

IFRS 17 INSURANCE CONTRACTS

IFRS 17 IMPLEMENTATION AND DISCLOSURES

SOLUTION

- An IFRS 17 Implementation, with a particular focus on disclosures

INSURANCE AREA

- Accounting and Finance
- Short and Long-term Insurance

SKILL SETS

- Financial Accounting
- IFRS Research and Interpretation
- Data and Process Analysis
- Financial Disclosure and Reporting

THEMES

- Insurance
- Finance processes
- Data and Technology

INSIGHTS

- It is essential to have a detailed plan, with milestones, actions and responsible parties, in place when embarking on a journey to implement a new regulation
- Regular meetings with key stakeholders are needed, particularly in the initial phases, to ensure alignment of objectives and acceptance of proposed solutions to problems
- Time and specific personnel should be dedicated to such a project, with minimal disruption to BAU work

TESTIMONIAL

“Monocle assisted us greatly on our IFRS 17 journey by combining their extensive knowledge of accounting and data analysis to execute on the project”

Head: Group Technical Accounting

OVERVIEW

Insurers are currently faced with a new accounting standard, IFRS 17, which they must implement for financial periods beginning on or after 1 January 2023. A large insurer began on this journey a few years ago and enlisted the help of Monocle to assist in meeting this compliance deadline.

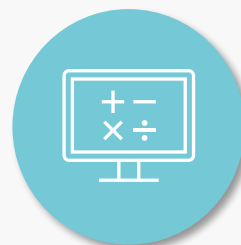
Monocle identified the required end-state; being completed IFRS 17 financials and disclosures and worked backwards to determine the underlying data and accounting structures needed. This involved research into IFRS 17, an analysis of the current standard (IFRS 4) and its implementation and a determination of the relevant changes needed. Specific tasks completed included:

- Creating general ledger, primary statement and note templates tailored to the client
- Mapping of actuarial data to the general ledger, primary statements as well as the notes to the financial statements
- Identification of gaps in the data and processes to be addressed by the client
- Providing input to the client on areas of interest/concern by carrying out the relevant research and producing reports

RESULTS



Research done throughout the process to incorporate industry best practice



Journal Entry, General Ledger and Disclosure templates designed to meet IFRS 17 requirements



Checks built in across all aspects to ensure completeness and accuracy of data

KEY SKILLS REQUIRED

- An understanding of accounting, including accounting software, journal entries, general ledgers, financial statements and disclosures
- Knowledge of the key insurance regulations, particularly IFRS 4 and 17, the Insurance Acts (short and long term) and relevant Income Tax Act sections
- Knowledge of the insurance business, including aspects such as reinsurance, claims and premiums and the underlying business processes