



Aptitude
IFRS 17
Comply

Aptitude[™]
SOFTWARE

SOLUTION BRIEF

A pre-configured, out of the box IFRS 17 solution that includes standard calculations, accounting rules, and disclosures for insurers looking to enable rapid IFRS 17 compliance

Aptitude IFRS 17 Comply

is a SaaS solution that delivers
cost effective, efficient, fast compliance



Flexible and highly scalable

The solution can be extended to address evolving business needs and act as a foundation for future finance transformation



Rapid implementation accelerating compliance

Pre-built accelerators, integrations, and an IFRS 17 data model speeds delivery allowing clients to be up and running with IFRS 17 data outputs in a matter of several weeks



Cost effective

Designed to achieve minimum compliance in the most cost-effective and efficient manner whilst retaining the option to tailor the functionality to specific client needs



Collaboration with big 4 consulting firms

Aptitude has collaborated with its partners to configure and deliver a solution that will enable rapid and efficient IFRS 17 compliance that will be a partner-led delivery leveraging expertise from referenceable partner delivery implementations since 2017



Globally proven

Aptitude was one of the first to bring an IFRS 17 solution to market, it has been implemented at a wide range of global Composite, General, and Life Insurers and many clients are in advanced testing phase or entering parallel running

Contents

4	Intro
5	Challenges to overcome
6	Aptitude IFRS 17 Comply: Purpose built to accelerate compliance
7	Key features
8	Core offering
10	Functionality
11	Implementing Aptitude IFRS 17 Comply
12	Business benefits
14	Why Aptitude Software

With the effective date of January 1, 2022/2023 depending on your region, insurers who have not selected a solution are rushing to complete vendor evaluations and work through the data sourcing and accounting approaches necessary for compliance.

For smaller insurers especially, accelerated compliance with minimal disruption is the aim.



17

Aptitude Software is a Chartis RiskTech Quadrant Category Leader in the Insurance Risk Systems for IFRS 17 and LDTI Compliance, 2020:

Market Update and Vendor Landscape, a Chartis Research report that assesses leading vendors of IFRS 17 and LDTI solutions.

Challenges to overcome

1. Data Sources

The multiple data sets required to drive IFRS 17 compliance typically reside across multiple systems including policy administration, actuarial and accounting systems. These are typically legacy systems with little or no integration. This presents a major data challenge as highly granular data sets need to be sourced, accessed, converted and standardized to perform the required IFRS 17 calculations to generate the necessary compliance reports and disclosures.

2. Data volumes and granularity

IFRS 17 requires an insurer's entire in-force book of business - which includes millions of policies and subsequent data sets - to be measured at transition and at each subsequent reporting period, at a level of granularity that has never been required.

3. Choosing the right measurement model

Determining the most appropriate measurement model - General Measurement Model (GMM), Premium Allocation Approach (PAA), and Variable Fee Approach (VFA) - is critical to avoiding unnecessary cost and risk and can be challenging for Insurers.

4. Maintaining audit trails

IFRS 17 requires a high level of accuracy and total transparency in financial reporting. This presents a major challenge for insurers as actuarial systems have traditionally not supported the same level of control demanded by finance solutions and reconciliation of the two bases is highly complex.



Aptitude **IFRS 17 Comply**

Purpose built to **accelerate compliance**

IFRS 17 is a “must meet” compliance requirement for affected insurers. While some insurers are using the Standard as a launchpad for the transformation of their finance and actuarial capabilities, many firms, especially smaller insurers, are seeking to comply with minimal disruption, at the lowest possible cost and with limited resources.

To meet this demand, Aptitude has developed IFRS 17 Comply to meet the needs of insurers looking for a pre-configured solution that is quick and easy to implement yet meets the compliance requirements.

IFRS 17 Comply contains all the functionality required to achieve compliance for P&C Insurers, Life Insurers, and Reinsurers. It is easily integrated into existing finance and actuarial technology landscapes with minimum disruption and supports compliance under GMM, VFA and PAA. The solution also includes a subledger with a rich, highly granular data model that can serve as the foundation for progressive finance transformation at a future date, protecting the investment and enabling future strategic value beyond compliance.

Key features and accelerators



Easily comprehensible data sourcing documentation to explain the data required from PAS, claims and actuarial systems, and data sources



Accounting under all measurement models including GMM, VFA and PAA



Built-in set of reports to support each measurement model, such as the Analysis of Change and reporting dashboards



Standard IFRS 17
Chart of Accounts



Pre-built data model for
ingested data



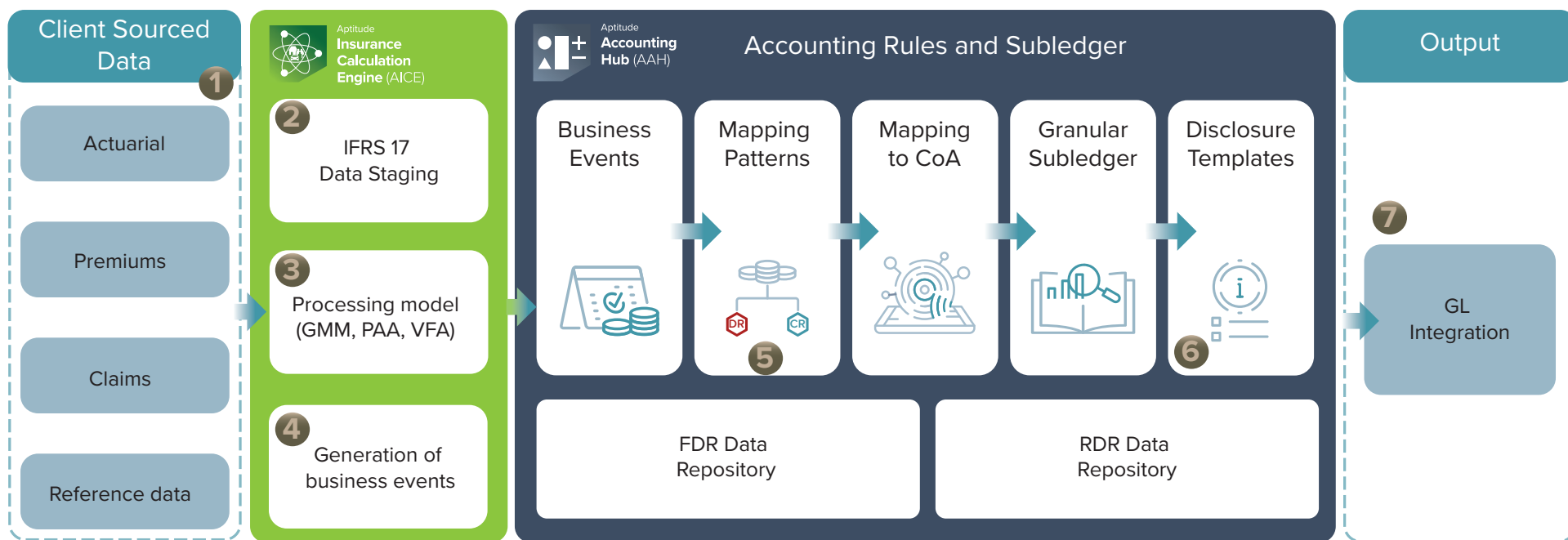
GL extract file can integrate into
all common market General
Ledgers

Core offering



Aptitude
**IFRS 17
Comply**

Aptitude[™]
SOFTWARE



1. Data requirements documentation to accelerate data sourcing
2. Pre-defined data requirements to be populated with client data
3. Pre-defined measurement models calculations
4. IFRS17 Business Event catalogue which triggers generation of the accounting
5. IFRS 17 Posting Rules catalogue - pre-defined accounting for all measurement models
6. Disclosure templates and standard reporting suite pre-built
7. Standard GL integration accelerator to integrate reportable data into the GL

Menu based approach



“Must meet” criteria

External calculation of
the risk adjustment

Single GAAP
(IFRS 17)

Acceptance of baseline
Chart of Accounts
(can be mapped to client GL CoA)

Options available outside of the core functionality

- Connecting to systems other than the GL
- Allocations
- Sub-Group level cashflows (contract/coverage-level)
- Bespoke Analysis of Change under GMM
- Tailored Loss Component sequence
- Variation to our standard cash flow types
- Discounting
- Multi-GAAP
- Significant changes to the baseline Chart of Accounts
- Simulation and Forecasting

Implementing Aptitude

IFRS 17 Comply

One of the key value points of IFRS 17 Comply is the speed and ease at which it can be implemented. Projects are delivered by Aptitude's Professional Services organization who work with the client and any delivery partner of choice to define the requirements, configure and test the output and project manage the program. Implementation teams include individuals with experience implementing the selected solution.

Achieving a fast start by reducing the time spent on requirements validation





Before the project begins, Aptitude's team of functional and delivery specialists will work with you and any delivery partner of choice to agree on your requirements.

The pre-defined set of product functionalities is reviewed and validated with client subject matter experts to ensure requirements will be met. Any requirements outside of the standard configuration will be identified and factored into the delivery plan. Data and technical dependencies will be identified in advance of the project.

Identification of additional on-project requirements

The standard set of functionalities and client requirements is agreed at project inception. However, during the project clients may identify additional requirements or changes to the original requirements, to reflect a different interpretation of the standard. The impact of these requirements on the delivery plan are jointly assessed by Aptitude and the client.

Aptitude takes a phased approach to an agreed project scope, delivery plan and commercials as outlined below:

					WEEK 1	WEEK 1-2	WEEK 3	WEEK 4	WEEK 6
					1. VALIDATE	2. ANALYZE	3. REVIEW	4. DELIVERY READINESS	
OBJECTIVE					Baseline validation by Aptitude that standardised functionality meets client requirements	Detailed workshops to validate requirements defining variations away from standard functionality. Performed for each of the actuarial and accounting requirements	Provide understanding of the in-scope functionality, bespoke requirements and delivery responsibilities	Demonstrate where the solution will fit into the overall landscape and create a view of the future state architecture. Define the roles and responsibilities and view of actions to take the project through each sprint of tasks	
					<ul style="list-style-type: none"> • Yes/No Aptitude view on appropriateness • Identification of areas requiring deep-dive • High level pricing 	<ul style="list-style-type: none"> • Requirement summary • Detailed project plan & team structure • Project costing, split between standard functionality and bespoke requirements • Project delivery RACI between client, partner and Aptitude 	<ul style="list-style-type: none"> • Validate project scope • Delivery plan • Commercial offer • RACI - client, partner and Aptitude 	<ul style="list-style-type: none"> • Input data requirements and source system integrations • Downstream system requirements • Team responsibilities • Define immediate task owners • Discuss on-going governance 	
					None	<div> <div>Programme & Architecture</div> <div>1 hour</div> </div> <div> <div>Actuarial</div> <div>1.5 hours</div> </div> <div> <div>Finance</div> <div>1.5 hours</div> </div>	1.5 hours	1.5 hours	
TIME									



Aptitude IFRS 17 Comply

Business benefits

Aptitude IFRS 17 Comply is a simplified, pre-configured version of the existing Aptitude IFRS 17 Solution. It is designed for insurers that are looking for a faster, more standardized path to IFRS 17 compliance, while laying the foundation for future transformation projects.



Control

Extremely flexible and configurable, giving finance full control

- Highly scalable SaaS solution reducing the reliance on IT
- Configurable accelerators built into the product



Strategic foresight

Harness data to drive actionable business insights

- Includes a variety of reports to facilitate analysis
- Provides a centralized, highly granular, rich data model easily accessible for analysis



Smart compliance

Quickly comply with the IFRS 17 Standard

- Capable of driving compliance under all measurement models
- Integrates with existing accounting and actuarial architecture with minimal disruption



Operational intelligence

Gain operational and cost efficiencies and improved productivity

- Cost effective IFRS 17 compliance
- Built in accelerators reduce risk and resource requirements



Business agility

Modern enterprise compliance solution that can embrace change

- Provides the foundation for progressive finance transformation over time
- Available in multiple deployment models

Why Aptitude Software

Aptitude Software's vision is to empower finance communities to transform business with smart compliance, operational intelligence, control, and strategic foresight.

We understand finance

Aptitude Software is dedicated to developing finance management software. Aptitude solutions are designed by finance experts who speak the language and understand the challenges today's CFO faces.

Regulatory compliance expertise

Aptitude Software has been delivering finance solutions to address regulatory compliance needs for over 20 years. We have deep, specific expertise in IFRS 17, IFRS 16/ASC 842, IFRS 15/ASC 606, IFRS 9 and LDTI.

Low risk and speed of deployment

Aptitude's solutions come pre-packaged with IP-rich, industry-specific project accelerators such as finance templates, pre-defined business event data models, and disclosure templates. The accelerators are continually enhanced as best practices are captured by Aptitude's Centre of Excellence (CoE). This enables efficient implementation, reduced risk, and faster time to benefit.

Our delivery team is made up of over 120 consultants located across the globe with deep technical and finance expertise. Together with a global partner network of certified specialists and our Centre of Excellence providing guidance and oversight on projects, Aptitude's delivery teams have implemented over 80 instances of our solutions across four continents.

Proven enterprise scalability and performance

Aptitude Software has proven expertise in delivering solutions for small and mid-size businesses to global organizations. Our solutions easily scale to match the size of the business.

Future ready solutions

Aptitude is 100% committed to the ongoing development of finance management solutions built on modern IT architectures. This gives organizations the ability to embrace emerging innovative technologies with the agility to respond to fast changing regulatory and market challenges and opportunities. Aptitude is continually evolving its products, skills, and delivery processes, and invests 34% (2019) of software revenue into research and development.

Strong pedigree

Aptitude Software has an enviable global customer base with combined revenues approaching \$1 trillion. Aptitude has a strong, proven track record across industries with specific, in-depth domain expertise in Financial Services (Insurance and Banking), Telecoms, Media, and Technology and has been helping companies with their digital finance journey for over 20 years.





Aptitude IFRS 17 Comply

Aptitude™
SOFTWARE

Learn more about this **solution**

To learn more about the Aptitude IFRS 17 Comply, arrange a demo or a call with one of our experts email us at info@aptitudesoftware.com

GET A PERSONALIZED DEMO

<https://www.aptitudesoftware.com/product/request-a-demo/>



Aptitude™
SOFTWARE

JOIN A SCHEDULED DEMO

<https://www.aptitudesoftware.com/events/type/demo/topic/ifrs17/>



Aptitude
IFRS 17
Comply

GET MORE RESOURCES

<https://www.aptitudesoftware.com/resources/>



Or simply visit us at: www.aptitudesoftware.com/products

Aptitude Software provides software solutions that enable finance professionals to run their global businesses, forecast decision outcomes, and comply with complex regulations. Uniquely combining deep finance expertise and IP rich technology, Aptitude gives finance leaders the tools they need to transform their business and achieve their ambitions.

Aptitude is proud to have served the offices of finance for over 20 years, delivering financial control and insight to create a world of financial confidence for our global clients.

Aptitude Software supports businesses with combined revenues approaching \$1 trillion and over 500 million end customers. Headquartered in London, Aptitude Software is an operating company of Aptitude Software Group plc.

For further information, email us at info@aptitudesoftware.com or contact us:

London (Headquarters)

Old Change House
128 Queen Victoria Street
London EC4V 4BJ
Tel: +44 (0)20 3687 3200

Boston

Suite 1310
101 Federal Street
Boston, MA 02110
Tel: +1 (857) 201 3432

Singapore

Centennial Tower, Level 17
3 Temasek Avenue
039190 Singapore
Tel: +65 3158 6167

Toronto

Suite 700
2 Bloor Street West
Toronto, Ontario M4W 3R1
Tel: +1 (416) 642 6508

Wrocław

ul. Muchoborska 6
54-424 Wrocław
Poland
Tel: +48 71 35 83 010

Copyright © Aptitude Software Limited 2014 - 2021

All Rights Reserved. APTITUDE, APTITUDE ACCOUNTING HUB, APTITUDE ALLOCATION ENGINE, APTITUDE REVENUE RECOGNITION ENGINE, APTITUDE REVSTREAM, REVSTREAM 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](https://www.aptitudesoftware.com/patentsandtrademarks)

