

Finance Process overview

	Summary Details
Process Name	Ceded Reinsurance
Process Owner(s)	Daragh Brennan (Syndicate Controller, Finance)
Process Objective	Ensure ceded reinsurance and related items (e.g. commissions) recorded in the ledger are accurate and complete.
Process Scope	<p>The process includes ceded reinsurance data (forecast and ultimate) transfer/import from source systems/files into FDM, automated processing/calculations performed on the data inputs within FDM and posting of RI adjustments from FDM to Agresso.</p> <p>The RI operations processes are excluded as these are non Finance processes.</p>

Summary of Findings and Recommendations

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

	Summary Details	Classification (design gap, control gap, process improvement)
1	<p>Finance relies on the data producers to ensure that the RI data inputs are fit for purpose. The following data used in the ceded RI processes is received from non finance functions:</p> <ul style="list-style-type: none"> i. Forecast RI spend- This data is contained in the premium forecast template (PFT) ii. RI spend ultimate, overriding commission (ORC), re-instatements. This is contained in the RI Spend spread sheet obtained from Ceded RI team (Alan Fennell) iii. Large Losses iv. RI Spend Munich cede percentages <p>Data producers should confirm sign off on the integrity of the data via email to Finance.</p>	control gap
2	<p>Currently there is no control to review /update the Munich cedes percentages stored on SharePoint. As a result invalid Munich cede percentages may be used in calculating the RI gross ultimates.</p> <p>Munich cede percentages stored on SharePoint should be reviewed annually by Finance during the first quarter of the year. Business/RI Operations should validate the Munich cede percentages and confirm the correct rates to be used. Finance to update SharePoint with confirmed Munich cede percentages before first quarter end.</p>	control gap
3	<p>RI 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>	process improvement

4	The posting of RI journals from FDM to Agresso is significantly manual via posting engine sheet and prone to human errors. Finance should consider making this process automated.	process improvement
5	<p>There are a number of data reconciliations which are manually performed by Finance in this process as shown below.</p> <ul style="list-style-type: none"> i. Reconciliation of Premium Forecast Templates (PFTs) to Wizi ii. Reconciliation of FDM to Wizi iii. Reconciliation of FDM to Agresso <p>Manual reconciliations may be time consuming. Consider automating the system reconciliations. Finance would review the reconciliations and address reconciliation issues.</p>	process improvement

Future Development Requirements

Below is a list of findings or recommendations identified

	Summary Details
1	Automation the RI data load from source systems/input files to FDM.
2	Automation of the posting of RI journals from FDM to Agresso.
3	<p>Automation of the following manual premium data reconciliations performed by Finance in the premium process as shown below.</p> <ul style="list-style-type: none"> i. Reconciliation of FDM to Wizi ii. Reconciliation of FDM to Agresso

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 ceded RI adjustments data import is accurate and complete	RI forecast and ultimate data providers sign off on the data they provide to Finance.	New Proposed control.
Ensure ceded RI in the ledger is accurate and complete	<p>Analytical reviews: RI spend analytical reviews are done as part of the overall syndicate analytical reviews. This is captured under the below control-</p> <p>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 (Risk register control # 449).</p>	current control which is included in the risk register