

# The Power of Combined Minds

## Tackling the challenges of IFRS 17

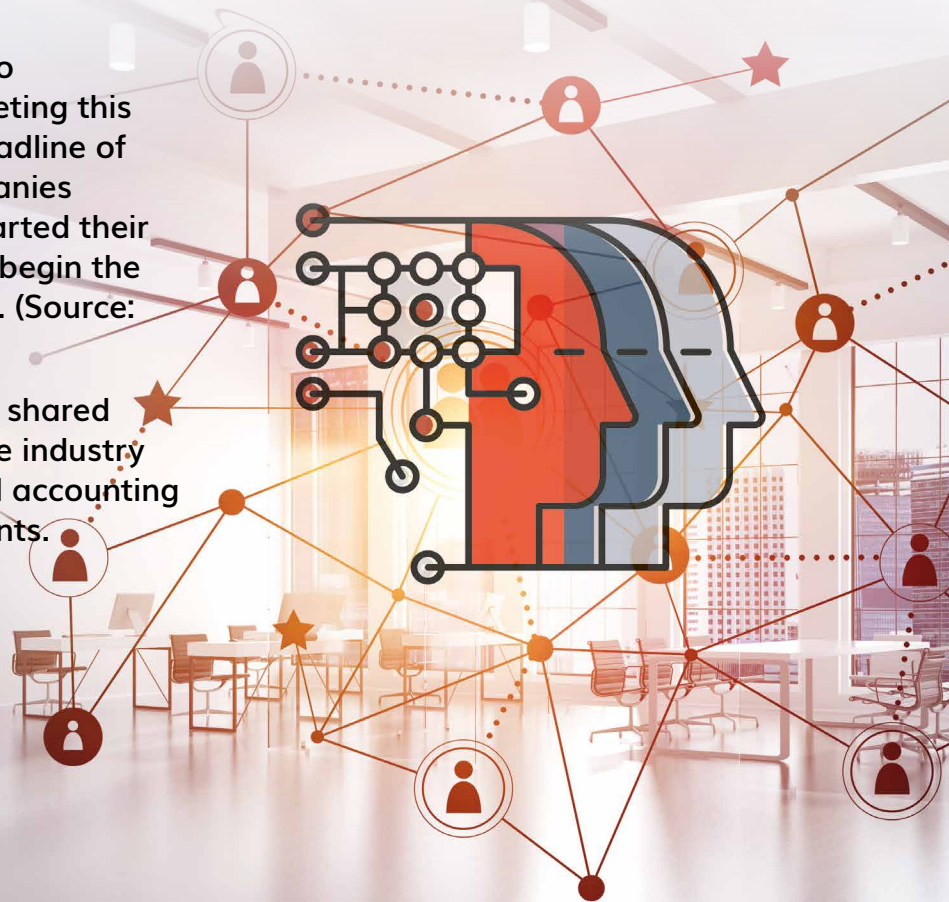
IFRS 17 is a huge step-change in insurance accounting, with significant impacts across the insurance landscape. Compliance will demand changes to actuarial and accounting models, detailed data to support disclosures and the integration of systems and processes. There are many operational accounting challenges to overcome to ensure insurers can generate the correct numbers for their financial statements and thrive in a post-IFRS 17 world.

Early preparation will be the key to understanding, managing and meeting this compliance deadline. Despite a deadline of 2021, over 39% of insurance companies surveyed say they have already started their IFRS 17 assessment and expect to begin the implementation phase in mid 2018. (Source: Global IFRS Readiness Report.)

The power of combined minds and shared insights will be critical assets as the industry tackles new processes, operational accounting challenges and systems requirements.

“IFRS 17 has to be implemented by 1 January 2021. It sounds like a long way off, but you're going to have to start designing those systems fairly soon.”

-Richard Olswang,  
Head of Finance Actuarial,  
Prudential



## KEY IMPACT CONSIDERATIONS

With many systems already required to manage insurance contracts, it is likely teams are facing large system gaps and resource shortages to address what is needed to reach compliance. At a minimum you should expect your company profit pattern to change, P&L statement to grow, and liability considerations to be altered with measurement changes.

While many initially thought a CSM engine built within the actuarial environment could offer a path to compliance, more and more experts are realizing it is not enough. Any solution will have to bridge existing actuarial and finance systems to support the monthly reporting time table and granularity of detail that finance will need to deliver disclosures and substantiate reporting.

## IFRS 17 DISRUPTION



**Granularity of data** needs to be deep enough to support the portfolio level, group level and splitting of contracts. System opacity will need to adjust to get granularity.



**Frequency of Model** runs will require additional support to match your monthly reporting needs. Expect 40 to 50 runs per portfolio.

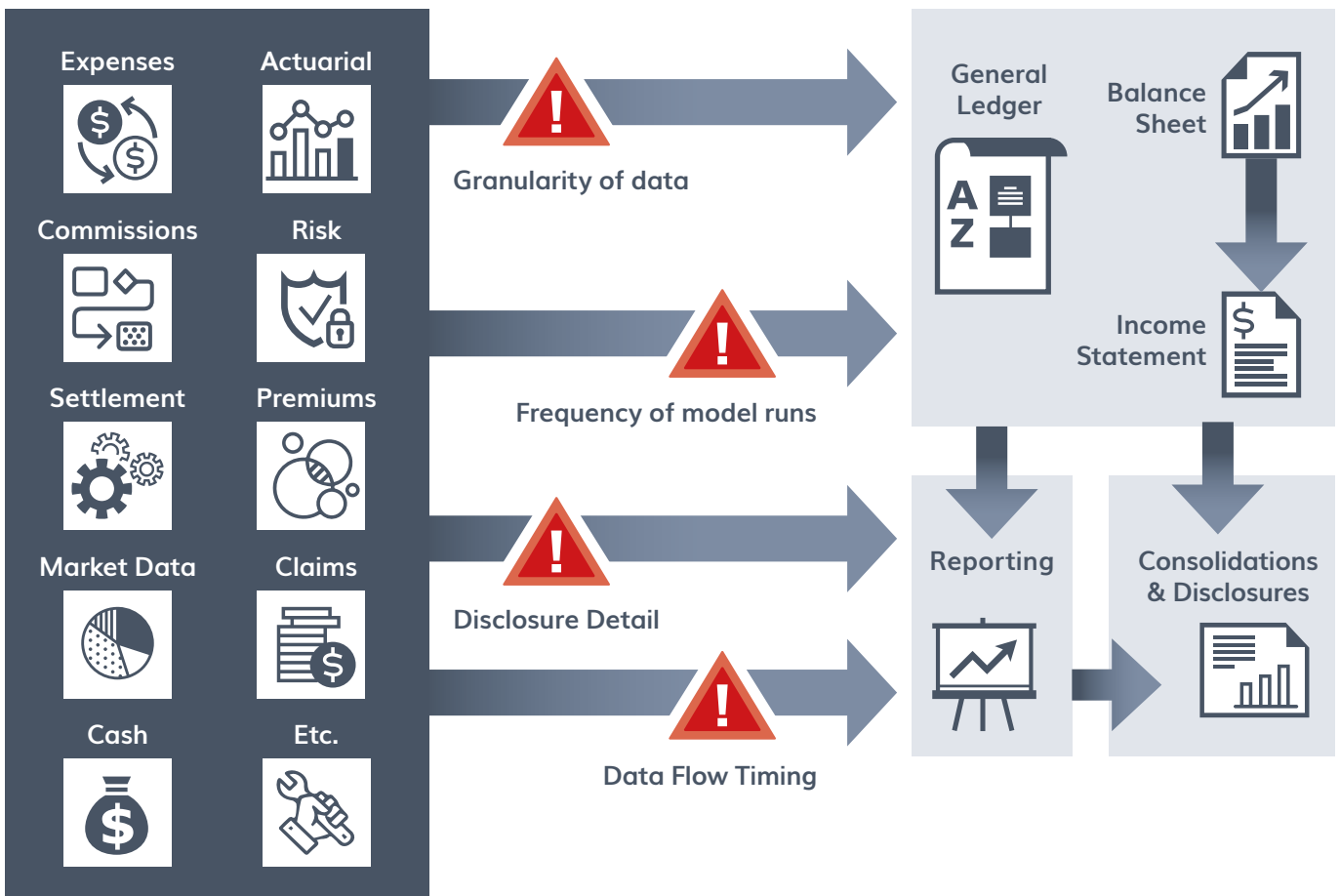


**Disclosure detail** is substantial and systems will need to support CSM calculations which in turn support disclosures.



**Data flow timing** is imperative to model movement analysis and multiple complex calculations.

## IFRS 17 Accounting Complexities will Challenge Existing Architectures



## MEETING OF THE MINDS

The new standard will touch every aspect of an insurer's business and will require the collaboration of minds from finance, actuarial, IT, advisory and solution providers. We want to learn from the great minds at your organisation and so we hope you'll join our experts at our Global IFRS 17 Roadshow Events.



**Linda Bembridge,**  
Head of Finance Advisory

*Has participated in over 100 IFRS 17 project briefings and overseen multiple IFRS 17 POCs*



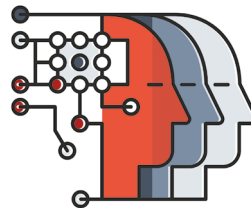
**Martin Redington,**  
Chief Technology Officer

*25+ years advising Finance teams on how to achieve a best practice Finance architecture*



**Phil Lewis,**  
VP IFRS 17 Product

*Technical brains behind Aptitude Software's IFRS 17 Solution and Accounting Hub*



*Representatives from the Big 4 and a network of your peers from some of the largest insurers in the world.*

### 7 IMPORTANT IFRS 17 CONSIDERATIONS

1. Disclosure reports will require greater data access & granularity
2. Solutions will need to support existing operating models, data flows and systems while flexibly accommodating new models
3. Balance details and audit trails will be needed to substantiate accounting
4. IFRS 17 and insurance-specific templates can speed implementation & reduce risk
5. Extend your current architecture rather than breaking it to support transition reporting.
6. Processes, data and systems need to be in synch – granularity, timing and methodology
7. If you can't substantiate reporting, you can't achieve compliance!

## JOIN THE CONVERSATION

### Toronto

**Date:** 10th April  
**Time:** 8 am – 10:30 am  
**Venue:** The Ritz-Carlton

### Hong Kong

**Date:** TBC  
**Time:** 4 pm – 7 pm  
**Venue:** TBC

### New York

**Date:** 12th April  
**Time:** 8 am – 10:30 am  
**Venue:** Royalton Park Avenue

### Sydney

**Date:** 24th May  
**Time:** 4 pm – 7 pm  
**Venue:** Intercontinental Sydney

### London

**Date:** 1st May  
**Time:** 8 am – 10:30 am  
**Venue:** TBC

### Amsterdam

**Date:** 31st May  
**Time:** 9am – 12pm  
**Venue:** TBC



## EQUIPPING CFOs ON THE IFRS 17 EXPEDITION

**Global IFRS 17 Roadshow**  
[www.aptitudesoftware.com/events](http://www.aptitudesoftware.com/events)

“IFRS 17 is a complete break with existing processes and creates a massive increase in demands on the finance and actuarial teams. It's critical that this complex accounting process is controlled in a robust, centralized finance environment.”

**-Linda Bembridge,  
Head of Finance Advisory, Aptitude Software**

“Use the opportunity...to take a strategic look at your systems landscape and make sure that you're building an architecture that is fit for the future.”

**-Mary Trussell,  
Global Insurance Change Lead Partner, KPMG**

“We were impressed by the amount of out-of-the-box IFRS 17 specific intellectual properties (Aptitude Software) offered.”

**-Richard Poon,  
Finance Director, FWD Group**



## Aptitude's IFRS 17 Solution

The Aptitude IFRS 17 Solution enables insurance CFOs to comply efficiently with a platform to manage the end-to-end IFRS 17 financial accounting process.

We reduce the cost and risk of IFRS 17 change programs with a specialist product approach that leverages Aptitude Software's proven operational accounting platform. Used in many global insurance system environments, our platform fits between existing actuarial and financial reporting environments.

## Who is Aptitude Software

At Aptitude Software we bring finance domain expertise, innovative software products and laser-sharp focus on the CFO's needs to solve problems that our competitors can't address. Our specialized software helps companies address GAAP and IFRS compliance issues, and empowers the finance office with deep revenue data insights.

Aptitude Software is proud of serving the CFO for 20 years, delivering financial integration, accounting engines, and other solutions that are empowering the next generation of finance architecture.

Copyright © Aptitude Software Limited 2014 - 2018. All Rights Reserved. APTITUDE, APTITUDE ACCOUNTING HUB, APTITUDE ALLOCATION ENGINE, APTITUDE REVENUE RECOGNITION ENGINE and the Triangles device are trademarks of Aptitude Software Limited. Aptitude - U.S. and European Patents Pending (for more information please refer to: <https://www.aptitudesoftware.com/patentsandtrademarks>).

For more information | [info@aptitudesoftware.com](mailto:info@aptitudesoftware.com) | [www.aptitudesoftware.com](http://www.aptitudesoftware.com)