18.09.2022 SLFRS 9 class room discussions

FINANCIAL INSTRUMENTS

1/1/2012 →

← PRIOR TO 2012

↓

SLAS

↓

FI STD WAS NOT PART OF SLAS.

AFTER

SLAS → LKAS / SLFRS

↓ ↓

IAS / IFRS

IAS → IA STDS COMMITTEE

↓

IA STDS BOARD.

↓

PREFIX → IFRS.

IAS -16 PPE $\xrightarrow{\text{REVISED}}$ IAS - 16 (REVISED)

MINOR CHANGES

IAS - 17 LEASES ✗ $\xrightarrow{\text{REVISED}}$ IFRS - 16 - LEASES.

MAJOR CHANGES

IAS $\xrightarrow{\text{REPLACED}}$ IFRS. ✓

↓ ↓

✓ ✓

LKAS SLFRS ✓

FI :

IAS - 39 - RECOGNITION & MEASUREMENT ⟶ $\boxed{\text{IFRS - 9}}$ - IN 2018

$\boxed{\text{IAS - 32}}$ - PRESENTATION, } EXIST ✓

$\boxed{\text{IFRS - 7}}$ - DISCLOSURES. }

DEFINITIONS

① FI - CONTRACT - FI ✓

FA & FL / EQUITY INSTRUMENT

A LTD   B LTD   C LTD

FA - CASH / RIGHT TO RECEIVE CASH / EQUITY INSTRUMENT OF ANOTHER ENTITY

NOTES & COINS   TR | LOANS   SHARES

FL - OBLIGATION TO PAY CASH

TP | LOANS OBTAINED | DEBENTURES ISSUED

EQUITY INSTRUMENT - A CONTRACT THAT GIVES RESIDUAL INTEREST IN AN ENTITY

ORDINARY SHARE

C LTD → DISSOLVE

TA	1,000	→ SELL → AT 800	1,800
S/C	500		
R/E	100	PAY LTAB — 400	400
LTAB	400	BALANCE 400	1,400
	1,000		

S/H

EQUITY HOLDER

C LTD

SALES

COS

AP — SUPPLIER

EXP

F/C ← RETURN TO LENDER.

TAX

PAT XXX ← TO S/H → EQUITY HOLDER.

EXAMPLES.

FI ✓

① A LTD $\xrightarrow[\text{1,000}]{\text{LOAN}}$ B LTD.

← REPAY

400 X

LOAN

FIN.

RECEIVE CASH ✓

OBLIGATION TO PAY CASH ✓

② A LTD $\xrightarrow[\text{10,000, 10\% P.A + CAPITAL, 5YR.}]{\text{DEBENTURE}}$ C LTD. (FI)

A LTD → FA

C LTD → FL

③ A LTD $\xrightarrow{\text{T. BONDS}}$ CBSL (FI)

A LTD → FA

CBSL → FL

④ A LTD $\xrightarrow{\text{SHARES}}$ COM. BANK (FI)

A LTD → FA ✓

COM. BANK → EQUITY ✓

S/FIP

STD ✓

INVESTMENT - FVTOCI $\boxed{151,500}$

GL

001 — COST - 150,000

002 - BANK CH - 1500

151,500

001 - COST - 151,500

NOT DISCUSSED IN STD

INTERNAL DECISION OF THE COMPANY

T.BONDS - FVTOCI

SHARES

1/1/2020 — 30/6/2020 — 31/12/2020

COST/CA = 1000 — 1,000

FV = 1000 —(400)— 1,400 —(200)→ 1,600

FV CHANGE → OCI — OCI

TBOND

1/1/2020 — 30/6/2020 — 31/12/2020

CA 900 + 72.19 − 50 = 922.19 + 73.96 − 50 → $\boxed{946.15}$ =

FY 900

934.99 → 972.69

12.80

26.54

12.80

13.74

BID RATE VS ASK RATE

SELLERS → MKT ← BUYERS

WILLING TO SELL

HIGHEST PRICE

105

ASK PRICE

WILLING TO BUY.

LOWEST PRICE

98

BID PRICE

A LTD

SHARES

1000