

**Tender Number: T31/09/18**

**Tender description: IFRS Disclosure Requirement**

**Question and Answers Version 1**

No.	Question	Type	Answer
1	What platform is being used to develop the ECL model? Is this excel based	Technical	The ECL model is excel based
2	Is the automated disclosure template required to be developed in excel, Caseware or another platform?	Technical	Excel should be fine - we would consider other platforms, as long as they do not restrict us to specific software i.e. the platform needs to allow for changes in reporting software.
3	Is the supplier development component optional or mandatory	Commercial	As stipulated in the tender document on page 6, the IDC promote enterprise development and successful bidders may be required to mentor SMMEs or youth owned business. However the implications of such arrangements will be subject to negotiations.
4	Which service provider developed the IFRS 9 ECL Tool?	Technical	Price Waterhouse Coopers (PWC) is the service provider that developed the IFRS9 tool.
5	May we have access to the IFRS 9 Tool to review the inputs, parameters used?	Technical	Yes - the appointed bidder will have access to the IFRS 9 Tool, however the bidder is not expected to review the inputs and parameters used"
6	Which independent entity is validating the ECL Tool ?	Technical	TNP (True North Partners) is the independent entity validating the ECL tool.
7	Where will the ECL model (Tool) be stored i.e. SAP or outside SAP?	Technical	It is outside of SAP.
8	If it will be stored in SAP, does SAP have the capability to calculate and store ECL model inputs and parameters?	Technical	Please refer to above response, which indicate that it is outside SAP.
9	If it will be stored in SAP, does SAP have the capability to update model inputs when necessary to be used in the ECL calculation and also having the capability to store historical versions of inputs?	Technical	Please refer to above response, which indicate that it is outside SAP.
10	Where will the automated disclosures template from the ECL model be stored?	Technical	Presumably in excel and then transferred onto Caseware for financials preparation. We would consider alternative suggestions.
11	How many new General Ledger accounts will need to be created to report the ECL/Net impairment loss for financial instruments : Financial assets ,Financial guarantees and loan commitments?	Technical	None envisioned so far.
12	Would you also expect the appointed service provider to customise your case ware with the IFRS 9 disclosure requirements ?	Technical	No.
13	Is SAP in its entirety used at IDC as the data platform (e.g. CML, Solution Manager, and FI-CO)?	Technical	Yes
14	Which transition approach (Retrospective/Modified retrospective) will be followed by the IDC?	Technical	We will use the modified retrospective approach. We will not restate IAS 39 numbers - we will process an entry to our opening reserves to align to IFRS 9 and apply IFRS 9 going forward.
15	What do you mean by the maintenance requirements with regards to these IFRS 9 disclosures that will be needed for a period of 3 years ?	Technical	This refers to any advice or assistance or functional support in relation to IFRS 9 disclosures which the IDC may require from the appointed bidder on a time and materials basis over three years.