Class : B.Com Part II
Subject : Corporate Accounting
Paper : IV
unit : V
Topic : Accounts of Insurance Companies.
Lecture : Schedules Forming Part of Financial Stament.
Sequence No : 3

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Page No.:
Date:

Schedules Forming Part of Financial Statements :-

Schedule - 1 Premium Earned (Net).

Particulars	Current Year Rs 000'	Previous Year Rs 000'
Premium from Direct Business written.	xxx	xxx
Add Premium on re-insurance accepted.	xxx	xxx
	xxx	xxx
Less Premium on re-insurance ceded	xxx	xxx
Net Premium.	xxx	xxx
Adjustment for changes in Unearned Premium	xxx	xxx
Adjustment for changes in premium received in Advance.	xxx	xxx
Total Premium Earned (Net).		
Premium Income from Business effected.		
In India	xxx	xxx
Outside India	xxx	xxx
Total Premium Earned (Net)	xxx	xxx

Note
(a) In case of premium less reinsurance, in respect of any segment of insurance business exceeds 10% of total premium earned the same shall be disclosed separately
(b) Re insurance premium whether on business ceded or acepted are to be brought into account, before deducting commission, under the head of re-insurance premium.

Schedule 2 Claim Incurred (Net)

Particulars	Current year Rs('000)	Previous year (Rs '000)
Claim paid	xxx	xxx
Direct	xxx	xxx
Add Re-insuraned Accepted	xxx	xxx
Less Reinsurance Ceded	xxx	xxx
Net Claim paid		
Claim paid to Claimants:		
In India	xxx	xxx
Outside India	xxx	xxx
Total Claim incurred	xxx	xxx

(a) Note: Incurred But Not Reported (IBNR). Incurred But Not enough Report (IBNER) claims should be included in the amt for claim.

(b) claim include claims settlement cost

(c) The sureveyor fees, legal and other expenses shall form part of claims cost

(d) Claims cost should be adjusted for estimated salvage value if there is a sufficient certainty of its realisation.

Schedule 3: Commission

Particulars	Current Year Rs'000	Previous Year Rs'000
Commission	xxx	xxx
Direct	xxx	xxx
Add Reinsurance Accepted	xxx	xxx
Less Commission on Re-insurance Ceded.	xxx	xxx
Net commission		

Note: The profit/commission, if any are to be combined with the Reinsurance accepted or Re-insurance ceded figures

Schedule - 4 Operating Expenses Related in Insurance Business.

Particulars	Current year Rs 000'	Previous year Rs 000'
1. Employee's Remuneration and Welfare Benefits		
2. Managerial Remuneration		
3. Travel, Conveyance and Vehicle Running Expenses.		
4. Rent, Rates and Taxes		
5. Repairs		
6. Printing and Stationery		
7. Communication		
8. Legal and Professional charges.		
9. Medical Fees		
10. Auditor's, Fees, Expenses.		
(a) As auditor		
(b) As Advisor or in any other capacity, In respect of		
(i) Taxation Matters		
(ii) Management Services		
(c) in any other capacity.		
11. Advertisement and Publicity.		
12. Interest and Bank charges		
13. Other's (tobe Specified.)		
14. Depreciation		
Total.		

Note: Items of expenses in excess of one percent of net premium or 500000 whichever is higher shall be shown as a separate line item.

(b) under the sub-based Operating Exp. (Insurance Business) shall included items like foreign exchange gains or losses and other items.