

# Bank of England

## Prudential Regulation Authority

### Chapter 10

#### Instructions regarding reporting templates for individual undertakings

##### S.05.04 – Activity by country

###### General comments:

This section relates to annual submission of information for individual entities.

Items in this template are to be reported using financial accounting conventions, unless these instructions state that an item is to be reported on a Solvency II basis.

For items reported using financial accounting conventions:

1. In the event of any inconsistency or contradiction between the instructions in this LOG and the accounting standard reported at {basic information – general S.01.02, row R0120, firms are to follow the instructions in this LOG.
2. Subject to following the instructions in this LOG, firms shall follow:
  - a) the recognition and valuation basis as for the published financial statements, no new recognition or re-valuation is required, and
  - b) the accounting standard reported at {basic information – general S.01.02, row R0120 to the extent practical.

The template is based on a year-to-date basis.

Insurance and reinsurance firms shall report written/earned premiums as defined in the PRA Rulebook glossary regardless of the accounting standard used. This template shall include all insurance business regardless of the possible different classification between investment contracts and insurance contracts applicable in the financial statements.

Claims incurred shall comprise all claim payments paid in the reporting period plus change in provision for claims outstanding less recoverable amounts arising out of subrogation of salvage.

Information shall be presented for all countries except countries other than the home country where all these conditions apply:

- Gross written premiums for that country are less than £100m
- Gross written premiums for that country are less than 5% of total gross written premiums
- Gross best estimate liabilities for that country are less than £500m

Non-life business lines of business may be combined and reported as miscellaneous non-life where the line of business represents less than 5% of non-life business for that country by gross written premiums and best estimate liabilities.

The following criteria for the classification by country shall be used:

- For the direct insurance business for the lines of business, as defined in Annex I to Delegated Regulation (EU) 2015/35, “Medical expense”, “Income protection”, “Workers’ compensation”, “Fire and other damage to property” and “Credit and

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suretyship” information shall be reported by country where the risk is situated as defined in Article 13 (13) of Directive 2009/138/EC;

- For direct insurance business for all other line of business, as defined in Annex I to Delegated Regulation (EU) 2015/35, information shall be reported by country where the contract was entered into;
- For proportional and non–proportional reinsurance, information shall be reported by country of localisation of the ceding undertaking.

For the purposes of this template “country” means:

- a. The country where the insurance undertaking is established (home country) when the contract was not sold through a branch or freedom to provide services;
- b. The country where the branch is located (host country) when the contract was sold through a branch;
- c. The country where the freedom to provide services was notified (host country) when the contract was sold through freedom to provide services.
- d. If an intermediary is used or in any other situation, it is a), b) or c) depending on who sold the contract.

	<b>ITEM</b>	<b>INSTRUCTIONS</b>
<u>C0010</u>	<u>Country</u>	<u>As specified above</u>
<u>C0020</u>	<u>Non-life / life</u>	<u>As specified above</u>
<u>C0030</u>	<u>Direct business / reinsurance accepted</u>	<u>As specified above</u>
<u>C0040</u>	<u>Line of business</u>	<u>Identification of the line of business based on Annex I to Delegated Regulation (EU) 2015/35. The following closed list shall be used:</u> <u>1 – Medical expense insurance</u> <u>2 – Income protection insurance</u> <u>3 – Workers' compensation insurance</u> <u>4 – Motor vehicle liability insurance</u> <u>5 – Other motor insurance</u> <u>6 – Marine, aviation and transport insurance</u> <u>7 – Fire and other damage to property insurance</u> <u>8 – General liability insurance</u> <u>9 – Credit and suretyship insurance</u> <u>10 – Legal expenses insurance</u> <u>11 – Assistance</u> <u>12 – Miscellaneous financial loss</u> <u>25 – Non–proportional health reinsurance</u> <u>26 – Non–proportional casualty reinsurance</u> <u>27 – Non–proportional marine, aviation and transport reinsurance</u> <u>28 – Non–proportional property reinsurance</u> <u>29 – Health insurance</u> <u>30 – Insurance with profit participation</u>

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	<b>ITEM</b>	<b>INSTRUCTIONS</b>
		<u>31 – Index-linked and unit-linked insurance</u> <u>32 – Other life insurance</u> <u>33 – Annuities stemming from non-life insurance contracts and relating to health insurance obligations</u> <u>34 – Annuities stemming from non-life insurance contracts and relating to insurance obligations other than health insurance obligations</u> <u>99 – Miscellaneous non-life</u> <u>1-12 include proportional reinsurance accepted.</u> <u>29-34 include reinsurance accepted.</u>
<u>C0050</u>	<u>Gross written premiums</u>	<u>Gross written premiums applying the accounting perspective specified above</u>
<u>C0060</u>	<u>Gross claims incurred</u>	<u>Gross claims incurred applying the accounting perspective specified above</u>
<u>C0070</u>	<u>Gross expenses</u>	<u>All technical expenses excluding claims management expenses incurred by the undertaking during the reporting period, on accrual basis.</u>
<u>C0080</u>	<u>Gross best estimate liabilities</u>	<u>Best estimate liabilities including technical provisions as a whole</u>

Draft for consultation