

Date: 25/05/2020

Location: KPMG Offices, Nicosia

Time: 9:00 a.m. - 5:15 p.m.

Duration: 7 h

Investment: €305 + VAT Net investment after subsidy from the HRDA of €119: **€243,95** (including VAT) for all eligible participants

Language: English

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IFRS 9 for the Financial Sector

This seminar may contribute to Continuing Professional Development requirements.

This seminar is vital for all professionals working in the financial sector, and particularly those who seek to be informed of the latest interpretations and key requirements of IFRS 9. KPMG's skillful facilitators, will present, through practical examples, all the main aspects and challenges of IFRS 9.

Course Objectives

By the end of the seminar participants will be able to:

- Describe the key requirements of IFRS 9 "financial instruments" and identify the key implications for entities in the financial sector
- Apply the new process for classifying financial instruments into the appropriate measurement categories of IFRS 9
- Explain the key requirements of the new impairment model for financial assets
- Apply the IFRS 9 impairment requirements to calculate the ECL for different types of financial assets (debt instruments) and the IFRS 9 requirements to determine the relevant accounting entries and measurement due to modification and revision of cash flows
- Adopt a professional approach regarding the implementation of IFRS 9, thus managing to face its relevant challenges.

Methodology

Face to face presentation. The seminar is intended to be practical and interactive, hence the participants will be encouraged to put forward any enquiries that they may have. The trainers will use a case study, examples and exercises.

Participants*

This seminar is essential for professionals in the financial sector who would like to be informed of the new requirements and latest interpretations of IFRS 9 and its impact on

their business. It will also provide insights to professionals who are involved in the financial statements preparation process and/or the provision of compliance services. Furthermore, it is essential for CEO's, Financial Controllers, Finance Managers and Directors, Accountants and Auditors.

Course Content

Financial instruments advanced (15 min)

- Introduction

IFRS 9 Classification & Measurement - Financial Sector (2 h)

- Describe the criteria for classification of financial instruments
- Analyse the measurement bases for financial instruments
- Describe, at a high level, the impact of classification and measurement requirements for companies in the financial sector

IFRS 9 Impairment - Financial Sector (2 h & 30 min)

- Impairment: Dual measurement approach
- Assessment of significant increases in credit risk
- Measurement of expected credit losses
- Debt financial assets at FVOCI (fair value through other comprehensive income)
- Special and simplified approaches
- Interest recognition
- Practical implementation issues

Presentation and Disclosure (30 min)

- Overview of transition disclosures on

adoption of IFRS 9 for financial sector entities

- Explain the key disclosures requirements under IFRS 7 and in relation to IFRS 9 for financial sector entities
- Real-time IFRS 9: Review of key disclosures from published annual reports of global banks

Revisions of cash flows (40 min)

- Calculating gain (loss) on revision of cash flows that does not result in de-recognition
- Determining EIR (effective interest rate) for subsequent calculation of amortised cost

Stage 3 ECL (40 min)

- Calculations of GCA (gross carrying amount)/loss allowances
- Subsequent cash recovery
- Moving back to stage 2
- Write-off and subsequent calculations.

Recent developments (15 min)

Questions (10 min)