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|  | **ITEM** | **CELL NUMBER(S)** | **DEFINITION** | **EXAMPLE** |
|  | Purpose | N/A | This sheet provides a statement of the assets, liabilities and excess assets/Basic Own Funds at the current and previous valuation dates. This is done on both SAM and IFRS bases. | N/A |
|  | Assets | Rows 17 to 54 | Asset figures need to be captured under SAM and IFRS, unless indicated otherwise through the colour key. SAM figures will be populated automatically from the asset sheets, where possible.  In this section information is required on the value of the assets under both SAM and IFRS bases. The SAM basis refers to a market consistent valuation, as outlined in the FSI 2.  **Details:**   * The value of goodwill, insurance contracts held that are assets and reinsurance contracts held that are assets are set at nil under SAM. * Intangible assets may have a value under SAM. The IFRS on Intangible assets is considered to be a good proxy if and only if the intangible assets can be recognised and measured at fair value. If a fair value measurement of an intangible asset is not possible, or when its value is only observable on a business combination as per IFRS, such assets should be valued at nil for SAM. * Owner occupied property refers to all property that is partially or fully occupied by the insurer and/or other companies in the insurer’s group. * Reinsurance recoverables reflect the reinsurance share of Technical Provisions. The calculation of the value of recoverables from reinsurance needs to be performed in two steps as follows:   + Calculate the Best Estimate of the recoverables. Do not include a risk margin.   + The result from that calculation should be adjusted to take account of expected losses due to default from the counterparty (unexpected losses are reflected in the SCR). The adjustment should be based on an assessment of the probability of default of the counterparty and the average loss resulting therefrom (loss-given-default).   [Refer to FSI 2.2]   * All participations should be valued at fair value (mark to market or adjusted net equity method) for solvency purposes. * The value for Asset Holding Intermediaries is the net asset value on a look through basis. * Derivative instruments need to be reported on according to the underlying variable. If a derivative instrument is based on more than one variable and it is not possible to split the value of the derivative into the individual components, insurers should allocate the derivative to the derivative class that best represents the instrument. Credit linked notes should be included under credit derivatives. * Deferred tax assets must be split into the categories provided.   + Deferred tax should be calculated in accordance with the difference between the carrying values of assets and liabilities in the SAM and IFRS balance sheets and the related tax base. Capital Gains Tax (CGT) refers to a deferred tax asset held in respect of unrealised capital losses.   + CGT should be captured as a single positive net amount under either assets or liabilities.   + Other deferred tax assets and liabilities should be captured as positive numbers under assets and liabilities (i.e. not be netted off). * Other assets refer to those assets which should be included in assets under the SAM and/or IFRS bases, but does not fit any of the other descriptions provided.   [Refer to FSI 2 and FSI 2.1] | N/A |
|  | Liabilities | Rows 61 to 98 | Liability figures need to be captured under SAM and IFRS, unless indicated otherwise through the colour key. SAM figures will be populated automatically from the technical provisions and other liability sheets, where possible.  **Details:**   * Gross Technical Provisions - Insurance contracts held that are liabilities on an IFRS basis reflect policyholder liabilities (gross of reinsurance). The SAM figures at the previous valuation date should correspond with the previous return, unless restated. * The value of PAA-insurance contacts held that are liabilities, other insurance contracts held that are liabilities, risk adjustment, contractual service margin and reinsurance contracts held that are liabilities are set at nil under SAM. * The “Debentures/Mortgages/Linked units/Loan stocks” item refers to items of debt other than those due to the insurer’s holding company/subsidiaries. It also excludes subordinated liabilities. * Amounts due to holding company or subsidiaries refer to the insurer’s debts that are due to other companies within the insurer’s group. * Payables (trade, not insurance) refer to regular trade payables, i.e. excluding insurance payables. For example, amounts due to suppliers would be included here but claims due to policyholders or premiums due to reinsurers would be excluded. * Contingent liabilities. * Provision for current taxation refers to amounts immediately due to SARS or other relevant revenue authorities. * Deferred tax liabilities must be split into the categories provided.   + Deferred tax should be calculated in accordance with the difference between the carrying values of assets and liabilities in the SAM and IFRS balance sheets and the related tax base. Capital Gains Tax (CGT) refers to a deferred tax liability held in respect of unrealised capital gains.   + CGT should be captured as a single positive net amount under either assets or liabilities.   + Other deferred tax assets and liabilities should be captured as positive numbers under assets and liabilities (i.e. not be netted off). * Liabilities related to approved Non-Insurance Business refers to the liabilities of business approved in terms of Section 5(4) of the Insurance Act. * Other liabilities refer to those liabilities which should be included in liabilities under the SAM and/or IFRS bases, but does not fit any of the other descriptions provided.   [Refer to FSI 2, FSI 2.1 and FSI 2.2] | N/A |
|  | Basic Own Funds | Rows 107 to 138 | The components of the Basic Own Funds/Excess Assets need to be captured on both SAM and IFRS bases. Excess assets over liabilities (row 100) must equal the total basic own funds before adjustments (row 138) excluding the impact of foreseeable dividends.  **Details:**   * The general definitions under IFRS hold for each of the items required under the IFRS columns and will not be discussed further here. * Ordinary share capital refers to any shares that are not preferred shares and do not have any predetermined dividend amounts. * The initial fund, members' contributions or the equivalent basic own-funds item for mutual and mutual-type insurers less any items of the same type held by the insurer. * The share premium account is the account to which the amount of money paid (or promised to be paid) by a shareholder for a share is credited to, only if the shareholder paid more than the cost of the share. * Other reserves from accounting balance sheet. * The reconciliation reserve ensures that the value of all individual basic own fund items reconcile to the total of excess of assets over liabilities and subordinated liabilities.   + “Adjustments to assets” is automatically calculated and it refers to the difference between the value of total assets under SAM and IFRS.   + “Adjustments to technical provisions” represents an amount that is necessary to ensure that the difference in valuing technical provisions on an IFRS and SAM is accounted for.   + The surrender value gap (SVG) adjustment is automatically calculated as the inverse of the SVG (see below). This is done to ensure that the SVG is visible as a Basic Own Funds item on this sheet.   + “Adjustments to other liabilities” represents an amount that is necessary to ensure that the difference in valuing other liabilities under SAM and IFRS is accounted for.   + “Other” refers to all other valuation differences that have not been accounted for in the rest of the reconciliation reserve. * The SVG refers to expected profits included in future cash flows (EPIFC) resulting from the recognition of profits yet to be earned, emanating from the cash flows from existing (in-force) business that are expected to be received in the future. * Preference shares are generally those shares with dividends that are paid to shareholders before dividends are paid out to the holders of ordinary share capital. * Subordinated liabilities are those liabilities that would rank behind policyholder liabilities in a wind up situation. Subordinated mutual member accounts are defined similarly. * Other items refer to those Basic Own Fund items which should be included in Basic Own Funds under the SAM and/or IFRS bases, but does not fit any of the other descriptions provided.   [Refer to FSI 2.3] | N/A |