

Rocky Mountain Risk Insurance Group/Rocky Mountain Risk

POLICY NO. D-11
DATE: November 11, 2020

Subject: FINANCIAL REPORTING

1. Rocky Mountain Risk Insurance Group and Rocky Mountain Risk shall comply with all applicable statutory standards.

2. Appropriate interim financial statements and reports of financial position, operating results and other permanent information should be prepared to facilitate management control of financial operations, legislative oversight, and where necessary or desired for internal reporting purposes.

2.1 Interim financial reports are comprised principally of statements that reflect current financial position at the end of each month and compare actual financial results with budgetary estimates and limitations. Further, they should contain budgetary or cash flow projections and other information deemed pertinent to effective management control during the year.

2.2 Appropriate interim budgetary reports should be prepared each month to facilitate management control of financial operations. Such reports are important both to revenue and expenditure control processes and to facilitate timely planning budgetary revisions.

2.3 The key criteria by which internal interim reports are evaluated are their relevance and usefulness for purposed of management control, which include planning future operations as well as evaluating current financial status and results to date. Continual efforts should be made to assure that accounting and related interim information properly serve management control needs.