

Business combinations, Section 1582

- .61 *The acquirer shall disclose information that enables users of its financial statements to evaluate the nature and financial effect of a business combination that occurs either:*
- (a) *during the current reporting period; or*
 - (b) *after the end of the reporting period but before the financial statements are completed.*
- .62 To meet the objective in paragraph 1582.61, the acquirer shall disclose the following information for each material business combination:
- (a) the name and a description of the acquiree;
 - (b) the acquisition date;
 - (c) the percentage of voting equity interests acquired;
 - (d) the acquisition-date fair value of the total consideration transferred and the acquisition-date fair value of each major class of consideration, such as:
 - (i) cash;
 - (ii) liabilities incurred (for example, a liability for contingent consideration); and
 - (iii) equity interests of the acquirer, including the number of instruments or interests issued or issuable; and
 - (e) a description of the arrangement and the basis for determining the amount of the payment for contingent consideration arrangements and indemnification assets.
 - (f)-(i) (deleted)
- .62A In addition to the information listed in paragraph 1582.62, an entity shall disclose the following information:
- (a) when a material business combination consists of the acquisition of an asset or group of assets that constitutes a business, the amounts recognized as of the acquisition date for each major class of assets acquired and liabilities assumed; and
 - (b) when a material business combination consists of a subsidiary that is consolidated:
 - (i) a condensed balance sheet showing the amounts recognized as of the acquisition date for each major class of assets acquired and liabilities assumed;
 - (ii) the amount of the non-controlling interest in the acquiree recognized at the acquisition date and the measurement basis for that amount;
 - (iii) the amount of any gain recognized in a bargain purchase, in accordance with paragraph 1582.36, and the line item in the income statement in which the gain is recognized; and
 - (iv) in a business combination achieved in stages:
 - the acquisition-date fair value of the equity interest in the acquiree held by the acquirer immediately before the acquisition date; and
 - the amount of any gain or loss recognized as a result of remeasuring to fair value the equity interest in the acquiree held by the acquirer before the business combination (see paragraph 1582.44) and the line item in the income statement in which that gain or loss is recognized.
- .63 For individually immaterial business combinations occurring during the reporting period that are material collectively, the acquirer shall disclose the following information:
- (a) the number of businesses acquired and a brief description of those businesses;
 - (b) the acquisition-date fair value of the total consideration transferred;
 - (c) the number of equity instruments or interests of the acquirer issued or issuable; and
 - (d) a description of the arrangement and the basis for determining the amount of the payment for contingent consideration arrangements and indemnification assets.
- .64 If the acquisition date of a business combination is after the end of the reporting period but before the financial statements are completed, the acquirer shall disclose the information required by paragraphs 1582.62-.63 unless the initial accounting for the business combination is incomplete at the time the financial statements are completed. In that situation, the acquirer shall describe which disclosures could not be made and the reasons why they cannot be made.
- .65 If the specific disclosures required by this and other Sections do not meet the objectives set out in paragraph 1582.61, the acquirer shall disclose whatever additional information is necessary to meet those objectives.

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