

# From LIBOR to SONIA and what you need to know:

## The Impact of Transition on Accounting

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# IASB Amendments

to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS16

Phase 1

How to continue with hedge accounting before transition

Phase 2

Reliefs after you make changes to financial instruments

# IBOR Reform - Phase 1 amendments



Highly probable requirement



Recycling of cash flow hedge reserve



Prospective assessments



IAS 39 retrospective assessments



Risk components



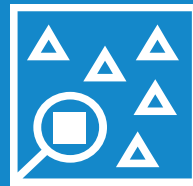
Disclosures

# Nature of the Phase 2 amendments

Changes  
to the  
contractual cash  
flows



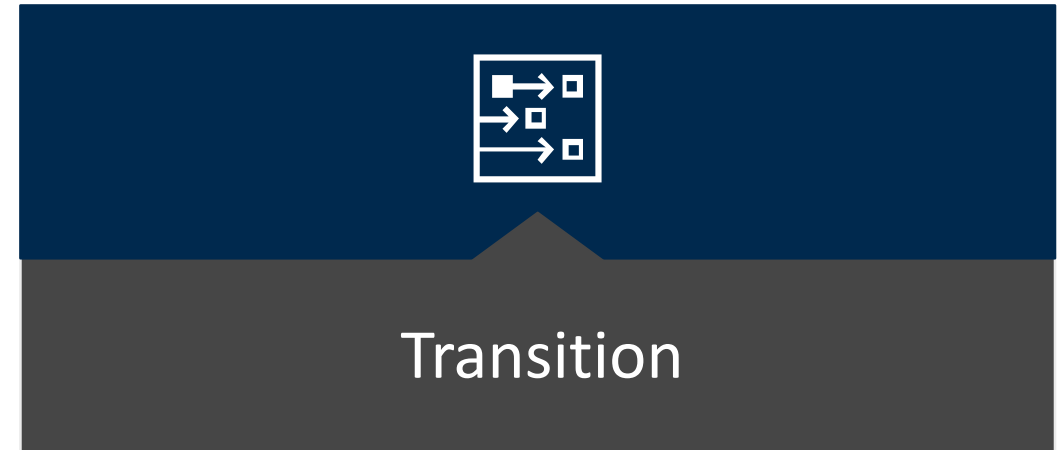
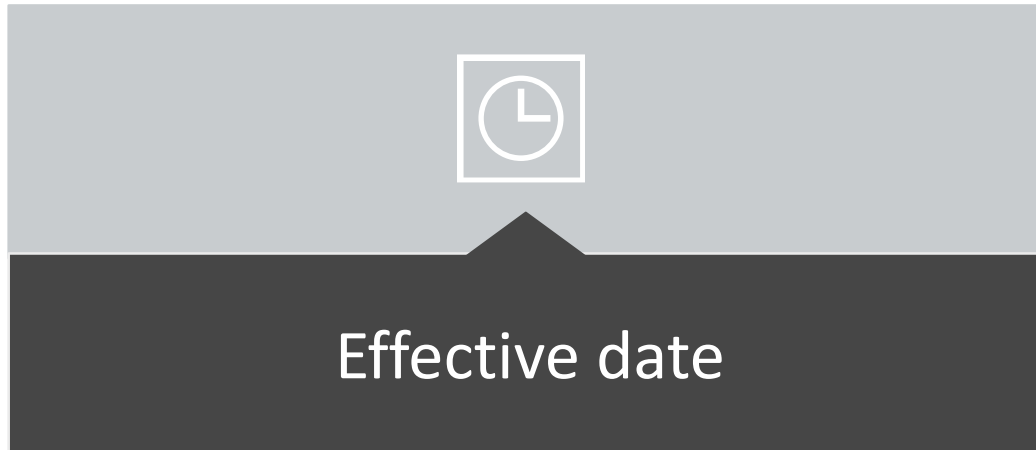
Relief from  
hedge  
accounting  
requirements



Disclosures  
related to IBOR  
reform



# Phase 2 Amendments Adoption



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Annual periods  
beginning on or after  
1 January 2021

Retrospective

# Disclosure Requirements

Effect of IBOR reform on financial instruments and risk management strategy

How the entity is managing transition to alternative benchmark

Quantitative information about instruments that have yet to transition

Changes to risk management strategy as a result of IBOR reform

Disclosures related to IBOR reform



# Key messages

1

Make accounting part of your overall IBOR transition plan



2

Talk to your lawyers, accountants and consultants



3

IBOR reform Phase 2 consider early adoption

