

Takaful Operators Statistical System

To enhance the quality of financial reporting by takaful operators, the financial statements and statistics to be submitted by the takaful operators have been revised with the implementation of Takaful Operators Statistical System (TOSS). The implementation of TOSS will achieve the following:

- facilitate comprehensive reporting on the financial performance of takaful operators;
- timely submission since the takaful operators are required to submit the returns within a shorter time period;
- improve turnaround time in collecting and processing of data for the takaful industry through online submission;
- facilitate easy retrieval of takaful operators' financial data for analysis purposes;
- early identification of any deterioration in the financial condition of a takaful operator and enable appropriate remedial actions be instituted to address the problem at an early stage;
- assist the Bank in prioritising on-site examinations and identifying particular aspects of operations of the takaful operator to focus on; and
- assist the management and the board of directors of the takaful operators to analyse key performance data of the takaful operator.

Components of TOSS

Every takaful operator will be required to submit the statistical and non-statistical returns monthly and annually to the Bank. The components of TOSS are as follows:

Statements and Declarations

- Among the statements that need to be submitted are disclosure on related party transactions and particulars of investment management; and
- The declarations that need to be submitted are the statutory declaration under section 41(1) of the Takaful Act 1984, auditors' certificate, directors' report, certificate by the principal officer and declaration in respect of business outside Malaysia.

General Takaful Business

- Detailed information on all classes of general takaful business;
- Detailed revenue accounts and balance sheets for general and shareholders' funds with supporting schedules;
- Statements of contributions, commissions and claims to enable analysis of operating ratios separately for direct business, retakaful accepted and retakaful cessions; and
- Reporting contributions through various distribution channels namely direct marketing, agents, brokers, internet and bancassurance.

Family Takaful Business

- Separate statements for different types of family business comprising ordinary, annuity and investment-linked business and further breakdown based on sub-funds i.e. Participants' Account (PA), Participants' Special Account (PSA) and Group Family Takaful Account (GFTA);
- Statements on new business, terminations and transfers and business in force on different types of family takaful business; and
- Statements on contributions and claims for yearly renewable medical and health products to facilitate better analysis on medical and health products.

To facilitate the smooth implementation of TOSS, the Bank has drawn up notes for guidance which provides detailed instructions on how the statements and schedules are to be completed.