QUEST
Professional Center

PROFESSIONAL TRAINING COURSE

Course No. 2019

IFRS 17 Insurance Contracts & Financial Reporting Training Course

INSURANCE FINANCE & ACCOUNTING
INSURANCE & RISK MANAGEMENT

DURATION
5 Days

DELIVERY
Classroom

Course Overview

The IFRS 17 Insurance Contracts & Financial Reporting Training Course provides a comprehensive and practical understanding of the International Financial Reporting Standard for Insurance Contracts and its impact on financial reporting, measurement, presentation, disclosure, and financial performance within insurance organizations.

The programme examines the fundamental principles of IFRS 17, including the identification and classification of insurance contracts, contract boundaries, grouping requirements, measurement approaches, fulfilment cash flows, the contractual service margin, risk adjustment, discounting, and the recognition of insurance revenue and insurance service expenses.

Participants will explore the application of the General Measurement Model, Premium Allocation Approach, and Variable Fee Approach, including the circumstances in which each approach may be appropriate. The course also addresses reinsurance contracts held, contract modifications, onerous contracts, loss components, and the treatment of changes in estimates and assumptions.

Particular attention is given to the financial reporting implications of IFRS 17, including the presentation of insurance results, disclosures, transition requirements, data and systems considerations, financial controls, and the interpretation of key performance information. Through practical calculations, case studies, reporting exercises, and an integrated final workshop, participants will strengthen their ability to apply IFRS 17 principles within real insurance reporting environments.

Objectives

- By the end of this training course, participants will be able to:
- Explain the fundamental principles and objectives of IFRS 17.
- Identify contracts that fall within the scope of IFRS 17.
- Apply the requirements for contract grouping and portfolio classification.
- Determine contract boundaries and relevant coverage periods.
- Analyze fulfilment cash flows and their financial reporting implications.
- Apply discounting principles to insurance contract measurement.

- Explain the purpose and calculation of the risk adjustment.
- Calculate and interpret the contractual service margin.
- Apply the General Measurement Model to relevant insurance contracts.
- Assess the application of the Premium Allocation Approach.
- Explain the Variable Fee Approach and its relevant applications.
- Account for onerous contracts and loss components.
- Analyze the accounting treatment of reinsurance contracts held.
- Evaluate the impact of IFRS 17 on financial statements and performance indicators.
- Apply IFRS 17 presentation, disclosure, and transition requirements.
- Develop practical approaches for IFRS 17 implementation, controls, and financial reporting.

Who Should Attend

This course is designed for insurance finance managers, financial controllers, accountants, financial reporting specialists, financial analysts, actuarial professionals, and professionals responsible for IFRS 17 implementation and reporting.

It is also suitable for underwriting and claims managers, reinsurance professionals, risk managers, internal auditors, compliance professionals, investment professionals, finance transformation teams, data and systems specialists, and senior insurance managers who need to understand the financial and operational implications of IFRS 17.

The programme is particularly relevant to professionals working in insurance companies, takaful organizations, reinsurance companies, insurance groups, insurance brokers, financial institutions, audit and advisory functions, and insurance regulatory or supervisory environments.

Learning Outcomes

- Upon completion of the course, participants will be able to:
- Interpret the core requirements and principles of IFRS 17.
- Determine whether insurance arrangements fall within the scope of the standard.
- Apply portfolio and group classification requirements.

- Determine appropriate contract boundaries and coverage periods.
- Build and analyze fulfilment cash flow calculations.
- Apply discount rates and understand their effect on insurance contract measurement.
- Calculate and interpret risk adjustments.
- Calculate and reconcile contractual service margins.
- Apply the appropriate IFRS 17 measurement model to different insurance portfolios.
- Analyze the accounting treatment of onerous groups and loss components.
- Account for reinsurance contracts held under IFRS 17.
- Evaluate changes in assumptions and their impact on insurance contract balances.
- Interpret the effect of IFRS 17 on revenue, expenses, profit recognition, and financial position.
- Prepare and interpret key IFRS 17 financial reporting disclosures.
- Assess transition approaches and implementation considerations.
- Support stronger IFRS 17 financial controls, reporting processes, and management decision-making.

Course Outline

DAY 01

IFRS 17 Foundations and Insurance Contract Scope

- Overview and objectives of IFRS 17
- Key differences between IFRS 17 and previous insurance accounting practices
- Scope and identification of insurance contracts
- Definition and characteristics of an insurance contract
- Portfolio identification and contract grouping
- Annual cohorts and aggregation requirements
- Contract boundaries and coverage periods
- Separation of components within insurance contracts

PRACTICAL EXERCISE

Identifying and classifying insurance contracts under IFRS 17

DAY 02

Insurance Contract Measurement and Fulfilment Cash Flows

- IFRS 17 measurement principles
- Fulfilment cash flows
- Expected future cash flows
- Probability-weighted cash flow estimation
- Discounting and present value calculations
- Risk adjustment for non-financial risk
- Contractual service margin
- Initial recognition and subsequent measurement
- Changes in estimates and assumptions

PRACTICAL EXERCISE

Building an IFRS 17 insurance contract measurement calculation

DAY 03

IFRS 17 Measurement Models

- General Measurement Model
- Eligibility and application considerations
- Premium Allocation Approach
- Simplified measurement under the Premium Allocation Approach
- Variable Fee Approach
- Direct participation features
- Onerous contracts and loss components
- Coverage units and recognition of the contractual service margin

PRACTICAL EXERCISE

Selecting and applying the appropriate measurement model

DAY 04

Reinsurance, Financial Statements and Performance Reporting

- Accounting for reinsurance contracts held
- Initial recognition and subsequent measurement of reinsurance
- Reinsurance recoveries and financial impacts
- Insurance revenue and insurance service expenses
- Insurance finance income and expenses
- Presentation of insurance contract assets and liabilities
- Profit recognition and contractual service margin release
- Key financial performance indicators under IFRS 17

PRACTICAL EXERCISE

Analyzing IFRS 17 impacts on financial statements and performance

DAY 05

Disclosure, Transition, Implementation and Financial Reporting

- IFRS 17 disclosure requirements
- Quantitative and qualitative reporting information
- Transition approaches and practical considerations
- Full retrospective, modified retrospective, and fair value approaches
- Data, systems, processes, and governance considerations
- Internal controls and financial reporting processes
- Implementation challenges and common reporting issues
- Management interpretation of IFRS 17 results
- Final Integrated Workshop: Developing an IFRS 17 Insurance Contracts & Financial Reporting Implementation and Reporting Framework

Register or Request More Information

Course page: https://quest-training.com/courses/ifrs-17-insurance-contracts-financial-reporting-training-course
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