

RSP Member Reporting Enhancements

Presented to Actuarial Committee
(Amended)

May 5, 2024



Overview of Changes

- ❑ Insurance Revenue
- ❑ Insurance Finance Income
- ❑ Balance Sheet
- ❑ Memo Items
- ❑ Projections – Operating Results Projection
- ❑ Projections – Balance Sheet Projection
- ❑ Projections – Memo Items Projection
- ❑ Other Changes
- ❑ Next Steps

Insurance Revenue

Current:

Month To Date	2025	2024	2023	2022	2021	2020	2019 & Prior	Total
IFRS 17 Statement of Operations Captions								
Insurance revenue	0	33,687,055	-229,215	-19,653	-11,170	-577	-753	33,425,687
Premium Earned	0	49,486,133	-338,458	-27,418	-15,915	-840	-1,107	49,102,395
Earned Expense Allowance	0	15,799,078	-109,243	-7,765	-4,745	-263	-354	15,676,708

Proposed:

Accident Years - >	2025	2024	2023	2022	2021	2020	2019 & Prior	Total
IFRS 17 Statement of Operations Captions								
Insurance revenue	-	33,687,055	(229,215)	(19,653)	(11,170)	(577)	(752)	33,425,688
Earned Premium	-	49,486,133	(338,458)	(27,418)	(15,915)	(840)	(1,106)	49,102,396
Written Premium	5,085,203	39,394,845	(338,458)	(27,418)	(15,915)	(840)	(1,106)	44,096,311
Change in Unearned Premium	(5,085,203)	10,091,288	-	-	-	-	-	5,006,085
Earned Expense Allowance	-	15,799,078	(109,243)	(7,765)	(4,745)	(263)	(354)	15,676,708
Written Expense Allowance	1,667,355	13,001,053	(109,244)	(7,764)	(4,746)	(263)	(354)	14,546,037
Change in Unearned Expense Allowance	(1,667,355)	2,798,025	1	(1)	1	-	-	1,130,671

- Introduction of Written Premium and Change in Unearned Premium (IFRS 4 definition) as important business metrics for members.
- Similar breakdown of Expense Allowance

Insurance Finance Income

Current:

Net finance income/expense from insurance	-2,426,974	-2,708,312	-1,891,221	-993,548	-465,362	-346,860	-985,762	-9,818,039
Finance income/expense from PVFCF	0	-426,334	-1,788,701	-923,225	-432,470	-322,198	-915,400	-4,808,328
Finance income/expense from Risk Adjustment	0	-24,435	-102,520	-70,323	-32,892	-24,662	-70,362	-325,194
Finance income/expense from Loss Component	-2,426,974	-2,257,543	0	0	0	0	0	-4,684,517

Proposed:

Accident Years - >	2025	2024	2023	2022	2021	2020	2019 & Prior	Total
Net finance income/expense from insurance	(2,426,974)	(2,708,312)	(1,891,221)	(993,548)	(465,362)	(346,860)	(985,762)	(9,818,039)
Finance income/expense from PVFCF	-	(426,334)	(1,788,701)	(923,225)	(432,470)	(322,198)	(915,400)	(4,808,328)
Discount Unwind PV FCF	-	426,334	1,788,701	923,225	432,470	322,198	915,400	4,808,328
Yield Impact PV FCF	-	-	-	-	-	-	-	-
Finance income/expense from Risk Adjustment	-	(24,435)	(102,520)	(70,323)	(32,892)	(24,662)	(70,362)	(325,194)
Discount Unwind Risk Adjustment	-	24,435	102,520	70,323	32,892	24,662	70,362	325,194
Yield Impact Risk Adjustment	-	-	-	-	-	-	-	-
Finance income/expense from loss component	(2,426,974)	(2,257,543)	-	-	-	-	-	(4,684,517)
Discount Unwind Loss Component	2,426,974	2,257,543	-	-	-	-	-	4,684,517
Yield Impact Loss Component	-	-	-	-	-	-	-	-

- Breaks down the finance income between discount unwinding and impact of yield curve updates

Balance Sheet

Current:

As At Reporting Date	2025	2024	2023	2022	2021	2020	2019 & Prior	Total
IFRS 17 Statement of Financial Position								
Liability for remaining coverage	508,334,514	556,154,625	0	0	0	0	0	1,064,489,139
Liability for remaining coverage (excl. LC)	1,195,211	185,215,082	0	0	0	0	0	186,410,293
Loss Component	507,139,303	370,939,543	0	0	0	0	0	878,078,846
Liability for incurred claims	0	110,075,532	267,406,389	206,437,323	94,164,274	66,953,567	201,861,267	946,898,352
PV FCF	0	104,108,538	252,910,777	191,825,686	87,508,758	62,193,114	187,443,547	885,990,420
Risk Adjustment	0	5,966,994	14,495,612	14,611,637	6,655,516	4,760,453	14,417,720	60,907,932

Proposed:

Accident Years - >	2025	2024	2023	2022	2021	2020	2019 & Prior	Total
IFRS 17 Statement of Financial Position								
Liability for remaining coverage (LRC)	508,334,514	556,154,625	-	-	-	-	-	1,064,489,139
LRC excluding Loss Component	1,195,211	185,215,082	-	-	-	-	-	186,410,293
Unearned Premium Received	1,774,306	270,840,353	109,244	7,764	4,746	263	354	272,737,030
Prepaid expense allowance	(579,095)	(85,625,271)	(109,244)	(7,764)	(4,746)	(263)	(354)	(86,326,737)
Loss Component	507,139,303	370,939,543	-	-	-	-	-	878,078,846
Liability for incurred claims	-	214,184,070	520,317,166	398,263,009	181,673,032	129,146,681	389,304,814	1,832,888,772
PV FCF	-	104,108,538	252,910,777	191,825,686	87,508,758	62,193,114	187,443,547	885,990,420
Undiscounted Case Reserves	-	35,882,702	112,983,115	103,154,173	72,859,997	63,820,108	216,814,861	605,514,956
Undiscounted IBNR	-	81,198,828	180,893,474	122,372,565	28,226,056	7,036,771	1,698,063	421,425,757
Discount Amount	-	(12,972,992)	(40,965,812)	(33,701,052)	(13,577,295)	(8,663,765)	(31,069,377)	(140,950,293)
Risk Adjustment	-	5,966,994	14,495,612	14,611,637	6,655,516	4,760,453	14,417,720	60,907,932

- Provides a breakdown of the LRC excluding loss component into the unearned premium received and the prepaid expense allowance – to improve ability to reconcile and improve transparency

- Provides breakdown of PV FCF into undiscounted components and the discount amount

Memo Items

Current:

Memo Items	2025	2024	2023	2022	2021	2020	2019 & Prior	Total
Discounted Values:								
Discounted future losses with Risk Adj	1,002,239,245	872,510,876	267,406,389	206,437,323	94,164,274	66,953,567	201,861,271	2,711,572,945
Undiscounted Values:								
Undiscounted IBNR	0	81,198,828	180,893,474	122,372,565	28,226,056	7,036,771	1,698,063	421,425,757
Undiscounted Loss Component	710,202,418	501,132,188	0	0	0	0	0	1,211,334,606
Undiscounted future loss cashflows from LIC and L	1,157,835,057	951,313,517	293,876,589	225,526,738	101,086,053	70,856,879	218,512,924	3,019,007,757
Net premium receivables	3,417,848	26,393,792	0	0	0	0	0	29,811,640
Undiscounted Outstanding Losses	0	35,882,702	112,983,115	103,154,173	72,860,010	63,820,132	216,816,189	605,516,321
Undiscounted Risk Adjustment on Unpaid Claims	0	6,710,542	16,843,573	17,178,695	7,688,142	5,423,604	16,819,870	70,664,426

Proposed:

Accident Years - >	2025	2024	2023	2022	2021	2020	2019 & Prior	Total
Memo Items								
Unearned Premium	6,859,509	310,235,198	-	-	-	-	-	317,094,707
Undiscounted Values:								
Undiscounted Loss Component	710,202,418	501,132,188	-	-	-	-	-	1,211,334,606
Net premium receivables	3,417,848	26,393,792	-	-	-	-	-	29,811,640
Undiscounted Risk Adjustment on Unpaid Claims	-	6,710,542	16,843,573	17,178,695	7,688,142	5,423,604	16,819,870	70,664,426
Written Vehicle Counts								-

- Inclusion of IFRS 4 unearned premium, an important business metric as per members
- Removal of non-meaningful metrics (e.g. “Undiscounted future loss cashflows from LIC and L”)
- Undiscounted IBNR and Outstanding Losses have been moved to the main balance sheet section for PV FCF breakdown
- Inclusion of lifetime-to-date Written Vehicle Counts by AY (will show member’s assumed share of counts) to support OSFI reporting requirements

Projections – Operating Results Projection

Current:

PROJECTIONS		Projection Periods						
Fiscal Year	FY Feb 2024 [1]	Estimate Mar 2024 [2]	Estimate Apr 2024 [3]	Estimate Nov 2023 [4]	Estimate Dec 2023 [5]	Year to Date at CY Apr 2024 [6]	Year to Date at CY Mar 2024 [7]	Calendar Month Apr 2024 [8]
IFRS 17 Statement of Operations Captions								
Insurance revenue	136,981,307	36,321,431	36,255,108	31,150,255	31,271,514	147,136,077	109,949,533	37,186,544
Premium Earned	198,016,867	53,226,969	53,122,210	44,605,988	44,712,880	215,047,178	160,313,367	54,733,810
Earned Expense Allowance	61,035,559	16,905,538	16,867,102	13,455,733	13,441,366	67,911,100	50,363,834	17,547,266

In the current reports, these estimates from our previous fiscal year end don't get updated with actuals after they become available – so the YTD is never corrected! We will fix this.

Proposed:

PROJECTIONS									
Projection Periods ->	CY 2024 to Date (Jan - Feb 2024)	Actual Month of Feb 2024	Last Month Projection of Feb 2024	Current Month Projection of Mar 2024	Last Month Projection of Mar 2024	Current Month Projection of Apr 2024	Projected Apr 2024 True Up	Projected CY 2024 to Date as of Apr 2024	Projected CY 2025 to Date as of Apr 2024
	[1]	[2]	[3]	[4]	[5]	[6]	[7]	[8]	[9]
Formulas-->							[2]-[3]+[4]-[5]+[6]	[1]+[4]+[6]	
IFRS 17 Statement of Operations Captions									
Insurance revenue	69,288,135	33,425,688	32,091,326	36,321,433	36,724,348	36,255,118	37,186,565	141,864,686	-
Earned Premium	100,934,775	49,102,396	46,966,311	53,226,970	53,751,446	53,122,219	54,733,828	207,283,964	-
Written Premium	92,338,662	44,096,311	51,034,745	65,817,498	64,280,721	67,651,219	62,249,562	225,807,379	-
Change in Unearned Premium	8,596,113	5,006,085	(4,068,434)	(12,590,528)	(10,529,275)	(14,529,000)	(7,515,734)	(18,523,415)	-
Earned Expense Allowance	31,646,640	15,676,708	14,874,985	16,905,537	17,027,098	16,867,101	17,547,263	65,419,278	-
Written Expense Allowance	29,246,139	14,546,037	16,178,000	20,865,000	20,377,000	21,445,000	20,301,037	71,556,139	-
Change in Unearned Expense Allowance	2,400,501	1,130,671	(1,303,015)	(3,959,463)	(3,349,902)	(4,577,899)	(2,753,774)	(6,136,861)	-

- Same changes to insurance revenue and insurance finance expense line items as described above
- Changes to the columns in the projection section. The previous format (in effect for 15+ years) does not correctly calculate projected calendar year to date for all items in the projection page; the “calendar year to date” currently shown in the report is based on the calendar year of the projected months, not the actual calendar year, and this can span 2 actual calendar years. We will correct this by showing the 2 calendar years more precisely as separate years. This means that, in the December report, we will have an accurate view of the current full calendar year result, and a projected February year to date view of the upcoming year.

Projections – Balance Sheet Projection

Current:

PROJECTIONS	Projection Periods		
	As At Feb 2024	Estimate At Mar 2024	Estimate At Apr 2024
IFRS 17 Statement of Financial Position			
Liability for remaining coverage	1,064,489,154	1,027,393,886	1,004,981,481
Liability for remaining coverage (excl. LC)	186,410,293	179,900,490	188,597,884
Loss Component	878,078,861	847,493,396	816,383,597
Liability for incurred claims	946,898,295	968,908,157	987,686,227
PV FCF	885,990,429	907,084,587	925,076,521
Risk Adjustment	60,907,866	61,823,570	62,609,706

Proposed:

AS AT REPORTING DATE			
Projection Periods ->	As at Feb 2024	Estimate Mar 2024	Estimate Apr 2024
	[1]	[2]	[3]
IFRS 17 Statement of Financial Position			
Liability for remaining coverage (LRC)	1,064,489,139	202403 1,027,393,876	202404 1,004,981,469
LRC excluding Loss Component	186,410,293	179,900,500	188,597,881
Unearned Premium Received	272,737,030	175,215,983	183,913,364
Prepaid expense allowance	(86,326,737)	4,684,517	4,684,517
Loss Component	878,078,846	847,493,376	816,383,588
Liability for incurred claims	1,832,888,772	1,875,992,730	1,912,762,822
PV FCF	885,990,420	907,084,564	925,076,547
Undiscounted Case Reserves	605,514,956	613,994,245	623,510,917
Undiscounted IBNR	421,425,757	436,428,824	447,539,509
Discount Amount	(140,950,293)	(143,338,505)	(145,973,879)
Risk Adjustment	60,907,932	61,823,602	62,609,728

- The same breakdowns we introduced for the balance sheet for the current month will be included in the projections page as well.

Projections – Memo Items Projection

Current:

PROJECTIONS	Projection Periods		
	As At Feb 2024	Estimate At Mar 2024	Estimate At Apr 2024
Discounted Values:			
Discounted future losses with Risk Adj	2,711,572,976	2,670,484,799	2,626,277,253
Undiscounted Values:			
Undiscounted IBNR	421,425,797	436,428,830	447,539,558
Undiscounted Loss Component	1,211,334,614	1,165,604,838	1,119,970,223
Undiscounted future losses	3,019,007,715	2,966,375,503	2,911,038,115
Net premium receivables	29,811,649	44,952,494	46,206,230
Undiscounted Outstanding Losses	605,514,960	613,994,243	623,510,913
Undiscounted Risk Adjustment on Unpaid Claims	70,664,362	71,667,352	72,558,063

Proposed:

Projection Periods ->	As at Feb 2024 [1]	Estimate Mar 2024 [2]	Estimate Apr 2024 [3]
Memo Items			
Unearned Premium	317,094,707	310,235,198	-
Undiscounted Values:			
Undiscounted Loss Component	1,211,334,606	501,132,188	-
Net premium receivables	29,811,640	26,393,792	-
Undiscounted Risk Adjustment on Unpaid Claims	70,664,426	6,710,542	16,843,573
Written Vehicle Counts	-		

- The same changes we introduced for the memo items section for the current month will be included in the projections page as well.
- Note that the Written Vehicle Counts on this page will be current and projected lifetime to date counts **for the current accident year only** (the memo items page for the current month has different columns for different accident years, so the counts are split out by AY on that page)
- Please note some of these figures are “dummy” or “placeholder” numbers

Other Changes

- ❑ The same details added to the operational report will also be added to the Government Line Report.
- ❑ Ability to download all RSP operational reports in 1 PDF will be added to the portal (this ability currently exists for FARM but not RSP).
- ❑ Amounts which are zero on the Government Line/Operational Report will be shown as “0” instead of blanks (this change will come into effect in the reports published in September 2024)
- ❑ Accident Years splits shown in Government Line report will be made consistent with Operational Report.
- ❑ We are investigating changing the format of the Government Line Report to just be the same as Operational Report but with a filter applied to filter TPL, Accident Benefits or Other. This would improve our operational efficiency if we can achieve this.
- ❑ We will add additional information to our Quarterly Financial Insights (posted on our website) including a detailed claim count breakdown from our quarterly valuations, as well as a duration calculation for both LIC and LRC

FARM Member Reporting Enhancements

Presented to Actuarial Committee
(Amended)

July 3, 2024



Overview of Changes

- ❑ Insurance Revenue
- ❑ General Expenses
- ❑ Amortization of Insurance Acquisition Cash Flows
- ❑ Insurance Finance Income
- ❑ Balance Sheet
- ❑ Memo Items
- ❑ Projections – Operating Results Projection
- ❑ Projections – Balance Sheet Projection
- ❑ Projections – Memo Items Projection
- ❑ Other Changes
- ❑ Next Steps

Insurance Revenue

□ Current:

FARM Total (Month To Date)	Accident Years						Total
	2025 & 2024	2023	2022	2021	2020	2019 & Prior	
IFRS 17 Statement of Operations Captions							
Insurance revenue	3,388,145	-20,314	-1,012	0	0	0	3,366,819

□ Proposed:

MONTH TO DATE							
IFRS 17 Statement of Operations Captions							
Insurance revenue	3,388,145	(20,314)	(1,012)	-	-	0	3,366,819
Earned Premium	3,388,145	(20,314)	(1,012)	-	-	0	3,366,819
Written Premium	2,850,748	(20,314)	(1,012)	-	-	0	2,829,421
Change in Unearned Premium	537,398	0	(0)	-	-	0	537,398

- Introduction of Written Premium and Change in Unearned Premium (IFRS 4 definition) as important business metrics for members

General Expenses

Current:

	2025 & 2024	2023	2022	2021	2020	2019 & Prior	Total
IFRS 17 Statement of Operations Captions							
Insurance revenue	3,388,145	-20,314	-1,012	0	0	0	3,366,819
Insurance service expenses							
Claims incurred	2,705,961						2,705,961
Paid claims	677,202						677,202
Paid and payable claims expenses	392,431						392,431
Change in PV FCF	1,473,484						1,473,484
Change in Risk Adjustment	162,844						162,844
Administrative expenses	371,818	-2,647	-134	0	0	0	369,037

Proposed:

Accident Years - >	2025 & 2024	2023	2022	2021	2020	2019 & Prior	Total
General Expenses	385,808	(2,661)	(132)	-	-	-	383,015
Operating and Service Fee	307,881	(2,194)	(109)	-	-	-	305,578
Administration Expense	77,927	(467)	(23)	-	-	-	77,437
Bad Debt	-	-	-	-	-	-	-
Premium Finance Fee	-	-	-	-	-	-	-

- Breakdown of administrative expenses into its components
- Differences in figures between current and proposed exist as proposed figures are “placeholder” numbers

Amortization of Insurance Acquisition Cash Flows

□ Current:

	2025 & 2024	2023	2022	2021	2020	2019 & Prior	Total
IFRS 17 Statement of Operations Captions							
Insurance revenue	3,388,145	-20,314	-1,012	0	0	0	3,366,819
Insurance service expenses							
Claims incurred	2,705,961						2,705,961
Paid claims	677,202						677,202
Paid and payable claims expenses	392,431						392,431
Change in PV FCF	1,473,484						1,473,484
Change in Risk Adjustment	162,844						162,844
Administrative expenses	371,818	-2,647	-134	0	0	0	369,037
Amortization of insurance acquisition cash flows	209,703	709	-170	0	0	0	210,242

□ Proposed:

Accident Years - >	2025 & 2024	2023	2022	2021	2020	2019 & Prior	Total
Amortization of insurance acquisition cash flows	214,079	(1,301)	(65)	-	-	-	212,713
Agents Commissions	168,194	(1,199)	(60)	-	-	-	166,935
Driver Record Abstracts	14,254	(102)	(5)	-	-	-	14,147
Change in Unamortized IACFs	31,631	-	-	-	-	-	31,631

- Breakdown of amortization of insurance acquisition cash flows into its components
- Differences in figures between current and proposed exist as proposed figures are “placeholder” numbers

Insurance Finance Income

Current:

	2025 & 2024	2023	2022	2021	2020	2019 & Prior	Total
Net finance income/expense from insurance	-15,888	-85,239	-82,753	-63,154	-39,860	-116,470	-403,364
Finance income/expense from PV FCF	-14,430	-77,384	-73,954	-56,279	-35,768	-103,278	-361,093
Finance income/expense from Risk Adjustment	-1,458	-7,855	-8,799	-6,875	-4,092	-13,192	-42,271
Finance income/expense from Loss Component							
Finance result	110,080	-85,239	-82,753	-63,154	-39,860	-116,470	-277,396

Proposed:

Accident Years - >	2025 & 2024	2023	2022	2021	2020	2019 & Prior	Total
Finance income/expense from PVFCF	(14,430)	(77,384)	(73,954)	(56,279)	(35,768)	(103,278)	(361,093)
Discount Unwind PV FCF	14,430	77,384	73,954	56,279	35,768	103,278	361,093
Yield Impact PV FCF	-	-	-	-	-	-	-
Finance income/expense from Risk Ad	(1,458)	(7,855)	(8,799)	(6,875)	(4,092)	(13,192)	(42,271)
Discount Unwind Risk Adjustment	1,458	7,855	8,799	6,875	4,092	13,192	42,271
Yield Impact Risk Adjustment	-	-	-	-	-	-	-
Finance income/expense from loss co	-	-	-	-	-	-	-
Discount Unwind Loss Component	-	-	-	-	-	-	-
Yield Impact Loss Component	-	-	-	-	-	-	-
Finance result	110,080	(85,239)	(82,753)	(63,154)	(39,860)	(116,470)	(277,396)

- Breaks down the finance income between discount unwinding and impact of yield curve updates

Balance Sheet

Current:

FARM Total (All Years To Date)	Accident Years						
	2025 & 2024	2023	2022	2021	2020	2019 & Prior	Total
AS AT REPORTING DATE							
IFRS 17 Statement of Financial Position							
Liability for remaining coverage	3,939,438	0	0	0	0	0	3,939,438
Liability for remaining coverage (excl. LC)	3,939,438	0	0	0	0	0	3,939,438
Unearned Premium Received	5,388,431	0	0	0	0	0	5,388,431
Unamortized IACFs	-1,448,993	0	0	0	0	0	-1,448,993
Loss Component							
Liability for incurred claims	4,806,268	13,951,066	17,040,357	13,066,347	8,667,212	27,816,901	85,348,151
PV FCF and Current Payable	4,407,555	12,541,263	15,109,576	11,556,164	7,682,163	24,499,980	75,796,701
Current payable	817,843	0	0	0	0	0	817,843
PV FCF	3,589,712	12,541,263	15,109,576	11,556,164	7,682,163	24,499,980	74,978,858
Risk Adjustment	398,713	1,409,803	1,930,781	1,510,183	985,049	3,316,921	9,551,450

Proposed:

AS AT REPORTING DATE							
Accident Years - >	2025 & 2024	2023	2022	2021	2020	2019 & Prior	Total
IFRS 17 Statement of Financial Position							
Liability for remaining coverage	3,939,438	-	-	-	-	-	3,939,438
Liability for remaining coverage (excl.	3,939,438	-	-	-	-	-	3,939,438
Unearned Premium Received	5,388,431	-	-	-	-	-	5,388,431
Unamortized IACFs	(1,448,993)	-	-	-	-	-	(1,448,993)
Loss Component	-	-	-	-	-	-	-
Liability for incurred claims	3,988,425	13,951,066	17,040,357	13,066,347	8,667,212	27,816,901	84,530,308
PV FCF	3,589,712	12,541,263	15,109,576	11,556,164	7,682,163	24,499,980	74,978,858
Undiscounted Case Reserves	670,110	6,545,167	7,803,090	6,040,854	4,989,960	12,856,446	38,905,627
Undiscounted IBNR	3,414,735	7,071,265	8,552,152	5,774,442	2,506,958	13,586,535	40,906,087
Undiscounted Retro Expense	184,640	1,549,711	1,760,701	1,724,320	1,367,008	2,470,150	9,056,530
Discount Amount	(679,773)	(2,624,880)	(3,006,367)	(1,983,452)	(1,181,763)	(4,413,151)	(13,889,386)
Risk Adjustment	398,713	1,409,803	1,930,781	1,510,183	985,049	3,316,921	9,551,450

- Provides breakdown of PV FCF into undiscounted components and the discount amount
- Please note the removal of Current Payable from the LIC as this is no longer deemed by our members and accounting team to be part of the Liability for Incurred Claims (this is driving the reconciliation difference between current and proposed). And likewise please note its inclusion in the Memo Items.

Memo Items

Current:

	2025 & 2024	2023	2022	2021	2020	2019 & Prior	Total
MEMO ITEMS							
Discounted Values:							
Discounted future losses with Risk Adj	22,858,912	13,865,616	16,855,498	12,967,703	8,712,617	27,586,445	102,846,791
Undiscounted Values:							
Undiscounted Loss Component							
Undiscounted future losses	23,330,334	15,208,869	18,069,728	13,539,617	9,000,140	28,499,906	107,648,594
Undiscounted IBNR	3,414,735	7,071,265	8,552,152	5,774,442	2,506,958	13,586,535	40,906,087
Undiscounted Retro Claims Expense Provision	184,640	1,549,711	1,760,701	1,724,320	1,367,008	2,470,150	9,056,530
Net premium receivables	12,263,730	3,309,526	0	0	0	0	15,573,256
Undiscounted Outstanding Losses	670,110	6,545,167	7,803,090	6,040,854	4,989,960	12,856,446	38,905,627
Undiscounted Risk Adjustment on Unpaid Claims	468,269	1,680,563	2,288,343	1,751,958	1,120,548	3,878,314	11,187,995

Proposed:

Accident Years - >	2025 & 2024	2023	2022	2021	2020	2019 & Prior	Total
Memo Items							
Written Vehicle Counts							
Unearned Premium	20,949,382	-	-	-	-	-	20,949,382
Undiscounted Loss Component	-	-	-	-	-	-	-
Net premium receivables	12,263,730	3,309,526	-	-	-	-	15,573,256
Undiscounted Risk Adjustment on Unpaid Claims	468,269	1,680,563	2,288,343	1,751,958	1,120,548	3,878,314	11,187,995
Current payable	817,843	-	-	-	-	-	817,843

- Inclusion of IFRS 4 unearned premium, an important business metric as per members
- Current payable moved to this section
- Removal of non-meaningful metrics (e.g. “Undiscounted future losses”, “Discounted future losses with Risk Adj”)
- Undiscounted IBNR and Outstanding Losses have been moved to the main balance sheet section for PV FCF breakdown
- 18 □ Inclusion of lifetime-to-date Written Vehicle Counts by AY (will show member’s assumed share of counts) to support OSFI reporting requirements

Projections – Operating Results Projection

Current:

PROJECTIONS		Projection Periods						
Combined Share (Calendar Period)	FY Feb 2024 [1]	Estimate Mar 2024 [2]	Estimate Apr 2024 [3]	Estimate Nov 2023 [4]	Estimate Dec 2023 [5]	CY to Date at Apr 2024 [6]	CY to Date at Mar 2024 [7]	Calendar Month of Apr 2024 [8]
IFRS 17 Statement of Operations Captions								
Insurance revenue	67,356,525	17,409,273	16,889,509	17,065,904	21,551,835	63,037,568	45,514,065	17,523,503
Insurance service expenses								
Claims incurred	21,482,591	11,204,184	10,837,601	0	0	43,524,376	32,244,219	11,280,157
Paid claims	1,512,266	1,809,418	1,809,417	0	0	5,131,101	3,736,285	1,394,816

In the current reports, these estimates from our previous fiscal year end don't get updated with actuals after they become available – so the YTD is never corrected! We will fix this.

Proposed:

PROJECTIONS									
Projected Periods ->	CY 2024 to Date (Jan - Feb 2024)	Actual Month of Feb 2024	Last Month Projection of Feb 2024	Current Month Projection of Mar 2024	Last Month Projection of Mar 2024	Current Month Projection of Apr 2024	Current Month True Up	Projected CY 2024 to Date as of Apr 2024	Projected CY 2025 to Date as of Apr 2024
Formulas-->	[1]	[2]	[3]	[4]	[5]	[6]	[7]	[8]	[9]
	ytd nov	nov	nov	dec	dec	jan	[2]-[3]+[4]-[5]+[6]	[1]+[4]+[6]	
IFRS 17 Statement of Operations Captions									
Insurance revenue	1000	100	110						
Earned Premium	6,985,636	3,366,819	3,283,546	3,679,087	3,662,021	3,606,518	3,706,857	14,271,241	-
Written Premium	6,256,577	2,829,421	2,571,000	3,635,000	3,635,000	4,233,000	4,491,421	14,124,577	-
Change in Unearned Premium	729,059	537,398	712,546	44,087	27,021	(626,482)	(784,564)	146,664	-
Insurance service expenses	6,695,356	3,324,009	3,007,302	3,411,198	3,403,689	3,475,217	3,799,433	13,581,771	-
Claims incurred	5,626,269	2,720,107	2,641,047	2,946,992	2,934,245	2,876,913	2,968,720	11,450,174	-
Paid claims	815,497	677,202	742,191	747,188	742,192	747,188	687,195	2,309,873	-

- Same changes to insurance revenue and insurance finance expense line items as described above
- Projections will be provided separately for PPV and Non-PPV segments; currently, we only provide the total of these in FARM projections.
- Changes to the columns in the projection section. The previous format (in effect for 15+ years) does not correctly calculate projected calendar year to date for all items in the projection page; the “calendar year to date” currently shown in the report is based on the calendar year of the projected months, not the actual calendar year, and this can span 2 actual calendar years. We will correct this by showing the 2 calendar years more precisely as separate years. This means that, in the December report, we will have an accurate view of the current full calendar year result, and a projected February year to date view of the upcoming year.

Projections – Balance Sheet Projection

Current:

PROJECTIONS	Projection Periods		
	Balance At Feb 2024	Estimate At Mar 2024	Estimate At Apr 2024
Combined Share (Balance Sheet Amounts)			
IFRS 17 Statement of Financial Position			
Liability for remaining coverage	77,595,107	78,319,446	76,014,480
Liability for remaining coverage (excl. LC)	77,595,107	78,319,446	76,014,480
Unearned Premium Received	84,516,846	85,324,351	82,901,736
Unamortized IACFs	-6,921,739	-7,004,905	-6,887,256
Loss Component			
Liability for incurred claims	268,728,970	274,307,710	275,490,618
PV FCF and Current Payable	242,965,596	248,476,604	249,455,067
Current Payable	6,236,764	9,415,439	8,368,163
PV FCF	236,728,832	239,061,165	241,086,904
Risk Adjustment	25,763,374	25,831,106	26,035,551

Proposed:

Projected Periods ->		Balance At Feb 2024	Estimate At Mar 2024	Estimate At Apr 2024
		[1]	[2]	[3]
IFRS 17 Statement of Financial Position				
Liability for remaining coverage		77,595,108	78,319,447	76,014,481
Liability for remaining coverage (excl. LC)		77,595,108	78,319,447	76,014,481
	Unearned Premium Received	84,516,847	85,324,352	82,901,737
	Unamortized IACFs	(6,921,739)	(7,004,905)	(6,887,256)
Loss Component		-	-	-
Liability for incurred claims		262,492,206	264,892,271	267,122,455
	PV FCF	236,728,832	239,061,165	241,086,904
	Undiscounted Case Reserves	112,903,619	115,406,848	117,641,949
	Undiscounted IBNR	131,705,936	131,379,319	131,382,665
	Undiscounted Retro Expense	35,078,997	35,210,183	35,327,410
	Discount Amount	(42,959,720)	(42,935,185)	(43,265,120)
	Risk Adjustment	25,763,374	25,831,106	26,035,551

The same breakdowns we introduced for the balance sheet for the current month will be included in the projections page as well.

Projections – Memo Items Projection

Current:

PROJECTIONS	Projection Periods		
	Balance At Feb 2024	Estimate At Mar 2024	Estimate At Apr 2024
Discounted Values:			
Discounted future losses with Risk Adj	326,276,874	329,562,063	330,890,430
Undiscounted Values:			
Undiscounted Loss Component			
Undiscounted future losses	347,479,909	351,003,451	352,462,023
Undiscounted IBNR	131,705,936	131,379,319	131,382,665
Undiscounted Retro Claims Expense Provision	35,078,997	35,210,183	35,327,410
Net premium receivables	15,573,256	15,505,920	15,875,678
Undiscounted Outstanding Losses	112,903,619	115,406,848	117,641,949
Undiscounted Risk Adjustment on Unpaid Claims	29,964,151	30,048,161	30,267,292

Proposed:

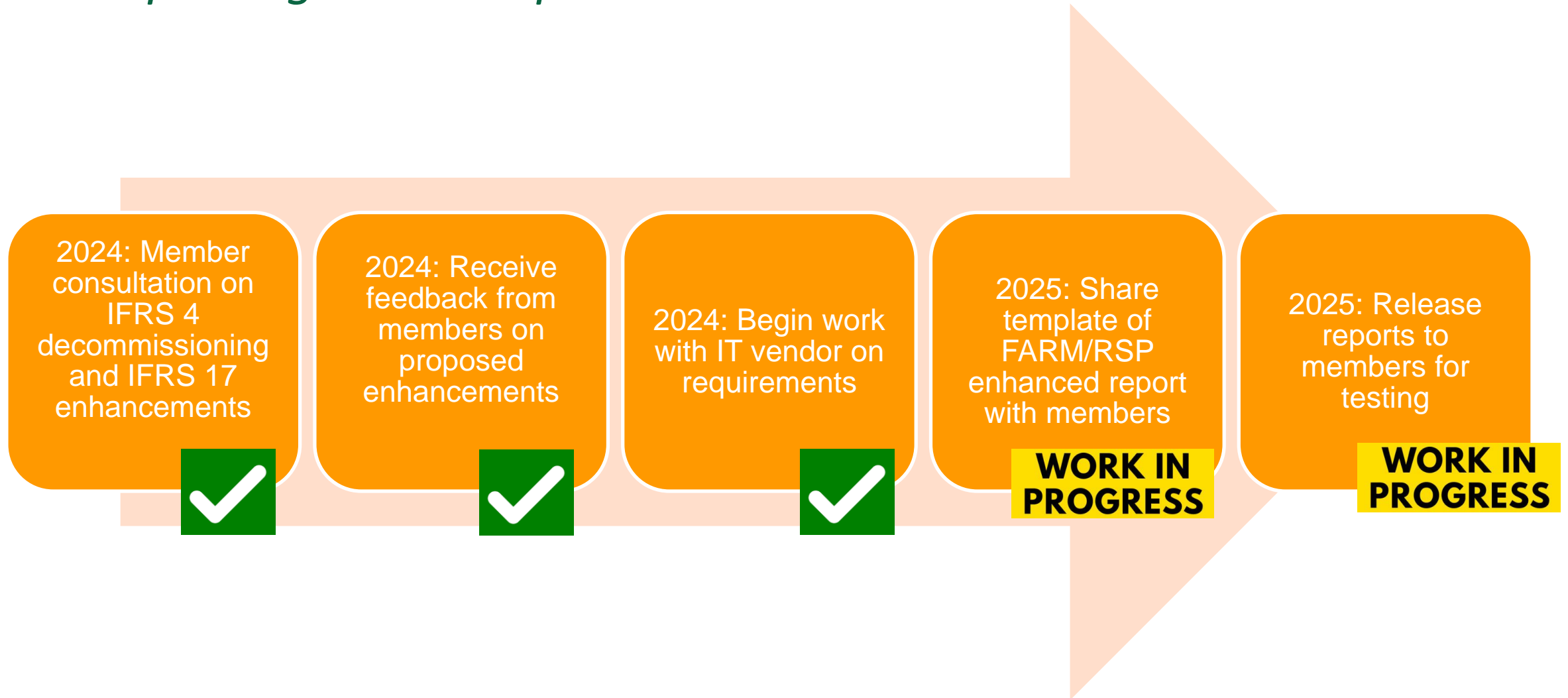
Projected Periods - >	PROJECTION PERIODS		
	Balance At Feb 2024	Estimate At Mar 2024	Estimate At Apr 2024
	[1]	[2]	[3]
Memo items			
Written Vehicle Counts	1731	2124	1775
Unearned Premium	100,077,796	100,120,524	100,120,524
Undiscounted Loss Component	-	-	-
Net premium receivables	15,573,256	15,505,920	15,505,920
Undiscounted Risk Adjustment on Unpaid Claims	29,964,151	30,048,161	30,048,161
Current payable	6,236,764	9,415,439	9,415,439

- The same changes we introduced for the memo items section for the current month will be included in the projections page as well.
- Note that the Written Vehicle Counts on this page will be current and projected lifetime to date counts **for the current accident year only** (the memo items page for the current month has different columns for different accident years, so the counts are split out by AY on that page)

Other Changes

- ❑ Separate projection pages for PPV and Non-PPV (currently there is only the combined view of projections)
- ❑ The same details added to the Participation report will also be added to the Government Line Report.
- ❑ Amounts which are zero on the Government Line/Participation Report will be shown as “0” instead of blanks (this change will come into effect in the reports published in Sep 2024)
- ❑ Accident Years splits shown in Government Line report will be made consistent with Participation Report.
- ❑ We are investigating changing the format of the Government Line Report to just be the same as Participation Report but with a filter applied to filter TPL, Accident Benefits or Other. This would improve our operational efficiency if we can achieve this.
- ❑ We will add additional information to our Quarterly Financial Insights (posted on our website) including a detailed claim count breakdown from our quarterly valuations, as well as a duration calculation for both LIC and LRC

FA Reporting Road Map



- Please note that members will have a 6 month parallel testing window before IFRS 4 reports and Old IFRS 17 reports are removed.