

Contrats de location

Réponses à l'exposé-sondage

Août 2021

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Kelly Khalilieh, CPA, CA
Director, Accounting Standards
Accounting Standards Board
277 Wellington Street West
Toronto, Ontario M5V 3H2

July 12, 2021

Re: AcSB Exposure Draft - Leases

Dear Ms. Khalilieh,

We have read the above-mentioned Exposure Draft that was issued in June 2021 and are pleased to have the opportunity to provide responses to your specific questions as outlined below.

1. *Do you agree that the existing relief for COVID-19-related rent concessions should be extended for lease payments originally due on or before December 31, 2022 (see paragraph 3065.11A(a))? If not, why not?*

We agree that the existing relief for COVID-19 related rent concessions should be extended for lease payments originally due on or before December 31, 2022. We thank the Board for continuing to monitor the effects of the pandemic and proposing this extension. We believe this extension will provide practical and useful relief to affected entities and will better reflect the economics of rent concessions given or received, which will provide more valuable information to financial statement users.

2. *Do you agree that the amendment be applied retrospectively as defined in ACCOUNTING CHANGES, Section 1506 (see proposed paragraph 3065.86)? If not, why not?*

We agree that the amendment should be applied retrospectively as defined in Section 1506.

3. *Do you agree with the proposed effective date of fiscal years ending on or after December 31, 2021, with earlier application permitted? If not, why not?*

We agree with the proposed effective date for the amendment of fiscal years ending on or after December 31, 2021 with earlier application permitted.



Thank you for your consideration of the above-noted responses. We would be pleased to elaborate on our comments in more detail if you require. If so, please contact me at 705-963-0824 or via email at sbarton@bdo.ca.

Yours sincerely,

A handwritten signature in blue ink, appearing to read 'Sayja Barton', with a long horizontal flourish extending to the right.

Sayja Barton, CPA, CA, MAcc
Director National Accounting Standards
BDO Canada LLP



July 29, 2021

Ms. Kelly Khalilieh, CPA, CA
Director, Accounting Standards Board
277 Wellington Street West
Toronto, ON M5V 3H2

Dear Ms. Khalilieh:

Re: Leases (“Exposure Draft” or “proposal”)

We welcome the opportunity to comment on the Accounting Standards Board’s (“AcSB” or the “Board”) June 2021 Exposure Draft, *Leases*. We support the extension of the optional relief for COVID-related lease concessions in Section 3065, *Leases* to rent concessions made as a direct consequence of the COVID-19 pandemic.

Our responses to the specific questions in the Exposure Draft are included below.

1. Do you agree that the existing relief for COVID-19-related rent concessions should be extended for lease payments originally due on or before December 31, 2022 (see paragraph 3065.11A(a))? If not, why not?

Yes, we agree. While the amendments issued in November 2020 were intended to address immediate and short term issues relating to the COVID-19 pandemic, we observe that many of these circumstances still apply and there is ongoing uncertainty about actions that may be taken by governments and private sector entities (including lessors and lessees) in response to the pandemic. We do not believe the amendments are subject to abuse beyond the intended purpose due to the requirement in 3065.11A (a) that the relief applies only to modifications to a lease contract that would be considered a direct consequence of the COVID-19 pandemic.

2. Do you agree that the amendment be applied retrospectively as defined in ACCOUNTING CHANGES, Section 1506 (see proposed paragraph 3065.86)? If not, why not?

Yes, we agree.

3. Do you agree with the proposed effective date of fiscal years ending on or after December 31, 2021, with earlier application permitted? If not, why not?

Yes, we agree.

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“PwC” refers to PricewaterhouseCoopers LLP, an Ontario limited liability partnership.



Ms. Kelly Khalilieh, CPA, CA
Accounting Standards Board
July 29, 2021

We would be pleased to respond to any questions you might have. Questions can be addressed to Celeste Murphy (celeste.k.murphy@pwc.com), Lucy Durocher (lucy.durocher@pwc.com), or Michael Walke (michael.walke@pwc.com).

Yours very truly,

PricewaterhouseCoopers LLP

Chartered Professional Accountants

July 30, 2021

Kelly Khalilieh, CPA, CA
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Dear Ms. Khalilieh:

Re: Exposure Draft – Leases [June 2021]

Grant Thornton LLP (we) would like to thank you for the opportunity to provide comments on the Accounting Standards Board's (the "Board") Exposure Draft *Leases* (the "ED"). We agree with the Board's proposed changes to Section 3065 *Leases*. Our comments on the specific questions are found in Appendix A.

If you wish to discuss our comments or concerns, please contact Melanie Joseph (Melanie.Joseph@ca.gt.com, 416-607-2736).

Yours sincerely,



Melanie Joseph, CPA, CA
Grant Thornton LLP

Appendix A – Responses to Exposure Draft questions

Part II – Accounting Standards for Private Enterprises

1. **Do you agree that the existing relief for COVID-19-related rent concessions should be extended for lease payments originally due on or before December 31, 2022 (see paragraph 3065.11A(a))? If not, why not?**

Yes, we agree.

2. **Do you agree that the amendment be applied retrospectively as defined in ACCOUNTING CHANGES, Section 1506 (see proposed paragraph 3065.86)? If not, why not?**

Yes, we agree.

3. **Do you agree with the proposed effective date of fiscal years ending on or after December 31, 2021, with earlier application permitted? If not, why not?**

Yes, we agree.



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Kelly Khalilieh, CPA, CA
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July 29, 2021

Dear Ms. Khalilieh:

Ernst & Young LLP ("EY" or "we") welcome the opportunity to provide comments to the Accounting Standards Board ("AcSB") on the June 2021 Leases Exposure Draft (the "Exposure Draft"). Our responses to the specific questions posed in the Exposure Draft are included below.

Comments on Specific Questions Requested by the AcSB

1. Do you agree that the existing relief for COVID-19-related rent concessions should be extended for lease payments originally due on or before December 31, 2022 (see paragraph 3065.11A(a))? If not, why not?

Yes, we agree that the existing relief for COVID-19-related rent concessions should be extended for lease payments originally due on or before December 31, 2022.

2. Do you agree that the amendment be applied retrospectively as defined in ACCOUNTING CHANGES, Section 1506 (see proposed paragraph 3065.86)? If not, why not?

Yes, we agree that the amendments to Section 3065 be applied retrospectively in accordance with ACCOUNTING CHANGES, Section 1506.

3. Do you agree with the proposed effective date of fiscal years ending on or after December 31, 2021, with earlier application permitted? If not, why not?

Yes, we agree with the proposed effective date of fiscal years ending on or after December 31, 2021, with earlier application permitted

We would be pleased to discuss our comments with members of the AcSB or its staff. If you wish to do so, please contact Adam Rybinski, Associate Partner, Professional Practice, at 416-943-2711 (Adam.C.Rybinski@ca.ey.com) or Laney Doyle, Professional Practice Director, at 416-943-3583 (Laney.Doyle@ca.ey.com).

Yours sincerely,
ERNST & YOUNG LLP

Chartered Professional Accountants
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