

The purpose of this summary is to illustrate the changes in the disclosure requirements relating to financial instruments, for those entities that were applying CICA 3861 previously. (For those entities that have not applied CICA 3861 previously, most of the requirements will be new.)

The summary has been highlighted in different colors:

- Black showing no change in CICA 3862 compared to CICA 3861**
- Red showing some amendments in CICA 3862 compared to CICA 3861**
- Blue showing new requirements of CICA 3862**

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Comparative disclosures in the year of adoption			
Disclosures not required in financial statements for periods before the date of adoption of Section 3861 need not be provided on a comparative basis.	3861.94	Comparative information for the disclosures required by paragraphs 3862.31-.42 about the nature and extent of risks arising from financial instruments is not required in the year this Section is adopted.	3862.44A
Accounting policies			
Provide disclosure of all significant accounting policies, including the general principles adopted and the method of applying those principles to transactions, other events and conditions arising in the entity's business. Such disclosure includes:	3861.48	In accordance with DISCLOSURE OF ACCOUNTING POLICIES, Section 1505, an entity discloses, in the summary of significant accounting policies, the measurement basis (or bases) used in preparing the financial statements and the other accounting policies used that are relevant to an understanding of the financial statements. Such disclosure may include:	3862.21 3862.B5
the criteria for designating as held for trading financial assets or financial liabilities that are not required to be classified as held for trading;		for financial assets or financial liabilities designated as held for trading: <ul style="list-style-type: none"> (i) the nature of the financial assets or financial liabilities the entity has designated as held for trading; and (ii) the criteria for so designating such financial assets or financial liabilities on initial recognition. 	
		the criteria for designating financial assets as available for sale.	
whether categories of regular-way purchases and sales of financial assets are accounted for at trade date or settlement date; and		whether regular-way purchases and sales of financial assets are accounted for at trade date or at settlement date.	

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		<p>when an allowance account is used to reduce the carrying amount of financial assets impaired by credit losses:</p> <ul style="list-style-type: none"> (i) the criteria for determining when the carrying amount of impaired financial assets is reduced directly and when the allowance account is used; and (ii) the criteria for writing off amounts charged to the allowance account against the carrying amount of impaired financial assets. 	
		how net gains or net losses on each category of financial instrument are determined, for example, whether the net gains or net losses on items held for trading include interest or dividend income.	
		the criteria the entity uses to determine that there is objective evidence that an impairment loss has occurred.	
		when the terms of financial assets that would otherwise be past due or impaired have been renegotiated, the accounting policy for financial assets that are the subject of renegotiated terms.	
the accounting policy for transaction costs on financial assets and financial liabilities classified as other than held for trading.		the accounting policy for transaction costs on financial assets and financial liabilities classified other than as held for trading.	
An enterprise should identify and describe those accounting policies which are significant to its operations. As a minimum, disclosure would include information on areas where judgment has been exercised (i.e., where there is a choice between alternatives).	1505.08	DISCLOSURE OF ACCOUNTING POLICIES, paragraph 1505.08, also requires entities, when identifying and describing those accounting policies that are significant to operations, include information on areas where judgment has been exercised (ie where there is a choice between alternatives).	3862.B5

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CLASSES OF FINANCIAL INSTRUMENTS			
Management of an entity groups financial instruments into classes that are appropriate to the nature of the information to be disclosed, taking into account matters such as the characteristics of the instruments, whether they are recognized or unrecognized and, if they are recognized, the measurement basis that has been applied.	3861.40	When amounts disclosed in notes or supplementary schedules relate to recognized assets and liabilities, sufficient information is provided to permit reconciliation to relevant line items in the balance sheet.	3861.40
		In general, classes are determined on a basis that distinguishes items carried on a cost basis from items carried at fair value.	3861.40
		When an entity is a party to financial instruments not within the scope of 3861, those instruments constitute a class or classes of financial assets or financial liabilities which should be disclosed separately	3861.40
<i>An entity should disclose where each class of financial assets and financial liabilities, and its related interest income or expense, and gains and losses, is reported in the balance sheet, income statement and cash flow statement</i>	3861.81		
SIGNIFICANCE OF FINANCIAL INSTRUMENTS FOR FINANCIAL POSITION AND PERFORMANCE			
<i>For each class of financial assets, financial liabilities and equity instruments, both recognized and unrecognized, disclose information about the extent and nature of the financial instruments, including significant terms and conditions that may affect the amount, timing and certainty of future cash flows.</i>	3861.41-43 3861.45	<i>An entity shall disclose information that enables users of its financial statements to evaluate the significance of financial instruments for its financial position and performance.</i>	3862.07
<i>An entity should disclose the carrying amounts of each class of financial assets and financial liabilities, including those that:</i>	3861.80	Disclose either on the face of the balance sheet or in the notes the carrying amounts of each of the following categories:	3862.08
<i>(a) are required to be classified as held for trading; and (b) were, upon initial recognition, designated by the entity as held for trading.</i>		(a) financial assets held for trading, showing separately (i) those designated as such upon initial recognition and (ii) those classified as held for trading in accordance with Section 3855;	

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		(b) held-to-maturity investments;	
		(c) loans and receivables;	
		(d) available-for-sale financial assets;	
		(e) financial liabilities held for trading, showing separately <ul style="list-style-type: none"> (i) those designated as such upon initial recognition and (ii) those classified as held for trading in accordance with Section 3855; and 	
		(f) financial liabilities measured at amortized cost.	
		<p>If the entity has designated a loan or receivable (or group of loans or receivables) as held for trading, it shall disclose:</p> <ul style="list-style-type: none"> (a) the maximum exposure to credit risk (see paragraph 3862.36(a)) of the loan or receivable (or group of loans or receivables) at the balance sheet date. (b) the amount by which any related credit derivatives or similar instruments mitigate that maximum exposure to credit risk. (c) the method used to calculate and the amount of change, during the period and cumulatively, in the fair value of the loan or receivable (or group of loans or receivables) that is attributable to changes in the credit risk of the financial asset determined either: <ul style="list-style-type: none"> (i) as the amount of change in its fair value that is not attributable to changes in market conditions that give rise to market risk; or (ii) using an alternative method the entity believes more faithfully represents the amount of change in its fair value that is attributable to changes in the credit risk of the asset. 	<p>3862.09 3862.11(a)</p>

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		(d) the amount of the change in the fair value of any related credit derivatives or similar instruments that has occurred during the period and cumulatively since the loan or receivable was designated.	
<p>When an entity has designated a financial liability as held for trading, it should disclose:</p> <p>(a) the amount of change in its fair value that is not attributable to changes in an essentially risk-free interest rate, estimated as following:</p> <p>(a) First, the entity computes the liability's internal rate of return at the start of the period using the observed market price of the liability and the liability's contractual cash flows at the start of the period. It deducts from this rate of return the essentially risk-free interest rate at the start of the period, to arrive at an instrument-specific component of the internal rate of return.</p> <p>(b) Next, the entity calculates the present value of the liability using the liability's contractual cash flows at the start of the period and a discount rate equal to the sum of the essentially risk-free interest rate at the end of the period and the instrument-specific component of the internal rate of return at the start of the period as determined in (a).</p> <p>(c) The amount determined in (b) is then decreased for any cash paid on the liability during the period and increased to reflect the increase in fair value that arises because the contractual cash flows are one period closer to their due date.</p> <p>(d) The difference between the observed market price of the liability at the end of the period and the amount determined in (c) is the change in fair value that is not attributable to changes in the essentially risk-free interest rate. This is the amount to be disclosed.</p>	<p>3861.83 3861.84</p>	<p>If the entity has designated a financial liability as held for trading, it shall disclose:</p> <p>(a) the method used to calculate and the amount of change, during the period and cumulatively, in the fair value of the financial liability that is attributable to changes in the credit risk of that liability determined either:</p> <p>(i) as the amount of change in its fair value that is not attributable to changes in market conditions that give rise to market risk; or</p> <p>(ii) using an alternative method the entity believes more faithfully represents the amount of change in its fair value that is attributable to changes in the credit risk of the liability.</p>	<p>3862.10 3862.11(a) 3862.B4</p>

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<i>(b) the difference between its carrying amount and the amount the entity would be contractually required to pay at maturity to the holder of the obligation.</i>		(b) the difference between the financial liability's carrying amount and the amount the entity would be contractually required to pay at maturity to the holder of the obligation.	
		If the entity believes that the disclosure it has given of the change in the fair values of loans and receivables or of the financial liabilities designated as trading that is attributable to changes in the credit risk does not faithfully represent the change in the fair value of the financial asset or financial liability attributable to changes in its credit risk, the reasons for reaching this conclusion and the factors it believes are relevant	3862.11(b)
Reclassifications			
<i>When an entity has reclassified a financial asset as one measured at cost or amortized cost rather than at fair value it should disclose the reason for that reclassification.</i>	3861.85	Disclose the amount reclassified into and out of each category and the reason for that reclassification if the entity has reclassified a financial asset as one measured: (a) at cost or amortized cost, rather than at fair value; or (b) at fair value, rather than at cost or amortized cost	3862.12
Derecognition			
		If financial assets have been transferred in such a way that they do not qualify for derecognition under AcG-12, <i>Transfers of Receivables</i> , disclose for each class of such financial assets: (a) the nature of the assets; (b) the nature of the risks and rewards of ownership to which the entity remains exposed; and (c) the carrying amounts of the assets.	3862.13A

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Collateral			
<i>When assets of the business are pledged as security against liabilities, the nature and, where practicable, the carrying value of such assets should be disclosed.</i>	3861.43A	An entity should disclose: (a) the carrying amount of financial assets it has pledged as collateral for liabilities or contingent liabilities; and (b) the terms and conditions relating to its pledge.	3862.14
		When an entity holds collateral (of financial or non-financial assets) and is permitted to sell or repledge the collateral in the absence of default by the owner of the collateral, it shall disclose: (a) the fair value of the collateral held; (b) the fair value of any such collateral sold or repledged, and whether the entity has an obligation to return it; and (c) the terms and conditions associated with its use of the collateral	3862.15
Allowance account for credit losses			
		When financial assets are impaired by credit losses and the entity records the impairment in a separate account (eg an allowance account used to record individual impairments or a similar account used to record a collective impairment of assets) rather than directly reducing the carrying amount of the asset, it shall disclose a reconciliation of changes in that account during the period for each class of financial assets.	3862.16
Compound financial instruments with multiple embedded derivatives			
		If an entity has issued an instrument that contains both a liability and an equity component and the instrument has multiple embedded derivatives whose values are interdependent (such as a callable convertible debt instrument), it shall disclose the existence of those features.	3862.17

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Defaults and breaches			
<p><i>The details of any defaults of the entity in principal, interest, sinking fund or redemption provisions with respect to any outstanding obligation should be disclosed. When other defaults have occurred, it may be necessary to refer to them, particularly when they have not been subsequently waived.</i></p> <p>When there is a covenant violation at the balance sheet date but the debt continues to be classified as long-term because the debt agreement contains a grace period and contractual arrangements have been made which ensure that the violation will be cured within the grace period, the debtor should disclose the circumstances of its current violation of covenant requirements and the substance of the contractual arrangements.</p> <p>The entity should disclose its likely failure to satisfy its debt covenants in the future and the adverse consequences of such failure.</p>	<p>3210.08</p> <p>EIC 59</p> <p>EIC 59</p>	<p>For loans payable recognized at the balance sheet date, an entity shall disclose:</p> <p>(a) details of any defaults during the period of principal, interest, sinking fund, or redemption terms of those loans payable;</p> <p>(b) the carrying amount of the loans payable in default at the balance sheet date; and</p> <p>(c) whether the default was remedied, or the terms of the loans payable were renegotiated, before the financial statements were completed.</p> <p>[EIC 59 disclosures also apply]</p>	<p>3862.18</p>
		<p>If, during the period, there were breaches of loan agreement terms other than those described in paragraph 3862.18, an entity shall disclose the same information as required by paragraph 3862.18 if those breaches permitted the lender to demand accelerated repayment (unless the breaches were remedied, or the terms of the loan were renegotiated, on or before the balance sheet date).</p>	<p>3862.19</p>
Items of income, expense, gains or losses			
<p><i>An entity should disclose significant items of income, expense, and gains and losses resulting from financial assets and financial liabilities, whether included in net income or as a separate component of other comprehensive income, which should include at least the following:</i></p>	<p>3861.82</p>	<p>An entity shall disclose the following items of income, expense, gains or losses either on the face of the financial statements or in the notes:</p> <p>(a) net gains or net losses on:</p>	<p>3862.20</p>

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<p>(a) <i>the total amount of the change in the fair value of financial assets and financial liabilities required to be classified as held for trading that has been recognized in net income for the period;</i></p> <p>(b) <i>the total amount of the change in the fair value of financial assets and financial liabilities designated by the entity as held for trading that has been recognized in net income for the period;</i></p>		<p>(i) financial assets or financial liabilities held for trading, showing separately those on financial assets or financial liabilities designated as such upon initial recognition, and those on financial assets or financial liabilities that are required to be classified as held for trading</p>	
<p>(c) <i>for available-for-sale financial assets, the amount of any gain or loss recognized directly in other comprehensive income during the current period and the amount that was removed from accumulated other comprehensive income and reported in net income for the period.</i></p>		<p>(ii) available-for-sale financial assets, showing separately the amount of gain or loss recognized directly in other comprehensive income during the period and the amount removed from accumulated other comprehensive income and recognized in net income for the period;</p>	
		<p>(iii) held-to-maturity investments</p>	
		<p>(iv) loans and receivables; and</p>	
		<p>(v) financial liabilities measured at amortized cost;</p>	
<p>(d) <i>total interest income and total interest expense (calculated using the effective interest rate method) for financial assets and financial liabilities that are not classified as held for trading.</i></p>		<p>(b) total interest income and total interest expense (calculated using the effective interest method) for financial assets or financial liabilities that are not classified as held for trading;</p>	
		<p>(c) fee income and expense (other than amounts included in determining the effective interest rate) arising from:</p> <p>(i) financial assets or financial liabilities that are not classified as held for trading; and</p> <p>(ii) trust and other fiduciary activities that result in the holding or</p>	

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		investing of assets on behalf of individuals, trusts, retirement benefit plans, and other institutions;	
		(d) interest income on impaired financial assets; and	
		(e) the amount of any impairment loss for each class of financial asset.	
In some circumstances, because of significant differences between interest and dividends with respect to matters such as tax deductibility, it is desirable to disclose dividends on instruments that are legally equity but that have been classified as liabilities (e.g. dividends on preference shares redeemable by the holder).	3861.26 1520.04	In some circumstances, because of significant differences between interest and dividends with respect to matters such as tax deductibility, it is desirable to disclose dividends on instruments that are legally equity but that have been classified as liabilities (e.g. dividends on preference shares redeemable by the holder).	3863.25 1520.04
Fair value			
For financial instruments such as short-term trade receivables and payables, no disclosure of fair value is required when the carrying amount is a reasonable approximation of fair value.	3861.75	Disclosures of fair value are not required: <ul style="list-style-type: none"> (i) when the carrying amount is a reasonable approximation of fair value, for example, for financial instruments such as short-term trade receivables and payables; (ii) for actuarial liabilities of life insurance enterprises, to which ACCOUNTING GUIDELINE AcG-8, Actuarial Liabilities of Life Insurance Enterprises — Disclosure, applies. 	3862.25(a) 3862.25(e)
When it is not practicable within constraints of timeliness or cost to measure reliably the fair values of: <ul style="list-style-type: none"> (a) investments in equity instruments that do not have quoted market prices in an active market and are not classified as held for trading; (b) financial assets or financial liabilities transferred or originated in a related party transaction that are classified as held-to-maturity investments, loans or receivables, or financial liabilities other than ones held for trading; or 	3861.70 3861.71	For: <ul style="list-style-type: none"> (i) an investment in equity instruments that do not have a quoted market price in an active market, other than such instruments that are classified as held for trading; (ii) derivatives that are linked to and must be settled by delivery of equity instruments of another entity whose fair value cannot be reliably measured; and (iii) financial assets or financial liabilities transferred or originated in a related party 	3862.29(b1)-(d) 3862.30

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<p>(c) <i>actuarial liabilities of life insurance enterprises in accordance with ACCOUNTING GUIDELINE AcG-8, Actuarial Liabilities of Life Insurance Enterprises — Disclosure;</i></p> <p><i>the information about fair value is not required to be disclosed, but information should be provided to help users of financial statements in making their own judgments about the extent of possible differences between the carrying amount of such financial assets and financial liabilities and their fair value, including:</i></p>		<p>transaction that are classified as held-to-maturity investments, loans or receivables, or financial liabilities other than ones held for trading,</p> <p>disclosures of fair values are not required, but an entity shall provide disclosure of information to help users of the financial statements make their own judgments about the extent of possible differences between the carrying amount of those financial assets or financial liabilities and their fair value, including:</p>	
<p>(a) <i>the fact that fair value information has not been disclosed for these instruments because their fair value cannot be measured reliably;</i></p>		<p>(a) the fact that fair value information has not been disclosed for these instruments, either because of the unavailability of a quoted market price in an active market or because fair value cannot be measured reliably;</p>	
<p>(b) <i>a description of the financial instruments, their carrying amount, and an explanation of why fair value cannot be reliably measured;</i></p>		<p>(b) a description of the financial instruments, their carrying amount and, if the reason for measuring the instruments at cost is because fair value cannot be measured reliably, an explanation of why this is the case;</p>	
<p>(c) <i>information about the market for the instruments; and</i></p>		<p>(c) information about the market for the instruments;</p>	
		<p>(d) information about whether and how the entity intends to dispose of the financial instruments; and</p>	
<p>(d) <i>when financial assets whose fair value previously could not be reliably measured are sold, disclosure of that fact, together with the carrying amount of such financial assets at the time of sale and the amount of gain or loss recognized.</i></p>		<p>(e) if financial assets previously required to be measured at cost are derecognized, that fact, their carrying amount at the time of derecognition, and the amount of gain or loss recognized.</p>	
<p>Where fair value disclosures are required, for each class of financial assets and financial liabilities, an entity should disclose the fair value of that class of assets and liabilities in a way that permits it to be compared with the corresponding carrying amount in the balance sheet</p>	3861.69	<p>Where fair value disclosures are required, for each class of financial assets and financial liabilities, disclose the fair value of that class of assets and liabilities in a way that permits it to be compared with its carrying amount.</p>	3862.29
<p>When an entity does not measure a financial asset or financial liability in its balance sheet at fair value, it provides fair value information through supplementary disclosures.</p>	3861.73		

CICA 3861		CICA 3862	
In disclosing fair values, an entity groups financial assets and financial liabilities into classes and offsets them only to the extent that their related carrying amounts are offset on the balance sheet.	3861.77	In disclosing fair values, group financial assets and financial liabilities into classes, but offset them only to the extent that their carrying amounts are offset in the balance sheet.	3862.26
Disclose the methods and <i>significant</i> assumptions applied in determining fair values of financial assets and financial liabilities separately for classes of financial assets and financial liabilities.	3861.72(a) 3861.74	Disclose the methods and, <i>when a valuation technique is used</i> , the assumptions applied in determining fair values of each class of financial assets or financial liabilities.	862.27(a)
Disclose whether fair values of financial assets and financial liabilities are determined directly, in full or in part, by reference to published price quotations in an active market, or are estimated using a valuation technique	3861.72(b)	Disclose whether fair values are determined, in whole or in part, directly by reference to published price quotations in an active market or are estimated using a valuation technique	3862.27(b)
Disclose whether its financial statements include financial instruments measured at fair values that are determined, in full or in part, using a valuation technique based on assumptions that are not supported by <i>observable market prices or rates</i>.	3861.72(c)	Disclose whether the fair values recognized or disclosed in the financial statements are determined in whole or in part using a valuation technique based on assumptions that are not supported by <i>prices from observable current market transactions in the same instrument (ie without modification or repackaging) and not based on available observable market data</i>	3862.27(c)
		If fair values are determined in whole or in part using a valuation technique based on assumptions that are not supported by prices from observable current market transactions in the same instrument and not based on available observable market data:	
Disclose the total amount of the change in fair value recognized in net income during the period that was estimated using a valuation technique based on assumptions that are not supported by observable market prices or rates.	3861.72(d)	(i) Disclose the total amount of the change in fair value estimated using such a valuation technique that was recognized in net income during the period; and	3862.27(d)
If changing any assumption that is not supported by observable market prices or rates to a reasonably possible alternative would result in a significantly different fair value, the entity should state this fact and disclose the effect on the fair value of those reasonably possible alternative assumptions.	3861.72(c)	(ii) <i>For fair values that are recognized in the financial statements</i> , if changing one or more of those assumptions to reasonably possible alternative assumptions would change fair value significantly, state this fact and disclose the effect of those changes	3862.27(c)

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		If the market for a financial instrument is not active and there is a difference between the fair value at initial recognition and the amount that would be determined at that date using the valuation technique, disclose, by class of financial instrument:	3862.28
		(a) its accounting policy for recognizing that difference in net income to reflect a change in factors (including time) that market participants would consider in setting a price (see paragraph 3855.A50); and	
		(b) the aggregate difference yet to be recognized in net income at the beginning and end of the period and a reconciliation of changes in the balance of this difference.	
For loans secured by related parties, for which an entity has not received separate quotes for the interest rate on a loan with and without the collateral, disclose fair value of loans using the contractual interest rate on such a loan without adjusting for the effects of the collateral, but adjust the disclosed value of the loan for other factors, including, but not limited to, changes in general market rates of interest, changes in credit risk, etc.	3861.76	For loans secured by related parties, for which an entity has not received separate quotes for the interest rate on a loan with and without the collateral, disclose fair value of loans using the contractual interest rate on such a loan without adjusting for the effects of the collateral, but adjust the disclosed value of the loan for other factors, including, but not limited to, changes in general market rates of interest, changes in credit risk, etc.	3862.30A
NATURE AND EXTENT OF RISKS ARISING FROM FINANCIAL INSTRUMENTS			
Definitions			
Credit risk — The risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. Liquidity risk — Also referred to as funding risk, liquidity risk is the risk that an entity will encounter difficulty in raising funds to meet commitments associated with financial instruments. Liquidity risk may result from an inability to sell a financial asset quickly at close to its fair value. Cash flow risk — The risk that future cash flows associated with a monetary financial instrument will fluctuate in amount. In	3861.37	Credit risk - The risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. Liquidity risk - The risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities.	3862.05A 3862.B22-B28

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<p>the case of a floating rate debt instrument, for example, such fluctuations result in a change in the effective interest rate of the financial instrument, usually without a corresponding change in its fair value.</p> <p>Price risk — There are three types of price risk: currency risk, interest rate risk and market risk.</p> <p>Currency risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates.</p> <p>Interest rate risk is the risk that the value of a financial instrument will fluctuate due to changes in market interest rates.</p> <p>Market risk is the risk that the value of a financial instrument will fluctuate as a result of changes in market prices, whether those changes are caused by factors specific to the individual instrument or its issuer or factors affecting all instruments traded in the market.</p>		<p>Market risk - The risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and other price risk.</p> <p>Currency risk - The risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.</p> <p>Interest rate risk - The risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.</p> <p>Other price risk - The risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market.</p>	
<p><i>An entity should describe its financial risk management objectives and policies, including its policy for hedging each main type of forecasted transaction for which hedge accounting is used</i></p> <p>In addition to providing specific information about particular balances and transactions related to financial instruments, an entity provides a discussion of the extent to which financial instruments are used, the associated risks, and the business purposes served. A discussion of management's policies for controlling the risks associated with financial instruments includes policies on matters such as hedging of risk exposures, avoidance of undue concentrations of risk, and requirements for</p>	3861.41-42	<p><i>Disclose information that enables users of its financial statements to evaluate the nature and extent of risks arising from financial instruments to which the entity is exposed at the balance sheet date.</i> Such information should be either given in the financial statements or incorporated by cross-reference from the financial statements to some other statement, such as a management commentary or risk report, that is available to users of the financial statements on the same terms as the financial statements and at the same time</p>	3862.31 3862.B6

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collateral to mitigate credit risk. Such discussion provides a valuable additional perspective that is independent of the specific instruments held or outstanding at a particular time.			
Qualitative disclosures			
<p>An entity indicates which of its financial assets and financial liabilities are exposed to interest rate price risk, for example, monetary financial assets and financial liabilities with a fixed interest rate;</p> <p>For unrecognized financial instruments (or derecognized financial instruments e.g. as a result of securitization), information that will permit financial statement users to understand the nature and extent of its exposure to interest rate risk</p>		<p>For each type of risk arising from financial instruments, disclose:</p> <ul style="list-style-type: none"> (a) the exposures to risk and how they arise; (b) its objectives, policies and processes for managing the risk and the methods used to measure the risk; and (c) any changes in (a) or (b) from the previous period. 	3862.33
Quantitative disclosures			
		<p>Management information disclosure: For each type of risk arising from financial instruments at the balance sheet date disclose summary quantitative data about exposure to that risk. This disclosure shall be based on the information provided internally to key management personnel of the entity, for example the entity's board of directors or chief executive officer.</p>	3862.34(a) 3862.B7
		<p>If not apparent from management information disclosure, disclose concentrations of risk. Such disclosure should include:</p> <ul style="list-style-type: none"> (a) a description of how management determines concentrations; (b) a description of the shared characteristic that identifies each concentration (eg counterparty, geographical area, currency or market); and (c) the amount of the risk exposure associated with all financial instruments sharing that characteristic. 	3862.34(c) 3862.B8

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		If the quantitative data disclosed as at the balance sheet date are unrepresentative of an entity's exposure to risk during the period, an entity shall provide further information that is representative.	3862.35
For each class of financial assets, both recognized and unrecognized, an entity should disclose information about its exposure to credit risk, including:	3861.58-62 3861.66-68	Credit risk: Unless the credit risk is not material, disclose by class of financial instrument to the extent not provided in the management information disclosure:	3862.34(b)
(a) the amount that best represents its maximum credit risk exposure at the balance sheet date, without taking account of the fair value of any collateral, in the event other parties fail to perform their obligations under financial instruments; and (b) significant concentrations of credit risk.		(a) the amount that best represents its maximum exposure to credit risk at the balance sheet date without taking account of any collateral held or other credit enhancements;	3862.36(a) 3862.B9 – B10
		(b) in respect of the amount that best represents its maximum exposure to credit risk at the balance sheet date, a description of collateral held as security and other credit enhancements	
		(c) information about the credit quality of financial assets that are neither past due nor impaired; and	
		(d) the carrying amount of financial assets that would otherwise be past due or impaired whose terms have been renegotiated.	
When an entity has a right of set-off for an asset and liability but does not intend to settle net or to realize the asset and settle the liability simultaneously, the effect of the right on the entity's credit risk exposure should be disclosed	3861.62-63	When an entity has a right of set-off but does not intend to settle net or to realize the asset and settle the liability simultaneously, the effect of the right on the entity's credit risk exposure is disclosed in accordance with FINANCIAL INSTRUMENTS — DISCLOSURES, paragraph 3862.36.	3863.31
When a master netting arrangement significantly reduces the credit risk associated with financial assets not offset against financial liabilities with the same counterparty, an entity provides additional information concerning the effect of the arrangement. Such disclosure indicates that:	3861.63	When financial assets and financial liabilities subject to a master netting arrangement are not offset, the effect of the arrangement on an entity's exposure to credit risk is disclosed.	3863.34

CICA 3861		CICA 3862	
<p>(a) the credit risk associated with financial assets subject to a master netting arrangement is eliminated only to the extent that financial liabilities due to the same counterparty will be settled after the assets are realized; and</p> <p>(b) the extent to which an entity's overall exposure to credit risk is reduced through a master netting arrangement may change substantially within a short period following the balance sheet date because the exposure is affected by each transaction subject to the arrangement.</p> <p>It is also desirable for an entity to disclose the terms of its master netting arrangements that determine the extent of the reduction in its credit risk.</p>			
Financial assets that are either past due or impaired			
		Disclose by class of financial assets:	3863.37
		(a) an analysis of the age of financial assets that are past due as at the balance sheet date but not impaired;	
		(b) an analysis of financial assets that are individually determined to be impaired as at the balance sheet date, including the factors the entity considered in determining that they are impaired;	
<p><i>When objective evidence of impairment exists for certain financial assets, but an impairment loss is not recognized in net income because the decline in recoverable amount (in the case of financial assets measured at cost) or fair value (in the case of all other financial assets) is not other than temporary, an entity should disclose:</i></p> <p>(a) the information that the entity considered</p>	3861.78	(b1) when objective evidence of impairment exists for certain financial assets but an impairment loss has not been recognized in net income because the decline in recoverable amount (in the case of financial assets measured at cost) or fair value (in the case of all other financial assets) is not other than temporary, that fact , the information (both positive and negative) the entity considered in	

CICA 3861		CICA 3862	
<p><i>(both positive and negative) in reaching the conclusion that the decline in recoverable amount (in the case of financial assets measured at cost) or fair value (in the case of all other financial assets) is not other than temporary;</i></p> <p>(b) for financial assets measured at cost or amortized cost, the carrying amount and fair value of either the individual assets or appropriate groupings of those individual assets; and</p> <p>(c) for available-for-sale financial assets measured at fair value, the amount of the cumulative loss related to the asset in accumulated other comprehensive income.</p>		<p>reaching the conclusion that the decline is not other than temporary, and</p> <p>(i) for financial assets measured at cost or amortized cost, the carrying amount and fair value of either the individual assets or appropriate groupings of those individual assets; and</p> <p>(ii) for available-for-sale financial assets measured at fair value, the amount of the cumulative loss related to the asset in accumulated other comprehensive income; and</p>	
		<p>(c) for the amounts disclosed in (a), (b), and (b1), a description of collateral held by the entity as security and other credit enhancements and, unless impracticable, an estimate of their fair value.</p>	
Collateral and other credit enhancements obtained			
<p>Disclose:</p> <p><i>the recorded investment in loans foreclosed during the period and the amount of the reversal of allowance for loan impairment;</i></p> <p><i>the method or methods for determining fair value of a long-lived asset acquired through foreclosure (whether based on a quoted market price, prices for similar assets, or another valuation technique); and</i></p>	3025.42	<p>When an entity obtains financial or non-financial assets during the period by taking possession of collateral it holds as security or calling on other credit enhancements (eg guarantees), and such assets meet the recognition criteria in primary sources of GAAP, disclose:</p> <p>(a) the nature and carrying amount of the assets obtained; and</p> <p>(b) when the assets are not readily convertible into cash, its policies for disposing of such assets or for using them in its operations.</p>	3862.38

CICA 3861		CICA 3862	
		<p>(a) an explanation of the method used in preparing such a sensitivity analysis, and of the main parameters and assumptions underlying the data provided; and</p> <p>(b) an explanation of the objective of the method used and of limitations that may result in the information not fully reflecting the fair value of the assets and liabilities involved.</p>	
<p>In some circumstances, an entity may be able to provide useful information about its exposure to interest rate risks by indicating the effect of a hypothetical change in the prevailing level of market interest rates on the fair value of its financial instruments and future earnings and cash flows. Such interest rate sensitivity information may be based on an assumed one percent change in market interest rates occurring at the balance sheet date. The effects of a change in interest rates include changes in interest income and expense relating to floating rate financial instruments and gains or losses resulting from changes in the fair value of fixed rate instruments. The reported interest rate sensitivity may be restricted to the direct effects of an interest rate change on interest-bearing financial instruments on hand at the balance sheet date since the indirect effects of a rate change on financial markets and individual entities cannot normally be predicted reliably. When disclosing interest rate sensitivity information, an entity indicates the basis on which it has prepared the information, including any significant assumptions.</p>	3861.57	<p>In all other cases, disclose:</p> <p>(a) a sensitivity analysis for each type of market risk to which the entity is exposed at the balance sheet date, showing how net income and other comprehensive income would have been affected by changes in the relevant risk variable that were reasonably possible at that date;</p> <p>(b) the methods and assumptions used in preparing the sensitivity analysis; and</p> <p>(c) changes from the previous period in the methods and assumptions used, and the reasons for such changes.</p>	3862.40 3862.B17- B19
		<p>When the above sensitivity analyses are unrepresentative of a risk inherent in a financial instrument, the entity shall disclose that fact and the reason it believes the sensitivity analyses are unrepresentative</p>	3862.42
		<p>An entity shall provide sensitivity analyses for the whole of its business, but may provide different types of sensitivity analysis for different classes of financial instruments.</p>	3862.B21

CICA 3861		CICA 3862	
		A sensitivity analysis is disclosed for each currency to which an entity has significant exposure.	3862.B24
		Disclose the sensitivity of net income (that arises, for example, from instruments classified as held for trading and impairments of available-for-sale financial assets) separately from the sensitivity of other comprehensive income (that arises, for example, from instruments classified as available for sale).	3862.B27