HMRC - IPT08300 - First Visits

Generally the information available to assist officers to prepare for a first visit is limited to that included within the IPT 100. You should, however, search the Internet, which may give further useful information.

Basic checks

It is important to check a range of basic information about an insurer as this forms the foundation of good audit assurance. The aim is to establish the business details and record them to inform ongoing risk analysis. You may then direct your assurance effort to the appropriate areas. You should confirm:

registration details (particularly the effective date of registration),

bank details,

structure and organisation of the company,

associated businesses including overseas entities,

classes of insurance written,

‘add ons’ supplied,

binding authority schemes in place,

fronting arrangements to which the company are a party,

whether the insurer is using the cash receipts method or the special accounting scheme,

the tax point agreed under the special accounting scheme,

insurance contracts on which the ESC has been applied are identifiable,

other sources of income.

Registration

The insurer’s date of registration for IPT should be confirmed at the first visit to ensure that registration was effective on the day of receipt of the first taxable premium on or after 1 October 1994. If the effective date of registration is incorrect, the register will need to be updated, and consideration will need to be given to the possible loss of revenue and application of penalties. Action should be taken, as appropriate, to correct the date of registration and/or address any tax shortfall caused by an incorrect date of registration: see IPT10225.

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