

Derivatives and hedging in IFRS – Advanced

WHO SHOULD ATTEND?

Financial, Consolidation and Accounting Managers – Chartered Accountants, External Auditors – Bankers, Account Managers

Prerequisites: *this training requires a good knowledge of the commonly used derivatives instruments and of the principles of hedge accounting. Having attended “Derivatives and hedging in IFRS – Basics” page 90 is recommended. This training is actually the advanced module of that session.*

OBJECTIVES

- › Understand the way some complex derivatives work (compound instruments, and especially barrier instruments) and the challenges they present in hedge accounting
- › Deepen hedge accounting under IFRS 9
- › Be able to analyze the accounting impacts of those transactions on the financial statements, including disclosures

WHY SHOULD YOU ATTEND?

- › This training allows you first to improve your practice of hedge accounting under IFRS 9 for transactions that are frequent but have specific accounting treatments (pre-hedge, hedge discontinuation...). Secondly, you will also handle more complex instruments (tunnels, compound instruments or with barriers...).

DETAILED CONTENT

› Reminders and in-depth review of hedge accounting

- Quiz: which hedge accounting method is appropriate? In which situation? When is it adequate to implement Fair Value Hedge, Cash Flow Hedge or Net Investment Hedge?

› Conditions and constraints to hedge accounting

- What can be hedged and what cannot be hedged under IFRS 9, and why?
 - . Intercompany transactions
 - . New opportunity with IFRS 9: hedging a net position
- Derivatives suitable for hedge accounting, or not
 - . Which parts of derivatives can be (or not) unbundled?
 - . New opportunity with IFRS 9: hedging an aggregate exposure
- Testing hedge effectiveness and accounting for ineffectiveness

› Implementing IFRS 9

- Accounting for swap points and time value
- Discontinuing a hedge relationship and accounting consequences

› Practical “Self-service” session. According to the needs of the participants, some of the following case studies (or others...) will be developed during the session

- Hedging interest rates before the issuance of a debt (pre-hedge)
- Hedging intercompany transactions
- Hedging with a Cross Currency Swap
- Hedging the acquisition of a subsidiary in foreign currency

INSTRUCTIONAL APPROACH AND LEARNING ASSESSMENT

- **Prior to the session:** self-assessment quiz
- **During the session:** technical developments presented with real-world scenarios, and numerous practical cases ensure knowledge acquisition. The training is adapted according to the various questions and issues of the participants.
- **After the session:** documentary inputs (synthesis, articles, video). The trainer is available to answer any follow-up questions participants may have.

DURATION: 1 DAY

DATES*: 15/03/24
10/06/24
26/11/24

PRICE EXCL. VAT: 1 240 €

(*) Delivery method: face-to-face, subject to change according to your requests and/or health conditions.

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