

Accounting Solutions

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IFRS 17 standard for insurance firms

The Central Bank of Bahrain (CBB) has recently issued a Circular regarding IFRS 17 'Insurance Contract'.

The Circular, issued on 15 October 2019, applies to all insurance companies licensed in the Kingdom of Bahrain. It requires that such licensees take necessary measures to ensure they are prepared for the changes required by IFRS 17 standard.

According to the International Accounting Standard Board (IASB), the new IFRS 17 standard will require all insurance firms to follow certain implementation steps and apply this new standard for their annual accounting periods starting 1st January 2022.

The Central Bank of Bahrain would like all insurance firms to be well prepared and implement this standard efficiently. The CBB therefore advises the following steps:

Phase 1 – Evaluation

The GAP Analysis report in respect of the operational and financial impacts of the implementing of IFRS 17, should be submitted to the CBB by 31 May 2020.

Phase 2 – Preparation and Design

A detailed action plan on the implementation processes should be submitted to the CBB by 30 September 2020.

Phase 3 - Implementation

All insurance firms must initiate their implementation of the new standard and prepare their accounts and financial statements as well as evaluate the impact of implementation every half year starting end June 2021.

What Keypoint can do for you?

Keypoint's professionals can help you establish an efficient GAP Analysis and guide you through the implementation process required with the new IFRS 17 standards.

In addition, we can facilitate processes by introducing the right software enabling finance calculations and reporting on one single platform.

For further information, please send an email to: ACS@keypoint.com

Source: [Central Bank of Bahrain](#)