Addressing disclosure requirements of IFRS 7 after adoption of IFRS 9

This document was prepared to support the TAC schedules in 2018/19. It may be a useful source of reference in the future but providers should note that specific TAC note and table references may be out of date in subsequent years.

Please note that the first column presents only a very brief summary of each requirement of the standard. The purpose of this table is to assist users in understanding how the requirements of IFRS 7 (as a result of IFRS 9) have been applied in this template. It is not intended to be a substitute for preparers reading the standards themselves. As with all disclosures providers should be mindful of materiality. All providers are required to complete disclosures within the TAC schedules but where these disclosures are not material locally, providers should consider whether it is necessary to include them in local accounts and can always consider if information could be presented in a simpler way.

Disclosure requirement of standard (paraphrased summary)	**How addressed in TAC schedules**		**Considerations for local accounts**
	Included	**Details**	
Paragraph 8 – disclosure of carrying amounts of: • financial assets measured at amortised cost • financial assets measured at fair value through profit and loss (FVPL), with further measurement sub-categories also defined in the standard • financial assets measured at fair value through other comprehensive income (FVOCI) • financial liabilities measured at amortised cost • financial liabilities measured at fair value through profit and loss (FVPL), with further measurement sub-categories also defined in the standard.	Yes, materially	Addressed by TAC27: note 36.1 and note 36.2. This paragraph of the standard does not refer to the disclosure being 'by class' (i.e. reconcilable to balance sheet items), but we think retaining this makes the disclosure easier to read, as well as assisting us in building reasonableness checks into our collection form. As covered below, these notes also meet the 'fair value' disclosure requirement in the standard, which *does* require analysis by class.	We encourage providers to retain the analysis by class for the reasons set out in the middle column. If not material, the provider can aggregate information in measurement categories. In the unlikely event that a provider has material financial assets measured at FVPL or FVOCI or financial liabilities measured at FVPL, it may need to make further disclosures to meet the detailed requirements of paragraph 8 not listed here.

Disclosure requirement of standard (paraphrased summary)	How addressed in TAC schedules		Considerations for local accounts
	Included	Details	
Paragraph 9 specifies a number of disclosure requirements where an entity designated a financial asset(s) as measured at FVPL that would otherwise me measured at FVOCI or amortised cost.	No	Given that we expect the total amount measured at FVPL to be immaterial to the consolidated provider accounts, it follows that amounts designated as such must also be immaterial. We have therefore not included the requirements of this paragraph in the TAC schedules.	If a provider has designated a financial asset(s) as measured at FVPL that would otherwise me measured at FVOCI or amortised cost, and this is material, it should consider the disclosure requirements in this paragraph of the standard.
Paragraph 10 and 10a specify disclosure requirements where the entity has designated a financial liability as FVPL and is required to present the effects of changes in OCI and profit and loss respectively. Paragraph 11 requires explanatory disclosure where these apply.	No	We do not expect measurement of financial liabilities at FVPL to be material to the consolidated provider accounts, therefore these conditions will also be immaterial. We have therefore not included the requirements of this paragraph in the TAC schedules.	If a provider has financial liabilities designated at FVPL where the conditions in these paragraphs apply and this is material, it should consider the disclosure requirements in this paragraph of the standard.
Paragraphs 11A and 11B specify additional disclosure requirements for equity instruments designated at FVOCI.	No	Equity instruments would be disclosed within other investments, and the total of this is currently immaterial to the consolidated provider accounts. We have therefore not included the requirements of this paragraph in the TAC schedules.	If a provider holds or has derecognised equity instruments measured at FVPL and this is material, it should consider the disclosure requirements in this paragraph of the standard.
Paragraphs 12, 12b, 12c and 12d specify disclosure requirements where financial assets have been reclassified between measurement categories.	No	We do not expect measurements of financial assets outside of amortised cost to be material to the consolidated provider accounts; therefore reclassifications between categories are also unlikely to be material. We have therefore not included the requirements of this paragraph in the TAC schedules.	If a provider has reclassified financial assets between measurement categories and this is material, it should consider the disclosure requirements in this paragraph of the standard.

Disclosure requirement of standard (paraphrased summary)	How addressed in TAC schedules		Considerations for local accounts
	Included	Details	
Paragraph 13 specifies disclosure requirements where financial assets and financial liabilities have been offset.	No	We do not expect this to be material to the consolidated provider accounts but acknowledge this cannot be determined from figures as presented; we have therefore added a confirmation question asking providers if this has occurred. But given our expectation we have not included the requirements of this paragraph in the TAC schedules.	If a provider has offset financial assets and financial liabilities and this is material, it should consider the disclosure requirements in this paragraph of the standard.
Paragraphs 14 and 15 specify disclosure requirements where financial assets have been pledged as collateral or the entity holds collateral.	No	We do not expect this to be material to the consolidated provider accounts but two confirmation questions ask if this has occurred. Given our expectation we have not included the requirements of this paragraph in the TAC schedules.	If the provider has pledged financial assets as collateral, or holds collateral, it should consider the disclosure requirements in this paragraph of the standard.
Paragraph 16A requires disclosure of the loss allowance calculated for financial assets measured at FVOCI as the carrying amount is not reduced where this is the case.	No	We do not expect this to be material to the consolidated provider accounts so we have not included the requirements of this paragraph in the TAC schedules.	If the provider has financial assets measured at FVOCI where significant expected credit losses are already part of the fair value, it should consider the disclosure requirements in this paragraph of the standard.
Paragraph 17 relates to compound financial instruments with multiple embedded derivatives.	No	Embedded derivates are not material to the consolidated provider accounts so we have not included the requirements of this paragraph in the TAC schedules.	Unlikely to apply.

Disclosure requirement of standard (paraphrased summary)	How addressed in TAC schedules		Considerations for local accounts
	Included	**Details**	
Paragraphs 18 and 19 require disclosures where defaults or breaches of loan agreements have occurred for loans payable.	No	We do not expect this to be material to the consolidated provider accounts so we have not included the requirements of this paragraph in the TAC schedules. A confirmation question has been added (17) to confirm this.	If the provider has defaulted on loans payable or breached loan agreement terms it should consider the disclosure requirements in these paragraphs of the standard.
Paragraphs 20 and 20A require disclosures relating to the I&E account for: a) net gains and losses on financial assets and financial liabilities (with a number of sub requirements) b) interest revenue and interest expense (with a number of sub requirements) c) fee income and fee expense 20A) gains and losses on derecognition of financial assets at amortised cost	a) Yes b) Yes, materially c) No 20A) Partly	These are included in the TAC schedules: a) points here are covered in Note 17.1 Other investments / financial assets on TAC15. b) these are largely covered by Note 8 Finance revenue and Note 9.1 Finance expenditure. We are not separately collecting interest income on financial assets measured at FVOCI or interest expense on financial liabilities not measured at FVTPL as these distinctions are not expected to be material c) Fee income / fee expense is not expected to be material so is not separately captured in the TAC schedules 20A) covered in Note 10 Other gains and losses on TAC11 apart from narrative on reasons.	Following the format of the TAC schedules in local accounts should address these requirements, but additional disclosure may be required where: • there is significant interest income / interest expense relating to the measurement categories of financial assets / financial liabilities in sub paragraph (b) • fee income / fee expense where this is significant • for paragraph 20A – the reasons for derecognising financial assets
Paragraph 21 deals with accounting policies	n/a	Accounting policies are not captured in the TAC schedules. Confirmation question 1 asks if the provider has departed from the accounting policies in the GAM.	Providers should ensure local accounting policy disclosures are tailored appropriately.
Paragraphs 21A to 24 relate to hedge accounting disclosures	No	We do not expect hedge accounting to be material to the consolidated provider accounts so have not collected this information.	Local disclosures may be required where the entity has significant hedging arrangements.

Disclosure requirement of standard (paraphrased summary)	How addressed in TAC schedules		Considerations for local accounts
	Included	Details	
Paragraphs 25 to 30 specify disclosure requirements for the fair value of each class of financial assets and financial liabilities, unless (per paragraph 29) the carrying amount is a reasonable approximation of fair value.	Yes	The financial instrument carrying value notes on TAC27 are extended to ask if fair value differs from the carrying value. Paragraph 28 lists required disclosures where the fair value of a financial asset or liability is not available. These cases are not expected to be material so this information is not collected.	Where fair values do differ from carrying values, the local disclosure does not need to replicate the format utilised on TAC27.
Paragraphs 33 to 35G specify qualitative and quantitative disclosures on the nature and extent of risks arising from financial instruments, including credit risk, liquidity risk and market risk.	Partly	The required qualitative disclosures do not consolidate. The quantitative disclosures are specific to each provider's circumstances. Confirmation questions ask if the provider is significantly exposed to these risks. Some further disclosures in the TACs inform this (for example maturity analysis of financial liabilities) but ultimately this is a set of local disclosures which do not consolidate.	Providers should ensure they are meeting the disclosure requirements of paragraphs 33 to 35 of the standard for risks associated with financial instruments.
Paragraph 35H requires a disclosure of a reconciliation table between the opening and closing credit loss allowance, with a number of separate analyses required. Paragraph 35I mandates certain elements of this disclosure.	Yes, materially	The GAM mandates the simplified approach to impairment is used for most receivables. In providers the distinction between purchased or originated credit impaired will not be material as this usually applies to debt factoring or business combinations. Reflecting the simplified approach for receivables, a reconciliation in the credit loss allowance (incorporating the requirements of paragraph 35H) is included as note 20.2 on TAC18. The table is split between contract receivables / contract assets and other receivables in order to meet the IFRS 15 disclosure requirement for this.	Note 20.2 on TAC18 should meet this disclosure requirement for receivables (and contract assets) for most providers. Additional local disclosure may be required if the provider has significant loss allowances for other types of financial asset.

Disclosure requirement of standard (paraphrased summary)	How addressed in TAC schedules		Considerations for local accounts
	Included	Details	
		As other financial assets are not material to the consolidated provider accounts, we are not collecting the movements in the loss allowance for financial assets on TAC15. We are collecting the total value of the loss allowance in table 17A on TAC15 to confirm this is not material.	
Paragraph 35J specifies further disclosure requirements where a modification of contractual cash flows has had an effect on financial assets.	No	We do not expect this to be material to the consolidated provider accounts so have not included this disclosure. Confirmation question 14 asks if this has occurred.	If the provider has had modifications of contractual cash flows affecting its financial assets it should consider the disclosure requirements in this paragraph of the standard.
Paragraph 35K specifies disclosure requirements on the effect of collateral on expected credit losses (i.e. where another entity has pledged collateral)	No	We do not expect this to be material to the consolidated provider accounts so have not included this disclosure. Confirmation question 16 asks if this has occurred.	If the provider has taken possession of any pledged financial or non-financial assets it should consider the disclosure requirements in this paragraph of the standard.
Paragraph 35L requires disclosure of the amount outstanding on financial assets that were written off during the period and are still subject to enforcement activity.	No	As the amounts written off are not expected to be material (as seen in note 20.2 on TAC18), the subset where there is still enforcement activity will also be immaterial. This is therefore not collected.	If this is significant locally, the provider may need to make additional disclosure.
Paragraphs 35M and 35N specify disclosure requirements for credit loss exposure.	No	A confirmation question asks if providers are significantly affected, but the disclosure requirements specified here will not consolidate. We are not collecting an ageing analysis of receivables as this is not how credit loss allowances are assessed under the impairment model: receivables should be assessed for lifetime expected credit losses upon recognition with the simplified approach.	Local accounts should ensure adequate disclosure is made on credit risk exposure.

Disclosure requirement of standard (paraphrased summary)	How addressed in TAC schedules		Considerations for local accounts
	Included	Details	
Paragraph 36 specifies disclosure requirements for credit risk where the impairment model of IFRS 9 is not applied to the financial instrument	No	This will not be material to the consolidated provider accounts so is not collected.	In the unlikely event that this is significant, local accounts should meet the disclosure requirements in this paragraph.
Paragraph 38 specifies disclosure requirements where collateral is obtained (i.e. where another entity has pledged collateral)	No	We do not expect this to be material to the consolidated provider accounts so have not included this disclosure. Confirmation question 16 asks if this has occurred.	If the provider has taken possession of any pledged financial or non-financial assets it should consider the disclosure requirements in this paragraph of the standard.
Paragraph 39 specifies disclosure requirements relating to liquidity risk: a) a maturity analysis for non-derivative financial liabilities b) a maturity analysis for derivative financial liabilities c) a narrative description on managing risks	a,b) Yes, materially c) No	The maturity of financial liabilities is collected in note 36.3 on TAC27. There is not separate analysis for derivative financial liabilities as these are not expected to be material. The narrative disclosure is not included as this does not consolidate.	Note 36.3 should meet the disclosure requirement for most providers' accounts, but local accounts should supplement with the narrative required by sub paragraph (c).
Paragraphs 40 to 42 specify disclosure requirements for market risk	No	This is not expected to be material to the consolidated provider accounts so is not collected. A confirmation question asks if this is significant for the provider.	Where applicable the provider should ensure it is meeting the market risk disclosure requirements of this part of the standard.
Paragraphs 42A to 42H deal with disclosures relating to transfers of financial assets.	No	This will not be material to the consolidated provider accounts so is not collected.	If the provider engages in significant transfers of financial assets it should consider the disclosure requirements of this part of the standard.