

## CPA Canada handbook – accounting, part I

### highlight summary no. I.48

### August 2018

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(Note: Any changes to previously issued standards are identified in the effective date guidance in each affected standard.)

#### **Due Process – Endorsement Activities – IFRS 17 Insurance Contracts**

As part of its due process, the Accounting Standards Board (AcSB) carries out endorsement activities throughout the life of IFRS® Standard projects and before considering the incorporation into the Handbook of new or amended standards issued by the International Accounting Standards Board (IASB). A summary of the endorsement activities carried out by the AcSB before approving and incorporating IFRS 17 *Insurance Contracts* into Part I has been added. Given the complexity of IFRS 17 and the change it represents for Canadians, the AcSB performed extensive additional outreach on the proposed changes. For example, it sought the advice of its Insurance Accounting Task Force on numerous occasions, held multiple public roundtables to hear from Canadians, arranged meetings between Canadian stakeholders and IASB members to ensure the Canadian perspective was communicated and understood, and facilitated Canada's participation in the field testing conducted by the IASB on certain aspects of its proposals. The Appendix to the summary provides a more complete listing of the additional outreach performed for IFRS 17, all of which was influential in the development of the final standard.

#### **Previously Issued IFRS Standards**

The following new and amended standards, previously in the "IFRS Standards Issued but Not Yet Effective" section in the 2018 Edition, have been incorporated into the "IFRS Standards in Effect on January 1, 2019" section:

- IFRS 9 *Financial Instruments*
  - *Prepayment Features with Negative Compensation* (Amendments to IFRS 9)
- IFRS 16 *Leases* (New in 2016)
- IAS 19 *Employee Benefits*
  - *Plan Amendment, Curtailment or Settlement* (Amendments to IAS 19)
- IAS 28 *Investments in Associates and Joint Ventures*
  - *Long-term Interests in Associates and Joint Ventures* (Amendments to IAS 28)
- IFRIC 23 *Uncertainty over Income Tax Treatments* (New in 2017)
- *Annual Improvements to IFRS Standards 2015–2017 Cycle*
  - IFRS 3 *Business Combinations*
  - IFRS 11 *Joint Arrangements*
  - IAS 12 *Income Taxes*
  - IAS 23 *Borrowing Costs*

IAS 17 *Leases*, IFRIC 4 *Determining whether an Arrangement contains a Lease*, SIC 15 *Operating Leases — Incentives* and SIC 27 *Evaluating the Substance of Transactions Involving the Legal Form of a Lease* have been superseded by IFRS 16. Accordingly, IAS 17, IFRIC 4, SIC 15 and SIC 27 have been withdrawn.

To identify the changes made, refer to the effective date guidance in the standards, "IFRS Standards Issued but Not Yet Effective" in the 2018 Edition, or previous highlight summaries.

#### **Previous Editions**

For reference purposes, the previous editions have been retained.

Other editorial changes and corrections introduced in August 2018

