

2017

- **Better Communication: what do Analysts and Investors need?**
- **Can Goodwill be improved?**
- **What you need to know about the new IFRS 17**

User outreach event: Monday 18 September 11.00 – 18.00 hrs

Sala Convegni Intesa Sanpaolo • Piazza Belgioioso, 1 • Milan • Italy

Programme

10.30 – 11.00 Registration and coffee

11.00 – 11.10 Opening and Welcome

- *Alberto Borgia (AIAF Chairman)*

11.10 – 13.15 Better Communication: what do Analysts and Investors need?

- Introduction to IASB's Discussion Paper *Disclosure Initiative - Principles of Disclosure*
 - *Fred Nieto (Head of Investor Engagement IASB)*
 - *Arjuna Dangalla (Assistant Technical Manager IASB)*
- EFRAG seeking views on its draft comment letter on IASB Discussion Paper *Disclosure Initiative - Principles of Disclosure*
 - *Saskia Slomp (EFRAG Governance & Admin Director)*
- Round table panel discussion
 - *Facilitator: Tommaso Fabi (Technical Director OIC)*
 - *User Panel: Jacques de Greling (Co-Chairman Accounting Committee SFAS, Vice-Chairman EFFAS Financial Accounting Commission (EFFAS FAC) and Member EFRAG User Panel), Marianna Sorrente (AIAF), Bruno Ricci (AIAF), Stefano Zambon (AIAF, NIBR & WICI Global Chair)*

Issues suggested to be addressed:

- Can principles make communication more effective?
- What do investors think are useful examples of disclosures in the financial statements?
- Does it make a difference presenting information separately in the primary financial statements rather than presenting it aggregated in the primary financial statements and disclosing it solely in the notes?
- What is the impact of cross-referencing IFRS information outside the financial statements for investors?
- Should ‘non-IFRS information’ be permitted within the financial statements?
- Alternative (non-IFRS) performance measures in the financial statements: misleading or useful?
- Should EBITDA be permitted or required in the primary financial statements?
- Should unusual and infrequently occurring items be separately presented and if so how?
- How important is the application of materiality when deciding what and how to disclose information?
- Concerns have been raised about the disclosures in IFRS 13 *Fair Value Measurement*. Do you think the principles in the DP will address those concerns?

13.15 – 14.15 Lunch

14.15 – 15.45 Can Goodwill be improved?

- Introduction of EFRAG Short Discussion Series Paper *Goodwill Impairment Test: Can it be improved?* and EFRAG Quantitative Study *What do we really know about Goodwill and Impairment?*
 - *Filipe Alves (EFRAG Advanced Technical Manager)*
- Current thinking of the IASB on goodwill and the impairment test
 - *Fred Nieto (Head of Investor Engagement IASB)*
- Round table panel sharing views on goodwill and the impairment test
 - *Facilitator: Alberto Giussani (member of the OIC Executive Board)*
 - *User Panel: Jacques de Greling (Co-Chairman Accounting Committee SFAS, Vice-Chairman EFFAS FAC and Member EFRAG User Panel), Stefano Zambon (AIAF, NIBR & WICI Global Chair)*

Issues suggested to be addressed:

- Do you use goodwill in your analysis or do you eliminate it?
- Is impairment in goodwill ‘too little and too late’? If so, how do you assess impairment?
- Is the complexity of the impairment test only an issue for preparers?
- How relevant is the quality of the impairment test for you?
- Which of the suggestions in the EFRAG Short Discussion Series Paper would you agree with? Should recoverable amount be based on value in use, fair value, or the higher of the two (as is presently required)?
- What is your view on the suggested goodwill accretion method?
- How important is the allocation of goodwill to cash generating units for users? What information do you need?

15.45 – 16.15 Coffee and tea break

16.15 – 17.50 What you need to know about the new IFRS 17

- **Background IFRS 17 Insurance Contracts and the reason for the change, addressing:**
 - What investors and analysts can expect to see in financial statements (P&L, Balance Sheet) once the IFRS 17 is implemented.
 - How this change could affect Life versus Non-Life insurance
 - Relating information from applying IFRS 17 to other information used by analysts, including Embedded Value and Solvency II data.
 - Improved transparency offered to investors by the new “roll-forward” disclosure requirements for the IFRS 17 liability.
 - Understanding how the line item for Revenue under IFRS 17 relates to existing information about gross premiums and deposits.
- *Fred Nieto (Head of Investor Engagement IASB)*
- **Introduction endorsement process**
 - *Patricia McBride (EFRAG Technical Director)*
- **Round table panel sharing of preliminary views on IFRS 17**
 - *Facilitator: Sabrina Pucci (Chairman of the OIC Insurance Working Group and member of the EFRAG Insurance Accounting Working Group)*
- **Presentation of AIAF working group on insurance indicators used in IFRS insurance reports**
 - *User Panel: Luca D’Onofrio (AIAF Board Member, EFFAS FAC, OIC IWG and EFRAG IAWG Member), Elena Perini (AIAF - Intesa Sanpaolo), Andrea Bellucci (AIAF)*

Issues suggested to be addressed:

- Does IFRS 17 help financial analysts and investors in comparing financial statements of insurance companies in different countries?
- Are insurance analysts analysing financial information by line of business? How do you split the accounting data below segments in the financial statements?
- Are historical data such as claims ratios useful for analysing life and non-life business?
- Will IFRS 17 provide sufficient information or will users need additional information? If so what additional information?
- Are the main indicators used by analysts to evaluate a non-life business company provided by the IFRS 17 disclosures?
- Do analysts use Embedded Value or MCEV information to evaluate life business? Will analysts continue to use these indicators once IFRS 17 is implemented?

17.50 – 18.00 Wrapping up and closing of conference

- *Alberto Borgia (AIAF Chairman)*