



IFRS 9 Module

IFRS 9 is an International Financial Reporting Standard (IFRS) promulgated by the International Accounting Standards Board (IASB). It addresses the accounting for financial instruments.

IFRS 9 is the response from the International Accounting Standards Board (IASB) to the disruption of the global financial systems and networks that resulted from the failure of certain financial institutions and the near failure of critical industries. The new regulations are intended to improve the health of financial institutions through more appropriate classifications of impaired assets. Improved reporting provides regulators with tools intended to avoid systemic sector and geographic risk.

Sources

Based on the well documented IASB recommendations. Highgate reviewed and utilized both PWC and KPMG's definitions and guidelines for the development of the Highgate IFRS 9 module.

Highgate's IFRS 9 enables clients to avoid the cost of developing fragmented in-house or Frankenstein solutions that become technically unmanageable and operationally complex.

Features

The IFRS 9 Module ensures that the financial institution can meet its regulatory demands while applying its resources to operational matters.
More than Compliance.

- Integration to Highgate core solutions - enables straight-through processing
- Integrated audit trail
- References local market conditions
- Provides visibility into the cause and effect of high risk loans
- Planning – forecasts potential losses before they happen based on IASB recommendations
- Integration to Third Party tools/solutions
- Facilitates Predictive Modeling, and filtering before committing to a final expected credit losses model

The Process

Each rated asset will be set to its determined Stage of Credit Risk. If an asset demonstrates an increase or decrease in credit risk (bottom up assessment) it will be automatically changed to the next stage.

- Portfolio Extract for Internal Analysis
- Extract for External Analysis
- Extract Reports
- Baseline and Updated Scoring
- Determination of Stage of Credit Risk
- Automated Scheduling
- End of Day Processing Capability
- ECL Calculation
 - Provision Reports
- Automated Master Updates
 - Provisioning Posting and Reversal Process
- Reporting
 - Results
 - IFRS 9

Give us a call to see how Highgate's IFRS 9 Module can assist your organization.