



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

Head Office:  
P.O. Box 3589 Manila  
FAX No. 522-14-34  
Tel. Nos. 523-84-61 to 70  
Website : www.insurance.gov.ph

<b>Circular Letter No:</b>	7-2011
<b>Date:</b>	March 1, 2011
<b>Superseding: CL 10-2010 dated March 9, 2010</b>	

### CIRCULAR LETTER

**To :** All PRE-NEED COMPANIES

**Subject :** Filing of 2010 Audited Financial Statements

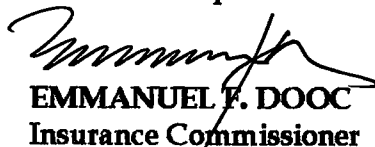
Pursuant to the provisions of the Pre-need Code of the Philippines, all pre-need companies are required to submit, not later than April 30 of the following year, Audited Financial Statements covering the calendar period ending December 31 of each year. Thus, submissions covering the 2010 year-end statements are due on or before April 30, 2011.

The following shall be observed:

- a) Submission shall be done in three (3) copies with comparative figures for the reporting year and prior year signed by an accredited external auditor, duly stamped "Received" by the BIR;
- b) The financial statements shall be submitted with all the documents listed in Annex "A" and the Annual Statements of all trust funds for each type of plan issued by the pre-need company, signed and sworn to by at least two (2) of the highest ranking officers of the company; and,
- c) Any financial statement submitted with incomplete attachments shall not be accepted.

The filing fee is ₱ 20,000.00, with a penalty for late filing of ₱ 500.00 for each day of delay.

For strict compliance.

  
EMMANUEL F. DOOC  
Insurance Commissioner



**LIST OF MINIMUM DOCUMENTS REQUIRED TO BE SUBMITTED  
TOGETHER WITH THE FILING OF AUDITED FINANCIAL STATEMENTS  
OF PRE-NEED COMPANIES:**

**For the Year Ended December 31, 2010**

**A. 2 copies of each, together with soft copy (preferably in USB), of the following**

1. Adjusted Trial Balance, signed by the Chief Accountant;
2. Reconciliation Statement of the Audited Financial Statements versus the Adjusted Trial Balance figures;
3. Annual Reserve Valuation Report, together with:
  - a) Certification by the actuary and/or any accountable officer of the company on the accuracy and completeness of the in-force files used in the valuation of reserves;
  - b) Certification on the prudent adequacy of the pre-need reserve that it shall provide at least the guaranteed contractual benefits under each pre-need contract of the company;
4. List of current members of board of directors and officers, their respective addresses, positions and committee membership;
5. Copy of minutes of meetings of the board and executive committees, including a copy each of the board resolutions made during the year;
6. The following Schedules, Summaries and/or Lists, using the attached pro-forma:
  - a) All assets and liability accounts;
  - b) Net Worth Account;
  - c) Income Statement;
  - d) Monthly sales;
  - e) Monthly Deposits to the Trust Fund;
  - f) Monthly Withdrawals from the Trust Fund;
  - g) In-force policies per plan;
  - h) Availing plans for the year 2011;
  - i) All claims/benefits filed; and,
  - j) List of Trustees

**B. A copy of each of the following:**

1. Sworn Statement from the responsible officers of the company stating that:
  - a) Only withdrawals allowed by the Commission have been made from the Trust Fund;



- b) Any deficiency in the Trust Fund has been duly addressed, attaching all necessary documents as proofs thereof;
2. Sworn statement from the company's Insurer certifying the coverages or guarantees assumed by the insurance company indicating the extent, term and duration of such coverage/guarantees;
  3. Bank statements, passbooks and certificates of all current, savings and time deposit accounts, respectively, as of December 31, 2010 and January 2011, together with the pertinent bank reconciliation statements;
  4. Official receipts, bank validated deposit slips and bank statements to support year-end deposits in transit, if any;
  5. Confirmation of sales of investments in Bonds and Treasury Bills, together with the Statement of Securities Account as of year-end issued by the Bureau of Treasury - Registry of Scriptless Securities;
  6. Statement of Holdings as of year-end from the company's custodian bank for dollar-denominated Bonds;
  7. Statement of Account as of year-end from Philippine Depository & Trust Corp. for scriptless stock investments;
  8. Report from a licensed real estate appraiser, accredited by the Philippine Association of Real Estate Appraisers, to support any increase or decrease in the value of real estate properties;
  9. Documents supporting investments in commercial papers;
  10. Documents supporting Mortgage Loans and Other Loans accounts;
  11. Official receipts to support 2010 payments of Value-added and Documentary Stamps Taxes.

---ooo---

