a) for the purpose of classifying (but not valuing) assets, headings and descriptions used above, wherever they also occur in the balance sheet format in Schedule 9A to the Companies Act, (as if that schedule applied to Lloyd's and as if the Corporation was a company) must have the same meaning as in that schedule,
  - (b) assets must be valued in accordance with LLD 13 (Assets: valuation and realisability risk); and
  - (c) assets of any particular description must be shown after deduction of assets of that description which (for any reason) fall to be left out of account under LLD 13.4, LLD 14.5 and LLD 14.6.
- 4 Lines 92 to 95 provide a reconciliation of amounts valued in accordance with LLD 9 to 15 to the amounts that appear in published accounts.
- 5 The aggregate value of those investments which are:
- (a) unlisted investments falling within any of lines 41, 42, 46 or 48 which have been valued in accordance with LLD 13.11; or
  - (b) listed investments falling within any of lines 41, 42, 46 or 48 which have been valued in accordance with LLD 13.11 and which are not readily realisable; or
  - (c) *units* or other beneficial interests in *collective investment schemes* falling within LLD 13.12.2R; or
  - (d) reversionary interests or remainders in property other than land or buildings, must be stated by way of a supplementary note to this form, together with a description of such *investments*.
- 6 The aggregate value of those *investments* falling within lines 46 or 48 which are hybrid *securities* are to be stated by way of a supplementary note.
- 7 Non Topic text row-text
- 8 In line 95 "Assets of a type not valued above" refers to assets left out of account under LLD 13.4.1R.
- 9 Line 61 and 63 relate only to *general insurance business*

**Long-term insurance business liabilities**

The Society of Lloyd's

Category of assets		Financial year ended			Units £000	Category of assets			
		Day	Month	Year		Form	Line	Column	
		L14	Global	31	12	20XX			
					As at end of this financial year 1	As at end of the previous financial year 2			
Technical provisions (net amount)	Reinsurance to close for closing year of account			11					
	Open years of account			12					
	Run off years of account			13					
	Other			14					
	Total (11 to 14)			15					
Claims outstanding which had fallen due for payment before the end of the financial year not included in line 15	Gross amount			16					
	Reinsurers' share			17					
	Net (16-17)			18					
Provision for other risks and charges	Taxation			21					
	Other			22					
Deposits received from reinsurers				23					
Creditors and other liabilities	Arising out of insurance operations	Direct business		31					
		Reinsurance accepted		32					
		Reinsurance ceded		33					
	Debenture loans	Secured		34					
		Unsecured		35					
	Amounts owed to credit institutions			36					
	Other creditors	Taxation		37					
		Other		38					
Accruals and deferred income				39					
Total other insurance and non-insurance liabilities (18 to 39)				49					
Total liabilities (15+49)				59					

- 1 The form must be completed separately for the total long-term insurance business liabilities, the liabilities in respect of each syndicate and any liabilities relating to the other long-term insurance business assets of members or those of the Corporation or Central Fund. The same codes must be used on the corresponding Form 13.

**Liabilities (other than long-term insurance business)**

The Society of Lloyd's

			Financial year ended			Units	Category of liability		
			day	month	year				
L15	Global		31	12	20XX	£000			
			As at the end of this financial year			As at the end of the previous financial year	Source		
			1			2	From	Line	Column
Technical provisions (gross amount)	Claims outstanding & unexpired risks for closing year of account		11				See Instruction 1		
	Claims outstanding & unexpired risks for open years of account		12				See Instruction 2		
	Claims outstanding & unexpired risks for run off years of account		13				See Instruction 3		
	Credit equalisation provisions		15				See Instruction 4		
	Other (particulars to be specified by way of supplementary note)		16						
	Total (11 to 16)		19						
Provisions for other risks and charges	Taxation		21						
	Other		22						
Deposits received from reinsurers			31						
Creditors	Arising out of insurance operations	Direct business	41						
		Reinsurance accepted	42						
		Reinsurance ceded	43						
	Amounts owed to credit institutions		46						
	Other creditors	Taxation	47						
		Other	49						
Accruals and deferred income			51						
Total (19 to 51)			69						



- 1 Line 11 Column 1 corresponds to the sum of 25.11+25.13+25.15+25.30 for the closing year.
- 2 Line 12 Column 1 corresponds to the sum of 25.11+25.13+25.15+25.30 for naturally **open** years.
- 3 Line 13 Column 1 corresponds to the sum of 25.11+25.13+25.15+25.30 for run-off years.
- 4 The amounts in line 15 must sum to the amount at line 28 to Form 37. Any difference between the credit equalisation provisions allocated to **members** and their proportionate shares of the provisions allocated to the **open syndicate years** on which they participate must be included in the form for other **members'** liabilities.
- 5 Separate forms are required for **syndicate** liabilities, other **members'** liabilities, central liabilities and aggregate liabilities.
- 6 No entries arise in lines 11 to 13, 16 to 19 or 31 to 43 for the central liabilities of the **Society**.
- 7 Aggregate **member's** liabilities include aggregate net surpluses in **open syndicate years** (for those **members** with surpluses) to be shown at line 16 and credit equalisation provisions at line 15. Nothing arises in lines 11 to 13 or 31 to 46.
- 8 Amounts in lines 11 to 13 and 16 must be stated gross of reinsurers' share.
- 9 The amount at line 11 should include the amount relating to future years of account shown in a footnote as required by instruction 3 to Form 20 and exclude any amounts included in line 12.
- 10 The amount at line 12 should include amounts relating to **syndicate years** reinsured into the latest two years of account before the year end, but must exclude any **reinsurance to close** as at the end of the year end since these amounts are included in line 11.

**Profit and loss account**The *Society* of Lloyd's

[Summary/run-off years/other years]

		Financial year ended			Units	Year of account	
		day	month	year			
		L16	Global	31	12	20XX	£000
				As at the end of this financial year	As at the end of the previous financial year	Source	
				1	2	Form	Line
						Column	
Transfer (to)/from the <i>general insurance business</i> technical account from Form 20 line 59		11				20. 59 See Instruction 2	
Transfer to (from) credit equalisation provision		12				See Instruction 3	
Transfer from the <i>long-term insurance business</i> revenue account		13				40. 26	
Investment income	Income	14					
	Value re-adjustments on investments	15					
	Gains on the realisation of investments	16					
Investment charges	Investment management charges, including interest	17					
	Value re-adjustments on investments	18					
	Loss on the realisation of investments	19					
Other income and charges (particulars to be specified by way of a supplementary note)		21					
Result on ordinary activities (11-12+13+14+15+16-17-18-19+21)		39					
Extraordinary profit or loss (particulars to be specified by way of a supplementary note)		41					
Personal expenses (particulars to be specified by way of a supplementary note)		42					
Sub-total (39+41-42)		49					
Other surplus and deficiencies	Corporation (particulars to be specified by way of a supplementary note)	50					
	Central Fund (particulars to be specified by way of a supplementary note)	51					
Result for the financial year (49+50+51)		59					

- 1 Forms 16 are required for all years of account combined, run-off years, "YY", "First YY" and "Latest YY" as defined in Form 20.
- 2 For all years of account combined, line 11 must also include the amounts required to be stated by instruction 3 to Form 20.
- 3 The amounts in line 12 must sum to the amount at line 29 to form 37.

Analysis of *derivative contracts*The *Society* of Lloyd's

Business: Long-term/other than long-term

			<i>Financial year ended</i>			Units	Category of assets
			day	month	year		
			30	12	20XX	£000	
Derivative contracts			As at the end of this <i>financial year</i>			As at the end of the previous <i>financial year</i>	
			Assets 1	Liabilities 2		Assets 3	Liabilities 4
Futures contracts	Fixed-interest securities	11					
	Equity shares	12					
	Land	13					
	Currencies	14					
	Other	15					
Options	Fixed-interest securities	21					
	Equity shares	22					
	Land	23					
	Currencies	24					
	Other	25					
Contracts for differences	Fixed-interest securities	31					
	Equity shares	32					
	Land	33					
	Currencies	34					
	Other	35					
Adjustments for variation margin		41					
Total (11 to 41)		49					

- 1 Form 17 must be completed in respect of each category for which a separate Form 13 is supplied.
- 2 The codes specified in instruction 1 to Form 13 **are** to be used as appropriate.
- 3 **Derivative** contracts must be analysed according to the description of assets shown in the second description column of Form 17, which represents the **principal** subject of the contract.
- 4 **Derivative** contracts must be reported as assets in column 1 of Form 17 if their value to the **insurer** (gross of variation **margin**) is positive and as liabilities in column 2 of Form 17 if their value (gross of variation **margin**) to the **insurer** is negative.
- 5 All amounts included at lines 11 to 35 of Form 17 in respect of **derivative** contracts must be as determined without making any allowance for variation **margin**.
- 6 Amounts in respect of a **derivative** contract may only be included net of amounts in respect of any other **derivative** contract if :
  - (a) obligations of the **insurer** under the contracts may be set off against each other under generally accepted accounting practice; and
  - (b) such other contract has the effect (in whole or in part) of **closing out** the obligations of the **insurer** under the first mentioned contract.
- 7 The effect of any variation **margin** upon amounts included at lines 11 to 35 of Form 17 must be shown at line 41.
- 8 The entry at 17.49.1 must be included at 13.44.1.
- 9 The entry at 17.49.2 must be included at 15.49.1 or 14.38.1 as appropriate.
- 10 Rights to recover assets transferred by way of **initial margin** must not be shown in Form 17

## Underwriting: Summary of underwriting movements

The Society of Lloyd's

		<i>Financial year ended</i>				Units
		Global	day	month	year	
		L20	30	12	20XX	£000
		Run-off year of account	YY	First YY	Latest YY	
PART 1						
Accounting class:						
movement in <i>financial year</i> (see Instruction 2)						
Accident and health	11					
Motor vehicle	12					
Aviation	13					
Marine	14					
Transport	15					
Property damage	16					
Third party liability	17					
Miscellaneous and pecuniary loss	18					
Non proportional treaty reinsurance	19					
Proportional treaty reinsurance	20					
Marine, aviation and transport reinsurance	21					
<i>General insurance business</i> (Lines 11 to 21)	59					
Life business (Form 40 line 26)	60					
Total business (lines 59+60)	61					
PART 2						
Reconciliation of movement in <i>financial year</i> with declared result for <i>financial year</i>						
This <i>financial year</i> (Form 16 line 49)	80					
Preceding <i>financial year</i>	81					
Previous <i>financial year</i>	82					
Add run-off years of account (80.1+86.1)	83					
Sub total (80 to 83)	84					
Other surpluses and deficiencies (Form 16, lines 50+51)	85					
Other adjustments (particulars to be specified by way of a supplementary note)	86					
Declared result (84 to 86)	99					

- 1 The underwriting years commencing in the **financial years** shown between the columns headed “YY” and “Latest YY” must be in order (with the most recent year to the right) and correspond to the underwriting year commencing in this **financial year** and the previous underwriting years respectively.
- 2 Amounts must be analysed by year of account not by original underwriting year. A note to Form 20 must reconcile the consequential differences from amounts appearing in Form 24.
- 3 If any **syndicate year** has been **closed into the** year of account commencing after the year end and the **technical provision** is greater than the **reinsurance to close** for that **syndicate year**, (see Form 25 instruction 2) then the total of the amounts of the difference should be stated as a note to Form 20, **analysed by accounting class**.
- 4 The total of each row 11-21 and the amounts required to be stated by instruction 3 must equal the total in line 69 to Form 24.

### The *Society* of Lloyd's

Accounting class

Financial year ended

day

month

year

Units

Accounting  
class

[illegible]



- 1 The underwriting years commencing in the **financial years** shown between the columns headed “29 29” and “99 99” must be in order (with the most recent year to the right) and correspond to the underwriting year commencing in this **financial year** and the previous nine underwriting years respectively.
- 2 The amount in line 53 must equal the amount in line 31 of Form 25.
- 3 Amounts in lines 11-29 and 39-51 relating to **syndicate years** that commenced in the **financial year** or the previous two **financial years** (including **syndicate years** that have been **closed into** those **syndicate years**) must be included in the forms relating to naturally **open** years. Amounts relating to other **syndicate years** must be included in the forms relating to run-off years.
- 4 For naturally **open** years, the amount at line 30 is the total of provisions for all **syndicate years** that remain **open** (that is: go into run-off) at the end of the 3rd **financial year** less any **reinsurance to close premiums** received from run-off years **closed** at the end of, or during, the **financial year**. For run-off years, the amount at line 30 is the total of any **reinsurance to close premiums** payable to close **syndicate years** into naturally **open** years less the total of provisions for all **syndicate years** that go into run-off. In each case a **syndicate year** includes **syndicate years closed into** that **syndicate year**. Amounts relating to **closed syndicate years** must be included in the column relating to the original underwriting year. The allocation of **reinsurance to close premiums** between **accounting classes** and original underwriting year may be done in any reasonable manner.
- 5 Amount shown in lines 21 to 29 must exclude **claims** management costs.
- 6 The amounts shown in lines 51 and 53 must exclude **credit** equalisation provisions.
- 7 The amounts shown at lines 11 to 49 must be payable or **receivable** during the **financial year**.

The *Society* of Lloyd's

Category

[Summary/run-off years/naturally open years]

Financial year ended

day    month    year    Units    Business category    Accounting class    Currency

[illegible]

[Summary/run-off years/naturally *open* years]

Financial year ended

day

month

year

Units

Business  
category

Accounting  
class

Currency

[illegible]

- 1 The underwriting years commencing in the **financial years** shown between the columns headed “29 29” and “99 99” must be in order (with the most recent year to the right) and correspond to the underwriting year commencing in this **financial year** and the previous nine underwriting years respectively.
- 2 The amount in line 53 must equal the amount at line 31 to Form 29.
- 3 Amounts in line 11-29 and 39-51 relating to **syndicate years** that commenced in the **financial year** or the previous two **financial years** (including **syndicate years** that had been **closed into** those **syndicate years**) must be included in the forms relating to naturally **open** years. Amounts relating to other **syndicate years** must be included in the forms relating to run-off years.
- 4 For naturally **open** years, the amount at line 30 is the total of provisions for all **syndicate years** that remain **open** (that is: go into run-off) at the end of the 3rd **financial year** **less** any **reinsurance to close premiums** received from run-off years **closed** at the end of, or during, the **financial year**. For run-off years, the amount at line 30 is the total of any **reinsurance to close premiums** payable to **close syndicate years** into naturally **open** years **less** the total of provisions for all **syndicate years** that go into run-off. In each case a **syndicate year** includes **syndicate years closed into that syndicate year**. The allocation of **reinsurance to close premiums** between categories and underwriting year may be done in any reasonable manner.
- 5 Amounts shown in lines 21 to 29 must exclude **claims** management costs.
- 6 The amounts shown in the first column must be analysed on continuation sheets by underwriting year for **financial years** ending after 31 December 2003.
- 7 The box marked “Business category” must be completed by inserting one of the letters “a” to “h” according to which of the sub-paragraphs below describes the **insurance business** category to which the form relates:
  - (a) **Accident and health** (corresponding **general insurance business** classes 1 (other than 1(p)) and 2);
  - (b) Motor (corresponding **general insurance business** classes 1(p), 3 and 10);
  - (c) Aviation (corresponding **general insurance business** classes 1(p), 5 and 11);
  - (d) Marine (corresponding **general insurance business** classes 1(p), 6 and 12);
  - (e) Transport (corresponding **general insurance business** class 7);
  - (f) Property (corresponding **general insurance business** classes 4, 8 and 9);
  - (g) Third party liability (corresponding **general insurance business** class 13); and
  - (h) Miscellaneous and pecuniary loss (corresponding **general insurance business** classes 14, 15, 16, 17 and 18).
- 8 The amounts shown at lines 11 to 49 must be amounts payable or **receivable** during this **financial year**.

## The *Society* of Lloyd's

Category

[Summary/ run off years/ naturally *open* years]

Financial year ended

day

month

year

Units

Business  
category

Accounting  
class

Currency

[illegible]

Category

[Summary/run off years/naturally *open* years]

Financial year ended

day

month

year

Units

Business  
category

Accounting  
class

Currency

[illegible]

- 1 The underwriting years commencing in the **financial years** shown between the columns headed "29 29" and "99 99" must be in order (with the most recent year to the right) and correspond to the underwriting year commencing in this **financial year** and the previous nine underwriting years respectively.
- 2 The allocation of amounts in line 30 between categories and underwriting year may be done in any reasonable manner consistent with Form 25.
- 3 Amounts relating to **syndicate years** that commenced in the **financial year** or the previous **financial year** (including **syndicate years closed**, or being **closed**, into those **syndicate years** and **syndicate years** being **closed into** the following **open** underwriting years) must be included in the forms relating to naturally **open** years. Other **syndicate years** must be included in the forms relating to run-off years.
- 4 Lines 11 to 14 must exclude **claims** management costs.
- 5 The amounts shown in the first column must be analysed on continuation sheets by underwriting year for **financial years** ending after 31 December 2003.
- 6 The box marked "Business category" must be completed by inserting one of the letters "a" to "h" according to which of the sub-paragraphs of instruction 7 for completing Form 28 describes the business category to which the form relates.





**General insurance business (underwriting year accounting): Analysis of gross *claims* and *premiums* by risk group for direct insurance and facultative reinsurance**

continuation sheet

The Society of Lloyd's

Accounting class: Third party liability

Currency

Risk group

Risk group		Financial year ended						Monetary units	Country	Accounting class
		day	month	year						
		L34	Global	31	12	20XX				
Underwriting year		Gross <i>claims</i> paid		Unexpired risks and gross <i>claims</i> outstanding carried forward		Unexpired risks and gross <i>claims</i> outstanding brought forward		Balance on each underwriting year (2+3+4-5-6)	Gross <i>premiums</i>	<i>Claims</i> ratio %
Month	Year	In previous <i>financial years</i>	In this <i>financial year</i>	Reported	Unexpired risks and Incurred but not reported	Reported	Unexpired risks and incurred but not reported			
		1	2	3	4	5	6	7	8	9

- 1 All figures are to be shown gross of the reinsurers' share.
- 2 The underwriting years commencing in the **financial years** at lines 11 to 20 must correspond to the underwriting year commencing in this **financial year** and the previous nine underwriting years respectively.
- 3 All amounts shown must exclude **claims** management costs.
- 4 The **percentage** shown at column 9 must be the ratio of the sum of columns 1 to 4 to column 8.
- 5 The percentages shown at column 9 are to be expressed as percentages to one place of decimals.
- 6 For risk groups falling in **accounting class** 7 the amounts shown in line 21 must be analysed by underwriting year on continuation sheets for **financial years** ending after 31 December 2003

General insurance business (underwriting year accounting): Reconciliation of gross claims and premiums for direct insurance and facultative reinsurance

The Society of Lloyd's

		Financial year ended			Units
		day	month	year	
L35	Global	31	12	20XX	£000

Accounting class		Gross claims paid in this financial year	Unexpired risks and gross claims outstanding carried forward		Unexpired risks and gross claims outstanding brought forward		Balance for this financial year (1+2+3-4-5)	Gross written premiums
			Reported	Unexpired risks and incurred but not reported	Reported	Unexpired risks and incurred but not reported		
		1	2	3	4	5	6	7
Accident and health	11							
Motor	12							
Aviation	13							
Marine	14							
Transport	15							
Property	16							
Third party liability	17							
Miscellaneous and pecuniary loss	18							

- 1 All figures are to be shown gross of reinsurers' *share*.
- 2 All amounts shown must exclude **claims** management costs.
- 3 Only business not reported on Form 34 must be included in this form.
- 4 "Gross written **premiums**" refers to all amounts reported in column 99-99 of line 11 to Form 24, but only to the extent such **premiums** have not been reported in Form 34.

[illegible]

- 1 Where any of Forms 28, 29 or 34 contains a figure in a currency other than sterling the rate of conversion of those figures to sterling shall be stated in the right hand column of this form.
- 2 Where the rate of conversion differs according to whether it applies to income and

**Credit equalisation provisions**

The Society of Lloyd's

		Financial year ended			Units			
		day	month	year				
L37	Global	31	12	20XX	£000	Source		
<b>Calculation of the transfer to/from the provision</b>					Direct <i>credit insurance business</i>	From	Line	Column
Maximum provision					13	See Instruction 1		
Equalisation provision brought forward					21	See Instruction 2		
Transfers in					22	See Instruction 3		
Provisional transfers out					24	See Instruction 4		
Excess, if any, of 24 over (21+22)					25			
Provisional amount carried forward (21+22-24+25)					26			
Excess, if any, of 26 over 13					27			
Equalisation provision carried forward (26-27)					28			
Transfer in/(out) for <i>financial year</i> (28-21)					29			
<b>Business in the <i>financial year</i></b>								
Net <i>premiums</i> written					30	See Instruction 5		
<i>Claims</i> net of reinsurance					31	See Instruction 6		
<i>Claims</i> management costs					32	See Instruction 7		
Net operating expenditure					33	See Instruction 8		
Technical surplus/ (deficit) (30-31-32-33)					39			

- 1 Lines 13 must be 150% of the highest annual amount of net **premiums** written in the last 5 years.
- 2 Line 21 must equal the total of the statutory **credit** equalisation provisions, if any, brought forward from *the* previous year at Form 15, line 15 column 2.
- 3 Line 22 must be 75% of the technical surplus, if any, shown on line 39, subject to a limit of 12% of line 30.
- 4 Line 24 must equal the technical deficit, if any, shown on line 39.
- 5 The entry at line 30 must be the amounts included in line 19 of Form 24 for **accounting class 8**, relating to direct **insurance business** in **general insurance business class 14**.
- 6 The entry at line 31 must be the amounts included in lines 29 and 59 of Form 24 for **accounting class 8** relating to direct **insurance business** in **general insurance business class 14**.
- 7 The entry at line 32 must be the amounts included in line 39 of Form 24 for **accounting class 8**, relating to direct **insurance business** in **general insurance business class 14**.
- 8 The entry at line 33 must be the amounts included in line 49 of Form 24 for **accounting class 8**, relating to direct **insurance business** in **general insurance business class 14**.
- 9 If the net **premiums** that would appear in line 30 are less than 2,500,000 Euros (using the conversion rate notified by the **FSA** from time to time for this purpose) and less than 4% of the total net **premiums** written by **members** in the **financial year** for **general insurance business**, no **credit** equalisation provision is required. In this case, a note stating the amount of net written **premiums** for direct **credit insurance business** and stating that no **credit** equalisation provision is required should replace this form.



**Long-term insurance business: Revenue account**The *Society* of Lloyd's

Summary/year of account

		<i>Financial year ended</i>			Units	No. of fund/ summary	No. of part of fund	
		day	month	year				
<b>L40</b>	Global	31	12	20XX	£000			
Items to be shown net of reinsurance ceded					This <i>financial year</i>	The previous <i>financial year</i>	Source	
					1	2	Form	Line
<i>Premiums</i>		<b>11</b>					See Instruction 1	
Investment income before deduction of tax		<b>12</b>					See Instruction 2	
Increase (decrease) in the value of non-linked assets brought into account		<b>13</b>					See Instruction 2	
Other income		<b>15</b>					See Instruction 3	
Total income (11 to 15)		<b>19</b>						
<i>Claims</i> incurred		<b>21</b>					See Instructions 1 & 4	
Expenses payable		<b>22</b>					See Instructions 1 & 4	
Interest payable before deduction of tax		<b>23</b>						
Taxation		<b>24</b>						
Other expenditure including personal expenses		<b>25</b>					See Instruction 3	
Transfer to (from) <i>members</i>		<b>26</b>					See Instruction 5	
Total expenditure (21 to 26)		<b>29</b>						
Increase (decrease) in fund in <i>financial year</i> (19-29)		<b>39</b>						
Fund brought forward		<b>49</b>						
Fund carried forward (39+49)		<b>59</b>						

- 1 The entry at 40.11.1 must be equal to the sum of 41.19.3 and 41.29.3, the entry at 40.21.1 must be equal to 42.59.3 and the entry at 40.22.1 must be equal to 41.49.3.
- 2 The entry at line 12 is to exclude value re-adjustments on **investments** and gains on the realisation of **investments**, which must be shown in line 13.
- 3 Any item of income which cannot properly be allocated to lines 11, 12 or 13 must be entered in line 15, and similarly, any item of expenditure which cannot be properly be allocated in lines 21, 22, 23 or 24 must be entered in line 25. Particulars of such **items** must be specified in a supplementary note.
- 4 The entry at line 21 is to exclude **claims** management costs, which should be included in line 22, and any change in the provision for **claims**.
- 5 The entry at line shall be profits released to **members** less any calls made.

**Long-term insurance business: Analysis of premiums and expenses**

The Society of Lloyd's

Summary/year of account

				<i>Financial year ended</i>			Units	No of fund/ summary	No of part of fund
				day	month	year			
				L41	Global	31	12	20XX	£000
							Gross	Payable to or recoverable from reinsurers	Net of reinsurance (1-2)
							1	2	3
<b>Earned premiums in the financial year</b>	Life assurance and permanent health contracts	Single <i>premium</i>	11						
		Regular <i>premium</i>	12						
	Other contracts	Single <i>premium</i>	17						
		Regular <i>premium</i>	18						
	Total <i>premiums</i>	Single <i>premium</i>	19						
		Regular <i>premium</i>	29						
	Total <i>premiums</i> at lines 19 and 29 attributable to	UK contracts	31						
		Overseas contracts	32						
<b>Expenses payable in the financial year</b>	Commission payable in connection with acquisition of business		41						
	Other commission payable		42						
	Management expenses in connection with acquisition of business		43						
	Management expenses in connection with maintenance of business		44						
	Other management expenses		45						
	Total expenses (41 to 45)		49						
	Total expenses at line 49 attributable to	UK contracts	51						
		Overseas contracts	52						

- 1 Line 11 must include all single **premium** amounts where there is no expectation of continuing **premiums** being paid at regular intervals.
- 2 Lines 12 and 29 must include **premiums** payable at regular intervals during the *policy* year, included repeated or recurrent single **premiums** where the levels of **premium** is defined.

**Long-term insurance business: Analysis of claims**

The Society of Lloyd's

Summary/year of account

			<i>Financial year ended</i>			Units	No of fund/ summary	No of part of fund
			day	month	year			
			31	12	20XX	£000		
<b>L42</b> Global								
<i>Claims incurred in the financial year</i>						<b>Gross</b>	<b>Recoverable from reinsurers</b>	<b>Net of reinsurance (1-2)</b>
						<b>1</b>	<b>2</b>	<b>3</b>
<b>Life assurance and permanent health contracts</b>	On death				<b>11</b>			
	By way of lump sums on maturity				<b>12</b>			
	By way of payments arising from other insured events				<b>14</b>			
	On surrender or partial surrender				<b>15</b>			
	Total life assurance <i>claims</i> (11 to 14)				<b>19</b>			
<b>Other contracts</b>	By way of lump sums				<b>41</b>			
	By way of periodical payments				<b>42</b>			
	Total <i>claims</i> (41 + 42)				<b>49</b>			
Total <i>claims</i> (19)					<b>59</b>			
Total <i>claims</i> at line 59 attributable to	UK contracts				<b>61</b>			
	Overseas contracts				<b>62</b>			

Long-term insurance business: Valuation summary of non- linked contracts (other than accumulating with profit policies)

The Society of Lloyd’s

						Financial year ended					
						day		month		year	Units
						L51	Global	31	12	20XX	£000
Type of Insurance				Number of contracts	Amount of sums assured	Amount of annual premium	Value of sums assured	Value of future annual premiums	Amount of mathematical reserves		
				1	2	3	4	5	6		
Direct Business and Reinsurance Accepted	Term assurance	Single premium	1								
		Regular premium	2								
	Group life assurance		3								
	Other reserves		4								
	Total (lines 1 + 2 + 3 + 4)		5								
Reinsurance ceded	Term assurance	Single premium	6								
		Regular premium	7								
	Group life assurance		8								
	Total (lines 6+7+8)		9								
Net amount of insurance (line 5 minus line 9)			10								
Adjustments (particulars to be specified by way of a supplementary note)			11								
Total (lines 10 +11)			12								

- 1 Form 51 should be completed for each year of account. This will include the year of account which has been **closed** by a **reinsurance to close premium** after the valuation date.
- 2 Where outstanding **claims** are shown in line 18 to Form 14, they must not be included in line 11.

Long-term insurance business: Mathematical reserves and capital at risk

The Society of Lloyd’s

			Year of account		Financial year ended			Units		
					day	month	year			
					L60		Global			31
Class Relevant factor		Classes I, II and IX		Classes IV and VI		Unallocated additional mathematical reserves		Total for all classes		
		4% 1		4% 6		4% 11		This financial year 13		The previous financial year 14
Mathematical reserves before deduction of reinsurance		13								
Mathematical reserves after deduction of reinsurance		16								
Ratio of 16 to 13 or 0.85 if greater		17								
Required margin of solvency – first result = (line 13) * (line 17) * relevant factor		19								
Non negative capital at risk before reinsurance (see Instruction 1)	Temporary assurances with required margin of solvency of 0.1%	21								
	Temporary assurances with required margin of solvency of 0.15%	22								
	All other assurances with required margin of solvency of 0.3%	23								
	Total (21 to 23)	29								
Non negative capital at risk after reinsurance (all contracts)		31								
Ratio of line 31 to line 29, or 0.50 if greater		32								
Required margin of solvency – second result (see Instruction 2)		39								
Sum of first and second result (19 + 39)		49								
Required margin of solvency for supplementary accident and sickness insurance and Class V business		51								
Total required margin of solvency for long-term insurance business (49 + 51)		59								
Minimum guarantee fund		61								
Required minimum margin (greater of lines 59 and 61)		69								



- 1 **Capital at risk** shall be shown after distribution of surplus.
- 2 Line 39 equals line 32 [line 21 0.1% + line22 0.15% + line 23 0.3%] for **Classes** I, II and IX.