

CICA handbook – accounting revisions release no. 27 January 2004

ACCOUNTING RECOMMENDATIONS

Subsidiaries, paragraph 1590.02

Amended to exclude investment companies from the scope of Section 1590 and to provide a reference to new AcG-18.

Long-term investments, paragraph 3050.01

Amended to exclude investments held by investment companies from the scope of Section 3050 and to provide a reference to new AcG-18.

Financial instruments — disclosure and presentation, Section 3860

The first sentence of paragraph 3860.16 deleted to conform with the principles in new paragraph 3860.20A with respect to the classification of certain instruments as liabilities or equity.

Paragraph 3860.19 amended to emphasize that the substance of a financial instrument, rather than its legal form, governs its classification on the issuer's balance sheet, and that classification is not circumvented by non-substantive or minimal features included in a financial instrument.

Former paragraphs 3860.16 and 3860.19 are set out in a supplement to Section 3860 in Superseded Accounting Recommendations.

Paragraph 3860.20A added to provide guidance for classifying certain financial instruments that embody obligations that may be settled by the issuance of the issuer's equity shares when the instrument that embodies the obligations does not establish an ownership relationship. This guidance amends the interpretation of paragraph 3860.18.

Paragraph 3860.105 added to provide transitional guidance on new paragraph 3860.20A.

ACCOUNTING GUIDELINES

Consolidation of variable interest entities (AcG-15)

Added paragraph 4(e) on accounting for interests in variable interest entities held by investment companies and a reference to new AcG-18.

Equity-linked contracts (AcG-17)

Issued in November 2003.

Investment companies (AcG-18)

Issued.

EIC ABSTRACTS

Accounting by mining enterprises for exploration costs (EIC-126)

Amended on November 10, 2003 as a result of issue of IMPAIRMENT OF LONG-LIVED ASSETS, Section 3063, in December 2002.