

# MERCER



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18 July 2008

The Director  
Board for Actuarial Standards  
5th Floor, Aldwych House  
71-91 Aldwych  
London WC2B 4HN

Dear Sir

**Subject:** Exposure Draft – Reporting Actuarial Information

I appreciate the opportunity to comment on the Board for Actuarial Standards' (BAS) exposure draft on behalf of Mercer. The attachment to this letter comments specifically on the issues highlighted in your "invitation to comment" as requested.

We support the focus of the Board on information provided to inform decisions made by clients, and welcome these proposals.

Yours sincerely,

A handwritten signature in black ink that reads "Phil Turner".

J Philip Turner  
Principal



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## Attachment

### **1. the definition of a “report” (Section 2 and paragraph 3.1);**

It is misleading to say in paragraph 2.1 that the standard only applies to information that is supplied in a permanent form, when paragraph 8.3 applies specifically to verbal advice.

### **2. the approach to “compound” and “repeat” information (Section 8);**

We agree with this approach.

### **3. the text of the exposure draft as a means of implementing the policy decisions outlined in Part I of this document**

We agree with the approach and believe the text proposed will improve reporting by actuaries. In particular, we welcome the suggestions for compound reports and repeat information in section 8. However, the proposals do apply to spoken communication in certain circumstances as noted above.

### **4. BAS’s assessment that the proposals are free from any (material) costs, whilst generating benefits to users of actuarial information (see paragraph 29 of the Feedback section of this paper).**

We believe the proposals will generate benefits to users of actuarial information and will not give rise to material costs.

### **5. General comments:**

- a) It is unnecessary to say in paragraph 5.1 that actuarial reports ‘have gained a reputation for being difficult to understand’. This is a subjective comment, a product of its time, does not sit well in a technical standard and does not add to the purpose of the TAS.
- b) Paragraph 6.5 goes beyond ‘report writing’ and implies that report writers must follow up even where there may not be a continuing relationship with a client. We are not convinced that paragraph 6.5 adds value, given the expectation placed by paragraph 6.4.
- c) Paragraph 7.7 should be presented in more than one sentence.