



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



CIRCULAR LETTER (CL) No.	: 2017-18
DATE	: 29 March 2017

CIRCULAR LETTER

TO : ALL NON-LIFE INSURANCE AND PROFESSIONAL REINSURERS AUTHORIZED TO DO BUSINESS IN THE PHILIPPINES

SUBJECT : FILING OF 2016 ANNUAL STATEMENT

Section 229 with Republic Act (RA) No. 10607, otherwise known as the "Amended Insurance Code," provides that every insurance company doing business in the Philippines shall submit annually on or before the thirtieth (30th) day of April of each year, a statement signed and sworn to by the chief officer of such company showing the exact condition of its affairs on the preceding thirty-first (31st) day of December, in accordance with the financial reporting framework as the determined by the Commission.

Pursuant to the above-quoted provision, the following guidelines are being issued in relation to the submission of the 2016 Annual Statement (AS).

1. Two (2) hard copies and one (1) soft copy of the AS are required to be submitted to the Non-Life Division;
2. The cover must be "**hard bound**" and in color "**pink**". (**see attached Pro-forma template**);
3. It shall be on a legal size bond paper (8 1/2 x 14 inches), using either the Trebuchet MS #10 or Arial font size # 10;
4. The exact formats, columnar headings and footnote instruction found in every page of the attached blank forms (**see attached Pro-forma template**) of the prescribed AS should be strictly observed;
5. The submitted AS shall include supporting documents necessary to authenticate the contents of the AS, as seen in **Annex "A."**

Pursuant to Section 229 of the Amended Insurance Code, all AS are required to be submitted on or before 30 April 2017. The prescription of the guidelines in the CL is without prejudice to the power of the Commission under Section 229 of the Amended Insurance Code to require other relevant information in relation to matters that may come to its attention. Further, any instance of noncompliance with the prescribed guidelines shall be subject of penalties in accordance with CL No. 2014-15, dated 15 May 2014, and pursuant to Section 437(o) of the Amended Insurance Code, which authorizes the Commission to fix and assess fees, charges and penalties in the exercise of regulation.



DENNIS B. FUNA
Insurance Commissioner



ANNEX "A"

**CHECKLIST OF SUPPORTING DOCUMENTS
OF NON-LIFE INSURANCE COMPANIES
For the year ended 31 December _____**

		NAME OF COMPANY		
		DOCUMENT	HARD COPY	SOFT COPY
1.		Copy of _____ Audited Financial Statements with comparative figure for _____, signed by an external auditor accredited by this Commission.	√	PDF
2.		Copy of Adjusted Trial Balance as of 31 December _____ signed by the Chief Accountant.	√	√
3.		Reconciliation of figures if the company uses the 40 th method in the Reserve Valuation a. <u>Annual Statement VS Audited Financial Statements</u> b. <u>Income Statement - Annual Statement VS. Income Statement - Audited Financial Statements.</u> c. <u>Balance Sheet and Income Statement - Annual Statement VS Adjusted Trial Balance.</u>	√	√
4.		Computation of Risk Based Capital Ratio of the company.	√	√
5.		For foreign companies, Annual Statement on Worldwide Business and Statement of Receipts and Disbursements as of yearend.	√	
6.		List of current members of board of directors, their respective addresses, positions and committee membership.	√	√
7.		Amended Articles of Incorporation relative to the increase in the Authorized Capital Stock and General Information Sheet.	√	
8.		<u>CASH IN BANK ACCOUNTS:</u> a. Bank Reconciliation Statement (<u>Adjusted Balances Method</u>) as of 31 December _____ and 31 January _____, with Bank statements/passbooks of all current, savings and time deposit accounts.	√	
		b. Schedule of deposit in transit indicating the <u>official receipts no., date of OR and date deposited & bank name</u> with a copy of official receipts, validated deposit slips.	√	
9.		Sales invoices and official receipts to support purchases of EDP equipment during the year.	√	
10.		<u>PREMIUMS RECEIVABLE ACCOUNT</u> Photocopy of Premiums Receivable ledger for the current year.	√	

DOCUMENTS		HARD COPY	SOFT COPY
	a. <u>Summary of Monthly Production</u> for the year, showing separately in columns the GROSS PREMIUMS, RETURNS & CANCELLATIONS, VAT, DST, FST, PT, LGT, NOTARIAL FEES AND COMMISSIONS.	√	
	b. <u>Summary of Monthly collections</u> of Premiums Receivable during the year showing separately in columns the PREMIUMS, VAT, DST, FST, PT, LGT, NOTARIAL FEES AND COMMISSIONS.	√	
	c. <u>Summary of Monthly Collections of RI Commission</u> during the year.	√	
	d. <u>AFTER DATE COLLECTIONS OF PREMIUMS RECEIVABLE:</u> Companies which shall avail reconsideration of the 1 st Quarter collections of the over 90-days premiums receivable as after date transactions: e.1. Schedule of over 90-day Premiums Receivable showing separately in columns the following: 1. Name of Assured 7. FST 2. Policy Number 8. LGT 3. Line of Business 9. Other Taxes 4. Premium Amount 10. Amount Due 5. DST 11. Amount Collected 6. VAT 12. OR Number & Date		√
	e.2. Copies of official receipts, validated deposit slips, passbooks and/or banks statements evidencing collections. (<i>Submission of these documents shall be after the examiner has determined if the company is impaired or not. To be submitted within 3 days after the examiner requested said documents</i>)	√	
	e. Production report for November and December _____ on Marine Cargo business – Direct, Assumed and Ceded.	√	
11.	<u>Schedule of Losses Paid during the First Quarter of succeeding year, showing separately in columns the following:</u> a. Name of Claimant/Policyholder b. Claim No. j. Date Paid c. Date Filed k. Check Number d. Policy Number e. Line of Business f. Date of Loss/Damage g. Amount of Loss/ Loss of Adjustment Expense h. Amount of Losses Paid i. Difference / Discrepancy (per schedule in the A/S vs. amount paid)		√
12.	<u>TAXES PAYABLE ACCOUNT</u> a. BIR tax returns, validated deposit slip and/or EFPS Payment confirmation for Premium Tax, Documentary Stamp Tax and Vat <u>with schedule indicating the amount, date paid and reference number for each kind of tax.</u> b. Official Receipts and quarterly statement for Fire Service Tax and Real Estate Tax <u>with schedule indicating the amount, date paid and Official Receipt number for each kind of tax.</u>	√	

DOCUMENTS			HARD COPY	SOFT COPY
		c. CTPL Business - Summary of Taxes Paid together with the validated deposit slips/EFPS Payment Confirmation d. Schedule of production – personal accident per policy indicating the amount of insurance for the year. e. BIR Return Form No. 1604E	√	
	13.	For companies writing Micro-insurance business: a. Performance Standard (SEGURO) (per IC CL No. 2016-63) including breakdown or composition of the accounts (i.e. <i>Total Available Assets, Total Liabilities, current assets, current liabilities, operating expenses, etc.</i>) in determining the ratio for SEGURO.		√
		b. Schedule of Production PER PRODUCT/LINE showing separately in columns the following: 1. Name of Assured 7. VAT 2. Location/Address 8. LGT 3. Policy Number 9. Other Taxes 4. Premium Amount 10. Amount Due 5. DST 6. FST		√
		c. Schedule of Collection PER PRODUCT/LINE showing separately in columns the following: 1. Name of Assured 9. FST 2. Inception Date 10. VAT 3. Maturity Date 11. LGT 4. Policy Number 12. Other Taxes 5. Certificate Number 13. Amount Collected 6. Sum Insured 14. OR Number 7. Premium Amount 15. OR Date 8. DST		√
		d. Schedule of Losses Paid PER PRODUCT /LINE showing separately in columns the following: 1. Name of the Assured 2. Policy Number 3. Amount of Coverage 4. Amount paid per benefit (i.e accident, death, others – specify)		√

DOCUMENTS			HARD COPY	SOFT COPY
14.	For companies writing OFW business:			√
	a. Computation of legal reserve.			
	b. Schedule of Production showing separately in columns the following: 1. Name of Assured 6. VAT 2. Policy Number 7. LGT 3. Premium Amount 8. Other Taxes 4. DST 9. Amount Due 5. FST			√
	c. Schedule of Collection showing separately in columns the following: 1. Name of Assured 7. LGT 2. Policy Number 8. Other Taxes 3. Premium Amount 9. Amount Collected 4. DST 10. OR Number 5. FST 11. OR Date 6. VAT			√
	d. Schedule of Losses Paid showing separately in columns the following: 1. Name of Claimant/Policyholder 2. Claim No. 3. Date Filed 4. Policy Number 5. Date of Loss/Damage 6. Amount of Loss/ Loss of Adjustment Expense 7. Amount of Losses Paid 8. Difference / Discrepancy (per schedule in the A/S vs. Amount paid) 9. Nature of Claim (Repatriation, Death, etc.) 10. Date Paid 11. Check Number			√
15.	FLASH DRIVE – Except Audited Financial Statements, which shall be submitted in PDF format, the Annual Statement and all other items in the checklist (with √ under Soft Copy column) are required to be submitted in Excel Format.			

Remarks: _____

Submitted by:

Signature over Printed Name

Designation

Note:

- Order of payment should be in duplicate
- Filing Fee – P40,000.00 + P5,000.00/day of delay including Saturday, Sunday and Holidays
- This checklist of required documents is subject to change.