

QUARTERLY FINANCIAL REPORTING FORMATS FOR THE INSURANCE BROKING COMPANIES

GUIDELINES FOR COMPLETION OF FINANCIAL REPORTING FORMATS

Objective

To prescribe the reporting formats meeting with the regulatory requirements

1. Disclosure

Disclosure of the accounting policies and explanatory notes to be stated by the company as per Sri Lanka Accounting Standards (SLAS) 35 - Interim financial Reporting.

Selected explanatory Notes as guidelines are given below:

- a. A statement that there are no changes in the accounting policies and methods of computation are followed.
- b. Explanatory comments about the seasonality or cyclicity of interim quarterly operation.
- c. The nature and amounts in the items affecting assets, liabilities, equity, net income, or cash flows.
- d. The nature and amount of changing in estimates of amounts reported in preceding interim quarter of the current financial year.
- e. Any changes of Debt and Shareholder's Equity
- f. Any dividends paid to the shareholders
- g. Segmental revenue and segmental result for business segments if any.
- h. Any material events subsequent to the end of the reporting quarter that have not been reflected in the financial statement for the interim period.

2. Income Statement

2.1 Current quarter

Reporting period and the cumulative value for the previous quarters - 1st Quarter, 2nd Quarter, 3rd Quarter or 4th Quarter

2.2 Cumulative for the current quarter

Reporting period with the cumulated value for quarters starting from 1st quarter for the year.

2.3 Preceding year cumulative value for period that is corresponding to the period of the current year.

Reporting period with the value of quarters starting from 1st Quarter which is corresponding to the preceding year.

3. Balance Sheet

3.1 Quarter

Reporting period as at any given quarter end considered as a 1st, 2nd, 3rd or 4th quarter.

3.2 Preceding quarter

Data relevant to the as at previous quarter end.

3.3 Last year comparative quarter

Reporting period as at any given quarter corresponding to the last year.

4. Statement of changes in Equity

5. Cash Flow Statement

6. Definition of the quarter

1st Quarter - 1st January to 31st March

2nd Quarter - 1st April to 30th June

3rd Quarter - 1st July - to 30th September

4th Quarter - 1st October - 31st December

7 Instructions for the preparation of the Accounting Statements

7.1 Income Statement should be prepared on an accrual basis

7.2 Brokerage income should be computed on accrual basis of all premiums collected during the quarter.

7.3 Premium receivable from policyholders in respect of policies issued by the insurance companies should not be shown as a Receivables or Debtors in the Balance Sheet.

7.4 Similarly premium which are outstanding from the policyholders in respect of insurance policies issued through insurance brokers should not be shown under current liabilities, but premium which are collected from the policyholders and not remitted to the insurance companies within fourteen days should be shown under Current Liabilities in the Balance Sheet.

7.5 All the Forms should be signed by the Principal Officer and a Director of the company.

.....**INSURANCE BROKERS LTD**
INCOME STATEMENT FOR THE QUARTER ENDED

..... **QUARTER**

	Notes	1 Current Quarter Rs.	2 Cumulative for the period Rs.	3 Cumulative for the corresponding period of the preceding year Rs.
<u>Revenue</u>				
Commission income	x	xxxx	xxxx	xxxx
Other income	x	xxxx	xxxx	xxxx
Total income		<u>xxxxxx</u>	<u>xxxxxx</u>	<u>xxxxxx</u>
Less: Administrative Expenses	x	xxxx	xxxx	xxxx
Selling & Distribution Expenses	x	xxxx	xxxx	xxxx
Finance Expenses	x	xxxx	xxxx	xxxx
Profit before Tax		<u>xxxxxx</u>	<u>xxxxxx</u>	<u>xxxxxx</u>
Tax	x	(xxxx)	(xxxx)	(xxxx)
Net Profit/(Loss)		<u>xxxxxx</u>	<u>xxxxxx</u>	<u>xxxxxx</u>

Explanatory Note:

- Column 1 Current quarter for which the Quarterly Report is submitted.
- Column 2 Cumulative for the period. i.e. if the quarterly Report is for the second quarter for the year, then cumulative value for the period from 1st January to 30th June.
- Column 3 Cumulative for the corresponding period of the preceding year. i.e. the cumulative value from 1st January to 30th June of the preceding year

.....INSURANCE BROKERS LTD.

BALANCE SHEET AS AT.....

..... **QUARTER**

	Notes	Current Quarter	Preceding Quarter	Corresponding quarter of the Preceding year
		Rs.	Rs.	Rs.
Assets				
Non-Current Assets				
Property, plant and Equipment	x	XXXX	XXXX	XXXX
Long Term Investments	x	XXXX	XXXX	XXXX
Other..	x	XXXX	XXXX	XXXX
		<u>XXXXXX</u>	<u>XXXXXX</u>	<u>XXXXXX</u>
Current Assets				
Commission receivable	x	XXXX	XXXX	XXXX
Prepayments and other receivables	x	XXXX	XXXX	XXXX
Short Term Investments	x	XXXX	XXXX	XXXX
Cash and cash equivalents	x	XXXX	XXXX	XXXX
Other..	x	XXXX	XXXX	XXXX
		<u>XXXXXX</u>	<u>XXXXXX</u>	<u>XXXXXX</u>
Total Assets		<u>XXXXXX</u>	<u>XXXXXX</u>	<u>XXXXXX</u>
EQUITY AND LIABILITIES				
Equity				
Issued & Paid Up Share Capital	x	XXXX	XXXX	XXXX
General Reserve	x	XXXX	XXXX	XXXX
Retained earnings	x	XXXX	XXXX	XXXX
Accumulated Profit/(Loss)	x	XXXX	XXXX	XXXX
Other..	x	XXXX	XXXX	XXXX
Total Equity		<u>XXXXXX</u>	<u>XXXXXX</u>	<u>XXXXXX</u>
Non-Current Liabilities				
Interest-bearing loans and borrowings	x	XXXX	XXXX	XXXX
Retirement benefits obligations	x	XXXX	XXXX	XXXX
		<u>XXXXXX</u>	<u>XXXXXX</u>	<u>XXXXXX</u>
Current Liabilities				
Premium payable	x	XXXX	XXXX	XXXX
Agents Commission payable	x	XXXX	XXXX	XXXX
Sundry payables and accruals	x	XXXX	XXXX	XXXX
Income Tax payable	x	XXXX	XXXX	XXXX
Interest-bearing loans and borrowings	x	XXXX	XXXX	XXXX
Short term borrowings	x	XXXX	XXXX	XXXX
Others	x	XXXX	XXXX	XXXX
		<u>XXXXXX</u>	<u>XXXXXX</u>	<u>XXXXXX</u>
Total Liabilities		<u>XXXXXX</u>	<u>XXXXXX</u>	<u>XXXXXX</u>
Total Equity and Liability		<u>XXXXXXXX</u>	<u>XXXXXXXX</u>	<u>XXXXXXXX</u>

.....INSURANCE BROKERS LTD.
STATEMENT OF CHANGES IN EQUITY

FOR THE QUARTER ENDED

..... QUARTER

	Share Capital Rs.	General Reserve Rs.	Retained Earnings Rs.	Total Rs.
Balance as at (beginning of the previous Quarter)	xxxx	xxxx	xxxx	xxxxxx
Add - Net profit for the Quarter	-	-	xxxx	xxxxxx
Transfer to general reserve	-	xxxx	(xxxx)	-
Less: Divident paid	-	-	(xxxx)	(xxxx)
Balance as at end of the previous Quarter	xxxxx	xxxxx	xxxxx	xxxxxxx
Add - Net profit for the current quarter	-	-	xxxx	xxxx
Transfer to general reserve	-	xxxx	(xxxx)	-
Less - Divident paid	-	-	(xxxx)	(xxxx)
Balance ast at (end of the current Quarter)	xxxxx	xxxxx	xxxxx	xxxxxxx

.....INSURANCE BROKERS LTD.

CASH FLOW STATEMENT FOR THE QUARTER ENDED.....

.....QUARTER

	Current year Quarter ended Rs.	Corresponding quarter of the preceding year Rs.
CASH FLOWS FROM OPERATING ACTIVITY		
Profit/(Loss) before tax	xxx	xxx
Add/(Deduct) - Adjustment For		
Provisions	xx	xx
Depreciations	xx	xx
Loss/(Profit) on Assets disposal	<u>(xx)</u>	<u>(xx)</u>
	<u>xx</u>	<u>xx</u>
OPERATING PROFIT BEFORE CHANGES IN OPERATING ASSETS		
(Increase) / Decrease in operating assets	xxx	xxx
Trade receivables/Brokerage commission	(xx)	(xx)
Staff & other receivables	(xx)	(xx)
Deposit & pre payments	<u>(xx)</u>	<u>(xx)</u>
	<u>xxx</u>	<u>xxx</u>
Increase/(Decrease) in Operating Liability		
Accruals & other payables	<u>(xx)</u>	<u>(xx)</u>
Cash generated from operation	xxx	xxx
Taxes and Duty paid	<u>(xx)</u>	<u>(xx)</u>
Net Cash Flow from Operating Activity	xxx	xxx
Cash Flows from Other Activity		
Purchase of assets	(xx)	(xx)
Purchase of investments	(xx)	(xx)
Sales proceeds from assets	xx	xx
Sales proceeds from investments	xx	xx
Divident received	<u>xx</u>	<u>xx</u>
Net Increase/(Decrease) in Cash & Cash Equivalent Last Year	xxx	xxx
Cash & cash equivalent as at the beginning of the quarter	xxx	xxx
CASH & CASH EQUIVALENT AS AT THE END OF THE QUARTER *		
	<u>xxx</u>	<u>xxx</u>
CASH & CASH EQUIVALENT		
Cash in hand and bank	xx	xx
Deposits in Bank	xx	xx
Treasury bills and reverse repurchase agreement	<u>xx</u>	<u>xx</u>
	<u>xxx</u>	<u>xxx</u>

* These two figures should be equal at the end of the statement