

Opening Remarks and Updates

Extract, IFRS Discussion Group Report on Meeting – July 19, 2012

IAS 33: Earnings per Share/Unit for Entities with Puttable Equity Instruments

The Report on the Group's Public Meeting for June 16, 2011 noted that the AcSB directed the staff to draft a request for an "Annual Improvement" that would permit instruments that are classified as equity under the exception in IAS 32 to be classified as equity when applying IAS 33 as recommended by the Group. In July 2012, the AcSB decided that this request should not be submitted at this time. Instead, the AcSB directed the staff to monitor practice and to raise the issue again if diversity emerges, or when the IASB decides to conduct a project related to this issue.

IAS 10: Reissuing Financial Statements in Connection with an Offering Document

At the January 2012 meeting, the Group recommended that the AcSB refer to the IFRS Interpretations Committee an issue on the accounting implications of applying IAS 10 Events after the Reporting Period when reissuing financial statements in connection with an offering document. In May 2012, the AcSB considered the Group's recommendation and directed the staff to undertake further research and discuss the issue with the staff of the IFRS Interpretations Committee. At a future meeting, the AcSB will consider the results of the staff's work and decide whether to bring this issue to the attention of the IFRS Interpretations Committee, as recommended by the Group.

IFRS 3 and IAS 12: Uncertain Tax Positions Acquired in a Business Combination

At the April 2012 meeting, the Group discussed whether an uncertain income tax position that is acquired through a business combination is subject to the recognition and measurement exception in IFRS 3 relating to income taxes. In July 2012, the AcSB agreed with the Group's recommendation to refer this issue to the IFRS Interpretations Committee.

Update on the IFRS Interpretations Committee's Outreach Requests

The responsibilities of the Group include providing information on requests from the IASB, and national standard setters or similar bodies regarding eligibility of issues for possible action by the IFRS Interpretations Committee.

The AcSB staff circulates many of these outreach requests to Group members to obtain information about the prevalence of the issue in Canada and the level of diversity in practice. Input from Group members or other experts forms the basis for the AcSB staff response to the IFRS Interpretations Committee staff.

Since the Group's April 2012 meeting, the AcSB staff has responded to four outreach requests. The AcSB staff circulated one request to Group members regarding the purchase of a non-controlling interest when the consideration includes non-cash items. The AcSB staff did not circulate the other three requests to Group members. Instead, the AcSB staff obtained input from other individuals with expertise and experience relevant to the specific issues.