
News release

Date: Monday, 18 May 2017

Contact: Marina Mello, PwC
Tel: 1-441-299-7184/1-441-505-3127
e-mail: marina.mello@bm.pwc.com

Pages: 2

IFRS 17 formally announced – PwC comments

‘Insurance reporting redefined’

HAMILTON, Bermuda – The International Accounting Standards Board (IASB) has announced its long-standing project on insurance accounting and has published **IFRS 17**.

Insurers will need to apply IFRS 17 for annual periods beginning on or after 1 January 2021. IFRS 17 will fundamentally change the accounting for all entities that issue insurance contracts and investment contracts with discretionary participation features.

Arthur Wightman, PwC Bermuda leader and Insurance leader, commented:

“Insurance reporting is being redefined in one of the single-largest standard reforms in decades. Additionally it will begin to mark a divergence between insurers, and indeed some banks, reporting under IFRS and those reporting under US standards.

“IFRS 17 has taken many years to come to fruition and similarly it will require careful planning and implementation for those companies impacted. The IASB’s aim is to provide more transparency and comparability than the current accounting standards. It is, however, complex and the detail of the standard together with the forthcoming guidance over implementation will play a significant role in the ease or otherwise of adoption of the standard.”

Alex Bertolotti, PwC global IFRS insurance leader at PwC, commented:

“One thing is clear, particularly for life insurers - whilst ultimate profits will not change, the emergence of those profits can change significantly. Both insurers and their analysts will need to assess the full impact in terms of telling the performance story of their companies. Key performance indicators and income statements will look significantly different following implementation. There are things firms should be doing now to understand and communicate the impact of different assumptions and approaches, as well as to assess the scale of work and resources required.

“Systems and processes will likely change significantly to accommodate the granularity of data needed to comply. We have already noticed a trend of companies taking the opportunity to revamp and update legacy systems, as part of wider transformation projects, to get a bigger return for their investment.”

On Wednesday 31 May PwC will hold a **Live Global Webcast** to discuss the IASB’s announcement about IFRS 17. We’ll be joined by Darrell Scott, IASB board member – Register here: [IFRS 17 Webcast](#)

During the webcast you’ll get:

- An overview of the accounting requirements
- Practical issues that your organisation should consider in relation to IFRS 17
- Expected implementation challenges



About PwC

At PwC, our purpose is to build trust in society and solve important problems. We're a network of firms in 157 countries with more than 223,000 people who are committed to delivering quality in assurance, advisory and tax services. Find out more and tell us what matters to you by visiting us at www.pwc.com/bm

© 2017 PricewaterhouseCoopers Ltd. (a Bermuda limited company). All rights reserved. PwC refers to the Bermuda member firm, and may sometimes refer to the PwC network. Each member firm is a separate legal entity. Please see www.pwc.com/structure for further details.