Message

From: EY Canada [ErnstYoung.LLP@ca.ey.com]
Sent: 2017-06-06 1:11:22 PM
To: Susan Nicholson [/o=ExchangeLabs/ou=Exchange Administrative Group (FYDIBOHF23SPDLT)/cn=Recipients/cn=f668e601bd2b4865a5c31dca531047c8-Susan Nicho]
Subject: FAAS Thought Leadership - May 2017

Courtesy of EY's Financial Accounting Advisory Services (FAAS), we are pleased to provide you with our monthly FAAS newsletter.

May 2017

Inside this newsletter

IFRS

EY Publications

IFRS Developments Issue 125: IASB proposes amendment to IFRS 9 on measuring instruments with negative compensation prepayment features

IFRS Developments Issue 126: Are you ready to quantify the effect of adopting IFRS 15?

IASB issues IFRS 17: The new Standard for insurance contracts

IASB and AcSB developments and clarifications

IASB Update: April 2017

IFRIC Update: May 2017

AcSB Response: Annual Improvements to IFRS Standards 2015-2017 Cycle

ASPE

AcSB FYI Article: *Accounting for Investments*

Public Sector

PSAB Exposure Draft: *Revenue,* Proposed Section PS 3400

Publications in brief

Did you know ?

Your financial statements are becoming exceedingly long and complicated to follow?

Click here to see how EY FAAS can help you !

Go-to

- IFRS
- ASPE
- Public Sector

Upcoming webcasts

Q2 2017 financial reporting update

Thursday, 22 June 2017
1:00 p.m. EDT

Each quarter, thousands of professionals gain critical knowledge by participating in the EY financial reporting webcasts. During this event, we'll discuss frequently asked questions and practical matters on the following topics:

- Standard-setting activities at the FASB
- Recent proposals by the SEC and PCAOB
- Other financial reporting matters to consider

Click here to register

IFRS

EY Publications

IFRS Developments Issue 125: **IASB proposes amendment to IFRS 9 on measuring instruments with negative compensation prepayment features**
The IASB has issued an exposure draft proposing an amendment to IFRS 9 *Financial Instruments* so that certain financial assets with an early prepayment feature that can give rise to compensation to the party triggering the option could be eligible to be measured at amortized cost or at fair value through other comprehensive income. This issue of our *IFRS Developments* tells you what you need to know.

Back to top

IFRS Developments Issue 126: **Are you ready to quantify the effect of adopting IFRS 15?**
EY surveyed the 2016 Annual Financial Statements of 207 Fortune 500 IFRS preparers. Despite the adoption of IFRS 15 becoming mandatory on 1 January 2018, of those surveyed, most entities have provided little, if any, quantitative information about the expected effect to date. This issue of *IFRS Developments* summarizes the results of the survey and considers the need for entities to disclose quantitative information about the expected effect of adopting IFRS 15 in their 2017 Interim Financial Statements.

Back to top

IASB issues IFRS 17: The new Standard for Insurance Contracts
The International Accounting Standards Board issued IFRS 17 *Insurance Contracts* which will be mandatorily effective for annual periods beginning on or after 1 January 2021. This Standard will replace IFRS 4 *Insurance Contracts* issued in 2005. This publication provides a summary of the main features and highlights the changes compared to the 2013 Exposure Draft.

Back to top

IASB and AcSB developments and clarifications

IASB Update: April 2017
The April 2017 issue of the IASB Update contains the IASB staff summary of the IASB meetings held on 24 April 2017 and 27 April 2017 when the board discussed:

- Insurance Contracts
- Rate-regulated Activities
- Financial Performance Reporting
- IFRS Implementation Issues
- Definition of a Business

Back to top

IFRIC Update: May 2017
At its May 2017 meeting, the IFRS IC discussed:

- IFRS 9 *Financial Instruments* – Financial assets eligible for the election to present changes in fair value in other comprehensive income

The IFRIC Update summarizes what you need to know about this and other matters discussed at the IFRS Interpretations Committee's May 2017 meeting.

Back to top

Click here to see if other webcasts may interest you.

Quick links

Visit our website
See all our IFRS publications
Follow us on Twitter
Unsubscribe to this newsletter

Key contacts

For further information please contact your usual EY contact, or one of our FAAS team leaders:

Fred Clifford
Toronto
416 943 2489
fred.clifford@ca.ey.com

Caroline Phisel
Montreal
514 879 6373
caroline.phisel@ca.ey.com

AcSB Response: Annual Improvements to IFRS Standards 2015 – 2017 Cycle
This letter is the response of the AcSB to the IASB's Exposure Draft, *Annual Improvements to IFRS Standards 2015-2017* issued in January 2017. Overall the AcSB agrees that an amendment to IAS 28 *Investments in Associates and Joint Ventures* regarding long-term interests is necessary, however, considers that the amendments as currently drafted will not be effective at clarifying the interaction between IAS 28 and IFRS 9 *Financial Instruments* for long-term interests. Furthermore, the AcSB supports the proposed amendments to IAS 12 *Income Taxes* and IAS 23 *Borrowing Costs*, however, has identified a number of concerns regarding the drafting of these amendments. As a regulatory requirement will make IFRS 9 applicable by large Canadian banks for fiscal years commencing 1 November 2017, the AcSB recommends that IASB issues the final 2015-2017 *Annual Improvements* at the same time as the final amendments to IFRS 9 regarding Prepayment Features with Negative Compensation, to prevent Canadian stakeholders from facing the same timing issue for both amendments.

Back to top

ASPE

AcSB FYI Article: *Accounting for Investments*
This article summarizes the changes to Section 1591 *Subsidiaries* as well as Section 3056 *Interests in Joint Arrangements* applicable to private enterprises preparing financial statements for an annual period beginning on or after 1 January 2016.

Back to top

Public Sector

PSAB Exposure Draft: *Revenue*, Proposed Section PS 3400
PSAB has issued an Exposure Draft that proposes a framework for revenue describing two categories of revenue: exchange transactions or unilateral transactions. The new framework would apply to fiscal years beginning on or after 1 April 2021, earlier adoption is permitted. The new framework would be accounted for as a change in accounting policy applied retroactively with restatement of prior periods.

Back to top

Patrick Bossé
Montreal
514 874 4375
patrick.bosse@ca.ey.com

George Prieksaitis
Toronto
416 943 2542
george.w.prieksaitis@ca.ey.com

Shannon O'Mahony
Toronto
416 943 2094
shannon.omahony@ca.ey.com

Ann Brockett
Calgary
403 206 5016
ann.m.brockett@ca.ey.com

Kerry Clark
Calgary
403 206 5083
kerry.clark@ca.ey.com

Carla Madra
Edmonton
780 441 2478
carla.madra@ca.ey.com

Krista Blaikie
Vancouver
604 891 8418
krista.d.blaikie@ca.ey.com

Robert Farlinger
Toronto
416 943 2387
robert.farlinger@ca.ey.com