

**Example Report by Auditors on
Form HKL1 “Hong Kong Long Term Insurance Business – Revenue Account”**

**REPORT BY THE AUDITORS
TO THE BOARD OF DIRECTORS OF XYZ INSURANCE LIMITED**

Pursuant to paragraph 4(1A)(aa) of the Third Schedule to the Insurance Companies Ordinance (the “Ordinance”), we have been requested to issue this report for submission by the company to the Insurance Authority (IA).

Respective responsibilities of directors and auditors

In relation to this report, the directors have a responsibility to ensure that:

- a. proper records are maintained by the company in accordance with section 16 of the Ordinance for the purpose of preparing Form HKL1 “Hong Kong Long Term Insurance Business – Revenue Account”; and
- b. Form HKL1 has been properly compiled from the records of the company in accordance with the Guide to Forms HKL1, HKL2 and HKL3 issued by the IA on 26 February 2004.

It is our responsibility to form an independent conclusion on the above, based on our engagement, and to report our conclusion to you.

Basis of conclusion

We conducted our engagement in accordance with Standards on Assurance Engagements issued by the Hong Kong Institute of Certified Public Accountants. Our engagement includes examining, on a test basis, evidence supporting that proper records have been maintained by the company in accordance with section 16 of the Ordinance for the purpose of preparing the attached Form HKL1, and that the attached Form HKL1 has been properly compiled from the records of the company in accordance with the Guide to Forms HKL1, HKL2 and HKL3 issued by the IA on 26 February 2004. We believe that our engagement provides a reasonable basis for our conclusion.

Conclusion

Based on the foregoing, in our opinion:

- a. the company has maintained proper records in accordance with section 16 of the Ordinance in respect of the year ended [*year end date*] for the purposes of preparing the attached Form HKL1; and
- b. the attached Form HKL1 has been properly prepared in accordance with those records.

Use of this report

This report is intended solely for submission by the company to the IA and is not intended to be, and should not be, used by anyone for any other purpose.

ABC & Co.
Certified Public Accountants (Practising) [or Certified Public Accountants]
Hong Kong
Date