We value your input and look forward to your feedback on this Exposure Draft.

The response deadlines to these IASB and AcSB Exposure Drafts are the same, but should you desire the AcSB to consider your comments prior to finalizing its comment letter, please feel free to submit your comment letter earlier. Following the deadline, your feedback to the AcSB is considered as part of our IFRS Standards endorsement process. We also share Canadian feedback with the IASB through our involvement in international activities.

We therefore encourage you to respond directly to the IASB and copy the AcSB on your response.

Responses to our Canadian-specific questions in this Exposure Draft should be sent directly to the AcSB by uploading your response letter via this online form. Please address your response to:

Kelly Khalilieh, CPA, CA  
Director, Accounting Standards  
Accounting Standards Board  
277 Wellington Street West  
Toronto, Ontario M5V 3H2  
kkhalilieh@acsbcana da.ca

This Exposure Draft reflects proposals made by the Accounting Standards Board (AcSB). Individuals and organizations are invited to send written comments on the Exposure Draft proposals. Comments are requested from those who agree with the Exposure Draft as well as from those who do not.

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Comments are most helpful if they relate to a specific paragraph or group of paragraphs. Any comments that express disagreement with the proposals in the Exposure Draft should clearly explain the problem and include a suggested alternative, supported by specific reasoning. All comments received by the AcSB will be available on the website shortly after the comment deadline, unless confidentiality is requested. The request for confidentiality must be stated explicitly within the response.
HIGHLIGHTS

The Accounting Standards Board (AcSB) proposes, subject to comments received following exposure, to incorporate into Part I of the CPA Canada Handbook – Accounting, amendments to IFRS 16 Leases.

IASB® Exposure Draft

The International Accounting Standards Board (IASB) recently issued the Exposure Draft, “Lease Liability in a Sale and Leaseback (Proposed amendment to IFRS 16),” which is available on the IASB website at www.ifrs.org.

The IASB proposes to amend IFRS 16 to specify the method a seller-lessee uses in initially measuring the right-of-use asset and liability arising in a sale and leaseback transaction and how the seller-lessee subsequently measures that liability. The proposed amendments are intended to improve the requirements for sale and leaseback transactions in IFRS 16. The proposal would change neither the principles for the sale and leaseback requirements in IFRS 16 nor the accounting for leases unrelated to sale and leaseback transactions.

The IASB’s Exposure Draft includes two Illustrative Examples and a Basis for Conclusions that are not part of this Exposure Draft. This material may provide useful information to stakeholders.

Comments requested

The AcSB encourages Canadian stakeholders to respond to the IASB on its Exposure Draft. Specific questions on which the IASB would like input are provided in the Invitation to Comment in its Exposure Draft. The AcSB requests that comment letters be sent directly to the IASB, with a copy to the AcSB.

The AcSB would like input from Canadian respondents on the following additional question regarding the proposed amendments:

The IASB has developed the proposed amendments in accordance with its due process for application around the world. Assuming the Exposure Draft proposals are finalized and approved by the IASB in accordance with its due process, do you think that the proposals are appropriate for application in Canada? If not, please specify which aspects of the proposals, and what circumstances, make the accounting requirements proposed in the Exposure Draft inappropriate.

Send responses to this additional question directly to the AcSB.

Comment on this document by uploading your response letter via this online form.

The deadline for responding to the IASB on its Exposure Draft is March 29, 2021. Responses to the AcSB on the additional question set out above are due on the same date.