

SCHEDULE 3

INSURANCE COMPANIES: COMPANIES ACT INDIVIDUAL ACCOUNTS

PART 2

ACCOUNTING PRINCIPLES AND RULES

SECTION D

HISTORICAL COST ACCOUNTING RULES

*Miscellaneous and supplementary provisions*

**Excess of money owed over value received as an asset item**

**43.**—(1) Where the amount repayable on any debt owed by a company is greater than the value of the consideration received in the transaction giving rise to the debt, the amount of the difference may be treated as an asset.

(2) Where any such amount is so treated—

- (a) it must be written off by reasonable amounts each year and must be completely written off before repayment of the debt, and
- (b) if the current amount is not shown as a separate item in the company's balance sheet, it must be disclosed in a note to the accounts.