

## Finance Process overview

|                          | Summary Details   |
|--------------------------|---|
| <b>Process Name</b>      | Premiums  |
| <b>Process Owner</b>     | Finance Manager-Niall Lillis (TBC)  |
| <b>Process Objective</b> | Ensure premium and related items (brokerage and internal commission) recorded in the ledger are accurate and complete.  |
| <b>Process Scope</b>     | The process includes premium data transfer/import from source systems/files into FDM, gross premium and earnings processing/calculations within FDM and posting of premium adjustments from FDM to Agresso. The underwriting process is excluded as this is a non Finance process. Also excluded are the premium receipts which are covered separately. |

## Summary of Findings and Recommendations

Below is a list of findings or recommendations identified in the premium process:

|   | Summary Details  | Classification<br>(design gap, control gap, process improvement) |
|---|--|--|
| 1 | <p>Finance relies on the data producers to ensure that the premium data is fit for purpose. The following data used in the premium processes is received from non finance functions:</p> <ul style="list-style-type: none"> <li>i. EPI- Eurobase EPI Open year spread sheet</li> <li>ii. Premium Forecasts- The Premium Forecast Templates (PFTs)</li> </ul> <p>Data producers should confirm sign off on the integrity of the data via email to Finance.</p>  | control gap  |
| 2 | <p>Premium data load from source systems/input files to FDM is significantly manual via the FDM control sheet and prone to human error. Finance should consider making this process automated.</p> <p>Eurobase EPI data is received by Finance in a Eurobase EPI open year spread sheet for upload into FDM/Agresso. This presents some data quality risks e.g. completeness, accuracy and formatting issues due to the manual nature of the process. These risks may be reduced by automating the data import process. The EPI data could be automatically imported from BI into FDM/Agresso.</p> | process improvement  |
| 3 | <p>The posting of premium journals from FDM to Agresso is significantly manual via posting engine sheet and prone to human errors. Finance should consider making this process automated.</p>  | process improvement  |
| 4 | <p>There are a number of data reconciliations which are manually performed by Finance in the premium process as shown below.</p> <ul style="list-style-type: none"> <li>1. Reconciliation of Premium Forecast Templates (PFTs) to Wizi</li> <li>2. Reconciliation of PFTs to Premium Forecast database</li> </ul>  | process improvement  |

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|--|--|--|
|  | 3. Reconciliation of FDM to Wizi<br>4. Reconciliation of FDM to Agresso<br>Manual reconciliations may be time consuming. Consider automating the system reconciliations. Finance would review the reconciliations and address reconciliation issues. |  |
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## Future Development Requirements

Below is a list of findings or recommendations identified

|   | Summary Details   |
|---|---|
| 1 | Automation the premium data load from source systems/input files to FDM.  |
| 2 | Automation of the posting of premium journals from FDM to Agresso.  |
| 3 | Automation of the following manual premium data reconciliations performed by Finance in the premium process as shown below. <ol style="list-style-type: none"> <li>1. Reconciliation of Premium Forecast Templates (PFTs) to Wizi</li> <li>2. Reconciliation of PFTs to Premium Forecast database</li> <li>3. Reconciliation of FDM to Wizi</li> <li>4. Reconciliation of FDM to Agresso</li> </ol> |

## Risk Register Controls

Below is a list of controls identified for the risk register

| POAP Major Process Objective (s)  | Risk Register Control  | Status/Comment             |
|---|--|----------------------------|
| Ensure premium data import from source to Finance systems is accurate and complete. | Premium data providers sign off on the integrity of the data they provide to Finance.  | New Proposed control.      |
| Ensure premium data import from source to Finance systems is accurate and complete. | Premium data in Agresso is reconciled to source. Once premium data has been uploaded into Agresso, Agresso premium data is reconciled back to the source information received to ensure that all premiums have been booked. Any variations are investigated and corrected. | New Proposed control.      |
| Ensure a premium earnings in the ledger are accurate and complete.                  | In the last quarter a syndicate analytical review of results has been performed by the technical reporting controller. Where issues have arisen these were escalated to the GHOF.  | Existing control (ref 449) |