

## Case Study: Beazley Group plc

**Integra was chosen to provide Beazley with the consultancy necessary to review key aspects of their finance and management information system and to implement the preferred solutions.**

Beazley is a specialist underwriting business and has been within the London market since 1986.

Beazley focuses on writing specialty-risk insurance and reinsurance business in selected markets. Through their specialist approach to underwriting, Beazley syndicates 2623 and 623 have established a reputation in the specialty lines, commercial property, retail and personal lines, and treaty and marine sectors.

In 2002 Beazley listed on the London Stock Exchange and for 2007 Beazley has an underwriting capacity of £860m.

Beazley has achieved enormous organic and acquisitive growth in recent years and implemented various systems to deliver underwriting, accounting, management information and document management solutions.

As with many financial services businesses Beazley's Finance Department has a challenging task to keep pace with a dynamic and growing business within a changing and increasingly complex regulatory environment.

Beazley had out-sourced a number of the key day-to-day accounting functions such as Accounts Payable and credit control as well as insurance industry specific accounting functions including Investment and Names Ledgers, Lloyds Syndicate Accounting, Lloyds and FSA reports.

All of this financial data was interfaced into Beazley's Agresso General Ledger on a quarterly basis. Premiums and claims information was interfaced into Agresso from key front office systems on a life to date basis. The Agresso Ledger was then used as the main statutory reporting tool.

*"Integra were essential to realising our plans to develop more timely and flexible ledger systems, and to take greater control of our financial data and processes. Their knowledge, advice and commitment was invaluable in re-designing the ledger and reporting systems."*

Richard Kelley  
Group Financial Contoller

**Integra Associates is an independent consultancy specialising in implementing financial business solutions and is made up of qualified accountants and IT professionals.**

As Beazley's information and accounting needs grew to meet the rapid pace of change occurring in the business Beazley has needed to review three main aspects of its finance systems:

- Firstly, how the data was stored and structured in the Ledger and whether the out-sourcing of financial data was the best strategy
- Additionally in 2005 Beazley created a US subsidiary to allow it operate more effectively in the US market. This startup company implemented AGRESSO as its new financial system.
- Since 2005 the US subsidiary has seen significant growth. As a result the reporting needs both internally and externally have become more complex. In particular the need to demonstrate the economic contribution made by the US operation to the overall group business and the need to produce more timely information on a UK/US GAAP and IFRS basis has necessitated a review of the existing ledger and the provision of automatic income earnings models.

Integra was chosen to provide Beazley with the consultancy necessary to review these aspects of the system and to implement the preferred solutions.

Integra consultants took Beazley through the process of re-engineering their current General Ledger to convert it from a life to date ledger to a movements based ledger. A series of workshops identified the analysis information required in the new ledger, specified a new expense allocations process and the new reporting and interfaces required. In addition Integra Consultants provided a complete implementation solution to the Beazley US Finance team with most of the services delivered on site in Connecticut. The US ledger required additional functionality such as Accounts Receivable including design and delivery of broker statements and bordereaux reporting, and interfacing to US specific front end systems. Integra consultants provided consultancy services to assist the US Finance team through the review of the ledger and the development of reports and the complex earnings models to meet the requirements of the insurance market.

#### **Integra consultants undertook the following activities during the project:**

- Business Process Analysis, design and re-engineering
- Application design and configuration
- Cost Benefit analysis
- Detailed data migration planning and execution
- Report design and build for management and regulatory reporting.
- Creation of a Budget and Forecasting system
- Group Company accounting integrated with the syndicate ledgers.
- Group consolidation solution and reports
- Expense allocations re-design, integration and build
- Building of automated journals including Binder and Brokerage adjustments, Binder, Non-Binder and Re-insurance earnings models, Deferred Acquisition Cost calculation models. Claims handling, IBNR and Adjustment to Ultimate calculations
- Automated Year end journals and Foreign Exchange journals
- Detailed project task and resource planning
- Interface design and build
- Implementation of an AR, AP systems and Purchase Order Processing
- Broker Statements
- Bordereau Reporting

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