

## First-time adoption, Section 1500

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- .35 *In the year of adoption of accounting standards for private enterprises, an entity shall disclose:*
- (a) *the amount of each charge to retained earnings at the date of transition to accounting standards for private enterprises resulting from the adoption of these standards and the reason therefor; and*
  - (b) *a reconciliation of the net income reported in the entity's most recent previously issued financial statements to its net income under accounting standards for private enterprises for the same period.*
- .36 *The disclosures required by paragraph 1500.35 shall give sufficient detail to enable users to understand the material adjustments to the balance sheet and income statement. If an entity presented a cash flow statement under its previous accounting policies, it shall explain the material adjustments to the cash flow statement.*
- .37 *When an enterprise elects to use one or more of the exemptions in paragraphs 1500.10-.25, it shall disclose the exemptions used.*
- .37A *An enterprise that has applied accounting standards for private enterprises in a previous period, as described in paragraph 1500.02A, shall disclose:*
- (a) *the reason it stopped applying accounting standards for private enterprises; and*
  - (b) *the reason it is resuming the application of accounting standards for private enterprises.*
- .37B *An enterprise shall disclose whether it has chosen to apply this Section or ACCOUNTING CHANGES, Section 1506, as specified in paragraph 1500.02A.*
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