

The Board for Actuarial Standards,
basreporting@frc.org.uk

18 July 2008

Dear Sirs,

Exposure Draft: Reporting Actuarial Information

On behalf of the Prudential Assurance Company, we have two concerns in respect of the application of this draft Standard.

1. Clarity of definition of the work that will be covered by the Standard.

We have concerns over exactly what work the reporting standard will apply to. We understand that the intention is that this will be set out as a schedule (yet to be drafted and consulted upon) to the "Scope & Authority of Technical Standards". However, there will be complexities to be addressed in doing this, and some of these may well be best addressed in the Reporting Standard rather than in that schedule.

For example, by virtue of FSA Handbook SUP 4.3.13, the Actuarial Function Holder is required to monitor the ability of the firm to meet its liabilities to policyholders. Some of the reports in connection with this may well be covered by the Reporting Standard, but the Standard would need modification if it was to apply to others e.g. if solvency is threatened, alerting parties to this is going to be more important than fulfilling every aspect of the Reporting Standard in the process. This is an extreme example, but hopefully illustrates the general issue that the current definition of Report may be too wide if the scope of the work to which the Standard applies is not narrowly defined.

2. Supplementary Guidance.

A comparison of conclusions reached by a number of different readers of the draft Standard has highlighted divergent views on exactly what would satisfy the Standard. We agree that much needs to be left to individual judgement but believe it would be helpful to provide some non-binding supplementary guidance illustrating the application of the standard in various scenarios.

Yours faithfully,

Matthew Ford
Reporting and Capital Actuary
Prudential Assurance Company