



# Nevada Division of Insurance

## **Third-Party Administrator Application Pro Forma Guidelines**

NAC 683A.105 (1)(a)(3)

### **NAC 683A.105(1)(a) states:**

1. Each applicant for a certificate of registration as an administrator shall submit:
  - (a) If the applicant is a newly formed business:
    - (1) A financial statement pursuant to subsection 1 of [NRS 683A.08522](#) that has been reviewed by an independent certified public accountant;
    - (2) A financial statement pursuant to subsection 2 that has been audited by an independent certified public accountant; or
    - (3) A pro forma balance sheet and a statement listing estimated income and expenses for the first year, compiled in a form which complies with generally accepted accounting principles.

### **Note:**

- The Pro Forma Statements should be in columnar format showing a column for each of the twelve months and a "total" column as the last column. This will allow us to assess and evaluate the changes between months.
- Include notes to the pro forma statements if there are changes that are not easily identifiable or for transactions that cause material changes in account balances or amounts.
- You may provide other pro forma financial statements as additional support.
- Please provide any other information you feel necessary to assist the reviewer.

### **The information in the Pro Forma Balance Sheet should include:**

#### Assets

##### Current Assets

- List of current assets to include but not limited to cash, accounts receivable, inventory, prepaid expenses, and other current assets

##### Other Assets

- List of non-current assets.

##### Fixed Assets

- List of fixed assets to include real estate, buildings, leasehold improvements, equipment, furniture and fixture, vehicles, and other fixed assets.

#### Liabilities

##### Current Liabilities

- List of current liabilities to include accounts payable, notes payable, liabilities accrued but not paid, short-term loans, etc.

##### Non-Current Liabilities

- List of non-current liabilities such as accrued expenses, long-term loans, bonds payable, long-term lease obligations, and other non-current liabilities.

#### Equity

- List of all sources of equity to include common and preferred stock, capital contributions, additional paid-in capital, retained earnings, treasury stock, surplus notes, letters of credit, etc.

**The information in the Pro Forma Income Statements should include:**

Income

- List all sources of income.

Expenses

- List all business expenses and include items such as salaries, payroll taxes and benefits, advertising, copier and printer expenses, commissions, contract labor, credit card and bank charges, dues and subscriptions, insurance, internet, legal and professional fees, office expenses, postage and delivery, rent (on business property), supplies, telephone and communications, utilities, and other expenses.