

# News from the Regulators

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## Excerpt, IFRS Discussion Group Report on Meeting – April 19, 2012

Group members from two of the provincial securities regulators provided an update on matters to consider when preparing financial statements under IFRSs.

Lara Gaede, Chief Accountant of the Alberta Securities Commission, noted that the Canadian Securities Administrators' [CSA Staff Notice 52-306 \(Revised\)](#), "Non-GAAP Financial Measures and Additional GAAP Measures," was revised in February 2012 to provide further guidance on disclosure of additional GAAP measures presented under IFRSs. Ms. Gaede noted that the Staff Notice was revised for a number of reasons, including that some issuers were confused by what was meant by the term "additional GAAP measures" and how these measures differ from non-GAAP measures. Ms. Gaede explained that a non-GAAP financial measure is not presented in financial statements, whereas an additional GAAP measure is presented in financial statements. Ms. Gaede provided additional details regarding the Staff Notice, including an outline of six practices to follow when including additional GAAP measures in financial statements. Ms. Gaede provided some examples of additional GAAP measures that cause concern and summarized the staff's expectations about the use of these measures.

Cameron McInnis, Chief Accountant of the Ontario Securities Commission, noted that the [OSC Staff Notice 52-720](#), "Office of the Chief Accountant Financial Reporting Bulletin," was issued in February 2012. Mr. McInnis noted that the bulletin covers a series of topics of interest, including business combinations and impairment. Mr. McInnis provided some comments about common control business combination transactions. Also, he provided observations regarding disclosures about significant judgments and estimation uncertainty, and expressed the staff's expectations in this area. Mr. McInnis noted that the Staff Notice includes an example to illustrate to issuers how these disclosures could be improved.

Group members asked several questions, including whether the definition of a predecessor business in the prospectus rules is inconsistent with IFRSs.