



## Reporting Standard LRS 310.0

### Statement of Financial Performance

#### Objective of this reporting standard

This reporting standard is made under section 13 of the *Financial Sector (Collection of Data) Act 2001*. It requires all registered life insurance companies to report to APRA, in general, on a quarterly and an annual basis in relation to their financial performance.

This reporting standard outlines the overall requirements for the provision of relevant information to APRA. It should be read in conjunction with:

- *Form LRF 310.1 Statement of Financial Performance (SF and SF Eliminations)*; and
- *Form LRF 310.2 Statement of Financial Performance (SF Total, SHF, SH Elim, Entity)*;

and the associated instructions (all of which are attached and form part of this reporting standard).

#### Purpose

1. Information collected in Forms *LRF 310.1 Statement of Financial Performance (SF and SF Eliminations)* (**LRF 310.1**) and *LRF 310.2 Statement of Financial Performance (SF Total, SHF, SH Elim, Entity)* (**LRF 310.2**) is used by APRA for the purpose of prudential supervision, including assessing compliance with prudential standards and actuarial standards where appropriate. It may also be used by the Reserve Bank of Australia, the Australian Bureau of Statistics and the Australian Securities and Investments Commission.

#### Application

2. This reporting standard applies to all life insurance companies including friendly societies (together referred to as **life companies**) registered under the *Life Insurance Act 1995* (**Life Insurance Act**).

### **Information required**

3. A life company must provide APRA with the information required by Form LRF 310.1 and LRF 310.2 for each reporting period.

*Note:* the instructions for Forms LRF 310.1 and LRF 310.2 explain in more detail the information that is required.

4. The quarterly information required to be provided to APRA under this reporting standard is not intended to form part of the financial statements, within the meaning of section 124 of the Life Insurance Act, given by the life company to APRA. The annual information required to be provided to APRA under this reporting standard is intended to form part of the annual return, within the meaning of section 124 of the Life Insurance Act, given by the life company to APRA.

### **Method of submission**

5. The information required by this reporting standard must be given to APRA either:
  - (a) in electronic form using the 'Direct to APRA' application, applying one of the electronic submission mechanisms under that application; or
  - (b) by completing Forms LRF 310.1 and 310.2 on paper and mailing the completed forms to APRA

*Note:* the 'Direct to APRA' application software and paper forms may be obtained from APRA.

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

6. Subject to paragraph 7, a life company must provide the information required by this reporting standard:
  - (a) in unaudited form - in respect of each quarter based on the financial year of the life company; and
  - (b) in audited form - in respect of each financial year of the life company.

*Note 1:* this means that these forms will be submitted five times for a full financial year.

*Note 2:* the annual audited form must be submitted in conjunction with the annual auditor's report, as required under *Prudential Standard LPS 310 Audit and Actuarial Requirements* Paragraph 8.

7. APRA may, by notice in writing, change the reporting periods, or specified reporting periods, for a particular life company, to require it to provide the information required by this reporting standard more frequently, or less frequently, having regard to:
  - (a) the particular circumstances of the life company;

- (b) the extent to which the information is required for the purposes of the prudential supervision of the life company; and
  - (c) the requirements of the Reserve Bank of Australia or the Australian Bureau of Statistics or the Australian Securities and Investments Commission.
8. The quarterly information required by this reporting standard in unaudited form must be provided to APRA within 20 business days after the end of the reporting period to which the information relates. The annual information required by this reporting standard in audited form must be provided to APRA within four months after the end of the reporting period to which the information relates.
9. APRA may grant a life company an extension of a due date in writing, in which case the new due date for the provision of the information will be the date on the notice of extension.

### **Quality control**

10. The information provided by a life company under this reporting standard must be the product of processes and controls that have been reviewed and tested by the auditor of the life company.
11. All information provided by a life company under this reporting standard must be subject to processes and controls developed by the life company for the internal review and authorisation of that information. It is the responsibility of the board and senior management of the life company to ensure that an appropriate set of policies and procedures for the authorisation of data submitted to APRA is in place.
12. Information provided to APRA in audited form must be audited by the auditor of the life company.
13. Actuarial valuations and calculations included in, or used in the preparation of, the information provided to APRA must be in accordance with the actuarial standards and prudential standards in force for the reporting period. However, life companies may use reasonable estimates when preparing information that will not be audited (i.e. for the first four submissions of information for a full financial year). The instructions to Forms LRF 310.1 and LRF 310.2 include general principles on the use of estimates.

### **Authorisation**

14. If the officer of a life company provides the information required by this reporting standard:
- (a) using Direct to APRA (D2A), the officer must digitally authorise, submit the data to APRA and receive a D2A receipt number for the information to be considered given to APRA. APRA will issue 'digital certificates' to officers of the life company who have authority to transmit the data to APRA; or

- (b) on paper, the relevant completed forms must be signed on the front page by the principal executive officer or chief financial officer of the life company.

*Note:* information in **draft** returns saved at APRA using D2A will not be considered to be provided to APRA for the purposes of the life company's obligations under this reporting standard.

### **Minor alterations to forms and instructions**

- 15. APRA may make minor variations to:
  - (a) a form that is part of this reporting standard, and the instructions to such a form, to correct technical, programming or logical errors, inconsistencies or anomalies; or
  - (b) the instructions to a form, to clarify their application to the formwithout changing any substantive requirement in the form or instructions.
- 16. If APRA makes such a variation it must notify in writing each life company that is required to report under this reporting standard.

### **Transitional**

- 17. A life company must report in accordance with this reporting standard for any reporting period ending on or after 1 January 2008. However, a life company must also report to APRA in accordance with the Prudential Rules which applied before the commencement of this reporting standard in respect of any reporting period ending before 1 January 2008.

*Note:* as an additional transitional measure, a life company must also report to APRA in accordance with *Reporting Standard LRS 901 Transitional Arrangements 2008*.

### **Interpretation**

- 18. In this reporting standard:

**business days** means ordinary business days, exclusive of Saturdays, Sundays or public holidays;

**principal executive officer** means the principal executive officer of the life company for the time being, by whatever name called, and whether or not he or she is a member of the governing board of the entity;

**reporting period** means a reporting period under paragraph 6 or, if applicable, paragraph 7.