



# Insurance Internal Audit Group

Dear Colleague

May 2009

**iiag seminar 5 June 2009  
Deloitte, 2 New Street Square, London EC4A 3TR**

We have pleasure in enclosing your agenda for our second seminar of 2009, to take place on 5th June. At this meeting we will cover a number of areas of growing interest relating to emerging regulation – Solvency II, remuneration, IT Governance and the tax impact of chargeable events.

❖ **Solvency II – Proof of the pudding**

Kathryn Morgan, Technical Specialist, Prudential Insurance Policy Department, FSA

After a quick update on the status of Solvency II, Kathryn will outline the key elements of the risk and capital management framework that require robust challenge and validation. The robustness of the framework is fundamental to the firm's Own Risk and Solvency Assessment (ORSA) process, and a key part of gaining approval for an internal model.

However, the proof required and the processes involved such as engagement of the board, risk committees and senior management present a number of challenges for firms. What should firms be doing now to strengthen their positions? How can internal auditors be supporting their firms? What validation standards should be set and does one set fit all? These are just some of the questions which Kathryn will examine and discuss at her interactive session.

❖ **Remuneration risk governance – route to good behaviour and financial stability?**

Belinda Hudson, Partner, Independent Audit Ltd

Fair or not, rightly or wrongly, both private and public sectors believe that reward systems played a significant part in provoking the financial crisis. In this session, Belinda will outline the FSA's proposed Code of Practice and the International Institute of Finance (IIF) Principles of Conduct, and the actions which the FSA expect firms to take to ensure their remuneration policies are not inconsistent with sound risk management. The session will also consider the role of the remuneration committee in relation to risk governance and the key areas which internal audit should consider when assessing the adequacy of remuneration risk management and governance.

❖ **Auditing IT Governance**

Mike Sobers, Audit Director, IT & Change, Aviva plc

Wikipedia asks "Is IT governance different from IT management and IT controls?"; it answers "IT governance is about the stewardship of IT resources on behalf of the stakeholders who expect a return from their investment". Mike will explore how to provide assurance that management are appropriately governing the IT resources for their firms, ensuring the balance of mitigating risk & complying with policies, procedures & laws, whilst delivering value and optimal performance.

❖ **Chargeable events certificates - A potential taxing issue!**

David Whitehead, ex-HMRC investigator

This session will provide a high level view of Chargeable Event Certificate (CEC) tax compliance, the HMRC audit process, the costs both financial and non-financial of bad compliance and the benefits of good compliance both of itself and in a wider context. David will provide an insight into HMRC's approach to CEC compliance auditing as well as the view of an external auditor.

We hope you can join us, and we look forward to your participation at the seminar on these topical areas of development.

Kind regards,

Vicky Kubitscheck  
Chair, IIAG Committee

**PS Please help us manage the administration of our IIAG meetings by booking early or avoid booking in the same week of the event. Once again, please check your Accounts dept is using the right IIAG contact address which has been changed over a year ago to Lincoln UK (as shown on the booking form). Many thanks.**

[www.iiag.org.uk](http://www.iiag.org.uk)



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## AGENDA

**Meeting Date** Friday 5 June 2009  
**Venue** Deloitte, 2 New Street Square, London EC4A 3TR  
**Registration** 09:30

09:50

Welcome from Chair

10:00

### **Solvency II – Proof of the pudding**

[Kathryn Morgan, Technical specialist, Prudential Policy Department, FSA](#)

Kathryn leads the FSA work on internal models for Solvency 2 in CEIOPS. She is a qualified actuary and has been the chief actuary at a UK insurer. Over the last few years, Kathryn has contributed to and led research on Solvency 2 related topics, most recently by chairing a group who produced an Institute of Actuaries sessional paper on internal models in S2. She represents the Institute on the Groupe Consultatif Insurance committee (the European actuarial profession) and has recently been appointed to the Board of the Casualty Actuarial Society in the US.

11:00

### **Remuneration risk governance – route to good behaviour and financial stability?**

[Belinda Hudson, Partner, Independent Audit Ltd](#)

Belinda is a Partner with significant experience of working with chairmen, non-executive directors, senior executives, boards and committees on strategic governance, board committee performance, executive remuneration and change leadership issues. She has worked with a broad range of clients including FTSE 100, major global private companies, mutuals and provident associations. She is also a qualified executive coach and has worked with a number of individuals to enhance their performance. Prior to joining IAL, Belinda was a European Partner at Mercer Consulting Group. The early part of her career was spent in accounting and tax practices of global accounting firms including Price Waterhouse. She is a chartered accountant and a chartered tax adviser.

11:40

### **Coffee break**

12:00

### **Auditing IT Governance**

[Mike Sobers, Audit Director, IT & Change, Aviva plc](#)

Mike is the Audit Director responsible for providing IT Audit & Business Change Audit assurance for Aviva business units and regions across the globe. This incorporates a specialist team of over 30 professionals worldwide and covers the 27 countries in which Aviva operates. Prior to joining Aviva in March 2008 Mike was a Partner with KPMG's IT Advisory team, specialising on providing advice & assistance to their insurance market clients.

12:30

### **Chargeable events certificates – A potential taxing issue!**

[David Whitehead, ex-HMRC Investigator](#)

David was in HMRC for 8 years and an investigator for two, before leaving to join PricewaterhouseCoopers' tax investigation team. At PwC, he gained 8 years experience mainly in carrying out audits of CEC tax compliance and almost every tax-regulated investment product in the UK including some first ever audits. David was also involved in the changing of some of the CEC tax legislation.

13:00

### **OPEN FORUM**

13:15

### **LUNCH**



# Insurance Internal Audit Group

## iiag June 2009 Seminar Booking Form

You can register on-line but if you are paying by cheque, please submit it with a completed Booking Form

Seminar date                      Friday 5 June 2009  
 Venue                                Deloitte, 2 New Street Square, London EC4A 3TR

I wish to register \_\_\_\_\_ delegate(s) for the above iiag seminar.

Contact Name & Title			
Name of Company			
Full address			
Telephone		Fax	
E-mail			

NB: We are waiving membership fees this period. Based on your payment method, fees per person are payable in advance, as follows:

Please state your method of payment:

£ 75.00 if paid by direct transfer to: **Insurance Internal Audit Group** account at **Barclays Bank**  
 Sort Code: 20-68-79                      Account No: 20842028  
 Reference: **<Your company name> and re June meeting**

£ 80.00 if paid by cheque. Make your cheque payable to the **Insurance Internal Audit Group**.  
 Please check you are using the right IIAG address as shown below.

	Name of Delegate(s)	Member (Y/N)	Fee £
1.			
2.			
3.			
4.			
			£

I confirm my remittance for £ \_\_\_\_\_ (cheque enclosed). Payment must be received prior to the conference to secure a booking.

Signed \_\_\_\_\_ Date \_\_\_\_\_

Please let us know what you think about the site  
 \_\_\_\_\_

Please either submit this booking online or return the booking form together with the cheque to:

**Graham Ayre, iiag Financial Oversight,  
 c/o Internal Audit Department,  
 Lincoln Financial Group,  
 Barnett Way, Barnwood, Gloucester. GL4 3RZ**

Tel: 01452 637004, e-mail: [bookings@iiag.org.uk](mailto:bookings@iiag.org.uk)

Refunds of 80% will be made if written notice (including email) is received by the iiag at least seven days before the event. Beyond that time no refunds are allowed but a nominee is always acceptable. We reserve the right to alter published programmes, speakers, fees or venues without prior notice. We also reserve the right to cancel programmes at our discretion in which case our liability shall be restricted to a refund of any fees paid to us. Delegates are encouraged to pay early so that the numbers can be verified for lunch. Delegates arriving without having paid will be asked to pay or a commitment to pay on the day.