

LLOYD'S

# QMA Transformation

## Frequently Asked Questions

Version 1.0

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## Version Control

Version	Question	Date	Comments
1.0	-	08/07/2024	First version
2.0			

## Frequently Asked Questions

### A. General

**Q1. How can we participate in the pilot programme and what will be required of us?**

Pilot participants will prepare a submission under the new process using Q4 2023 data. This includes a Flash report and Syndicate Accounts (QMA Delta is not required). Pilot participants will be encouraged to work with their auditors throughout the pilot, but no audit opinion is required.

**Q2. What are the timelines of the pilot?**

The pilot will begin in August 2024, after Q2 2024 QMA reporting is finalised. Syndicates will have until 30 September 2024 to prepare their reporting and submit to Lloyd's using the new portal. More detailed milestones and support will be communicated to Pilot participants in due course.

**Q3. Can Lloyd's suggest some XBRL service providers?**

Syndicates are free to choose any XBRL provider – this may be a software provider to facilitate syndicates performing the tagging themselves, or a service provider who performs the tagging on behalf of the syndicate.

In response to a request from market participants, Lloyd's are currently preparing a shortlist of providers to assist syndicates in this decision – this list will be shared following completion of a vetting process by the Lloyd's procurement team. We are working to provide this listing as soon as possible, though a date cannot be confirmed at this point in time. Syndicates are encouraged to perform their own research in the meantime.

**Q4. When will the XBRL taxonomy be issued?**

A draft taxonomy will be issued alongside the draft Pro Forma Syndicate Accounts in August 2024.

**Q5. Have the auditors raised any concerns with the new process, or are they broadly comfortable?**

Lloyd's have been engaging with representatives from each audit firm for the past year and will continue to do so throughout implementation. At present the audit firms have expressed that they are broadly comfortable with the proposed process, though they are still working through the detail and are keen to participate in the pilot alongside their clients.

**Q6. When will you announce half year requirements?**

The reporting requirements for interim were included in the Market Briefing presentation on 20 June 2024 on slide 18 (materials are available here: [Quarterly Monitoring Return Part A \(QMA\) - Lloyd's \(lloyds.com\)](#)).

The key difference for interim reporting is that the Q2 QMA is being replaced with an interim set of Syndicate Accounts. This is a subset of the Annual Syndicate Accounts, and the Pro Forma Accounts will include an appendix noting which disclosures are required for interim reporting.

There are no changes to the interim 2024 reporting requirements.

**Q7. Will the interim report need to be audited?**

Similarly to the Q2 QMA, the interim report requires a 'review' opinion issued by the syndicate's auditors.

**Q8. Has the SAO timetable been considered for 2024 year end?**

Lloyd's has considered the SAO timetable in light of the recently confirmed timing for the submission of the QMA 223 (which is remaining for Q4 2024 in the QMA Delta). The SAO instructions will be updated in due course.

**Q9. When is the QMB rationalisation start date?**

The QMA and TPD are the first returns to be rationalised by Lloyd's, and the intention is then to move onto other returns, including the QMB. Internal discussions are ongoing in relation to this; however no dates are committed as yet.

**Q10. Will the SBF change too?**

Any rationalisation of the QMB will consider the impact on the SBF, as the two returns are strongly correlated.

**Q11. Are there expected reconciliation points with other returns, such as the RRQ/RRA?**

By removing the QMA we are removing the detailed reconciliation of data points between returns performed by Lloyd's, with greater reliance placed on the disclosures in the Syndicate Accounts accompanied by an audit opinion.

Syndicates should continue to take care to ensure consistency in reporting to Lloyd's across the various returns, and Lloyd's may ask queries from time to time if the data is deemed to be inconsistent.

## B. Flash Report

### Q1. What reporting currency will be required for the Flash report?

Flash reports can be provided in any currency. We expect syndicates may choose to align this with the currency reported in the Syndicate Accounts, although this is not a requirement.

## C. Syndicate Accounts

### Q1. When will the Pro Forma Syndicate Accounts be available for review?

The Pro Forma Syndicate Accounts are currently undergoing technical review by the audit firms, which is expected to be completed by the first week of August – at which time the draft version of the Pro Forma that will be used in the pilot will be shared.

An updated version will be released following the pilot, for use in year-end reporting.

At the request of market participants, Lloyd's will share an early draft of the Pro Forma in July – however it is noted that this will be a working draft and therefore subject to change, and should be treated as such.

With each version of the Pro Forma that is shared, Lloyd's will provide a version showing tracked changes.

### Q2. What reporting currency will be required for the Syndicate Accounts?

The reporting currency of the Syndicate Accounts is not specified, syndicates are free to make their own assessment and decision on their reporting currency.

### Q3. Is the front half of the interim Pro Forma Syndicate Accounts required or just numeric primary statements and notes? e.g. agents reports / strategic report etc

The data tables in the Pro Forma Syndicate Accounts indicate the minimum disclosures for both Annual and Interim Reporting. Any narrative / headings included in the Pro Forma is indicative only, intended to support a syndicate in the preparation of the accounts. The narrative should therefore be tailored to suit each syndicate and the level of detail included over and above the minimum disclosures required by Lloyd's is at the discretion of the syndicate (in consultation with their auditors).

## D. QMA Delta

### Q1. What reporting currency will be required for the QMA Delta?

To reduce the impact on current systems and processes, the forms required to be submitted as part of the QMA Delta will remain as per the current QMA instructions (with minimal changes to reflect auto-populated fields from forms which no longer remain, etc). Therefore the reporting currency will be unchanged.

### Q2. Can the YOA forecast not be taken from the QMB?

YOA Forecast to Ultimate data will continue to be collected in the QMA Delta as the QMB data is not a direct substitute, due to the differing basis of preparation and timing of reporting. The intention is to move to using the QMB data in the future in order to remove the QMA Delta forms containing forecast data, but this is subject to rationalisation of the QMB in due course.

### Q3. If the QMA Delta is required to be audited, Will the 800u/710u now be in scope for audit?

There will be no changes to which forms are required to be audited as part of the QMA Delta submission. Therefore the QMA 800u / 710u remain as unaudited forms.

### Q4. CAT code data is being collected in the RRQ/RRA (at a much more granular detail) from Q4 2024 onwards. Would this be a duplicated collection in the QMA delta through 2025?

Lloyd's recognise that with the introduction of CAT data into the RRQ/RRA (TPD replacement) there is some overlap with the QMA 800u data that will continue to be collected as part of the QMA Delta. Lloyd's did investigate a number of ways to avoid this duplication, however this couldn't be achieved without introducing more complexity. Therefore there is an element of overlap in the short term which Lloyd's are committed to addressing. We will look to reduce the reporting burden in other ways until this is resolved, such as by reducing the number of CAT codes to be reported on, etc.

## E. Schedule 3

### Q1. What reporting currency will be required for the Schedule 3 data?

The current intention is to allow syndicates to select the reporting currency for Schedule 3, as per the Syndicate Accounts process. Lloyd's would then convert the results to GBP as part of the Schedule 3 service. This is subject to ongoing discussions with audit firms to confirm the change in process would not adversely impact the Corporate Member audit process, which places reliance on the Schedule 3 audit opinions.