

BDO FINANCIAL SERVICES

# SPECIALISED VALUATIONS AND CREDIT GROUP - FACT SHEET



## OFFERINGS:

BDO's Specialised Valuations and Credit Group (SVCG), is a group within BDO's financial services department and BDO's Global Valuations Group offering audit and advisory services to clients. The group has a specific focus on Credit modelling (including unlisted credit pricing), Market risk, Fair Valuation modelling (unlisted debt and derivative instruments), and Accounting of financial instruments, all through our technology enabled platforms.

### Credit Modelling

- IFRS 9 expected credit loss (ECL) assessments.
- Independent credit spread build-ups and industry benchmarking.
- Unlisted credit pricing assessments, including ESG considerations.

### Market Risk

- Treasury process and control gap analysis.
- Asset and Liability Management.
- Assessment and implementation of hedging strategies.

### Fair Valuation modelling

- Valuations of unlisted money market, fixed income and debt fair valuations.
- Interest rate derivative valuations (IRS, TRS, Caps, floors etc.).
- Currency derivative valuations (FEC's, CCs, FX options).
- Credit derivative valuations (CDS, CLNs, Financial Guarantees).
- Inflation linked derivative valuations (ILS, ILB's).
- Option pricing models.
- Pricing of listed debt and equity instruments.
- XVA adjustments on derivative positions (CVA, DVA, KVA, FVA & MVA).

### Accounting of financial instruments

- SVCG can assist in the Accounting applications regarding:
- IFRS 7 disclosure requirements.
  - IFRS 9 ECL disclosures and Hedge accounting and hedge effectiveness assessments.
  - IFRS 13 fair value assessments.
  - IFRS 16 Incremental borrowing rate assessment (IBR) and quantifications.



## TECHNOLOGY ENABLED

### BVAL- Fair Valuation modelling

BVAL is SVCG's internally developed bespoke valuations tool. BVAL enables SVCG to value 100% of our clients vanilla portfolio valuations.

### IFRS 9 ECL

Our ECL tool, enables us to input relevant financial information, as well as applicable forward looking information variables to quantify the relevant probability of default (PD), loss given default (LGD) and exposure at default (EAD) to calculate the applicable ECL provision to be reported.

### IBR rates

BDO's IBR tool allows us to enter relevant lease terms and financial information to calculate the IBR, for IFRS 16 purposes. This can then be applied over a portfolio of leases.

### BDO Lead

BDO lead is our internally generated IFRS 16 lease modeling tool. BDO lead allows SVCG to enter the relevant lease terms including the IBR to calculate the lease liability, right of use asset and interest expense applicable to a portfolio of leases.



## OUR PEOPLE:

In SVCG, we understand that to provide exceptional audit and advisory support services, we need a strong, qualified and passionate team. We have therefore committed to the following.

- Partners and Managers that are accessible.
- Continuous and relevant market training to all members in the group. Our people encourage collaboration in an atmosphere of trust and cooperation, mentoring, consulting, and exchanging of ideas.
- **Staff designations within the group include CA(SA) and CFA**



CREDIT MODELLING SPECIALISTS



HIGHLY SKILLED AND COMPETENT STAFF



ACCREDITED VALUATION PLATFORM



100% PORTFOLIO VALUATION CAPABILITIES.



IFRS 9 - ECL ASSESSMENTS AND HEDGE ACCOUNTING



CONTINUOUS RELEVANT TRAINING PROVIDED TO STAFF



WE TAKE IT PERSONALLY.  
FOR FURTHER INFORMATION, CONTACT:

**KEVIN HOFF**

Partner

Head of SVCG BDO Financial Services  
khoff@bdo.co.zaza



/BDOSouthAfrica



/bdoafrica



/bdo\_sa



/company/bdo-south-africa

[www.bdo.co.za](http://www.bdo.co.za)

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