LLOYD'S

Reconcile MA signings to Vitesse funding activity
Quick reference guide

MAs should reconcile the Vitesse funding account activity against SCMs received from DXC into their Policy Administration Systems (PAS), for accounting purposes.

Getting started

What is meant by signings 'reconciliation'?

Weekly funding top-up requests from Vitesse to Lloyd's central services (*ARCS / **STFO) will trigger a cash movement from the MAs' trust fund(s) into Vitesse to replenish the MA funding accounts.

Signings 'reconciliation' is an accounting control that seeks to match the weekly cash movements (reflected in the Vitesse funding report) to the SCM messages received by an MA from DXC (based on the BDX).

Each payment is associated with an individual top up request, so MAs will be able to account for all cash movements, or identify discrepancies to be rectified.

*ARCS – Apportionment Reporting Collection System

**STFO – Settlement Trust Fund Office

Before reconciling the Vitesse funding report to the signings from DXC, ensure:

✅ DCAs are aware of their responsibility to reconcile Vitesse cash payments to the corresponding monthly BDX before the DCA sends the BDX to the broker

Key steps for MAs:

1. Download the Vitesse funding report and prepare the data for reconciliation

2. Prepare the data in the signings received from DXC

3. Reconcile the Vitesse funding report against the signings to track outstanding cash and identify if there are unexpected differences to be investigated

1. Prepare funding report

Steps 1 & 2: Download & pivot the Vitesse funding report

- A pivot table allows the Vitesse funding activity to be viewed in line with the data in the SCM from DXC – i.e. by Period, Syndicate, YOA and UMR.

- AccountEntryType should be used to remove all entries that are unrelated to ARCS replenishment activity. Filter to only show records for "Liquidity Pull", "ARCS Scheduled Liquidity" and "ARCS Urgent Liquidity".

- By including the field ARCSSettlementDate, all UMR debits related to an ARCS credit will be grouped together.

Note *Due to replenishment timings, any 'Liquidity Pull' line items that do not directly match to the 'ARCS Scheduled Liquidity' entry will be captured in subsequent ARCS Scheduled Liquidity movements. By combining consecutive monthly funding reports a cumulative view can be generated to ensure breaks due to timing have been resolved.*

- ❖ **'Debits'** from the Vitesse funding report = **'liquidity pulls'** made from MA funding accounts to top-up the relevant payment account.

- ❖ Liquidity pulls drive the weekly top-ups, which are totalled and represented as the **'ARCS Scheduled Liquidity'** in the **'Credits'** column.

- ❖ An **ARCS Scheduled Liquidity line item = sum of all liquidity pulls for a given week,** displayed within each ARCS FileName request sent by Vitesse to ARCS/STFO

- ❖ **'Liquidity Pull'** and **'ARCS Scheduled Liquidity'** data is automatically linked within the Vitesse system, however when the funding report is downloaded and the data viewed, **it is not immediately apparent that they are linked**

- ❖ To aid reconciliation, MAs will need to **show this link visually** by preparing the funding report to **show additional report columns** that replicate the 'ARCS Scheduled Liquidity' and 'Liquidity Pull' values
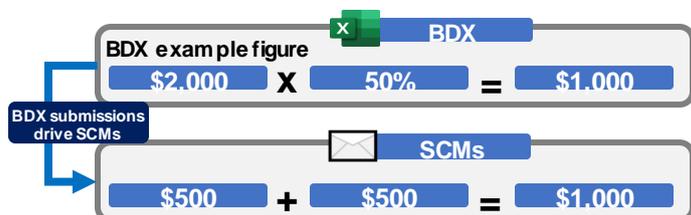
🔔 **Liquidity Pulls =** Vitesse Cashbook (Payouts) **x** Binder Split Share

2. Prepare signings

Record MA signings data for reconciliation

1. Record all associated **Syndicate Paid This Time** values from SCMs received by Syndicate Number, Year of account (YOA) and UMR for each BDX period

BDX example figure		BDX	
$2,000	X	50%	= $1,000

BDX submissions drive SCMs

	SCMs	
$500	+ $500	= $1,000

3. Reconcile funding report to signings

Within the funding report:

1. Total the **cash values** ('PaidAmount') into a summary based on binder share recorded in the Vitesse funding report

2. Total the non cash **signings values** ('Syndicate Share Value' / 'Paid This Time') received from DXC into a summary

3. Compare the Vitesse funding report and signings at a Syndicate Number, YOA and UMR level for each BDX period to track the value of **'Reconciling Items'**

4. Any reconciliation items should be noted by the MA and checked in subsequent months to complete the process