



Corporate reporting requirements
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Agenda

1. Insurers' corporate reporting: environment, judgements and estimates
2. FRC areas of focus through insurers' lenses
3. Regulation update and future developments
4. Q&A

01

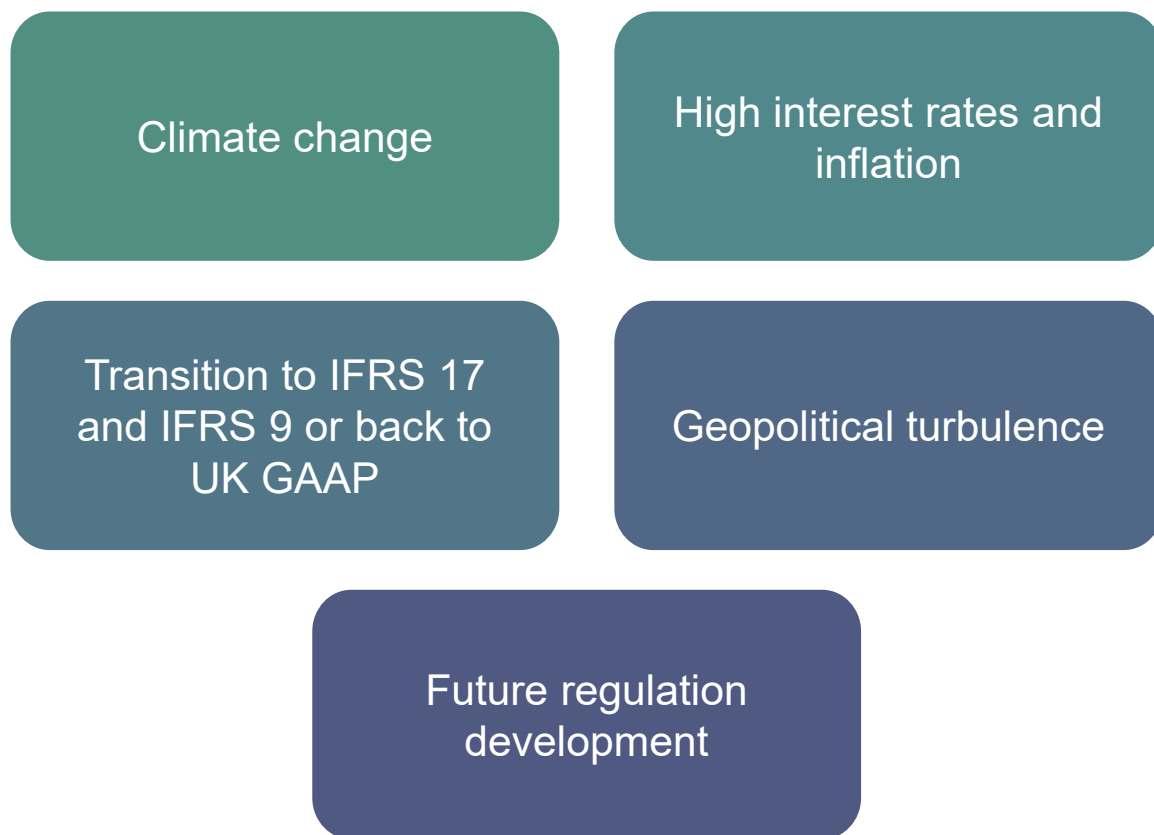
Insurers' corporate reporting

Environment, judgements and estimates

Insurers' corporate reporting

Environment, judgements and estimates

Insurers' challenges and uncertainties in 2023



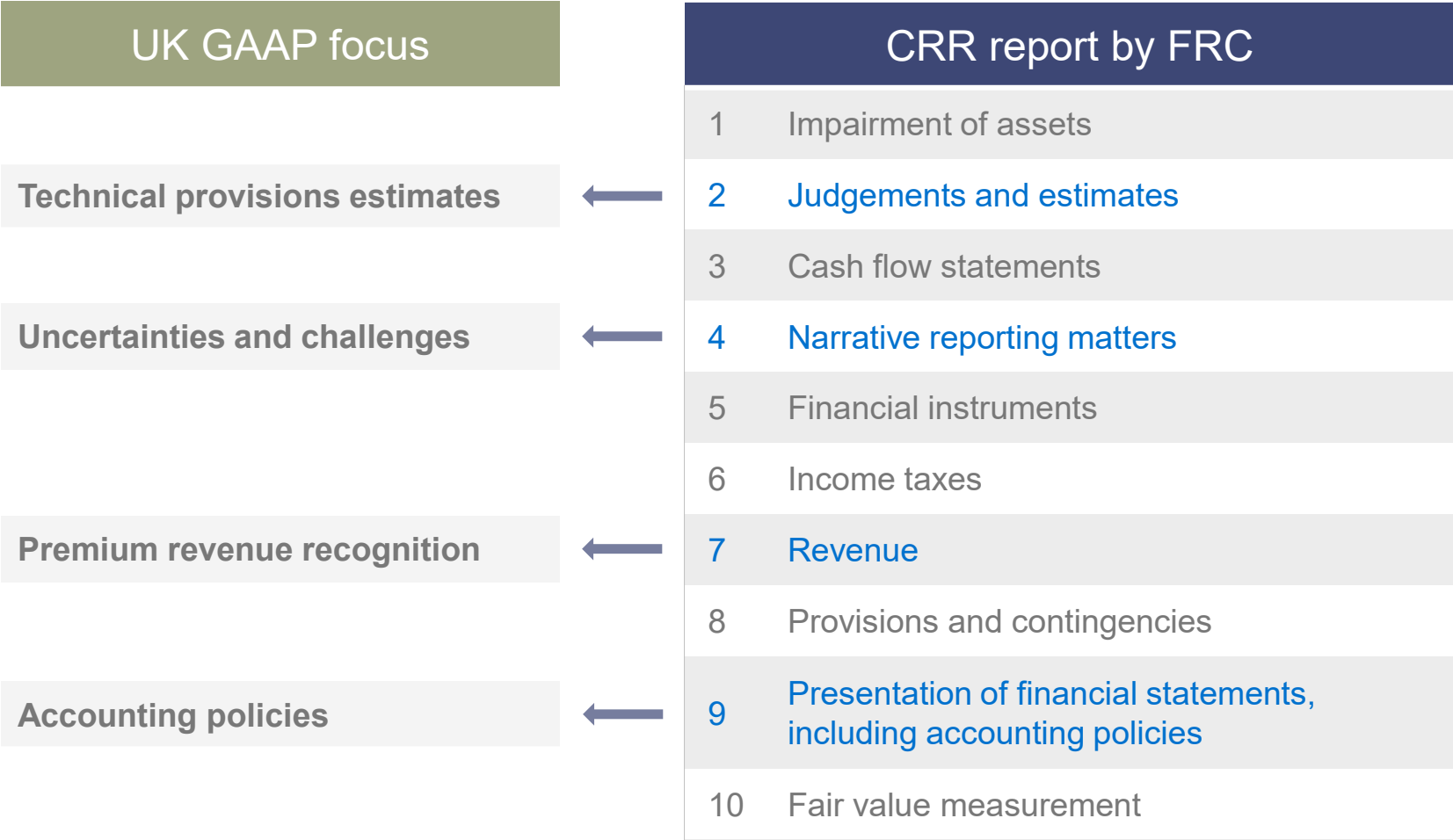
- Consider, and communicate to investors, how these issues affect business.
- Front-end reporting reflects relevant new developments, for example, climate-related disclosures, revised alternative performance measures (APMs) as a result of IFRS 17/ UK GAAP adoption, and others.
- Ensure assumptions underpinning the values of assets and liabilities reflect current issues and are consistent.
- Ensure front-end reporting is consistent with the disclosure notes, presenting a complete and balanced story.

02

FRC areas of focus through insurers' lenses

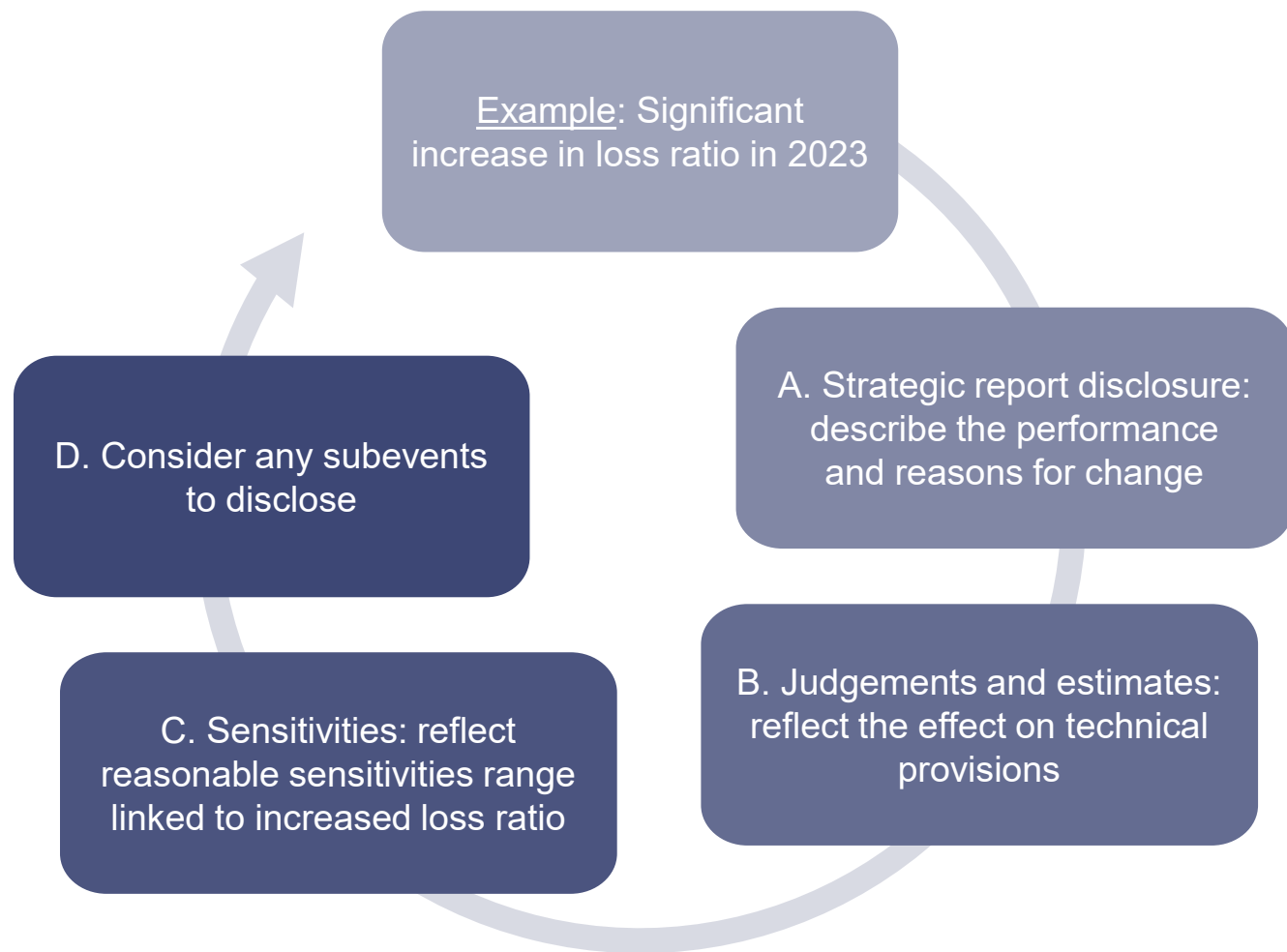
Insurers' corporate reporting

FRC areas of focus through insurers' lenses



- In October 2023 FRC published the **Annual Review of Corporate Reporting 2022/23** (CRR).
- Although CRR report is written with IFRS companies in mind many recommendations and best practices apply to UK GAAP reporters.

Insurers' corporate reporting FRC areas of focus through insurers' lenses

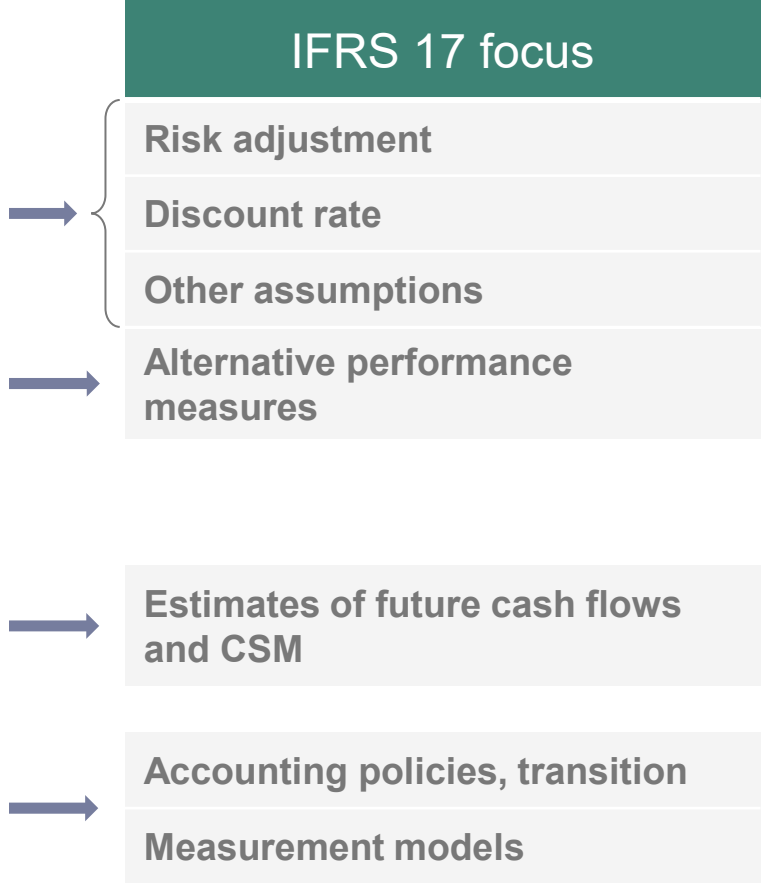


- Judgements and estimates have a high ranking in CRR report and for insurers it is an area to focus on.
- Ensure assumptions used in judgements and estimates in part of **technical provisions/ insurance contracts liabilities** and revenue (for instance, **pipeline premium**) are clearly explained.
- Ensure this is followed by meaningful sensitivity disclosures linked to up-to-date assumptions and ranges.
- Ensure assumptions are consistent throughout different disclosures where relevant.

Insurers' corporate reporting FRC areas of focus through insurers' lenses

- In November 2023 FRC published **IFRS 17 thematic review**.
- The thematic review largely **follows direction of CRR** recommendations bringing up some IFRS 17 specific disclosure best practice and areas for improvement.

CRR report by FRC	
1	Impairment of assets
2	Judgements and estimates
3	Cash flow statements
4	Narrative reporting matters
5	Financial instruments
6	Income taxes
7	Revenue
8	Provisions and contingencies
9	Presentation of financial statements, including accounting policies
10	Fair value measurement



03

Regulation update and future developments

Insurers' corporate reporting

Regulation update and future developments

Sustainability disclosures

CRFD effective 6 April 2022, anti-greenwashing regulation effective since issue date

Disclosure of diversity and inclusion

effective 1 April 2022

UK Solvency reform

Effective for 2023 YE in part of new risk margin and parametrization

Pillar Two model rules

effective 1 January 2023

Upcoming IFRS on Presentation and disclosure

Upcoming narrative reporting developments

- Other than first time application of IFRS 17 and 9 this year there are **no significant developments in IFRS** that are specific to insurance operations starting from 2023. The same applies to the **UK GAAP**.
- The new regulation for 2023 is focused on **sustainability** and areas such as **Solvency** and **tax** (covered in separate sessions later this week).
- The **upcoming IFRS** that might have a more significant impact is on Presentation and disclosure.
- **Future narrative reporting development** along with S1 and S2 include UK corporate governance code revision and Economic crime and corporate transparency bill. The draft regulation on Restoring Trust in Audit and Corporate Governance is now withdrawn.



Q&A

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