

## CICA handbook – accounting revisions release no. 38

### January 2006

#### ACCOUNTING STANDARDS

##### **Goodwill and other intangible assets, paragraphs 3062.57 and 3062.61**

Amended to allow adoption of the differential reporting options subsequent to initial application of Section 3062. The former wording was as follows:

- .57 ♦ Upon initial application of this Section, an enterprise that qualifies under DIFFERENTIAL REPORTING, Section 1300, and that has previously recognized goodwill in its balance sheet, may elect to apply the provision in paragraph 3062.55 to previously recognized goodwill when such goodwill would otherwise be tested for impairment as of the beginning of the fiscal year in which this Section is initially applied in accordance with paragraph 3062.72. When such an enterprise does not elect to apply the provision in paragraph 3062.55 to existing goodwill on initial application of this Section, it is precluded from applying that provision to goodwill arising from subsequent acquisitions. [JAN. 2003]
- .61 ♦ Upon initial application of this Section, an enterprise that qualifies under DIFFERENTIAL REPORTING, Section 1300, and that has previously recognized intangible assets deemed to have an indefinite life in its balance sheet, may elect to apply the provision in paragraph 3062.59 to those assets when they would otherwise be tested for impairment as of the beginning of the fiscal year in which this Section is initially applied in accordance with paragraph 3062.70. When such an enterprise does not elect to apply the provision in paragraph 3062.59 to existing intangible assets not subject to amortization on initial application of this Section, it is precluded from applying that provision to such intangible assets arising from subsequent acquisitions. [JAN. 2003]

#### ACCOUNTING GUIDELINE

##### **Consolidation of variable interest entities (AcG-15)**

Added paragraph 4(j), and deleted paragraph 31, to clarify that an enterprise adopting a policy of non-consolidation under differential reporting is exempt from the Guideline.

Former paragraphs 32-37 renumbered as 31-36.

#### EIC ABSTRACTS

##### **Accounting for the early extinguishment of convertible securities through (1) early redemption or repurchase and (2) induced early conversion (EIC-96)**

Amended on January 1, 2006 to remove references to EIC-71.

##### **Exchangeable securities issued by subsidiaries of income trusts (EIC-151)**

Amended on December 6, 2005 to provide detailed guidance on the second and third issues.

##### **Conditional asset retirement obligations (EIC-159)**

Issued on December 6, 2005.

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