



UNITED NATIONS
DEPARTMENT OF ECONOMIC AND SOCIAL AFFAIRS
STATISTICS DIVISION

IG/08
24 June 2008

Seminar

Addressing Information Gaps in Business and Macro-Economic Accounts to Better Explain Economic Performance

New York, 23 – 24 June 2008
United Nations, Conference room C

Accounting for insurance
Jeff Altman

DEFINITION INSURANCE OUTPUT

FINANCIAL STATEMENT

• 1. Premium Income	\$100
• 2. Investment Income	\$15
• 3. Total Income	\$115
• 4. Claims	\$50
• 5. Expenses	\$30
• 6. Increase in Reserves	\$20
• 7. Total Expenses	\$100
• 8. Pre-Tax Income (3)-(7)	\$15
• 9 Taxes	\$5
• 10 After Tax Income (8)-(9)	\$10

ACCOUNTING APPROACH

- Expenses \$30
- After Tax Income \$10
- Taxes \$5
- Insurance Output \$45

STATISTICAL APPROACH