Class: B.Com Part II
Subject: Corporate Accounting
Paper: IV
unit: V
Topic: Accounts of Insurance Companies.
Lecture Sequence No: 21

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Financial Statement of General Insurance Business

Financial Statements of general insurance business is prepared as per Schedule B of IRDA Regulations 2002. In part V of this schedule following formats are given :

Form B-RA Revenue Account

Form B-PL Profit & loss Account.

Form B-BS Balance Sheet.

Revenue Accounts of ---
(for the year ended ---)
In respect of --- Business.

	Particulars		Amt	Particulars		Amt
①	Claim under Policies			① Balance of Account at the beginning of the year :-		
Less	Re-insurance paid during the year.	xxx		→ Reserve for expired Risk.	xxx	
Add	Total estimated liability in respect of o/s. claims at the end of year	xxx		→ Additional Reserves	xxx	xxx
	Total	xxx				
Less	Oustanding at the end of the previous yr	xxx	xxx	② Premium	xxx	
				Less Reissurance	xxx	xxx
②	Commission			③ Interest, Dividend and Rents	xxx	
	Commission on direct business.		xxx	less Income Tax	xxx	xxx
	Commission on Reinsurance		xxx	④ Commission on Re-Insurance		xxx
	Commission on Reinsurance accepted		xxx			
③	Expenses of Management		xxx			
④	Bad debts		xxx	⑤ Other income to be specified		
⑤	Other Expenditure to be specified		xxx			

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continue:-

Particulars	Amt	Particulars	Amt.
(6) Profit transferred to Profit & Loss Account (Balance fig).	xxx	(6) Loss transferred to Profit & Loss A/c (Balance fig).	xxx
(7) Balance of Account at the end of the year as shown in the Balance Sheet:-		(7) Transferred from Appropriation Accounts.	xxx
Reserve for unexpired Risk. xxx			
being — % of premium income of the year xxx			
xxx			
Additional Reserve (if any) xxx	xxx		
Total		Total	

Note:-

Form of Revenue Account applicable to Fire Insurance Business, Marine Insurance Business and Miscellaneous Insurance Business.

Form B-RA.

IRDA has prescribed Form B.RA for the preparation of Revenue Account which is as under:-

Form B-RA.

Name of the Insurarer: ...
Registration No. and
Date of Registration with the IRDA...

Revenue Account.
(for the year ended 31. March 20--)

Particulars.	Schedule.	Current Year (Rs '000)	Previous Year (Rs '000)
1. Premium earned (Net).	1.		
2. Other (to be specified).			
3. Change in Provision for Unexpired Risk.			
4. Interest, Dividend & Rent (Gross)			
Total A).			
1. Claim Incurred (Net)	2.		
2. Commission	3		
3. Operating Expenses related to Insurance Business	4.		
4. Others (to be Specified)			
Total (B)			
Operating Profit/Loss from Fire/Marine/Miscellaneous Business [A-B]			