

IFRS 17 with SAS and Deloitte



Business Impact

With January 2023 drawing closer, it is becoming increasingly difficult to ensure IFRS 17 compliance will be delivered on time and meet quality standards. Even those organizations that began their IFRS 17 journey early are finding it a challenge to test systems and build controls within the required time frame. For those insurers that are still at the beginning of their IFRS 17 implementations, speed and reliability are critical. With Deloitte Regulatory Assist IFRS 17 and predefined methodologies using SAS capabilities, advanced accelerators have been developed and designed to help insurers meet the critical milestones for IFRS 17 compliance.

Challenges

Expectations for greater collaboration. IFRS 17 requires closer collaboration of actuaries, accounting staff and IT, as calculations must be based on a comparison of expected and actual cash flows.

Limited solution functionality. Most vendors only support part of the compliance process, requiring heavy investment and integration of multiple solutions.

Manual processes are no longer adequate. Organizations must update operational activities, IT infrastructure, closing processes and workflow scheduling.

New and more complex judgments require more detailed data.

The dynamic nature of the business world. Organizations will need regular updates to maintain compliance, governance and oversight.

The Business Need

IFRS 17 – part of the International Financial Reporting Standards issued by the International Accounting Standards Board – will improve financial reporting by providing more transparent, comparable information about:

- The effects of direct insurance and reinsurance contracts on financial performance.
- How entities earn profits or incur losses through underwriting services and investment of premiums.
- The nature and extent of risks created by issuing insurance or holding reinsurance contracts.

Most companies will need to modernize the technology stack to establish a new data architectural and data management platform that can reduce manual processes and touch points through automation of data quality control and reconciliation from multiple resource systems.

Current accounting and actuarial systems have typically been designed in isolation and have little or no integration capability. Many of these system integration points still rely on manual processes. The structure makes it difficult to scale and add the necessary layers of automation needed to deliver the speed, accuracy and visibility demanded by IFRS 17.

Companies also need to acquire a repeatable process that fits into the financial closing calendar, complements the present or future ecosystem, and stays current with regulation updates.

In addition, the process should perform in an automated, controlled and traceable environment and satisfy auditors.

Some companies take the opportunity for a transformation that broadens the suite of management information across actuarial and finance functions. This enables them to be agile for future decision making and responsive to opportunities and threats.

The SAS® Solution for IFRS 17 meets these challenges. Companies can use this as a modular solution to cover the gap for existing systems or use it as a strategic platform for full end-to-end IFRS 17 compliance.

Deloitte and SAS: Key Differentiators

This offering combines Deloitte professionals' deep IFRS knowledge, sector know-how and experience gained from joint IFRS 17 implementation projects around the globe with the leading IFRS 17 solution from SAS.

You need an efficient and effective IFRS 17 solution to make the best use of the time remaining. Fast-track your IFRS 17 implementation by using Deloitte's Regulatory Assist IFRS 17 to accelerate implementation to fully leverage the knowledge and lessons learned by industry front-runners. Their experience can help you to understand and solve interpretation issues and challenges more quickly. Deloitte's accelerator on top of the SAS Solution for IFRS 17 gives you value fast.

The Regulatory Assist IFRS 17 solution was created to enable IFRS 17 deployment for both property and casualty and life insurers.

It offers a suite of accelerators to enable insurers to deploy the SAS Solution for IFRS 17 at a lower predictable cost and with the quality and confidence expected to achieve minimum compliance on time and on budget.

The Benefits

With SAS® technology and Deloitte services and expertise, you can realize a significant return on investment, including:



Accurate financial statement results and disclosures within the reporting timeline.



Increased management information detail.



Transparent, auditable approach for end-to-end processes.



Reduced ongoing operational costs.

With the SAS® Solution for IFRS 17, you can ...

- Meet all regulatory and business requirements, including all the calculation methodologies (BBA/GMM, PAA and VFA approach).
- Foster closer collaboration among IT, actuaries and accounting staff.
- Have a single platform using predefined models for risk and finance analytics and reporting that ensures consistency in common data, comparability of data and easier reconciliation of results.
- Leverage an experienced team of experts that has completed similar regulatory deployments at large-scale enterprises.



Deloitte facts

Deloitte has a global network of member firms providing market-leading professional services in audit, advisory, tax and consulting services across more than 20 industries.

Deloitte helps organizations achieve better business outcomes through analytics and AI-powered transformation via a global, issue-focused storefront of offerings and highly specialized talent models.

As a 15-year SAS Platinum partner, Deloitte has deep SAS expertise and has pioneered the implementation of SAS risk solutions with many clients.

SAS facts

Chartis RiskTech Quadrant positions SAS as a category leader.

According to IDC, SAS owns 30.8% of the advanced and predictive analytics market share - more than twice that of the nearest competitor.

SAS solutions are used at more than 82,000 customer sites in 145 countries.

91 of the top 100 companies on the 2020 Fortune Global 500 are SAS customers.

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