



FINANCIAL REPORTING GROUP (FRG)

Terms of Reference

Purpose

To support the Institute and Faculty of Actuaries (IFoA) in the formulation and delivery of the IFoA's opinion on accounting matters through consultation responses or wider engagement with stakeholders, and provide thought-leadership in accounting and financial reporting issues affecting the relevant IFoA practice areas, for the UK and internationally.

Key Responsibilities

- a) To provide a steer on financial reporting issues across relevant actuarial practice areas which may affect members of the IFoA.
- b) To operate as a 'steering group' in the technical arena of accounting as it pertains to actuaries.
- c) To take the lead on and/or review, as appropriate, draft responses following input by relevant Practice Boards and prior to final submission for approval by the Regulation Board and Policy and Public Affairs Board.
- d) When appropriate and with relevant members of the IFoA Executive, engage externally with relevant accounting organisations where active participation in the IAA / AAE is unlikely to adequately serve the needs of the IFoA.
- e) Support international representatives on relevant International Actuarial Association (IAA) and Actuarial Association of Europe (AAE) committees, and the European Financial Reporting Advisory Group (EFRAG), while also considering the need for separate IFoA responses to consultations or other input.
- f) Liaise with other external stakeholders as and when appropriate.

Governance:

- a) Complies with the Governance Manual.
- b) Reports to Regulation Board. The Chair of the FRG will provide an annual written report to Regulation Board.
- c) Members will join the FRG in their personal capacity and report to the Chair of the FRG.
- d) FRG members may join working groups if they have sufficient capacity and would then operate as any member of a working group, in addition to their separate role on the FRG itself.

Other responsibilities:

- a) The FRG may set up working groups of volunteers to consider in detail and draft responses to specific consultations, standards or wider communications.
- b) Working groups should be composed of expert volunteers and be time limited.

- c) Working Groups should nominate a chair of the group for that workstream who would provide updates to a relevant appointed member of the FRG, alongside Executive support.

Meetings:

- a) Quarterly meetings will be held at IFoA, London office, with conference call facilities made available. Times convenient to members in different time zones will be accommodated where possible. These meetings will coincide in to IAA meeting schedules.
- b) Additional conference calls will take place as and when required.

Membership:

Chair: Kamran Foroughi

Deputy Chair: Anthony Coughlan

Executive Support: General Counsel Executive

The FRG shall comprise of 9 members:

1. A Chair
2. Life insurance accounting expert (x2)
3. Non-Life insurance accounting expert (x2)
4. Pensions accounting expert
5. IFoA's IAA representative
6. Representative of the accounting profession
7. Representative of accounting standard users

“Relevant IFoA practice areas” covers insurance, both life and non-life (including Health & Care), and pensions. However, other financial areas may become relevant to the IFoA through for example: wider work stream involvement beyond consultations, member migration to alternative sectors, changes in regulatory policy. FRG should aim to adapt to these changing circumstances by being at the forefront of developments, heralding potential changes and by seeking appropriate additional or replacement expertise on the FRG.