



## General Insurance Intermediate Course Overview

The FSAA Education Programme “*General Insurance Intermediate Course*” provides participants with an in-depth knowledge of accounting concepts and their practical implications. The course actively builds on the concepts introduced in the General Insurance Introductory Course.

The course consists of the six modules outlined below, presented over 2 days. Participants are involved in a mix of presentations, group discussions and practical exercises to reinforce and apply their learning.

We have summarised below the key learning outcomes to be achieved by attending the course.

### Module 1: Insurance Accounting

Objectives / purpose	To examine the accounting framework, as it applies to ASIC and APRA reporting and discuss the application to an insurer
Learning Outcomes	
<ul style="list-style-type: none"><li>• Identify the major accounting frameworks that apply to a general insurer.</li><li>• Describe some of the most important reporting aspects of:<ul style="list-style-type: none"><li>• Accounting Standard AASB 1023 General Insurance Contracts; and</li><li>• APRA Capital Adequacy and Solvency Prudential Standard GPS 110.</li></ul></li><li>• Describe the differences between the Statutory accounting requirements and APRA requirements for a Statement of Financial Position and a Statement of Financial Performance.</li><li>• Demonstrate some proficiency at reconciling Net Assets per Statutory accounting requirements to APRA’s Statement of Financial Position.</li></ul>	

### Module 2: Accounting for Insurance Investments

Objectives / purpose	To examine treasury and investing issues applying to general insurance business
Learning Outcomes	
<ul style="list-style-type: none"><li>• Understand role of investments in insurance companies</li><li>• Identify factors to consider when structuring an investment portfolio</li><li>• Understand how to measure investment performance and account for insurance investments</li><li>• Understand regulatory requirements in respect of insurance investments</li></ul>	

### Module 3: Management Accounting

Objectives / purpose	To examine the application of management accounting concepts to running an insurance business
Learning Outcomes	
<ul style="list-style-type: none"><li>• Identify key issues pertinent to management accounting in a general insurance business.</li><li>• Explain the underlying concepts and principles involved in management accounting for general insurance.</li><li>• Identify needs, interests and responsibilities of stakeholders relevant to your role in management accounting.</li><li>• Recognise current trends in management accounting for general insurance and their implications for the future.</li><li>• Describe how these concepts, principles and issues relate to your role in insurance accounting.</li><li>• Describe how the issues covered impact on insurance accounting information systems.</li></ul>	

#### Module 4: Accounting for life investment contracts and other activities

Objectives / purpose	To examine issues relating to general insurance liabilities and their accounting implications
Learning Outcomes	
<ul style="list-style-type: none"><li>• Identify key liabilities issues for a general insurance business.</li><li>• Identify needs, interests and responsibilities of stakeholders relevant to these issues.</li><li>• Recognise current trends in handling liabilities in general insurance and their implications for the future.</li><li>• Describe how these concepts, principles and issues relate to your role in insurance accounting.</li><li>• Outline aspects of the changing accounting environment (IFRS).</li><li>• Describe how the issues covered impact on insurance accounting information systems.</li></ul>	

#### Module 5: Accounting for Reinsurance

Objectives / purpose	To provide sound understanding of the different elements of reinsurance contracts and how these are accounted for and reported
Learning Outcomes	
<ul style="list-style-type: none"><li>• Identify key issues pertinent to accounting for reinsurance and preparing statutory returns, including legal, audit and regulatory issues.</li><li>• Explain the underlying concepts and principles involved in accounting for different types of reinsurance contracts.</li><li>• Identify needs, interests and responsibilities of stakeholders relevant to your role in accounting for reinsurance.</li><li>• Recognise current trends in accounting for reinsurance and their implications for the future.</li><li>• Describe how these concepts, principles and issues relate to your role in insurance accounting.</li><li>• Describe how the issues covered impact on insurance accounting information systems.</li></ul>	

#### Module 6: Insurance Control Cycle

Objectives / purpose	To present a high level framework, termed an insurance control cycle, in which an insurer will examine and manage its overall risks with a view to efficiently utilising capital and maintaining profitability
Learning outcomes	
<ul style="list-style-type: none"><li>• Describe and understand the significance of insurance liability assessments.</li><li>• Describe and understand the key components of a dynamic financial analysis model, how assumptions are derived for the model and what use can be made of its outputs.</li><li>• Appreciate how an insurer determines its capital requirements, allocates the capital by classes and assesses the cost of the capital.</li><li>• Appreciate how an insurer optimises its reinsurance arrangements.</li><li>• Describe and understand premium rating and underwriting practices that ensure sound premiums are assessed to maintain profitability.</li><li>• Appreciate how an insurer determines an optimal benchmark investment strategy.</li><li>• Describe and understand an approach to appropriate performance measurement.</li></ul>	