



Republic of the Philippines  
Department of Finance  
**INSURANCE COMMISSION**  
1071 United Nations Avenue  
Manila

Circular Letter (CL) No.:	2014-13
Date:	04 April 2014

**CIRCULAR LETTER**

**TO : ALL PRE-NEED COMPANIES DOING BUSINESS IN THE PHILIPPINES**

**SUBJECT : FILING OF 2013 ANNUAL STATEMENTS (AS)**


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In connection with the filing of the 2013 Annual Statements, the following guidelines are hereby issued:

1. Separate Annual Statement showing the financial condition of the pre-need company and Annual Statement of Trust Fund **for each type of plan (see attached pro-forma template)**;
2. The Annual Statements shall be on legal size bond paper (8½ x14 inches), using either the Times New Roman font size #12 or Arial font size #10 and must be **bound with ring binding**;
3. Enclosed as Annex "A" is the updated list of the required documents and other schedules which shall form part as separate attachments in the submission of the Annual Statements;
4. The exact formats, columnar headings and footnote instructions found in every page of the attached blank forms of the prescribed Annual Statement including the Annual Statements of Trust Fund for each type of plans shall be **strictly observed**; and
5. Submission which are not in accordance with the required pro-forma template and with missing data/information and incomplete attachments **shall not be accepted**.

All companies are hereby reminded to file the Annual Statements on or before 30 April 2014 **to avoid penalty**.

Please be guided accordingly.

  
**EMMANUEL F. DOOC**  
Insurance Commissioner

**LIST OF DOCUMENTS TO BE SUBMITTED TO FORM PART OF THE  
ANNUAL STATEMENTS OF PRE-NEED COMPANIES  
For the Year Ended December 31, 2013**

1. Duly accomplished Annual Statement of trust funds for each type of plan as required under Section 43 of the Pre-need Code;
2. Three (3) copies of the following:
  - a. Audited Financial Statements (AFS) duly stamped by the Bureau of Internal Revenue (BIR);
  - b. Adjusted Trial Balance (ATB), signed by the Chief Accountant;
  - c. Reconciliation Statement of the AFS versus the ATB figures;
  - d. Reconciliation Statement of trust fund balances per AS/AFS versus balances per trustee banks;
3. Two (2) copies of each of the following:
  - a. Annual Pre-need Reserve Valuation Report, together with:
    - 1) Certification by the actuary and/or any accountable officer of the company on the accuracy and completeness of the in-force files used in the valuation of reserves; and
    - 2) Certification on the prudent adequacy of the Pre-need reserve that it shall provide at least the guaranteed contractual benefits under each pre-need contract of the company;
  - b. List of current members of board of directors and officers, their respective addresses, positions and committee membership;
  - c. Minutes of meetings of the board and executive committees, including board resolutions made during the year;
  - d. Soft copies of the Annual Statements and all its schedules including Annual Statements of trust funds per type of plan;
  - e. Soft copies of supporting details of Exhibit 6 & Exhibit 7;
4. One (1) copy of each of the following:
  - a. Summary of Investment at Cost for the year ended December 31, 2013 (see attached pro-forma template);
  - b. Sworn Statement from the responsible officers of the company stating that:
    - 1) Only withdrawals allowed by the Insurance Commission (IC) have been made from the Trust Funds; and
    - 2) Any deficiency in the Trust Funds has been duly addressed, attaching all the necessary documents as proofs thereof;
  - c. Sworn Statement from the company's Insurer, certifying the coverage on life insurance policies or guarantees on premium payments assumed by the insurance company, indicating the extent, term and duration of such coverage/guarantees;
  - d. Documents supporting the accounts held as corporate assets:
    - 1) Bank statements, passbooks and certificates of all current, savings and time deposit accounts respectively as of December 31, 2013 and January 2014, together with all pertinent bank reconciliation statements thereof;

- 2) Official receipts, bank validated deposit slips and bank statements to support the year-end deposit in transit, if any;
- 3) Confirmation of sales of investments in Government Securities, together with the Statement of Securities Account as of year-end issued by the Bureau of Treasury (BTr) – Registry of Scriptless Securities;
- 4) Statement of Holdings as of year-end from the company's custodian bank for dollar denominated Bonds;
- 5) Statement of Accounts as of year-end from Philippine Depository and Trust Corporation (PDTC) for scriptless stock investments;
- 6) Report from a licensed real estate appraiser, accredited by the Philippine Association of Real Estate Appraisers, to support any increase or decrease in fair value of real estate properties;
- 7) Documents supporting investments in commercial papers;
- 8) Documents supporting mortgage loans and other loan accounts;
- 9) BIR tax returns/payments for 2013 on Income Tax, Documentary Stamp Tax, VAT and other taxes.

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