

**Data Quality Controls Reporting**

Group Finance

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# Document Version Control

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| **Version** | **Date** | **Author** | **Description** |
| 0.1 | 31/01/17 | Cosmas Woyo | First Draft for review |
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# Review

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|  |  | **Review Date** |
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# Approval

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| **Name** | **Date** |
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# Process Ownership

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| **Process** | **Owners** |
| Premium Forecasts | Dublin Syndicate Finance team |
| Premium Earnings | Dublin Syndicate Finance team |
| Expenses | MI Reporting team |
| Investments | Corporate Finance team |

# Overview

The purpose of this report is to document the process and controls exercised by Finance team over the data Finance produces which is used in the Internal Capital Model (ICM). This will support Finance in signing-off on the data quality of the data delivered to the ICM.

The following data is covered:

1. Premium Forecasts
2. Premium Earnings
3. Expenses
4. Investments

There are a number of business and system controls within Finance which ensure that the data in the Finance systems is valid, complete and accurate among them reconciliation of data in Finance systems to source systems , review and authorisation of transactions, reconciliation of ledger accounts to sub-ledger accounts as well as analytical reviews of account balances. This paper objective is to capture the additional controls completed by Finance (data producer) or Actuarial (data consumer) at the point of data ‘hand-off’ to Actuarial to ensure that the data being provided is valid, complete and accurate and is fit for purpose. These controls can be summarised as follows:

1. Where data extracts are provided to Actuarial, the data is extracted after all period end close processes are completed,
2. All data extracts are reconciled to the Finance systems from which the data has been extracted from to ensure the extract is complete and accurate.
3. Where Actuarial extract the data directly from Finance systems, Finance sends email confirmation to Actuarial team confirming the required data is ready for use. This ensures that the data extracted is up to date.
4. Management review and approval of reports or data outputs.

# Existing Process and Controls

Below is a high level summary of the current processes and controls over the in scope data elements above.

## Premium Forecast

**7.1.1 Process**

The high level process is as follows:

1. Premium forecast data is collected from the underwriting teams in standard excel templates covered by Beazley End User controls (EUCs) on quarterly basis.
2. The data is then loaded into the premium forecast database, a SQL database with Access front end, also covered by Beazley EUCs.
3. Finance extract the premium forecast data from the premium forecast database and email the data extract to Actuarial on a quarterly basis.

**7.1.2 Controls**

**­**Finance relies on the controls below to ensure the integrity of the premium forecast data extract send to Actuarial.

1. Reconciliation between the standard premium forecast excel templates and the premium forecast database by team and YoA completed by Finance to ensure that data provided by underwriting teams has been loaded completely and accurately into the premium forecast database.
2. Reconciliation between the premium forecast database and the premium forecast data extract by team and YoA completed by Finance before the data extract is provided to the actuaries to ensure that the data extract is complete and accurate.
3. Reconciliation between the premium forecast database and Wizi (populated by the actuaries with peer review data) is completed by Finance after the peer review process is complete, approximately six weeks after the premium forecast data extract has been providing data.

## Premium Earnings

**7.2.1 Process**

The high level process is as follows:

1. Premium earnings are automatically calculated with in FDM. There are a number of controls which ensures that the premium amounts in FDM on which the earnings calculations are based are valid, complete and accurate.
2. On a quarterly basis Dublin Syndicate Finance runs the FDM earnings calculations as part of the ‘close’ process, a task which is on the ‘close’ checklist. Dublin Syndicate Finance sends email confirmation to Actuarial confirming the earnings data in FDM is ready for use.
3. Actuarial run a standard query to extract updated premium earnings from FDM.

**7.2.2 Controls**

**­**Finance rely on the controls below to ensure the integrity of the data before the data is passed on to Actuarial

1. Premium earnings are automatically calculated with in FDM. The calculated premium earnings are reviewed by management.
2. Dublin Syndicate Finance ensure that the premium earnings amounts are up-to-date and sends email confirmation to Actuarial confirming the earnings data in FDM is ready for use.

## Expenses

**7.3.1 Process**

The high level process is as follows:

1. All expenses incurred by Beazley are recorded in Agresso throughout the normal course of business.
2. At the end of each quarter and after Finance team has completed all the expenses quarter end ‘close’ procedures, the MI Reporting team extract expenses data from Agresso, check that the data extract balances agree to Agresso and email the data extract to Actuarial.

**7.3.2 Controls**

**­**Finance relies on the controls below to ensure the integrity of the expense data before the data is passed on to Actuarial:

1. The expenses data is extracted after Finance team has completed all quarter end close procedures to ensure that the expense data in Agresso in complete and accurate.
2. The expenses data extract is reconciled or agreed to the expenses account balances in Agresso before the data extract is submitted to Actuarial team to ensure that the data extract is accurate and complete.

## Investments

**7.4.1 Process**

The high level process is as follows:

1. The source of the investment data is the Performance Sheet report which is completed on a monthly basis using data from Beazley external fund accounting provider, GlobeOp Financial Services, and data from our finance department (FX rates, Lloyd’s overseas balances, investment management fees) by the Corporate Finance team.
2. The report is reviewed and signed off by the investment team.

Please note the Performance Sheet report is mainly produced and used for MI reporting for the Investment Committees but does include the investment information required by Actuarial.

**7.4.2 Controls**

**­**Finance relies on the controls below to ensure the integrity of the expense data before the data is passed on to Actuarial:

1. The Performance Sheet report is reviewed and signed off by the investment team.