



FINANCE AND ACCOUNTING

Partnering with Xceedance for Superior Compliance



The introduction of IFRS 17 represents a significant change in insurance accounting, introducing a range of challenges for insurers. Effectively navigating this new landscape requires a partner with specialized knowledge. Xceedance stands as an insurance-focused, proven partner in IFRS 17 implementation, equipped to handle the detailed requirements of this new standard.

Xceedance goes beyond traditional consultancy to offer a strategic partnership. Our deep understanding of insurance, combined with a consistent record of successful IFRS 17 implementations in various international markets, allows us to provide solutions that simplify the complexities of IFRS 17, enabling clients to adapt to this change effectively.

Our IFRS 17 Value Proposition

At Xceedance, our IFRS 17 capabilities are tailored to address insurance companies' specific needs and challenges across geographies, including A&NZ, Asia, and the Middle East. We offer services centered around watertight data and process integrity, high-cost effectiveness, and seamless transitioning, all designed to ensure IFRS 17 compliance and strategic advantage.

Data and Process Integrity:

Implementing a robust core data architecture is crucial for meeting the technical requirements of IFRS 17. Xceedance experts employ in-depth domain knowledge and experience to ensure compliant processing. We assist clients in comprehensive data cleanup to maintain the integrity and accessibility of critical accounting data, such as cash flow, premiums, claims, and expenses, to facilitate streamlined reporting.

Cost Efficiency:

The insurance sector is estimated to spend \$21-27 billion on IFRS 17 implementation, with average cumulative costs for insurers ranging from \$30-\$240 million. Xceedance adopts a more cost-efficient strategy, aiding companies in implementing IFRS 17 standards at optimal costs. Xceedance improves resource utilization for clients adopting IFRS 17 standards by minimizing touch points, implementing frictionless processes, and leveraging our F&A expertise.

Transitioning from Legacy Systems to IFRS 17:

Xceedance streamlines the transition to IFRS 17 by providing regulatory expertise and regional insights to implementation partners. We support ledger and sub-ledger mapping, including developing a chart of accounts and lines of business, ensuring precise and effective mapping, and addressing challenges transitioning from legacy systems.

Bridging Actuarial and Finance Functions:

Xceedance ensures effective collaboration between actuarial, finance, and implementation teams to finalize revenue patterns, manage accounting policy disclosures, and streamline assumptions. We also reconcile LRC and LIC model outputs with existing standards for efficient project execution, facilitating robust collaboration. Xceedance enhances collaboration between Actuarial and Finance teams by providing services for both functions, ensuring that both teams work in tandem for better synergy.

Financial Statements Preparation and Finalization:

Xceedance reviews and aligns Financial Statements Proforma, created by implementation partners, with IFRS 17 criteria. We also prepare P&L statements and balance sheets, mapping financial data to IFRS 17-specific reporting templates.

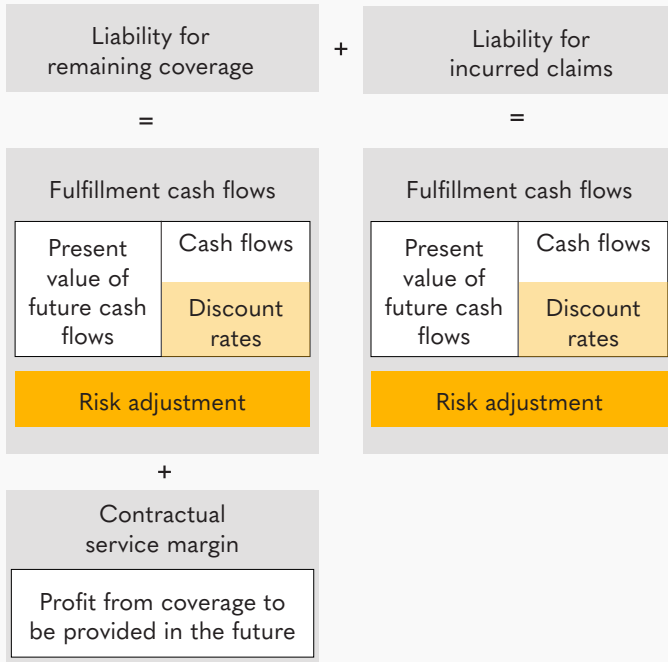
Comparative Analysis and Support in Selecting the Appropriate IFRS 17 Model:

Xceedance assists clients in selecting the most suitable IFRS 17 model for their business. The General Measurement Model (GMM) is typically used for contracts over a year and includes a detailed analysis of cash flows and non-financial risks for Contractual Service Margin (CSM) computation. The Premium Allocation Approach (PAA) is a simplified model for contracts one year or less, often used by general insurers. It bypasses explicit CSM calculations. The Variable Fee Approach (VFA) is a modified GMM suitable for contracts with participatory features but does not apply to reinsurance contracts.

We help insurance companies make informed decisions on which IFRS-17 model is best for them by making a comparative analysis of the benefits of all three models and guiding them to choose the applicable one for their business.

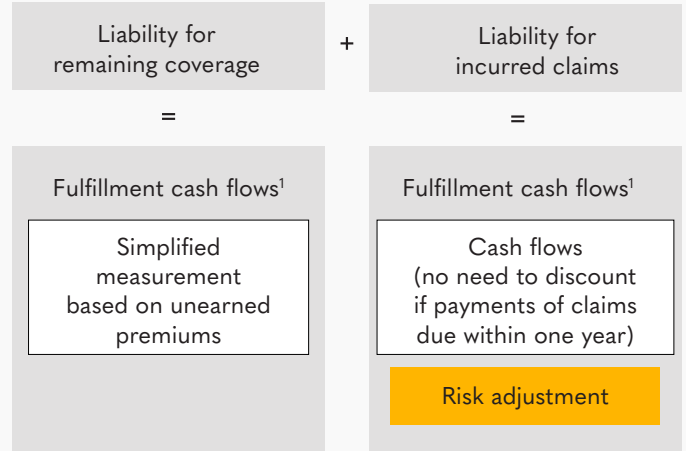
GMM

Insurance contract liability



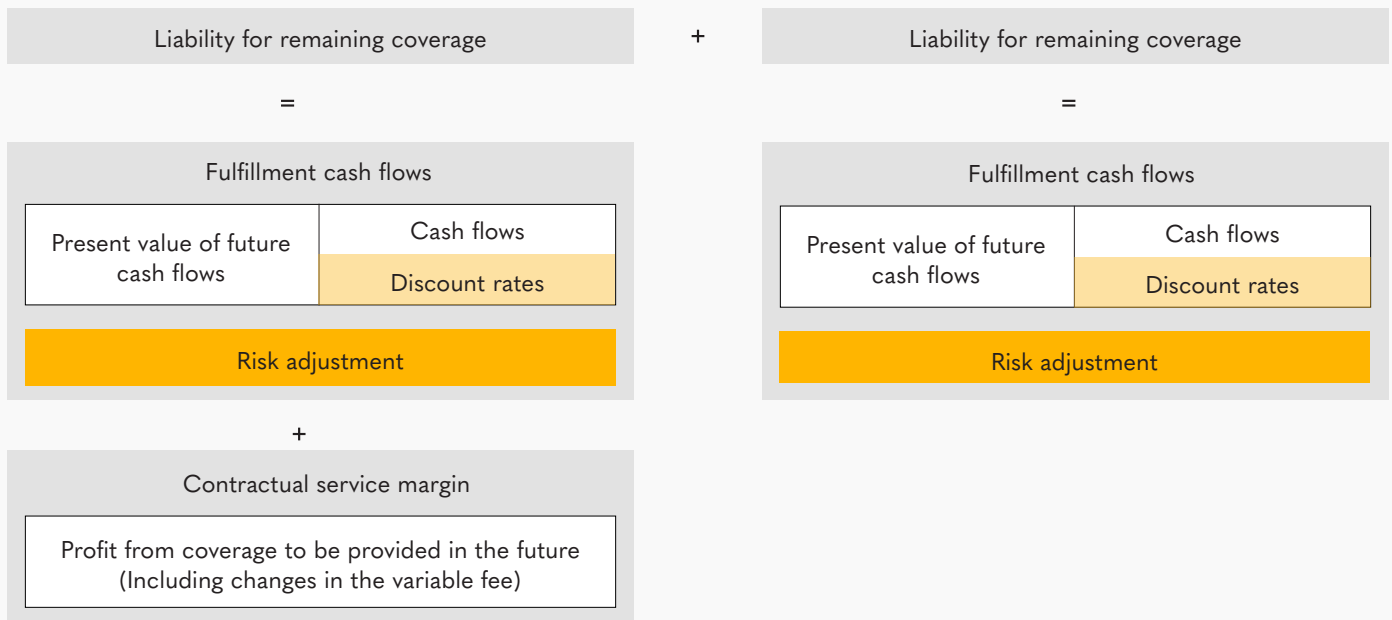
PAA Approach

Insurance contract liability



Variable Fee Approach (Modifications for contract with a 'variable' fee)

Insurance contract liability



source: <https://ifrs17explained.com/2018/10/24/ifrs-17-model-summarized/>

Parallel Reporting for Local GAAP & IFRS 17:

Xceedance offers clients the capability for dual reporting by local GAAP and IFRS 17 standards. This is achieved by integrating systems that facilitate seamless data reporting and visibility among stakeholders. Our services ensure streamlined accounting and reporting processes that comply with global and local regulations across multiple geographies, helping clients adhere to all necessary compliance standards.

Addressing New Regulatory Forms:

Xceedance employs its expertise to establish effective processes for insurance companies managing new regulatory forms. Our approach includes ensuring compliance through support, continuous monitoring, and empowering collaborative teams.

Case in Point

Our professionals have supported accounting automation, contributing to the successful implementation of IFRS 17 for a major insurer in New Zealand. Our involvement spanned the entire implementation process, encompassing the development of the project plan and scope, chart of accounts mapping, conducting trial runs of the LRC and LIC models, and preparing and finalizing financial statements for the transition period.

This comprehensive support allowed the client to automate their accounting processes and generate financial reports in line with IFRS 17 standards. Our team adhered strictly to the set turnaround times and compliance requirements, enabling efficient quarterly reporting to New Zealand's regional regulator, RBNZ.

End to End IFRS – 17 Support

- IFRS 17 has an enterprise-wide impact on end-to-end processes, from data sourcing to last-mile reporting
- The new measurement and reporting requirements will trigger a fundamental shift in key areas

Data	System architecture	Collaboration	Governance model	People
Attribution, scalability, readiness, and transitions	Automations and system re-engineering	IFRS 17 mandates that actuarial and finance functions operate as a single unit	Control environment around changed data, systems and processes	Resourcing, training, and managing change

IFRS 17 Support	Project planning & scoping	Historical data cleanups	Close management	Financial reporting	Ledger management
	Forecasting	GAP analysis	Transition	Data integrations	Reconciliations
	Parallel runs	Chart of accounts	Impact assessment	Data collection	Training & knowledge transfers

Why Choose Xceedance

We meticulously incorporate various methodologies and best practices to ensure successful implementation. This process includes:

Experience Across Geographies – A&NZ, Asia, and the Middle East

Xceedance has a strong track record in various regions—Australia, New Zealand, Singapore, Dubai, and Hong Kong—managing complex regulatory environments and adapting to local market specifics. Our expertise includes compliance with APRA in Australia, RBNZ in New Zealand, and MAS in Singapore. Our dedication to IFRS 17 and a client-focused approach combined with robust local knowledge ensures smooth F&A operations in a dynamic global context.

Partnership Approach

Xceedance experts work closely with clients and model providers, drawing on extensive experience and in-depth knowledge to provide timely, accurate financial insights. This collaboration aids in informed decision-making and ensures compliance. We focus on data accuracy, regulatory compliance, security, and offering a comprehensive view of F&A operations to all stakeholders.

Our Specialists

Our team, comprising IFRS-certified finance professionals and business analysts, is uniquely qualified to navigate the intricacies of the changing regulatory environment. Their collective expertise in all aspects of IFRS 17 implementation positions Xceedance as a trusted partner in the industry.



Learn how Xceedance can help your organization navigate complex market challenges, manage rapidly-evolving policyholder expectations, boost regulatory compliance, and kickstart enterprise transformation. Ready to find your way forward? Reach out to us at contact@xceedance.com to get started.



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or go to www.xceedance.com