
STATUTORY INSTRUMENTS

1994 No. 3231

**The Exchange Gains and Losses
(Insurance Companies) Regulations 1994**

2.—(1) For corporation tax purposes, Chapter II of Part II of the 1993 Act (and regulations made under that Chapter including the following provisions of these Regulations) shall apply—

- (a) in relation to insurance companies' unearned premium reserves as if—
 - (i) the unearned premium reserve of any insurance company were a liability owed by the company, and
 - (ii) the reference in paragraph (b) of section 153(2) of that Act to a provision made by the company in respect of a duty to which it may become subject and which (if it were to become subject to it) would be a duty to settle under a qualifying liability included the unearned premium reserve (disregarding section 153(7)(a)); and
- (b) as if any item (not being a provision apart from this sub-paragraph)—
 - (i) which is included in any accounts for any period prepared by the company for tax purposes, and
 - (ii) which, if it were included in the company's statutory accounts for the same period, would be a provision within section 153(2)(b),were a provision within section 153(2)(b).

(2) In paragraph (1)(b) above “statutory accounts”, in relation to a company, means—

- (a) the annual accounts of the company prepared in accordance with Part VII of the Companies Act 1985⁽¹⁾, or
- (b) if the company is not required to prepare such accounts, the accounts which it is required to keep under the law of its home State or, if it is not so required to keep accounts, such of its accounts as most closely correspond to accounts which it would have been required to prepare if the provisions of that Part applied to the company.