



<b>Circular Letter (CL) No.:</b>	<b>2021-04</b>
<b>Date:</b>	<b>20 January 2021</b>
<b>Amends:</b>	<b>CL No. 2014-41 with specific provisions listed in this CL</b>

**CIRCULAR LETTER**

**TO :** ALL MUTUAL BENEFITS ASSOCIATIONS (MBAs) AUTHORIZED TO TRANSACT BUSINESS IN THE PHILIPPINES

**SUBJECT :** AMENDMENT OF THE STANDARD CHART OF ACCOUNTS (SCA) FOR MUTUAL BENEFIT ASSOCIATIONS (MBAs)

**WHEREAS**, Insurance Commission (IC) Circular Letter (CL) No. 2014-41 entitled “Standard Chart of Accounts (SCA) for MBAs” was issued on 25 September 2014;

**WHEREAS**, CL No. 2014-41 explicitly states that the SCA for MBAs will be subjected for review once every three (3) years to assess its compliance with the Philippine Accounting Standards (PAS)/Philippine Financial Reporting Standards (PFRS) and/or other applicable regulations and standards.

**WHEREAS**, the IC finds it necessary to revisit the SCA for MBAs to ensure consistent application of accounting principles and standards.

**NOW, THEREFORE**, in view of all the foregoing, the following are the amendments to CL No. 2014-41:

<b>FROM</b>	<b>TO</b>
Note: No specific account in CL No. 2014-41 for deposits and investments maturing beyond three (3) months to one (1) year	Note: Added the account, “ <b>Short-Term Financial Assets</b> ”; Account Code: <b>117000</b>
Note: No specific account in CL No. 2014-41 for investments in Mutual, Unit Investment Trust, Real Estate Investment Trust and Other Funds	Note: Added the account, “ <b>FAFV (OCI) – Mutual, Unit Investment Trust, Real Estate Investment Trust and Other Funds</b> ”; Account Code: <b>122300</b>
Note: No specific accounts in CL No. 2014-41 related to the implementation of PFRS 16 – Leases	Note: Added the following accounts: 1. “ <b>Right of Use Asset</b> ”; Account Code: <b>181000</b> ;