IFRS 9 FINANCIAL INSTRUMENTS – APPLICATION OF EXPECTED CREDIT LOSS ("ECL") MODEL (EFFECTIVE FOR ANNUAL PERIODS BEGINNING ON OR AFTER 1 JANUARY 2018)

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MOORE

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The scope of the expected loss model under IFRS 9

Entities should not apply the expected credit loss model to:

- Financial instruments that are measured at fair value through profit or loss (FVTPL).
- Investments in equity instruments that are measured at fair value through other comprehensive income (FVTOCI). Fair value changes, except for dividend income, are permanently recognised in OCI without recycling to profit or loss.

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The scope of the expected loss model under IFRS 9 (con't)

Entities should apply the expected loss model to:

Within the scope of IFRS 9:

1) Loans receivables at amortised cost
2) Trade receivables
3) Investments in debt securities measured at amortised cost or FVTOCI
4) Amounts due from related companies, amounts due from associates, amounts due from joint ventures
5) Amounts due from subsidiaries (in a parent's separate financial statements)
6) Financial guarantee arrangements
7) ……

Outside the scope of IFRS 9:

1) Contract assets under IFRS 15
2) Lease receivables under IFRS 16 (in a lessor's financial statements)
3) ……

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Polling Question 1

Which of the following items are subject to ECL impairment assessment under IFRS 9?

1) Trade receivables

2) Investments in corporate bonds measured at FVTOCI

3) Amounts due from related parties

4) Interest in joint ventures (accounted for using the equity method of accounting)

5) Investments in convertible bonds

6) Property, plant and equipment

Options:

A) All of the above
B) Item 1 only
C) Items 1, 2 and 3
D) Items 1, 2, 3 and 4
E) Items 1, 2, 3 and 5

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Polling Question 1 – Response

Which of the following items are subject to ECL impairment assessment under IFRS 9?

1) Trade receivables

2) Investments in corporate bonds measured at FVTOCI

3) Amounts due from related parties

4) Interest in joint ventures (accounted for using the equity method of accounting)

5) Investments in convertible bonds

6) Property, plant and equipment

Options:

A) All of the above
B) Item 1 only
C) Items 1, 2 and 3
D) Items 1, 2, 3 and 4
E) Items 1, 2, 3 and 5

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What are "expected credit losses" under IFRS 9?

Recap

Forward-looking approach

- Expected credit losses are unbiased and probability-weighted average amounts that are determined by evaluating a range of possible outcomes.
- ECL is an estimate of credit losses (i.e. the present value of all cash shortfalls) over the expected life of the financial instrument.

Credit loss = **present value of the difference between**

The contractual cash flows -

Expected cash flows to be received (should take into account the cash flows expected from collateral (less the costs of obtaining and selling the collateral) and other credit enhancements)

Discounted using the effective interest rate determined at initial recognition

For purchased or originated credit-impaired financial assets, discounted using the credit-adjusted effective interest rate determined at initial recognition.

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Expected loss model under IFRS 9

Recap

- Three approaches under IFRS 9:
  - General approach;
  - Simplified approach (qualifying trade receivables, contract assets under IFRS 15 and lease receivables); and
  - Credit-adjusted approach applicable to purchased or originated credit-impaired financial assets.

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Expected loss model – general approach

Recap

Change in credit risk since initial recognition

Improvement | Individual or collective assessment | Deterioration

	Bucket 1 –At the reporting date, there has NOT been SIGNIFICANT increase in credit risk since initial recognition	**Bucket 2 –At the reporting date, there has been SIGNIFICANT increase in credit risk since initial recognition**	**Bucket 3 – At the reporting date, the asset has become credit-impaired (i.e. with observable evidence that the asset is credit-impaired)**
Loss allowance (updated at each reporting date)	12-month expected credit losses	Lifetime expected credit losses	Lifetime expected credit losses
Interest income	Effective interest income based on GROSS carrying amount (without deduction for credit allowance)	Effective interest income based on GROSS carrying amount (without deduction for credit allowance)	Effective interest income based on amortised cost (i.e. the net carrying amount after credit allowance)

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Recap

What is meant by the "life-time expected credit loss"?

- The expected credit losses that result from ALL POSSIBLE default events over the expected life of a financial instrument.
- Lifetime expected credit losses are generally expected to be recognised before a financial instrument becomes past due.

What is meant by the "12-month expected credit losses"?

- 12-month expected credit losses are the portion of the lifetime expected credit losses that represent the expected credit losses that result from default events that are possible within the 12 months after the reporting date.

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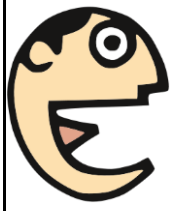
Example 1

Facts:

- Company A advanced a 3-year loan with the principal amount of USD 10 million to Company B (third party) on 1 January 2020.
- The loan is interest-bearing at 10% per annum, payable semi-annually.
- Company A performed ECL assessment as at 31 December 2020 when it prepared the FY2020 financial statements.
- Company A, after assessment, concluded that there was no significant increase in credit risk since initial recognition and hence just measured the 12-month expected credit loss.



- For the coming 12 months from the end of FY2020, 2 semi-interest payments would become due, with each semi-interest amounting to USD 500,000 each.
- Management of Company A believed that the 12-month ECL would be just to reflect the probability that Company B would fail to make the 2 semi-annual interest payments due in FY2021.

Is this view appropriate?

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Example 1 (con't)

- No, 12-month expected credit loss is the expected cash shortfalls during the life of the instrument arising from default events that may happen within the 12 months.
- The term "default" is not defined in IFRS 9. Entities have to establish their own policies for what would be considered as a "default" and apply consistently to all financial instruments (unless information becomes available that demonstrates that another default definition is more appropriate for a particular financial instrument).
- Examples of default events:
  - Breach of loan covenants
  - Unable to contact borrowers
  - The contractual interest payment have become due and the issuer has failed to pay
  - Other examples …
- IFRS 9 includes a rebuttable presumption that a default does not occur later when a financial asset is 90 days past due (unless an entity has reasonable and supportable information to demonstrate that a more lagging default criterion is more appropriate).

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12-month ECL

What are the possible default events in the next 12 months after the reporting date?	What will be the expected credit losses for the life of the loan or receivable that will result from these default events?	What is the probability of such default events occurring?	Expected loss
	[A]	[B]	[C] = [A]*[B]
1) Breach of loan covenants	CUXX	X%	CUXX
2) Semi-annual interest payment become due but the issuer is not able to pay on time	CUXX	X%	CUXX
3) Significant worsening of the financial position of the issuer	CUXX	X%	CUXX
4) Others …	CUXX	X%	CUXX
			CUXX (Sum of the above)

Under IFRS 9, ECL is assessed based on "reasonable and supportable information available without undue cost or effort" at the reporting date about past events, current conditions and forecasts of future economic conditions.

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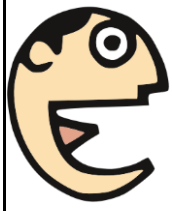
Example 2

Facts:

- Company A advanced a 1-year loan with the principal amount of USD 10 million to Company B (third party) on 1 August 2020. The loan is due for payment on 31 July 2021.
- The loan is interest-bearing at 10% per annum, payable semi-annually.
- Company A performed ECL assessment as at 31 December 2020 when it prepared the FY2020 financial statements.
- Company A spent a lot of time in determining whether the ECL should be measured using the 12-month ECL or lifetime ECL. Company A also made a lot of effort in assessing whether there has been significant increase in credit risk since initial recognition and made the disclosure in the FY2020 financial statements.



Did Company A need to assess whether or not there had been significant increase in credit risk since initial recognition to determine 12 month ECL or lifetime ECL was applicable?

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Example 2 (con't)

- The loan has a contractual maturity of 12 months and it is contractually due for less than 12 months as at the end of the reporting period.
- The results of ECL assessment, regardless whether it is estimated based on the 12-month ECL or lifetime ECL, should be the same.

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Example 3

Facts:

- On 1 June 2019, Company A agreed to be a guarantor in respect of a bank loan of HKD 20 million advanced to an associate of Company A for nil consideration. The bank loan is due for repayment on 31 May 2024.
- Company A, in its consolidated financial statements for the year ended 31 December 2020, made the following disclosures:

Note 12 Contingent liabilities			2020	2019
			HKD	HKD
Financial guarantee (Note)			20,000,000	20,000,000
Note: The Company has provided a financial guarantee to a bank that advanced a loan of HKD 20 million to an associate of the Company. The bank loan is due for repayment in May 2024.				

There are no other disclosures relating to the abovementioned financial guarantee in Company A's consolidated financial statements. Nor did Company A recognise any liabilities in respect of the abovementioned financial guarantee.

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Example 3 (con't)

Response:

- Company A should account for the financial guarantee arrangement under IFRS 9 "Financial Instruments" (not IAS 37 "Provisions, Contingent Liabilities and Contingent Assets").
- The financial guarantee contract is a financial liability within the scope of IFRS 9.
- The financial guarantee contract should be measured at fair value on initial recognition.
- Paragraph 4.2.1 of IFRS 9 states:

  "…… financial guarantee contracts. After initial recognition, an issuer of such a contract shall subsequently measure it at the higher of:

  (a) the amount of the loss allowance determined with Section 5.5 and

  (b) the amount initially recognised less, when appropriate, the cumulative amount of income recognised in accordance with the principles of IFRS 15."

Expected credit loss

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Example 4

Facts:

- Company A is a property developer in China. A subsidiary of Company A advanced a loan of RMB 5 million to a third party (Company B) on 3 January 2020.
- The loan was interest-bearing at 10 per cent per annum.
- The principal of the loan was due for payment three years after the loan drawdown date (i.e. 2 January 2023). Interests are payable semi-annually.
- The management of Company A represented the borrower was a state-owned enterprise in China.
- The management of Company A represented that no ECL assessment was required because the credit risk of the borrower was low. Company A did not recognise any expected credit loss on the loan in its consolidated financial statements for the year ended 31 December 2020.

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Example 4 (con't)

- Question 1: Assuming that the management of Company A's representation that the credit risk of the loan was low was supportable, was it appropriate for Company A not to perform ECL impairment assessment on the loan (when it prepared the FY2020 consolidated financial statements) because the credit risk of the loan was low?

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Example 4 (con't)

- Low credit risk = Low risk of default (i.e. strong capacity to meet its contractual cash flow obligations in the near term and adverse changes in economic and business conditions in the longer term may (but not necessarily) reduce the ability of the borrower to fulfil its contractual cash flow obligations).
- An example cited under IFRS 9 – a financial instrument with an external rating of 'investment grade'.
- If an entity concludes a financial asset has low credit risk at the end of the reporting date, it may assume that the credit risk on the financial asset has NOT increased significantly since initial recognition.
  - The entity still needs to measure the 12-month expected credit loss.

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Example 4 (con't)

- Facts: The management of Company A represented that the borrower was a state-owned enterprise in China and the credit risk of the loan was low.
- Issues:
  - Was the representation made by the management of Company A that Company B was a state-owned enterprise valid?
  - How was the financial position of Company B, i.e. the borrower, compared to that of the Chinese government?
  - Whether or not there has been significant increase in credit risk of the loan since initial recognition?

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Example 4 (con't)

- There are a variety of approaches that could be used to assess whether the credit risk on a financial instrument has increased significantly since initial recognition.
- Examples:
  - A) Quantitative information:
    - Format credit rating &
    - Probability of default of a financial instrument (PD)
  - B) Combination of quantitative and qualitative information

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Various approaches to assess whether the credit risk on a financial instrument has increased significantly (con't)

- Examples:
  - Information to be collected:
    - Significant changes in the terms of the same instrument – What would be the terms of the instrument if it were issued at the reporting date? Increase in credit spread? More stringent covenants? Increased amounts of collateral or guarantees? Etc.
    - Significant changes in external market indicators of credit risk (for the same financial instrument (or similar instrument of the borrower) – Significant drop in external credit rating? Significant drop in the price of the borrower's debt instrument? Etc.
    - Internal credit rating downgrade for the borrower or decrease in behavior scoring
    - Changes in the entity's credit management approach – e.g. the instrument becoming more closely monitored by the lender's credit team?
    - Actual or expected adverse changes in: a) business, financial or economic conditions, b) operating results of the borrower, and c) regulatory, economic, or technology environment of the borrower.
    - Significant changes in the value of collateral or in the quality of third party guarantees or credit enhancements

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Various approaches to assess whether the credit risk on a financial instrument has increased significantly (con't)

- Examples:
  - Information to be collected (con't):
    - Expected changes in the loan documentation (e.g. breach of contract leading to covenant waivers or amendments, interest rate steps up etc.)
    - Significant changes in the expected performance and behavior of the borrower.
    - Past due information – IFRS 9 includes a rebuttable presumption that the credit risk on a financial asset has increased significantly since initial recognition when contractual payments are more than 30 days past due.

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Example 5

Facts:

- Company A owned a number of corporate bonds issued by property developers with main operations in China.
- Company A classified these investments in debt securities as at FVTOCI as the business model of holding these bonds was to collect contractual cash flows and to sell in the future.
- Below are extracts from Company A's consolidated financial statements for the year ended 31 December 2020 (FY2020):

Consolidated statement of financial position	**2020 HKD**	**2019 HKD**
Financial assets at FVTOCI – corporate bonds	15,000,000	20,000,000
Consolidated statement of profit or loss		5,000,000 (fair value loss)
Turnover	…	…
ECL on corporate bonds	0	0
Consolidated statement of other comprehensive income (OCI)		
Items that will be reclassified to profit or loss		
Fair value loss of corporate bonds	5,000,000	4,000,000

Example 5 (con't)

Paragraph 5.5.2 of IFRS 9 states:

"… the loss allowance shall be recognised in other comprehensive income and shall not reduce the carrying amount of the financial asset in the statement of financial position."

How to apply paragraph 5.5.2?

- Company A need to quantify the ECL under the general approach.
- The ECL quantified would not affect the fair value of the debt securities as the fair value of the debt securities has already reflected the credit risk of the securities.

The journal entries should be (assuming that the quantified ECL is equal to HKD 4,800,000)

Journal entry 1 (to record the fair value loss of HKD 5 m)

DR OCI HKD 5m

CR FVTOCI debt securities (statement of financial position) HKD 5 m

Journal entry 2 (to record the ECL of HKD 4.8 m)

DR Profit or loss HKD 4.8 m

CR OCI HKD 4.8m

Net impact to OCI (debit) = HKD 0.2 m

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Example 5 (con't)

Consolidated statement of financial position			2020 HKD
Financial assets at FVTOCI – corporate bonds			15,000,000
Consolidated statement of profit or loss			
Turnover			…
ECL on corporate bonds			~~0~~ 4,800,000
Consolidated statement of other comprehensive income			
Items that will be reclassified to profit or loss			
Fair value loss of corporate bonds			~~5,000,000~~ 200,000

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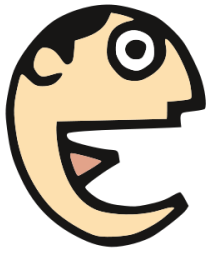
Example 6 - Amounts due from an associate

Note [xx] Investments in an associate		2020 HK$' million	2019 HK$' million
Investment in an associate (accounted for using equity method of accounting)		100	140
Amounts due from the associate (non-current) (being the principal amount)		80	80
		180	220

Loss-making



Management of the investor (the reporting entity)

The advances to associates are long-term interests that, in substance, form part of the investments in the associates. We don't think we need to perform ECL impairment assessment in accordance with IFRS 9.

Question: Is this view appropriate?

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Example 6 (con't)

Note [xx] Investment in an associate		2020 HK$' million	2019 HK$' million
Investment in an associate (accounted for using equity method of accounting)		100	140
Amounts due from the associate (non-current)		80	80
		180	220

➔ IFRS 9 does not apply to interests in associates and joint ventures that are accounted for using the equity method.

➔ The investor shall apply IFRS 9 to other financial instruments in an associate or joint venture to which the equity method is not applied. These include long-term interests that, in substance, form part of the entity's net investment in an associate or joint venture.

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Example 6 (con't)

- Scenario 1: The amounts due from the associate are interest-free (i.e., not at market rates)
  - The amounts due from the associate should be recorded at fair value on initial recognition. The fair value should reflect the credit risk associated with the amount due from the associate.
  - At subsequent reporting dates, the entity shall apply the general ECL approach to determine whether there has been significant increase in credit risk since initial recognition.
    - ➔ No significant increase in credit risk since initial recognition ➔ 12-month ECL
    - ➔ Significant increase in credit risk since initial recognition ➔ Lifetime ECL

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Example 6 (con't)

- Scenario 2: The amounts due from the associate are interest-bearing at market rates
  - ~~For the amount due from each associate, the entity shall record it at fair value on initial recognition. The fair value should reflect the credit risk associated with the amount due from the associate.~~
  - At subsequent reporting dates, the entity shall apply the general ECL approach to determine whether there has been significant increase in credit risk since initial recognition.
    - ➔ No significant increase in credit risk since initial recognition ➔ 12-month ECL
    - ➔ Significant increase in credit risk since initial recognition ➔ Lifetime ECL

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Approach 1: 12-month ECL based on probability weighted average approach

What are the possible default events in the next 12 months after the reporting date?	What will be the expected credit losses for the life of the loan or receivable that will result from these default events?	What is the probability of such default events occurring?	Expected loss
	[A]	[B]	[C] = [A]*[B]
XX	CUXX	X%	CUXX
XX	CUXX	X%	CUXX
XX	CUXX	X%	CUXX
XX	CUXX	X%	CUXX
XX	……		
			CUXX (Sum of the above)

- Need to identify the possible default events that will take place in the coming 12 months
- Need to estimate the expected credit loss for the life of the loan for each possible default event
- Need to estimate the probability for each possible default event

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Approach 2: 12-month ECL based on credit spread analysis

Assumption: It is assessed and concluded that there has been no significant increase in credit risk since initial recognition, i.e., the entity still expects that the associate will be able to pay on time.

As at the end of FY2020, if the associate would like to borrow the same amount of monies with similar terms from an independent third party, how much % of interest does the associate have to pay for similar loans?

The credit spread between the annual market interest rate that the associate has to pay and the annual risk-free rate could be a reasonable reflection of the 12-month ECL.

This is on the basis that IFRS 9 defines "interest" being the consideration for mainly the time value of money and the credit risk associated with the principal amount.

Note [xx] Investments in associates		2020 HK$' million	2019 HK$' million
Investments in associates (accounted for using equity method of accounting)		100	140
Amounts due from associates (non-current) (being the principal amount)		80	80
		180	220

12-month ECL $\approx$ 80M*(annual market interest rate – annual risk free rate)

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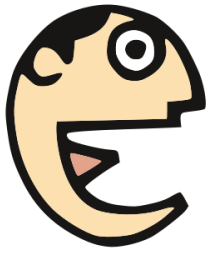
Amounts due from related companies

Note [xx] Amounts due from related parties		2020 HK$' million	2019 HK$' million
Amounts due from related parties (classified as current assets)	Note	60	60
Note: The amounts due from the related parties of the Group are interest-free and repayable on demand.			



Management of the reporting entity

We don't think there would be material ECL as the amounts are repayable on demand and we expect them to pay soon.

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Amounts due from related companies

- The reporting entity should apply the expected loss model (the general model) to estimate the ECL.
- Practical challenges:
  - There may be no documented terms at all.
  - Even when the terms say that the amount is repayable on demand, the receivable may only be settled a few years later.
  - Terms may not be at "arm's length".

It is critical to collect and analyse the financial position of each related party (in particular whether it has sufficient liquid asset that can substantiate that the outstanding amount can be settled within one year from the end of the reporting period).

Need to assess whether there has been significant change in credit risk since initial recognition:

- ➔ No significant increase in credit risk since initial recognition ➔ 12-month ECL
- ➔ Significant increase in credit risk since initial recognition ➔ Lifetime ECL

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Simplified approach for trade receivables, contract assets and lease receivables

	Lifetime expected loss allowance
Trade receivables (and contract assets under IFRS 15) that do not contain a significant financing component	Requirement
Trade receivables that contain a significant financing component	Accounting policy choice (should be consistently applied to all such trade receivables)
Contract assets that contain a significant financing component	Accounting policy choice (should be consistently applied to all such contract assets)
Operating lease receivables (as lessor)	Accounting policy choice (should be consistently applied to all such operating lease receivables)
Finance lease receivables (as lessor)	Accounting policy choice (should be consistently applied to all such finance lease receivables)

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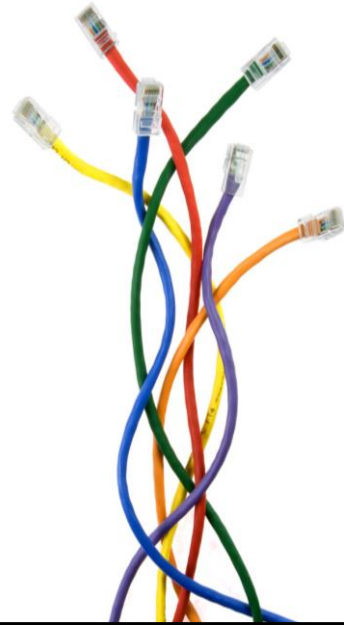
How to apply the provision of matrix approach?



IE76 On that basis, Company M estimates the following provision matrix:

	Current	1–30 days past due	31–60 days past due	61–90 days past due	More than 90 days past due
Default rate	0.3%	1.6%	3.6%	6.6%	10.6%

IE77 The trade receivables from the large number of small customers amount to CU30 million and are measured using the provision matrix.

	Gross carrying amount	Lifetime expected credit loss allowance (Gross carrying amount x lifetime expected credit loss rate)
Current	CU15,000,000	CU45,000
1–30 days past due	CU7,500,000	CU120,000
31–60 days past due	CU4,000,000	CU144,000
61–90 days past due	CU2,500,000	CU165,000
More than 90 days past due	CU1,000,000	CU106,000
	CU30,000,000	**CU580,000**

Recap

Key steps:

Step 1 - Properly categorize trade receivables into different groups based on their nature of the operations, size and ability to pay

E.g. Company A is a construction company. Its customer base include local government authorities, large scale listed companies and medium-sized private companies.

For each group of trade receivables,

Step 2 - Prepare the aging analysis

Step 3 - Estimate the default rate for each age category

Scenario 1

	Current	1-30 days past due	31-60 days past due	61-90 days past due	More than 90 days past due
Default rate	5%	5%	5%	5%	5%

Not appropriate

X

Scenario 2

	Current	1-30 days past due	31-60 days past due	61-90 days past due	More than 90 days past due
Default rate	10%	9%	8%	7%	6%

Not appropriate

X

Step 3 - Estimate the default rate for each age category

Default rate

Category (based on no. of past due days)	Carrying amount (AC)	Historical default rate	Forward looking estimates	Expected default rate rate	Expected loss
	[A]	[B]	[C]	[D]=[B]+[C]	[E]=[A]*[D]
Not yet due	XX	0.25%	0.05%	0.3%	XX
1-30 days past due	XX	1.5%	0.1%	1.6%	XX
31-60 days past due	XX	3.5%	0.1%	3.6%	XX
61-90 days past due	XX	6.4%	0.2%	6.6%	XX
More than 90 days past due	XX	10.1%	0.5%	10.6%	XX
					XX

Historical default rates (an example only)

	Sales after payments	Outstanding balance	Loss amount (assume that any outstanding balance due more than 90 days is considered "default")	Historical default rates
	[A]			
	100,000	100,000	3,000	3%
Paid in 30 days	(20,000)	80,000	3,000	3.75%
Paid between 30 and 60 days	(35,000)	45,000	3,000	6.67%
Paid between 60 and 90 days	(30,000)	15,000	3,000	20%
Paid after 90 days	(12,000)	3,000	3,000	100%
Write off		3,000		

Step 1 – Select a period of sales for analysis (must be a sufficient period of time).

Step 2 – Track the payment of the sales being selected.

Step 3 – Calculate the historical default rate (apply the same amount of loss)

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Default rates

Step 4 – Adjust the historical default rate by forward-looking information

Step 5 – Apply the default rate to the different age groups of the trade receivables and calculate the expected loss amount

Total	Current	Past due for 1- 30 days	Past due for 31-60 days	Past due for 61-90 days	Past due for more than 90 days
	CU'000	CU'000	CU'000	CU'000	
Gross carrying amount of trade receivables	50	80	40	30	20
Historical default rate	3%	3.75%	6.67%	20%	100%
Default rate after taking into account forward looking information (by increasing the loss amount from CU300 to CU400)	4%	5%	8.9%	27%	100%
ECL	2	4	3.56	8.1	20

Total ECL = CU37,660

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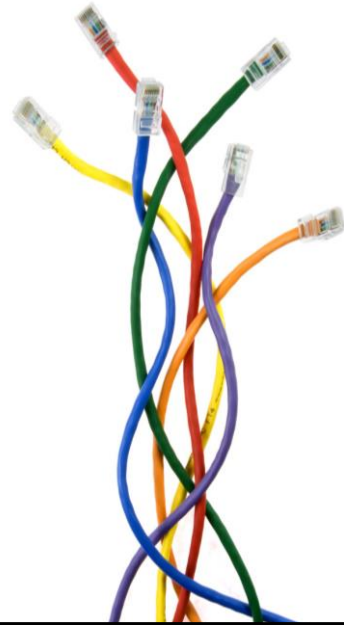
- The End -



PANELIST

JAMES CALDWELL

International Audit Partner

Moore Shisei & Co.

Japan

A PRACTITIONER'S PERSPECTIVE

- My personal thoughts on the ECL requirements:
  - Applicable and relevant to financial industry
  - Perhaps less useful to other entities
  - Requirements can be onerous – especially for SME's!
- Analysing credit risk and estimating likelihood of default
- Accounts receivable – subsequent cash collection, the bad debt allowance and ECL

Slide 45

PANELIST

DARREN CHEN

Executive Director

Moore Malaysia

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IFRS 9 – Expected Credit Losses (“ECL”)

- Under IFRS 9, companies are required to account for what they expect the loss to be on the day they raise the invoice – and revision is made to that expected loss until actual payment is received from customers *(previously to provide for loss that actually occurred – incurred loss model).*
- ECLs are measured at an unbiased, probability-weighted amount, considered time value of money, using reasonable and supportable information that is available without undue cost or effort at the reporting date.
- Includes information about past events, current conditions and forecasts of future economic conditions

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IFRS 9 – Expected Credit Losses (“ECL”)

Practical expedient

- Allows usage of provision matrix under the simplified approach.
- Applies segmentation to capture the significantly different historical credit loss experience for different customer groups/segments.
- Based on historical loss experience but should be adjusted to reflect information about current conditions and reasonable and supportable forecasts of future economic conditions.

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IFRS 9 – Expected Credit Losses (“ECL”)

Impact of COVID-19

- Segmentation applied in previous periods may no longer be appropriate and may need to be revised to reflect the different ways in which the COVID-19 outbreak affects different types of customers.
- To consider how timing and amount of cash flows generated might be affected and to adjust the ECL accordingly.

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Q&A SESSION

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