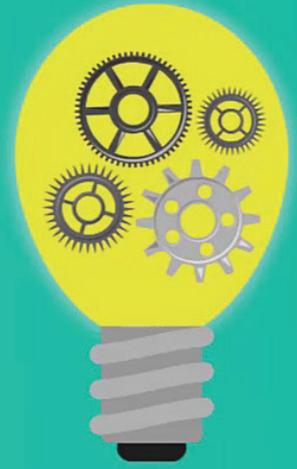


IFRS Today

Our series on the most topical issues
in IFRS® Standards and financial reporting

29 April 2020



VIDEO TRANSCRIPT

IFRS 17 Insurance Contracts effective date change

Mary Trussell
KPMG's global lead, insurance accounting change

“So now we know that the effective date is 2023. What that lets you do is to revisit your implementation plans and to make sure that you’ve got a robust roadmap to deliver 2023 in safety.”

The new insurance contracts standard, IFRS 17, brings much-needed transparency to insurance accounting and significantly reduces its diversity. We’ve now got clarity about the amendments that are being made to IFRS 17 and importantly we’ve also got clarity about its effective date – 1 January 2023.

That means that you and your teams can move ahead in confidence to make sure that you’re ready for that 2023 effective date.

When I heard about the shift to 2023, I must admit that I wondered whether some of the companies that I work with who have had projects under way for four or five years might be thinking about putting their out-of-office on and putting their feet up.

But if you want to make sure that you have a year of parallel running before you go live in reporting on the new basis, you still have less than two years to get yourself ready.

And that involves making sure that you understand the impact of the amendments on your business, you’ve worked out what data you require and that you can manage that on a robust basis going forward, you’ve designed, built and tested the new systems or the adaptations to your existing systems, you’ve parallel-run those processes and you can actually produce results on the new basis in confidence.

So now we know that the effective date is 2023. What that lets you do is to revisit your implementation plans and to make sure that you’ve got a robust roadmap to deliver 2023 in safety.

Between now and then, that means that you’ve got to make sure you’ve got the right data, and that you can manage it on a reliable basis, you’ve got robust and tested systems in place, you’ve dry-run those systems, importantly you’ve got your team focused on transition, directed towards that 1 January 2023 date, you’ve trained the business in how it will look on an IFRS 17 basis and you’ve got a comms plan in place to communicate to your external stakeholders.

You’ve now got everything you need to move ahead to the new effective date of 1 January 2023 in confidence.

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