



Financial Sector (Collection of Data) (reporting standard) determination No. 15 of 2023

Reporting Standard GRS 310.1 Premium Revenue and Reinsurance Expense

Financial Sector (Collection of Data) Act 2001

I, Michael Murphy, delegate of APRA, under paragraph 13(1)(a) of the *Financial Sector (Collection of Data) Act 2001* (the Act) and subsection 33(3) of the *Acts Interpretation Act 1901*:

- (a) REVOKE Financial Sector (Collection of Data) (reporting standard) determination No. 18 of 2013, including *Reporting Standard GRS 310.1 Premium Revenue and Reinsurance Expense* made under that Determination; and
- (b) DETERMINE *Reporting Standard GRS 310.1 Premium Revenue and Reinsurance Expense*, in the form set out in the Schedule, which applies to the financial sector entities to the extent provided in paragraph 3 of the reporting standard.

Under section 15 of the Act, I DECLARE that the reporting standard shall begin to apply to those financial sector entities on 1 April 2023, and the revoked reporting standard shall cease to apply, on 1 April 2023.

This instrument commences on 1 April 2023.

Dated: 16 March 2023

Michael Murphy
General Manager – Chief Data Officer (Acting),
Technology and Data Division

Interpretation

In this Determination:

APRA means the Australian Prudential Regulation Authority.

financial sector entity has the meaning given by section 5 of the Act.

Schedule

Reporting Standard GRS 310.1 Premium Revenue and Reinsurance Expense comprises the document commencing on the following page.



Reporting Standard GRS 310.1

Premium Revenue and Reinsurance Expense

Objective of this Reporting Standard

This Reporting Standard sets out the requirements for the provision of information to APRA relating to a general insurer's premium revenue and reinsurance expenses.

It includes *Form GRF 310.1 Premium Revenue and Reinsurance Expense* and associated specific instructions and must be read in conjunction with the general instruction guide.

Authority

1. This Reporting Standard is made under section 13 of the *Financial Sector (Collection of Data) Act 2001*.

Purpose

2. Information collected in *Form GRF 310.1 Premium Revenue and Reinsurance Expense* (GRF 310.1) is used by APRA for the purpose of prudential supervision including assessing compliance with the capital standards.

Application and commencement

3. This Reporting Standard applies to all general insurers authorised under the *Insurance Act 1973* (insurers). This Reporting Standard applies for reporting periods ending on or after 1 April 2023.

Information required

4. An insurer must provide APRA with the information required by Form GRF 310.1 for each reporting period.

Method of submission

5. The information required by this Reporting Standard must be given to APRA:
 - (a) in electronic format using an electronic method available on APRA's website; or

(b) by a method notified by APRA prior to submission.

Reporting periods and due dates

6. Subject to paragraph 7, an insurer must provide the information required by this Reporting Standard:

(a) in respect of each quarter based on the financial year of the insurer; and

(b) in respect of each financial year of the insurer.

Note: The annual information required from an insurer by paragraphs 4, 5 and 6(b), together with certain annual information required by other reporting standards, will form part of the insurer's yearly statutory accounts within the meaning of section 3 of the *Insurance Act 1973* (the Insurance Act). This means that the information must be audited in accordance with paragraph 49J(1)(a) of the Insurance Act. Under subsection 49J(3), the principal auditor of the insurer must give the insurer a certificate relating to the yearly statutory accounts, and that certificate must contain statements of the auditor's opinions on the matters required by the prudential standards to be dealt with in the certificate.

7. If, having regard to the particular circumstances of an insurer, APRA considers it necessary or desirable to obtain information more or less frequently than as provided by subparagraph 6(a) or 6(b), APRA may, by notice in writing, change the reporting periods, or specify reporting periods, for the particular insurer.

8. The information required by this Reporting Standard in respect of an insurer must be provided to APRA:

(a) within the time stated in *Reporting Standard GRS 001 Reporting Requirements* (GRS 001); or

(b) in the case of information provided in accordance with paragraph 7, within the time specified by notice in writing.

Note: Paragraph 49L(1)(a) of the Insurance Act provides that the auditor's certificate required under subsection 49J(3) of that Act must be lodged with APRA in accordance with the prudential standards. The prudential standards provide that the certificate must be submitted to APRA together with the yearly statutory accounts. Accordingly, the auditor's certificate relating to the annual information referred to in subparagraph 6(b) must be provided to APRA by the time specified in GRS 001 (unless an extension of time is granted under GRS 001).

Quality control

9. The information provided by an insurer under this Reporting Standard must be the product of systems, processes and controls that have been reviewed and tested by the Appointed Auditor of the insurer. This will require the Appointed Auditor to review and test the insurer's systems, processes and controls designed to enable the insurer to report reliable financial information to APRA. This review and testing must be done on:

(a) an annual basis or more frequently if necessary to enable the Appointed Auditor to form an opinion on the reliability and accuracy of data; and

(b) at least a limited assurance engagement consistent with professional standards and guidance notes issued by the Auditing and Assurance Standards Board

(AUASB) as may be amended from time to time, to the extent that they are not inconsistent with the requirements of *Prudential Standard GPS 310 Audit and Related Matters*.

10. All information provided by an insurer under this Reporting Standard must be subject to systems, processes and controls developed by the insurer for the internal review and authorisation of that information. It is the responsibility of the Board and senior management of the insurer to ensure that an appropriate set of policies and procedures for the authorisation of data submitted to APRA is in place.

Authorisation

11. When an officer, or agent, of an insurer provides the information required by this Reporting Standard it will be necessary for an officer, or agent, to digitally sign the relevant information using a digital certificate acceptable to APRA.
12. If an insurer provides the information required by this Reporting Standard through an agent who submits on the insurer's behalf, the insurer must:
 - (a) obtain from the agent a copy of the completed form with the information provided to APRA; and
 - (b) retain the completed copy.
13. An officer, or agent, of an insurer who submits the information under this Reporting Standard for, or on behalf of, the insurer must be authorised by either:
 - (a) the Principal Executive Officer of the insurer; or
 - (b) the Chief Financial Officer of the insurer.

Variations

14. APRA may, by written notice to the insurer, vary the reporting requirements of Form GRF 310.1 in relation to that insurer.

Interpretation

15. In this Reporting Standard (including the attachments):
 - (a) unless the contrary intention appears, words and expressions have the meanings given to them in *Prudential Standard GPS 001 Definitions* (GPS 001); and
 - (b) ***Appointed Auditor*** means an auditor appointed under paragraph 39(1)(a) of the Insurance Act;

APRA-authorised reinsurer means an insurer carrying on reinsurance business. For the purposes of this definition, a Lloyd's underwriter as defined under the Insurance Act is an APRA-authorised reinsurer if it carries on reinsurance business. The Australian Reinsurance Pool Corporation is also an APRA-authorised reinsurer for the purposes of this definition;

capital standards means the prudential standards which relate to capital adequacy as defined in GPS 001;

Chief Financial Officer means the chief financial officer of the insurer, by whatever name called;

financial year means the financial year (within the meaning in the *Corporations Act 2001*) of the insurer;

foreign insurer means a foreign general insurer within the meaning of the Insurance Act;

Note: A reference to a ‘branch’ or ‘branch operation’ is a reference to the Australian operations of a foreign insurer.

general instruction guide refers to the general instruction guide set out in Attachment A of GRS 001;

Insurance Act means the *Insurance Act 1973*;

insurer means a general insurer within the meaning of section 11 of the Insurance Act;

Note: In the forms and instructions, a reference to an ‘authorised insurer’, ‘authorised insurance entity’ or ‘licensed insurer’ is a reference to an insurer, and a reference to an ‘authorised reinsurance entity’ is a reference to an insurer whose business consists only of undertaking liability by way of reinsurance.

non-APRA-authorised reinsurer means any reinsurer that is not an APRA-authorised reinsurer;

Principal Executive Officer means the principal executive officer of the insurer, by whatever name called, and whether or not he or she is a member of the governing board of the insurer; and

reporting period means a period mentioned in subparagraph 6(a) or 6(b) or, if applicable, paragraph 7.

GRF_310_1_L: Premium Revenue and Reinsurance Expense (L)

Australian Business Number	Institution Name
Reporting Period	Scale Factor
Quarterly / Annual	Thousands of dollars no decimal place
Reporting Consolidation	
Licensed Insurer	

Section 1: Direct Business

Class of business (1)	Total gross written premium revenue (2)	Of which: Gross written premium revenue relating to unclosed business (3)	AASB 1023 Gross UPL at beginning of financial year (4)	AASB 1023 Gross UPL at end of period (5)	AASB 1023 Gross earned premium (excluding FSL) (6)	Fire service levy and other levies imposed by state and territory governments (7)	AASB 1023 Gross earned premium (including FSL) (8)	Full cost of reinsurance entered into in the period (9)	GRF 300.0 DRE at beginning of financial year (10)	GRF 300.0 DRE at end of period (11)	Total Reinsurance expense (12)	Net premium revenue (13)	Total reinsurance expense per AASB 1023 (14)	Number of risks written (15)
Householders														
Commercial motor														
Domestic motor														
Other direct - category A														

Travel
Fire and ISR
Marine
Aviation
Consumer credit
Other accident
Other direct - category B
Mortgage
CTP
Public and product liability
Professional indemnity
Employers liability
Other direct - category C

Section 2A: Reinsurance business

Class of business (1)	Total gross written premium revenue (2)	Of which: Gross written premium revenue relating to unclosed businesses (3)	AASB 1023 Gross UPL at beginning of financial year (4)	AASB 1023 Gross UPL at end of period (5)	AASB 1023 Gross earned premium (excluding FSL) (6)	Fire service levy and other levies imposed by state and territory governments (7)	AASB 1023 Gross earned premium (including FSL) (8)	Full cost of reinsurance entered into in the period (9)	GRF 300.0 DRE at beginning of financial year (10)	GRF 300.0 DRE at end of period (11)	Total Reinsurance expense (12)	Net premium revenue (13)	Total reinsurance expense per AASB 1023 (14)
Proportional - Category A													
Proportional - Category B													
Proportional - Category C													
Non-proportional - Category A													
Non-proportional - Category B													
Non-proportional - Category C													

Section 3: Total

	Of which : Gross written premium revenue relating to unclassified business	AASB 1023 Gross UPL at beginning of financial year	AASB 1023 Gross UPL at end of period	AASB 1023 Gross earned premium (excluding FSL)	Fire service levy and other levies imposed by state and territory governments	AASB 1023 Gross earned premium (including FSL)	Full cost of reinsurance entered into in the period	GRF 300.0 DRE at beginning of financial year	GRF 300.0 DRE at end of period	Total Reinsurance expense	Net premium revenue	Total reinsurance expense per AASB 1023	Number of risks written	Premium rec'd on a cashflow basis
(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)
Total direct business														
Total reinsurance business														
Proportional														
Non-proportional														
Total														

Of which is from / with:

Parent entity														
Controlled entities / Controlled entities of the parent														
Associates / Joint ventures														
Other related entities														

GRF_310_1 Premium Revenue and Reinsurance Expense

These instructions must be read in conjunction with the general instruction guide.

Explanatory notes

Direct business

Section 1 is to be completed for the insurance business written directly by the reporting insurer and is to be reported in accordance with the direct classes of business in Attachment B of *Prudential Standard GPS 001 Definitions* (GPS 001).

Reinsurance business

Section 2 is to be completed for the reinsurance business written by the reporting insurer and is to be reported in accordance with the reinsurance classes of business in Attachment B of GPS 001 and Attachment A of *Prudential Standard GPS 115 Capital Adequacy: Insurance Risk Charge* (GPS 115). The classes of business are to be aggregated by the Category and Reinsurance Type in Table 2 of Attachment A of GPS 115 for reporting in this form.

Instructions for specific items

Sections 1, 2 and 3

(1) Class of business

Report the items in these sections by the direct or reinsurance classes of business in accordance with Attachment B of GPS 001.

For the purpose of calculating the Insurance Risk Charge in respect of the 'Other' class of business as per GPS 001 for direct business, the Appointed Actuary is required to determine the most appropriate category (i.e. category A, B or C) in Table 1 of Attachment A of GPS 115 that this business falls within. The choice must be based on the underlying risk characteristics of the business being written. This amounts reported in the *Other direct - category A*, *Other direct - category B* or *Other direct - category C* line items are to follow this basis.

(2) Total gross written premium revenue

This is the value of gross written premium revenue recognised during the relevant period, as determined in accordance with Australian Accounting Standards. This item excludes any fire service levy (FSL) or other levies imposed by state and territory governments and is gross of any associated outwards reinsurance expense.

This includes business sourced through insurance intermediaries such as co-insurance, underwriting pools or joint ventures, or portfolio transfers.

(3) Of which: Gross written premium revenue relating to unclosed business

This is the value of gross written premium revenue recognised during the relevant period, and which is related to unclosed business. Unclosed business is that which has been accepted by the reporting insurer/reinsurer prior to the balance date but there is insufficient information to fully identify the business. This item excludes any FSL or other levies imposed by state and territory governments and is gross of any associated outwards reinsurance expense.

(4) AASB 1023 Gross UPL at beginning of financial year

This is the value, as at the beginning of the reporting insurer's financial year, of premium income received in advance which is still unearned and is classified as a liability to the reporting insurer. The unearned premium liability (UPL) is to be reported in accordance with *Australian Accounting Standard AASB 1023 General Insurance Contracts* (AASB 1023). It excludes unearned FSL and other levies imposed by state and territory governments.

(5) AASB 1023 Gross UPL at end of period

This is the value, as at the end of the current reporting period, of premium income received in advance which is still unearned and is classified as a liability to the reporting insurer. The UPL is to be reported in accordance with AASB 1023. It excludes unearned fire service levy and other levies imposed by state and territory governments.

(6) AASB 1023 Gross earned premium (excluding FSL)

This is the value of premium revenue earned during the relevant period, excluding FSL and other levies imposed by state and territory governments and gross of any associated outwards reinsurance expense.

It is automatically calculated as Column 2 plus Column 4 less Column 5.

(7) Fire service levy and other levies imposed by state and territory governments

This is the value of insurance premium revenue derived from FSL and other state and territory government levies that was earned during the relevant period. This item is to be determined in accordance with AASB 1023. FSL is earned in accordance with the pattern of the incidence of risk expected under the policy. This item is gross of any associated outwards reinsurance expense.

(8) AASB 1023 Gross earned premium (including FSL)

This is the value of premium revenue earned during the relevant period, including FSL and other levies imposed by state and territory governments and gross of any associated outwards reinsurance expense.

It is automatically calculated as Column 6 plus Column 7.

(9) Full cost of reinsurance entered into in the period

This is the value of the full cost of reinsurance entered into during the relevant period. The full cost of reinsurance entered into during the relevant period includes both reinsurance costs

recognised as an expense in the relevant period and reinsurance costs deferred for recognition in future periods.

(10) GRF 300.0 DRE at beginning of financial year

This is the value, as at the beginning of the reporting insurer's financial year, of deferred reinsurance expense (DRE), determined in accordance with *Prudential Standard GPS 320 Actuarial and Related Matters* (GPS 320). DRE represents the deferral of reinsurance expense in accordance with the pattern of reinsurance service received.

(11) GRF 300.0 DRE at end of period

This is the value, as at the end of the current reporting period, of DRE, determined in accordance with GPS 320.

The total amount across all direct and reinsurance classes of business should correspond to Item 8 in *GRF 300.0 Statement of Financial Position*.

(12) Total reinsurance expense

This is the value of reinsurance expense recognised during the relevant period, as determined in accordance with GPS 320.

It is automatically calculated as Column 9 plus Column 10 less Column 11.

(13) Net premium revenue

This is the value of premium revenue earned during the relevant period (including FSL and other levies) and net of any associated outwards reinsurance expense.

It is automatically calculated as Column 8 less Column 12.

(14) Total reinsurance expense per AASB 1023

Report the total reinsurance expense that would be reported under AASB 1023. Where there is no difference to the amount reported as *Total reinsurance expense* in Column 12 as per GPS 320, report the same amount. Where the insurer does not ordinarily calculate reinsurance expense under AASB 1023, input zero. This is a memo item.

(15) Number of risks written

For direct business, report the number of risks written during the relevant period, on a financial year to date basis. Where a policy covers multiple APRA classes of business and the premium is apportioned between these classes, one risk must be reported in each APRA class of business to which premium was allocated. For example, a home and contents policy with a domestic liability component must have premium allocated to both the householders class of business, and the public liability class of business. For this policy, one risk must be reported for the householders class of business (even if this business may be further split internally into building and contents risks), and one risk must be reported for the public liability class of business.

Section 3: Total**(16) Premiums rec'd on a cashflow basis**

This is the amount of premiums actually received over the reporting period (on a year to date basis). It relates to all premiums received on a cashflow basis in the current financial year, regardless of the financial year in which the premiums may have been recognised as revenue (i.e. a prior financial year).

Total direct business

Each item in this row is automatically calculated as the sum of each corresponding column in Section 1 across the classes of business.

Total reinsurance business

Each item in this row is automatically calculated as the sum of the *Proportional* and *Non-proportional* items in Section 3 for each corresponding column.

Proportional

Each item in this row is automatically calculated as the sum of each corresponding column in Section 2 across the proportional reinsurance classes of business.

Non-proportional

Each item in this row is automatically calculated as the sum of each corresponding column in Section 2 across the non-proportional reinsurance classes of business.

Total

Each item in this row is automatically calculated as the sum of the *Total direct business* and *Total reinsurance business* items in Section 3 for each corresponding column.

Parent entity

Report the amounts in each column that are with/from the parent entity of the reporting insurer.

Controlled entities / Controlled entities of the parent

Report the amounts in each column that are with/from a controlled entity of the reporting insurer, or another branch of the parent entity for a Category C insurer.

Associates / Joint Ventures

Report the amounts in each column that are with/from an associate or joint venture of the reporting insurer.

Other related parties

Report the amounts in each column that are with/from a related entity of the reporting insurer that is not the parent entity, a subsidiary, an associate or a joint venture of the reporting insurer.