Oracle Insurance Accounting Analyzer

User Guide

Release 8.1.0.0.0

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Financial Services

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Oracle Insurance Accounting Analyzer User Guide

Document Control

Version Number	Revision Date	Change Log
1.0	June 2020	Captured updates for Release 8.1.0.0.0.

Table of Contents

1 About the Guide

This section provides release information for the Oracle Insurance Accounting Analyzer Application Pack and includes the following topics:

- Intended Audience
- Access to Oracle Support
- Related Information Sources
- What is new in this Release

1.1 Intended Audience

This document is intended for users of Oracle Insurance Accounting Analyzer Application Pack.

1.2 Access to Oracle Support

Oracle customers have access to electronic support through My Oracle Support. For information, visit http://www.oracle.com/pls/topic/lookup?ctx=acc&id=info Or, visit http://www.oracle.com/pls/topic/lookup?ctx=acc&id=trs if you are hearing impaired.

1.3 Related Information Sources

You can access the following online documents from the Oracle Help Center (OHC) Documentation Library for Oracle Insurance Accounting Analyzer Application Pack:

- Oracle Insurance Accounting Analyzer Release Notes
- Oracle Insurance Accounting Analyzer Installation Guide
- Oracle Insurance Accounting Analyzer User Guide

You can access the OFS AAI documentation online from the OHC Documentation Library for Oracle Financial Services Analytical Applications Infrastructure:

- Oracle Financial Services Analytical Applications Infrastructure Installation and Configuration Guide
- Oracle Financial Services Analytical Applications Infrastructure User Guide

The additional documents are:

- OFSAA Licensing Information User Manual Version 8.1.0.0.0
- OFS Analytical Applications Infrastructure Security Guide
- OFSAAI FAQ Document
- OFS Analytical Applications 8.1.0.0.0 Technology Matrix
- Oracle Insurance Accounting Analyzer Security Guide Release 8.1.x
- Oracle Insurance Accounting Analyzer Cloning Guide Release 8.0.x

- Oracle Insurance Accounting Analyzer Cloning Guide Release 8.1.x
- Oracle Insurance Accounting Analyzer Technical Documents

1.4 What is New in this Release

Oracle Insurance Accounting Analyzer bundles the following new features in version 8.1.0.0.0. For detailed information about the usage of the listed features see the respective product User Guides, on OHC Documentation Library.

- In the Sub-ledger feature, the export and import functionality is enhanced.
- In the discounting and liability calculation components, logging is enhanced.
- The OBI reports is enhanced with the Transition feature.
- The workflow for reinsurance contracts is enhanced to incorporate the cash flows for reinsurance held in the granularity of underlying insurance contracts.
- Improved accuracy of monthly forward rate computation from spot rates.
- Support for New Technologies
    - Database: Oracle Database18c, Oracle Database 19c
    - TCPS and Oracle Wallet
    - Web Application Server: Apache Tomcat v9.0.x, IBM WebSphere Application Server 9.0.0.x (Full Profile only)
    - Browser: Microsoft Edge

2   About OFSAA and OFSAA Application Packs

This section contains information on the OFSAA Application Packs.

Topics:

- About Oracle Financial Services Analytical Applications (OFSAA)
- About Oracle Insurance Accounting Analyzer Application Pack
- About Oracle Financial Services Analytical Applications Infrastructure (OFS AAI)

2.1   About Oracle Financial Services Analytical Applications (OFSAA)

In turbulent markets today, financial institutions require a better understanding of their risk-return while strengthening their competitive advantage and enhancing long-term customer value. Oracle Financial Services Analytical Applications (OFSAA) enable financial institutions to measure and meet risk-adjusted performance objectives, cultivate a risk management culture through transparency, lower the costs of compliance and regulation, and improve insight into customer behavior.

OFSAA uses industry-leading analytical methods, shared data models, and application architecture to enable integrated risk management, performance management, customer insight, and compliance management. OFSAA actively incorporates risk into decision making, enables you to achieve a consistent view of performance, promotes a transparent risk management culture, and provides pervasive intelligence.

Oracle Financial Services Analytical Applications delivers a comprehensive, integrated suite of financial services analytical applications for both banking and insurance domains.

2.2   About Oracle Insurance Accounting Analyzer Application Pack

IFRS17 is an international norm that supersedes the current reporting standards, IFRS 4. The new standard provides users of financial statements with a new perspective of the financial accounts of insurance companies. Oracle Financial services Insurance Accounting Analyzer application enables the insurance companies to adhere to the disclosure requirements as proposed under IFRS 17 with an ability to compute Contractual Service Margin and Net Liabilities.

2.3   About Oracle Financial Services Analytical Applications Infrastructure (OFS AAI)

Oracle Financial Services Analytical Applications Infrastructure (OFS AAI) powers the Oracle Financial Services Analytical Applications family of products to perform the processing, categorizing, selection, and manipulation of data and information required to analyze, understand and report on specific performance, risk, compliance, and customer insight issues by providing a strong foundation for the entire family of Oracle Financial Services Analytical Applications across the domains of Risk, Performance, Compliance and Customer Insight.

3   Understanding Oracle Insurance Accounting Analyzer Application

This section provides information and the functional flow of the Oracle Insurance Accounting Analyzer Application.

Topics:

- [Introduction](#)
- [Functional Flow](#)

3.1   Introduction

Insurance companies need to identify the risks that arise from the insurance contracts along with the calculation of assets and liabilities. IFRS 4 was introduced in March 2004 and was intended to provide limited improvements to accounting for insurance contracts. IFRS 4 permitted companies to continue previous accounting practices for insurance contracts but did enhance the disclosure requirements.

IFRS17 released in May 2017, supersede the current IFRS 4 reporting standards on accounting for insurance contracts and have an effective date of 1 January 2021. The new standards provide users of financial statements a new perspective of the financial accounts of insurance companies. IFRS 17 introduces an approach that tackles some challenges in accounting for insurance contracts currently addressed inconsistently when a company applies IFRS 4. Some of the benefits of the IFRS17 are:

- IFRS 17 provides updated information about the obligations, risks, and performance of insurance contracts.

- Increased transparency in financial information reported by insurance companies that will give investors and analysts more confidence in understanding the insurance industry.

- Consistent accounting for all insurance contracts based on a current measurement model.

The Oracle Insurance Accounting Analyzer application follows the IFRS 17 standard diligently and enables insurance companies to adhere to the disclosure requirements as proposed under the IFRS 17 standard, along with an ability to compute Contractual Service Margin and Net Liabilities.

The IFRS 17 standard requires insurance companies to have a consistent accounting standard for the insurance contracts that ensure timely recognition of losses in the book of accounts. Insurance companies are required to identify and report the fulfillment cash flows and contractual service margin at every reporting date, based on the current market conditions. The Oracle Insurance Accounting Analyzer application helps organizations in arriving at the insurance obligations, insurance contract liabilities reported on the balance sheet, by using different methodologies for a set of portfolios and by assessing the net liability for every insurance contract.

The IFRS 17 standard requires the entities to perform initial recognition of insurance contracts and execute periodical re-assessment of the insurance liabilities, based on the current assumption sets. The insurance liabilities are presented in every reporting period and those reflect the change in the amount since inception. The profitability of insurance contracts is amortized over the duration of the contract, based on the services provided.

One of the critical requirements of IFRS 17 is to estimate the measurements at the most granular level, rather than at the aggregated portfolio level. Groups are formed with a portfolio to reflect the insurance contract that shares similar risks. The financial report separately showcases the asset and the liabilities of the groups of contracts. This primarily involves showcasing the insurance and finance results separately per insurance groups.

NOTE	By default, the financial elements dimension member code is numeric. If you require it to be an alphanumeric code, then you must follow the post-installation activities as described in the Configurations to use Alphanumeric and Numeric Codes for **Dimension Members** section in the AAI Administration Guide. This is a one-time activity and this decision must be taken before the application is used. Changing it from numeric to alphanumeric while using the application is not supported. Note that in case of an integrated setup, the decision for numeric and alphanumeric codes must be taken before all integrated applications are used.

3.2 Functional Flow

The following diagram depicts the functional flow of Oracle Insurance Accounting Analyzer application:

Figure 1: The Functional Flow of the Oracle Insurance Accounting Analyzer Application
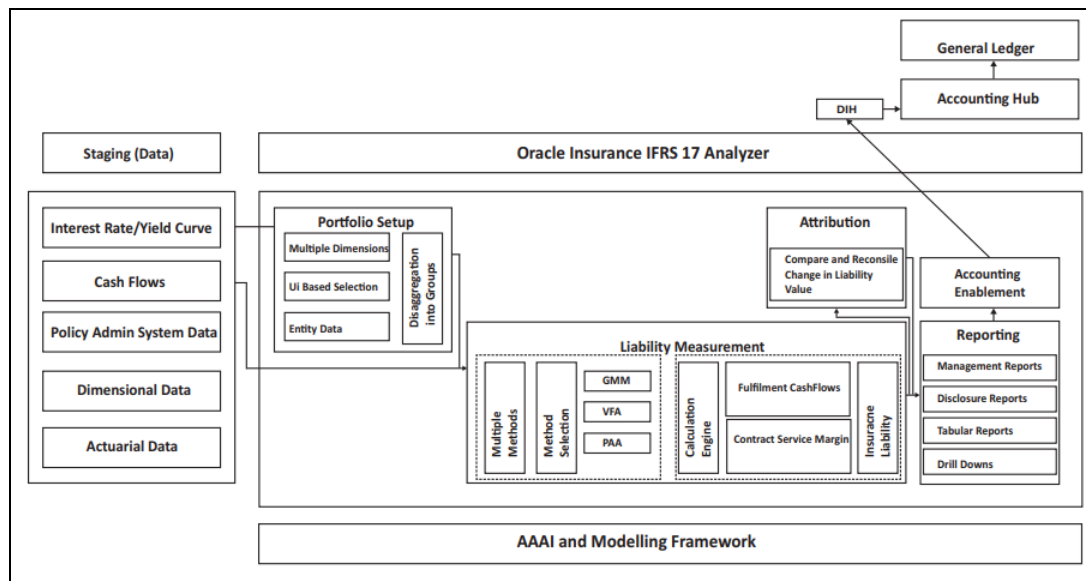
4 Exploring Oracle Insurance Accounting Analyzer Application

This chapter provides the functional as well as a business overview of Oracle Insurance Accounting Analyzer.

Topics:

- Level of Aggregation
- General Measurement Model
- Variable Fee Approach
- Premium Allocation Approach
- Long Duration Contracts
- Sub-ledger

4.1 Level of Aggregation

This section provides details about aggregating insurance contracts into groups.

To understand how Oracle Insurance Accounting Application features Level of Aggregation, see Level of Aggregation.

4.1.1 Overview

IFRS 17 mandates to group insurance contracts to reduce risks. This process is referred to as Risk Pooling. This grouping also helps in determining the profitability of the insurance contracts in the group.

What happens, if the insurance contracts are not grouped? At inception, the individual contracts are treated equally, and the probability of claim is also distributed equally. However, on subsequent measurements, the probability of claiming individual contracts may increase (expected cash outflows are increased) or decrease (expected cash outflows are decreased). The increase in the probability of claiming individual contracts marks a contract as onerous and is recognized immediately in the profit or loss. Also, the decrease in the probability of claiming individual contracts increases the CSM and is marked as profitable over the coverage period.

What happens, if the insurance contracts are grouped? The contracts in the groups are measured collectively and thus the change in expected cash outflows and the CSM remain unaffected (continue to recognize over current and future coverage periods). These profits are recognized over the coverage period.

4.1.2 Identifying Portfolios of Insurance Contracts

To group the insurance contracts, as the first step the portfolios must be identified. Contracts in the same product line are expected to possess similar risks and can be managed together. Therefore, such contracts in the same product line are grouped in the same portfolio.

For example:

- Whole life insurance

- Annuities

- Car insurance

Portfolios of contracts are divided into groups of a minimum of the following:

- Onerous at initial recognition

- No risk of being onerous

- Remaining contracts in the portfolio

IFRS 17 permits these groups to be further sub-divided. For example, you can create sub-groups based on different levels of profitability.

The level at which to perform grouping assessment includes the following:

- An entity may assess a set of contracts if reasonable and supportable information enables it to conclude the contracts will be in the same group.

- Otherwise, groups are determined by considering individual contracts.

- Multiple sets or an individual contract can form a group.

> **NOTE**   If the requirements of IFRS 17 are met, a group can be formed with any number of contracts or an individual contract.

4.1.3 Grouping Contracts at Initial Recognition According to Expected Profitability

Initial recognition of insurance contracts is the process of grouping together the insurance contracts that are subject to similar risks. The initial recognition is performed at the beginning of the coverage period of the group of contracts (Policy Inception). During initial recognition, an insurance contract can be part of an existing group of insurance contracts if all the contracts have similarly expected profitability at the time of initial recognition and are issued within one year.

> **NOTE**   Insurance contracts that are issued more than one year apart should not be a part of the same group.

Once the initial recognition of a group of insurance contracts is completed, the carrying amount of the group at each reporting date is calculated as the sum of the liability for remaining coverage and the liability for incurred claims comprising the Fulfillment Cash Flows related to past service allocated to the group at that date.

The Liability for remaining coverage is comprised of the fulfillment cash flows allocated to the group at that date and the Contractual Service Margin (CSM) of the group at that date. CSM is the unearned profits recognized over the coverage period.

The requirements on when to recognize a group of reinsurance contracts held are different depending on whether the reinsurance contract held covers the losses of separate insurance

contracts on a proportionate basis, proportionate reinsurance contracts or the reinsurance contract held covers aggregate losses from underlying contracts over a specified amount, such as non-proportionate reinsurance contracts.

A group of proportionate reinsurance contracts held is recognized at the later of the beginning of the coverage period of the group or the initial recognition of any underlying insurance contract. This means an entity will not recognize a group of proportionate reinsurance contracts held until it has recognized at least one of the underlying insurance contracts. A group of non-proportionate reinsurance contracts held is recognized at the beginning of the coverage period of the group.

4.1.3.1 Onerous Assessment

Onerous assessment includes multiple levels of processing. These include measuring insurance contract or set of insurance contracts at initial recognition. If they are found to be onerous, then they are marked as onerous at initial recognition. If not, the assessment to determine which of the following groups, should these contracts or group of contracts belong to, is performed:

- Remaining contracts in the portfolio.

- No significant possibility of becoming onerous at initial recognition.

Facts and circumstances can indicate if the contracts might form an onerous group even before typical initial recognition. This process is known as *Early Recognition*.

NOTE	Contracts can fall into different groups because of legal or regulatory constraints, based on the ability to set different prices or level of benefit for policyholders with different characteristics. Then under IFRS 17, an entity may include these contracts in the same group, by following all other IFRS 17 grouping requirements.

4.1.3.2 Onerous Classification

The insurance contracts or cohorts onerous classification is performed in the application by checking whether the contracts are net outflow at inception. If the contracts are profitable at inception, then the CSM is projected into the future by using different assumption scenarios. For any projected period, a loss is recognized then the contract is marked as profitable with a significant possibility of turning onerous.

4.1.4 Forming the Cohorts

IFRS 17 requirements mandate that the contracts issued more than one year apart should not be included in the same group. To achieve this, groups can be further divided as required. Each of these groups can include contracts issued over any length of time up to one year. This period does not need to be restricted or aligned with the reporting period of the entity. This requirement is known as the *Annual Cohort Requirement*.

The contracts in the cohorts can be of less than one year as well. For example, if an entity manages contracts in quarterly cohorts it could choose to have groups issued within a reporting quarter.

4.1.5 Reinsurance Contracts Held

A reinsurance contract held cannot be considered onerous by applying IFRS 17. Therefore, the requirements for dividing a portfolio into groups are modified for reinsurance contracts held. For a group of reinsurance contracts held, an insurer expects either to incur a net cost of purchasing the reinsurance or, sometimes, make a net gain from purchasing the reinsurance. Applying the grouping requirements to reinsurance contracts held, at a minimum, a portfolio is divided into the following:

A group of contracts on which there is a net gain at initial recognition if any.

1. A group of contracts on which at initial recognition there is no significant possibility of a net gain arising subsequently if any.

2. A group of remaining contracts in the portfolio if any.

For some reinsurance contracts held, applying the requirements in IFRS 17 will result in a group that comprises of a single contract.

4.2 General Measurement Model

This section provides details about the General Measurement Model. IFRS 17 introduces the General Measurement Model that provides pertinent information about the future cash flows and profitability of insurance contracts. The General Measurement Model provides a wide-ranging and intelligent structure with various features of Insurance Contracts and the opportunities to make them profitable.

4.2.1 Overview

In IFRS, insurance contracts are grouped as profitable and onerous to make it easier for the insurers to evaluate their profit or loss. Fulfillment cash flows and contractual service margin are two parameters that are considered while calculating the liability of the remaining insurance coverage, and thereby the profit or loss.

| NOTE | IFRS 17 requires financial institutions to update the fulfillment cash flows at each reporting date by using current estimates that are consistent with relevant market information. |

4.2.2 Performing Initial Measurement

The asset or liability measurement is performed by adding the fulfillment cash flows and the contractual service margin after the initial recognition of insurance contracts.

- Fulfillment cash flows are the current estimate of amounts that the insurer expects to collect from premiums and payout for claims, benefits, and expenses, including an adjustment for the timing and risk of those cash flows.

- The contractual service margin is the expected profit for providing future insurance coverage (unearned profit).

The measurement of the fulfillment cash flows reflects the current value of any interest-rate guarantees and financial options included in the insurance contracts.

4.2.3   Performing Successive Measurements

After the initial asset or liability measurement at inception, subsequent measurements of ongoing group insurance contracts are also performed. The total liability of a group of insurance contracts is comprised of the liability of the remaining coverage and the liability for incurred claims. The liability for remaining coverage is calculated as the sum of fulfillment cash flows of the coverage to be provided in the future and the remaining CSM.

The liability for incurred claims is measured as the fulfillment cash flows for claims and expenses already incurred but not yet paid.

The fulfillment cash flows are measured again on each reporting date to reflect estimates based on current assumptions. This measurement applies the same requirements that were applied for the initial measurement. Changes in estimates of the fulfillment cash flows are reflected in profit or loss, other comprehensive income, or in some cases, the CSM is adjusted.

4.2.4   Reinsurance Contracts Held

This section provides details information on the Reinsurance Contracts Held feature.

4.2.4.1   Estimates of Future Cash Flows

The amount an entity pays for a reinsurance contract held consists of the premiums it pays minus any amounts paid by the reinsurer to the entity as compensation for expenses incurred, for example, ceding commissions. The amount an entity recognizes for reinsurance contracts held can be viewed as the share of the reinsurer for the risk-adjusted expected present value of the cash flows generated by the underlying insurance contracts and a CSM that makes the initial measurement of the reinsurance asset equal to the amount the entity pays for the reinsurance contract.

Consistent assumptions are used when measuring estimates of the present value of future cash flows for a group of reinsurance contracts held and estimates of the present value of future cash flows for the group(s) of underlying insurance contracts. This includes any associated adjustments for the financial risk and the time value of money arising from the reinsurance contracts held. As a result, the cash flows used to measure the reinsurance contracts held to reflect the extent to which those cash flows depend on the cash flows of the underlying contracts that the reinsurance contract held covers.

Also, the expected present value of future cash flows includes an adjustment for the risk that the reinsurer may fail to satisfy its obligations under the reinsurance contract held. Changes in the fulfillment of cash flows that result from changes in the risk of non-performance by the reinsurer do not adjust the contractual service margin. Instead, these changes are reflected in profit or loss when they occur.

4.2.4.2   Risk Adjustment for Non-financial Risk

The requirements in IFRS 17 for risk adjustment for non-financial risk are modified for reinsurance contracts held. For reinsurance contracts held, the risk adjustment for non-financial risk

represents the amount of risk being transferred by the holder of the group of reinsurance contracts to the reinsurer.

4.2.4.3 Contractual Service Margin

The contractual service margin for a reinsurance contract held represents the cost of purchasing reinsurance. This is different from the contractual service margin for underlying insurance contracts which represents unearned profit on those contracts. The cost of purchasing reinsurance is recognized as services are received under the reinsurance contract held. As an exception, if the reinsurance contract held covers events that have already occurred, the net cost at initial recognition is recognized immediately in profit or loss.

The amount an entity pays for reinsurance typically exceeds the expected present value of cash flows generated from that reinsurance plus the risk adjustment for non-financial risk. As such, the contractual service margin for a group of reinsurance contracts held at initial recognition typically represents a net cost of purchasing reinsurance.

4.3 Variable Fee Approach

Variable Fee Approach is applied to direct participating contracts. It is defined by three criteria and is based on policyholders sharing in the profit from an identified pool of underlying items.

4.3.1 Overview

Variable Fee Approach (VFA) is applied to direct participating contracts. The Variable Fee Approach (VFA) is defined by these criteria, based on policyholders being entitled to a significant share in the profit from an identified pool of underlying items:

- The contractual terms specify that the policyholder participates in a share of an identified pool of underlying items.

- The entity expects to pay to the policyholder an amount equal to a substantial share of the fair value returns from the underlying items.

- The entity expects a substantial proportion of any change in the amounts to be paid to the policyholder to vary with the change in the fair value of the underlying items.

A variable fee is the insurance contract liability based on the obligation for the entity to pay the policyholder an amount equal to the value of the underlying items and the net of a consideration charged for the contract.

This approach requires that changes to the estimate of the future fees an entity expects to earn from directly participating contract policyholders are adjusted against the CSM. The CSM on direct participating contracts would be recognized in profit or loss as part of the insurance service results based on the passage of time of the entity.

This is a flexible approach that helps to mitigate accounting mismatches. This approach matches assets and liabilities. According to VFA, there is no direct impact on profit and loss. Also, CSM is being released over the contract period. In VFA, the discounting rate will be equal to the current interest rate.

4.3.2 Reinsurance Contracts Held

For reinsurance contracts held, the entity and the reinsurer do not share in the returns on underlying items and so the VFA criteria are not met, even if the underlying insurance contracts issued are VFA contracts. The contractual service margin for a group of reinsurance contracts held represents the net cost (or net gain) of purchasing reinsurance, considering the rights and obligations of the entity under the reinsurance contract. The insurer does not receive investment-related services from the reinsurer.

4.4 Premium Allocation Approach

The Premium Allocation Approach (PAA) is similar to existing approaches for non-life insurance products. The Premium Allocation Approach only applies over the coverage period, not over the settlement period.

4.4.1 Overview

This section defines how the contract boundary is critical to analyzing whether an insurer can use the PAA for some contracts. The PAA, or simplified approach, can be used when the contract coverage period, including premiums included in the contract boundary, is one year or less or if the PAA produces a liability.

The first step to assess its use is to define the contract boundary and the coverage period. Many non-life insurance contracts meet the first criteria by having a coverage period of one year or less. However, contracts with longer coverage periods, such as surety, engineering, construction, or lenders mortgage insurance will need to demonstrate they meet the second criteria.

Non-life insurers in this scenario will need to develop more complex modeling than they currently apply, requiring more data and the development of long-term assumptions. This also means insurers will present financial statements with a mix of valuation techniques, complicating the way results are analyzed and communicated.

The premium allocation approach assumes that no contracts are onerous at initial recognition unless facts and circumstances indicate otherwise. Assessment of whether an individual or a set of contracts belongs to those groups is based on the likelihood of changes in applicable facts and circumstances.

Longer-term non-life contracts, such as construction, engineering, and lenders mortgage insurance, may not meet the criteria. As a result, the insurer will face additional complexity in its valuation, modeling, and associated processes. Some life insurance contracts currently using long-duration measurement models may qualify to be able to use the PAA approach, which simplifies the modeling required but may also lead to unexpected results.

4.4.2 Reinsurance Contracts Held

An entity may use the premium allocation approach to simplify the measurement of a group of reinsurance contracts held, if at the inception of the group the entity reasonably expects that the resulting measurement would not differ materially from the measurement applying the general model or the coverage period for each contract in the group of reinsurance contracts held is one year or less.

Because groups of reinsurance contracts held are separate from groups of underlying insurance contracts, the assessment of whether a group of reinsurance contracts meets the conditions for applying the premium allocation approach may differ from the assessment of whether the group(s) of underlying contracts meet(s) those conditions.

4.5 Long Duration Contracts

A long-duration contract is one that is generally not subject to unilateral changes in its provisions and requires the performance of various functions and services, including insurance protection, for an extended period. Examples include contracts that are non-cancellable or guaranteed renewable by the insurer, such as most term and whole life insurance and payout annuity contracts.

According to the revised guidance, the non-participating traditional insurance contracts and limited-payment contracts that are measured using the net level premium measurement approach are covered. Annual or more frequent updating of insurance assumptions is required, with the impact on the liability recognized on a retrospective catch up basis as a separate component of benefit expense. There is no provision for adverse deviation. The net premium ratio is capped at 100%, which replaces the premium deficiency test. Contracts from different issue years will no longer be permitted to be grouped, effectively resulting in a lower level of aggregation for determining contracts in a loss position.

The discount rate is standardized to an upper-medium grade (low credit risk) fixed-income corporate instrument yield (single A) that reflects the duration characteristics of the liability rather than expected investment yields. The discount rate is required to be updated at each reporting date, with the effect of discount rate changes on the liability recorded in other comprehensive income (OCI). The contract inception date discount rate is locked in for benefit expense purposes.

4.6 SubLedger

The sub-ledger function enables you to pass IFRS 17 compliant journal entries that are based on the results of Contractual Service Margin (CSM) calculations. The solution has seamless connectivity between the CSM engine and the sub-ledger function. The CSM results, that available post-execution, allow you to execute the sub-ledger definitions.

The sub-ledger function picks up data from the relevant tables and passes entries by using the pre-approved accounting rules. The entries are passed only for the runs that are marked for reporting.

The sub-ledger function comes with pre-ceded IFRS 17 compliant accounting rules that are configurable and can be customized. In terms of output, the solution comes with out of box reports including a journal entry report and a ledger closing balance report. Both these reports are available at the selected granularity levels.

5   Application Workflow

This chapter provides the application workflow of various modules. This chapter includes the following sections:

- Level of Aggregation
- Calculation Preferences
- Liability Calculations
- SubLedger
- SubLedger Manual Adjustment

5.1   Level of Aggregation

IFRS17 mandates insurance companies to recognize the group of insurance contracts that are managed together. All insurance products that share similar risks can be set together by using the Level of Aggregation function of the Oracle Financial Services Insurance Accounting Analyzer application. This helps you to set portfolios and indicate the basis on which the underlying insurance contracts have to be grouped for measurement and reporting the estimates based on IFRS 17 requirements.

Insurance companies possess a large portfolio of contracts that have to be managed and assessed for the net liabilities. The Level of Aggregation function enables insurance companies to identify and group similar insurance contracts. The aggregation of the contractual service margin and net liability is derived from the individual contracts within the level of aggregation.

The extent to which contracts are aggregated may have a significant impact on the statement of comprehensive income of an insurance entity and its systems, processes, and data. The insurance contracts can be grouped within a legal entity and line of business, based on other parameters such as geography, year of inception, and remaining term.

5.1.1   Access Level of Aggregation

You can access the **Level of Aggregation** window by clicking the **Level of Aggregation** element from the left-pane in the application. When you click this element, the **Level of Aggregation** window is displayed:

Figure 2: The Level of Aggregation Window

This window displays the existing level of aggregation definitions in the Aggregation Summary table. It also enables you to define a new level of aggregation, edit the existing definitions, and view the details of the existing definitions.

5.1.2   Search for Level of Aggregation Definitions

The Search feature enables you to filter the list of existing definitions and find the definitions that you require. To search for definitions, enter the keyword in the **Name** field, **Code** field, and/or select a folder from the drop-down list adjacent to the **Folder** field before clicking **Search**.

The list of level of aggregation definitions in the Aggregation Summary table is refreshed and the definitions that match your search criteria are displayed.

5.1.3   Create a New Level of Aggregation Definition

The Level of Aggregation feature enables you to create a new level of aggregation definition by using the following steps:

1. In the **Aggregation Summary** table, click **Add** ➕ to open the **Aggregation Level** window.

Figure 3: The Aggregation Level Window

2. Populate the **Aggregation Level** pane.

Table 1: The Aggregation Level form

Field	Description
Fields marked with asterisks (*) in the window are mandatory.	
Aggregation Level pane	
Name	Enter a name for the Level of Aggregation definition.
Description	Enter a short description of the Level of Aggregation definition.
Folder	Select a folder from the drop-down list.
Legal Entity	Click **Hierarchy Selection** [icon] adjacent to this field. Select the required Legal Entity from the Hierarchy Selection window. See the section on Hierarchy Selection.
Line of Business	Click **Hierarchy Selection** [icon] adjacent to this field. Select the required Line of Business from the Hierarchy Selection window. See the section on Hierarchy Selection.
Code	Enter the code for calculation preferences.
Portfolio Dimensions pane	
All the fields in this pane require you to enable or disable the fields using the enable or disable options.	
Geography	Click the [icon] icon to enable this field. Click **Hierarchy Selection** [icon] adjacent to the text field. Select the required Geography from the **Hierarchy Selection** window. See the section on Hierarchy Selection

Field	Description
Product	Click **Hierarchy Selection** adjacent to this field. Select the required **Legal Entity** from the **Hierarchy Selection** window. See the section on <u>Hierarchy Selection</u>.
Currency	Select the required currency from the drop-down list.
Coverage Type	Select the required coverage types from the drop-down list.
Policy Term	Select the policy term from the drop-down list.
Cohort Period	Select the cohort period from the drop-down list and. Available options are: • Annually • Half Yearly • Quarterly • Monthly You can select the cohort duration based on the financial year. If the cohort duration is selected as *Annual*, then all the contracts which are issued within the one year are grouped. For example, if the financial year starts in April, then all the contracts commenced from April to March are grouped as a single cohort.
Reinsurance Held	Click the icon to enable reinsurance for the aggregation level.

3. Click **Save**.

   The saved definition is displayed in the **Aggregation Summary** table on the **Level of Aggregation** window.

The **Audit Trail** pane at the bottom of the definition window displays the **Created By**, **Creation Date**, **last modified by**, and **Last modification date** details. The U**ser** C**omments** field enables you to add additional information as a comment.

5.1.4 Edit Level of Aggregation Definition

The Level of Aggregation feature enables you to edit a level of aggregation definition by using the following steps:

1. From the **Aggregation Summary** table, select the checkbox adjacent to the level of aggregation definition that you want to edit.

2. Click **Edit**, to open the **Aggregation Level** window.

3. Update the required fields. See the section on Create a New Level of Aggregation Definition.

> **NOTE** You cannot modify definitions that are in *Approved* or *In Use* status.

4. Click **Save**.

   The saved definition is displayed in the **Aggregation Summary** table of the **Level of Aggregation** window.

The **Audit Trail** pane at the bottom of the definition window displays the **Created By**, **Creation Date**, **last modified by**, and **Last modification date** details. The U**ser** C**omments** field enables you to add additional information as a comment.

5.1.5 View Level of Aggregation Definition

The **Level of Aggregation** feature enables you to view a new level of aggregation definition by using the following steps:

1. From the **Aggregation Summary** window, select the checkbox adjacent to the level of aggregation definition that you want to view.

2. Click **View** , to open the **Aggregation Level** window.

> **NOTE** You cannot edit the fields in View mode.

3. Click Cancel to go back to the **Aggregation Summary** window.

5.2 Calculation Preferences

One of the core requirements of IFRS17 is to calculate the insurance liabilities in such a way that each component of the liability is segregated explicitly so that those are visible to you. For example, in the General Measurement Model, the entity is asked to distinctly provide the best estimate liability cash flows, the effect of discounting, the risk adjustment performed, and the best estimates. Further to this requirement, the entity is also required to study the movement analysis of each of these breakups between each reporting date.

As a mandate from IFRS 17, Insurance companies are required to provide the disclosures for every reporting period. IFRS 17 requires specific disclosure about the nature of risks from insurance

contracts, any assumptions or judgments made, and the actual amounts recognized in the financial statements. However, IFRS 17 has specified the approach on a broader perspective which can be implemented in different ways by each organization.

The **Calculation Preferences** window enables insurance companies to define the required formulas to arrive at the contractual service margin, net liability, and loss components in their way, based on various parameters and variables. This provides the ability to implement the disclosure requirements according to the processes and assumptions. The application provides a default set of formulas as well.

5.2.1 Access Calculation Preferences

You can access the **Calculation Preferences** window by clicking the **Calculation Preferences** element from the left-hand side menu. When you click this element, the **Calculation Preferences** window is displayed:

Figure 4: The Calculation Preferences Window

This window displays the existing calculation preferences definitions in the Calculation Preferences Summary table. This window also enables you to define new calculation preferences, edit the existing definitions, and view the details of the existing definitions.

5.2.2 Search for a Calculation Preferences Definitions

The search feature enables you to filter the list of existing definitions and find the definitions that you require. To search for definitions, enter the keyword in the Name field and/or select a folder from the drop-down list adjacent to the **Folder** field before clicking **Search**.

The list of calculation preference definitions in the **Calculation Preferences** Summary table is refreshed and the definitions that match your search criteria are displayed.

5.2.3 Create a New Calculation Preferences Definition

The Calculation Preferences feature enables you to create a new calculation preference definition using the following steps:

> **NOTE** You must complete mapping the financial element and transaction type to the cash flow type as part of the process for calculating the input variables. See the section on [Dimension Management](#) and [Batch Execution](#).

1. In the **Calculation Preference Summary** window, click **Add** ➕ to open the **Calculation Preferences** window.

Figure 5: The Calculation Preferences Window

2. Populate the **Preferences Details** pane as described in the following table.

Table 2: The Preference Details Pane

Field	Description
Name	Enter a name for the Calculation Preference definition.
Description	Enter a short description of the Calculation Preference definition.
Folder	Select a folder from the drop-down list.
Reinsurance Held	Click the slider to enable the **Reinsurance Held** feature. On enabling this option, the **Reinsurance Type** field appears and the **Transition** field disappears.
Transition	Click the slider to enable the **Transition** feature. On enabling this option, the **Transition Method** field appears with the Fair Value Approach as the transition method.

Field	Description
Reinsurance Type	Select the type of reinsurance contract from the drop-down list. Available options are: • Prospective • Retrospective **Note:** This field is displayed only if you have enabled the **Reinsurance Held** option.
Transition Method	The Fair Value Approach transition method is automatically selected in this field. **Note:** This field is displayed only if you have enabled the **Transition** option.
Method	Select a method from the drop-down list. The application supports the following methods: • General Measurement Model • Long Duration Contracts • Premium Allocation Approach • Variable Fee Approach **Note:** The Variable Fee Approach is not available if you have enabled the **Reinsurance Held** field.
Default	Click the slider to mark the definitions as default. This slider is enabled by default. **Note**: For insurance contracts, ensure that there is one default definition present per folder and per method. In the case of reinsurance, this criterion is updated as per folder, per reinsurance type, and method.
Disaggregate insurance Finance Expense	Click the slider if you want to disaggregate insurance finance expenses. When you enable this option, the **Disaggregate Type** field is enabled. **Note**: This field is available only if you have selected the **GMM** method from the **Method** drop-down list. After copying a default template where the **Disaggregate insurance finance or expense Field** is disabled, ensure that the **Disaggregate insurance finance or expense Field** is not enabled because the validation of the template will fail. This is because the output variables specific to Disaggregate insurance finance or expense feature will be present in the expressions. Therefore, the correct approach in this case would be to copy a default template where **Disaggregate insurance finance or expense** is enabled by default.

Field	Description
Disaggregate Type	Select the Disaggregate Type from the drop-down list.
Include Risk Adjustment	Click the slider ⬭ to include the risk adjustment. **Note**: This field is available only if you have enabled the **Disaggregate insurance Finance Expense** field.
Limited Payment Contract	Click the slider ⬭ if you want to enable a limited payment contract. **Note:** This field is available only if you have selected **Long-Duration Contracts** from the **Method** drop-down list.
Disaggregate Insurance Finance Expense for Liability for Incurred Claims	Click the slider ⬭ to disaggregate insurance finance expenses for liability for incurred claims. When you enable this option, the Disaggregate Type field is enabled. **Note**: This field is only available if you have selected the **Premium Allocation Approach** from the **Method** drop-down list.
Disaggregate Type	Select the Disaggregate Type from the drop-down list.

3. The **Output Parameters** pane displays the output parameters for the method that you selected in the **Preference Details** pane. In this example, we are using the **General Measurement Model** method with the **Present Value of Future Cash Flows** pane in the **Movement Analysis** tab as an example:

    a. The **Present Value of Future Cash Flows (LFRC)** pane contains the following Output Parameters:

    Figure 6: The Present Value of Future Cash Flows (LFRC) Pane

    — Opening Balance*

    — Future Service Value:New Contracts*

— Transitionary Balance

> **NOTE** This field only appears if you have enabled the **Transition** field.

— Future Service Value

— Change Related to Future Services

— Change in future service that results in losses or reversal of losses

— Cash Inflow

— Interest Accretion

— Insurance Finance Expense Due To Changes In Interest Rate

— Changes Related To Current Service

— Acquisition Cost Paid

— Change Related to Future Service Others

— Closing Balance

> **NOTE** These fields do not appear if you have enabled the **Transition** field.

b. Click **Expression Builder** adjacent to the Output Parameters to open the **Calculation Configuration** window.

Except for other macros that are variables, Interest Accretion Macros are functions and only accepts one pair of opening and closing parenthesis. For example, *(-10 *B - C + D + E)* or precisely *[Interest Accretion Using Locked In Rate]([A]+10*[B{Credit Risk}])* is accepted, while *((-10 *B) – C + D + E)* is not. If a formula has been modified in an application outside of the IAA Application, first paste the modified formula in Notepad++ and then change the encoding to ANSI and check the formula for any special characters before copying and pasting it back into the IAA Application.

Figure 7: The Calculation Configuration Window
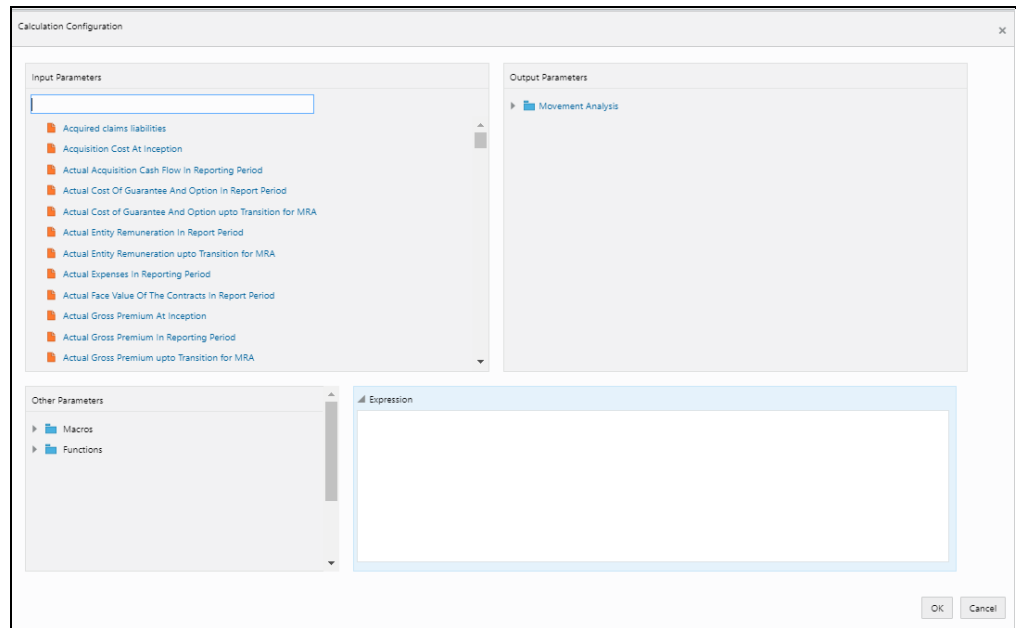
c. In the **Input Parameters** pane, select the required input parameters from the list to populate the **Expression** pane.

d. In the **Output Parameters** pane, select the required input parameters from the list to populate the **Expression** pane.

e. In the **Other Parameters** pane, select the required macros and functions.

f. After you have built your Expression, click **OK**.

The expression appears in the text field of the **Output Parameter**.

4. In the **Output Parameters** pane, click **View** [icon] to open the **Expression** window.

Figure 8: The Expression Window
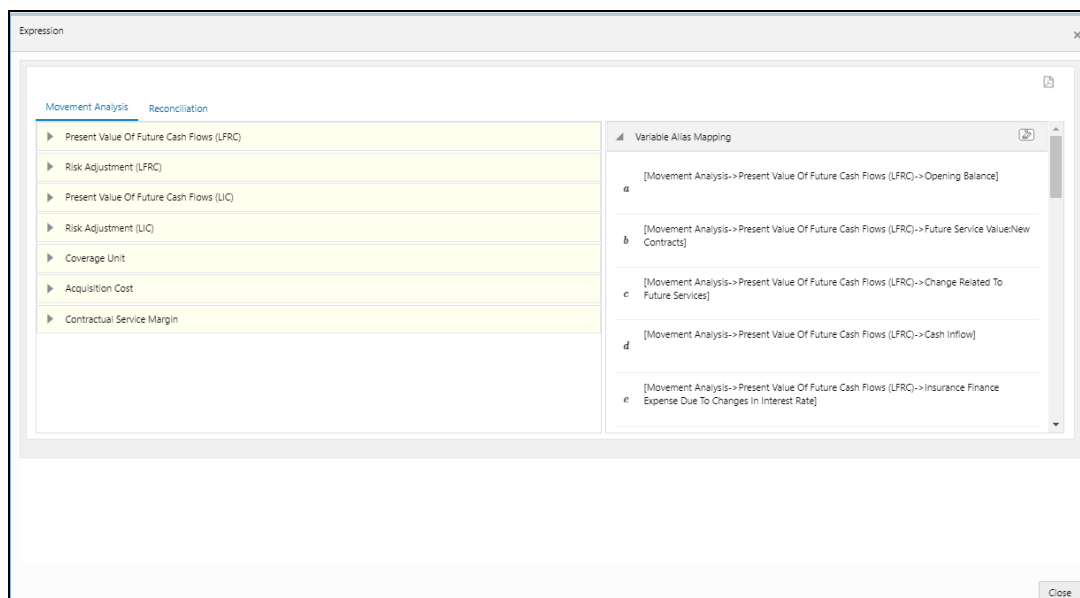
5. In the **Expression** window, you can perform the following actions:

    - View the expressions in the **Movement Analysis and Reconciliation** tabs in the form of a mathematical formula.

    - Select an expression, and then click **Show Formula for this Section** [icon] to view the formula for the expression.

    - The **Variable Alias Mapping** pane displays the full value for each character and symbol. You can click **Clear Filter** [icon] to clear the filter.

    - In the upper-right corner of this window, you can click **Download** [icon] to download all the expressions in this window in a PDF format to your local system.

6. Perform steps 3, 4, and 5 for the other Output Parameters.

    The following are the list of output parameters for each of the methods:

- General Measurement Mode
- Long Duration Contracts
- Premium Allocation Approach
- Variable Fee Approach

    General Measurement Model

    The **Movement Analysis** tab contains the following panes and the respective Output parameters:

    - **Risk Adjustment (LFRC)**

Figure 9: The Risk Adjustment (LFRC) Pane

- Transitionary Balance

> | **NOTE** | This field only appears if you have enabled the **Transition** field. |

- Opening Balance - This expression is populated by default and contains information on the closing balance of the previous reporting date.

- Future Service Value:New Contracts

- Change Related to Future Services

- Change in future service that results in losses or reversal of losses

- Interest Accretion

- Insurance Finance Expense Due To Changes In Interest Rate

- Changes Related To Current Service

- Cash Outflow

- Insurance Finance Expense Others

- Closing Balance

- **Present Value Of Future Cash Flows (LIC)**

Figure 10: The Present Value Of Future Cash Flows (LIC) Pane

- Opening Balance **- This expression is populated by default and contains information on the closing balance of the previous reporting date.**

- Transitionary Balance

  > **NOTE**   This field only appears if you have enabled the **Transition** field.

- Change Related to Future Services

- Change In Future Estimates of Prior Claims

- Interest Accretion

- Insurance finance expense due to changes in interest rate

- Changes Related To Current Service

- Cash Outflow

- Insurance Finance Expense Others

- Closing Balance

- **Present Value Of Future Cash Flows (LIC)**

Figure 11: The Present Value Of Future Cash Flows (LIC) Pane

- **Opening Balance** - This expression is populated by default and contains information on the closing balance of the previous reporting date.

- Transitionary Balance

  > **NOTE** This field only appears if you have enabled the **Transition** field.

- Change Related to Future Services

- Change In Future Estimates of Prior Claims

- Interest Accretion

- Insurance finance expense due to changes in interest rate

- Changes Related To Current Service

- Cash Outflow

- Insurance Finance Expense Others

- Closing Balance

- **Risk Adjustment (LIC)**

Figure 12: The Risk Adjustment (LIC) Pane

- Opening Balance **- This expression is populated by default and contains information on the closing balance of the previous reporting date.**

- Transitionary Balance

> **NOTE** This field only appears if you have enabled the **Transition** field.

- Change Related to Future Services

- Change In Future Estimates of Prior Claims

- Interest Accretion

- Insurance finance expense due to changes in interest rate

- Changes Related To Current Service

- Cash Outflow

- Insurance Finance Expense Others

- Closing Balance

- **Coverage Unit**

Figure 13: The Coverage Unit Pane

- Opening Balance **-** This expression is populated by default and contains information on the closing balance of the previous reporting date.

- Transitionary Balance

> **NOTE** This field only appears if you have enabled the **Transition** field.

- Coverage Unit – Inception
- Changes Related to Future Service
- Release
- Change Related to Current Service
- Closing Balance
- Change In Future Estimates of Prior Claims

- **Acquisition Cost**

Figure 14: The Acquisition Cost Pane

- Opening Balance **-** This expression is populated by default and contains information on the closing balance of the previous reporting date.
- Transitionary Balance

> **NOTE** This field only appears if you have enabled the **Transition** field.

- Opening Balance Net Of Amortization
- Acquisition CashFlow:New Contracts
- Acquisition CashFlow:Ongoing Business
- Amortization
- Insurance Finance Expense
- Changes Related To Current Service
- Closing Balance Net Of Amortization
- Closing Balance
- Contractual Service Margin

Figure 15: The Contractual Service Margin Pane

- **Opening Balance -** This expression is populated by default and contains information on the closing balance of the previous reporting date.

- Transitionary Balance

    > **NOTE** This field only appears if you have enabled the **Transition** field.

- Change Related To Future Services:New Contracts

- Changes Related to Future Service

- Interest Accretion

- Release For Current Period

- Closing Balance

The **Reconciliation** tab contains the following panes and the respective Output parameters:

- **Liability For Remaining Coverage**

    Figure 16: The Liability for Remaining Coverage Pane

- **Opening Balance -** This expression is populated by default and contains information on the closing balance of the previous reporting date.

- Transitionary Balance

> **NOTE** This field only appears if you have enabled the **Transition** field.

- Cash Inflow

- Insurance Revenue

- Insurance Acquisition Cashflow

- Insurance Service Expenses:Incurred Expenses

- Investment Component

- Insurance Finance Expense

- Cash Outflows

- Closing Balance

- **Liability For Incurred Claims**

  Figure 17: The Liability For Incurred Claims Pane

- Opening Balance **-** This expression is populated by default and contains information on the closing balance of the previous reporting date.

- Transitionary Balance

> **NOTE** This field only appears if you have enabled the **Transition** field.

- Incurred Claims and Expenses

- Risk Adjustment for Incurred Claims

- Claim Settlement

- Risk Adjustment Release

- Interest Accretion

- Change in future Estimates for Prior Claims

- Change in Risk Adjustment for Prior Claims

- Investment Component

- Insurance Finance Expense

- Cash Outflows

- Closing Balance

- **Loss Component Of The Liability For Remaining Coverage**

Figure 18: The Loss Component of The Liability For Remaining Coverage Pane

- Opening Balance **-** This expression is populated by default and contains information on the closing balance of the previous reporting date.

- Transitionary Balance

> **NOTE** This field only appears if you have enabled the **Transition** field.

- Insurance Service Expenses:Loss On New Contract

- Insurance Service Expenses:Loss On Ongoing Contract

- Insurance Service Expenses:Incurred Expenses

- Investment Component

- Insurance Finance Expense

- Insurance Service Expenses:Reversal Of Loss On Onerous Contract

- Cash Outflows

- Closing Balance

Long Duration Contracts

The **Movement Analysis** tab contains the following panes and the respective Output parameters:

- **Present Value of Expected Net Premiums**

Figure 19: The Present Value of Expected Net Premiums Pane

- Opening Balance At Current Discount Rate
- Opening Balance At Original Discount Rate
- Effect of changes in cash flow assumptions
  — Mortality assumptions
  — Mortality
  — Mortality improvement
  — Persistency assumptions
  — Lapse/surrender
  — Premium persistency
  — Health assumptions
  — Morbidity
  — Premium rate increases
  — Other assumptions
  — Expenses
  — Inflation
- Effect of changes from model updates
  — Corrections
  — Refinements
  — System Conversions
  — Accounting Policy / Regulatory Changes
  — Other Known Adjustments

- ▪ Effect of actual variances from expected experience

— Mortality

— Morbidity

- ▪ Adjusted beginning of year balance At Original Discount Rate

- ▪ Opening Balance For New Business

- ▪ Net premium Received

- ▪ Interest Accretion

- ▪ Unattributed Change

- ▪ Closing balance at original discount rate

- ▪ Effect Of Changes In Discount Rate Assumptions

- ▪ Closing Balance

- **Present Value of Expected Future Policy Benefits**

Figure 20: The Present Value of Expected Future Policy Benefits Pane

- ▪ Opening Balance At Current Discount Rate

- ▪ Opening Balance At Original Discount Rate

- ▪ Effect of changes in cash flow assumptions

— Mortality assumptions

— Mortality

— Mortality improvement

— Persistency assumptions

— Lapse/surrender

— Premium persistency

- — Health assumptions
- — Morbidity
- — Premium rate increases
- — Other assumptions
- — Expenses
- — Inflation
- Effect of changes from model updates
- — Corrections
- — Refinements
- — System Conversions
- — Accounting Policy / Regulatory Changes
- — Other Known Adjustments
- Effect of actual variances from expected experience
- — Mortality
- — Morbidity
- Adjusted beginning of year balance At Original Discount Rate
- Opening Balance For New Business
- Net premium Received
- Benefit Payouts
- Interest Accretion
- Unattributed Change
- Closing balance at original discount rate
- Effect Of Changes In Discount Rate Assumptions
- Closing Balance
- Reinsurance Recoverable
- Closing Balance Net Of Reinsurance Recoverable

- Deferred Acquisition Cost Commission

Figure 21: The Deferred Acquisition Cost Commission Pane

  - Opening Balance

  - Opening Balance For New Business

  - Capitalized Costs

  - Amortization Of Acquisition Cost

  - Mortality

  - Lapse / surrender

  - Experience Adjustment

  - Unattributed Change

  - Closing Balance

- Deferred Acquisition Cost Expense

Figure 22: The Deferred Acquisition Cost Expense Pane

  - Opening Balance

  - Opening Balance For New Business

  - Capitalized Costs

  - Amortization Of Acquisition Cost

  - Mortality

  - Lapse / surrender

- Experience Adjustment

- Unattributed Change

- Closing Balance

- Policy Holder Account Balance

Figure 23: The Policy Holder Account Balance Pane

Variables	Expression	View
Opening Balance	Closing balance of the previous reporting date	
Issuance		
Premium received		
Policy charges		
Surrenders and withdrawals		
Benefit payments		
Net transfers from (to) separate account		
Interest credited		
Other		
Closing Balance	[Movement Analysis->Policy Holder Account Balance->Opening Balance]+[Movement Analysis->Policy Holder Account Balance->Issuance]+[Movement Analysis->Policy Holder Account Balance->Premium received]+[Movement Analysis->Policy Holder Account Balance->Policy charges]+[Movement Analysis->Policy Holder Account Balance->Surrenders and withdrawals]+[Movement Analysis->Policy Holder Account Balance->Benefit payments]+[Movement Analysis->Policy Holder Account Balance->Net transfers from (to) separate account]+[Movement Analysis->Policy Holder Account Balance->Interest credited]+[Movement Analysis->Policy Holder Account Balance->Other]	

- Opening Balance

- Issuance

- Premium received

- Policy charges

- Surrenders and withdrawals

- Benefit payments

- Net transfers from (to) separate account

- Interest credited

- Other

- Closing Balance

- Market Risk Benefit

Figure 24: The Market Risk Benefit Pane

  - Opening Balance
  - Opening Balance before effect of changes in the instrument-specific credit risk
  - Issuances
  - Interest accrual
  - Attributed fees collected
  - Benefit payments
  - Effect of changes in interest rates
  - Effect of changes in equity markets
  - Effect of changes in equity index volatility
  - Actual policyholder behavior different from expected behavior
  - Effect of changes in future expected policyholder behavior
  - Effect of changes in other future expected assumptions
  - Closing Balance before effect of changes in the instrument-specific credit risk
  - Effect of changes in the instrument-specific credit risk
  - Closing Balance
  - Reinsurance recoverable, end of year
  - Closing Balance net of reinsurance
- **Asset Type**

Figure 25: The Asset Type Window

- U.S. Treasury securities and obligations of U.S. government corporations and agencies
- Obligations of states of the United States and political subdivisions of the states
- Corporate debt securities:
- Investment grade
- Non investment grade
- Foreign debt securities
- Mortgage-backed securities
- Equity securities (including mutual funds)
- Real estate
- Mortgage loans
- Derivative financial instruments
- Cash and cash equivalents
- Total

- **Separate Account Liability**

  Figure 26: The Separate Account Liability Pane

  - Opening Balance
  - Cumulative Adjustment to Benefit Expense
  - Assessment For Current Period
  - Interest Accrual
  - Excess Payment
  - Other charges
  - Closing Balance

The **Net Premium Ratio** tab contains the following panes and the respective Output parameters:

- **Net Premium Ratio**

  Figure 27: The Net Premium Ratio Pane

  - Inception Rate
  - Subsequent Report Period Rate

Premium Allocation Approach

The **Movement Analysis** tab contains the following panes and the respective Output parameters:

- **Present Value Of Future Cash Flows (LIC)**

  Figure 28: The Present Value of Future Cash Flows (LIC) Pane

  - Opening Balance
  - Transitionary Balance

    > **NOTE** This field only appears if you have enabled the **Transition** field.

  - Change Related To Future Services
  - Change In Future Estimates of Prior Claims
  - Interest Accretion
  - Insurance finance expense due to changes in interest rate
  - Changes Related To Current Service
  - Cash Outflow
  - Change Related to Future Service Others
  - Closing Balance

- **Present Value Of Future Cash Flows (LFRC)**

  > **NOTE** This output parameter only appears if you have enabled the **Reinsurance Held** option.

Figure 29: The Present Value of Future Cash Flows (LFRC) Pane

- Opening Balance

- Transitionary Balance

> **NOTE** This field only appears if you have enabled the **Transition** field.

- Change Related To Future Services

- Change In Future Estimates of Prior Claims

- Interest Accretion

- Insurance finance expense due to changes in interest rate

- Changes Related To Current Service

- Cash Outflow

- Change Related to Future Service Others

- Closing Balance

- **Risk Adjustment (LIC**)

Figure 30: The Risk Adjustment (LIC) Pane

- Opening Balance

- Transitionary Balance

> **NOTE**   This field only appears if you have enabled the **Transition** field.

- Change Related To Future Services
- Change In Future Estimates of Prior Claims
- Interest Accretion
- Insurance Finance Expense Due To Changes In Interest Rate
- Changes Related To Current Service
- Cash Outflow
- Change Related to Future Service Others
- Closing Balance

- **Risk Adjustment (LFRC**)

> **NOTE**   This output parameter only appears if you have enabled the **Reinsurance Held** option.

Figure 31: The Risk Adjustment (LFRC) Pane

- Opening Balance
- Transitionary Balance

> **NOTE**   This field only appears if you have enabled the **Transition** field.

- Change Related To Future Services
- Change In Future Estimates of Prior Claims
- Interest Accretion
- Insurance Finance Expense Due To Changes In Interest Rate
- Changes Related To Current Service
- Cash Outflow

- Change Related to Future Service Others

- Closing Balance

- **Acquisition Cost**

> **NOTE** This output parameter only appears if you have not enabled the **Reinsurance Held** option.

Figure 32: The Acquisition Cost Pane

- Opening Balance

- Transitionary Balance

> **NOTE** This field only appears if you have enabled the **Transition** field.

- Acquisition CashFlow: New Contracts

- Acquisition CashFlow: Ongoing Business

- Acquisition Cash Flow

- Amortization

- Insurance Finance Expense

- Change In Estimate Of Future Claim value

- Change In Risk Adjustment For Non Financial Risk

- Closing Balance

- **Cash InFlow**

Figure 33: The Cash InFlow Pane

Variables	Expression	View
Cash InFlow		
Opening Balance	Closing balance of the previous reporting date	
Cash Inflow For New Business		
Cash Inflow For Ongoing Business		
Insurance Revenue		
Interest Accretion		
Cash Outflow		
Closing Balance	[Movement Analysis->Cash InFlow->Opening Balance]+[Movement Analysis->Cash InFlow->Cash Inflow For New Business]+[Movement Analysis->Cash InFlow->Cash Inflow For Ongoing Business]+ [Movement Analysis->Cash InFlow->Insurance Revenue]+[Movement Analysis->Cash InFlow->Cash Outflow]+[Movement Analysis->Cash InFlow->Interest Accretion]	

- ▪ Opening Balance
- ▪ Transitionary Balance

> **NOTE** This field only appears if you have enabled the **Transition** field.

- ▪ Cash Inflow For New Business
- ▪ Cash Inflow For Ongoing Business
- ▪ Insurance Revenue
- ▪ Interest Accretion
- ▪ Cash Outflow
- ▪ Closing Balance

The **Liability Analysis** tab contains the following panes and the respective Output parameters:

- • **Liability For Remaining Coverage**

> **NOTE** This output parameter only appears if you have not enabled the **Reinsurance Held** option.

Figure 34: The Liability for Remaining Coverage Pane

- Opening Balance
- Transitionary Balance

> **NOTE** This field only appears if you have enabled the **Transition** field.

- Opening Balance Net Of Acquisition Cost
- Cash Inflow For New Business
- Cash Inflow For Ongoing Business
- Acquisition Cash Flow
- Amortization Of Acquisition Cash Flow
- Insurance Revenue**
- Cash Outflow
- Investment Component Outgo
- Insurance Finance Expense
- Closing Balance
- Closing Balance Net Of Acquisition Cost

> **NOTE** *These output variables are not being used in the calculation and will be removed in the next release
>
> **It is assumed that the Premium is being received at the beginning of the day of inception and all reporting occurs at the end of the day

- **Liability For Incurred Claims**

> **NOTE** This output parameter only appears if you have not enabled the **Reinsurance Held** option.

Figure 35: The Liability for Incurred Claims Pane

- Opening Balance
- Transitionary Balance

> **NOTE** This field only appears if you have enabled the **Transition** field.

- Incurred Claims and Expenses
- Risk Adjustment for Incurred Claims
- Claim Settlement
- Risk Adjustment Release
- Interest Accretion
- Change in future Estimates for Prior Claims
- Change in Risk Adjustment for Prior Claims
- Investment Component
- Insurance Finance Expense
- Closing Balance

- **The expected recoveries for remaining coverage**

> **NOTE** This output parameter only appears if you have enabled the **Reinsurance Held** option.

Figure 36: The Expected Recoveries for Remaining Coverage Pane

- Opening Balance

- Transitionary Balance

> **NOTE** This field only appears if you have enabled the **Transition** field.

- Reinsurance Recoveries

- Reinsurance Premium Allocation

- Insurance Service: Incurred Expenses

- Investment Component

- Insurance Finance Expense

- Change in Estimate of Future Claim Recoverable

- Change in Risk Adjustment ForClaim Recoverable Non Financial Risk

- Cash Outflow

- Closing Balance

- **The expected recoveries for incurred claims**

> **NOTE** This output parameter only appears if you have enabled the **Reinsurance Held** option.

Figure 37: The Expected Recoveries for incurred claims Pane

- Opening Balance

- Transitionary Balance

  > **NOTE** This field only appears if you have enabled the **Transition** field.

- Reinsurance Recoveries

- Risk Adjustment

- Insurance Finance Expense

- Claim Recovered

- Risk Adjustment Release

- Change in Risk of Reinsurer Performance

- Closing Balance

Variable Fee Approach

The **Movement Analysis** tab contains the following panes and the respective Output parameters:

- **Variable Fee**

  Figure 38: The Variable Fee Pane

- Opening Balance

- Transitionary Balance

  > **NOTE** This field only appears if you have enabled the **Transition** field.

- Change Related to Future Services: New Contracts

- Change Related to Future Services

- Cash Inflow

- Share Of Fair Value

- Change In Future Service due to changes in interest rate

- Changes Related To Current Service

- Cash Outflow

- Closing Balance

- **Present Value Of Future Cash Flows (LFRC)**

    Figure 39: The Present Value of Future Cash Flows (LFRC) Pane

- Opening Balance

- Transitionary Balance

    > **NOTE**   This field only appears if you have enabled the
    > **Transition** field.

- Future Service Value: New Contracts

- Change Related To Future Services

- Cash Inflow

- Interest Accretion

- Insurance finance expense due to changes in interest rate

- Changes Related To Current Service

- Acquisition Cost Paid

- Cash Outflow

- Change Related to Future Service Others

- Closing Balance

- **Risk Adjustment (LFRC)**

Figure 40: The Risk Adjustment (LFRC) Pane.

- Opening Balance
- Transitionary Balance

> **NOTE** This field only appears if you have enabled the **Transition** field.

- Future Service Value: New Contracts
- Change Related To Future Services
- Interest Accretion
- Insurance finance expense due to changes in interest rate
- Changes Related To Current Service
- Cash Outflow
- Change Related to Future Service Others
- Closing Balance

- **Time Value Of Option And Guarantee**

Figure 41: The Time Value of Option And Guarantee Pane

- Opening Balance

- ▪ Transitionary Balance

> **NOTE** This field only appears if you have enabled the **Transition** field.

- ▪ Change Related To Future Services: New Contracts

- ▪ Change Related To Future Services

- ▪ Interest Accretion

- ▪ Insurance finance expense due to changes in interest rate

- ▪ Changes Related To Current Service

- ▪ Cash Outflow

- ▪ Insurance Finance Expense Others

- ▪ Closing Balance

- **Coverage Unit**

Figure 42: The Coverage Unit Pane

Coverage Unit		
Variables	Expression	View
Opening Balance	Closing balance of the previous reporting date	
Coverage Unit- Inception		
Change Related to Future Service		
Release		
Change Related to Current Service		
Closing Balance	[Movement Analysis->Coverage Unit->Opening Balance]+[Movement Analysis->Coverage Unit->Coverage Unit- Inception]+[Movement Analysis->Coverage Unit->Change Related to Future Service]+ [Movement Analysis->Coverage Unit->Release]+[Movement Analysis->Coverage Unit->Change Related to Current Service]	

- ▪ Opening Balance

- ▪ Transitionary Balance

> **NOTE** This field only appears if you have enabled the **Transition** field.

- ▪ Coverage Unit- Inception

- ▪ Change Related To Future Services

- ▪ Release

- ▪ Change Related to Current Service

- ▪ Closing Balance

- **Acquisition Cost**

Figure 43: The Acquisition Cost Pane

- Opening Balance

- Transitionary Balance

> **NOTE** This field only appears if you have enabled the
> **Transition** field.

- Opening Balance Net Of Amortization

- Acquisition CashFlow: New Contracts

- Acquisition CashFlow: Ongoing Business

- Amortization

- Insurance Finance Expense

- Changes Related To Current Service

- Closing Balance Net Of Amortization

- Closing Balance

- **Contractual Service Margin**

Figure 44: The Contractual Service Margin Pane

- Opening Balance

- Transitionary Balance

> **NOTE** This field only appears if you have enabled the **Transition** field.

- Future Service Value: New Contracts
- Change Related To Future Services
- Share Of Fair Value
- Insurance Finance Expense
- Changes Related To Current Service
- Closing Balance

The **Reconciliation** tab contains the following panes and the respective Output parameters:

- **Liability For Remaining Coverage**

Figure 45: The Liability for Remaining Coverage Pane

- Opening Balance
- Transitionary Balance

> **NOTE** This field only appears if you have enabled the **Transition** field.

- Cash Inflow
- Insurance Revenue
- Insurance Acquisition Cashflow
- Insurance Service Expenses: Incurred Expenses
- Investment Component
- Insurance Finance Expense
- Cash Outflows
- Closing Balance

- **Liability For Incurred Claims**

Figure 46: The Liability for Incurred Claims Pane

- ▪ Opening Balance
- ▪ Transitionary Balance

> | **NOTE** | This field only appears if you have enabled the **Transition** field. |

- ▪ Incurred Claims and Expenses
- ▪ Risk Adjustment for Incurred Claims
- ▪ Claim Settlement
- ▪ Risk Adjustment Release
- ▪ Interest Accretion
- ▪ Change in future Estimates for Prior Claims
- ▪ Change in Risk Adjustment for Prior Claims
- ▪ Investment Component
- ▪ Insurance Finance Expense
- ▪ Cash Outflows
- ▪ Closing Balance

- **Loss Component Of The Liability For Remaining Coverage**

Figure 47: The Loss Component Of The Liability For Remaining Coverage Pane

- Opening Balance
- Transitionary Balance

> **NOTE** This field only appears if you have enabled the **Transition** field.

- Insurance Service Expenses: Loss On New Contract
- Insurance Service Expenses: Loss On Ongoing Contract
- Insurance Service Expenses: Incurred Expenses
- Investment Component
- Insurance Finance Expense
- Insurance Service Expenses: Reversal Of Loss On Onerous Contract
- Cash Outflows
- Closing Balance

7. Click **Save**.

   The saved definition is displayed in the Calculation Preferences Summary table on the **Calculation Preferences** window.

8. Click **Submit**.

The **Audit Trail** pane at the bottom of the definition window displays the **Created By**, **Creation Date**, **last modified by**, and **Last modification date** details. The U**ser** C**omments** field enables you to add additional information as a comment.

5.2.4 Edit a Calculation Preferences Definition

The **Calculation Preferences** feature enables you to edit a calculation preference definition using the following steps:

1. In the **Calculation Preference Summary** table, select the checkbox adjacent to the calculation preference definition that you want to edit.

2. Click **Edit**, to open the **Calculation Preference Edit** window.

3. Update the required fields. See the section on Create a New Calculation Preferences Definition.

> **NOTE** You cannot modify the definitions which are in an *Approved* or *Use* status.

4. Click **Save**.

   The saved definition is displayed in the **Calculation Preferences Summary** table of the **Calculation Preferences** window.

The **Audit Trail** pane at the bottom of the definition window displays the **Created By**, **Creation Date**, **last modified by**, and **Last modification date** details. The U**ser** C**omments** field enables you to add additional information as a comment.

5.2.5 View a Calculation Preferences Definition

The Calculation Preferences feature enables you to create a new calculation preference definition using the following steps:

1. From the **Calculation Preferences Summary** window, select the checkbox adjacent to the calculation preference definition you want to view.

2. Click **View** , to open the **Calculation Preference** window.

> **NOTE** You cannot edit any of the fields in View mode.

3. Click Cancel to go back to the **Calculation Preferences Summary** window.

5.2.6 Copy a Calculation Preferences Definition

The Calculation Preferences feature enables you to copy a calculation preference definition by using the following steps:

1. In the **Calculation Preference Summary** table, select the checkbox adjacent to the calculation preference definition that you want to copy.

2. Click **Copy,** to open the **Save As** window.

3. Enter values in the **Name**, **Description**, and **Folder** fields.

4. Click **Save**.

   The saved definition is displayed in the **Calculation Preferences Summary** table on the **Calculation Preferences** window.

You can further edit the definition and submit it for approval.

The **Audit Trail** pane at the bottom of the definition window displays the **Created By**, **Creation Date**, **last modified by**, and **Last modification date** details. The U**ser** C**omments** field enables you to add additional information as a comment.

5.2.7   Retire Calculation Preferences Definition

The Calculation Preferences feature enables you to disable unwanted calculation preference definition by using the following steps:

1. In the **Calculation Preference Summary** table, select the checkbox adjacent to the **Calculation Preference** definition you want to retire.

2. Click **Retire**, to open the **Calculation Preference Summary Details** window.

3. Update the required **Output Parameters**.

4. Click **Retire**.

    The retired definition is displayed in the **Calculation Preferences Summary** table of the **Calculation Preferences** window.

The Workflow status of the retired definitions is changed to *Retired*.

The **Audit Trail** pane at the bottom of the definition window displays the **Created By**, **Creation Date**, **last modified by**, and **Last modification date** details. The U**ser** C**omments** field enables you to add additional information as a comment.

5.3   Liability Calculations

The liability arising from insurance contracts under IFRS 17 has to be considered in the books of accounts. The net liability is calculated by using the present value of the cash flows of the contract, risk adjustment, and assumption. The liability calculations allow you to set up the level of aggregations, the assumptions, and the method that will be considered for calculation of the net liability for each of the contracts under the level of aggregation. This can be performed once the level of aggregation and assumptions are created. The same run can be executed for each reporting period, which calculates the CSM, net liabilities, and so on, for the respective reporting period.

After setting up the level of aggregation, the assumption set per level of aggregation, and calculation preference, you can execute the calculation for all the selected levels of aggregations selected per calculation method. The liability calculation is triggered and the output is generated and then used to generate the IFRS17 reports.

You can provide multiple scenarios for performing the IFRS17 executions. Each scenario can be marked as either a base scenario or what-if analysis or scenario for onerous classification.

The base scenario will be used for calculating the actual results on the execution date. The onerous classification scenarios are used for calculating the onerous classification at inception. The what-if analysis will be used in calculating the IFRS17 liability trends for the current period and future periods that will, in turn, be used for comparison and other management purposes. The calculation results from the base scenario will be used for accounting.

5.3.1   Access Liability Calculations

You can access the **Liability Calculations** window by clicking the **Liability Calculations** element from the left-hand side menu. When you click this element, the **Liability Calculations** window is displayed:

Figure 48: The Liability Calculation Window

This window displays the existing liability calculation definitions in the Liability Calculations Summary table. This window also enables you to define new liability calculations, edit the existing definitions, and view the details of the existing definitions.

5.3.2 Search for Liability Calculation Definitions

The Search feature enables you to filter the list of existing definitions and find the definitions that you require. To search for definitions, enter the keyword in the **Name** field and/or select a folder from the drop-down list adjacent to the **Folder** field before clicking **Search**.

The list of liability calculation definitions in the **Liability Calculations Summary** table is refreshed and the definitions that match your search criteria are displayed.

5.3.3 Create New Liability Calculation Definition

The **Liability Calculations** feature enables you to create a new liability calculation definition by using the following steps:

1. In the **Liability Calculations Summary** table, click **Add** ➕ to open the **Liability Calculation Definition** window.

Figure 49: The Liability Calculation Definition Window

2. Populate the **Liability Calculation Definition** pane.

Table 3: The Liability Calculation Definition pane

Field	Description
Fields marked with asterisks (*) in the window are mandatory.	
Name	Enter a name for the Liability Calculation definition.
Description	Enter a short description of the Liability Calculation definition.
Folder	Select a folder from the drop-down list.
Legal Entity	Click **Hierarchy Selection** adjacent to this field. Select the required Legal Entity from the **Hierarchy Selection** window. See the section on Hierarchy Selection.
Line of Business	Click **Hierarchy Selection** adjacent to this field. Select the required Legal Entity from the **Hierarchy Selection** window. See the section on Hierarchy Selection.
Run Type	Select a run type from the drop-down list.
Reinsurance Held	Click the icon to enable the **Reinsurance Held** feature. When enabled, the reinsurance methods and reinsurance calculation preferences fields are displayed.
Insurance Contract Calculation Method	Select a method from the drop-down list. The available methods are: • General Measurement Model • Long Duration Contracts • Premium Allocation Approach • Variable Fee Approach **Note**: Depending on the method that you select in this field, the **Transition Calculation Method** field is populated with the required values.

Field	Description
Transition	Click the ⬭ icon to enable the **Transition** feature. On enabling this option, the **Transition Method** and **Transition Calculation Preference** drop-down lists are displayed.
Transition Method	Select the type of transition method from the drop-down list. The available options are: • Fair Value Approach **Note**: This field is displayed only if you have enabled the **Transition** option.
Transition Calculation Preference	Depending on the method that you selected in the **Insurance Contract Calculation Method** field, the **Transition Calculation Method** field is populated with the required values. Select the type of transition calculation preference from the drop-down list. **Note**: This field is displayed only if you have enabled the **Transition** option.
Insurance Calculation Preference	Select a calculation method from the drop-down list.
Prospective Reinsurance method	Select a method from the drop-down. The available methods are: • General Measurement Model • Premium Allocation Approach **Note:** This field is only available if you enabled the **Reinsurance Held** field.
Prospective Reinsurance calculation preference	Select a calculation method from the drop-down list. **Note:** This field is only available if you enabled the **Reinsurance Held** field.
Non-Proportional Reinsurance method	Select a calculation method from the drop-down list.
Projection In Years	Enter the number of years for which the data has to be projected.
Use for Reporting	Click the ⬭ icon to use this liability calculation definition for reporting. **Note:** This indicator must be enabled only once for a **Liability Calculation** run for a particular legal entity and line of business. Only then the outputs generated through this execution will be used for generating journal entries for a given line of business and legal entity.
Projection Frequency	Select the **Projection Frequency** from the drop-down list. The available values are: • Annually • Half Yearly • Quarterly • Monthly

Field	Description
Calculate Input Variable	Click the ⬭ icon to calculate the input variable for the level of aggregation.
Assumptions	Click **Hierarchy Selection** 🔲 adjacent to this field. Configure the level of aggregation rate tables in the **LOA Rates** window for the following fields: • **Interest Rate Curve**: Select an interest rate curve from the drop-down list. • **Amortization Rate**: Select an amortization rate from the drop-down list. • **Risk Factor**: Select a risk factor from the drop-down list.

3. In the **Level of Aggregation** table, click **Add** ➕ and select the required level of aggregation definitions from the **Level of Aggregation** list. See the section on the Level of Aggregation.

   You can also click the **View Details** link adjacent to each **Level of Aggregation** definition to view the definition details.

4. Click **Save**.

   The saved definition is displayed in the **Aggregation Summary** table on the **Level of Aggregation** window.

5. Click **Submit**.

   The **Audit Trail** pane at the bottom of the definition window displays the **Created By**, **Creation Date**, **last modified by**, and **Last modification date** details. The U**ser** C**omments** field enables you to add additional information as a comment.

5.3.4 Edit Liability Calculation Definition

The **Liability Calculations** feature enables you to edit a liability calculation definition by using the following steps:

1. In the **Liability Calculations Summary** table, select the checkbox adjacent to the liability calculation definition you want to edit.

2. Click **Edit,** to open the **Liability Calculations Edit** window.

3. Update the required fields. See the section on Create New Liability Calculation Definition.

4. Click **Save**.

   The saved definition is displayed in the **Liability Calculations Summary** table of the **Liability Calculations** window.

The **Audit Trail** pane at the bottom of the definition window displays the **Created By**, **Creation Date**, **last modified by**, and **Last modification date** details. The U**ser** C**omments** field enables you to add additional information as a comment.

5.3.5 View Liability Calculation Definition

The Liability Calculations feature enables you to view liability calculation definitions by using the following steps:

1. In the **Liability Calculations Summary** window, select the checkbox adjacent to the **Liability Calculation** definition you want to view.

2. Click **View** **,** to open the **Liability Calculations** window.

> **NOTE**   You cannot edit any of the fields in *View* mode.

3. Click **Cancel** to go back to the **Liability Calculations Summary** window.

5.3.6 Run Liability Calculation Definition

The **Liability Calculations** feature enables you to run liability calculation definition by using the following steps:

> **NOTE**   You can run only Approved definitions.

1. In the **Liability Calculations Summary** table, select the checkbox adjacent to the **Liability Calculation** definition that you want to run.

2. In the **Date Selection** window, use the calendar icon to select the required date in the **Date** field.

3. In the **Liability Calculation** - **View** window, click **OK**.

   The selected **Liability Calculation** definition is marked for execution.

There is no restriction on the execution frequency of the run. The projection frequency is provided while configuring the run. For example, the execution date is 15th January 2018 and the projection frequency is quarterly, the actual data is calculated on 15th January and the CSM projection is performed on 15th April, 15th July, and so on.

If you want to compare the projections of two runs, the actual execution frequency of those two runs should be the same to get the desired results.

5.3.7 Copy Liability Calculation Definition

The Liability Calculations feature enables you to use an existing definition to create a new liability calculation definition by using the following steps:

1. In the **Liability Calculation Summary** table, select the checkbox adjacent to the liability calculation definition that you want to copy.

2. Click **Copy** to open the Save As window.

3. Enter values in the **Name** and **Description** fields.

4. Click **Save**.

The saved definition is displayed in the **Liability Calculation Summary** table on the **Liability Calculation** window. You can further edit the definition and submit it for approval.

The **Audit Trail** pane at the bottom of the definition window displays the **Created By**, **Creation Date**, **last modified by**, and **Last modification date** details. The U**ser** C**omments** field enables you to add additional information as a comment.

5.3.8   Retire Liability Calculation Definition

The Liability Calculations feature enables you to disable unwanted liability calculation definitions by using the following steps:

1. In the **Liability Calculations Summary** table, select the checkbox adjacent to the **Liability Calculation** definition that you want to retire.

   > **NOTE**   You cannot retire the definitions in *Success* or *Failed* statuses.

2. Click **Retire**, to open the **Liability Calculations Summary Details** window.

3. Update the required level of aggregation details.

4. Click **Retire**.

   The retired definition is displayed in the **Liability Calculations Summary** table on the **Liability Calculations** window.

   The Workflow status of the retired definitions is changed to *Retired*.

The **Audit Trail** pane at the bottom of the definition window displays the **Created By**, **Creation Date**, **last modified by**, and **Last modification date** details. The U**ser** C**omments** field enables you to add additional information as a comment.

5.4   Variable Maintenance

There are different input and output variables used in the formula for calculating net liabilities and CSM. These variables differ based on the approach selected or assumptions made. In the standard product, the variables that are needed for the formula are defined. However, new variables can be created by using the **Variable Maintenance** window for different financial elements.

> **NOTE**   The out of the box variables cannot be modified or deleted. Only unused newly created variables can be deleted.

5.4.1   Access Variable Maintenance

You can access the **Variable Maintenance** window by clicking the **Variable Maintenance** element from the left-hand side menu. When you click this element, the **Variable Maintenance** window is displayed:

Figure 50: The Variable Maintenance Window
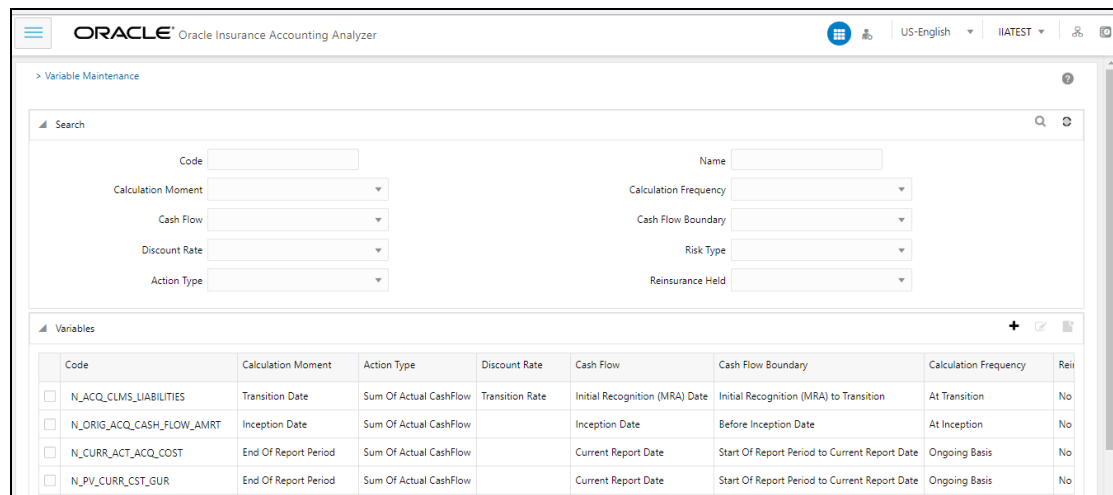
This window displays the existing variables in the Variables table. The variables are listed in the ascending order of their code values. This window also enables you to create new variables.

5.4.2 Search for a Variable

The Search feature enables you to filter the list of existing definitions and find the definitions that you require. To search for definitions, select the required items from the **Hierarchy Folder** and **Hierarchy** fields, and click **Search**.

The list of variables in the **Variables** table is refreshed and the variables that match your search criteria are displayed.

NOTE	You can create variables only from the first window.

5.4.3 Create a New Variable

ATTENTION	Before you create a new variable from the **Variable Maintenance** screen, you must add the corresponding direct and re-insurance variable columns in the following tables in the ERwin Data Model:
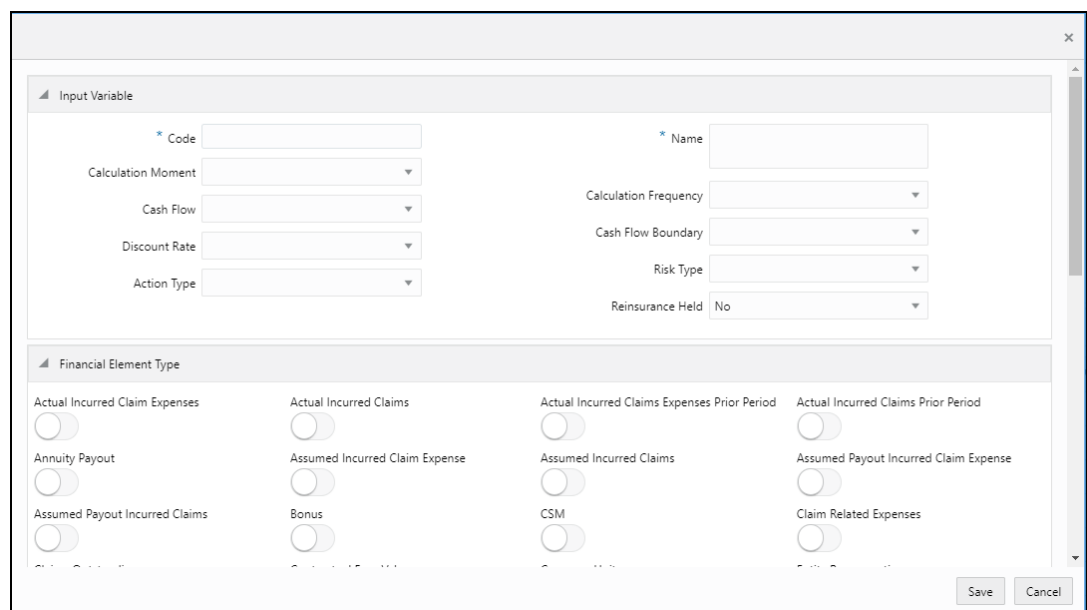
1. For direct insurance variables, add the corresponding variable column into the following tables:

    - FSI_INS_CONTRACT_INPUT_DETAIL

    - FSI_INS_GROUP_INPUT_DETAIL

    - FCT_IFRS17_CONTRACT_OUTPUT

    - FCT_IFRS17_COHORT_OUTPUT

2. For re-insurance input variables, add the corresponding variable column into the following tables:

- FSI_RI_CONTRACT_INPUT_DETAIL
- FSI_RI_GROUP_INPUT_DETAIL
- FCT_IFRS17_RI_CONTRACT_OUTPUT
- FCT_IFRS17_RI_COHORT_OUTPUT

3. Upload the Erwin Data Model.

The Variables feature enables you to create new variables by using the following steps:

1. In the **Variables** table, click **Add** ➕ to open the **New Variable** window.

Figure 51: The New Variable Window

2. Populate the **Input Variable** pane.
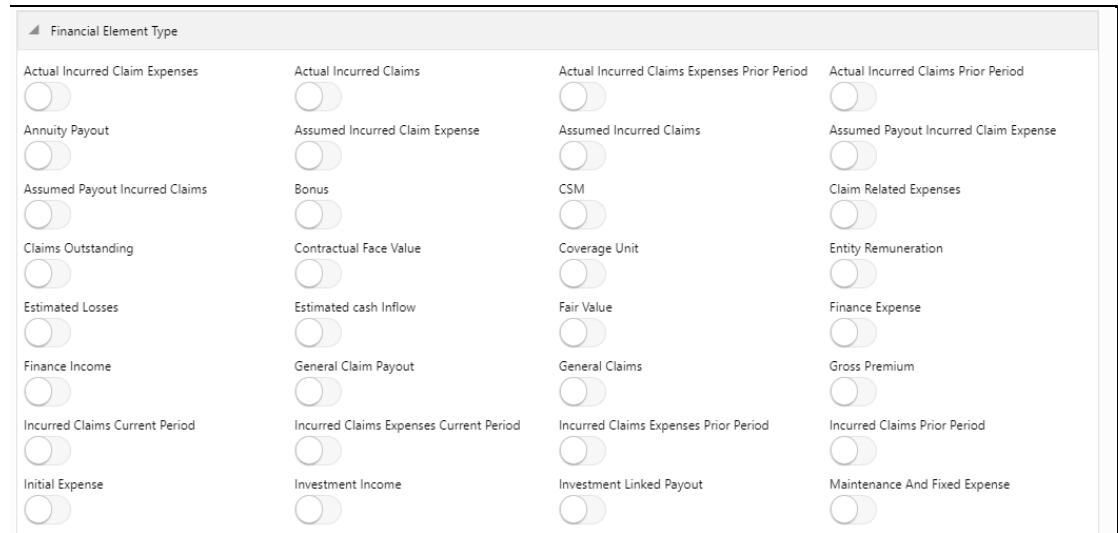
Table 4: The Input Variable pane

Field	Description
Code	Enter a code for the variable. The code must be alphanumeric and must begin with an alphabet. The value in the Code field must be the same as the physical column name. Also, custom column names must be created with less than 30 characters.
Name	Enter a name for the variable.
Calculation Moment	Select a calculation moment from the drop-down list. The available options are: • End Of Report Period* • Inception Date • Initial Recognition (MRA) • Ongoing Basis • Start of Report Period* • Transition Date
Cash Flow	Select a cash flow from the drop-down list. The available options are: • Current Report Date • Inception Date • Initial Recognition (MRA) Date • Start of Report Period • Transition Date
Calculation Frequency	Select a calculation frequency from the drop-down list. The available options are: • At Inception • At Transition • Ongoing Basis
Discount Rate	Select a discount rate from the drop-down list. The available options are: • At Current Report Date • At Start of Report Date • Current Report Date Onwards • Inception Date Onwards • Inception Date to Current Report Date • Inception Date to Start of Report Period • Initial Recognition (MRA) to Transition • On and Before Inception Date • Start of Report Period Onwards • Start of Report Period to Current Report Date • Transition Date Onwards

Field	Description
Cash Flow Boundary	Select a cash flow boundary from the drop-down list. The available options are: • Current Report Date Onwards • Inception Date Onwards • Inception Date to Current Report Date • Inception Date to Current Report Date • Inception Date to Start Of Report Period • Initial Recognition (MRA) to Transition • On and Before Inception Date • Start of Report Period Onwards • Start of Report Period to Current Report Date • Report Date • Transition Date Onwards
Action Type	Select an action type from the drop-down list. The available options are: • Fair Value • PV of Actual Cash Flow* • PV of Assumed Cash Flow* • Sum of Actual Cash Flow • Sum of Assumed Cash Flow
Risk Type	Select a risk type from the drop-down list. The available options are: • Expired • Unexpired
Reinsurance Held	Select yes or no from the drop-down list. When you select *Yes*, the Reinsurance Held filed is enabled in your definition.

*Note the following conditions for the disallowed cash-flow boundaries for the following calculation moments and action types:

Calculation Moment	Action Type	Disallowed cash-flow boundaries
Start Of Report Period	PV Of Actual CashFlow	• Inception Date Onwards • Inception Date to Start Of Report Period • Inception Date to Current Report Date
End Of Report Period	PV Of Assumed CashFlow	• Start Of Report Period Onwards (Only if the value in the Calculation Moment is *End Of Report Period*) • Start Of Report Period to Current Report Date (Only if the value in the • Calculation Moment is *End Of Report Period*) • On and Before Inception
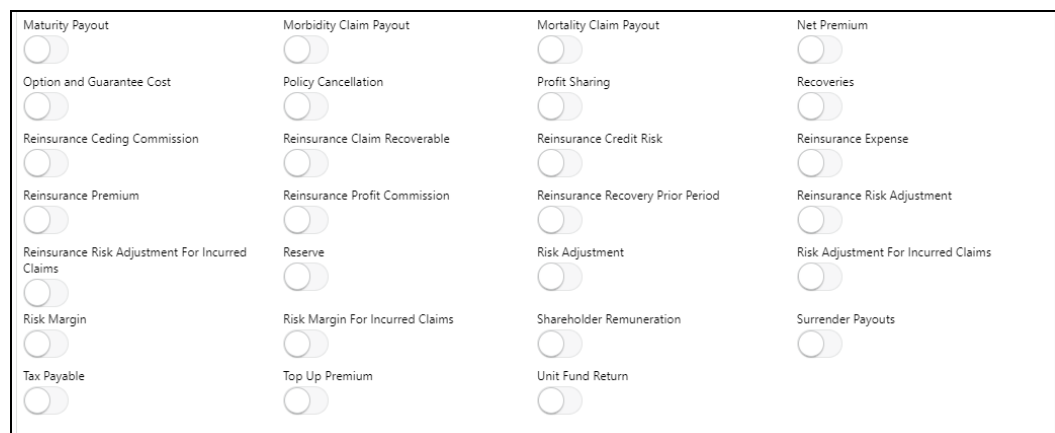
3. Under the **Financial Element Type** pane, click the [ ] icon to enable the required cash flow types.

Figure 52: The Financial Elements pane

Figure 53: The Financial Elements pane

4. Click **Save**.

The saved definition is displayed in the Variables table on the **Variable Maintenance** window.

5.4.4   Edit a Variable

The Variables feature enables you to edit variables by using the following steps:

1. In the **Variables** table, select the checkbox adjacent to the **Variable** that you want to edit.

2. Click **Edit,** to open the **Variable** window.

3. Update the required fields. See the section on Create a New Variable.

4. Click **Save**.

The saved definition is displayed in the **Variables** table of the **SubLedger Definition Summary** window.

5.4.5 View a Variable

The **Variables** feature enables you to view variables by using the following steps:

1. In the **Variables** table, select the checkbox adjacent to the variable that you want to view.

2. Click **View**, to open the Variables window.

3. Click **Cancel** to go back to the **Variables** window.
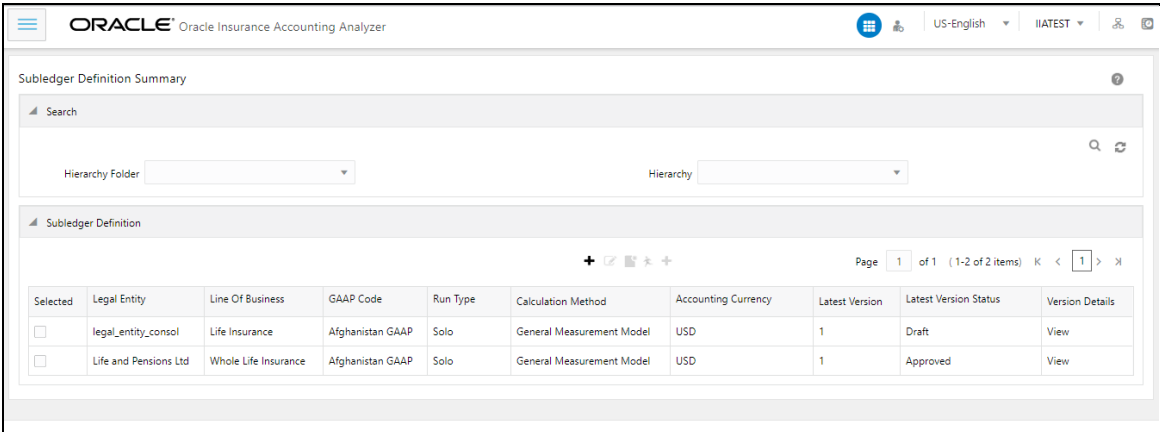
5.5 SubLedger

The sub-ledger can generate calculations for CSM computations. The granular level of data stored in the sub-ledger can be used to generate the accounting entries. It uses data along with implied allocations from expenses, taxes, investment income, and so on. The sub-ledger generates bookings and reports to feed out to general ledgers, management reporting, and analysis tools. By maintaining detailed data and handling complex calculations and reconciliations, it takes stress off general ledgers. Note that the application only picks up data from runs that are marked for reporting. The application also picks up more than one set of data per LOA for sub-ledger processing. This allows for GL consolidation, cloud migration, and provides the accuracy and suitability of ledger data.

5.5.1 Access SubLedger

You can access the **SubLedger** window by clicking the **SubLedger** element from the left-hand side menu. When you click this element, the **SubLedger** window is displayed:

Figure 54: The Subledger Window

This window displays the existing sub-ledger definitions in the **SubLedger Definition** pane. This window also enables you to define new sub-ledger, edit the existing definitions, view the details of the existing definition, run the definitions, and create new versions of the existing definitions.

5.5.2   Search for SubLedger Definitions

The **Search** feature enables you to filter the list of existing definitions and find the definitions that you require. To search for definitions, select the required items from the **Hierarchy Folder** and **Hierarchy** fields, and click **Search**.

The list of sub-ledger definitions in the **SubLedger Definition** table is refreshed and the definitions that match your search criteria are displayed.

5.5.3   Map the SubLedger Roles and Groups

Before you create SubLedger definitions, ensure that you have performed the following user role and group mappings and approvals:

1. Log in as a System Administrator.

2. Navigate to **Identity Management**, then **Security Management**, then **User Administrator**, and then **User Maintenance**.

3. Add a new user definition. For more information about adding a new user definition, see the User Maintenance section in the [OFS Analytical Applications Infrastructure User Guide](#).

4. Log in as a System Authorizer.

5. Navigate to **Identity Management**, then **Security Management**, then **User Administrator**, and then **User Authorization.**

6. Authorize the user that you created in step 3. For more information about authorizing a user, see the User Authorization section in the [OFS Analytical Applications Infrastructure User Guide](#).

7. Log in as a System Administrator.

8. Navigate to **Identity Management,** then **Security Management**, then **User Administrator**, and then **User User Group Map**.

9. Map the user to the *IIA Application Approver Group* and *IIA Application Analyst Group*. For more information about mapping a user to a user group, see the User User Group Map section in the [OFS Analytical Applications Infrastructure User Guide](#).

10. Navigate to **Identity Management**, then **Security Management**, then **User Administrator**, and then **User Group Role Map.**

11. Map the User Group *UGIIAANALYST* to *Sub Ledger Maker*, and then map the User Group *UGIIAAPPROVER* to *Sub Ledger Checker*. For more information about mapping a user group, see the User Group Role Map section in the [OFS Analytical Applications Infrastructure User Guide](#).

12. Log in as a System Authorizer.

13. Authorize the mappings that you performed in step 11. For more information about authorizing a user, see the User Authorization section in the [OFS Analytical Applications Infrastructure User Guide](#).

> | NOTE | You can use the same user that you created in the above steps for performing actions in the Sub ledger Manual Adjustment feature. |

5.5.4   Create New Sub Ledger Definition
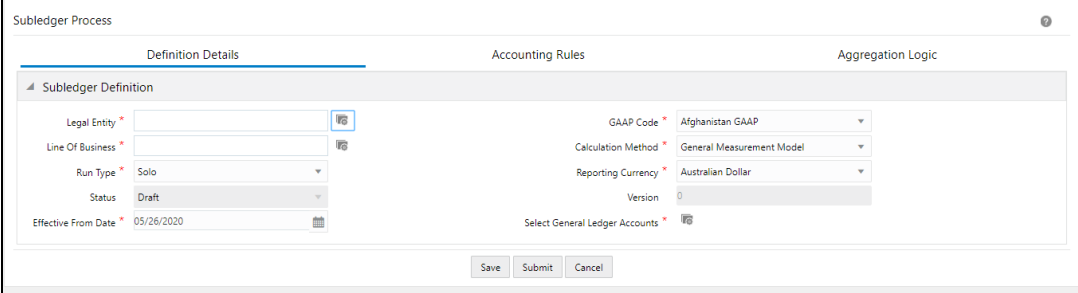
The **Sub**-**Ledger** feature enables you to create new sub ledger definitions by using the following steps:

> **NOTE**   If you want to import definitions created by you, then see the Object Migration section in OFS Analytical Applications Infrastructure User Guide.

1. In the **SubLedger Definition** pane, click **Add** ➕ to open the **SubLedger Process** window.

    Figure 55: The Sub ledger Process window

    The **SubLedger Process** window displays the **SubLedger Definition** pane. The definition contains a three-step process:

    Figure 56: The Subledger Definition Creation Process
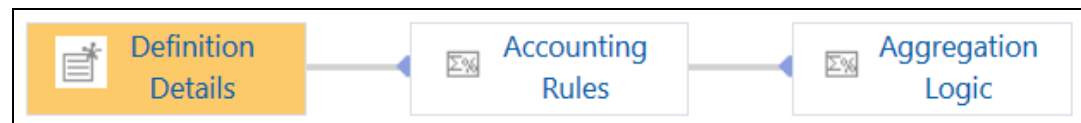
2. Populate the **Subledger Definition** pane in the **Definition Details** tab.

    Table 5: The Subledger Definition pane

Field	Description
Fields marked with asterisks (*) in the window are mandatory.	
Hierarchy Folder	Select a folder from the drop-down list.
Legal Entity	Click **Hierarchy Selection** 🔲 adjacent to this field. Select the required **Legal Entity** from the **Hierarchy Selection** window. See the section on Hierarchy Selection.
GAAP Code	Select a **GAAP Code** from the drop-down list.
LOB Hierarchy Folder	Select a folder from the drop-down list.
Line of Business	Click **Hierarchy Selection** 🔲 adjacent to this field. Select the required **Legal Entity** from the **Hierarchy Selection** window. See the section on Hierarchy Selection.

Field	Description
Calculation Method	Select a calculation method from the drop-down list. The available methods are: • General Measurement Model • Long Duration Contracts • Premium Allocation Approach • Variable Fee Approach
Status	This field is not editable and is in the *Draft* status.
Run Type	Select either **Solo** or **Consolidated** from the drop-down list.
Reporting Currency	Select a currency from the drop-down list.
Version	When creating a definition, the version is set to 0. You cannot change this value.
Effective From Date	Select an effective date from the calendar icon. **Note**: The effective date should be on or before the current date.
Select General Ledger Accounts	Click **Hierarchy Selection** to select a value from the following fields: **Note**: You must create the members and hierarchies in the **Member** and **Hierarchy Maintenance** window to populate data in this field. For more information on creating members and hierarchies, see the section on OFS Analytical Applications Infrastructure User Guide. • **Hierarchy Folder**: Select a hierarchy folder from the drop-down. • **Hierarchy**: Select a hierarchy from the drop-down. • **Members**: Add or remove members from the **Selected Members** pane. By default, all accounts will appear in this list.

3. Click **Save**.

4. Select the **Accounting Rules** tab.

Figure 57: The Accounting Rules Tab
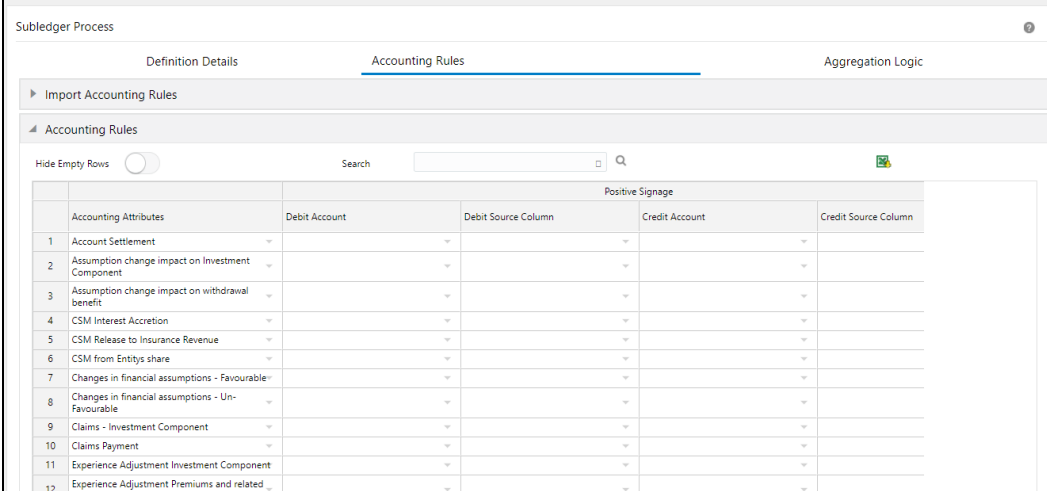
5. Populate the **Import Accounting Rules** pane in the **Accounting Rules** tab.

Table 6: The Import Accounting Rules Pane

Field	Description
Fields marked with asterisks (*) in the window are mandatory.	
Legal Entity	Click the **Hierarchy Selection** adjacent to this field. Select the required **Legal Entity** from the **Hierarchy Selection** window. See the section on Hierarchy Selection.
GAAP Code	Select a **GAAP Code** from the drop-down list.
Line of Business	Click **Hierarchy Selection** adjacent to this field. Select the required **Legal Entity** from the **Hierarchy Selection** window. See the section on Hierarchy Selection.
Calculation Method	Select a calculation method from the drop-down list. The available methods are: • General Measurement Model • Long Duration Contracts • Premium Allocation Approach • Variable Fee Approach
Run Type	Select either **Solo** or **Consolidated** from the drop-down list.
Version	When creating a definition, the version is set to 0. You cannot change this value.

6. In the **Accounting Rules** page, select the drop-down arrow to expand the table.

Figure 58: The Accounting Rules Tab with the Expanded Accounting Rules Pane

7. Populate the **Accounting Rules** pane.

Table 7: The Accounting Rules pane

Field	Description
Hide Empty Rows	Click **Enable** ⬭ if you want to hide empty rows. When enabled, the empty rows in the Accounting Rules table are hidden.
Accounting Attributes	Select an attribute from the drop-down list.
Debit Account	Select a debit account from the drop-down list.
Debit Source Account	Select a credit account from the drop-down list.
Credit Account	Select a debit account from the drop-down list.
Credit Source Account	Select a credit account from the drop-down list.
Modify Accounts for Opposite Signage	Select this checkbox if you want to modify accounts for opposite signage.
Journal Comments	Enter the required journal comments for the sub-ledger.
Workflow Comments	Enter the required workflow comments for the sub-ledger.

NOTE	The value in the **Debit** and **Credit Source** columns must always be mapped correctly to the value in the **Accounting Attributes** column. If the mapping between the accounting attribute and the columns are incorrect, then an error message appears when you attempt to save this pane.
	To avoid duplication of entries, the name of the accounting attribute must be unique.

The pane allows you to perform the following actions:

- Insert a new row before

- Insert a new row after

- Delete selected rows

- Copy

- Export the entries into an Excel spreadsheet that is automatically downloaded into your system.

8. Additionally, depending on the Calculation Method that you selected in the **Definition Details** tab, you can copy the data from the Accounting Rules Excel for the **GMM**, **VFA**, and **PAA** calculation methods:

   a. Open the Accounting Rules Excel for the **Calculation Method** that you selected in the **Definition Details** tab.

   b. Copy the required data under the following columns:

      ▪ **Accounting Attributes**

- ▪ **Debit Account**

- ▪ **Debit Source Account**

- ▪ **Credit Account**

- ▪ **Credit Source Account**

- ▪ **Modify Accounts for Opposite Signage**

- ▪ **Journal Comments**

- ▪ **Workflow Comments**

c. Paste this data into the **Copy Accounting Rules** pane.

> | **NOTE** | You must ensure the following:
> | --- | --- |
> | | • The data in the columns in the application must exactly match the data as per the columns in the **Accounting Rules** Excel. If the rules data was not added correctly, then the system will give you a validation error and you must add the rules data correctly in the corresponding columns in the application. |
> | | • Your system must contain the same GL entries as per the entries in the **Debit Account** column in the **Accounting Rules** Excel. If you copy and paste a GL entry that your system does not contain from the Excel into the **Debit Account** column in the application, then the system will not validate it. |

9. You can also create a new accounting attribute or introduce a new input or output variable via the atomic schema by using the following steps

To create a new accounting attribute:

a. Insert a new row into **FSI_SUB_LED_ACCOUNTING_ATT_CD**.

b. Insert a new row into **FSI_SUB_LED_ACCOUNTING_ATT_MLS**. Ensure that you do not change the fixed column value MLS_CD = **'US'**.

To add a new input/output variable into the Source column list within the accounting-rules screen:

a. Insert a new row into **FSI_SUB_LED_SRC_COL_CD**. Enter a unique sequence number that is greater than in 5001.

b. Insert a new row into **FSI_SUB_LED_SRC_COL_MLS**. Ensure that you do not change the value MLS_CD = **'US'**.

c. Insert a new row into **FSI_SUB_LED_ACC_ATTRS_SRC**.

- ▪ You must ensure that you do not change the following fixed column values:

- — MAP_ID = **3**

- — SUB_DOMAIN_ID = **2**

- — SOURCE_TBL_NM = **'FCT_IFRS17_COHORT_OUTPUT'** or **'FCT_IFRS17_RI_COHORT_OUTPUT'**

- — SOURCE_TBL_JOIN_QRY = **NULL**

- — SOURCE_LCY_COL_NM = **'V_ISO_CURRENCY_CD'**

- — OP_CONTRACT_TBL_NM = **'FCT_INS_GROUP_ACCT_EVENT_DTLS'**

- — OP_AGGR_TBL_NM = **'FCT_AGGR_INS_JOURNAL_ENTRIES'**

- — OP_AGGR_MANUAL_ADJ_TBL_NM = **'FSI_INS_AGGR_ADJ_ENTRIES'**

- — METHOD_ID = **1**

- ▪ In the **ACC_ATTR_ID** column, enter the ID that is present in **FSI_SUB_LED_ACCOUNTING_ATT_CD**.

- ▪ If you want the input/output variable to be Non-formula or Single column-based, then:

- **i.** In the **SOURCE_COL_NM** column enter the name of the **Input/variable** column from either the **FCT_IFRS17_COHORT_OUTPUT** table or **FCT_IFRS17_RI_COHORT_OUTPUT** table as mentioned in **SOURCE_TBL_NM** column.

- **ii.** In the **SRC_COL_ID** column, enter a unique sequence number that is within range of 1 to 5000.

- ▪ If you want the input/output variable to be formula-based, then:

- **i.** In the **SOURCE_COL_NM** column, enter a valid SQL formula containing one or more input or variable column from either **FCT_IFRS17_COHORT_OUTPUT** table or **FCT_IFRS17_RI_COHORT_OUTPUT** table.

- **ii.** In the **SRC_COL_ID** column, enter the ID that is used in the **FSI_SUB_LED_SRC_COL_CD** table.

10. If you want to view the information about the GL accounts and account attributes, in the upper-right corner of the table, click the [icon] icon to download the Excel file.

11. Click **Save**.

12. Click the **Aggregation Logic** tab.

   The **Aggregation Attributes** tab is displayed and contains the **Cohort**, **Coverage type**, **Inception year**, **Level of aggregation**, **Line of business**, **Location**, **Onerous classification**, and **Products attributes**.

   This tab allows you to aggregate the results and pass journal entries at a chosen consolidated level. Consolidated entries might give added insights into the impact of changes on the chosen grouping.

Figure 59: The Aggregation Logic Tab

13. Select the checkbox(s) adjacent to the required attributes.

14. Click **Save** and then click **Submit**.

The **Audit Trail** pane at the bottom of the definition window displays the **Created By**, **Creation Date**, **last modified by**, and **Last modification date** details. The U**ser** C**omments** field enables you to add additional information as a comment.

5.5.5 Edit a SubLedger Definition

The SubLedger feature enables you to edit subledger definitions by using the following steps:

1. In the **SubLedger Definition** table, select the checkbox adjacent to the subledger definition that you want to edit.

2. Click **Edit**, to open the **SubLedger Process** window.

3. Update the required fields. See the section on Create a New SubLedger Definition.

4. Click **Save**.

   The saved definition is displayed in the **SubLedger Definition** table on the **SubLedger Definition Summary** window.

The **Audit Trail** pane at the bottom of the definition window displays the **Created By**, **Creation Date**, **last modified by**, and **Last modification date** details. The U**ser** C**omments** field enables you to add additional information as a comment.

5.5.6 View a SubLedger Definition

The **SubLedger** feature enables you to view subledger definitions by using the following steps:

1. In the **SubLedger Definition** window, select the checkbox adjacent to the **SubLedger** definition that you want to view.

2. Click **View** , to open the **SubLedger Process** window.

3. Click **Cancel** to go back to the **SubLedger Definition** window.

5.5.7 Execute a SubLedger Definition

The SubLedger feature enables you to execute subledger definitions by using the following steps:

1. In the **SubLedger Definition** table, select the checkbox adjacent to the subledger definition that you want to run.

2. Click **Run**.

3. In the **Date Selection** window, click the **Calendar** icon and select a date.

4. In the **Version no** field, enter a version of the definition that you want to execute.

5. In the **Execution Description** field, enter a description.

6. In the **Date** field, use the **Calendar** icon to select the required date.

7. Click **Execute**.

    The selected **SubLedger** definition is marked for execution.

5.5.8   Finalize a SubLedger Run

Finalizing a subledger run enables you to conclude the journal entries of the associated base run and manual adjustment run. You can finalize base subledger approved runs. If you want to perform further manual adjustments, then you must perform these steps once again to reflect the same through the journal entries. Note that a Subledger Manual Adjustment definition can only be modified before the run is finalized.

To finalize a **SubLedger** run from the **SubLedger Definition Summary** window, perform the following steps:

1. In the **SubLedger Definition** table, select the subledger definition that you want to finalize.

    Figure 60: The Subledger Definition Pane

2. In the **Version Details** column, click **View** to open the **Version Details** pane.

    Figure 61: The Version Details Pane

3. In the **Number of Executions** column, select the value to open the **Finalize** pane.

APPLICATION WORKFLOW

SUBLEDGER

Figure 62: The Finalize Pane

4. In the **Finalize** column, select the **Execution ID** of the sub-ledger run that you want to finalize, and then click Finalize.

   A message appears, confirming that the version was successfully finalized.

5.5.9   Create a New Version of the SubLedger Definition

The **SubLedger** feature enables you to create a new version of an existing subledger definition by using the following steps:

1. In the **SubLedger Definition** table, select the checkbox adjacent to the subledger definition that you want to edit.

2. Click **New Version**, to open the **SubLedger Process** window.

> | **NOTE** | You can create new versions only for the Approved definitions. |

3. Update the required fields. See the section on Create New SubLedger Definition.

4. Click **Save**.

   The saved definition is displayed in the **SubLedger Definition** table of the **SubLedger Definition Summary** window.

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5.6   SubLedger Manual Adjustment

The **SubLedger Manual Adjustment** enables you to update the batch details of approved **SubLedger** definitions. Note that a Subledger Manual Adjustment definition can only be modified before the run is finalized.

5.6.1   Access SubLedger Manual Adjustment

You can access the **SubLedger Manual Adjustment** window by clicking the **SubLedger Manual Adjustment** element from the left-hand side menu. When you click this element, the **Manual Adjustment Summary** window is displayed:

Figure 63: The Manual Adjustment Summary Window
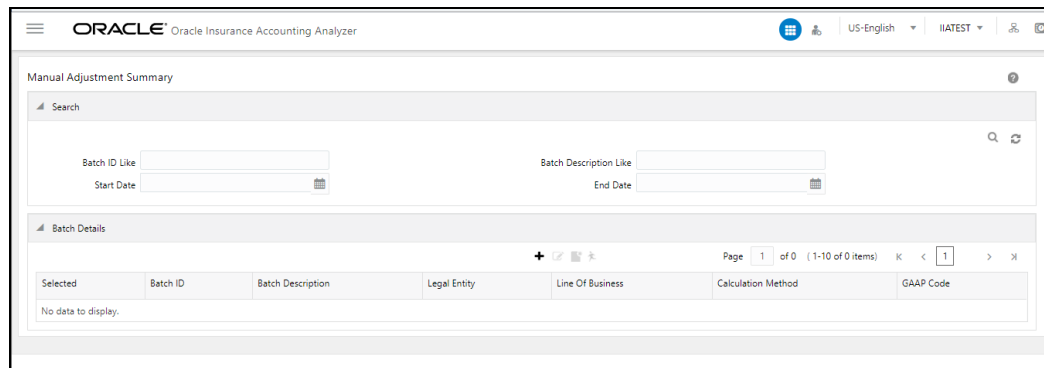
This window displays the existing **SubLedger Manual Adjustment** definitions in the **Batch Details** table. This window also enables you to define new **SubLedger Manual Adjustment Definition**, edit the existing definitions, view the details of the existing definition, and run the definitions.

5.6.2   Search for SubLedger Manual Adjustment Definitions

The **Search** feature enables you to filter the list of existing definitions and find the definitions that you require. To search for definitions, enter required keywords in the **Batch ID Like**, **Batch Description Like Start Date,** and/or **End Date** fields and click **Search**.

The list of subledger manual adjustment definitions in the **Batch Details** table is refreshed and the definitions that match your search criteria are displayed.

5.6.3   Create New SubLedger Manual Adjustment Definition

The **SubLedger Manual Adjustment** feature enables you to create new subledger manual adjustment definitions by using the following steps:

1. In the **SubLedger Manual Adjustment** table, click **Add**, to open the **SubLedger Manual Adjustment** window.

Figure 64: The SubLedger Manual Adjustment Window
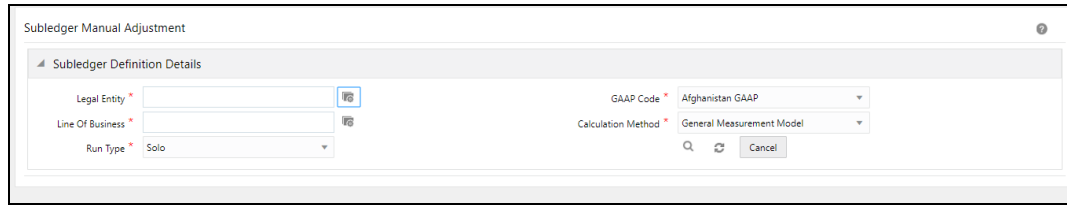
2. Populate the **SubLedger Definition Details** pane.

Table 8: The Subledger Definition Details pane

Field	Description
Fields marked with asterisks (*) in the window are mandatory.	
Hierarchy Folder	Select a folder from the drop-down list.
Legal Entity	Click **Hierarchy Selection** [icon] adjacent to this field. Select the required **Legal Entity** from the **Hierarchy Selection** window. See the section on Hierarchy Selection.
Line of Business	Click **Hierarchy Selection** [icon] adjacent to this field. Select the required **Legal Entity** from the **Hierarchy Selection** window. See the section on Hierarchy Selection.
GAAP Code	Click the drop-down list adjacent to this field and select a **GAAP Code**.
Calculation Method	Click the drop-down list adjacent to this field. The available methods are: • General Measurement Model • Long Duration Contracts • Premium Allocation Approach • Variable Fee Approach
Run Type	Click the drop-down list adjacent to this field and select the option either as **Solo** or **Consolidated**.

3. Click [icon] icon.

4. Click the drop-down list adjacent to the **Reporting Currency** field and select a currency.

5. Click the drop-down list adjacent to the **Status** field and select a status.

6. Click the calendar icon adjacent to the **FIC MIS** Date field and select a date from the calendar.

   All the executions performed on the selected date are displayed in the **Execution ID** dropdown.

7. Click the drop-down list adjacent to the **Execution ID** field and select an execution ID.

8. Click **Submit**.

9. Click **Save**.

5.6.4   Edit a SubLedger Manual Adjustment Definition

The **SubLedger Manual Adjustment** feature enables you to edit subledger manual adjustment definitions by using the following steps:

1. From the **Batch Details** table, select the checkbox adjacent to the **SubLedger Manual Adjustment** definition you want to edit.

2. Click **Edit**. To open the **SubLedger Manual Adjustment** window.

3. Update the required fields See the section on Create a New SubLedger Manual Adjustment Definition.

4. Click **Save**.

   The saved definition is displayed in the **Batch Details** table on the **Manual Adjustment Summary** window.

5.6.5   View a SubLedger Manual Adjustment Definition

The **SubLedger Manual Adjustment** feature enables you to view subledger manual adjustment definitions by using the following steps::

1. In the **Batch Details** window, select the checkbox adjacent to the subLedger manual adjustment definition that you want to view.

2. Click **View** to open the **SubLedger Manual Adjustment** window.

   This window displays the aggregation attributes and accounting rules details as well.

3. Click **Cancel** to go back to the **Batch Details** window.

5.6.6   Run SubLedger Manual Adjustment Definition

The **SubLedger Manual Adjustment feature** enables you to run subledger manual adjustment definitions by using the following steps:

1. In the **Batch Details** table, select the checkbox adjacent to the **SubLedger Manual Adjustment**.

2. Click **Run**.

3. In the **Execution** window, enter the start date in the **Start Date** field.

4. In the **Execution Description** field, enter a description.

5. Click **Execute**.

The selected subledger manual adjustment definition is marked for execution.

6   Oracle Financial Services Insurance Accounting Analyzer Dashboard Reports

Oracle Financial Services Insurance Accounting Analyzer application includes pre-packaged reports, which cater to disclosure requirements under IFRS 17. It also includes reports, which are created to help management in strategic decisions. All the disclosure reports can be exported to different formats like PDF, CSV, Excel, and so on. All the reports are segregated in the following three Dashboards:

- Dedicated Disclosure Reports
- Projection of Contractual Service Margin
- Analytical Reports and Trend Reports

6.1   Dedicated Disclosure Reports

The IFRS 17 guidelines lay specific emphasis on disclosure of key financial data while keeping the scope open on what constitutes an appropriate disclosure. The Application has a range of disclosure reports to track the Movement Analysis, Reconciliations, and Statement of Accounts.

6.2   Projection of Contractual Service Margin

The projection of Contractual Service Margin displays the projection as calculated based on the input variables and other parameters to extrapolate the output for the contract duration.

6.3   Analytical Reports and Trend Reports

The Analytical and Trend Reports help in identifying the Onerous or Non Onerous contracts for the different legal entities within an organization and other parameters that allow the Management in strategic decision making.

The Dashboards have a set of filters, which allow the users to access the specific information for the reports viewed and reported. The filters are Legal Entity, Reporting Date, Liability Calculation Run, and so on. In addition to the filters, users can view the reports in a specific reporting currency.

Figure 65: The Dashboard Filters

6.4   List of Oracle Financial Services Insurance Accounting Analyzer Reports

The following are the reports available as part of the Oracle Insurance Accounting Analyzer Release version 8.1.0.0.0.

6.4.1 Disclosure Reports

This section details the disclosure reports that are a part of the Oracle Financial Insurance Accounting Analyzer application.

6.4.1.1 GMM Liability Analysis

This section details the GMM Liability Analysis reports. It includes Movement Analysis, Reconciliation – Remaining Coverage, Insurance Revenue Details, and Statement of Profit or Loss.

6.4.1.1.1 Movement Analysis

Depending on the run that you execute (Normal or Transition), this report provides a detailed analysis of changes or movements in insurance liabilities, during the coverage period of contracts under the General Measurement Model.

Figure 66: The Movement Analysis Report from a Normal Run

Movement Analysis
Time run: 2/28/2020 11:00:45 AM

Reporting Line	Present Value of Future Cash Flows	Risk Adjustment	Contractual Service Margin	Insurance Contract Liability
Opening Balance	0.00	0.00	0.00	0.00
Change Related To Future Services:New Contracts	55,907,442.00	14,400,000.00	0.00	70,307,442.00
Change Related To Future Services	0.00	0.00	0.00	0.00
Cash Inflow	48,000,000.00	0.00	0.00	48,000,000.00
Insurance Finance Expense	5,195,370.00	0.00	0.00	5,195,370.00
Changes Related To Current Service	0.00	-2,880,000.00	0.00	-2,880,000.00
Cash Ouflow	-24,000,000.00	0.00	0.00	-24,000,000.00
Rounding Error	0.00	0.00	0.00	0.00
Closing Balance	85,102,812.00	11,520,000.00	0.00	96,622,812.00

Analyze - Edit - Refresh - Export

Figure 67: The Movement Analysis Report from a Transition Run

Movement Analysis
Time run: 6/18/2020 11:01:43 AM

	Present Value Of Future Cash Flows	Risk Adjustment	Contractual Service Margin	Insurance Contract Liability
Transitionary Balance	2,943	248	1,809	5,000
Future Service Value:New Contracts	0	0	0	0
Change Related To Future Services	1,294	11	-1,305	0
Change In Future Estimates of Prior Claims	0	0	0	0
Cash Inflow	50,000	0	0	50,000
Change in Future Service that Results in Losses or Reversal of Losses	0	0	0	0
Interest Accretion	4,987	0	185	5,172
Insurance finance Expense due to Changes in Interest Rate	-1,916	0	0	-1,916
Changes Related To Current Service	0	-48	-152	-200
Acquisition Cost Paid	0	0	0	0
Cash Outflow	-8,644	0	0	-8,644
Insurance Finance Expense (OCI)	0	0	0	0
Insurance Finance Expense Others	-13	0	0	-13
Closing Balance	48,652	211	537	49,399

Analyze - Edit - Refresh - Export

Figure 68: The Movement Analysis Report

Analyze - Edit - Refresh - Export   Analyze - Edit - Refresh - Export
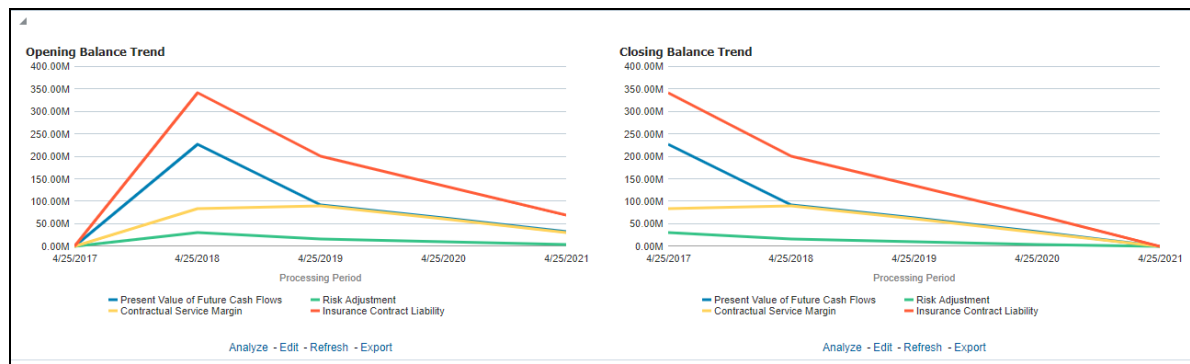
6.4.1.1.2   Reconciliation- Remaining Coverage

Depending on the run that you execute (Normal or Transition), this report helps in reconciling the data derived from the calculation of CSM or net liability under the General Measurement Model.

Figure 69: The Reconciliation – Remaining Coverage Report from a Normal Run

Reconciliation Report
Time run: 2/28/2020 11:00:45 AM

Reporting Line	Liability for Remaining Coverage	Liability for Incurred Claims	Loss Component Of The Liability For Remaining Coverage	Insurance Contract Liability
Opening Balance	0.00	0.00	0.00	0.00
Cash Inflow	48,000,000.00	0.00	0.00	48,000,000.00
Insurance Revenue	-4,905,822.82	0.00	0.00	-4,905,822.82
Insurance Acquisition Cashflow	0.00	0.00	0.00	0.00
Insurance Service Expenses:Loss On New Contract	0.00	0.00	70,307,442.00	70,307,442.00
Insurance Service Expenses:Loss On Ongoing Contract	0.00	0.00	0.00	0.00
Insurance Service Expenses:Incurred Expenses	0.00	18,000,000.00	-15,974,177.18	2,025,822.82
Insurance Service Expenses:Reversal Of Loss On Onerous Contract	0.00	0.00	0.00	0.00
Investment Component	-6,000,000.00	6,000,000.00	0.00	0.00
Insurance Finance Expense	2,107,878.89	0.00	3,087,491.11	5,195,370.00
Cash Ouflows	0.00	-24,000,000.00	0.00	-24,000,000.00
Closing Balance	39,202,056.08	0.00	57,420,755.92	96,622,812.00

Analyze - Edit - Refresh - Export

Figure 70: The Reconciliation – Remaining Coverage Report from a Transition Run

Reconciliation- Remaining coverage
Time run: 6/18/2020 11:01:44 AM

	Liability For Remaining Coverage	Loss Component Of The Liability For Remaining Coverage	Liability For Incurred Claims	Insurance Contract Liability
Transitionary Balance	5,000	0	0	5,000
Cash Inflow	50,000	0	0	50,000
Insurance Revenue	-2,419	0	0	-2,419
Insurance Acquisition Cashflow	0	0	0	0
Incurred Claims and Expenses	0	0	2,219	2,219
Risk Adjustment for Incurred Claims	0	0	0	0
Claim Settlement	0	0	0	0
Risk Adjustment Release	0	0	0	0
Interest Accretion	0	0	0	0
Change in Future Estimates for Prior Claims	0	0	0	0
Change in Risk Adjustment for Prior Claims	0	0	0	0
Insurance Service Expenses:Loss On New Contract	0	0	0	0
Insurance Service Expenses:Loss On Ongoing Contract	0	0	0	0
Insurance Service Expenses:Incurred Expenses	0	0	0	0
Insurance Service Expenses:Reversal Of Loss On Onerous Contract	0	0	0	0

6.4.1.1.3   Insurance Revenue Details

This report helps in reconciling the data derived from the calculation of CSM or net liability under the General Measurement Model.

Figure 71: The Insurance Revenue Details Report

Insurance Revenue Details
Time run: 2/28/2020 11:00:45 AM

Change Related to Current Service in PV Cash flow	0.00
Release Of Risk Adjustment	2,880,000.00
Release Of CSM	0.00
Incurred Claims	24,000,000.00
Premium attributable to recover Acquisition cost In report period	0.00
Total	26,880,000.00
Insurance Service Expense: Loss Component For The Liability For Remaining Coverage	15,974,177.18
Investment Component	6,000,000.00
Total	21,974,177.18
Net Revenue	4,905,822.82

Analyze - Edit - Refresh - Export

6.4.1.1.4 Statement of Profit or Loss

This report displays the profit and losses that are generated by insurance services and investments for a selected reporting period.

Figure 72: The Statement of Profit or Loss Report

Statement of Profit or Loss
Time run: 2/28/2020 11:00:45 AM

Insurance Revenue	4,905,822.82
Insurance Service Expenses	-2,025,822.82
Insurance Service Result	2,880,000.00
Investment Income	6,600,000.00
Insurance Finance Expenses	-5,195,370.00
Financial Result	1,404,630.00
Profit	4,284,630.00

Analyze - Edit - Refresh - Export

6.4.1.2 VFA Liability Analysis

This section details the VFA Liability Analysis reports. It includes Movement Analysis, Reconciliation – Remaining Coverage, and Statement of Profit or Loss.

6.4.1.2.1 Movement Analysis

Depending on the run that you execute (Normal or Transition), this report provides a detailed analysis of changes or movements in insurance liabilities, during the coverage period of contracts under Variable Fee Model.

Figure 73: The Movement Analysis Report from a Normal Run

Movement Analysis
Time run: 2/28/2020 11:06:20 AM

	Present Value Of Future Cash Flows	Risk Adjustment	Contractual Service Margin	Insurance Contract Liability
Opening Balance	0.00	0.00	0.00	0.00
Change Related To Future Services:New Contracts	-12,262,580.00	403,100.00	11,859,480.00	0.00
Change Related To Future Services	-9,730.00	0.00	9,730.00	0.00
Cash Inflow	64,496,000.00	0.00	0.00	64,496,000.00
Change In Fair Value Of Underlying Items	1,567,002.60	0.00	0.00	1,567,002.60
Changes Related To Current Service	0.00	-69,500.00	-3,808,583.06	-3,878,083.06
Cash Ouflow	-16,760,620.00	0.00	0.00	-16,760,620.00
Rounding Error	0.00	0.00	0.00	0.00
Closing Balance	37,030,072.60	333,600.00	8,060,626.94	45,424,299.54

Analyze - Edit - Refresh - Export

Figure 74: The Movement Analysis Report from a Transition Run

Movement Analysis
Time run: 6/19/2020 5:39:22 AM

	Present Value Of Future Cash Flows	Time Value Of Guarantee	Risk Adjustment	Contractual Service Margin	Insurance Contract Liability
Transitionary Balance	19,006	0	313	2,514	21,834
Change Related To Future Services:New Contracts	0	0	0	0	0
Change Related To Future Services	216	0	11	-227	0
Cash Inflow	23,000	0	0	0	23,000
Change in Future Service that Results in Losses or Reversal of Losses	0	0	0	0	0
Share Of FV Changes	0	0	0	258	258
Insurance Finance Expense	0	0	0	0	0
Acquisition Cost Paid	0	0	0	0	0
Changes Related To Current Service	-100	0	-95	-44	-240
Insurance Finance Expense Others	3,510	0	0	0	3,510
Cash Outflow	-3,075	0	0	0	-3,075
Closing Balance	42,557	0	229	2,502	45,287

Analyze - Edit - Refresh - Export

6.4.1.2.2   Reconciliation – Remaining Coverage

Depending on the run that you execute (Normal or Transition), this report helps in reconciling the data derived from the calculation of liability under VFA.

Figure 75: The Reconciliation – Remaining Coverage Report from a Normal Run

Reconciliation Report
Time run: 2/28/2020 11:06:20 AM

	Liability For Remaining Coverage	Liability For Incurred Claims	Loss Component Of The Liability For Remaining Coverage	Insurance Contract Liability
Opening Balance	0.00	0.00	0.00	0.00
Cash Inflow	64,496,000.00	0.00	0.00	64,496,000.00
Insurance Revenue	-17,858,703.06	0.00	0.00	-9,243,156.70
Insurance Acquisition Cashflow	0.00	0.00	0.00	0.00
Insurance Service Expenses:Loss On New Contract	0.00	0.00	0.00	0.00
Insurance Service Expenses:Loss On Ongoing Contract	0.00	0.00	0.00	0.00
Insurance Service Expenses:Incurred Expenses	0.00	13,980,620.00	0.00	13,980,620.00
Insurance Service Expenses:Reversal Of Loss On Onerous Contract	0.00	0.00	0.00	0.00
Investment Component	-2,780,000.00	2,780,000.00	0.00	0.00
Insurance Finance Expense	1,567,002.60	0.00	0.00	1,567,002.60
Cash Ouflows	0.00	-16,760,620.00	0.00	-16,760,620.00
Closing Balance	45,424,299.54	0.00	0.00	45,424,299.54

Analyze - Edit - Refresh - Export

Figure 76: The Reconciliation – Remaining Coverage Report from a Transition Run

Reconciliation- Remaining coverage
Time run: 6/19/2020 5:39:23 AM

	Liability For Remaining Coverage	Loss Component Of The Liability For Remaining Coverage	Liability For Incurred Claims	Insurance Contract Liability
Transitionary Balance	21,834	0	0	21,834
Cash Inflow	23,000	0	0	23,000
Insurance Revenue	-1,862	0	0	-1,862
Insurance Acquisition Cashflow	0	0	0	0
Incurred Claims and Expenses	0	0	0	0
Risk Adjustment for Incurred Claims	0	0	0	0
Claim Settlement	0	0	0	0
Risk Adjustment Release	0	0	0	0
Interest Accretion	0	0	0	0
Change in Future Estimates for Prior Claims	0	0	0	0
Change in Risk Adjustment for Prior Claims	0	0	0	0
Insurance Service Expenses:Loss On New Contract	0	0	0	0
Insurance Service Expenses:Loss On Ongoing Contract	0	0	0	0
Insurance Service Expenses:Incurred Expenses	0	0	0	0
Insurance Service Expenses:Reversal Of Loss On Onerous Contract	0	0	0	0
Investment Component	1,453	0	0	1,453

6.4.1.2.3 Statement of Profit or Loss

This report displays the profit and losses that are generated by insurance services and investments for a selected reporting period.

Figure 77: The Statement of Profit or Loss Report

Statement of Profit or Loss
Time run: 2/28/2020 11:06:20 AM

Insurance Revenue	9,243,157
Insurance Service Expenses	-13,980,620
Insurance Service Result	-4,737,463
Investment Income	1,567,003
Insurance Finance Expenses	-1,567,003
Financial Result	0
Profit	-4,737,463

Analyze - Edit - Refresh - Export

6.4.1.3 PAA Liability Analysis

This section details the PAA Liability Analysis reports. It includes Movement Analysis, Liability Analysis, Liability For Incurred Claims, and Statement of Profit or Loss.

6.4.1.3.1 Movement Analysis

Depending on the run that you execute (Normal or Transition), this report provides a detailed analysis of changes or movements in insurance liabilities and transitionary balance, during the coverage period of contracts under the Premium Allocation Approach.

Figure 78: The Movement Analysis Report from a Normal Run

Figure 79: The Movement Analysis Report from a Transition Run

6.4.1.3.2 Liability Analysis

Depending on the run that you execute (Normal or Transition), this report provides a detailed analysis of changes or movements in insurance liabilities and transitionary balance during the coverage period of the contract, under the Premium Allocation approach.

Figure 80: The Liability Analysis Report from a Normal Run

Figure 81: The Liability Analysis Report from a Transition Run

6.4.1.3.3   Liability For Incurred Claims

This report provides details on the liability for incurred claims under the Premium Allocation Approach.

Figure 82: The Liability For Incurred Claims Report

Liability For Incurred Claims
Time run: 2/23/2020 7:16:14 AM

	Liability For Incurred Claims
Opening Balance	0
Incurred Claims and Expenses	2,264
Risk Adjustment for Incurred Claims	0
Claim Settlement	0
Risk Adjustment Release	0
Interest Accretion	0
Change in future Estimates for Prior Claims	0
Change in Risk Adjustment for Prior Claims	0
Investment Component	0
Insurance Finance Expense	0
Cash Outflows	0
Closing Balance	2,264

Analyze - Edit - Refresh - Export

6.4.1.3.4   Statement of Profit or Loss

This report displays the revenue and expenses which are generated by insurance services and investment in the reporting period. This is taken forward to the Profit and Loss statement under the Premium Allocation approach.

Figure 83: The Statement of Profit or Loss Report

Statement of Profit or Loss
Time run: 2/23/2020 7:16:14 AM

Insurance Revenue	
Financial Result	0
Insurance Finance Expenses	0
Insurance Service Expenses	2,264
Insurance Service Result	
Investment Income	0
Profit/Loss	

Analyze - Edit - Refresh - Export

6.4.1.4   CSM Projection Trend

This section details the CSM Projection report.

6.4.1.4.1 CSM Projection

This report displays the reports CSM or Loss Projection for the future period in tabular as well as graphical format.

Figure 84: The CSM Projection Report
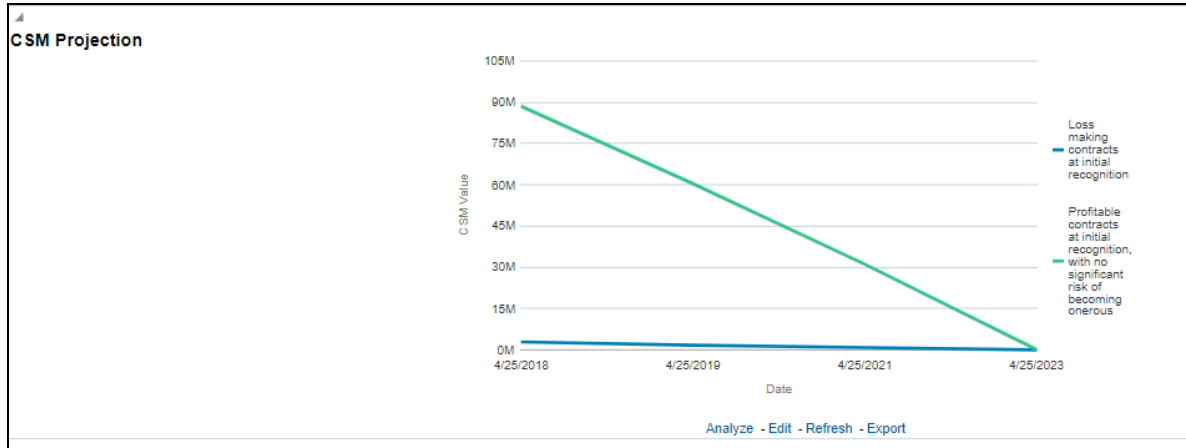
6.4.1.5 Reinsurance GMM Liability Analysis

This section details the Reinsurance GMM Liability Analysis reports. It includes Reinsurance Movement Analysis, Reinsurance Reconciliation Report, and Reinsurance Financial Statement reports.

6.4.1.5.1 Reinsurance Movement Analysis

This report gives a detailed analysis of the present value of future cash flows, risk adjustment, contractual service margin, and reinsurance net flow.

Figure 85: The Reinsurance Movement Analysis Report

Reinsurance Movement Analysis
Time run: 3/1/2020 5:20:42 PM

	Present Value Of Future Cash Flows	Risk Adjustment	Contractual Service Margin	Reinsurance Net Flow
Opening Balance	0	0	0	0
Change Related To Future Services:New Contracts	34,670	-6,216	-28,454	0
Change Related To Future Services	0	0	0	0
Cash Inflow	14,084	0	0	14,084
Interest Accretion	0		0	
Insurance finance expense due to changes in interest rate	-3,730	-186	-854	-4,770
Changes Related To Current Service	-14,084	-704	4,894	-9,894
Cash Ouflow	-159,000	704	0	-158,296
Closing Balance	-128,060	-6,403	-24,413	-158,876

Analyze - Edit - Refresh - Export

6.4.1.5.2 Reinsurance Reconciliation Report

This report gives a detailed analysis of the liability for remaining coverage, expected recoveries for incurred claims, and reinsurance contract held total for the reinsurance reconciliation reports.

Figure 86: The Reinsurance Reconciliation Report

Reinsurance Reconciliation Report
Time run: 3/1/2020 5:20:42 PM

	Liability For Remaining Coverage	Expected Recoveries for Incurred Claims	Reinsurance Contract Held Total
Opening Balance	0	0	0
Reinsurance Recovery	0	-14,788	-14,788
Reinsurance Premium Allocation	19,683	0	19,683
Insurance Service :Incurred Expenses	0	0	0
Insurance Finance Expense	-4,770	0	-4,770
Change in Risk of Reinsurer Performance	0	0	0
Cash Ouflows	-159,000	0	-159,000
Closing Balance	-144,087	-14,788	-158,876

Analyze - Edit - Refresh - Export

6.4.1.5.3 Reinsurance Financial Statement

This report gives a detailed analysis of the reinsurance financial statements.

Figure 87: The Reinsurance Financial Statement Report

Reinsurance Financial Statement
Time run: 3/1/2020 5:20:42 PM

Amounts Recovered From Reinsurers	14,788
Expected Claim	14,084
Risk Adjustment Recognized	704
CSM Allocation	4,894
Total Allocation Of Reinsurance Premium	19,683

Analyze - Edit - Refresh - Export

6.4.1.6 Reinsurance PAA Liability Analysis

This section details the Reinsurance PAA Liability Analysis reports. It includes Reinsurance Held Liability Analysis, Reinsurance Held Liability Analysis Incurred Claims, and Reinsurance Financial Statement reports.

6.4.1.6.1 Reinsurance Held Liability Analysis

This report gives a detailed analysis of the liability for remaining coverage.

Figure 88: The Reinsurance Held Liability Analysis Report

6.4.1.6.2   Reinsurance Held Liability Analysis Incurred Claims

This report gives a detailed analysis of the expected recoveries for incurred claims.

Figure 89: The Reinsurance Held Liability Analysis Incurred Claims Report

6.4.1.6.3   Reinsurance Financial Statement

This report gives a detailed analysis of the reinsurance financial statement.

Figure 90: The Reinsurance Financial Statement Report

6.4.1.7 Comparison

This section details the Comparison reports. It includes Movement Analysis, Reinsurance Movement Analysis, Reconciliation Report, and Statement of New Profit or Loss.

6.4.1.7.1 Movement Analysis

This report compares the movement analysis of the corresponding direct insurance estimates for a selected method.

Figure 91: The Movement Analysis Report

6.4.1.7.2 Reinsurance Movement Analysis

This report compares the liability analysis of the reinsurance held liability analysis with the corresponding direct insurance estimates for a selected method.

Figure 92: The Reinsurance Movement Analysis Report

Reinsurance Movement Analysis
Time run: 3/1/2020 5:29:45 PM

	Present Value Of Future Cash Flows	Risk Adjustment	Contractual Service Margin	Reinsurance Net Flow
Opening Balance	0	0	0	0
Change Related To Future Services:New Contracts	34,670	-6,216	-28,454	0
Change Related To Future Services	0	0	0	0
Cash Inflow	14,084	0	0	14,084
Interest Accretion	-3,730	-186	-854	-4,770
Insurance finance expense due to changes in interest rate	0	0	0	0
Changes Related To Current Service	-14,084	-704	4,894	-9,894
Cash Ouflow	-159,000	704	0	-158,296
Closing Balance	-128,060	-6,403	-24,413	-158,876

Analyze - Edit - Refresh - Export

6.4.1.7.3 Reconciliation Report

This report compares the reconciliation of movement analysis of the direct insurance liability analysis with the corresponding reinsurance held estimates for a selected method.

Figure 93: The Reconciliation Report

Reconciliation Report
Time run: 3/1/2020 5:29:45 PM

	Liability For Remaining Coverage	Liability For Incurred Claims	Loss Component Of The Liability For Remaining Coverage	Insurance Contract Liability
Opening Balance	0	0	0	0
Cash Inflow	530,000	0	0	530,000
Insurance Revenue	-63,755	0	0	-63,755
Insurance Acquisition Cashflow	0	0	0	0
Insurance Service Expenses:Loss On New Contract	0	0	0	0
Insurance Service Expenses:Loss On Ongoing Contract	0	0	0	0
Insurance Service Expenses:Incurred Expenses	883	52,815	0	53,698
Insurance Service Expenses:Reversal Of Loss On Onerous Contract	0	0	0	0
Investment Component	0	0	0	0
Insurance Finance Expense	15,741	0	0	15,741
Cash Ouflows	-5,300	0	0	-5,300
Closing Balance	477,570	52,815	0	530,385

Analyze - Edit - Refresh - Export

6.4.1.7.4 Statement of Net Profit and Loss

This report compares the statement of net profit and loss of the direct insurance liability analysis with the corresponding reinsurance held estimates for a selected method.

Figure 94: Statement of Net Profit and Loss Report

Statement Of Net Profit And Loss
Time run: 3/1/2020 5:29:45 PM

Insurance service revenue	63,755
Amounts recovered from reinsurers	14,788
Expected claim	-14,084
Risk adjustment recognized	-704
CSM allocation	-4,894
Net expense from reinsurance contracts	-4,894
Insurance service expense	-53,698
Insurance service result	5,162
Investment Income	0
Insurance Finance Expense	-15,741
Insurance Finance Expense From Reinsurance Held	4,770
Net Financial Result	-5,809

Analyze - Edit - Refresh - Export

6.4.1.8   CSM Projection Trends

This report displays a detailed analysis of the CSM projection trend.

Figure 95: The CSM Projection Trends Report

CSM Projection Trend

"Contract Type"	"Fic MIS Date"	CSM/Loss
Loss making contracts at initial recognition	07/01/2020	(10,961,346.043)
	12/31/2020	35,363,267.509
	12/31/2021	14,012,637.722
	12/31/2022	(2,683,054.826)

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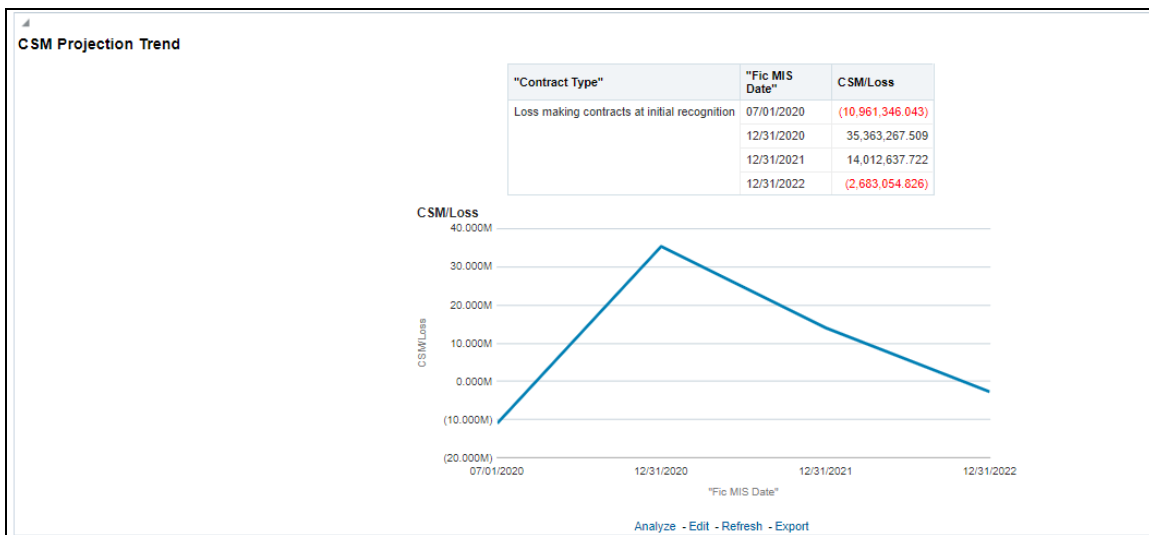
6.4.2   Management Reports

This section details the Summary of Contract Groups report.

6.4.2.1   Summary of Contract Groups

This report provides a detailed analysis of the LOB, legal entity, number of contracts, and loss-making contracts at initial recognition for a contract group.

Figure 96: The Summary of Contract Groups Report

6.4.3   Sub Ledger Reports

This section details the Sub Ledger reports. It includes Ledger Closing Balances and Journals – Event View reports.

6.4.3.1   Ledger Closing Balances

This report displays the Debit Value and Credit Value for the GL Accounts like Cash, Deferred Acquisition Cost, Insurance Contract Liabilities (BEL, CSM, and RA), and so on.

Figure 97: The Ledger Closing Balances Report

Figure 98: The Ledger Closing Balances

6.4.3.2   Journals - Event View

This section details the Journals – Event View report.

Figure 99: The Journals - Event View Report

Sr. No.	Event Name	Debit Account	Credit Account	Debit Value	Credit Value
1	DAC commission amortization	Change in DAC - Commissions Amortized		0	
1		DAC - Deferred Acquisition Costs - Commissions		23	
1			Change in DAC - Commissions Amortized		23
1			DAC - Deferred Acquisition Costs - Commissions		0
2	DAC commission capitalization	DAC - Deferred Acquisition Costs - Commissions		1,321	
2			Change in DAC - Commissions Capitalized		1,321
6	DAC expense amortization	Change in DAC - Expenses Amortized		0	
6		DAC - Deferred Acquisition Costs - Expenses		2	
6			Change in DAC - Expenses Amortized		2
6			DAC - Deferred Acquisition Costs - Expenses		0
7	DAC expense capitalization	DAC - Deferred Acquisition Costs - Expenses		99	
7			Change in DAC - Expenses Capitalized		99
11	PVEFPB benefit payments	Change in PVEFPB LA - Benefit Payments		115,000	
11			Change in PVEFPB LA - Out of Balance		115,000
14	PVEFPB effect of change from expected experience - mortality	Change in expected experience LA - PVEFPB - BOY		96,135	
14			Change in PVEFPB LA - Out of Balance		96,135

Figure 100: The Journals Even View Report

22	PVEFPB effect of changes in cash flow assumptions - mortality assumptions - mortality	Change in Cash Flow Assumptions LA - PVEFPB - BOY		56,367	
22			Change in PVEFPB LA - Out of Balance		56,367
26	PVEFPB effect of changes in cash flow assumptions - persitency assumptions - lapse/surrender	Change in Cash Flow Assumptions LA - PVEFPB - BOY		0	
26		Change in PVEFPB LA - Out of Balance		634,117	
26			Change in Cash Flow Assumptions LA - PVEFPB - BOY		634,117
26			Change in PVEFPB LA - Out of Balance		0
28	PVEFPB effect of changes in discount rate assumptions	Change in Unrealized - PVEFPB LA Discount Rate Assumptions		31,906	
28			Reserve for LA Contracts - Basic Reserves - PVEFPB - Changes in Discount Rate Assumptions		31,906
29	PVEFPB interest accrual	Change in PVEFPB LA - Interest Accrual		10,831	

Rows 1 - 25
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6.5 List of Long Duration Contracts Reports

This section details the list of Long Duration Contracts Reports.

6.5.1 Disclosure Reports

This section details the Disclosure reports for the Long Duration Contracts.

6.5.1.1 Roll Forward – Premium and Benefits

This report provides a detailed analysis of the present value of the expected net premiums, expected future policy benefits, and the net liability for future policy benefits during the coverage period for long-duration contracts.

Figure 101: The Disclosure of Information about the Liability for Future Policy Benefits LFPB RF Report

Disclosure of Information about the Liability for Future Policy Benefits
LFPB RF

Reporting Line	Present Value of Expected Net Premiums	Present Value of Expected Future Policy Benefits	Net Liability for Future Policy Benefits
		3/31/2019	
Opening Balance At Current Discount Rate	1,086,272.487	2,158,585.308	1,072,312.821
Opening Balance At Original Discount Rate	1,030,228.724	2,051,884.523	1,021,655.799
▶ Effect of changes in cash flow assumptions	-577,749.662	-577,750.600	-0.938
▶ Effect of changes from model updates	0.000	0.000	0.000
◢ Effect of actual variances from expected experience	96,134.789	96,135.353	0.564
Mortality	96,134.789	96,135.353	0.564
Morbidity	0.000	0.000	0.000
Adjusted beginning of year balance At Original Discount Rate	548,613.852	1,570,269.276	1,021,655.424
Opening Balance For New Business	0.000	0.000	0.000
Interest Accretion	10,830.704	10,830.704	0.000
Benefit Payouts	0.000	-115,000.000	-115,000.000
Net premium Received	-25,306.891	0.000	25,306.891
Unattributed Change	-4,945.105	5,885.590	10,830.695
Closing balance at original discount rate	529,192.560	1,471,985.569	942,793.009
Effect Of Changes In Discount Rate Assumptions	13,174.998	31,905.861	18,730.863

Figure 102: The Disclosure of Information about the Liability for Future Policy Benefits LFPB RF Report
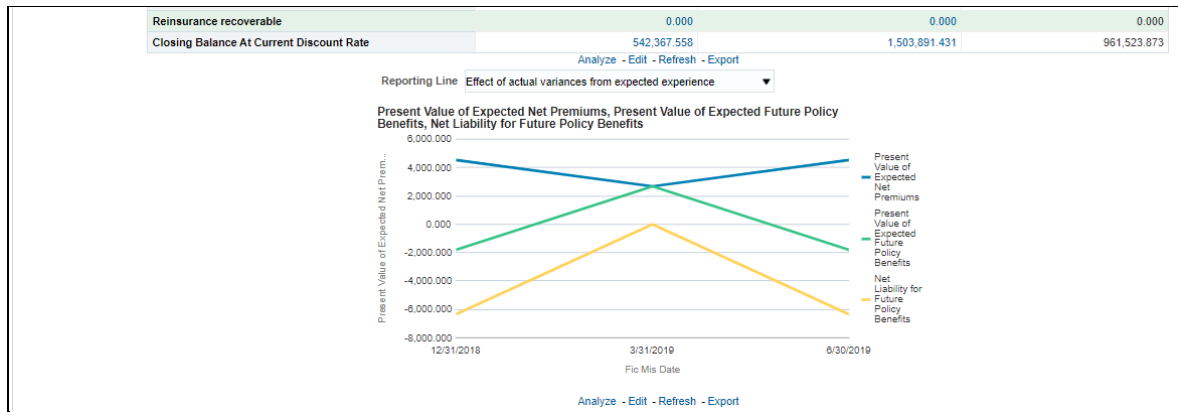
6.5.1.2 Roll Forward – Commission and Expenses

This section details the Balance of and Changes in Deferred Acquisition Costs DAC RF report.

6.5.1.2.1 Balance of and Changes in Deferred Acquisition Costs DAC RF

This report provides a detailed analysis of the deferred acquisition cost of commissions and expenses during the coverage period for long-duration contracts.

Figure 103: The Balance of and Changes in Deferred Acquisition Costs DAC RF Report

Balance of and Changes in Deferred Acquisition Costs
DAC RF

Reporting Line	3/31/2019	
	Deferred Acquisition Cost - Commissions	Deferred Acquisition Cost - Expenses
Opening Balance	1,297.219	97.019
Opening Balance For New Business	0.000	0.000
Capitalized Costs	1,320.634	98.770
Amortization Of Acquisition Cost	-23.415	-1.751
◢ Experience Adjustment	0.000	0.000
Mortality	0.000	0.000
Lapse / surrender	0.000	0.000
Unattributed Change	0.000	0.000
Closing Balance	2,594.438	194.038

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6.5.1.3 Ledger Balances

This section details the Present Value of Expected Net Premium report.

6.5.1.3.1 Present Value of Expected Net Premium

This report provides a detailed analysis of the debit and credit values of the GL account for a specific event during the coverage period for long-duration contracts.

Figure 104: The Present Value of Expected Net Premium Report

Present Value of Expected Net Premium

Event Name	Gl Account Name	Debit Value	Credit Value
PVENP derecognition (lapses)	Change in PVENP LA - Derecognition (Lapses)		0
	Change in PVENP LA - Out of Balance	0	
PVENP effect of change from expected experience - morbidity	Change in PVENP LA - Out of Balance		0
	Change in expected experience LA - PVENP - BOY	0	
PVENP effect of change from expected experience - mortality	Change in PVENP LA - Out of Balance		96,135
	Change in expected experience LA - PVENP - BOY	96,135	
PVENP effect of change in model updates - accounting policy/regulatory changes	Change in Model Updates LA - PVENP - BOY	0	
	Change in PVENP LA - Out of Balance		0
PVENP effect of change in model updates - corrections	Change in Model Updates LA - PVENP - BOY	0	
	Change in PVENP LA - Out of Balance		0
PVENP effect of change in model updates - other known adjustments	Change in Model Updates LA - PVENP - BOY	0	
	Change in PVENP LA - Out of Balance		0
PVENP effect of change in model updates - refinements	Change in Model Updates LA - PVENP - BOY	0	
	Change in PVENP LA - Out of Balance		0
PVENP effect of change in model updates - system conversions	Change in Model Updates LA - PVENP - BOY	0	
	Change in PVENP LA - Out of Balance		0
PVENP effect of changes in cash flow assumptions - health assumptions - morbidity	Change in Cash Flow Assumptions LA - PVENP - BOY	0	
	Change in PVENP LA - Out of Balance		0

Figure 105: The Present Value of Expected Net Premium Report

	Change in PVENP LA - Out of Balance		0
PVENP effect of changes in cash flow assumptions - health assumptions - premium rate increases	Change in Cash Flow Assumptions LA - PVENP - BOY	0	
	Change in PVENP LA - Out of Balance		0
PVENP effect of changes in cash flow assumptions - mortality assumptions - mortality	Change in Cash Flow Assumptions LA - PVENP - BOY	56,367	
	Change in PVENP LA - Out of Balance		56,367
PVENP effect of changes in cash flow assumptions - mortality assumptions - mortality improvement	Change in Cash Flow Assumptions LA - PVENP - BOY	0	
	Change in PVENP LA - Out of Balance		0
PVENP effect of changes in cash flow assumptions - other assumptions - expenses	Change in Cash Flow Assumptions LA - PVENP - BOY	0	

Rows 1 - 25
Analyze - Edit - Refresh - Export

6.5.1.3.2 Ledger Closing Balances

This report provides a detailed analysis of the debit and credit values of the GL account during the coverage period for long-duration contracts.

Figure 106: The Ledger Closing Balances Report

GI Account Name	Debit Value	Credit Value
Change in Cash Flow Assumptions LA - PVEFPB - BOY		577,751
Change in Cash Flow Assumptions LA - PVENP - BOY		577,750
Change in DAC - Commissions Amortized		23
Change in DAC - Commissions Capitalized		1,321
Change in DAC - Commissions Experience Adjustment - Lapse Surrender		0
Change in DAC - Commissions Experience Adjustment - Mortality		0
Change in DAC - Commissions Experience Adjustment - Unattributed Change		0
Change in DAC - Expenses Amortized		2
Change in DAC - Expenses Capitalized		99
Change in DAC - Expenses Experience Adjustment - Lapse Surrender		0
Change in DAC - Expenses Experience Adjustment - Mortality		0
Change in DAC - Expenses Experience Adjustment - Unattributed Change		0
Change in Model Updates LA - PVEFPB - BOY		0
Change in Model Updates LA - PVENP - BOY		0
Change in PVEFPB LA - Benefit Payments	115,000	
Change in PVEFPB LA - Derecognition Lapses		0
Change in PVEFPB LA - Interest Accrual	10,831	

Figure 107: The Ledger Closing Balances Report

Change in PVENP LA - Issuances		0
Change in PVENP LA - Net Premiums Collected	25,307	
Change in PVENP LA - Out of Balance	969,725	

Rows 1 - 25
Analyze - Edit - Refresh - Export

6.5.1.4   Ledger Balances by Event

This section details the Present Value of Expected Net Premium report.

6.5.1.4.1   Present Value of Expected Net Premium

This report provides a detailed analysis of the various value of the net premiums of the GL accounts for a specific event during the coverage period for long-duration contracts.

Figure 108: The Present Value of Expected Net Premium Report

Present Value of Expected Net Premium

Event Name	200400 - Reserve for LA Contracts - Basic Reserves - PVENP - Original Discount Rate	200420 - Reserve for LA Contracts - Basic Reserves - PVENP - Changes in Discount Rate Assumptions	326070 - Change in Unrealized - PVENP LA Discount Rate Assumptions	650900 - Change in Cash Flow Assumptions LA - PVENP - BOY	650905 - Change in Model Updates LA - PVENP - BOY	650910 - Change in expected experience LA - PVENP - BOY	650920 - Change in PVENP LA - Issuances	650925 - Change in PVENP LA - Interest Accrual	650930 - Change in PVENP LA - Net Premiums Collected	650935 - Change in PVENP LA - Derecognition (Lapses)	650940 - Change in PVENP LA - Unattributed Change	650944 - Change in PVENP LA - Out of Balance
	GI Amount	GI Amount	GI Amount	GI Amount	GI Amount	GI Amount	GI Amount	GI Amount	GI Amount	GI Amount	GI Amount	GI Amount
PVENP derecognition (lapses)												0
										0		
PVENP effect of change from expected experience - morbidity						0						
												0
PVENP effect of change from expected experience - mortality						96,135						
												-96,135
PVENP effect of change in model updates - accounting policy/regulatory changes					0							
												0
PVENP effect of change in model updates - corrections					0							
												0
PVENP effect of change in model updates - other known adjustments					0							
												0

Figure 109: The Present Value of Expected Net Premium Report

PVENP effect of change in model updates - refinements				0			
							0
PVENP effect of change in model updates - system conversions				0			
							0
PVENP effect of changes in cash flow assumptions - health assumptions - morbidity			0				
							0
PVENP effect of changes in cash flow assumptions - health assumptions - premium rate increases			0				
							0
PVENP effect of changes in cash flow assumptions - mortality assumptions - mortality			56,367				
							-56,367
PVENP effect of changes in cash flow assumptions - mortality assumptions - mortality improvement			0				
							0
PVENP effect of changes in cash flow assumptions - other assumptions - expenses			0				
							0
PVENP effect of changes in cash flow assumptions - other assumptions - inflation			0				
							0

Figure 110: The Present Value of Expected Net Premium Report

PVENP effect of changes in discount rate assumptions		10	13,185									
		-13,185	-10									
PVENP interest accrual								10,831				
												-10,831
PVENP issuances							0					
												0
PVENP net premiums collected									25,402			95
									-95			-25,402
PVENP reserve at original discount rate	1,943											531,135
	-531,135											-1,943
PVENP unattributed change											4,945	
												-4,945
Grand Total	-529,193	-13,175	13,175	-577,750	0	96,135	0	10,831	25,307	0	4,945	969,725

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6.5.1.5 Adjustments and Allocations

This section details the Cohort Adjustment report.

6.5.1.5.1 Cohort Adjustment

This report provides a detailed analysis of the cohort adjustment for a LOB during the coverage period for long-duration contracts.

Figure 111: The Cohort Adjustment Report

Cohort Adjustment			
	Line of Business	**Product**	**EFPB Mortaility Adjustment**
	Life Insurance	Term Life	12,500
		Wholelife Insurance	25,000
		Analyze - Edit - Refresh - Export	

7   Annexure – Technical Details

This section contains information on the technical details to be noted in the Oracle Insurance Accounting Analyzer Application.

7.1   Discounting Engine Interest Rates Decimal Values

When computing interest rates in the discounting engine, the Excel used for computing the interest rates contains a precision of 15 places after the decimal. However, the application stores the value with a precision of 6 places after the decimal.

For example;

The value of the interest rate in your excel is *0.233294437146026*, however, the application will store this value as *0.233294*.

7.2   Discounting Engine Cash Flows Decimal Values

When computing cash flows in the discounting engine, the Excel used for computing the cash flows contains a precision of 15 places after the decimal. However, the application computes the values with a precision of 31 paces after the decimal.

For example;

For a cash flow amount of 591032.98, if the discounting is done for 6 months considering rate for every term as *0.233294*, the discounted value calculated by the application will be *582827.0470511801010228550497950952* whereas the value calculated in excel will be *582827.0457552210000*.

Hence for a sufficiently large value of Cash Flow amount, there might be a difference in excel calculated value and value calculated by application

.

8   Appendix

After you perform any action in the discounting engine or in the liability calculations, all the logging details are stored in the FSI_IIA_DEBUG_MESSAGE_LOG table in the atomic schema and you can view the logging details. Below are the logging details for this process:

- Log File Name : DISCOUNTING_[INFODOM NAME]_INPUT_VARIABLE_CALC_[LC OBJECT_ID]_[EXECUTION_DATE]_1_Task1

- Log File Path : /scratch/ofsaifrs/OFSAHOME/ftpshare/logs

  (This path is configured by using the OFSAALogger.xml file that is present in the $FIC_DB_HOME/conf directory)

You can also view or download the Log File by navigating to **Common Object Maintenance**, then **Operations**, and then **Batch Monitor**.

9   References

This section covers the following topics:

- Hierarchy Selection
- Setting Up the Setup Master Table

9.1   Hierarchy Selection

When you have selected the **Filter Type** as **Hierarchy**, define the **Filter** conditions by doing the following in the **Hierarchy Selection** window:

1. From the drop-down list, select the required **Dimension**.

2. From the drop-down list, select the associated **Hierarchy**. In the **Hierarchy More** window. You can click **More** to search for a specific **Hierarchy**.

3. Select any combination of rollup points and leaf (last descendant child) values.

4. In the **New** - **Filter Details** window you can perform the following:

    Table 9: The Icons in the New-Filter Details Window

Field	Description
	Click this button to search for a hierarchy member using **Dimension Member Alphanumeric Code**, **Dimension Member Numeric Code**, **Dimension Member Name**, or **Attribute** and by keying in Matching **Values** in the **Search** dialog.
	Use these icons to expand or collapse the members under a node.
	Use these icons to expand a branch or collapse a branch.
	Use these icons to focus or unfocus a selected node except the root node.
	Use these icons to toggle the display of **Numeric Code** or **Alphanumeric** code at the left of the nodes, right of the nodes, or to hide.

5. Use the following buttons to select or deselect the members:

Table 10: The Buttons in the New-Filter Details Window

Field	Description
>	Move the selected members to the **Selected Members** pane.
»	Move all the members to the **Selected Members** pane.
<	Deselect a member selected in the **Selected Members** pane.
«	Deselect all the selected members.

6. Click **OK** to save the member selection.

9.2 Setting Up the Setup Master Table

The following table provides information on setting up the setup master table.

Table 11: The Setup Master Table

Item	Description	Description
Table Name	SETUP_MASTER	This table allows the user to set certain one-time preferences. These preferences guide the application while performing various functionalities.
Component Codes	DEFAULT_GAAP	Enter the default GAAP code to be used to filter the accounts for processing. Accepted Values: Any GAAP Code from DIM_GAAP
	LLFP_ACCOUNTS_TO_PROC	The value in this column indicates the number of accounts to be processing in a batch. Accepted Values: Any number starting from 1, depends on the hardware size. Default Seeded Value: 200000

Item	Description	Description
	LLFP_SLICE_COUNT	The value in this column indicates the number of slices instrument data should be chunked. Default Value: -1 Accepted Values: Any number starting from 1, depends on the hardware size.
	DEFAULT_FX_RATE_SRC	Default FX Rate Source Example of Accepted Values: BLOOMBERG
	LLFP_PARALLEL_DOP	The value in this column indicates the Degree of Parallelism for the execution of DT. Accepted Values: Any numeric value based on the hardware size.
	MIN_ECL_COHORT_SIZE	The minimum number of accounts which will form part of the ECL cohort. Example of Accepted Values: 50
	LLFP_PREFERRED_RATING_ST_LT_IND	The value in this column indicates the LLFP Default Rating Type Indicator (S/L). Accepted Values: S or L
	DT_LOG_LEVEL	The value in this column indicates the log level as Debug or Error. Accepted Values: 0 for Debug or 1 for Errors

10   Band Maintenance

This section covers the following topics:

- Access Band Maintenance

- Search for Band Definitions

- Create a New Band Definition

- Edit Band Definition

- View Band Definition

10.1   Access Band Maintenance

You can access the **Band Maintenance** window by clicking the **Band Maintenance** element under the **Common Object Maintenance** menu from the left-hand side menu. When you click this element, the **Band Maintenance** window is displayed:

Figure 112: The Band Maintenance Window

This window displays the existing **Band Type** definitions with the details such as **Band Type**, **Created By**, **Creation Date**, **Last Modified By**, and **Last Modification Date Calculation** definitions in the **Band Maintenance** pane. This window also enables you to define new **Band Definition**, edit the existing definitions, and view the details of the existing definitions.

10.2   Search for Band Definitions

The **Search** feature enables you to filter the list of existing definitions and find the definitions that you require. To search for definitions, enter the keyword in the Band Type field and click Search.

The list of **Band Type** definitions in the **Band Maintenance** table is refreshed and the definitions that match your search criteria are displayed.

10.3   Create a New Band Definition

The **Band Type** window enables you to create new definitions. To create a new **Band** definition, perform the following steps:

1. From the **Band Type** table, click **Add**, to open the **Band Dimension Definition** window.

Figure 113: The Band Dimension Definition Window
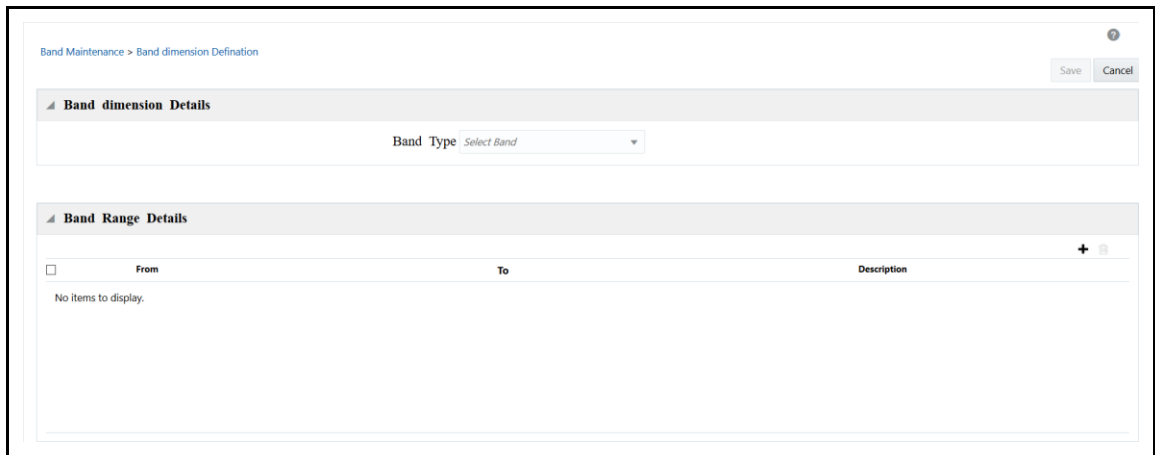
2. Click the drop-down list adjacent to the **Band Type** field and select a **Band Type** from the available list.

3. Enter the **Band Range** by clicking **Add** ✚ in **Band Range Details** table.

4. Enter the **From** and **To** values for all the band ranges. You can optionally enter descriptions for all the ranges.

   You can also select the checkbox adjacent to a **Band Range** and click **Delete** to remove an existing **Band Range**.

5. Click **Save** to save the definition.

   The saved definition is displayed in the **Band Maintenance** table of the **Band Maintenance** window.

The **Audit Trail** pane at the bottom of the definition window displays the **Created By**, **Creation Date**, **last modified by**, and **Last modification date** details. The U**ser** C**omments** field enables you to add additional information as a comment.

10.4 Edit Band Definition

You can edit the Band definitions from the **Band Maintenance** window. To edit an existing Band definition, perform the following steps:

1. Select the check-box adjacent to the **Band** definition you want to edit, from the **Band Maintenance** table.

2. Click **Edit** to open the **Band Maintenance** window.

3. Update the required fields. See the section on Create a New Band Definition.

4. Click **Save**.

   The saved definition is displayed in the **Band Maintenance** table of the **Band Maintenance** window.

The **Audit Trail** pane at the bottom of the definition window displays the **Created By**, **Creation Date**, **last modified by**, and **Last modification date** details. The U**ser** C**omments** field enables you to add additional information as a comment.

10.5   View Band Definition

You can view the Band definition details from the **Band Maintenance** window. To view an existing Band definition, perform the following steps:

1. Select the checkbox adjacent to the Band definition you want to view, from the **Band Maintenance** table.

2. Click **View**.

    The **Band** - **View** window is displayed with the definition details.

> **NOTE**   You cannot edit any of the fields in **View** mode.

11   Dimension Management

Dimension Management within the Infrastructure system facilitates you to categorize data into a single object as a Member; define levels and aggregate data to form the Hierarchy, and distinguish each member by defining the required Attributes. For detailed information on dimension management, see the section on **Dimension Management** in the Oracle Financial Services Analytical Applications Infrastructure User Guide. This section covers the following topics:

- Access Dimension Management

- Adding a Member Definition

- Map the Financial Element or Transaction Type to the Cash Flow Type

11.1   Access Dimension Management

You can access the **Dimension Management** window by selecting it under the **Common Object Maintenance** menu from the left pane of the application.

11.2   Adding a Member Definition

You can add a member to a dimension by providing it with either a numeric or an alphanumeric code. If you are providing an alphanumeric code, then see the **Adding Member Definition** section in the Oracle Financial Services Analytical Applications Infrastructure User Guide.

11.3   Map the Financial Element or Transaction Type to the Cash Flow Type

Mapping the **Financial Element** or the **Transaction Type** to the **Cash Flow Type** is a pre-requisite task before you can execute the **Data Loader** batch to move assumed cash flows and actual transaction data of policies or cohorts to the processing tables.

You can either use the pre-configured dimension member of the **Cash Flow** type or create your own. For detailed information on dimension management, see the section on **Dimension Management** in the Oracle Financial Services Analytical Applications Infrastructure User Guide.

11.3.1   Map the Financial Element to the Cash Flow Type

The **Dimension member Financial Element** is used for the assumed cash flows, at the policy and cohort levels. To map the financial element to the cash flow type:

1. Navigate to **Common Object Maintenance**, select **Dimension Management**, and then select **Member**.

2. Click **Add**.

3. In the **Dimension** drop-down, select **Financial Element**.

4. Enter values in the **Alphanumeric Code**, **Numeric Code**, and **Name** fields. Additionally, you can also select the **Generate Code** icon to automatically generate a unique numeric code.

5.   In the **Member Attributes** field, in the **Cash** flow type drop-down, select the required member attribute.

6.   Click **Save**.

11.3.2   Map the Transaction Type to the Cash Flow Type

The Dimension member Transaction Type is used for the actual cash flows, at the policy and cohort levels. To map the transaction type to the cash flow type:

1.   Navigate to **Common Object Maintenance**, select **Dimension Management**, and then select **Member**.

2.   Click **Add**.

3.   In the **Dimension** drop-down, select **Transaction** Type.

4.   Enter values in the **Alphanumeric Code**, **Numeric Code**, and **Name** fields. Additionally, you can also select the **Generate Code** icon to automatically generate a unique numeric code. See the Oracle Financial Services Analytical Applications Infrastructure User Guide.

5.   In the **Member Attributes** field, in the **Cash Flow Type** drop-down, select the required member attribute.

6.   Click **Save**.

12   Batch Execution

Batch Execution refers to the process of initiating a Batch for current processing. When a Batch is submitted for execution, a series of commands are sent to the database concerning the defined component parameters. This, in turn, returns an array of update counts (required value definitions) when the commands are executed successfully. For detailed information on batch executions, see the section on **Batch Execution** in the Oracle Financial Services Analytical Applications Infrastructure User Guide.

This chapter contains information on how to run or execute the batches required in the Oracle Insurance Accounting Analyzer application.

12.1   Access Batch Execution

You can access the **Batch Execution** window by navigating to **Common Object Maintenance**, select **Operations**, and then select **Batch Execution** from the left- pane of the Oracle Insurance Accounting Analyzer application

12.2   Run or Execute the Batches

To execute a batch in the **Batch Execution** window:

1. In the **Batch Mode** pane, select **Run** to open the **Batch Details** pane.

    Figure 114: The Batch Details Pane
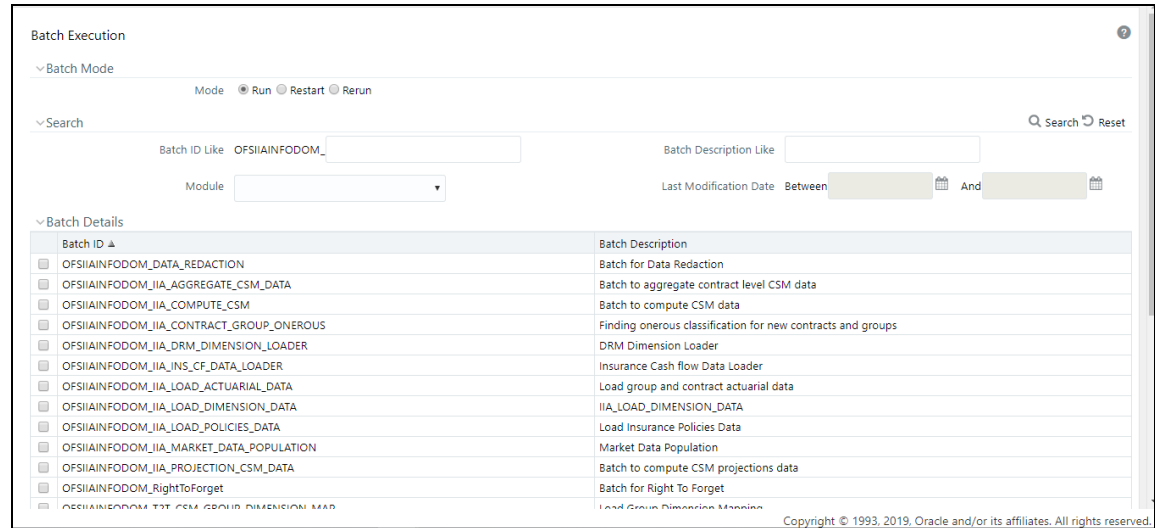
2. Select the checkbox adjacent to the **Batch ID** that has to be executed. You must execute the following batches in the sequence specified in the following table:

Table 12: The Sequence to execute the Batches

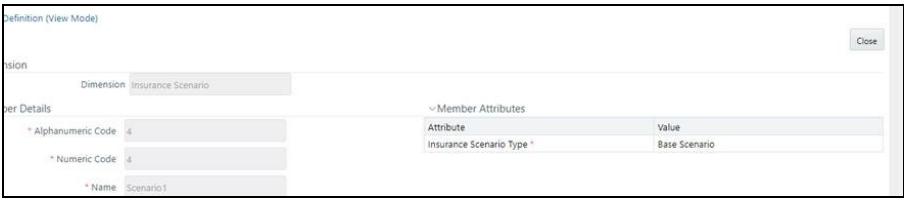| Execution Order	Run Name or Batch Id
1	<INFODOM>_IIA_DRM_DIMENSION_LOADER
2	<INFODOM>_IIA_LOAD_DIMENSION_DATA After you load this batch, to map the insurance scenario number used in your STG table to the required insurance scenario type, you must perform the following steps: 1. Navigate to **Common Object Maintenance**, select **Dimension Management**, and then **Member**. 2. In the **Dimension** drop-down, select **Insurance Scenario** and then click **Edit**. **Figure 115: Example of the Insurance Scenario dimension screen** 3. Map the insurance scenario with the required insurance scenario type attribute. 4. Click **Save**. The Insurance scenario is mapped with the insurance scenario type attribute. After you complete the preceding steps, continue executing the following batches.
3	<INFODOM>_T2T_CSM_GROUP_DIMENSION_MAP
4	<INFODOM>_IIA_INS_CF_DATA_LOADER
5	<INFODOM>_IIA_LOAD_POLICIES_DATA
6	<INFODOM>_IIA_MARKET_DATA_POPULATION
7	<INFODOM>_INPUT_VARIABLE_CALC_<LIABILITY_CALCULATION_ID>
8	<INFODOM>_IIA_CALCULATION_<LIABILITY_CALCULATION_ID>

NOTE	If your template contains multiple FIC_MIS_DATEs, then the batches **<INFODOM>_INPUT_VARIABLE_CALC_<LIABILITY_CALCULATION_ID>** and **<INFODOM>_IIA_CALCULATION_<LIABILITY_CALCULATION_ID>** must be executed in the following sequence:

- For the first FIC_MIS_DATE, execute the **<INFODOM>_INPUT_VARIABLE_CALC_<LIABILITY_CALCULATION_ID>** batch and then the corresponding FIC_MIS_DATE **<INFODOM>_IIA_CALCULATION_<LIABILITY_CALCULATION_ID>** batch.

- For the second FIC_MIS_DATE, execute the second FIC_MIS_DATE **<INFODOM>_INPUT_VARIABLE_CALC_<LIABILITY_CALCULATION_ID>** batch and then execute corresponding second FIC_MIS_DATE **<INFODOM>_IIA_CALCULATION_<LIABILITY_CALCULATION_ID>** batch.

3. In the **Batch Details** pane, click **Schedule Batch** to define a new batch or modify a pre-defined **Batch Schedule**. See the **Batch Scheduler** section in the Oracle Financial Services Analytical Applications Infrastructure User Guide.

4. In the **Task Details** toolbar, click **Exclude or Include** to exclude or include a task, or click **Hold or Release** to hold or release a task before executing the batch. See the **Modify Task Definitions** of a **Batch** section in the Oracle Financial Services Analytical Applications Infrastructure User Guide.

5. Specify the **Information Date** (mandatory) by clicking the calendar icon. The specified date is recorded for reference.

> | **NOTE** | You can also modify the required task parameters of the selected Batch and include the changes during the Batch rerun. See the Specify Task Details in the Oracle Financial Services Analytical Applications Infrastructure User Guide. |
> | --- | --- |

6. Click **Execute Batch** and then select **OK** to confirm the batch execution.

An information dialog is displayed indicating that the batch execution was triggered successfully. Repeat steps 2 to 6 for all the batches mentioned in step 2.

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