FASB Agenda ref 83L

21 - 24 May 2012

STAFF PAPER

FASB | IASB Meeting

| Project | Insurance Contracts | | | | | | | | | |
|-------------|---------------------|---|------------------|--|--|--|--|--|--|--|
| Paper topic | • | strate the use of other comp iting specified changes in th | | | | | | | | |
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This paper is identical to AP2E/82E that was discussed at the joint education session in April 2012. The questions in this paper are superseded by the questions in AP2G/82G Summary of questions and staff recommendations for using OCI for insurance contracts.

What is this paper about?

 The examples in this paper complement the analysis in Agenda Paper 2B/82B¹, which asks the boards to consider the use of OCI to record changes in the insurance contract liability arising from changes in the discount rate.

The IASB is the independent standard-setting body of the IFRS Foundation, a not-for-profit corporation promoting the adoption of IFRSs. For more information visit www.ifrs.org

The Financial Accounting Standards Board (FASB), is the national standard-setter of the United States, responsible for establishing standards of financial accounting that govern the preparation of financial reports by nongovernmental entities. For more information visit www.fasb.org

¹ Agenda paper references are to the papers posted for the April 2012 education session.

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Staff analysis

Example 1: 3 year policy with claim payments made over 15 years

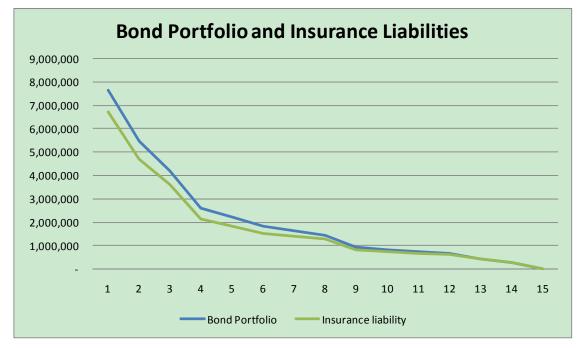
- 2. The staff built an example to include a hypothetical asset portfolio to consider presenting the effects on the insurance liability of a change in the discount rate in OCI together with changes in assets that may be presented in OCI as well.
- 3. The analysis shown in this paper considers a hypothetical investment of an insurance premium in a portfolio of fixed income and equity securities. The periodic claim payments that arise as a result of the insurance coverage are funded by bond maturities, cash returns of the investments (for example, dividends and interest), and if necessary, proceeds from sales of the investments. The analysis has the following assumptions:
 - (a) The premium received at the beginning of the contract is \$10M; the present value of the expected cash flows at that time is \$7.7M; and, the resulting single/residual margin is \$2.3M (assume there is no risk adjustment under IASB model in this example).
 - (b) The insured period is 3 years, with claim liabilities paid over 15 years in varying amounts.
 - (c) The single/residual margin is recognised straight-line over the payout period for simplicity.
 - (d) There is no change in the expected cash flows other than those resulting from a change in the discount rate. The expected and actual cash outflows are as follows:

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| | | | |

| Year | Cash Outflow |
|------|--------------|
| 1 | 1,500,000 |
| 2 | 2,500,000 |
| 3 | 1,500,000 |
| 4 | 1,500,000 |
| 5 | 500,000 |
| 6 | 500,000 |
| 7 | 300,000 |
| 8 | 200,000 |
| 9 | 500,000 |
| 10 | 100,000 |
| 11 | 100,000 |
| 12 | 100,000 |
| 13 | 200,000 |
| 14 | 200,000 |
| 15 | 300,000 |

- (e) 90 per cent of the \$10M premium is immediately invested in AA-rated corporate bonds with varying maturities between 1 and 15 years (purchased at par) to match the maturity of the bonds to the expected payout of the liability.
- (f) 10 per cent of the \$10M premium is immediately invested in the S&P 500 index.
- (g) No other assets exist to pay the claim liabilities.
- (h) Claims that arise during a period are paid at the end of that period based on the availability of the following resources in order: 1) bond maturities (or sales if the fair value exceeds principal maturing in that period), 2) cash received from dividends or interest during the period, and 3) sales of equity securities (if available).
- (i) Excess cash during a period that remains after fulfilling the entire liability for the period is not reinvested.
- (j) Taxes are not considered in the analysis.
- (k) The income statements for each of the scenarios included in the examples are simplified and therefore do not contemplate the full presentation of the income statement (that is, premiums and other expenses are not presented).

- 4. The evolution of prices for the equity securities is based on year-end prices of the S&P 500 index from 1996 through 2010. The evolution of prices for the hypothetical bond portfolio is based on the price returns of AA-rated corporate bond indices from 1996 through 2010. As held fixed income securities age in the analysis, price movements are developed based on the index that is relevant to the remaining maturity. Matching price returns of the hypothetical portfolio of fixed income securities to different AA-rated bond portfolios based on the remaining maturities of the bonds in the hypothetical portfolio allows the analysis to estimate the price of a the bonds within the portfolio through its entire life.
- 5. The following graph shows the fair value of the bond portfolio compared with the current value of the insurance liabilities that result from an initial investment in a hypothetical portfolio of fixed income securities with maturities that are matched to the expected payments on the insurance liabilities.



6. Fixed income securities that mature in a given period are assumed to be sold if the year-end fair value exceeds the principal amount to be collected upon maturity. Otherwise, par is assumed to be collected on the maturing securities. (Because the fair value at maturity approximates the par value, any resulting gains and losses from sales of the securities are insignificant to the analysis.)

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7. The examples included in this Appendix are presented under four different scenarios, which are summarized as follows:

| | Assets | | | | | | | | |
|------------|--------|----------|-------------------------|--|--|--|--|--|--|
| | Bonds | Equities | Change in discount rate | | | | | | |
| Scenario 1 | FV-OCI | FV-TPL | PL | | | | | | |
| Scenario 2 | FV-OCI | FV-TPL | OCI | | | | | | |
| Scenario 3 | FV-OCI | FV-OCI | OCI | | | | | | |
| Scenario 4 | FV-TPL | FV-TPL | PL | | | | | | |

8. Under all four scenarios, balance sheet totals (that is, total assets, total liabilities, and total stockholders' equity) are the same. The primary difference is within stockholders' equity. AOCI and retained earnings are different in each of the scenarios, but together, result in the same total stockholders' equity.

Unrealised gains and losses

9. The following chart shows the unrealized gains and losses on the hypothetical bond portfolio that would be presented in OCI compared to the unrealized gains and losses on the insurance liabilities that would be presented either in OCI or in net income, depending on the Scenario. For illustration purposes only, the staff assumed a yield curve for the discount rate for the period.

| | Net Unreali | zed Gains (Losses) |
|------|-------------|--------------------|
| | | Effect of Discount |
| | | Rate Change on |
| Year | Bonds | Liability |
| 1 | \$ 9,990 | \$ (9,990) |
| 2 | 56,953 | (56,951) |
| 3 | 81,214 | (81,213) |
| 4 | (237,677) | 237,682 |
| 5 | 44,165 | (44,158) |
| 6 | 67,941 | (67,941) |
| 7 | 84,800 | (99,451) |
| 8 | (28,692) | 3,370 |
| 9 | (52,520) | 49,064 |
| 10 | (24,740) | 36,696 |
| 11 | 11,545 | 18,971 |
| 12 | 11,987 | (11,028) |
| 13 | (27,355) | 27,355 |
| 14 | 7,811 | (7,826) |
| 15 | (5,422) | 5,421 |

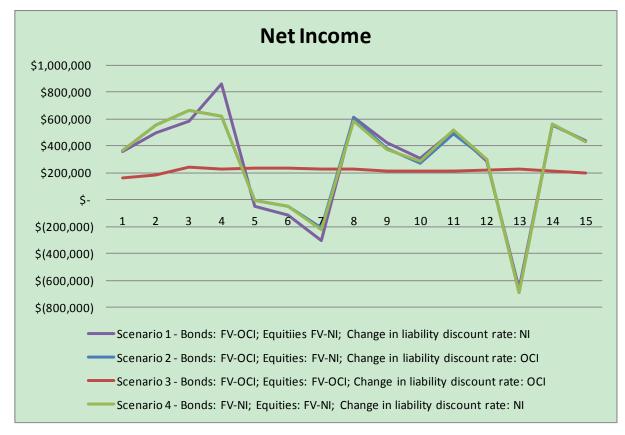
10. The staff primarily focused on the scenarios in which bonds are recorded at FV-OCI and equities are recorded at FV-TPL but for completeness the staff also have also illustrated presentation of the unrealized gains and losses on the equity securities in OCI instead of net income. As such, the chart below shows the unrealized gains and losses on the equity securities are as follows:

| Net Unrea | Net Unrealized Gains (Losses) | | | | | | | | |
|-----------|-------------------------------|-----------|--|--|--|--|--|--|--|
| Year | | Equities | | | | | | | |
| 1 | \$ | 202,567 | | | | | | | |
| 2 | | 372,787 | | | | | | | |
| 3 | | 420,032 | | | | | | | |
| 4 | | 389,552 | | | | | | | |
| 5 | | (241,778) | | | | | | | |
| 6 | | (279,464) | | | | | | | |
| 7 | | (435,402) | | | | | | | |
| 8 | | 376,682 | | | | | | | |
| 9 | | 162,316 | | | | | | | |
| 10 | | 59,029 | | | | | | | |
| 11 | | 275,926 | | | | | | | |
| 12 | | 81,247 | | | | | | | |
| 13 | | (917,174) | | | | | | | |
| 14 | | 343,833 | | | | | | | |
| 15 | | 231,342 | | | | | | | |

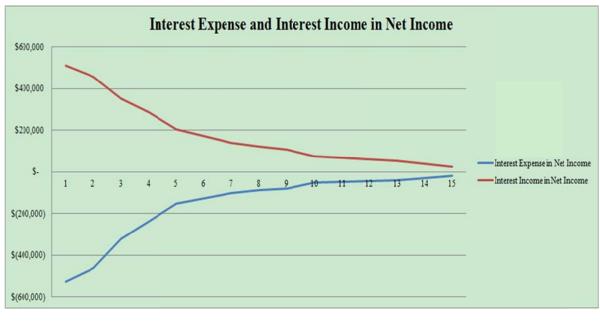
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Net income under the four scenarios

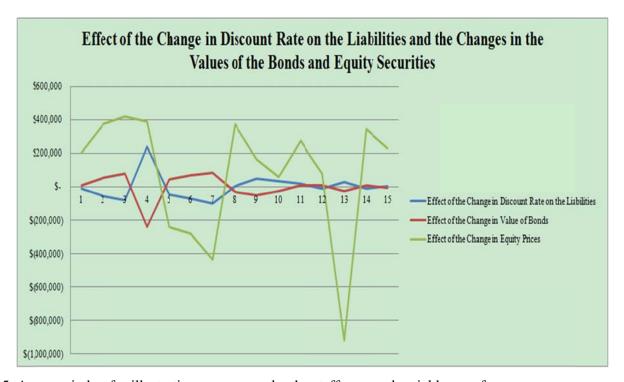
11. The following graph summarizes the effect on net income of each of the four scenarios:



- 12. In the graph above, it appears that Scenario 1 (including the movement in the liability as a result of a change in the discount rate in net income) and Scenario 2 (including the movement in the liability as a result of a change in the discount rate in other comprehensive income) would produce the same effect on net income.
- 13. However, the staff notes that Scenario 1 and Scenario 2 only appear to produce the same effect on net income because the unwind of the discount rate in interest expense almost perfectly offsets the interest income in net income. This is illustrated in the graph below:



14. The graph below shows in more detail the effect that the change in the discount rate would have on the insurance liability, and the movement in the value of the bonds and equity securities. The graph below illustrates a reason for recording both the change in the insurance liability and the change in the value of the bonds in the same manner (i.e., recording both changes in other comprehensive income or both changes in net income), as the change in the insurance liability would offset the change in the value of the bonds.

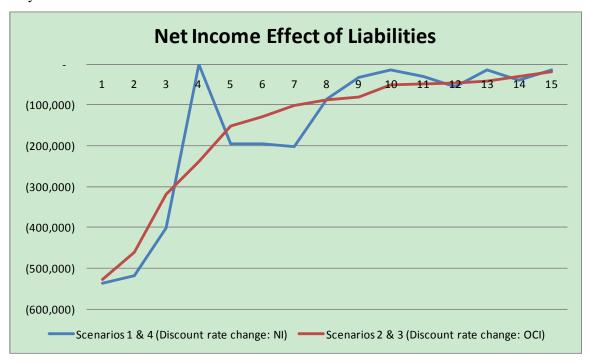


- 15. As a reminder, for illustrative purposes only, the staff assumed a yield curve for the discount rate that almost perfectly aligns with the change in the value of the bond portfolio. Scenario 2 and Scenario 4 (their lines are almost exactly the same) both eliminate the accounting mismatch in this hypothetical example because the unrealized gains and losses for the bonds and the effect of the change in the discount rate of the liability are both reflected either in net income or in OCI. To the extent that economic mismatches exist (duration, rate, or otherwise), those effects would be highlighted regardless of whether the changes are reported in OCI or net income. The purpose of the illustration is to show how recording the movement in the discount rate and the movement in the bonds in the same place helps reduce the accounting mismatch.
- 16. Scenario 1 in the graph uses the same assumptions for assets as Scenario 2 (that is, bonds: FV-OCI and equities: FV-NI), but the effects on insurance liabilities resulting from changes in the discount rate are reflected in net income instead of in OCI. If bonds are measured at fair value with changes through OCI and equities are measured at fair value with changes through NI, there may be significant changes in net income from one period to the next regardless of whether the

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effects on insurance liabilities of changes in the discount rate is presented in OCI or net income.

17. The following graph shows the effect on net income of the insurance liabilities only:



18. For reference, the detailed information for the above charts and graphs is included in the remaining pages of this paper for each of the four scenarios.

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| Income Statement | | 1 | | 2 | | 3 | | 4 | | 5 | | 6 | | 7 | 8 | li. | 9 | | 1 | 0 | | 11 | | 12 | | 13 | | 14 | 1 | 15 |
|-----------------------------------|----|-----------|----|------------|------|------------|------|------------|--------|----------|------|------------|------|--------------|------|------------|---------|------|--------|----------|--------|----------|------|-----------|----|------------|------|----------|--------|---------|
| Single margin | \$ | 156,010 | \$ | 156,010 | 5 | 156,010 | \$ | 156,010 | S 1 | 156,010 | \$ | 156,010 | 5 | 156,010 \$ | 15 | 6,010 \$ | 156, | 010 | \$ 1 | 56,010 | S | 156,010 | \$ | 156,010 | 5 | 156,010 | \$ | 156,010 | 5 1 | 56,010 |
| Interest expense | | (527,774) | | (458, 194) | | (304, 272) | | (204, 483) | (1 | 168,327) | | (136,720) | | (98, 295) | (6 | 3,562) | (51, | 921) | (| 38, 190) | | (41,027) | | (41, 242) | | (30, 782) | | (32,440) | (| 13,917 |
| Change in discount rate | | (9,990) | | (59,543) | | (97, 223) | | 203, 167 | (| (27,944) | | (59, 363) | | (103, 677) | (2 | 21,983) | 19, | 724 | - 8 | 22,478 | | 10,867 | | (15,411) | | 16,259 | | (6,370) | | |
| Interest income | | 508,365 | | 454,365 | | 353,115 | | 285,615 | 2 | 204,615 | | 173,115 | | 140,490 | 12 | 20,645 | 107, | 145 | | 72,945 | | 65,970 | | 58,815 | | 51,615 | | 37,035 | | 22,275 |
| Dividend income | | 24,166 | | 25,189 | | 26,293 | | 27,120 | | 26,406 | | 25,546 | | 26,098 | 2 | 9,019 | 31, | 498 | 33 | 36,323 | | 40,656 | | 45,006 | | 45,525 | | 36,209 | | 37,524 |
| Realized gain (loss) - bonds | | 1,709 | | 4,792 | | 25,796 | | | | - | | 5,420 | | 7,370 | 1 | 2,525 | | - | | - | | | | 2,323 | | 18,852 | | 15,876 | | 4,552 |
| Unrealized gain (loss) - equities | | 202,567 | | 372,787 | | 420,032 | | 389,552 | (2 | 241,778) | | (279, 464) | | (435, 402) | 37 | 76,682 | 162, | 316 | 8 | 59,029 | | 275,926 | | 81,247 | | (917, 174) | | 343,833 | 2 | 31,342 |
| Realized gain (loss) - equities | | | | | | - | | - | | - | | - | | - | | - | 1170.77 | - | | - | | | | | | - | | | | |
| Net income | \$ | 355,053 | \$ | 495,405 | \$ | 579,752 | \$ | 856,982 | \$ (| (51,017) | \$ | (115,457) | \$ | (307,406) \$ | 60 | 9,337 \$ | 424, | 772 | \$ 3 | 08,594 | \$: | 508,403 | \$ | 286,749 | \$ | (659,694) | \$ | 550,154 | 5 4 | 37,786 |
| OCI | | 1 | | 2 | | 3 | _ | 4 | | 5 | | 6 | | 7 | 8 | | 9 | | 1 | 0 | Ť | 11 | | 12 | | 13 | | 14 | 1 | 15 |
| Assets | | | | | | 1000 | | | | | | | | | | | | | | *** | | | | | | | | | | |
| Bonds | | 9,990 | | 59,801 | | 84,089 | | (214, 221) | | 37,795 | | 56,247 | | 83,872 | (1 | 15, 150) | (38, | 891) | (| 24,610) | | 3,782 | | 12,474 | | (5,887) | | 13,842 | | 1 |
| Recycle - bonds | | | | (2,849) | | (2,875) | | (23, 456) | | 6,370 | | 11,694 | | 928 | (1 | 13,542) | (13, | 629) | | (130) | | 7,763 | | (487) | | (21,467) | | (6,032) | | (5,422 |
| Total OCI | S | 9,990 | \$ | 56,953 | S | 81,214 | S | (237,677) | \$ | 44,165 | \$ | 67,941 | \$ | 84,800 \$ | (2 | 28,692) \$ | (52, | 520) | \$ (| 24,740) | \$ | 11,545 | \$ | 11,987 | 5 | (27,355) | \$ | 7,811 | S . | (5,422 |
| Changes in Equity | | 1 | | 2 | | 3 | | 4 | | 5 | | 6 | | 7 | 8 | | 9 | | | 0 | | 11 | | 12 | | 13 | | 14 | 1 | 15 |
| Beginning equity | 5 | | \$ | 365,044 | 5 | 917,402 | \$ | 1,578,368 | \$ 2,1 | 197,673 | \$ 2 | 2,190,821 | \$ | 2,143,305 \$ | 1,92 | 20,700 \$ | 2,501, | 344 | \$ 2,8 | 73,596 | \$ 3, | 157,450 | 5 3 | 3,677,398 | \$ | 3,976,134 | \$ 3 | ,289,085 | \$ 3,8 | 347,050 |
| Net income | | 355,053 | | 495,405 | | 579,752 | | 856,982 | (| (51,017) | | (115, 457) | | (307, 406) | 60 | 9,337 | 424, | 772 | 3 | 08,594 | | 508,403 | | 286,749 | | (659, 694) | | 550,154 | 4 | 37,786 |
| OCI | | 9,990 | | 56,953 | | 81,214 | | (237, 677) | | 44,165 | | 67,941 | | 84,800 | | 28,692) | | 520) | | 24,740) | | 11,545 | | 11,987 | | (27, 355) | | 7,811 | | (5,422 |
| Ending equity | \$ | 365,044 | \$ | 917,402 | \$ 1 | ,578,368 | \$ | 2,197,673 | \$ 2,1 | 190,821 | \$ 2 | 2,143,305 | 5 | 1,920,700 \$ | 2,50 | 01,344 \$ | 2,873, | 596 | \$ 3,1 | 57,450 | \$ 3,0 | 577,398 | \$: | 3,976,134 | \$ | 3,289,085 | \$ 3 | ,847,050 | 5 4,2 | 79,414 |
| Balance Sheet | | 1 | | 2 | | 3 | | 4 | | 5 | | 6 | | 7 | 8 | | 9 | | 1 | 0 | 7 | 11 | | 12 | | 13 | | 14 | 1 | 15 |
| Assets | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Cash | | 384,586 | 5 | 618,932 | 5 | 874,136 | 1000 | | 200 | | | | | 1,515,931 \$ | | 58,121 \$ | 50000 | | | | | 942,657 | \$ 2 | | 5 | | \$ 2 | ,203,913 | 5 2,2 | 38,264 |
| Investment in bonds | | 7,659,990 | | 5,466,943 | | , 198, 157 | | 2,610,480 | | 204,645 | | 1,822,586 | | 1,637,386 | 1000 | 28,694 | 926, | | | 11,434 | | 732,979 | | 654,966 | | 447,611 | | 275,422 | | |
| Investment in equities | | 1,202,221 | | 1,575,008 | | ,995,040 | | 2,384,593 | | 142,814 | | 1,863,350 | | 1,427,948 | | 04,630 | 1,966, | | | 25,975 | | 301,901 | | 2,383,148 | | 1,465,975 | | ,809,807 | | 141,150 |
| Total assets | \$ | 9,246,798 | \$ | 7,660,883 | \$ 7 | ,067,333 | \$ | 6,031,944 | \$ 5,5 | 565,352 | \$ 5 | 5,057,909 | \$. | 4,581,265 \$ | 4,89 | 1,444 \$ | 4,639, | 883 | \$ 4,6 | 83,439 | \$ 4,5 | 977,537 | \$: | 5,076,915 | \$ | 4,048,379 | \$ 4 | ,289,143 | 5 4,2 | 79,414 |
| Liabilities | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Insurance ECFs | 5 | 5,697,610 | 5 | 4,715,348 | \$ 3 | ,616,842 | 5 | 2,118,158 | \$ 1,8 | 314,428 | \$ 1 | 1,510,511 | 5 | 1,412,484 \$ | 1,29 | 8,029 \$ | 830, | 226 | \$ 7 | 45,938 | 5 (| 576,098 | 5 | 632,750 | 5 | 447,273 | 5 | 286,083 | 5 | - 21 |
| CM remaining | | 2,184,143 | _ | 2,028,133 | _ | ,872,123 | | 1,716,113 | | 560,102 | _ | 1,404,092 | _ | 1,248,082 | | 2,072 | 936, | | | 80,051 | _ | 524,041 | | 468,031 | | 312,020 | | 156,010 | | - 10 |
| Total liabilities | 5 | 8,881,754 | 5 | 6,743,481 | \$ 5 | ,488,965 | \$. | 3,834,271 | \$ 3,3 | 374,531 | \$ 2 | 2,914,604 | 5 | 2,660,566 \$ | 2,39 | 90,100 \$ | 1,766, | 287 | \$ 1,5 | 25,990 | \$ 1,3 | 300,139 | \$ | 1,100,781 | 5 | 759,294 | 5 | 442,093 | 5 | - 24 |
| Stockholders' equity | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| AOCI | 5 | 9,990 | \$ | | \$ | 148,157 | \$ | | | | 5 | | 5 | 107,386 \$ | | 78,694 \$ | | | \$ | | \$ | 12,979 | 5 | | 5 | (2,389) | | 5,422 | | (|
| Retained earnings | | 355,053 | | 850,459 | _ | ,430,211 | _ | 2,287,193 | | 236,176 | _ | 2,120,719 | | 1,813,313 | | 22,650 | 2,847, | | 3,1 | 56,016 | | 564,419 | _ | 3,951,168 | | 3,291,474 | _ | ,841,628 | _ | 79,414 |
| Total SE | 5 | 365,044 | 5 | 917,402 | 5 1 | ,578,368 | 5 | 2,197,673 | \$ 2,1 | 190,821 | \$ 2 | 2,143,305 | 5 | 1,920,700 \$ | 2,50 | 1,344 \$ | 2,873, | 596 | \$ 3,1 | 57,450 | \$ 3,6 | 577,398 | \$: | 3,976,134 | 5 | 3,289,085 | \$ 3 | ,847,050 | 5 4,2 | 79,414 |
| Total Liabilities and SE | _ | 9,246,798 | | 7,660,883 | | .067,333 | | 6,031,944 | | | | | | 4,581,265 \$ | | 1.444 S | | | | 83,439 | | 977,537 | | 5.076.915 | | 4.048,379 | | 289,143 | | 79,414 |

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| Income Statement | | 1 | | 2 | | 3 | | 4 | | 5 | | 6 | | 7 | 8 | В | | 9 | | 10 | | 11 | | 12 | | 13 | | 14 | | 15 |
|---------------------------------------|----|-----------|----|------------------|------|--------------------|----------------|---|----|-------------------------------------|------|------------|-------|--------------------|---------|--|------|---|------|-----------------------|------|------------------------------|----|-------------------------------------|------|-----------------------|------|--------------------------|------|----------|
| Single margin | 5 | 156,010 | \$ | 156,010 | \$ | 156,010 | \$ | 156,010 | \$ | 156,010 | 5 | 156,010 | 5 | 156,010 | \$ 15 | 56,010 | \$ | 156,010 | \$ | 156,010 | 5 | 156,010 | 5 | 156,010 | \$ | 156,010 | 8 | 156,010 | 5 | 156,01 |
| nterest expense | | (527,774) | | (458, 194) | | (304, 272) | | (204, 483) | | (168, 327) | | (136,720) | | (98, 295) | (6 | 63,562) | | (51,921) | | (38, 190) | | (41,027) | | (41, 242) | | (30, 782) | | (32,440) | | (13,91 |
| Recycle - liabilities | | | | (2,592) | | (16,010) | | (34,514) | | 16,214 | | 8,578 | | (4,226) | (2 | 25, 353) | | (29, 339) | | (14,219) | | (8, 103) | | (4, 383) | | (11,096) | | 1,456 | | (5,42 |
| Interest income | | 508,365 | | 454,365 | | 353,115 | | 285,615 | | 204,615 | | 173,115 | | 140,490 | 12 | 20,645 | | 107,145 | | 72,945 | | 65,970 | | 58,815 | | 51,615 | | 37,035 | | 22,27 |
| Dividend income | | 24,166 | | 25,189 | | 26,293 | | 27,120 | | 26,406 | | 25,546 | | 26,098 | 2 | 29,019 | | 31,498 | | 36,323 | | 40,656 | | 45,006 | | 45,525 | | 36,209 | | 37,52 |
| Realized gain (loss) - bonds | | 1,709 | | 4,792 | | 25,796 | | - | | | | 5,420 | | 7,370 | | 12,525 | | - | | | | - | | 2,323 | | 18,852 | | 15,876 | | 4,55 |
| Unrealized gain (loss) - equities | | 202,567 | | 372,787 | | 420,032 | | 389,552 | | (241,778) | | (279, 464) | (| 435, 402) | 37 | 76,682 | | 162,316 | | 59,029 | | 275,926 | | 81,247 | | (917, 174) | | 343,833 | | 231,34 |
| Realized gain (loss) - equities | | | | | | - | | | | (8) | | - | | | | | | | | | | | | | | - | | - | | |
| Net income | \$ | 365,044 | \$ | 552,356 | \$ | 660,965 | \$ | 619,301 | \$ | (6,859) | \$ | (47,516) | 5 (| 207,955) | \$ 60 | 05,967 | \$ | 375,708 | \$ | 271,898 | \$ | 489,433 | \$ | 297,777 | \$ | (687,049) | \$ | 557,980 | \$ | 432,36 |
| OCI | | 1 | | 2 | | 3 | | 4 | | 5 | | 6 | | 7 | | 3 | | 9 | | 10 | | 11 | _ | 12 | | 13 | | 14 | | 15 |
| Liabilities | _ | | | | _ | | | | _ | | _ | | | | | | _ | | _ | 10 | _ | | _ | 11. | _ | 13 | _ | 14 | | 13 |
| Change in discount rate | S | (9,990) | S | (59,543) | S | (97, 223) | S | 203,167 | S | (27,944) | 5 | (59, 363) | 5 (| 103,677) | s (| 21,983) | S | 19,724 | S | 22,478 | S | 10,867 | S | (15,411) | S | 16,259 | 2 | (6,370) | S | |
| Recycle | | (0,000) | • | 2,592 | | 16.010 | | 34,514 | * | (16,214) | * | (8,578) | - | 4,226 | T | 25,353 | - | 29,339 | • | 14,219 | - | 8,103 | | 4,383 | * | 11.096 | * | (1,456) | • | 5,42 |
| Assets | | | | 2,002 | | 10,010 | | 01,011 | | (10,214) | | (0,010) | | 1,220 | | 20,000 | | 20,000 | | 14,210 | | 0,100 | | 1,000 | | 11,000 | | (1,100) | | 0,12 |
| Bonds | | 9,990 | | 59.801 | | 84.089 | | (214,221) | | 37,795 | | 56.247 | | 83,872 | (| 15,150) | | (38,891) | | (24,610) | | 3.782 | | 12,474 | | (5,887) | | 13.842 | | |
| Recycle - bonds | | 0,000 | | (2,849) | | (2,875) | | (23, 456) | | 6,370 | | 11.694 | | 928 | - 1 | 13.542) | | (13,629) | | (130) | | 7.763 | | (487) | | (21,467) | | (6,032) | | (5,42 |
| Total OCI | 5 | 0 | \$ | 2 | \$ | 1 | \$ | 4 | 5 | 7 | 5 | 1 | \$ | (14,651) | | 25,323) | \$ | (3, 456) | \$ | 11,956 | S | 30,516 | 5 | 959 | S | 1 | S | (15) | S | (-),- |
| | | | | | | | | | | | | | | | | | | 11111 | | | | | | | | | | | | |
| Changes in Equity | | 1 | | 2 | | 3 | | 4 | | 5 | | 6 | | 7 | 8 | 3 | | 9 | | 10 | | 11 | | 12 | | 13 | | 14 | | 15 |
| Beginning equity | S | | \$ | 365,044 | \$ | 917,402 | \$ 1 | 1,578,368 | \$ | 2,197,673 | \$ 2 | 2,190,821 | \$ 2, | 143,305 | \$ 1,92 | 20,700 | \$ 2 | ,501,344 | \$ 2 | ,873,596 | \$ 3 | 3,157,450 | \$ | 3,677,398 | \$ 3 | ,976,134 | \$ 3 | ,289,085 | \$ 3 | 3,847,05 |
| Net income | | 365,044 | | 552,356 | | 660,965 | | 619,301 | | (6,859) | | (47,516) | (| 207,955) | 60 | 05,967 | | 375,708 | | 271,898 | | 489,433 | | 297,777 | | (687,049) | | 557,980 | | 432,36 |
| OCI | _ | 0 | | 2 | | 1 | | 4 | | 7 | | 1 | | (14,651) | (2 | 25,323) | | (3, 456) | | 11,956 | | 30,516 | | 959 | | 1 | | (15) | | (|
| Ending equity | S | 365,044 | \$ | 917,402 | \$ 1 | ,578,368 | \$ 2 | 2,197,673 | \$ | 2,190,821 | \$ 2 | ,143,305 | \$ 1, | 920,700 | \$ 2,50 | 01,344 | \$ 2 | ,873,596 | \$ 3 | ,157,450 | \$ 3 | 3,677,398 | \$ | 3,976,134 | \$ 3 | ,289,085 | \$ 3 | ,847,050 | \$ 4 | ,279,41 |
| Balance Sheet | | 1 | | 2 | _ | 3 | | 4 | | 5 | _ | 6 | | 7 | 8 | 3 | | 9 | | 10 | | 11 | _ | 12 | | 13 | | 14 | | 15 |
| Assets | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Cash | S | 384,586 | S | 618,932 | S | 874,136 | 5 1 | 1.036.871 | S | 1,217,892 | 5 1 | ,371,973 | \$ 1. | 515,931 | \$ 1.65 | 58.121 | S 1 | .746.763 | \$ 1 | .846.031 | 5 1 | .942.657 | S | 2.038.801 | 5 2 | 134,793 | 8 2 | 203,913 | \$ 2 | 238.26 |
| Investment in bonds | | 7.659,990 | | 5,466,943 | 4 | 1.198.157 | 2 | 2.610.480 | | 2.204.645 | | .822,586 | 1. | 637,386 | 1.42 | 28.694 | | 926,174 | | 811.434 | | 732,979 | | 654.966 | | 447,611 | | 275,422 | | |
| Investment in equities | | 1,202,221 | | 1,575,008 | 1 | 1,995,040 | 2 | 2.384.593 | | 2,142,814 | 1 | ,863,350 | 1. | 427,948 | 1.80 | 04,630 | 1 | 966,946 | 2 | .025,975 | 2 | 2.301,901 | | 2.383.148 | 1 | 465,975 | 1 | .809.807 | 2 | .041.15 |
| Total assets | \$ | 9,246,798 | \$ | 7,660,883 | 5 7 | 7,067,333 | \$ 6 | 6,031,944 | 5 | 5,565,352 | \$ 5 | ,057,909 | \$ 4, | 581,265 | \$ 4,89 | 91,444 | \$ 4 | ,639,883 | \$ 4 | ,683,439 | \$ 4 | ,977,537 | 5 | 5,076,915 | \$ 4 | ,048,379 | 5 4 | ,289,143 | 5 4 | ,279,41 |
| Liabilities | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Insurance ECFs | S | 6.697.610 | 5 | 4.715,348 | S 3 | 3,616,842 | \$ 2 | 2.118.158 | S | 1,814,428 | 5 1 | ,510,511 | \$ 1 | 412 484 | \$ 1.29 | 98.029 | S | 830,226 | S | 745,938 | S | 676,098 | S | 632,750 | S | 447,273 | 5 | 286,083 | S | |
| CM remaining | - | 2.184.143 | | 2.028.133 | | 1.872.123 | | 1.716.113 | | 1,560,102 | | 404,092 | | 248,082 | | 92,072 | | 936,061 | | 780,051 | | 624,041 | | 468,031 | | 312,020 | | 156,010 | | |
| Total liabilities | _ | | | | | | _ | 1 | | 3.374.531 | _ | | | | | | S 1 | .766,287 | S 1 | | 5 1 | | S | | S | 759,294 | S | 442.093 | S | |
| Stockholders' equity | | 0,001,101 | | 0,1 10,101 | | ,, 100,000 | | ,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,, | | 0,014,001 | | ,011,001 | -, | | 2,00 | , | | ,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,, | | ,020,000 | | ,000,100 | | 111101101 | | , 00,201 | No. | 112,000 | • | |
| | S | 0 | S | 2 | S | 3 | S | 7 | S | 15 | 5 | 15 | S | (14,636) | s (: | 39,959) | S | (43,415) | S | (31, 459) | S | (943) | S | 16 | S | 16 | S | 1 | S | (|
| AOCI | | - | | market many or a | | removement and the | Carried Street | enconcernière | | and the second second second second | 100 | | | | | The state of the s | | | | and the second second | | an recognition of the second | | and the second second second second | 1000 | and the second second | | and the same of the same | | 270 44 |
| AOCI Retained earnings | | 365 044 | | 917.400 | 1 | 1.578.365 | 2 | 2.197.666 | | 2.190.807 | 2 | 143.290 | 1 | 935.335 | 2.0 | 47.303 | | 911.011 | - 20 | 700 904 | | 0/8 34/ | | 3.9/0.778 | - 3 | 289.069 | - 3 | 847.049 | - 4 | 219.27 |
| AOCI Retained earnings Total SE | S | 365,044 | S | 917,400 | | 1,578,365 | | 2,197,666 | | 2,190,807 2,190,821 | _ | 2,143,290 | | 935,335 920,700 | | 41,303 01,344 | | ,917,011 | | 3,188,909 | | 3,678,342 | | 3,976,118 | _ | 289,069 | | 3,847,049 | _ | 279,41 |

| 2E | IASB Agenda ref |
|-----|-----------------|
| 82E | FASB Agenda ref |

| Income Statement | | 1 | 2 | 3 | | 4 | 5 | | 6 | 7 | | 8 | 9 | | 10 | | 11 | | 12 | 13 | | 14 | | 15 |
|---|-------|---|---|--|--|---|--|---|--|--|---|--|--|--|--|--|--|----------------------|---|---|--|--|---|-------------------------------------|
| Single margin | S | 156,010 | 156,010 | \$ 156, | 010 | \$ 156,010 | \$ 15 | 6,010 | 156,010 | \$ 156, | 010 \$ | 156,010 | \$ 156, | 010 | \$ 156,01 | 0 \$ | 156,010 | \$ | 156,010 | \$ 15 | 6,010 | \$ 156,01 | 0 \$ | 156,010 |
| Interest expense | | (527,774) | (458, 194) | (304, | 272) | (204, 483) | (16 | 8,327) | (136,720) | (98, | (95) | (63, 562) | (51, | 921) | (38, 19 | 0) | (41,027) | | (41,242) | (3 | 0,782) | (32,44 | 0) | (13,917 |
| Recycle - liabilities | | - | (2,592) | (16, | 010) | (34,514) | 1 | 6,214 | 8,578 | (4, | 226) | (25, 353) | (29, | 339) | (14,21 | 9) | (8, 103) | | (4,383) | (1 | 1,096) | 1,45 | 6 | (5,421 |
| Interest income | | 508,365 | 454,365 | 353, | 115 | 285,615 | 20 | 4,615 | 173,115 | 140, | 190 | 120,645 | 107, | | 72,94 | 5 | 65,970 | | 58,815 | 5 | 1,615 | 37,03 | 5 | 22,275 |
| Dividend income | | 24,166 | 25,189 | 26, | 293 | 27,120 | 2 | 6,406 | 25,546 | 26, | 198 | 29,019 | 31, | 498 | 36,32 | 3 | 40,656 | | 45,006 | 4 | 5,525 | 36,20 | 9 | 37,524 |
| Realized gain (loss) - bonds | | 1,709 | 4,792 | 25, | 796 | - | | - | 5,420 | 7, | 370 | 12,525 | | - | | - | - | | 2,323 | 1 | 8,852 | 15,87 | 6 | 4,552 |
| Realized gain (loss) - equities | | | - | | - | 2 | | 2 | _ | | - | - | | - | | 2 | - | | | | | | 1 | |
| Net income | \$ | 162,477 | 179,570 | \$ 240, | 933 | \$ 229,748 | \$ 23 | 4,919 | 3 231,948 | \$ 227, | 47 \$ | 229,285 | \$ 213, | 392 \$ | \$ 212,86 | 9 \$ | 213,507 | \$ | 216,529 | \$ 23 | 0,124 | \$ 214,14 | 7 \$ | 201,023 |
| OCI | 1 | 1 | 2 | 3 | | 4 | 5 | | 6 | 7 | | 8 | 9 | | 10 | | 11 | | 12 | 13 | | 14 | | 15 |
| Liabilities | | | | | | - | | | | | | | | | 10 | | | | | - 13 | | - 14 | | .,, |
| Change in discount rate | S | (9.990) | (59,543) | S (97 | 223) | \$ 203,167 | \$ /2 | 7,944) | (59, 363) | s (103) | 577) S | (21,983) | \$ 10 | 724 \$ | \$ 22,47 | 8 5 | 10,867 | S | (15,411) | 5 1 | 6,259 | \$ (6,3) | 0) 5 | |
| Recycle | | (3,330) | 2,592 | | 010 | 34,514 | | 6,214) | (8,578) | | 226 | 25,353 | | 339 | 14,21 | | 8,103 | | 4,383 | | 1,096 | (1,45 | | 5,421 |
| Assets | | | 2,032 | 10, | 010 | 04,014 | (1 | 0,214) | (0,070) | 7, | 20 | 20,000 | 23, | 003 | 14,21 | - | 0,100 | | 4,000 | | 1,030 | [1,40 | 0) | 0,421 |
| Bonds | | 9.990 | 59,801 | 84 | 089 | (214,221) | 3 | 7,795 | 56,247 | 83. | 172 | (15, 150) | /38 | 891) | (24.61 | 0) | 3.782 | | 12,474 | | (5, 887) | 13.84 | 2 | |
| Recycle - bonds | | 0,000 | (2,849) | | 875) | (23, 456) | | 6.370 | 11,694 | | 28 | (13,542) | | 629) | (13 | | 7,763 | | (487) | - | 1,467) | (6,03 | | (5, 422 |
| Equities | | 202,567 | 372,787 | 420. | | 389,552 | | 1,778) | (279, 464) | (435, | San State of the last | 376,682 | 162 | | 59,02 | | 275,926 | | 81,247 | | 7,174) | 343,83 | | 231,342 |
| Recycle - equities | | 202,007 | 0,2,,0, | 420, | - | 000,002 | (2-7 | 1,110) | (270,404) | (400, | 02) | 0,002 | ,02, | - | 00,01 | | 210,020 | | 01,241 | 10, | ,,,,, | 040,00 | _ | 201,012 |
| Total OCI | \$ | 202,567 | 372,788 | \$ 420, | 033 | \$ 389,557 | \$ (24 | 1,771) | (279,464) | \$ (450, |)53) \$ | 351,359 | \$ 158, | 860 \$ | \$ 70,98 | 5 \$ | 306,442 | \$ | 82,206 | \$ (91 | 7,173) | \$ 343,81 | 7 \$ | 231,341 |
| Changes in Equity | | 1 | 2 | 3 | | 4 | 5 | į | 6 | 7 | | 8 | 9 | | 10 | | 11 | | 12 | 13 | 1 | 14 | | 15 |
| Beginning equity | 5 | - ; | 365,044 | \$ 917, | 402 | \$ 1,578,368 | \$ 2,19 | 7,673 | 5 2,190,821 | \$ 2,143, | 305 S | 1,920,700 | \$ 2,501, | 344 \$ | \$ 2,873,59 | 6 \$ | 3,157,450 | 5 3 | 3,677,398 | \$ 3,97 | 6,134 | \$ 3,289,08 | 5 \$. | 3,847,050 |
| Net income | | 162,477 | 179,570 | 240. | 933 | 229,748 | 23 | 4,919 | 231,948 | 227 | 147 | 229,285 | 213 | 392 | 212,86 | 9 | 213,507 | | 216,529 | 23 | 0,124 | 214,14 | | 201,023 |
| OCI | | 202,567 | 372,788 | 420, | 033 | 389,557 | (24 | 1,771) | (279, 464) | (450, | (53) | 351,359 | 158, | 860 | 70,98 | 5 | 306,442 | | 82,206 | (91 | 7,173) | 343,81 | 7 | 231,341 |
| Ending equity | \$ | 365,044 | 917,402 | \$ 1,578, | 368 | \$ 2,197,673 | \$ 2,19 | 0,821 | \$ 2,143,305 | \$ 1,920, | 00 \$ | 2,501,344 | \$ 2,873, | 596 | 3,157,45 | 0 \$ | 3,677,398 | \$ 3 | 3,976,134 | \$ 3,28 | 9,085 | \$ 3,847,05 | 0 \$ | 4,279,414 |
| Palanas Chast | _ | 1 | 2 | 3 | | - | 5 | | 6 | 7 | | 8 | 9 | _ | 10 | _ | 11 | | 12 | 13 | | 14 | _ | 15 |
| | | | | 0 | | 4 | 3 | | - 0 | | | 0 | - 3 | | 10 | | TI | _ | 12 | 13 | <u> </u> | 14 | | 13 |
| Balance Sheet | _ | | | | | | | | | | | | | | | | | | | | 4 700 | \$ 2,203,91 | 2 6 | 2 222 26 |
| Assets | c | 204 506 | | e 074 | 126 | C 4 006 074 | C 4 24 | 7 902 | 6 4 274 072 | C 4 545 | 124 6 | 4 650 494 | C 4 7/6 | | C 4 9/6 02 | 4 6 | 4 042 667 | | 2 020 004 | C 242 | | | | 2,230,204 |
| Assets Cash | | 384,586 | 618,932 | | | | A STATE OF THE PARTY OF THE PAR | | | \$ 1,515, | | 1,658,121 | | | | | | \$ 2 | | | 645/0/265 | A STATE OF THE PARTY OF THE PAR | | |
| Assets Cash Investment in bonds | | 7,659,990 | \$ 618,932 5,466,943 | 4, 198, | 157 | 2,610,480 | 2,20 | 4,645 | 1,822,586 | 1,637, | 386 | 1,428,694 | 926, | 174 | 811,43 | 4 | 732,979 | | 654,966 | 44 | 7,611 | 275,42 | | 2 044 450 |
| Assets Cash Investment in bonds Investment in equities | | 7,659,990 1,202,221 | 5 618,932 5,466,943 1,575,008 | 4,198, 1,995, | 157 040 | 2,610,480 2,384,593 | 2,20 2,14 | 4,645 2,814 | 1,822,586 1,863,350 | 1,637, 1,427, | 386 948 | 1,428,694 1,804,630 | 926, 1,966, | 174 946 | 811,43 2,025,97 | 4 5 | 732,979 2,301,901 | 2 | 654,966 2,383,148 | 44 1,46 | 7,611 5,975 | 275,42 1,809,80 | 7 | 2,041,150 |
| Assets Cash Investment in bonds Investment in equities Total assets | | 7,659,990 1,202,221 | 5 618,932 5,466,943 1,575,008 | 4, 198, | 157 040 | 2,610,480 2,384,593 | 2,20 2,14 | 4,645 2,814 | 1,822,586 1,863,350 | 1,637, | 386 948 | 1,428,694 | 926, 1,966, | 174 946 | 811,43 | 4 5 | 732,979 | 2 | 654,966 2,383,148 | 44 1,46 | 7,611 5,975 | 275,42 | 7 | |
| Assets Cash Investment in bonds Investment in equities Total assets Liabilities | S | 7,659,990 1,202,221 9,246,798 | \$ 618,932 5,466,943 1,575,008 \$ 7,660,883 | 4,198, 1,995, \$ 7,067, | 157 040 333 | 2,610,480 2,384,593 \$ 6,031,944 | 2,20 2,14 \$ 5,56 | 4,645 2,814 5,352 | 1,822,586 1,863,350 \$ 5,057,909 | 1,637, 1,427, \$ 4,581, | 386 948 265 \$ | 1,428,694 1,804,630 5 4,891,444 | 926, 1,966, \$ 4,639, | 174 946 883 | 811,43 2,025,97 \$ 4,683,43 | 4 5 9 \$ | 732,979 2,301,901 4,977,537 | \$ 5 | 654,966 2,383,148 5,076,915 | 1,46 \$ 4,04 | 7,611 5,975 8,379 | 275,42 1,809,80 \$ 4,289,14 | 3 \$ | |
| Assets Cash Investment in bonds Investment in equities Total assets Liabilities Insurance ECFs | S | 7,659,990 1,202,221 9,246,798 6,697,610 | \$ 618,932 5,466,943 1,575,008 \$ 7,660,883 \$ 4,715,348 | 4,198, 1,995, \$ 7,067, \$ 3,616, | 157 040 333 842 | 2,610,480 2,384,593 \$ 6,031,944 \$ 2,118,158 | 2,20 2,14 \$ 5,56 \$ 1,81 | 4,645 2,814 5,352 4,428 | 1,822,586 1,863,350 \$ 5,057,909 \$ 1,510,511 | 1,637, 1,427, \$ 4,581, \$ 1,412, | 386 948 265 \$ | 1,428,694 1,804,630 5 4,891,444 5 1,298,029 | 926, 1,966, \$ 4,639, \$ 830, | 174 946 883 \$ | 811,43 2,025,97 \$ 4,683,43 \$ 745,93 | 4 5 9 \$ | 732,979 2,301,901 4,977,537 676,098 | 2 | 654,966 2,383,148 5,076,915 632,750 | 44 1,46 \$ 4,04 \$ 44 | 7,611 5,975 8,379 7,273 | 275,42 1,809,80 \$ 4,289,14 \$ 286,08 | 7 3 \$. | |
| Assets Cash Investment in bonds Investment in equities Total assets Liabilities Insurance ECFs CM remaining | S | 7,659,990 1,202,221 9,246,798 6,697,610 2,184,143 | \$ 618,932 5,466,943 1,575,008 \$ 7,660,883 \$ 4,715,348 2,028,133 | 4,198, 1,995, \$ 7,067, \$ 3,616, 1,872, | 157 040 333 842 123 | 2,610,480 2,384,593 \$ 6,031,944 \$ 2,118,158 1,716,113 | 2,20 2,14 \$ 5,56 \$ 1,81 1,56 | 4,645 2,814 5,352 4,428 60,102 | 1,822,586 1,863,350 \$ 5,057,909 \$ 1,510,511 1,404,092 | 1,637, 1,427, \$ 4,581, \$ 1,412, 1,248, | 386 948 265 \$ 184 \$ | 1,428,694 1,804,630 5 4,891,444 5 1,298,029 1,092,072 | 926, 1,966, \$ 4,639, \$ 830, 936, | 174 946 883 \$ 226 \$ 061 | 811,43 2,025,97 \$ 4,683,43 \$ 745,93 780,05 | 4 5 9 \$ 8 \$ 1 | 732,979 2,301,901 4,977,537 676,098 624,041 | S | 654,966 2,383,148 5,076,915 632,750 468,031 | 44 1,46 \$ 4,04 \$ 31 | 7,611 5,975 8,379 7,273 2,020 | 275,42 1,809,80 \$ 4,289,14 \$ 286,08 156,00 | 7 3 \$ 4 3 \$ | |
| Assets Cash Investment in bonds Investment in equities Total assets Liabilities Insurance ECFs CM remaining Total liabilities | S | 7,659,990 1,202,221 9,246,798 6,697,610 2,184,143 | \$ 618,932 5,466,943 1,575,008 \$ 7,660,883 \$ 4,715,348 | 4,198, 1,995, \$ 7,067, \$ 3,616, 1,872, | 157 040 333 842 123 | 2,610,480 2,384,593 \$ 6,031,944 \$ 2,118,158 1,716,113 | 2,20 2,14 \$ 5,56 \$ 1,81 1,56 | 4,645 2,814 5,352 4,428 60,102 | 1,822,586 1,863,350 \$ 5,057,909 \$ 1,510,511 1,404,092 | 1,637, 1,427, \$ 4,581, \$ 1,412, | 386 948 265 \$ 184 \$ | 1,428,694 1,804,630 5 4,891,444 5 1,298,029 1,092,072 | 926, 1,966, \$ 4,639, \$ 830, | 174 946 883 \$ 226 \$ 061 | 811,43 2,025,97 \$ 4,683,43 \$ 745,93 780,05 | 4 5 9 \$ 8 \$ 1 | 732,979 2,301,901 4,977,537 676,098 | S | 654,966 2,383,148 5,076,915 632,750 | 44 1,46 \$ 4,04 \$ 31 | 7,611 5,975 8,379 7,273 | 275,42 1,809,80 \$ 4,289,14 \$ 286,08 156,00 | 7 3 \$ 4 3 \$ | |
| Assets Cash Investment in bonds Investment in equities Total assets Liabilities Insurance ECFs CM remaining Total liabilities Stockholders' equity | \$ \$ | 7,659,990 1,202,221 9,246,798 6,697,610 2,184,143 8,881,754 | \$ 618,932 5,466,943 1,575,008 \$ 7,660,883 \$ 4,715,348 2,028,133 \$ 6,743,481 | 4,198, 1,995, \$ 7,067, \$ 3,616, 1,872, \$ 5,488, | 157 040 333 842 123 965 | 2,610,480 2,384,593 \$ 6,031,944 \$ 2,118,158 1,716,113 \$ 3,834,271 | 2,20 2,14 \$ 5,56 \$ 1,81 1,56 \$ 3,37 | 4,645 (2,814 (5,352 (4,428 (0,102 (4,531 | 1,822,586 1,863,350 \$ 5,057,909 \$ 1,510,511 1,404,092 \$ 2,914,604 | 1,637, 1,427, \$ 4,581, \$ 1,412, 1,248, \$ 2,660, | 386 948 265 \$ 484 \$ 982 566 \$ | 1,428,694 1,804,630 5 4,891,444 6 1,298,029 1,092,072 5 2,390,100 | 926, 1,966, \$ 4,639, \$ 830, 936, \$ 1,766, | 174 946 883 226 061 287 | 811,43 2,025,97 \$ 4,683,43 \$ 745,93 780,05 \$ 1,525,99 | 4 5 9 \$ 8 \$ 1 0 \$ | 732,979 2,301,901 4,977,537 676,098 624,041 1,300,139 | \$ 5 | 654,966 2,383,148 5,076,915 632,750 468,031 1,100,781 | \$ 4,04 \$ 4,04 \$ 4,04 \$ 31 \$ 75 | 7,611 5,975 8,379 7,273 2,020 9,294 | 275,42 1,809,80 \$ 4,289,14 \$ 286,08 156,00 \$ 442,09 | 7 3 \$ 3 0 3 \$ | 4,279,414 |
| Assets Cash Investment in bonds Investment in equities Total assets Liabilities Insurance ECFs CM remaining Total liabilities Stockholders' equity AOCI | S | 7,659,990 1,202,221 9,246,798 6,697,610 2,184,143 8,881,754 202,567 | \$ 618,932 5,466,943 1,575,008 \$ 7,660,883 \$ 4,715,348 2,028,133 \$ 6,743,481 \$ 575,355 | 4,198, 1,995, \$ 7,067, \$ 3,616, 1,872, \$ 5,488, \$ 995, | 157 040 333 842 123 965 389 | 2,610,480 2,384,593 \$ 6,031,944 \$ 2,118,158 1,716,113 \$ 3,834,271 \$ 1,384,946 | 2,20 2,14 \$ 5,56 \$ 1,81 1,56 \$ 3,37 \$ 1,14 | 4,645 (2,814 (5,352 (4,428 (0,102 (4,531 (3,175 | 1,822,586 1,863,350 \$ 5,057,909 \$ 1,510,511 1,404,092 \$ 2,914,604 \$ 863,711 | 1,637, 1,427, \$ 4,581, \$ 1,412, 1,248, \$ 2,660, \$ 413, | 386 948 265 \$ 484 \$ 982 566 \$ | 1,428,694 1,804,630 5 4,891,444 6 1,298,029 1,092,072 5 2,390,100 6 765,017 | 926, 1,966, \$ 4,639, \$ 830, 936, \$ 1,766, \$ 923, | 174 946 883 226 061 287 \$ | 811,43 2,025,97 \$ 4,683,43 \$ 745,93 780,05 \$ 1,525,99 \$ 994,86 | 4 5 9 \$ 8 \$ 1 0 \$ | 732,979 2,301,901 4,977,537 676,098 624,041 1,300,139 1,301,303 | \$: \$: \$: | 654,966 2,383,148 5,076,915 632,750 468,031 1,100,781 1,383,509 | \$ 44 1,46 \$ 4,04 \$ 31 \$ 75 \$ 46 | 7,611 5,975 8,379 7,273 2,020 9,294 6,337 | 275,42 1,809,80 \$ 4,289,14 \$ 286,00 156,01 \$ 442,08 | 7 3 \$ 3 0 3 \$ 4 4 \$ | 1,041,495 |
| Assets Cash Investment in bonds Investment in equities Total assets Liabilities Insurance ECFs CM remaining Total liabilities Stockholders' equity | \$ \$ | 7,659,990 1,202,221 9,246,798 6,697,610 2,184,143 8,881,754 | \$ 618,932 5,466,943 1,575,008 7,660,883 \$ 4,715,348 2,028,133 \$ 6,743,481 \$ 575,355 342,047 | 4,198, 1,995, \$ 7,067, \$ 3,616, 1,872, \$ 5,488, \$ 995, 582, | 157 040 333 842 123 965 389 979 | 2,610,480 2,384,593 \$ 6,031,944 \$ 2,118,158 1,716,113 \$ 3,834,271 | 2,20 2,14 \$ 5,56 \$ 1,81 1,56 \$ 3,37 \$ 1,14 1,04 | 4,645 (2,814 (5,352 (4,428 (0,102 (4,531 (3,175 (7,647 | 1,822,586 1,863,350 \$ 5,057,909 \$ 1,510,511 1,404,092 \$ 2,914,604 \$ 863,711 1,279,595 | 1,637, 1,427, \$ 4,581, \$ 1,412, 1,248, \$ 2,660, | 386 948 265 \$ 184 \$ 082 566 \$ | 1,428,694 1,804,630 5 4,891,444 6 1,298,029 1,092,072 5 2,390,100 6 765,017 1,736,327 | 926, 1,966, \$ 4,639, \$ 830, 936, \$ 1,766, | 174 946 883 226 061 287 877 719 | 811,43 2,025,97 \$ 4,683,43 \$ 745,93 780,05 \$ 1,525,99 | 4 5 9 8 8 1 0 5 1 8 | 732,979 2,301,901 4,977,537 676,098 624,041 1,300,139 1,301,303 2,376,095 | \$ s | 654,966 2,383,148 5,076,915 632,750 468,031 1,100,781 | \$ 44 31 \$ 75 \$ 46 2,82 | 17,611 15,975 18,379 17,273 12,020 19,294 16,337 12,749 | 275,42 1,809,80 \$ 4,289,14 \$ 286,08 156,00 \$ 442,09 | 7 3 \$ 3 \$ 0 3 \$ 4 \$ 6 | 4,279,414 1,041,495 3,237,919 |

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| ncome Statement | | 1 | | 2 | | 3 | 4 | | 5 | (| 6 | 7 | | 8 | | 9 | 10 |) | 1 | 1 | | 12 | 13 | | 14 | | 15 |
|--|------|-----------|------|------------|------|------------|--------------|------|------------|--------|---------|----------|------|--------------|----|-----------|---------|---------|---------|---------|-------|----------|----------|--------|----------|---------|-----------|
| Single margin | 5 | 156,010 | \$ | 156,010 | \$ | 156,010 | \$ 156,010 | 5 | 156,010 | \$ 1 | 56,010 | \$ 156 | 010 | \$ 156,010 | \$ | 156,010 | \$ 15 | 6,010 | \$ 15 | 56,010 | 5 | 156,010 | \$ 156 | 5,010 | \$ 156 | ,010 \$ | 156,010 |
| nterest expense | | (527,774) | | (458, 194) | | (304, 272) | (204, 483) | | (168, 327) | (1. | 36,720) | (98 | 295) | (63, 562) | | (51,921) | (3 | 8, 190) | (4 | 11,027) | | (41,242) | (30 |),782) | (32 | ,440) | (13,917 |
| Change in discount rate | | (9,990) | | (59, 543) | | (97, 223) | 203,167 | | (27,944) | (| 59,363) | (103 | 677) | (21,983) | | 19,724 | 2 | 2,478 | 1 | 10,867 | | (15,411) | 16 | 5,259 | (6 | ,370) | |
| nterest income | | 508,365 | | 454,365 | | 353,115 | 285,615 | | 204,615 | 1 | 73,115 | 140 | 490 | 120,645 | | 107,145 | 7 | 2,945 | 6 | 55,970 | | 58,815 | 51 | 1,615 | 37 | ,035 | 22,275 |
| Dividend income | | 24,166 | | 25, 189 | | 26,293 | 27,120 | | 26,406 | | 25,546 | 26 | 098 | 29,019 | | 31,498 | 3 | 6,323 | 4 | 10,656 | | 45,006 | 45 | 5,525 | 36 | ,209 | 37,524 |
| Realized gain (loss) - bonds | | 1,709 | | 1,943 | | 22,921 | (23, 456) | | 6,370 | | 17,113 | 8 | 298 | (1,017) | | (13,629) | | (130) | | 7,763 | | 1,836 | (2 | 2,615) | 9 | ,845 | (870 |
| Realized gain (loss) - equities | | | | - | | - | | | | | | | | - | | | | | | - | | | | | | - | |
| Inrealized gain (loss) - bonds | | 9,990 | | 59,801 | | 84,089 | (214,221) | | 37,795 | , | 56,247 | 83 | 872 | (15, 150) | | (38,891) | (2 | 4,610) | | 3,782 | | 12,474 | (5 | 5,887) | 13 | ,842 | - |
| Inrealized gain (loss) - equities | | 202,567 | | 372,787 | | 420,032 | 389,552 | | (241,778) | (2) | 79,464) | (435 | 402) | 376,682 | | 162,316 | 5 | 9,029 | 27 | 75,926 | | 81,247 | (917 | 7,174) | 343 | ,833 | 231,342 |
| Net income | 5 | 365,044 | \$ | 552,358 | \$ | 660,966 | \$ 619,305 | 5 | (6,852) | 5 (| 47,516) | \$ (222 | 606) | \$ 580,645 | \$ | 372,252 | \$ 28 | 3,854 | \$ 51 | 19,948 | 5 | 298,736 | \$ (687 | 7,049) | \$ 557 | ,964 \$ | 432,364 |
| | | | | | | | | | 10 10 | | | - " | | | | | | | | | | | | | | | |
| Changes in Equity | | 1 | | 2 | | 3 | 4 | | 5 | (| 6 | 7 | | 8 | | 9 | 10 |) | 1 | 1 | | 12 | 13 | | 14 | | 15 |
| Beginning equity | \$ | | \$ | 365,044 | \$ | 917,402 | \$ 1,578,368 | \$ 2 | ,197,673 | \$ 2,1 | 90,821 | \$ 2,143 | 305 | \$ 1,920,700 | \$ | 2,501,344 | \$ 2,87 | 3,596 | \$ 3,15 | 57,450 | | 677,398 | \$ 3,976 | 5,134 | \$ 3,289 | | 3,847,050 |
| Vet income | | 365,044 | | 552,358 | | 660,966 | 619,305 | | (6,852) | (| 47,516) | (222 | 606) | 580,645 | | 372,252 | 28 | 3,854 | 51 | 19,948 | | 298,736 | (687 | 7,049) | | ,964 | 432,364 |
| Ending equity | \$ | 365,044 | \$ | 917,402 | \$ 1 | 1,578,368 | \$ 2,197,673 | \$ 2 | ,190,821 | \$ 2,1 | 43,305 | \$ 1,920 | 700 | \$ 2,501,344 | \$ | 2,873,596 | \$ 3,15 | 7,450 | \$ 3,67 | 77,398 | \$ 3, | 976,134 | \$ 3,289 | 9,085 | \$ 3,847 | ,050 \$ | 4,279,414 |
| Balance Sheet | | 1 | | 2 | | 3 | 4 | | 5 | (| 6 | 7 | | 8 | | 9 | 10 |) | 1 | 1 | | 12 | 13 | | 14 | | 15 |
| Assets | | | | - | | | | | | | | | | | | | | | | | | | | | | | |
| Cash | \$ | 384,586 | \$ | 618,932 | \$ | 874,136 | \$ 1,036,871 | \$ 1 | ,217,892 | \$ 1,3 | 71,973 | \$ 1,515 | 931 | \$ 1,658,121 | \$ | 1,746,763 | \$ 1,84 | 6,031 | \$ 1,94 | 12,657 | \$ 2, | 038,801 | \$ 2,134 | 4,793 | \$ 2,203 | ,913 \$ | 2,238,264 |
| Investment in bonds | 7 | ,659,990 | | 5,466,943 | 4 | 4,198,157 | 2,610,480 | 2 | ,204,645 | 1,8 | 22,586 | 1,637 | 386 | 1,428,694 | | 926,174 | 81 | 1,434 | 73 | 32,979 | | 654,966 | 447 | 7,611 | 275 | ,422 | - |
| Investment in equities | 1 | ,202,221 | | 1,575,008 | 1 | 1,995,040 | 2,384,593 | 2 | ,142,814 | 1,8 | 63,350 | 1,427 | 948 | 1,804,630 | | 1,966,946 | 2,02 | 5,975 | 2,30 | 01,901 | 2, | 383,148 | 1,465 | 5,975 | 1,809 | ,807 | 2,041,150 |
| Total assets | \$ 9 | ,246,798 | \$ | 7,660,883 | \$ 7 | 7,067,333 | \$ 6,031,944 | \$ 5 | ,565,352 | \$ 5,0 | 57,909 | \$ 4,581 | 265 | \$ 4,891,444 | \$ | 4,639,883 | \$ 4,68 | 3,439 | \$ 4,97 | 77,537 | \$ 5, | 076,915 | \$ 4,048 | 3,379 | \$ 4,289 | ,143 \$ | 4,279,414 |
| iabilities | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Insurance ECFs | \$ 6 | ,697,610 | \$ | 4,715,348 | \$ 3 | 3,616,842 | \$ 2,118,158 | 5 1 | ,814,428 | \$ 1,5 | 10,511 | \$ 1,412 | 484 | \$ 1,298,029 | 5 | 830,226 | \$ 74 | 5,938 | \$ 67 | 76,098 | 5 | 632,750 | \$ 447 | 7,273 | \$ 286 | ,083 \$ | |
| CM remaining | 2 | 184,143 | | 2,028,133 | 1 | 1,872,123 | 1,716,113 | 1 | ,560,102 | 1,4 | 04,092 | 1,248 | 082 | 1,092,072 | | 936,061 | 78 | 0,051 | 62 | 24,041 | | 468,031 | 312 | 2,020 | 156 | ,010 | |
| Total liabilities | \$ 8 | ,881,754 | S | 6,743,481 | \$ 5 | 5,488,965 | \$ 3,834,271 | \$ 3 | ,374,531 | \$ 2,9 | 14,604 | \$ 2,660 | 566 | \$ 2,390,100 | S | 1,766,287 | \$ 1,52 | 5,990 | \$ 1,30 | 00,139 | \$ 1, | 100,781 | \$ 759 | 9,294 | \$ 442 | ,093 \$ | - |
| Stockholders' equity | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| AOCI | 5 | | 5 | | 5 | | \$ - | 5 | - | 5 | | S | | s - | 5 | | S | | \$ | | 5 | | \$ | - | S | - 5 | - |
| Retained earnings | | 365,044 | | 917,402 | 1 | 1,578,368 | 2,197,673 | 2 | ,190,821 | 2,1 | 43,305 | 1,920 | 700 | 2,501,344 | | 2,873,596 | 3,15 | 7,450 | 3,67 | 77,398 | 3, | 976,134 | 3,289 | 0,085 | 3,847 | ,050 | 4,279,414 |
| THE RESERVE THE PROPERTY OF THE PARTY OF THE | _ | | 70.0 | 0.17 100 | | | 0 0 107 070 | | 100.001 | | 10 005 | | 700 | | | 0.070 500 | C 0.45 | 7 150 | 0 0 0 | 77.000 | 0 0 | 070 (01 | | 005 | | 050 | 1 070 111 |
| Total SE | \$ | 365,044 | 5 | 917,402 | 5 1 | 1,578,368 | \$ 2,197,673 | 5 2 | ,190,821 | \$ 2,1 | 43,305 | \$ 1,920 | 100 | \$ 2,501,344 | 3 | 2,873,596 | \$ 3,75 | 7,450 | \$ 3,01 | 77,398 | \$ 3. | 976,134 | \$ 3,289 | 7,085 | \$ 3,847 | ,050 8 | 4,279,414 |

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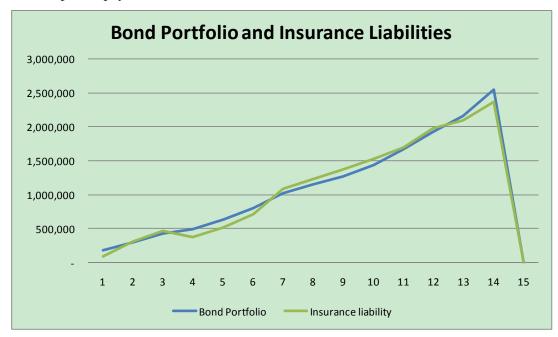
Example 2: 15 year policy with lump sum payment at the end of the coverage period

- 19. The remainder of this paper includes another example with a hypothetical asset portfolio, but has different cash flow assumptions than the example above. The same graphs and charts are provided for this example to illustrate the four scenarios for an insurance portfolio with a different payout pattern.
- 20. The analysis shown in this example considers a hypothetical investment of yearly insurance premium in a portfolio of fixed income and equity securities. The analysis has the following assumptions:
 - (a) Premiums of \$100,000 are received at the beginning of each year for 15 years. The insured period is 15 years, with claim liabilities of \$2.5M paid at the end of the 15th year.
 - (b) The single/residual margin is recognized straight-line over the payout period for simplicity (there is no risk adjustment under the IASB model).
 - (c) There is no change in the expected cash flows other than those resulting from a change in the discount rate. The expected and actual cash outflows are as follows:

| Year | Cash Outflow |
|------|--------------|
| 1 | - |
| 2 | - |
| 3 | - |
| 4 | - |
| 5 | - |
| 6 | - |
| 7 | - |
| 8 | - |
| 9 | - |
| 10 | - |
| 11 | - |
| 12 | - |
| 13 | - |
| 14 | - |
| 15 | 2,500,000 |

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- (d) 90 per cent of the premiums received are invested in AA-rated corporate bonds maturing at the end of 15 years to match the expected payout of the liability.
- (e) 10 per cent of the premiums are invested in the S&P 500 index.
- (f) No other assets exist to pay the claim liabilities.
- (g) Cash received from interest and dividends is reinvested 90% in bonds (with terms equal to the remaining payout period) and 10% in equities.
- (h) Taxes are not considered in the analysis.
- (i) The income statements for each of the scenarios included in the examples are simplified and therefore do not contemplate the full presentation of the income statement (that is, premiums and other expenses are not presented).
- 21. The following graph shows the fair value of the bond portfolio compared with the current value of the insurance liabilities that result from an investment in a hypothetical portfolio of fixed income securities with maturities that are matched to the expected payments on the insurance liabilities.



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22. Fixed income securities that mature at the end of the 15-year period are assumed to be sold if the year-end fair value exceeds the principal amount to be collected upon maturity. Otherwise, par is assumed to be collected on the maturing securities. (Because the fair value at maturity approximates the par value, any resulting gains and losses from sales of the securities are insignificant to the analysis.)

Unrealised gains and losses

23. The following chart shows the unrealized gains and losses on the hypothetical bond portfolio that would be presented in OCI compared to the unrealized gains and losses on the insurance liabilities that would be presented either in OCI or in net income, depending on the Scenario. For illustration purposes only, the staff assumed a yield curve for the discount rate for the period.

| | Net Unrea | lized Gains (Losses) |
|------|-----------|----------------------|
| | | Effect of Discount |
| | | Rate Change on |
| Year | Bonds | Liability |
| 1 | \$ 208 | 3 \$ (208) |
| 2 | 8,464 | (103,818) |
| 3 | 11,877 | (46,293) |
| 4 | (54,305 | 5) 212,293 |
| 5 | 10,747 | (4,913) |
| 6 | 20,727 | (57,405) |
| 7 | 58,894 | (218,513) |
| 8 | (35,489 | 21,489 |
| 9 | (60,303 | 33,797 |
| 10 | (35,77 | 37,889 |
| 11 | 11,336 | 39,102 |
| 12 | 30,147 | (63,510) |
| 13 | (25,000 |)) 125,117 |
| 14 | 114,072 | (16,690) |
| 15 | (55,603 | 3) 41,662 |

24. The staff primarily focused on the scenarios in which bonds are recorded at FV-OCI and equities are recorded at FV-TPL but for completeness the staff have also illustrated the presentation of unrealized gains and losses on equity securities in OCI instead of net income. As such, the chart below shows the unrealized gains and losses on the equity securities are as follows:

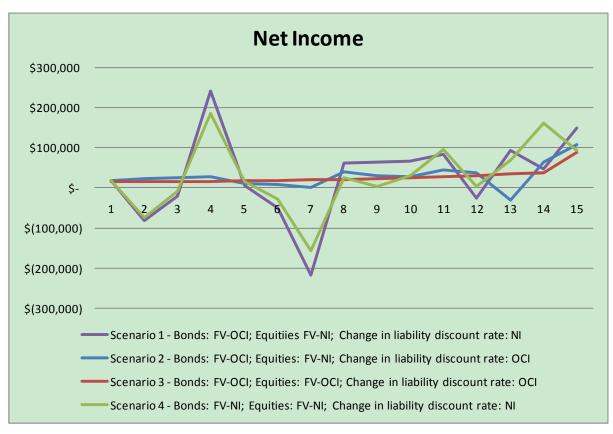
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| Net Un | Net Unrealized Gains (Losses) | | | | | | | | |
|--------|-------------------------------|----------|--|--|--|--|--|--|--|
| Year | È | quities | | | | | | | |
| 1 | \$ | 1,997 | | | | | | | |
| 2 | | 6,661 | | | | | | | |
| 3 | | 10,093 | | | | | | | |
| 4 | | 11,281 | | | | | | | |
| 5 | | (7,895) | | | | | | | |
| 6 | | (10,331) | | | | | | | |
| 7 | | (18,242) | | | | | | | |
| 8 | | 18,335 | | | | | | | |
| 9 | | 8,701 | | | | | | | |
| 10 | | 3,455 | | | | | | | |
| 11 | | 17,511 | | | | | | | |
| 12 | | 5,507 | | | | | | | |
| 13 | | (65,553) | | | | | | | |
| 14 | | 26,905 | | | | | | | |
| 15 | | 19,243 | | | | | | | |

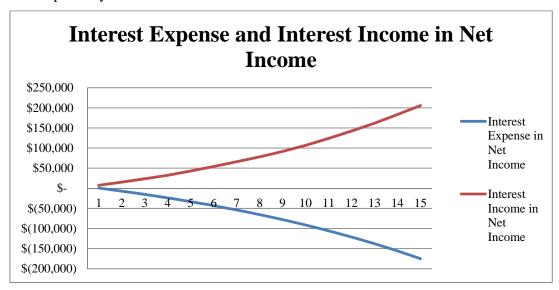
Net income under the four scenarios

25. The following graph summarizes the effect on net income of each of the four scenarios:

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26. The graph below shows that the unwind of the discount rate in interest expense almost perfectly offsets the interest income in net income.

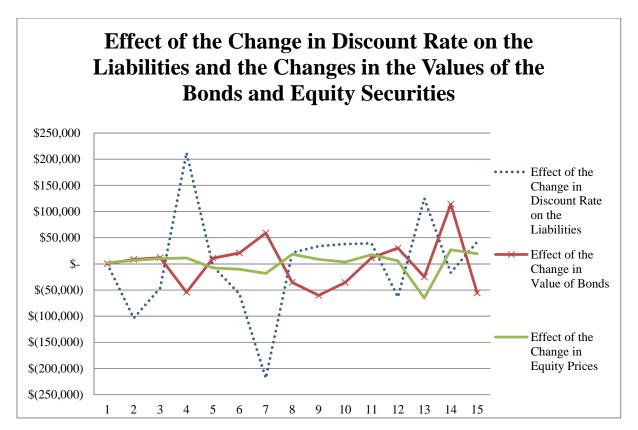


27. However, the graph below shows in more detail the effect that the change in the discount rate would have on the insurance liability and the movement in the value

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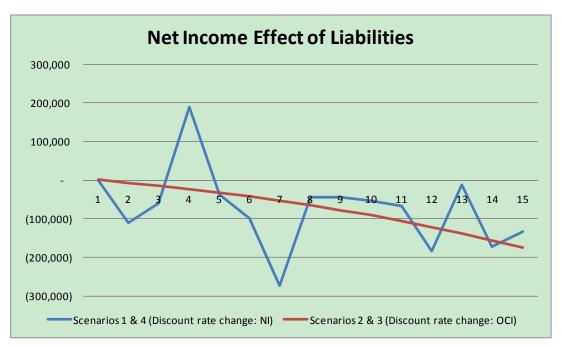
of the bonds and the equity securities. The graph below illustrates a reason for recording both the change in the insurance liability and the change in the value of the bonds in the same manner (i.e., recording both changes in other comprehensive income or both changes in net income), as the change in the insurance liability would offset the change in the value of the bonds to an extent.

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- 28. Scenario 1 in the graph uses the same assumptions for assets as Scenario 2 (that is, bonds: FV-OCI and equities: FV-NI), but the effects on insurance liabilities resulting from changes in the discount rate are reflected in net income instead of in OCI. If bonds are measured at fair value with changes through OCI and equities are measured at fair value with changes through NI, there may be significant changes in net income from one period to the next regardless of whether the effects on insurance liabilities of changes in the discount rate is presented in OCI or net income.
- 29. The following graph shows the effect on net income of the insurance liabilities only:

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30. For reference, the detail information for the above charts and graphs is included in the remaining pages of this paper for each of the four scenarios.

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| FASB Agenda | 82E |

| Interest panage 1/2 | Income Statement | | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | | 10 | 11 | 12 | 13 | 14 | | 15 |
|---|--|----|---|-------------|-------------|-------------|-------------|-----------|---|--|-------------|--------|--|-------------|----------------|--------------|--|----|-------------------------|
| Change in ascount rate interest mome product rate interest mome production of the product of the | Single margin | S | 7,041 S | 7,041 \$ | 7,041 \$ | 7,041 \$ | 7,041 \$ | 7,041 | \$ 7,041 | \$ 7,041 | \$ 7,04 | 11 5 | 7,041 | 5 7,041 | \$ 7,041 | \$ 7,041 | \$ 7,041 | 5 | 7,04 |
| Interest mome 7,425 15,345 23,678 32,258 42,900 54,203 86,165 78,128 91,575 106,838 123,915 142,313 161,855 183,963 205 | Interest expense | | 423 | (7,082) | (19,218) | (27,401) | (31, 371) | (42,392) | (53,880) | (56,949 | (66,08 | 1) | (77,111) | (90, 158) | (105,721) | (96, 407) | (144, 406) | | (133, 27 |
| Discission Income 238 450 632 785 682 944 1,083 1,413 1,688 2,126 2,580 3,050 3,254 2,833 3,24 2,844 2,844 3,084 3,084 3,085 3,254 2,833 3,24 3,084 | Change in discount rate | | (208) | (103,805) | (42, 200) | 215,907 | (6,643) | (58, 128) | (218, 515) | 12,977 | 21,96 | 8 | 23,703 | 23,571 | (78,954) | 83,718 | (27,982) | | |
| Realized gain (loss) - bonds 1,997 6,661 10,093 11,281 (7,895) (10,331) (18,242) 18,335 8,701 3,455 17,511 5,507 (65,553) 26,905 19,906 19,907 10,907 | Interest income | | 7,425 | 15,345 | 23,678 | 32,258 | 42,900 | 54,203 | 66,165 | 78,128 | 91,57 | 5 | 106,838 | 123,915 | 142,313 | 161,865 | 183,563 | | 205,67 |
| | Dividend income | | 238 | 450 | 632 | 785 | 862 | 944 | 1,093 | 1,413 | 1,68 | 8 | 2,126 | 2,580 | 3,050 | 3,254 | 2,833 | | 3,12 |
| Realized gain (floss) - equities Set 16,917 Set 18,989 Set 19,974 Set 239,871 Set 4,895 Set 18,683 Set 18,697 Set 19,974 S | Realized gain (loss) - bonds | | - | - | - | - | | | - | | | - | - | - | | | | | 47,57 |
| Realized glin (loss) - equities Set 16,917 S (61,389) S (19,974) S 239,871 S 4,895 S (48,663) S (216,338) S (69,944 S 64,892 S (66,053 S 84,460 S (26,765) S 93,919 S 47,954 S 149 Asserts Bonds | Unrealized gain (loss) - equities | | 1,997 | 6,661 | 10.093 | 11,281 | (7,895) | (10,331) | (18, 242) | 18,335 | 8.70 | 1 | 3,455 | 17.511 | 5,507 | (65, 553) | 26,905 | | 19,24 |
| Net income S 16,917 S (81,389) S (19,974) S 239,871 S 4,895 S (48,663) S (216,338) S 60,944 S 64,892 S 60,653 S 84,460 S (26,765) S 93,919 S 47,954 S 149,945 S 43,8489 S (19,974) S 23,871 S 4,895 S (48,663) S (216,338) S (60,303) S (35,771) S 11,336 S 30,147 S (25,000) S 114,072 (55,000) S (14,072) S (14,084) S (14,0 | | | - | - | | - | | - | - | | | - | - | | - | - | | | The same of the same of |
| Assets Bonds | | \$ | 16,917 \$ | (81,389) \$ | (19,974) \$ | 239,871 \$ | 4,895 \$ | (48,663) | (216,338) | \$ 60,944 | \$ 64,89 | 2 \$ | 66,053 | \$ 84,460 | \$ (26,765) | \$ 93,919 | \$ 47,954 | \$ | 149,37 |
| Assets Bonds | OCI | | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | | 10 | 11 | 12 | 13 | 14 | | 15 |
| Recycle - bonds Total OCI S 208 S 8,464 S 11,877 S (54,305) S 10,747 S 20,727 S 58,894 S (35,489) S (60,303) S (35,771) S 11,336 S 30,147 S (25,000) S 114,072 S (55,001) S (55,001) S (54,305) S (10,305) S (10,30 | Assets | | | | | | | | | | | | | | | | | | |
| Recycle - bonds Total OCI S 208 S 8,464 S 11,877 S (54,305) S 10,747 S 20,727 S 58,894 S (35,469) S (60,303) S (35,771) S 11,336 S 30,147 S (25,000) S 114,072 S (55,001) S (55,001) S (54,305) S (10,305) S (10,747 S 20,727 S 58,894 S (35,469) S (60,303) S (35,771) S 11,336 S 30,147 S (25,000) S 114,072 S (55,001) S (60,303) S (35,771) S (11,336 S 30,147 S (25,000) S 114,072 S (55,001) S (60,303) S (11,371) S (11,371) S (11,072 S (11, | Bonds | | 208 | 8,464 | 11,877 | (54, 305) | 10,747 | 20,727 | 58,894 | (35, 489 | (60,30 | (3) | (35,771) | 11,336 | 30,147 | (25,000) | 114,072 | | (55,60 |
| Total OCI | Recycle - bonds | | - | - | | | | - | | | | - | | | | | | | 1 |
| Beginning equity \$ \$ - \$ 17,125 \$ (55,801) \$ (63,898) \$ 121,668 \$ 137,309 \$ 109,373 \$ (48,071) \$ (22,616) \$ (18,026) \$ 12,255 \$ 108,051 \$ 111,434 \$ 180,352 \$ 342,000 CI | | \$ | 208 \$ | 8,464 \$ | 11,877 \$ | (54,305) \$ | 10,747 \$ | 20,727 | 58,894 | \$ (35,489 |) \$ (60,30 | 3) \$ | (35,771) | \$ 11,336 | \$ 30,147 | \$ (25,000) | \$ 114,072 | \$ | (55,60) |
| Beginning equity \$ \$ - \$ 17,125 \$ (55,801) \$ (63,898) \$ 121,668 \$ 137,309 \$ 109,373 \$ (48,071) \$ (22,616) \$ (18,026) \$ 12,255 \$ 108,051 \$ 111,434 \$ 180,352 \$ 342,000 \$ 100,000 \$ 16,917 \$ (81,389) \$ (19,974) \$ 239,871 \$ 4,995 \$ (48,663) \$ (216,338) \$ 60,944 \$ 64,892 \$ 66,053 \$ 84,460 \$ (26,765) \$ 93,919 \$ 47,954 \$ 149,000 \$ 107,47 \$ 2,072 \$ 58,894 \$ (58,689) \$ 60,033 \$ (35,771) \$ 11,336 \$ 30,147 \$ (25,000) \$ 114,072 \$ (55,801) \$ (63,898) \$ 121,668 \$ 137,309 \$ 109,373 \$ (48,071) \$ (22,616) \$ (18,026) \$ 12,255 \$ 108,051 \$ 111,434 \$ 180,352 \$ 342,378 \$ 436 \$ 17,125 \$ (55,801) \$ (63,898) \$ 121,668 \$ 137,309 \$ 109,373 \$ (48,071) \$ (22,616) \$ (18,026) \$ 12,255 \$ 108,051 \$ 111,434 \$ 180,352 \$ 342,378 \$ 436 \$ 17,125 \$ (55,801) \$ (63,898) \$ 121,668 \$ 137,309 \$ 109,373 \$ (48,071) \$ (22,616) \$ (18,026) \$ 12,255 \$ 108,051 \$ 111,434 \$ 180,352 \$ 342,378 \$ 436 \$ 17,125 \$ (55,801) \$ (63,898) \$ 121,668 \$ 137,309 \$ 109,373 \$ (48,071) \$ (22,616) \$ (18,026) \$ 12,255 \$ 108,051 \$ 111,434 \$ 180,352 \$ 342,378 \$ 436 \$ 17,125 \$ (18,026) \$ 12,255 \$ 108,051 \$ 111,434 \$ 180,352 \$ 342,378 \$ 436 \$ 17,125 \$ (18,026) \$ 12,255 \$ 108,051 \$ 111,434 \$ 180,352 \$ 342,378 \$ 436 \$ 17,125 \$ (18,026) \$ 12,255 \$ 108,051 \$ 111,434 \$ 180,352 \$ 342,378 \$ 436 \$ 10,000 \$ 11, | Changes in Equity | - | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | | 10 | 11 | 12 | 13 | 14 | | 15 |
| Net income 16,917 (81,389) (19,974) 239,871 4,895 (48,663) (216,338) (60,944 64,892 66,053 84,460 (26,765) 93,919 47,954 149 OCI 208 8,464 11,877 (54,005) 10,747 20,727 58,894 (35,489) (60,303) (35,771) 11,336 30,147 (25,000) 114,072 (55,001) (63,898) (63,898) (19,974) (1 | | S | - S | 17.125 S | (55.801) S | (63.898) S | 121.668 S | 137.309 | \$ 109.373 | \$ (48.071 |) S (22.61 | | | | | | | S | 342,378 |
| OCI 208 8,464 11,877 (54,305) 10,747 20,727 58,894 (35,489) (60,303) (35,771) 11,336 30,147 (25,000) 114,072 (55, Ending equity \$17,125 (55,801) \$ (55,801) \$ (63,988) \$ 121,668 \$ 137,309 \$ 109,373 \$ (48,071) \$ (22,616) \$ (18,026) \$ 12,255 \$ 108,051 \$ 111,434 \$ 180,352 \$ 342,378 \$ 436 | | | ALCOHOLD STATE OF THE PARTY OF | | | | | | | | | | | | | | | | 149,37 |
| Ending equity S 17,125 S (55,801) S (63,898) S 121,668 S 137,309 S 109,373 S (48,071) S (22,616) S 118,026) S 12,255 S 108,051 S 111,434 S 180,352 S 342,378 S 436 | | | | | | | | | | | | | | | | | | | (55,60) |
| Assets Cash S | | \$ | | | | | | | 100000000000000000000000000000000000000 | | | | | | 10-10-11-11-11 | | | \$ | 436,14 |
| Assets Cash Cash S 1,957 \$ 2,219 \$ 3,418 \$ 5,056 \$ 6,553 \$ 7,149 \$ 8,716 \$ 10,088 \$ 11,588 \$ 12,563 \$ 14,141 \$ 18,065 \$ 18,450 \$ 22,544 \$ 266 Investment in bonds Investment in bonds Investment in equities Investment in equities Total assets Liabilities Insurance ECFs CM remaining Total liabilities S 192,743 \$ 396,589 \$ 550,965 \$ 455,418 \$ 586,391 \$ 779,869 \$ 1,452,23 \$ 1,282,154 \$ 1,419,226 \$ 1,565,592 \$ 1,725,138 \$ 2,002,772 \$ 2,108,420 \$ 2,337,766 \$ \$ 1,414 \$ 1,4 | Ralance Sheet | _ | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | | 10 | 11 | 12 | 13 | 14 | | 15 |
| Cash \$ 1,957 \$ 2,219 \$ 3,418 \$ 5,056 \$ 6,553 \$ 7,149 \$ 8,716 \$ 10,088 \$ 11,588 \$ 12,563 \$ 14,141 \$ 18,065 \$ 18,450 \$ 22,544 \$ 266 Investment in bonds 186,429 300,722 425,876 494,160 637,930 804,022 1,018,930 1,152,714 1,274,479 1,436,710 1,663,035 1,925,811 2,155,609 2,543,062 Investment in equities 21,481 37,847 57,774 77,870 79,217 78,070 69,506 96,736 115,132 128,574 156,013 170,330 114,713 150,539 169 Total assets \$209,868 \$ 340,788 \$ 487,068 \$ 577,086 \$ 723,700 \$ 889,242 \$ 1,097,152 \$ 1,259,538 \$ 1,401,200 \$ 1,577,847 \$ 1,833,189 \$ 2,114,206 \$ 2,288,771 \$ 2,716,144 \$ 436 Insurance ECFs \$94,163 \$ 305,050 \$ 466,468 \$ 377,962 \$ 515,976 \$ 716,496 \$ 1,038,892 \$ 1,232,864 \$ 1,376,977 \$ 1,530,384 \$ 1,696,972 \$ 1,981,648 \$ 2,094,337 \$ 2,366,725 \$ CM remaining 98,580 91,539 84,497 77,456 70,415 63,373 56,332 49,290 42,249 35,207 28,166 21,124 14,083 7,041 Total liabilities \$192,743 \$ 396,589 \$ 550,965 \$ 455,418 \$ 586,391 \$ 779,869 \$ 1,145,223 \$ 1,282,154 \$ 1,419,226 \$ 1,565,592 \$ 1,725,138 \$ 2,002,772 \$ 2,108,420 \$ 2,373,766 \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ | | _ | | | | | | | | | | | 10 | | - 12 | 10 | - 14 | _ | 13 |
| Investment in bonds 186,429 300,722 425,876 494,160 637,930 804,022 1,018,930 1,152,714 1,274,479 1,436,710 1,663,035 1,925,811 2,155,609 2,543,062 | | S | 1 957 \$ | 2 219 5 | 3 418 \$ | 5.056 S | 6.553 S | 7 149 | 8 716 | \$ 10.088 | \$ 11.58 | 8 \$ | 12.563 | 5 14 141 | \$ 18.065 | \$ 18.450 | \$ 22.544 | S | 266,368 |
| Investment in equities 21,481 37,847 57,774 77,870 79,217 78,070 69,506 96,736 115,132 128,574 156,013 170,330 114,713 150,539 169 | In the second se | | | | | | | | the second second second second second | The second secon | | | Line Company of the C | | | | | | 200,000 |
| Total assets \$ 209,868 \$ 340,788 \$ 487,068 \$ 577,086 \$ 723,700 \$ 889,242 \$ 1,097,152 \$ 1,259,538 \$ 1,401,200 \$ 1,577,847 \$ 1,833,189 \$ 2,114,206 \$ 2,288,771 \$ 2,716,144 \$ 436 Liabilities Insurance ECFs S 94,163 \$ 305,050 \$ 466,468 \$ 377,962 \$ 515,976 \$ 716,496 \$ 1,088,892 \$ 1,232,864 \$ 1,376,977 \$ 1,530,384 \$ 1,696,972 \$ 1,981,648 \$ 2,094,337 \$ 2,366,725 \$ CM remaining 98,580 91,539 84,497 77,456 70,415 63,373 56,332 49,290 42,249 35,207 28,166 21,124 14,083 7,041 704 14,083 7,041 704 14,083 7,041 704 14,083 7,041 704 14,083 7,041 704 14,083 7,041 704 14,083 7,041 704 14,083 7,041 704 14,083 7,041 704 14,083 7,041 704 14,083 7,041 704 14,083 7,041 704 14,083 7,041 704 | | | | | | | | | | | | | | | | | | | 169,78 |
| Liabilities Insurance ECFs Insurance | | 2 | | | | | | | | | | | | | | | | 2 | 436,14 |
| Insurance ECFs \$ 94,163 \$ 305,050 \$ 466,468 \$ 377,962 \$ 515,976 \$ 716,496 \$ 1,038,892 \$ 1,232,864 \$ 1,376,977 \$ 1,530,384 \$ 1,696,972 \$ 1,981,648 \$ 2,094,337 \$ 2,366,725 \$ CM remaining 98,580 91,539 84,497 77,456 70,415 63,373 56,332 49,290 42,249 35,207 28,166 21,124 14,083 7,041 Total liabilities \$ 192,743 \$ 396,589 \$ 550,965 \$ 455,418 \$ 586,391 \$ 779,869 \$ 1,145,223 \$ 1,282,154 \$ 1,419,226 \$ 1,565,592 \$ 1,725,138 \$ 2,002,772 \$ 2,108,420 \$ 2,373,766 \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ | | _ | 200,000 | 040,700 | 401,000 | 011,000 | 720,700 | 000,212 | 1,007,102 | 7,200,000 | 0 1,101,20 | 0 1, | 011,011 | 1,000,100 | C 2,114,200 | £,200,111 | C 2,110,111 | | 100,11 |
| CM remaining 98,580 91,539 84,497 77,456 70,415 63,373 56,332 49,290 42,249 35,207 28,166 21,124 14,083 7,041 Total liabilities \$ 192,743 \$ 396,589 \$ 550,965 \$ 455,418 \$ 586,391 \$ 779,869 \$ 1,145,223 \$ 1,282,154 \$ 1,419,226 \$ 1,565,592 \$ 1,725,138 \$ 2,002,772 \$ 2,108,420 \$ 2,373,766 \$ Stockholders' equity AOCI \$ 208 \$ 8,671 \$ 20,549 \$ (33,757) \$ (23,010) \$ (2,283) \$ 56,611 \$ 21,122 \$ (39,181) \$ (74,952) \$ (63,616) \$ (33,469) \$ (58,469) \$ 55,603 \$ Retained earnings 16,917 (64,472) (84,447) 155,424 160,319 111,656 (104,682) (43,738) 21,155 87,208 171,667 144,902 238,821 286,775 436 Total SE \$ 17,125 \$ (55,801) \$ (63,898) \$ 121,668 \$ 137,309 \$ 109,373 \$ (48,071) \$ (22,616) \$ (18,026) \$ 12,255 \$ 108,051 \$ 111,434 \$ 180,352 \$ 342,378 \$ 436 | | 9 | 04 163 € | 305 050 € | 166 168 C | 377 062 € | 515 076 € | 716 /06 | 1 088 802 | C 1 232 864 | £ 1 376 03 | 7 5 4 | 530 384 | 1 606 072 | \$ 1 081 649 | \$ 2,004,337 | \$ 2 366 725 | 9 | |
| Total liabilities \$ 192,743 \$ 396,589 \$ 550,965 \$ 455,418 \$ 586,391 \$ 779,869 \$ 1,145,223 \$ 1,282,154 \$ 1,419,226 \$ 1,565,592 \$ 1,725,138 \$ 2,002,772 \$ 2,108,420 \$ 2,373,766 \$ Stockholders' equity AOCI \$ 208 \$ 8,671 \$ 20,549 \$ (33,757) \$ (23,010) \$ (2,283) \$ 56,611 \$ 21,122 \$ (39,181) \$ (74,952) \$ (63,616) \$ (33,469) \$ (58,469) \$ 55,603 \$ Retained earnings | | 9 | Edward Albanda | | | | | | | And the second s | | | | | | | The state of the s | 9 | |
| Stockholders' equity AOCI \$ 208 \$ 8,671 \$ 20,549 \$ (33,757) \$ (23,010) \$ (2,283) \$ 56,611 \$ 21,122 \$ (39,181) \$ (74,952) \$ (63,616) \$ (33,469) \$ (58,469) \$ 55,603 \$ Retained earnings Total SE \$ 17,125 \$ (55,801) \$ (63,898) \$ 121,668 \$ 137,309 \$ 109,373 \$ (48,071) \$ (22,616) \$ (18,026) \$ 12,255 \$ 108,051 \$ 111,434 \$ 180,352 \$ 342,378 \$ 436 | | - | | | | | | | | | | | | | | | | • | |
| AOCI \$ 208 \$ 8,671 \$ 20,549 \$ (33,757) \$ (23,010) \$ (2,283) \$ 56,611 \$ 21,122 \$ (39,181) \$ (74,952) \$ (63,616) \$ (33,469) \$ (58,469) \$ 55,603 \$ Retained earnings 16,917 (64,472) (84,447) 155,424 160,319 111,656 (104,682) (43,738) 21,155 87,208 171,667 144,902 238,821 286,775 436 Total SE \$ 17,125 \$ (55,801) \$ (63,898) \$ 121,668 \$ 137,309 \$ 109,373 \$ (48,071) \$ (22,616) \$ (18,026) \$ 12,255 \$ 108,051 \$ 111,434 \$ 180,352 \$ 342,378 \$ 436 | | 3 | 192,143 | 390,009 3 | 550,905 | 455,410 3 | 300,391 \$ | 119,009 | 0 1,140,223 | \$ 1,202,134 | 5 1,419,22 | 0 3 1, | 000,092 | 0 1,120,130 | \$ 2,002,772 | 3 2,100,420 | \$ 2,313,700 | 3 | |
| Retained earnings 16,917 (64,472) (84,447) 155,424 160,319 111,656 (104,682) (43,738) 21,155 87,208 171,667 144,902 238,821 286,775 436 Total SE \$ 17,125 \$ (55,801) \$ (63,898) \$ 121,668 \$ 137,309 \$ 109,373 \$ (48,071) \$ (22,616) \$ (18,026) \$ 12,255 \$ 108,051 \$ 111,434 \$ 180,352 \$ 342,378 \$ 436 | | S | 208 S | 8.671 S | 20.549 S | (33 757) \$ | (23 010) \$ | (2.283) | 5 56 611 | \$ 21 122 | \$ (39.18 | 1) 5 | (74.952) | (63 616) | \$ (33.469) | \$ (58.469) | \$ 55,603 | S | |
| Total SE \$ 17,125 \$ (55,801) \$ (63,898) \$ 121,668 \$ 137,309 \$ 109,373 \$ (48,071) \$ (22,616) \$ (18,026) \$ 12,255 \$ 108,051 \$ 111,434 \$ 180,352 \$ 342,378 \$ 436 | | | | | | | | | | | | | | | | | | | 436,14 |
| | | 5 | | | | | | | | | | | | | | | | 5 | 436,14 |
| | Total Liabilities and SE | 5 | 209.868 \$ | 340,788 \$ | 487,068 \$ | 577,086 \$ | 723,700 \$ | | | | | | | | | | \$ 2,716,144 | - | 436,14 |

| IASB Agenda ref | 2E |
|-----------------|-----|
| FASB Agenda | 82E |

| ncome Statement | | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | | 9 | 10 | 11 | 12 | | 13 | 14 | | 15 |
|-----------------------------------|----|------------|--------------|--------------|---|------------|-----------|-----------|----------|-----------|-----------|--------------|--------------|----------|-------------|--------------|--------------|------|----------|
| Single margin | \$ | 7,041 \$ | 7,041 \$ | 7,041 \$ | 7,041 \$ | 7,041 \$ | 7,041 | 5 7,041 | \$ 7 | ,041 \$ | 7,041 | \$ 7,041 | \$ 7,04 | 5 | ,041 | \$ 7,041 | \$ 7,041 | \$ | 7,04 |
| Interest expense | | 423 | (7,082) | (19,218) | (27, 401) | (31, 371) | (42, 392) | (53,880) | (56 | 5,949) | (66,081) | (77,111) | (90, 15) | (10 | 5,721) | (96, 407) | (144,406 | () | (133, 27 |
| Recycle - liabilities | | | 13 | 4,093 | 3,614 | (1,730) | (724) | (3) | (8 | 3,512) | (11,829) | (14, 186) | (15,53 |) (1 | 5,444) | (41,399) | (11,293 | () | (41,66 |
| Interest income | | 7,425 | 15,345 | 23,678 | 32,258 | 42,900 | 54,203 | 66,165 | 78 | 3,128 | 91,575 | 106,838 | 123,91 | 14 | 2,313 | 161,865 | 183,563 | 1 | 205,67 |
| Dividend income | | 238 | 450 | 632 | 785 | 862 | 944 | 1,093 | 1 | ,413 | 1,688 | 2,126 | 2,580 | | 3,050 | 3,254 | 2,833 | 1 | 3,12 |
| Realized gain (loss) - bonds | | - | - | - | - | - | - | - | | - | - | - | | | - | - | | | 47,57 |
| Unrealized gain (loss) - equities | | 1,997 | 6,661 | 10,093 | 11,281 | (7,895) | (10,331) | (18,242) | 18 | 3,335 | 8,701 | 3,455 | 17,51 | | 5,507 | (65, 553) | 26,905 | , | 19,24 |
| Realized gain (loss) - equities | | - | | - | | | | | | - | - | | | | - | | - 1 | - | |
| Vet income | 5 | 17,125 \$ | 22,428 \$ | 26,319 \$ | 27,578 \$ | 9,808 \$ | 8,742 | 5 2,174 | \$ 39 | ,455 \$ | 31,095 | \$ 28,164 | \$ 45,358 | \$ 3 | 5,745 | \$ (31,198) | \$ 64,644 | 1 5 | 107,71 |
| OCI | | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | | 9 | 10 | 11 | 12 | | 13 | 14 | | 15 |
| Liabilities | | | | | | | | | | | | | | | | | | | |
| Change in discount rate | 5 | (208) \$ | (103,805) \$ | (42,200) \$ | 215,907 \$ | (6,643) \$ | (58, 128) | (218,515) | \$ 12 | 977 \$ | 21,968 | \$ 23,703 | \$ 23.57 | S (7) | 3,954) | \$ 83,718 | \$ (27,982 | 2) 5 | |
| Recycle | | | (13) | (4,093) | (3,614) | 1,730 | 724 | 3 | | 3,512 | 11,829 | 14,186 | 15,53 | | ,444 | 41,399 | 11,293 | | 41,66 |
| Assets | | | | * | *************************************** | | | | | | | | | | | | | | |
| Bonds | | 208 | 8,464 | 11,877 | (54, 305) | 10,747 | 20,727 | 58,894 | (35 | , 489) | (60, 303) | (35,771) | 11,330 | 30 | ,147 | (25,000) | 114,072 | 2 | (55,60 |
| Recycle - bonds | | - | - | - | | - | - | - | | | | | | | - | | | - | |
| Total OCI | \$ | (0) \$ | (95,354) \$ | (34,416) \$ | 157,987 \$ | 5,834 \$ | (36,678) | (159,618) | \$ (14 | (,000) \$ | (26,506) | \$ 2,118 | \$ 50,438 | \$ (3) | 3,363) | \$ 100,116 | \$ 97,382 | 2 \$ | (13,94 |
| Changes in Equity | | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | | 9 | 10 | 11 | 12 | | 13 | 14 | | 15 |
| Beginning equity | S | - \$ | 17.125 S | (55,801) \$ | (63,898) \$ | 121,668 S | 137,309 | 109,373 | \$ (48 | 3,071) \$ | (22,616) | \$ (18,026) | | | _ | \$ 111,434 | | 5 | 342,37 |
| Net income | | 17,125 | 22,428 | 26,319 | 27,578 | 9,808 | 8,742 | 2.174 | | ,455 | 31,095 | 28,164 | 45,358 | | 745 | (31, 198) | 64,644 | | 107,71 |
| OCI | | (0) | (95, 354) | (34,416) | 157,987 | 5,834 | (36,678) | (159,618) | | (000) | (26,506) | 2,118 | 50,438 | | 3,363) | 100,116 | 97,382 | | (13,94 |
| Ending equity | \$ | 17,125 \$ | (55,801) \$ | (63,898) \$ | 121,668 \$ | 137,309 \$ | 109,373 | (48,071) | \$ (22 | ,616) \$ | (18,026) | \$ 12,255 | \$ 108,05 | \$ 11 | ,434 | \$ 180,352 | \$ 342,378 | 5 | 436,14 |
| Balance Sheet | - | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | | 9 | 10 | 11 | 12 | | 13 | 14 | | 15 |
| Assets | | | | | | | | | - | | | | | | | | | | |
| Cash | S | 1,957 \$ | 2,219 \$ | 3,418 \$ | 5,056 \$ | 6,553 \$ | 7,149 | 8,716 | \$ 10 | 0,088 \$ | 11,588 | \$ 12,563 | \$ 14.14 | S 1 | 3,065 | \$ 18,450 | \$ 22,544 | 1 5 | 266,36 |
| Investment in bonds | | 186,429 | 300,722 | 425,876 | 494,160 | 637,930 | 804,022 | 1,018,930 | 1,152 | 714 | 1,274,479 | 1,436,710 | 1,663,035 | 1,92 | ,811 | 2,155,609 | 2,543,062 | 2 | |
| Investment in equities | | 21,481 | 37,847 | 57,774 | 77,870 | 79,217 | 78,070 | 69,506 | 96 | ,736 | 115,132 | 128,574 | 156,013 | 17 | ,330 | 114,713 | 150,539 | 1 | 169,78 |
| Total assets | 5 | 209,868 \$ | 340,788 \$ | 487,068 \$ | 577,086 \$ | 723,700 \$ | 889,242 | 1,097,152 | \$ 1,259 | ,538 \$ | 1,401,200 | \$ 1,577,847 | \$ 1,833,189 | \$ 2,11 | 1,206 | \$ 2,288,771 | \$ 2,716,144 | 5 | 436,14 |
| Liabilities | | | | | | | | | | | | | | | | | | | |
| Insurance ECFs | 5 | 94,163 \$ | 305,050 \$ | 466,468 S | 377,962 S | 515,976 S | 716,496 | 1,088,892 | \$ 1,232 | 2.864 \$ | 1,376,977 | \$ 1,530,384 | \$ 1,696,972 | \$ 1,98 | ,648 | \$ 2,094,337 | \$ 2,366,725 | 5 | |
| CM remaining | | 98,580 | 91,539 | 84,497 | 77,456 | 70,415 | 63,373 | 56,332 | 49 | ,290 | 42,249 | 35,207 | 28,160 | 2 | 1,124 | 14,083 | 7,041 | | |
| Total liabilities | 5 | 192,743 \$ | 396,589 \$ | 550,965 \$ | 455,418 S | 586,391 \$ | 779,869 | 1,145,223 | \$ 1,282 | 2,154 \$ | 1,419,226 | \$ 1,565,592 | \$ 1,725,13 | \$ 2,00 | 2,772 | \$ 2,108,420 | \$ 2,373,766 | 5 | |
| Stockholders' equity | | 35 miles | | | | | | | | | | | | | STORE WAS A | | | | |
| AOCI | 5 | (0) \$ | (95,354) \$ | (129,770) \$ | 28,217 \$ | 34,051 \$ | (2,627) | (162,245) | \$ (176 | 6,245) \$ | (202,751) | \$ (200,633) | \$ (150,19) |) \$ (18 | 3,558) | \$ (83,442) | \$ 13,941 | 5 | |
| Retained earnings | | 17,125 | 39,553 | 65,872 | 93,450 | 103,258 | 112,000 | 114,174 | A | 3,629 | 184,725 | 212,888 | 258,24 | | 1,992 | 263,793 | 328, 437 | | 436,14 |
| Retained earrillings | | | | | | | | | | | | | | | | | | | |
| Total SE | 5 | 17,125 S | (55,801) \$ | (63,898) S | 121,668 \$ | 137,309 \$ | 109,373 | (48.071) | \$ (22 | 2.616) \$ | (18.026) | \$ 12,255 | \$ 108,05 | S 11 | 1,434 | \$ 180,352 | \$ 342,378 | 3 \$ | 436,14 |

| IASB Agenda ref | 2E |
|-----------------|-----|
| FASB Agenda | 82E |

| Income Statement | | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | 12 | 13 | 14 | 15 |
|---|----------------------|--|--|---|--|--|---|---|---|--|--|--|---|--|---|---|
| Single margin | 5 | 7,041 \$ | 7,041 \$ | 7,041 \$ | 7,041 \$ | 7,041 \$ | 7,041 \$ | 7,041 \$ | 7,041 \$ | 7,041 \$ | 7,041 \$ | | \$ 7,041 \$ | 7,041 \$ | 7,041 \$ | 7,04 |
| Interest expense | | 423 | (7,082) | (19, 218) | (27, 401) | (31, 371) | (42,392) | (53,880) | (56,949) | (66,081) | (77, 111) | (90, 158) | (105,721) | (96, 407) | (144, 406) | (133, 275 |
| Recycle - liabilities | | | 13 | 4,093 | 3,614 | (1,730) | (724) | (3) | (8,512) | (11,829) | (14, 186) | (15,531) | (15,444) | (41, 399) | (11, 293) | (41,662 |
| Interest income | | 7,425 | 15,345 | 23,678 | 32,258 | 42,900 | 54,203 | 66,165 | 78,128 | 91,575 | 106,838 | 123,915 | 142,313 | 161,865 | 183,563 | 205,673 |
| Dividend income | | 238 | 450 | 632 | 785 | 862 | 944 | 1,093 | 1,413 | 1,688 | 2,126 | 2,580 | 3,050 | 3,254 | 2,833 | 3,12 |
| Realized gain (loss) - bonds | | - | | 1. | | | - | | | | | * | | - | | 47,57 |
| Realized gain (loss) - equities | | - | | | | - | | | | | - | | | | | |
| Net income | \$ | 15,128 \$ | 15,767 \$ | 16,226 \$ | 16,297 \$ | 17,703 \$ | 19,073 \$ | 20,417 \$ | 21,120 \$ | 22,394 \$ | 24,709 \$ | 27,847 | \$ 31,239 \$ | 34,354 \$ | 37,739 \$ | 88,469 |
| | | | | | | | | | | | | | | | | |
| OCI | | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | 12 | 13 | 14 | 15 |
| Liabilities | | | | | | | | | | | | | | | | |
| Change in discount rate | \$ | (208) \$ | (103,805) \$ | (42,200) \$ | 215,907 \$ | (6,643) \$ | (58, 128) \$ | (218,515) \$ | 12,977 \$ | 21,968 \$ | 23,703 \$ | 23,571 | \$ (78,954) \$ | 83,718 \$ | | |
| Recycle | | - | (13) | (4,093) | (3,614) | 1,730 | 724 | 3 | 8,512 | 11,829 | 14,186 | 15,531 | 15,444 | 41,399 | 11,293 | 41,662 |
| Assets | | | | | | | | | | | | | | | | |
| Bonds | | 208 | 8,464 | 11,877 | (54, 305) | 10,747 | 20,727 | 58,894 | (35, 489) | (60, 303) | (35,771) | 11,336 | 30,147 | (25,000) | 114,072 | (55,603 |
| Recycle - bonds | | | | - | | | | - | • | - | - | 7 | | 2 | | |
| Equities | | 1,997 | 6,661 | 10,093 | 11,281 | (7,895) | (10,331) | (18,242) | 18,335 | 8,701 | 3,455 | 17,511 | 5,507 | (65, 553) | 26,905 | 19,24 |
| Recycle - equities | _ | - | | - | - | - | - | - | • | - | | - | - | - | - | |
| Total OCI | \$ | 1,997 \$ | (88,693) \$ | (24,322) \$ | 169,268 \$ | (2,062) \$ | (47,009) \$ | (177,861) \$ | 4,335 \$ | (17,805) \$ | 5,573 \$ | 67,949 | \$ (27,856) \$ | 34,564 \$ | 124,287 \$ | 5,302 |
| Changes in Equity | | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | 12 | 13 | 14 | 15 |
| Beginning equity | \$ | - \$ | 17,125 \$ | (55,801) \$ | (63,898) \$ | 121,668 \$ | 137,309 \$ | 109,373 \$ | (48,071) S | (22,616) \$ | (18,026) \$ | 12,255 | \$ 108,051 \$ | 5 111,434 S | 180,352 \$ | 342,378 |
| Net income | | 15,128 | 15,767 | 16,226 | 16,297 | 17,703 | 19,073 | 20,417 | 21,120 | 22,394 | 24,709 | 27,847 | 31,239 | 34,354 | 37,739 | 88,469 |
| OCI | | 1,997 | (88, 693) | (24, 322) | 159,268 | (2,062) | (47,009) | (177,861) | 4,335 | (17,805) | 5,573 | 67,949 | (27,856) | 34,564 | 124,287 | 5,302 |
| Ending equity | \$ | 17,125 \$ | (55,801) \$ | (63,898) \$ | 121,668 \$ | 137,309 \$ | 109,373 \$ | (48,071) \$ | (22,616) \$ | (18,026) \$ | 12,255 \$ | 108,051 | \$ 111,434 \$ | 180,352 \$ | 342,378 \$ | 436,149 |
| | | | | | | | | | | | | | | | | |
| | _ | | _ | | _ | | | | | | 10 | 11 | 12 | 13 | 14 | 15 |
| Balance Sheet | | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | | | | | |
| Assets | | | | 7 | | | | 7 | | | | | | | 00.544.6 | 000 000 |
| Assets Cash | s | 1,957 \$ | 2,219 \$ | 3,418 \$ | 5,056 \$ | 6,553 \$ | 7,149 S | 8,716 \$ | 10,088 \$ | 11,588 \$ | 12,563 | 14,141 | \$ 18,065 \$ | 18,450 S | | 266,368 |
| Assets Cash Investment in bonds | s | 1,957 \$ 186,429 | 2,219 \$ 300,722 | 3,418 \$ 425,876 | 5,056 \$ 494,160 | 6,553 \$ 637,930 | 7,149 \$ 804,022 | 1,018,930 | 10,088 \$ 1,152,714 | 11,588 \$ 1,274,479 | 12,563 \$ 1,436,710 | 14,141 1,663,035 | \$ 18,065 \$ 1,925,811 | 18,450 \$ 2,155,609 | 2,543,062 | |
| Assets Cash Investment in bonds Investment in equities | | 1,957 \$ 186,429 21,481 | 2,219 \$ 300,722 37,847 | 3,418 \$ 425,876 57,774 | 5,056 \$ 494,160 77,870 | 6,553 \$ 637,930 79,217 | 7,149 \$ 804,022 78,070 | 1,018,930 69,506 | 10,088 \$ 1,152,714 96,736 | 11,588 \$ 1,274,479 115,132 | 12,563 \$ 1,436,710 128,574 | 14,141 1,663,035 156,013 | \$ 18,065 \$ 1,925,811 170,330 | 18,450 \$ 2,155,609 114,713 | 2,543,062 150,539 | 169,78 |
| Assets Cash Investment in bonds Investment in equities Total assets | s | 1,957 \$ 186,429 | 2,219 \$ 300,722 | 3,418 \$ 425,876 | 5,056 \$ 494,160 | 6,553 \$ 637,930 | 7,149 \$ 804,022 78,070 | 1,018,930 | 10,088 \$ 1,152,714 96,736 | 11,588 \$ 1,274,479 115,132 | 12,563 \$ 1,436,710 128,574 | 14,141 1,663,035 156,013 | \$ 18,065 \$ 1,925,811 | 18,450 \$ 2,155,609 114,713 | 2,543,062 | |
| Assets Cash Investment in bonds Investment in equities Total assets Liabilities | S | 1,957 \$ 186,429 21,481 209,868 \$ | 2,219 \$ 300,722 37,847 340,788 \$ | 3,418 \$ 425,876 57,774 487,068 \$ | 5,056 \$ 494,160 77,870 577,086 \$ | 6,553 \$ 637,930 79,217 723,700 \$ | 7,149 \$ 804,022 78,070 889,242 \$ | 1,018,930 69,506 1,097,152 \$ | 10,088 \$ 1,152,714 96,736 1,259,538 \$ | 11,588 \$ 1,274,479 115,132 1,401,200 \$ | 12,563 \$ 1,436,710 128,574 1,577,847 \$ | 14,141 1,663,035 156,013 1,833,189 | \$ 18,065 \$ 1,925,811 170,330 \$ 2,114,206 \$ | \$ 18,450 \$ 2,155,609 114,713 \$ 2,288,771 \$ | 2,543,062 150,539 2,716,144 \$ | 169,78 |
| Assets Cash Investment in bonds Investment in equities Total assets Liabilities Insurance ECFs | | 1,957 \$ 186,429 21,481 209,868 \$ | 2,219 \$ 300,722 37,847 340,788 \$ | 3,418 \$ 425,876 57,774 487,068 \$ | 5,056 \$ 494,160 77,870 577,086 \$ 377,962 \$ | 6,553 \$ 637,930 79,217 723,700 \$ 515,976 \$ | 7,149 \$ 804,022 78,070 889,242 \$ 716,496 \$ | 1,018,930 69,506 1,097,152 \$ 1,088,892 \$ | 10,088 \$ 1,152,714 96,736 1,259,538 \$ 1,232,864 \$ | 11,588 \$ 1,274,479 115,132 1,401,200 \$ 1,376,977 \$ | 12,563 \$ 1,436,710 128,574 1,577,847 \$ 1,530,384 \$ | 14,141 1,663,035 156,013 1,833,189 1,696,972 | \$ 18,065 \$ 1,925,811 170,330 \$ 2,114,206 \$ \$ 1,981,648 \$ | 5 18,450 \$ 2,155,609 114,713 5 2,288,771 \$ 5 2,094,337 \$ | 2,543,062 150,539 2,716,144 \$ | 169,78 |
| Assets Cash Investment in bonds Investment in equities Total assets Liabilities Insurance ECFs CM remaining | \$ | 1,957 \$ 186,429 21,481 209,868 \$ 94,163 \$ 98,580 | 2,219 \$ 300,722 37,847 340,788 \$ 305,050 \$ 91,539 | 3,418 \$ 425,876 57,774 487,068 \$ 466,468 \$ 84,497 | 5,056 \$ 494,160 77,870 577,086 \$ 377,962 \$ 77,456 | 6,553 \$ 637,930 79,217 723,700 \$ 515,976 \$ 70,415 | 7,149 \$ 804,022 78,070 889,242 \$ 716,496 \$ 63,373 | 1,018,930 69,506 1,097,152 \$ 1,088,892 \$ 56,332 | 10,088 \$ 1,152,714 96,736 1,259,538 \$ 1,232,864 \$ 49,290 | 11,588 \$ 1,274,479 115,132 1,401,200 \$ 1,376,977 \$ 42,249 | 12,563 \$ 1,436,710 128,574 1,577,847 \$ 1,530,384 \$ 35,207 | 14,141 1,663,035 156,013 1,633,189 1,696,972 28,166 | \$ 18,065 \$ 1,925,811 170,330 \$ 2,114,206 \$ \$ 1,981,648 \$ 21,124 | 5 18,450 \$ 2,155,609 114,713 5 2,288,771 \$ 5 2,094,337 \$ 14,083 | 2,543,062 150,539 2,716,144 \$ 2,366,725 \$ 7,041 | 169,78 |
| Assets Cash Investment in bonds Investment in equities Total assets Liabilities Insurance ECFs CM remaining Total liabilities | \$ | 1,957 \$ 186,429 21,481 209,868 \$ | 2,219 \$ 300,722 37,847 340,788 \$ | 3,418 \$ 425,876 57,774 487,068 \$ | 5,056 \$ 494,160 77,870 577,086 \$ 377,962 \$ | 6,553 \$ 637,930 79,217 723,700 \$ 515,976 \$ | 7,149 \$ 804,022 78,070 889,242 \$ 716,496 \$ 63,373 | 1,018,930 69,506 1,097,152 \$ 1,088,892 \$ 56,332 | 10,088 \$ 1,152,714 96,736 1,259,538 \$ 1,232,864 \$ | 11,588 \$ 1,274,479 115,132 1,401,200 \$ 1,376,977 \$ 42,249 | 12,563 \$ 1,436,710 128,574 1,577,847 \$ 1,530,384 \$ | 14,141 1,663,035 156,013 1,633,189 1,696,972 28,166 | \$ 18,065 \$ 1,925,811 170,330 \$ 2,114,206 \$ \$ 1,981,648 \$ | 5 18,450 \$ 2,155,609 114,713 5 2,288,771 \$ 5 2,094,337 \$ 14,083 | 2,543,062 150,539 2,716,144 \$ | 169,78 |
| Assets Cash Investment in bonds Investment in equities Total assets Liabilities Insurance ECFs CM remaining Total liabilities Stockholders' equity | \$ \$ | 1,957 \$ 186,429 21,481 209,868 \$ 94,163 \$ 98,580 192,743 \$ | 2,219 \$ 300,722 37,847 340,788 \$ 305,050 \$ 91,539 396,589 \$ | 3,418 \$ 425,876 57,774 487,068 \$ 466,468 \$ 84,497 550,965 \$ | 5,056 \$ 494,160 77,870 577,086 \$ 377,962 \$ 77,456 455,418 \$ | 6,553 \$ 637,930 79,217 723,700 \$ 515,976 \$ 70,415 586,391 \$ | 7,149 \$ 804,022 78,070 889,242 \$ 716,496 \$ 63,373 779,869 \$ | 1,018,930 69,506 1,097,152 \$ 1,088,892 \$ 56,332 1,145,223 \$ | 10,088 \$ 1,152,714 96,736 1,259,538 \$ 1,232,864 \$ 49,290 1,282,154 \$ | 11,588 \$ 1,274,479 115,132 1,401,200 \$ 1,376,977 \$ 42,249 1,419,226 \$ | 12,563 \$ 1,436,710 128,574 1,577,847 \$ 1,530,384 \$ 35,207 1,565,592 \$ | 14,141 1,663,035 156,013 1,833,189 1,696,972 28,166 1,725,138 | \$ 18,065 \$ 1,925,811 | \$ 18,450 \$ 2,155,609 | 2,543,062 150,539 2,716,144 \$ 3,2,366,725 \$ 7,041 3,2,373,766 \$ | 169,78 436,149 |
| Assets Cash Investment in bonds Investment in equities Total assets Liabilities Insurance ECFs CM remaining Total liabilities Stockholders' equity AOCI | \$ | 1,957 \$ 186,429 21,481 209,868 \$ 94,163 \$ 98,580 192,743 \$ 1,997 \$ | 2,219 \$ 300,722 37,847 340,788 \$ 305,050 \$ 91,539 396,589 \$ (86,696) \$ | 3,418 \$ 425,876 57,774 487,068 \$ 466,468 \$ 84,497 550,965 \$ (111,019) \$ | 5,056 \$ 494,160 77,870 577,086 \$ 377,962 \$ 77,456 455,418 \$ 58,250 \$ | 6,553 \$ 637,930 79,217 723,700 \$ 515,976 \$ 70,415 586,391 \$ 56,188 \$ | 7,149 \$ 804,022 78,070 889,242 \$ 716,496 \$ 63,373 779,869 \$ 9,178 \$ | 1,018,930 69,506 1,097,152 \$ 1,088,892 \$ 56,332 1,145,223 \$ (168,682) \$ | 10,088 \$ 1,152,714 96,736 1,259,538 \$ 1,232,864 \$ 49,290 1,282,154 \$ (164,347) \$ | 11,588 \$ 1,274,479 115,132 1,401,200 \$ 1,376,977 \$ 42,249 1,419,226 \$ (182,152) \$ | 12,563 \$ 1,436,710 | 14,141 1,663,035 156,013 5 1,833,189 5 1,696,972 28,166 5 1,725,138 6 (108,630) | \$ 18,065 \$ 1,925,811 | \$ 18,450 \$ 2,155,609 | 2,543,062 150,539 2,716,144 \$ 3,2366,725 \$ 7,041 2,373,766 \$ 3,22,364 \$ | 169,78: 436,149 27,66: |
| Assets Cash Investment in bonds Investment in equities Total assets Liabilities Insurance ECFs CM remaining Total liabilities Stockholders' equity AOCI Retained earnings | \$ \$ \$ \$ | 1,957 \$ 186,429 21,481 209,868 \$ 94,163 \$ 98,580 192,743 \$ 1,997 \$ 15,128 | 2,219 \$ 300,722 37,847 340,788 \$ 305,050 \$ 91,539 396,589 \$ (86,696) \$ 30,895 | 3,418 \$ 425,876 57,774 487,068 \$ 466,468 \$ 84,497 550,965 \$ (111,019) \$ 47,121 | 5,056 \$ 494,160 77,870 577,086 \$ 377,962 \$ 77,456 455,418 \$ 58,250 \$ 63,418 | 6,553 \$ 637,930 79,217 723,700 \$ 515,976 \$ 70,415 586,391 \$ 56,188 \$ 81,121 | 7,149 \$ 804,022 78,070 889,242 \$ 716,496 \$ 63,373 779,869 \$ 9,178 \$ 100,194 | 1,018,930 69,506 1,097,152 \$ 1,088,892 \$ 56,332 1,145,223 \$ (168,682) \$ 120,611 | 10,088 \$ 1,152,714 96,736 1,259,538 \$ 1,232,864 \$ 49,290 1,282,154 \$ (164,347) \$ 141,731 | 11,588 \$ 1,274,479 115,132 1,401,200 \$ 1,376,977 \$ 42,249 1,419,226 \$ (182,152) \$ 164,126 | 12,563 \$ 1,436,710 128,574 1,577,847 \$ 1,530,384 \$ 35,207 1,565,592 \$ (176,579) \$ 188,834 | 14,141 1,663,035 156,013 1,833,189 1,696,972 28,166 1,725,138 (108,630) 216,682 | \$ 18,065 \$ 1,925,811 170,330 \$ 2,114,206 \$ \$ 1,981,648 \$ 21,124 \$ 2,002,772 \$ \$ (136,487) \$ 247,920 | \$ 18,450 \$ 2,155,609 114,713 5 2,288,771 \$ \$ 2,094,337 \$ 14,083 \$ 2,108,420 \$ \$ (101,923) \$ 282,275 | 2,543,062 150,539 2,716,144 \$ 2,366,725 \$ 7,041 2,373,766 \$ 320,013 | 169,78: 436,149 27,66: 408,48: |
| Assets Cash Investment in bonds Investment in equities Total assets Liabilities Insurance ECFs CM remaining Total liabilities Stockholders' equity AOCI | \$ \$ | 1,957 \$ 186,429 21,481 209,868 \$ 94,163 \$ 98,580 192,743 \$ 1,997 \$ | 2,219 \$ 300,722 37,847 340,788 \$ 305,050 \$ 91,539 396,589 \$ (86,696) \$ | 3,418 \$ 425,876 57,774 487,068 \$ 466,468 \$ 84,497 550,965 \$ (111,019) \$ | 5,056 \$ 494,160 77,870 577,086 \$ 377,962 \$ 77,456 455,418 \$ 58,250 \$ | 6,553 \$ 637,930 79,217 723,700 \$ 515,976 \$ 70,415 586,391 \$ 56,188 \$ | 7,149 \$ 804,022 78,070 889,242 \$ 716,496 \$ 63,373 779,869 \$ 9,178 \$ 100,194 109,373 \$ | 1,018,930 69,506 1,097,152 \$ 1,088,892 \$ 56,332 1,145,223 \$ (168,682) \$ 120,611 (48,071) \$ | 10,088 \$ 1,152,714 96,736 1,259,538 \$ 1,232,864 \$ 49,290 1,282,154 \$ (164,347) \$ 141,731 (22,616) \$ | 11,588 \$ 1,274,479 115,132 1,401,200 \$ 1,376,977 \$ 42,249 1,419,226 \$ (182,152) \$ 164,126 | 12,563 \$ 1,436,710 128,574 1,577,847 \$ 1,530,384 \$ 35,207 1,565,592 \$ (176,579) \$ 188,834 12,255 \$ | 14,141 1,663,035 156,013 1,833,189 1,696,972 28,166 1,725,138 (108,630) 216,682 108,051 | \$ 18,065 \$ 1,925,811 | \$ 18,450 \$ 2,155,609 | 2,543,062 150,539 2,716,144 \$ 5,2,366,725 \$ 7,041 2,373,766 \$ 6,22,364 \$ 320,013 | 169,78 436,14 |

| IASB Agenda ref | 2E |
|-----------------|-----|
| FASB Agenda | 82E |

| Income Statement | | 1 | | 2 | 3 | | 4 | | 5 | | 6 | | 7 | | 8 | | 9 | | 10 | | 11 | | 12 | | 13 | | 14 | | 15 |
|--|----|---------|----|-------------|-------|--------|--------------------|----|-----------|-----|---|------|----------------------|----|-----------|----|-----------|-------|------------------|-----|--------------------|----|-----------|------|------------|------|------------|----|-------------------------------|
| Single margin | 5 | 7,041 | 5 | 7,041 \$ | 7,0 | 41 5 | 7,041 | S | 7,041 | \$ | 7,041 | \$ | 7,041 | 5 | 7,041 | \$ | 7,041 | 5 | 7,041 | 5 | 7,041 | \$ | 7,041 | \$ | 7,041 | 5 | 7,041 | 5 | 7,041 |
| nterest expense | | 423 | | (7,082) | (19,2 | 18) | (27, 401) | | (31, 371) | | (42,392) | | (53,880) | | (56, 949) | | (66,081) | | (77,111) | | (90, 158) | | (105,721) | | (96, 407) | | (144, 406) | | (133,275 |
| Change in discount rate | | (208) | | (103, 805) | (42,2 | 00) | 215,907 | | (6,643) | | (58, 128) | | (218, 515) | | 12,977 | | 21,968 | | 23,703 | | 23,571 | | (78,954) | | 83,718 | | (27,982) | | |
| Interest income | | 7,425 | | 15,345 | 23,6 | 78 | 32,258 | | 42,900 | | 54,203 | | 66, 165 | | 78,128 | | 91,575 | | 106,838 | | 123,915 | | 142,313 | | 161,865 | | 183,563 | | 205,673 |
| Dividend income | | 238 | | 450 | 6 | 32 | 785 | | 862 | | 944 | | 1,093 | | 1,413 | | 1,688 | | 2,126 | | 2,580 | | 3,050 | | 3,254 | | 2,833 | | 3,121 |
| Realized gain (loss) - bonds | | - | | - | | - | | | | | - | | | | | | | | - | | - | | - | | - | | - | | 47,571 |
| Realized gain (loss) - equities | | | | | | - | | | - 2 | | | | - | | - 2 | | | | - | | - 1 | | | | - | | | | - |
| Unrealized gain (loss) - bonds | | 208 | | 8,464 | 11,8 | 77 | (54, 305) | | 10,747 | | 20,727 | | 58,894 | | (35, 489) | | (60,303) | | (35,771) | | 11,336 | | 30,147 | | (25,000) | | 114,072 | | (55,603 |
| Unrealized gain (loss) - equities | | 1,997 | | 6,661 | 10.0 | 93 | 11,281 | | (7,895) | | (10,331) | | (18, 242) | | 18,335 | | 8,701 | | 3,455 | | 17,511 | | 5,507 | | (65, 553) | | 26,905 | | 19,243 |
| Net income | S | 17,125 | 5 | (72,926) \$ | (8.0 | 97) \$ | 185,565 | S | 15,641 | S | (27,936) | \$ | (157, 444) | 5 | 25,455 | S | 4,589 | S | 30,282 | S | 95,796 | 5 | 3,383 | \$ | 68,918 | 5 | 162,026 | 5 | 93,771 |
| | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Changes in Equity | | 1 | | 2 | 3 | | 4 | | 5 | | 6 | | 7 | | 8 | | 9 | | 10 | | 11 | | 12 | | 13 | | 14 | | 15 |
| Beginning equity | \$ | - | 5 | 17,125 \$ | (55,8 | 01) \$ | (63,898) | 5 | 121,668 | \$ | 137,309 | \$ | 109,373 | 5 | (48,071) | \$ | (22,616) | 5 | (18,026) | 5 | 12,255 | \$ | 108,051 | \$ | 111,434 | 5 | 180,352 | \$ | 342,378 |
| Net income | | 17,125 | | (72,926) | (8,0 | 97) | 185,565 | | 15,641 | | (27,936) | | (157,444) | | 25,455 | | 4,589 | | 30,282 | | 95,796 | | 3,383 | | 68,918 | | 162,026 | | 93,771 |
| Ending equity | \$ | 17,125 | \$ | (55,801) \$ | (63,8 | 98) \$ | 121,668 | \$ | 137,309 | 5 | 109,373 | \$ | (48,071) | 5 | (22,616) | 5 | (18,026) | \$ | 12,255 | 5 | 108,051 | \$ | 111,434 | \$ | 180,352 | \$ | 342,378 | 5 | 436,149 |
| Balance Sheet | | 4 | | 2 | - | | | | 5 | | | | - | | | | 9 | | 10 | | 11 | | 12 | | 42 | | 14 | _ | 15 |
| Assets | _ | | | | 3 | | 4 | | 3 | | 0 | _ | - | | 8 | | 9 | | 10 | | 11 | | 12 | | 13 | | 14 | _ | 13 |
| Cash | S | 1.957 | - | 2.219 \$ | 2 | 18 5 | 5.056 | - | 0.550 | | 7.149 | | 8.716 | - | 10.088 | - | 11.588 | - | 12.563 | - | | - | 18.065 | - | 18,450 | | 00 544 | | 000 000 |
| | 3 | | 5 | | 425.8 | | 5,056 | 3 | 6,553 | S | | S | | | | 5 | | 5 | | 3 | 14,141 | | | 5 | | 3 | | 5 | 266,368 |
| Investment in bonds | | 186,429 | | 300,722 | | | 494,160 | | 637,930 | | 804,022 | 7 | 1,018,930 | | 1,152,714 | | 1,274,479 | 7, | ,436,710 | - 3 | 1,663,035 | | 1,925,811 | 2 | , 155, 609 | - 3 | 2,543,062 | | |
| Investment in equities | _ | 21,481 | - | 37,847 | 57,7 | | 77,870 | | 79,217 | _ | 78,070 | | 69,506 | | 96,736 | _ | 115,132 | | 128,574 | | 156,013 | - | 170,330 | | 114,713 | | 150,539 | _ | 169,781 |
| Total assets | 3 | 209,868 | 3 | 340,788 \$ | 487,0 | 68 \$ | 577,086 | 3 | 723,700 | 5 | 889,242 | \$ 1 | 1,097,152 | 5 | 1,259,538 | \$ | 1,401,200 | \$ 1, | ,577,847 | \$ | 1,833,189 | 5 | 2,114,206 | 5 2 | ,288,771 | 2 . | 2,716,144 | 5 | 436,149 |
| Liabilities | | | | | | | | | | 172 | 120000000000000000000000000000000000000 | | | | | | | - | | | | | | - | | 1000 | | | |
| Insurance ECFs | 5 | 94,163 | \$ | 305,050 \$ | 466,4 | | 377,962 | S | 515,976 | 5 | | \$ 1 | 1,088,892 | S | 1,232,864 | \$ | 1,376,977 | \$ 1, | ,530,384 | 5 | 1,696,972 | \$ | 1,981,648 | \$ 2 | ,094,337 | S: | 2,366,725 | \$ | - |
| CM remaining | _ | 98,580 | | 91,539 | 84,4 | | 77,456 | | 70,415 | | 63,373 | | 56,332 | | 49,290 | | 42,249 | | 35,207 | | 28,166 | | 21,124 | | 14,083 | | 7,041 | | |
| | S | 192,743 | \$ | 396,589 \$ | 550,9 | 65 \$ | 455,418 | \$ | 586,391 | 5 | 779,869 | \$ 1 | 1,145,223 | 5 | 1,282,154 | 5 | 1,419,226 | \$ 1, | ,565,592 | 5 | 1,725,138 | 5 | 2,002,772 | \$ 2 | 2,108,420 | \$ 2 | 2,373,766 | 5 | |
| Total liabilities | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Stockholders' equity | | | | | | | | | | | | • | | - | | S | | 5 | | 5 | | | | - | | • | | 5 | |
| ALCOHOLOGIC CONTRACTOR | 5 | | \$ | - \$ | | - 5 | - | 5 | | 5 | | 9 | | 2 | | | | ~ | | | | 9 | | 3 | | 4 | | 9 | |
| Stockholders' equity AOCI Retained earnings | \$ | 17,125 | s | (55,801) | (63,8 | 98) | 121,668 | 5 | 137,309 | 3 | 109,373 | 9 | (48,071) | 3 | (22,616) | | (18,026) | | 12,255 | • | 108,051 | • | 111,434 | 3 | 180,352 | * | 342,378 | 3 | 436,149 |
| Stockholders' equity AOCI | S | | S | | | | 121,668 121,668 | 5 | | 5 | 109,373 | 5 | (48,071) (48,071) | \$ | (22,616) | | (18,026) | S | 12,255 12,255 | 5 | 108,051 108,051 | 5 | | \$ | | \$ | | 5 | 436,149 436,149 436,149 |