



معهد الخليج لدراسات التأمين
GULF INSURANCE INSTITUTE

Certificate in Applied Insurance Studies

Insurance Finance

Course Code	ACIF
Content	Unit 1: Insurance Market Structure Unit 2: Pricing of insurance Unit 3: Technical provisions Unit 4: Capital Adequacy and Solvency Unit 5: Accounting principles and practice Unit 6: Financial ratios Unit 7: Asset Management Unit 8: Exposure to Financial Crime
Duration	24 hours of structured learning involving classroom sessions, Q & A and case studies.
Audience	Intermediate
Learning Objectives	At the end of this course participants will be able to:

1. Insurance Market Structure

- 1.1 Explain of the different market players in insurance and their role and respective interests and duties.
 - 1.1.1 Corporate Buyers
 - 1.1.2 Personal Buyers
 - 1.1.3 Insurers
 - 1.1.4 Brokers
 - 1.1.5 Agents
 - 1.1.6 Loss Adjusters
 - 1.1.7 Rating Agencies
 - 1.1.8 Auditors
 - 1.1.9 Supervisory Authority
 - 1.1.10 Associations
- 1.2 Explain the different types of insurance providers
 - 1.2.1 Proprietary
 - 1.2.2 Takaful
 - 1.2.3 Mutual

2. Pricing Structure

- 2.1 Explain the underwriting function with specific reference to risk pricing
- 2.2 Explain the components of an insurance premium
- 2.3 Explain the need for reinsurance as an underwriting functions
- 2.4 Be aware of the different reinsurance methods available to an insurer
 - 2.4.1 Facultative and Treaty
 - 2.4.2 Proportional and non proportional
- 2.5 Explain how premiums, claims and commissions are flow between the cedant and the reinsurer

3. Technical Reserves and Underwriting results

- 3.1 Explain the nature, purpose and methodology of the following:



معهد الخليج لدراسات التأمين
GULF INSURANCE INSTITUTE

- 3.1.1 Claims Outstanding
- 3.1.2 IBNR
- 3.1.3 Unearned premium reserve
- 3.1.4 Unexpired Risk reserve
- 3.2 Be aware of the importance for accurate reserving and its impact on financial stability of an insurance company
- 3.3 Outline the calculation of underwriting results on a financial year basis
- 4. Capital Adequacy & Solvency**
 - 4.1 Outline the principles of capital Adequacy and Solvency in accordance with the IAIS guidelines
 - 4.2 Explain the nature and need for solvency margins
 - 4.3 Explain how solvency margins are calculated giving a case example
- 5. Accounting Principles and Practice**
 - 5.1 Explain the purpose and function of financial accounting
 - 5.2 Distinguish between financial accounting and management accounting
 - 5.3 Outline the construction and purpose of the following in respect of an insurance company
 - 5.3.1 CEO report
 - 5.3.2 Auditor's report
 - 5.3.3 Balance Sheet
 - 5.3.4 Profit and loss
 - 5.3.5 Cash flow Statements
 - 5.3.6 Notes to the accounts
 - 5.4 Be aware of statutory requirements in respect of the financial statements of an insurance company
- 6. Financial Ratios**
 - 6.1 Be aware of the purpose and nature of financial ratios:
 - 6.1.1 Loss ratios
 - 6.1.2 Profitability
 - 6.1.3 Liquidity
 - 6.1.4 Turnover
 - 6.1.5 Gearing
- 7. Asset Management**
 - 7.1 Outline the provisions of the Standards on Asset Management published by the IAIS
 - 7.1.1 Asset Liability Management
 - 7.1.2 The Investment Process
 - 7.1.3 Definition of the Investment Policy and Procedures
 - 7.1.4 Monitoring and Control
 - 7.1.5 Supervision
- 8. Exposures to financial crime**
 - 8.1 Outline the risks that an insurance business faces in relation to
 - 8.1.1 Data protection
 - 8.1.2 Employee Infidelity
 - 8.1.3 Insurance Fraud
 - 8.1.4 Money laundering
 - 8.2 Be aware of techniques on identifying criminal transactions



معهد الخليج لدراسات التأمين
GULF INSURANCE INSTITUTE

8.3 Be aware of measures to control the risk of criminal activities

Private study	Students should undertake a minimum of 75 hours of private study.
Assessment	Test: Two hours, 100 multiple choice questions.
Language	These courses are available in English and in Arabic.
Accreditation	1 credit towards Associate of the Gulf Insurance Institute