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The impact of international accounting standards IAS_IFRS on insurance sector accounting
Case study of the National Social Insurance Fund for Wage Workers (CNAS), Tissemsilt Agency

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Abstract:

This study aims to analyze the insurance sector and international accounting standards. The latter is considered one of the most vital sectors through the main role played by insurance companies in the economic system in general and in reducing risks and compensating those affected in particular. This leads to the development and stability of insurance activity in the public sectors. And as such, Algeria was keen in the field of the insurance sector to apply international accounting standards and professional practices.

This study included a comprehensive overview of insurance and insurance companies, then we focused on the accounting aspect by highlighting international accounting standards in terms of the concept and accounting treatments that take place at the level of insurance companies. The field study covered the National Social Security Fund for wage-earners in the state of Tissemsilt, and we reached through the study Most of the company's income comes from insurance premiums, which is its main activity.

Keywords: insurance, insurance sector, accounting standards, accounting treatments.

JEL classification: M41, G21.

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أثر المعايير المحاسبية الدولية IAS_IFRS على محاسبة قطاع التأمين
(دراسة حالة الصندوق الوطني للتأمينات الاجتماعية للعمال الأجراء CNAS وكالة تيسمسيلت)

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ملخص:

تهدف هذه الدراسة إلى تحليل قطاع التأمين والمعايير المحاسبية الدولية، يعتبر هذا الأخير من أهم القطاعات حيوية من خلال الدور الرئيسي الذي تمارسه شركات التأمين في المنظومة الاقتصادية بشكل عام وفي التقليل من المخاطر وتعويض المتضررين بشكل خاص، وهذا يؤدي إلى تطور واستقرار نشاط التأمين في القطاعين العام والخاص، وعلى هذا النحو حرصت الجزائر في مجال قطاع التأمين على تطبيق المعايير المحاسبية الدولية والممارسات المهنية.

حيث تضمنت هذه الدراسة نظرة شاملة للتأمين وشركات التأمين، ثم ركزنا على الجانب المحاسبي من خلال إبراز المعايير المحاسبية الدولية من حيث المفهوم والمعالجات المحاسبية التي تتم على مستوى شركات التأمين، وقد غطت الدراسة الميدانية الصندوق الوطني للضمان الاجتماعي للعمال الأجراء بولاية تيسمسيلت، وتوصلنا من خلال الدراسة أن معظم مداخيل الشركة مصدرها أقساط التأمين الذي يجسد نشاطها الرئيسي القائمة عليه .

الكلمات المفتاحية: التأمين، قطاع التأمين، المعايير المحاسبية، المعالجات المحاسبية.

تصنيف JEL: G21، M41

1 introduction:

Insurance companies rely on the financial accounting system to process and process their accounting data through recording, measuring data, and following financial statements capable of providing information that is effective and credible that express the financial reality of the organization in order to help decision makers use resources and provide information to relevant parties who use these lists and so that they are This financial information is effective and of high quality for making economic decisions in light of investments, financial and commercial activities. This information had to be unified to reduce the complexity, multiplicity and differences of accounting systems for these investments through international accounting standards that govern the preparation of this information and financial reports. From this, we raise the following problem: What is the impact of applying international accounting standards on the insurance sector?

To address this problem, the following sub-questions must be used:

- ✓ What is insurance and what is its purpose?
- ✓ Is the insurance sector affected by the application of international accounting standards and what standards can affect it?
- ✓ How effective is the accounting system at the level of the Social Security Fund agency for wage-earners in the state of Tissemsilt?

To answer these questions, the following hypotheses are formulated:

.1Insurance may be the most important means of confronting risks.

.2The insurance sector can be affected by several accounting standards.

.3The effectiveness of the agency's accounting system can be linked to the accounting information produced by the system.

Objectives of the study :

The objectives behind this insurance are to give a clear and simplified picture of the nature of financial and accounting work in insurance companies. Therefore, the importance of the topic appears in the role that insurance plays in economic and social life, and to highlight the most important foundations on which the insurance system is based, in addition to identifying the accounts for the activity. Insurance, and how to record accounting for the various operations carried out by these companies, including collection, payment and compensation.

the importance of studying :

This study gains its importance from the great interest of the International Accounting Standards Board in the issue of accounting for insurance companies, through the preparation of several expressions related to insurance contracts, after the financial crises, the main cause of which was weak accounting disclosure and the failure to provide financial information that is characterized by credibility and quality and gives a clear picture of the financial position of these companies.

Previous studies :

.1Study (Saidani Muhammad Al-Saeed et al., 2022) This study aimed to identify the impact of accounting disclosure in light of international standards (IFRS/IAS) on the quality of financial reports. In order to achieve the goal of this study, we designed a questionnaire containing 35 questions, It was distributed to people who have scientific and practical experience in the field of accounting and finance, and an interview was used, as the study sample included a group of accountants, accountants in institutions, and financial analysts. In this study, we relied on descriptive statistical analysis to analyze the variables of the study. It was concluded in this study that commitment By applying

International standards IFRS/IAS (leads to the generation of high-quality financial reports by adhering to the disclosure requirements contained in these standards.

.2Study (Lahasiani Abdel Hamid, Bouabaya Fatiha, 2019), the study aimed to shed light on the extent to which bank accounting is affected by amendments to international accounting standards and international financial reporting standards IFRS/IAS, and in particular to study the most important effects resulting from the shift from the international accounting standard IAS39. To the financial reporting standard IFRS09, this study concluded a set of results, the most important of which is that one of the reasons for the transformation is the criticism directed at the IAS39 standard following the global crisis of 2008, and that this amendment was a positive step to address the deficiencies and complexities recorded regarding the treatment of financial instruments.

1. **What is insurance in Algeria:**

The idea of insurance aims to avoid the risk and expected material losses caused by future accidents and disasters that a person cannot pay for or determine the extent of their resulting consequences, to satisfy their desire for safety and confront the dangers and resulting losses.

Through this, we will discuss in this section the concept of insurance, its historical development, its rules and foundations, in addition to getting to know the insurance contract.

1.1The concept of insurance in Algeria

Insurance was initially based on the idea of cooperation and solidarity between human societies, and this was within the framework of what is called cooperative insurance, where the losses incurred by one or some members as a result of certain risks were distributed among all members. Since the dawn of history, **(Abdel Hamid , 2009, p. 233)**individuals and groups have spent a large portion of their financial and physical resources. The first marine insurance policy dates back to about the year 1347 AD, and it is said that the first fire insurance appeared in Britain after the year 1666 AD, which was the year that witnessed the London Fire, which destroyed most of the buildings in that city. **(al-Falah, 2008, pp. 6-7)**

The Survival Insurance Company did not appear in England until the year 1699 AD, that is, after the completion of the preparation of death lists in Britain in the year 1693 AD, which enabled actuarial calculations to be carried out.**(Harbi Muhammad & Saeed Juma , 2009, pp. 35-36)**

1.2Insurance rules: There are several insurance rules, which are as follows:

.1The accidental loss rule: It depends on the occurrence of the loss by pure chance and without the intervention of any party (i.e., it is unintentional) in its occurrence or work to increase its impact. Therefore, insurance protection is limited to potential (unconfirmed) losses that are likely to occur in the future, provided that they are not the result of On the intentionality of the insured.

.2The rule of financial loss: This rule requires that the risks that are suitable for insurance are the risks whose causes result in a financial loss and are easy to measure accurately.

.3The rule of spread of risk: This means the directions of spread of risk, which are:

- ✓ Not accepting insurance for geographically concentrated risk units.
- ✓ Not dealing in concentrated loss, i.e. not insuring the thing that leads to verification

4.The rule of possibility of calculating expected probabilities: This rule requires that the accepted risk be one of the risks whose probability of accidents can be calculated. The expected probability of a particular accident occurring or a particular loss being achieved is estimated by using available statistical data based on past experience about the accident for which the probability of its occurrence is to be calculated.

1.3 Insurance principles: They are divided into: **(Eid Ahmed Abu Bakr, 2009, p. 127)**

1. Probability: This principle stipulates that the risk must be likely to occur, meaning that it must not be impossible to occur or not certain to occur. If the risk is certain to occur, then the insurance costs become greater than the size of the losses resulting from its realization. If the risk is impossible to occur, then there is no need To insure him

2. Measurability: The risk must be measurable so that it is possible to estimate in advance the size of the expected financial losses if the risk materializes, and the size of the expected financial losses in the future can be estimated in a statistical way based on past experience to achieve the same risk.

3. Availability of the law of large numbers: A large number of units exposed to the same risk must be available, in order to achieve the law of large numbers, through which the actual results can be brought closer to the expected results, that is, the prediction of the expected financial losses is accurate and then the calculated premium is objective and on a sound scientific basis. .

4. Possibility of determining the loss: The resulting loss must be possible to determine in terms of time and place, so that the insurer's responsibility is specific and not common. On the other hand, the loss must be material, meaning that it must be possible to estimate it financially, and therefore the loss Moral value cannot be estimated financially and therefore cannot be insured.

5. Special risks: It is preferable that the risk not be concentrated, meaning that it should not be of the type that affects a large number of risk units at the same time, such as the dangers of earthquakes, volcanoes, lightning strikes, wars, riots, and disturbances.

6. Ease of proof: The risk insured against must be easy in terms of the possibility of proving its existence. It is not possible, for example, to insure against headaches or insure liquid money at home. On the other hand, the risk must be easy to prove in terms of place, time and cause. **(Abdel Hamid , 2009, p. 255)**

2- What is the financial accounting system in the insurance sector:

Determining the nature of the financial accounting system in the insurance sector requires addressing the concept of accounting organization and the characteristics of accounting in this sector, in addition to the financial reporting standards adopted in the insurance industry, especially since the world has witnessed a wave of accounting changes in the field of financial reporting, and the extent of the impact of applying the new financial reporting standard. IFRS17 on this sector.

2.1 The concept of financial accounting regulation in the insurance sector:

2.1.1: Definition of financial accounting organization:

The financial accounting system is considered a basis for compatible accounting practice and international accounting standards, which is what Article Three of Law 07-11 of November 25, 2007 refers to, "which is defined as a system for organizing financial information that allows the storage of basic numerical data, its classification, evaluation, recording, and display." Statements that reflect an honest picture of the entity's financial position and properties, and the position of its treasury at the end of the fiscal year.**(Bouhdida & Qaman , 2012, p. 360)**

Second: The accounting system includes a set of forms, records, procedures, and means that are used to record, classify, and financial data and then summarize and present them in the form of useful information for users of these data and information, whether inside or outside the facility.**(Thaer Sabri Mahmoud , p. 370)**

Third: The unified accounting system for banks and insurance companies has designed a set of models for the final accounts and detailed data that explains the truth of the balances contained in the accounts. In addition to the obligation of insurance companies to prepare accounts in a manner similar to what is done in other economic establishments, in terms of foundations, rules and Generally accepted accounting standards and principles.**(Thaer Sabri Mahmoud , p. 231)**

Through the previous definitions, we conclude that the accounting system in the insurance sector is a combination of generally accepted accounting concepts, principles and assumptions on the one hand, and principles and concepts specific to the insurance sector on the other hand. It is represented in a set of books and records used and the accounting methods used that are compatible with the nature of insurance operations.

2.1.2: Characteristics and functions of accounting in insurance companies:

First: Accounting in insurance companies can be described by the following characteristics: **(Ahmed Neama , 1997, p. 90)**

- ✓ Subjecting accounting in insurance companies to a set of provisions and laws that include the obligation to maintain books, statements, and forms stipulated by the law.
- ✓ The insurance industry depends on the factor of estimation and prediction in the occurrence of errors and in calculating insurance premiums.
- ✓ The insurance industry relies on probability theory to calculate insurance premiums in life insurance.
- ✓ The insurance industry is subject to the element of risk and uncertainty regarding the risks insured.
- ✓ The diversity of activities in insurance companies, which requires them to prepare several final accounts commensurate with the nature of each activity.

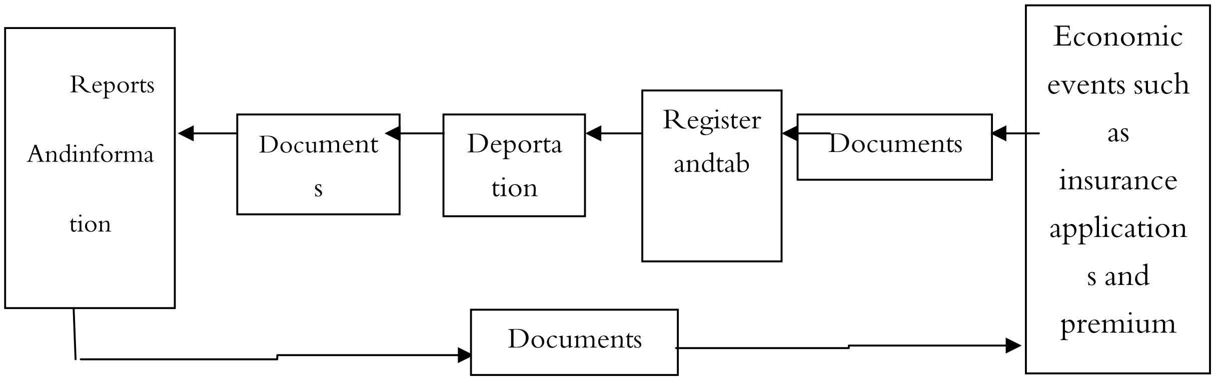
Second: Accounting in insurance companies performs the following functions:

- ✓ A combination of accounting concepts and insurance concepts to arrive at a set of insurance accounting concepts that reflect the nature of insurance activity.
- ✓ Measure, analyze, record and classify financial events (transactions) related to insurance activity in light of legal requirements, taking into account that registration is carried out on an ongoing basis according to the dates of the occurrence of financial operations and their chronological sequence.

- ✓ Explaining the precise accounting treatment and sound accounting guidance for each insurance accounting item, while explaining the impact of these items on the accounts and final statements of insurance companies.

The functions of the accounting system in the insurance sector can be summarized in the following figure:

Figure No. (01): Functions of the accounting system in the insurance sector



Source: Hossam Abdullah Abu Khadra, Hassan Samir Atish, Accounting Information Systems, Arab Society Library for Publishing and Distribution, Amman, Jordan, 2003, p. 18

2.1.3**The general structure of the accounting system in the insurance sector:**

It is a set of accounting books and records maintained by insurance companies, which are as follows:

First: The books kept by each insurance department:**(Somaya Amin & others, 2013, p. 135)**

Each department issues new insurance policies, renews insurance policies, amends or cancels the conditions of the policies, in addition to paying compensation when the risk is realized to the insured. To prove these operations, each insurance department maintains a set of the following books and records:

.1**Issue record:** What is only recorded in this record are the new direct operations carried out by the insurance facility.

.2**Renewals Register:** It serves as an auxiliary journal, in which the installments due for renewing documents are recorded, and at the end of each periodic period (week or month), their totals are recorded in the general journal located in the General Accounts Department.

.3**Record of amendments and cancellations:** It records the modifications that occur to the insurance policy, and at the end of each specific period (weekly or monthly), a total entry in the sum of this record is recorded in the general journal located in the General Accounts Department.

.4Compensation Register: It records the compensation payable to the insured or beneficiaries, and this register is considered an auxiliary journal.

.5Commissions register: commissions paid by the insurance facility to others and other commissions it receives in exchange for assigning part of its operations to others.

Secondly, books or records maintained by the Treasury Department:**(Somaya Amin & others, 2013, p. 136)**

Due to the recurrence of some aspects of collection and disbursement in insurance facilities and the necessity of proving them, the matter requires that the treasury department maintain a set of books and records that are considered auxiliary diaries in which the items of revenues and expenses are recorded in detail. The most important books and records can be presented as follows: the premiums fund journal, The journal or record of commissions paid, and the journal of compensation paid.

Third: Books or records maintained by the General Accounts Department:

The most important books and records maintained by the General Accounts Department are: the general fund journal, the general journal, the general ledger, and the auxiliary diaries. The General Accounts Department maintains a group of auxiliary diaries to prove other operations (other than those that occur in the insurance departments or In the Treasury Department) The second requirement: Accreditation standards in accounting in the insurance sector

In light of the international accounting standards for insurance and reinsurance companies and the accounting rules that govern the preparation of their financial statements, accounting in the insurance sector is affected by several international accounting standards, including other standards that include all sectors, which work to raise and monitor performance and accounting work, so that these standards are considered relevant standards. Relationship with the **financial reporting standard IFRS17 is as follows :**

Section One : Presentation of the Financial Statements IAS 1 :

(1Scope of the standard):(Ahmed Muhammad , 2010, p. 32)

- ✓ Includes all establishments, including banks and similar financial institutions.
- ✓ Public business sector establishments that aim for profit.
- ✓ Some non-profit government institutions

*Companies in the insurance sector are considered financial institutions, some of which aim to make profit, such as private insurance companies, and some of which are non-profit institutions, such as government insurance institutions (CNAS, CASNOS).

(2The purpose of preparing the financial statements:

- ✓ Providing information about the financial position.
- ✓ Providing information about the outcome of the activity.
- ✓ Providing information about cash flows.

(3Components of financial statements:

- ✓ Budget.
- ✓ Income statement.
- ✓ Statement of changes in ownership rights.
- ✓ Statement of cash flows.
- ✓ Appendices.

Section Two: Financial Instruments IFRS 9:

_This standard replaced Standard IAS 39 after a number of amendments included in a set of standards.

(1**The emergence of the standard:** Based on the criticisms directed at International Standard No. IAS39 regarding the delay in recognizing loan losses in light of the application of the realized loss approach, the International Accounting Standards Board in 2014 issued the final version of Standard No. 9 to replace International Standard No. 39 regarding financial instruments. Whereas, under this project, it was proposed that the entity recognize losses on a forecast basis and not on an actual basis, and it includes many changes related to the measurement and classification of financial instruments.**(Rana & Al-Sayed , 2020, p. 141)**

(2**Objective of the standard:** The International Financial Reporting Standard (IFRS 9) was issued in response to the global financial crisis, as the delay in recognizing debt losses during that period led to warning of the existing weakness in international accounting standards.

Table No. (01): Comparison between International Accounting Standard 39 and International Financial Reporting Standard 9

IFRS 9	IAS 39
Reduces the complexity of classification categories and measurement requirements	It has many different classification categories and measurement requirements, which reduces comparability

Here, the main objective of this standard becomes clear, which is to reduce the problems and difficulties that accompanied the application of IAS 39, establish principles for classification and measurement of financial assets and liabilities, and establish principles for measuring and disclosing credit losses in a way that helps provide useful information to users of financial statements to evaluate the facility's future cash flows.

This standard requires an entity to recognize a financial asset or liability in its statement of financial position when it becomes a party to the contractual provisions. The entity measures the asset or financial liability at its fair value with a margin of increase or decrease. In the event that there is a financial asset or liability that violates the fair value through profit or loss, it is Recording transaction costs at the value of acquiring or issuing the asset or financial liability. **(JBA, 2023)**

*Financial instruments represent every contract that would obtain a financial asset for an entity and deliver a liability or equity instrument (private funds) for the benefit of another entity.

Section Three: User Benefits IAS 19:

First: The scope of the standard: It is applied by the employer in accounting for all employee benefits, which includes the following:

- ✓ Short-term employee benefits, such as salaries, wages, establishment contributions to social security, paid annual and sick leave, employee profit sharing or bonus plans that are paid within 12 months from the date of the fiscal year, and non-cash benefits such

as housing loans for employees and Others, which are given at a discount to employees.
- ✓ Benefits after the end of the employees' job service, such as retirement salaries, workers' life insurance, and compensation for medical services during the retirement period.
- ✓ Long-term employee benefits, such as employee costs paid during a period of disability or long-term absences.

Second: Objective of the standard: The standard aims to determine the accounting and disclosure of employee benefits, and requires the facility to recognize the following:**(Lakliti & Munser , 2017, p. 15)**
- ✓ A specific obligation when the employee provides the service in exchange for benefits that will be paid in the future.
- ✓ A specific expense when the facility consumes the economic benefits resulting from the service provided by the employee in exchange for employee benefits.

Third: The impact of IAS 19 on the insurance sector: Companies operating in the insurance sector, like other companies in various sectors, are obligated to evaluate retirement obligations towards their employees, and they must apply what is stated in this standard. Considering that accounting standards aim to measure and disclose employee benefits.**(Taileb, 2018, p. 54)**

Table No. (02): Approved standards that affect accounting in the insurance sector
Approved standards for accounting for the insurance sector

IAS 1	**Presentation of financial statements**
IAS19	**User Benefits**
IFRS 9	**Financial Instruments**
IFRS 17	**Insurance contracts**

Source : Prepared by the researcher

Third requirement: Insurance contracts IFRS17:
The first section: the emergence of the standard
In March 2004, the International Accounting Standards Board (IASB) issued IFRS 4 Insurance Contracts. IFRS 4 allows entities to use a wide range of accounting practices for insurance contracts, reflecting national accounting requirements and differences in those requirements, subject to limited improvements and specific disclosures.**(Internet accounting standards board, 2023)**

In May 2017, the Board completed its project on insurance contracts with the issuance of IFRS 17 Insurance Contracts. IFRS 17 replaces IFRS 4 and sets out principles for the recognition, measurement, presentation and disclosure of insurance contracts within the scope of IFRS 17. In January 2018, the IASB issued an updated IFRS Classification.

In July 2020, the Board issued amendments to IFRS 17. The aim of the amendments is to assist entities applying the standard, while not disrupting implementation or reducing the usefulness of the information provided by applying IFRS 17.
Section Two: Scope of the standard
First: The standard includes the following:(Yanik & Bas, 2017, pp. 48-50)
- ✓ Insurance contracts issued by the company

- ✓ Reinsurance contracts issued or maintained by the company
- ✓ Investment contracts that contain optional participation features, provided that the company is also issuing the insurance contracts.

Second: IFRS17 definition of the insurance contract:

Standard 17 did not differ in its definition of the insurance contract from International Financial Reporting Standard No. 4. The essence of the insurance contract must include four elements, if they are present, the contract becomes eligible to be considered an insurance contract, and then Standard 17 is applied. These elements are:**(Yasser , 2017, p. 04)**

- ✓ Insurance risks
- ✓ Insurance risks must be significant
- ✓ The future event insured against is uncertain
- ✓ To produce a negative impact if the event occurs to the insured against it

Section Three: Objectives of issuing the IFRS17 standard

The International Accounting Standards Board (IASB) issued the International Financial Reporting Standard IFRS17 to achieve a number of objectives, as follows:**(Al-Najjar & Sameh , 2018, p. 12)**

1. Applying the International Financial Reporting Standard as an alternative to a standard is considered necessary because of its positive impact on the financial statements and key performance indicators of insurance companies.
2. Establishing clear and consistent rules for the recognition, measurement, disclosure and presentation of insurance contracts that fall within the scope of the standard, which allows for the possibility of comparison between the financial statements of local and international insurance companies.
3. Maintaining compatibility with other international accounting standards to avoid disparate accounting practices for identical insurance contracts, to improve the level of disclosure and transparency in financial reports and to make the information contained therein more appropriate.
4. Applying the International Financial Reporting Standard contributes to improving the quality of financial reports and providing more transparent and appropriate information about:
   - ✓ How to determine the profits or losses followed by insurance companies in relation to the insurance services provided and the profits from investing insurance premiums collected from customers.
   - ✓ The risks that companies may be exposed to as a result of issuing insurance contracts.
   - ✓ The impact of insurance contracts on the financial performance and financial indicators of insurance companies.

We conclude from the above that harmonization with the requirements of the International Financial Reporting Standard as an alternative to the Financial Reporting Standard is necessary because of its significant impact in improving the quality of financial reports for insurance companies, and including more appropriate information about financial performance indicators and cash flows, which is useful in rationalizing the investment decisions of the users of these reports. .

3- Tissemsilt State Agency for the National Social Insurance Fund for Wage Workers:

The Tissemsilt State Agency established the National Social Insurance Fund for Salaried Workers in accordance with Executive Decree No. 85-223 of 08/20/1985, which included the establishment of the National Social Insurance Fund, Work Accidents and Occupational Diseases in late 1986.

3.1 Risks covered by the National Social Security Fund:

Members benefit from six types of compensation: sickness compensation, maternity compensation, work accident compensation and occupational diseases, disability compensation, death compensation, and family grants.

1. Compensation for illness: It includes coverage of the expenses specified in accordance with Article 08 of Law 83/11 amended by Article 04 of Order No. 96/17 and includes the following expenses: treatment, surgery, medications, hospital stay, mineral and specialized water treatment, devices and organs. **(83/11, 1983)** Prosthetic surgery, physical rehabilitation, transportation by ambulance and other means of transportation, when the patient's condition requires it, and these expenses are covered by 80%, and this percentage is raised to 100% in some cases.**(83/11, 1983)**

2. Maternity compensation: It includes all expenses resulting from pregnancy, childbirth and its consequences, as it covers medical and pharmaceutical expenses on the basis of 100% of the tariffs specified by regulation, as well as hospital stay expenses for the mother and the newborn child.

It also includes a daily compensation allowance for a woman who is forced to stop working due to childbirth, equal to 100% of the daily wage she receives in her position

3. Compensation for work accidents and occupational diseases: Protecting every socially insured worker from work accidents and occupational diseases to which he is exposed, regardless of the sector of activity to which he belongs, is represented by taking care of treatment expenses, and these compensations are paid according to the same conditions under which the compensations granted in The sickness insurance framework, as well as a guarantee of an alternative to income lost as a result of interruption from work due to the accident, by disbursing daily compensation on a 100% basis throughout the medically confirmed period of interruption from work.**(02/11/1984, 1984)**

4. Compensation for disability: It consists of granting a pension to the socially insured who is in need

STRUCTURES OF PAYMENT	Number Insured Social As of 03/31/2009	Number Insured Social As of 03/31/2010	Rate devolution
TISSEMSILT	38 921	44 701	15%
B B N	12 697	13 274	5%
HAD.T E	14 319	15 709	10%
LARDJEM	10 208	10 874	7%
KHEMISTI	8 241	8 711	6%
BOUCAID	4 471	4 836	8%
TOTAL	88 857	98 105	10%

Case Study:

An employer who employs 03 workers filed a declaration with the National Social Security Fund and the Tissemsilt Agency in April 2023 with an amount estimated at: 162,000.00 DZD.

- ✓ He makes the declaration every 3 months
- ✓ He does not benefit from a discount.
- ✓ The subscription amount is estimated at: 56,700.00 DZD

x412		H/Insureds - Contribution installments	56 700.00	
	x414	H/ Insureds - Subscriptions subject to refund		
		Proof of subscription, April 2020 56700.00		56 700.00

- ❖ The transaction is recorded accounting according to the following entry :

512		From h/bank	56 700.00	
	X412	H/ Insureds - Contribution installments		
		check number:......		56 700.00

Source : Information from the institution

4.Conclusion :

Accounting standards are the basic rules that must be followed and guided by to ensure the quality of accounting information when preparing financial reports that help users of that information to make their economic decisions. These standards have witnessed evaluation and development commensurate with the progress of the global economy and the emergence of global companies and major investments in various fields. Which necessitated its unification. The insurance sector in Algeria has benefited from this development as it is a sector with financial facilities that relies on accounting regulation to achieve its goals and maintain its financial capacity.

In this study, we have tried to address the issue of the impact of applying international accounting standards in the insurance sector. To enrich the study, we conducted a field study that came as a complement. Accordingly, this study was presented to the National Social Security Fund for wage-earners in the state of Tissemsilt, where a number of results were reached, as follows:

4.1 Results :

Through the theoretical aspect and what we discussed in the applied aspect, we have reached a set of results, which are summarized as follows:

- ❖ The goal of insurance is to reduce the damages that may be expected in the future, as it is a means of protecting the individual and his property.
- ❖ Insurance companies provide protection cover for the risks to which an individual may be exposed.
- ❖ Applying Insurance Contracts Standard No. 17 leads to presenting financial statements in an honest manner.
- ❖ The absence of insurance culture is one of the most important obstacles facing insurance activity in Algeria.
- ❖ The insurance sector in Algeria has witnessed great development in the field of informatics.
- ❖ Accounting standards provide a more accurate vision for users of financial statements so that they can evaluate at the right time the impact of contracts that fall within the scope of the standard on the financial position and financial performance of the company.
- ❖ Accounting Standard No. 17 depicts the flexibility of the new era of accounting based on standards based on general principles.

4.2 Recommendations :

- ❖ Based on the previous results, some recommendations can be given, including: Expanding the field of awareness and awareness of the
- ❖ Importance of insurance in modern life.
- ❖ Work to facilitate settlement procedures for those affected, and implement the direct compensation agreement to gain customer confidence and improve the image of CNAS.

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