
**AMENDMENTS TO
STATUTORY BOARD
FINANCIAL REPORTING STANDARDS**

**Applying SB-FRS 109 *Financial Instruments*
with SB-FRS 104 *Insurance Contracts***

(Amendments to SB-FRS 104)

AMENDMENTS TO SB-FRS 104: APPLYING SB-FRS 109 FINANCIAL INSTRUMENTS WITH SB-FRS 104 INSURANCE CONTRACTS

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Amendments to SB-FRS 104 *Insurance Contracts*

Paragraph 3 is amended. New text is underlined and deleted text is struck through.

Scope

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- 3 This SB-FRS does not address other aspects of accounting by insurers, such as accounting for financial assets held by insurers and financial liabilities issued by insurers (see SB-FRS 32 *Financial Instruments: Presentation*, SB-FRS 107 and SB-FRS 109 *Financial Instruments*), except:
- (a) paragraph 20A permits insurers that meet specified criteria to apply a temporary exemption from SB-FRS 109;
 - (b) paragraph 35B permits insurers to apply the overlay approach to designated financial assets; and
 - (c) in the transitional provisions in paragraph 45 permits insurers to reclassify in specified circumstances some or all of their financial assets so that the assets are measured at fair value through profit or loss.

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Paragraph 5 is amended. New text is underlined.

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- 5 For ease of reference, this SB-FRS describes any entity that issues an insurance contract as an insurer, whether or not the issuer is regarded as an insurer for legal or supervisory purposes. All references in paragraphs 3(a)–3(b), 20A–20Q, 35B–35N, 39B–39M and 46–49 to an insurer shall be read as also referring to an issuer of a financial instrument that contains a discretionary participation feature.

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New headings are added below paragraphs 20, 20K and 20N. New paragraphs 20A–20Q are added.

Recognition and measurement

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Temporary exemption from SB-FRS 109

- 20A **SB-FRS 109 addresses the accounting for financial instruments and is effective for annual periods beginning on or after 1 January 2018. However, for an insurer that meets the criteria in paragraph 20B, this SB-FRS provides a temporary exemption that permits, but does not require, the insurer to apply SB-FRS 39 *Financial Instruments: Recognition and Measurement* rather than SB-FRS 109 for annual periods beginning before 1 January 2021. An insurer that applies the temporary exemption from SB-FRS 109 shall:**

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- (a) use the requirements in SB-FRS 109 that are necessary to provide the disclosures required in paragraphs 39B–39J of this SB-FRS; and
 - (b) apply all other applicable SB-FRSs to its financial instruments, except as described in paragraphs 20A–20Q, 39B–39J and 46–47 of this SB-FRS.
- 20B An insurer may apply the temporary exemption from SB-FRS 109 if, and only if:
 - (a) it has not previously applied SB-FRS 109, other than only the requirements for the presentation of gains and losses on financial liabilities designated as at fair value through profit or loss in paragraphs 5.7.1(c), 5.7.7–5.7.9, 7.2.14 and B5.7.5–B5.7.20 of SB-FRS 109; and
 - (b) its activities are predominantly connected with insurance, as described in paragraph 20D, at its annual reporting date that immediately precedes 1 April 2016, or at a subsequent annual reporting date as specified in paragraph 20G.
- 20C An insurer applying the temporary exemption from SB-FRS 109 is permitted to elect to apply only the requirements for the presentation of gains and losses on financial liabilities designated as at fair value through profit or loss in paragraphs 5.7.1(c), 5.7.7–5.7.9, 7.2.14 and B5.7.5–B5.7.20 of SB-FRS 109. If an insurer elects to apply those requirements, it shall apply the relevant transition provisions in SB-FRS 109, disclose the fact that it has applied those requirements and provide on an ongoing basis the related disclosures set out in paragraphs 10–11 of SB-FRS 107 (as amended by SB-FRS 109).
- 20D An insurer’s activities are predominantly connected with insurance if, and only if:
 - (a) the carrying amount of its liabilities arising from contracts within the scope of this SB-FRS, which includes any deposit components or embedded derivatives unbundled from insurance contracts applying paragraphs 7–12 of this SB-FRS, is significant compared to the total carrying amount of all its liabilities; and
 - (b) the percentage of the total carrying amount of its liabilities connected with insurance (see paragraph 20E) relative to the total carrying amount of all its liabilities is:
 - (i) greater than 90 per cent; or
 - (ii) less than or equal to 90 per cent but greater than 80 per cent, and the insurer does not engage in a significant activity unconnected with insurance (see paragraph 20F).
- 20E For the purposes of applying paragraph 20D(b), liabilities connected with insurance comprise:
 - (a) liabilities arising from contracts within the scope of this SB-FRS, as described in paragraph 20D(a);
 - (b) non-derivative investment contract liabilities measured at fair value through profit or loss applying SB-FRS 39 (including those designated as at fair value through profit or loss to which the insurer has applied the requirements in SB-FRS 109 for the presentation of gains and losses (see paragraphs 20B(a) and 20C)); and
 - (c) liabilities that arise because the insurer issues, or fulfils obligations arising from, the contracts in (a) and (b). Examples of such liabilities include derivatives used to mitigate risks arising from those contracts and from the assets backing those contracts, relevant tax liabilities such as the deferred tax liabilities for taxable temporary differences on liabilities arising from those contracts, and debt instruments issued that are included in the insurer’s regulatory capital.

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20F In assessing whether it engages in a significant activity unconnected with insurance for the purposes of applying paragraph 20D(b)(ii), an insurer shall consider:

- (a) only those activities from which it may earn income and incur expenses; and
- (b) quantitative or qualitative factors (or both), including publicly available information such as the industry classification that users of financial statements apply to the insurer.

20G Paragraph 20B(b) requires an entity to assess whether it qualifies for the temporary exemption from SB-FRS 109 at its annual reporting date that immediately precedes 1 April 2016. After that date:

- (a) an entity that previously qualified for the temporary exemption from SB-FRS 109 shall reassess whether its activities are predominantly connected with insurance at a subsequent annual reporting date if, and only if, there was a change in the entity's activities, as described in paragraphs 20H–20I, during the annual period that ended on that date.
- (b) an entity that previously did not qualify for the temporary exemption from SB-FRS 109 is permitted to reassess whether its activities are predominantly connected with insurance at a subsequent annual reporting date before 31 December 2018 if, and only if, there was a change in the entity's activities, as described in paragraphs 20H–20I, during the annual period that ended on that date.

20H For the purposes of applying paragraph 20G, a change in an entity's activities is a change that:

- (a) is determined by the entity's senior management as a result of external or internal changes;
- (b) is significant to the entity's operations; and
- (c) is demonstrable to external parties.

Accordingly, such a change occurs only when the entity begins or ceases to perform an activity that is significant to its operations or significantly changes the magnitude of one of its activities; for example, when the entity has acquired, disposed of or terminated a business line.

20I A change in an entity's activities, as described in paragraph 20H, is expected to be very infrequent. The following are not changes in an entity's activities for the purposes of applying paragraph 20G:

- (a) a change in the entity's funding structure that in itself does not affect the activities from which the entity earns income and incurs expenses.
- (b) the entity's plan to sell a business line, even if the assets and liabilities are classified as held for sale applying SB-FRS 105 *Non-current Assets Held for Sale and Discontinued Operations*. A plan to sell a business line could change the entity's activities and give rise to a reassessment in the future but has yet to affect the liabilities recognised on its statement of financial position.

20J If an entity no longer qualifies for the temporary exemption from SB-FRS 109 as a result of a reassessment (see paragraph 20G(a)), then the entity is permitted to continue to apply the temporary exemption from SB-FRS 109 only until the end of the annual period that began immediately after that reassessment. Nevertheless, the entity must apply SB-FRS 109 for annual periods beginning on or after 1 January 2021. For example, if an entity determines that it no longer qualifies for the temporary exemption from SB-FRS 109 applying paragraph

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20G(a) on 31 December 2018 (the end of its annual period), then the entity is permitted to continue to apply the temporary exemption from SB-FRS 109 only until 31 December 2019.

- 20K An insurer that previously elected to apply the temporary exemption from SB-FRS 109 may at the beginning of any subsequent annual period irrevocably elect to apply SB-FRS 109.

First-time adopter

- 20L A first-time adopter, as defined in SB-FRS 101 *First-time Adoption of Financial Reporting Standards*, may apply the temporary exemption from SB-FRS 109 described in paragraph 20A if, and only if, it meets the criteria described in paragraph 20B. In applying paragraph 20B(b), the first-time adopter shall use the carrying amounts determined applying SB-FRSs at the date specified in that paragraph.

- 20M SB-FRS 101 contains requirements and exemptions applicable to a first-time adopter. Those requirements and exemptions (for example, paragraphs D16–D17 of SB-FRS 101) do not override the requirements in paragraphs 20A–20Q and 39B–39J of this SB-FRS. For example, the requirements and exemptions in SB-FRS 101 do not override the requirement that a first-time adopter must meet the criteria specified in paragraph 20L to apply the temporary exemption from SB-FRS 109.

- 20N A first-time adopter that discloses the information required by paragraphs 39B–39J shall use the requirements and exemptions in SB-FRS 101 that are relevant to making the assessments required for those disclosures.

Temporary exemption from specific requirements in SB-FRS 28

- 20O Paragraphs 35–36 of SB-FRS 28 *Investments in Associates and Joint Ventures* require an entity to apply uniform accounting policies when using the equity method. Nevertheless, for annual periods beginning before 1 January 2021, an entity is permitted, but not required, to retain the relevant accounting policies applied by the associate or joint venture as follows:

- (a) the entity applies SB-FRS 109 but the associate or joint venture applies the temporary exemption from SB-FRS 109; or
- (b) the entity applies the temporary exemption from SB-FRS 109 but the associate or joint venture applies SB-FRS 109.

- 20P When an entity uses the equity method to account for its investment in an associate or joint venture:

- (a) if SB-FRS 109 was previously applied in the financial statements used to apply the equity method to that associate or joint venture (after reflecting any adjustments made by the entity), then SB-FRS 109 shall continue to be applied.
- (b) if the temporary exemption from SB-FRS 109 was previously applied in the financial statements used to apply the equity method to that associate or joint venture (after reflecting any adjustments made by the entity), then SB-FRS 109 may be subsequently applied.

- 20Q An entity may apply paragraphs 20O and 20P(b) separately for each associate or joint venture.

New paragraphs 35A–35N, 39B–39M and 46–49 are added. New headings are added below paragraphs 35A, 35K, 35M, 39A, 39J, 45 and 47.

Discretionary participation features in financial instruments

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- 35A The temporary exemptions in paragraphs 20A, 20L and 20O and the overlay approach in paragraph 35B are also available to an issuer of a financial instrument that contains a discretionary participation feature. Accordingly, all references in paragraphs 3(a)–3(b), 20A–20Q, 35B–35N, 39B–39M and 46–49 to an insurer shall be read as also referring to an issuer of a financial instrument that contains a discretionary participation feature.

Presentation

The overlay approach

- 35B **An insurer is permitted, but not required, to apply the overlay approach to designated financial assets. An insurer that applies the overlay approach shall:**
- (a) **reclassify between profit or loss and other comprehensive income an amount that results in the profit or loss at the end of the reporting period for the designated financial assets being the same as if the insurer had applied SB-FRS 39 to the designated financial assets. Accordingly, the amount reclassified is equal to the difference between:**
 - (i) **the amount reported in profit or loss for the designated financial assets applying SB-FRS 109; and**
 - (ii) **the amount that would have been reported in profit or loss for the designated financial assets if the insurer had applied SB-FRS 39.**
 - (b) **apply all other applicable SB-FRSs to its financial instruments, except as described in paragraphs 35B–35N, 39K–39M and 48–49 of this SB-FRS.**
- 35C **An insurer may elect to apply the overlay approach described in paragraph 35B only when it first applies SB-FRS 109, including when it first applies SB-FRS 109 after previously applying:**
- (a) **the temporary exemption from SB-FRS 109 described in paragraph 20A; or**
 - (b) **only the requirements for the presentation of gains and losses on financial liabilities designated as at fair value through profit or loss in paragraphs 5.7.1(c), 5.7.7–5.7.9, 7.2.14 and B5.7.5–B5.7.20 of SB-FRS 109.**
- 35D An insurer shall present the amount reclassified between profit or loss and other comprehensive income applying the overlay approach:
- (a) in profit or loss as a separate line item; and
 - (b) in other comprehensive income as a separate component of other comprehensive income.
- 35E A financial asset is eligible for designation for the overlay approach if, and only if, the following criteria are met:
- (a) it is measured at fair value through profit or loss applying SB-FRS 109 but would not have been measured at fair value through profit or loss in its entirety applying SB-FRS 39; and
 - (b) it is not held in respect of an activity that is unconnected with contracts within the scope of this SB-FRS. Examples of financial assets that would not be eligible for the overlay approach are those assets held in respect of banking activities or financial

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assets held in funds relating to investment contracts that are outside the scope of this SB-FRS.

- 35F An insurer may designate an eligible financial asset for the overlay approach when it elects to apply the overlay approach (see paragraph 35C). Subsequently, it may designate an eligible financial asset for the overlay approach when, and only when:
- (a) that asset is initially recognised; or
 - (b) that asset newly meets the criterion in paragraph 35E(b) having previously not met that criterion.
- 35G An insurer is permitted to designate eligible financial assets for the overlay approach applying paragraph 35F on an instrument-by-instrument basis.
- 35H When relevant, for the purposes of applying the overlay approach to a newly designated financial asset applying paragraph 35F(b):
- (a) its fair value at the date of designation shall be its new amortised cost carrying amount; and
 - (b) the effective interest rate shall be determined based on its fair value at the date of designation.
- 35I An entity shall continue to apply the overlay approach to a designated financial asset until that financial asset is derecognised. However, an entity:
- (a) shall de-designate a financial asset when the financial asset no longer meets the criterion in paragraph 35E(b). For example, a financial asset will no longer meet that criterion when an entity transfers that asset so that it is held in respect of its banking activities or when an entity ceases to be an insurer.
 - (b) may, at the beginning of any annual period, stop applying the overlay approach to all designated financial assets. An entity that elects to stop applying the overlay approach shall apply SB-FRS 8 to account for the change in accounting policy.
- 35J When an entity de-designates a financial asset applying paragraph 35I(a), it shall reclassify from accumulated other comprehensive income to profit or loss as a reclassification adjustment (see SB-FRS 1) any balance relating to that financial asset.
- 35K If an entity stops using the overlay approach applying the election in paragraph 35I(b) or because it is no longer an insurer, it shall not subsequently apply the overlay approach. An insurer that has elected to apply the overlay approach (see paragraph 35C) but has no eligible financial assets (see paragraph 35E) may subsequently apply the overlay approach when it has eligible financial assets.

Interaction with other requirements

- 35L Paragraph 30 of this SB-FRS permits a practice that is sometimes described as 'shadow accounting'. If an insurer applies the overlay approach, shadow accounting may be applicable.
- 35M Reclassifying an amount between profit or loss and other comprehensive income applying paragraph 35B may have consequential effects for including other amounts in other comprehensive income, such as income taxes. An insurer shall apply the relevant SB-FRS, such as SB-FRS 12 *Income Taxes*, to determine any such consequential effects.

First-time adopter

- 35N If a first-time adopter elects to apply the overlay approach, it shall restate comparative information to reflect the overlay approach if, and only if, it restates comparative information to comply with SB-FRS 109 (see paragraphs E1–E2 of SB-FRS 101).

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Disclosure

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Disclosures about the temporary exemption from SB-FRS 109

- 39B **An insurer that elects to apply the temporary exemption from SB-FRS 109 shall disclose information to enable users of financial statements:**

- (a) **to understand how the insurer qualified for the temporary exemption; and**
- (b) **to compare insurers applying the temporary exemption with entities applying SB-FRS 109.**

- 39C To comply with paragraph 39B(a), an insurer shall disclose the fact that it is applying the temporary exemption from SB-FRS 109 and how the insurer concluded on the date specified in paragraph 20B(b) that it qualifies for the temporary exemption from SB-FRS 109, including:

- (a) if the carrying amount of its liabilities arising from contracts within the scope of this SB-FRS (ie those liabilities described in paragraph 20E(a)) was less than or equal to 90 per cent of the total carrying amount of all its liabilities, the nature and carrying amounts of the liabilities connected with insurance that are not liabilities arising from contracts within the scope of this SB-FRS (ie those liabilities described in paragraphs 20E(b) and 20E(c));
- (b) if the percentage of the total carrying amount of its liabilities connected with insurance relative to the total carrying amount of all its liabilities was less than or equal to 90 per cent but greater than 80 per cent, how the insurer determined that it did not engage in a significant activity unconnected with insurance, including what information it considered; and
- (c) if the insurer qualified for the temporary exemption from SB-FRS 109 on the basis of a reassessment applying paragraph 20G(b):
 - (i) the reason for the reassessment;
 - (ii) the date on which the relevant change in its activities occurred; and
 - (iii) a detailed explanation of the change in its activities and a qualitative description of the effect of that change on the insurer's financial statements.

- 39D If, applying paragraph 20G(a), an entity concludes that its activities are no longer predominantly connected with insurance, it shall disclose the following information in each reporting period before it begins to apply SB-FRS 109:

- (a) the fact that it no longer qualifies for the temporary exemption from SB-FRS 109;
- (b) the date on which the relevant change in its activities occurred; and
- (c) a detailed explanation of the change in its activities and a qualitative description of the effect of that change on the entity's financial statements.

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- 39E To comply with paragraph 39B(b), an insurer shall disclose the fair value at the end of the reporting period and the amount of change in the fair value during that period for the following two groups of financial assets separately:
- (a) financial assets with contractual terms that give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding (ie financial assets that meet the condition in paragraphs 4.1.2(b) and 4.1.2A(b) of SB-FRS 109), excluding any financial asset that meets the definition of held for trading in SB-FRS 109, or that is managed and whose performance is evaluated on a fair value basis (see paragraph B4.1.6 of SB-FRS 109).
 - (b) all financial assets other than those specified in paragraph 39E(a); that is, any financial asset:
 - (i) with contractual terms that do not give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding;
 - (ii) that meets the definition of held for trading in SB-FRS 109; or
 - (iii) that is managed and whose performance is evaluated on a fair value basis.
- 39F When disclosing the information in paragraph 39E, the insurer:
- (a) may deem the carrying amount of the financial asset measured applying SB-FRS 39 to be a reasonable approximation of its fair value if the insurer is not required to disclose its fair value applying paragraph 29(a) of SB-FRS 107 (eg short-term trade receivables); and
 - (b) shall consider the level of detail necessary to enable users of financial statements to understand the characteristics of the financial assets.
- 39G To comply with paragraph 39B(b), an insurer shall disclose information about the credit risk exposure, including significant credit risk concentrations, inherent in the financial assets described in paragraph 39E(a). At a minimum, an insurer shall disclose the following information for those financial assets at the end of the reporting period:
- (a) by credit risk rating grades as defined in SB-FRS 107, the carrying amounts applying SB-FRS 39 (in the case of financial assets measured at amortised cost, before adjusting for any impairment allowances).
 - (b) for the financial assets described in paragraph 39E(a) that do not have low credit risk at the end of the reporting period, the fair value and the carrying amount applying SB-FRS 39 (in the case of financial assets measured at amortised cost, before adjusting for any impairment allowances). For the purposes of this disclosure, paragraph B5.5.22 of SB-FRS 109 provides the relevant requirements for assessing whether the credit risk on a financial instrument is considered low.
- 39H To comply with paragraph 39B(b), an insurer shall disclose information about where a user of financial statements can obtain any publicly available SB-FRS 109 information that relates to an entity within the group that is not provided in the group's consolidated financial statements for the relevant reporting period. For example, such SB-FRS 109 information could be obtained from the publicly available individual or separate financial statements of an entity within the group that has applied SB-FRS 109.
- 39I If an entity elected to apply the exemption in paragraph 200 from particular requirements in SB-FRS 28, it shall disclose that fact.
- 39J If an entity applied the temporary exemption from SB-FRS 109 when accounting for its investment in an associate or joint venture using the equity method (for example, see

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paragraph 20O(a)), the entity shall disclose the following, in addition to the information required by SB-FRS 112 *Disclosure of Interests in Other Entities*:

- (a) the information described by paragraphs 39B–39H for each associate or joint venture that is material to the entity. The amounts disclosed shall be those included in the SB-FRS financial statements of the associate or joint venture after reflecting any adjustments made by the entity when using the equity method (see paragraph B14(a) of SB-FRS 112), rather than the entity’s share of those amounts.
- (b) the quantitative information described by paragraphs 39B–39H in aggregate for all individually immaterial associates or joint ventures. The aggregate amounts:
 - (i) disclosed shall be the entity’s share of those amounts; and
 - (ii) for associates shall be disclosed separately from the aggregate amounts disclosed for joint ventures.

Disclosures about the overlay approach

39K An insurer that applies the overlay approach shall disclose information to enable users of financial statements to understand:

- (a) how the total amount reclassified between profit or loss and other comprehensive income in the reporting period is calculated; and**
- (b) the effect of that reclassification on the financial statements.**

39L To comply with paragraph 39K, an insurer shall disclose:

- (a) the fact that it is applying the overlay approach;
- (b) the carrying amount at the end of the reporting period of financial assets to which the insurer applies the overlay approach by class of financial asset;
- (c) the basis for designating financial assets for the overlay approach, including an explanation of any designated financial assets that are held outside the legal entity that issues contracts within the scope of this SB-FRS;
- (d) an explanation of the total amount reclassified between profit or loss and other comprehensive income in the reporting period in a way that enables users of financial statements to understand how that amount is derived, including:
 - (i) the amount reported in profit or loss for the designated financial assets applying SB-FRS 109; and
 - (ii) the amount that would have been reported in profit or loss for the designated financial assets if the insurer had applied SB-FRS 39.
- (e) the effect of the reclassification described in paragraphs 35B and 35M on each affected line item in profit or loss; and
- (f) if during the reporting period the insurer has changed the designation of financial assets:
 - (i) the amount reclassified between profit or loss and other comprehensive income in the reporting period relating to newly designated financial assets applying the overlay approach (see paragraph 35F(b));

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- (ii) the amount that would have been reclassified between profit or loss and other comprehensive income in the reporting period if the financial assets had not been de-designated (see paragraph 35I(a)); and
 - (iii) the amount reclassified in the reporting period to profit or loss from accumulated other comprehensive income for financial assets that have been de-designated (see paragraph 35J).
- 39M If an entity applied the overlay approach when accounting for its investment in an associate or joint venture using the equity method, the entity shall disclose the following, in addition to the information required by SB-FRS 112:
- (a) the information described by paragraphs 39K–39L for each associate or joint venture that is material to the entity. The amounts disclosed shall be those included in the SB-FRS financial statements of the associate or joint venture after reflecting any adjustments made by the entity when using the equity method (see paragraph B14(a) of SB-FRS 112), rather than the entity’s share of those amounts.
 - (b) the quantitative information described by paragraphs 39K–39L(d) and 39L(f), and the effect of the reclassification described in paragraph 35B on profit or loss and other comprehensive income in aggregate for all individually immaterial associates or joint ventures. The aggregate amounts:
 - (i) disclosed shall be the entity’s share of those amounts; and
 - (ii) for associates shall be disclosed separately from the aggregate amounts disclosed for joint ventures.

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Effective date and transition

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Applying SB-FRS 104 with SB-FRS 109

Temporary exemption from SB-FRS 109

- 46 *Applying SB-FRS 109 Financial Instruments with SB-FRS 104 Insurance Contracts* (Amendments to SB-FRS 104), issued in December 2016, amended paragraphs 3 and 5, and added paragraphs 20A–20Q, 35A and 39B–39J and headings after paragraphs 20, 20K, 20N and 39A. An entity shall apply those amendments, which permit insurers that meet specified criteria to apply a temporary exemption from SB-FRS 109, for annual periods beginning on or after 1 January 2018.
- 47 An entity that discloses the information required by paragraphs 39B–39J shall use the transitional provisions in SB-FRS 109 that are relevant to making the assessments required for those disclosures. The date of initial application for that purpose shall be deemed to be the beginning of the first annual period beginning on or after 1 January 2018.

The overlay approach

- 48 *Applying SB-FRS 109 Financial Instruments with SB-FRS 104 Insurance Contracts* (Amendments to SB-FRS 104), issued in December 2016, amended paragraphs 3 and 5, and added paragraphs 35A–35N and 39K–39M and headings after paragraphs 35A, 35K, 35M and 39J. An entity shall apply those amendments, which permit insurers to apply the overlay approach to designated financial assets, when it first applies SB-FRS 109 (see paragraph 35C).

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- 49 An entity that elects to apply the overlay approach shall:
- (a) apply that approach retrospectively to designated financial assets on transition to SB-FRS 109. Accordingly, for example, the entity shall recognise as an adjustment to the opening balance of accumulated other comprehensive income an amount equal to the difference between the fair value of the designated financial assets determined applying SB-FRS 109 and their carrying amount determined applying SB-FRS 39.
 - (b) restate comparative information to reflect the overlay approach if, and only if, the entity restates comparative information applying SB-FRS 109.