

Professional Services Outsourcing

Outsourced services for Alternative Risk / Insurance Sector

Introduction

As part of the wider IQ-EQ Group, our Professional Services Outsourcing ('PSO') unit offers companies across the globe the opportunity to outsource oversight, accounting, and general back-office services in a seamless and cost-effective manner. By utilizing the PSO expertise, companies operating in the alternative risk transfer and insurance sector can access a pool of experienced and qualified professionals, whilst maintaining the quality of service and deliverables that they are accustomed to. Over the years, our PSO unit has built a strong specialist knowledge base and remains at the forefront of the changing regulatory and reporting landscape impacting alternative risk and insurance vehicles.

The world's largest insurance managers and insurance vehicle owners have identified that a significant amount of clients' chargeable time consists of periods dedicated to the accounting function and, as such, were well suited to take advantage of an outsourcing model that provides them with a cost effective solution.

Why IQ-EQ?

- We are a trusted partner providing high quality personalised service
- We help our clients and the sector to stay compliant
- We support our client's servicing needs
- Our people invest the time to get to know our clients, so that we know how to best service them
- 4,750+ people worldwide
- Located in 25 countries, offering wide breadth of coverage and local experience
- Senior team experience of minimum 20 years

We bring together a combination of global technical expertise and a deep understanding of the needs of our clients. We have the know-how and the 'know you' to support insurance providers, fund managers, multinational companies, family offices and private clients operating worldwide.

Your needs. Our knowledge.

Our PSO team has extensive experience in the provision of captive insurance, PCC and ILS accounting and services companies located in various insurance domiciles in Cayman Islands, Bermuda, Europe, USA, Channel Islands and UK, amongst others.

We offer the following services:



Full Accounting Cycle

- Book-keeping and maintenance of accounting records
- Cash, bank and investment reconciliations
- Preparation of management accounts and annual financial statements
- Payment process assistance including preparation of requisition and setting up online payments
- Preparation of premium invoices as per templates, solvency workings and financial executive summary reports
- Full audit pack compilation and management of audit process



Corporate Transaction Support

- Client on-boarding support including review of Customer Due Diligence documents as per approved checklists, report discrepancies and conduct periodic Know Your Client assessments
- Assistance in Board meetings including preparation of board packs and drafting of minutes/resolutions through leading software solutions
- Regulatory filing assistance (including premium tax filing, preparation and filing of Annual Reports with various domiciles, preparation and filing of business plan changes with various regulators, compiling documents during regulatory examinations)
- Liquidation process assistance including preparation of all draft minutes, registrar notices, liquidation reports



Other Bespoke Services

- Backlog clearing support and data capturing services
- Assistance with new reporting and disclosure requirements, including data compilation and reporting support
- Oversight of governance processes and procedures relating to insurance entities in various jurisdictions.

About us*

We are IQ-EQ, a leading investor services group employing over 5,500 people across 25 jurisdictions worldwide. We bring together that rare combination of global expertise with a deep understanding of the needs of our clients. We have the know how and the know you to support insurance providers, fund managers, global companies, family offices and private clients.

Key contacts



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*Information correct as of 9 May 2024

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Case Study 1

US based boutique firm operating as captive manager across various domiciles, namely North Carolina, South Carolina, Texas, Tennessee, Georgia, Bermuda and Cayman Islands

Background

The Captive Manager services 25 captives, with a growing book of business and specialises in the design, structuring, implementation, and management of captive insurance and other alternatives risk financing programs. The Captive Manager was struggling to recruit additional resources locally to cater for the new business growth. IQ-EQ, through its Professional Services Outsourcing ('PSO') unit, proposed to assist with the additional work by structuring the assignment as a 3-month pilot in order for the Captive Manager to assess PSO's deliverables.

Access to qualified team with scalability potential

At the end of the short pilot, the Captive Manager decided to engage IQ-EQ, which started with half of a Full Time Employee ('FTE'). Since then, the mandate has grown to 5 FTEs on a dedicated basis, with the requisite qualifications and experience in the captive insurance sector. The PSO team ensures sufficient overlap with the US time zone and assists with the day-to-day operations of the Captive Manager as an extension of its local team that allows the Captive Manager to focus on growing its business.

By utilising PSO's extension model, the Captive Manager gets access to qualified and professional resources without having to invest in recruitment, training, people and payroll management. Another benefit that has become apparent with the Covid-19 crisis is the ability to continue servicing clients in a 'business as usual' manner by leveraging the remote environments that had been setup for their PSO team whilst working to recalibrate their BCP plans and operations.

Extending the services beyond accounting function

In addition to assisting with bookkeeping and preparation of financial statements, the PSO team also performs the following tasks:

- Regulatory filing assistance (including premium tax filing, preparation and filing of Annual Reports with various domiciles, preparation and filing of business plan changes with various regulators, compiling documents during regulatory examinations)
- Full audit pack compilation and co-ordination of the audit of client companies
- Liaise with the actuary for the loss report and opinion
- Assistance in preparing materials for Board meetings
- Assistance on drafting minutes/resolutions, policies and premium invoices as per templates
- Liaise with the pool for any captive participating in the reinsurance pooling facility
- Maintaining loss runs and preparation of loss payment requests
- Bespoke and ad hoc tasks

Case Study 2

A prominent insurance manager based in the Guernsey, Channel Islands

Background

The Captive Manager needed assistance to support their accounting function as they were having difficulty to replace departing local employees swiftly. The Captive Manager was interested with the model that the Professional Services Outsourcing Unit ('PSO') had successfully built for other clients in the captive insurance space. The assignment was initially structured as a short pilot to give comfort to the Captive Manager, with one Full Time Employee ('FTE') assigned to the mandate.

Growing the mandate by back-filling locally-based vacant positions with PSO resources

After a successful completion of the pilot phase, the Captive Manager renewed the contract into a full term mandate, at which time PSO resources travelled to the office of the Captive Manager (at no cost to the latter) to ensure proper knowledge transfer. Over the past 4 years, the mandate has grown to six FTEs working on a dedicated basis, with a relationship manager overseeing the operations on behalf of the Captive Manager whilst ensuring sufficient overlap with UK time zone.

Whenever a staff resigns in the local team of the Captive Manager, the vacant position is systematically filled at the level of the PSO team, by either sending more work to the PSO team or recruiting additional resourcing in the PSO team. The Captive Manager sees the PSO team as a true extension of their local team.

Further opportunities

The PSO team is currently assisting with the following tasks:

- Preparation of management accounts and full set of financial statements
- Preparation of accounts pack (similar to audit file)
- Preparation of GFSC solvency workings
- Updating the accounting software for client entities
- Updating cashbook for client entities
- Payment process assistance – requisition (per client template) and setting up online payments
- Bespoke and ad hoc tasks

The PSO team is in regular discussion with the Captive Manager on potential improvements as well as transfer of additional tasks. With the strong knowledge base that has been developed in Mauritius, the Captive Manager foresees growing the PSO team beyond six FTEs in the medium term, aligning with their business expansion strategy.