

## CICA handbook – accounting revisions release no. 6 September 2000

---

### ACCOUNTING RECOMMENDATIONS

#### **International Accounting Standards, Section 1501**

The Appendix which summarizes significant differences between International Accounting Standards and corresponding Handbook pronouncements has been updated.

#### **Disclosure of accounting policies, paragraphs 1505.05 and .06**

Amended to indicate that the disclosure of accounting policies in interim financial statements prepared in accordance with generally accepted accounting principles is as required by INTERIM FINANCIAL STATEMENTS, Section 1751.

#### **Interim financial reporting to shareholders, Section 1750**

Re-filed under Superseded Accounting Recommendations.

#### **Interim financial statements, Section 1751 [JAN. 2001]**

New.

#### **Income taxes, paragraph 3465.105**

Modified so that enterprises other than public enterprises, co-operative organizations, deposit-taking institutions and life insurance enterprises may defer application of INCOME TAXES, Section 3465, until fiscal years beginning on or after January 1, 2002. The deferral is available only to enterprises that have not previously applied the Section. Paragraph 3465.105 previously required all enterprises to apply the Section in fiscal years beginning on or after January 1, 2000. The former wording of this paragraph was:

- .105 ♦ *The Recommendations of this Section should be applied for fiscal years beginning on or after January 1, 2000. Earlier adoption is encouraged.* [JAN. 2000]

#### **Financial instruments — disclosure and presentation, paragraph 3860.96**

Modified so that entities other than public enterprises, co-operative organizations, deposit-taking institutions and life insurance enterprises may defer application of the Recommendations in paragraphs 3860.18, .24, .31 and .78 until fiscal years beginning on or after January 1, 2002. Paragraph 3860.96 previously permitted the deferred application until fiscal years beginning on or after January 1, 2001.

### ACCOUNTING GUIDELINE

#### **Full cost accounting in the oil and gas industry (AcG-5)**

Amended paragraph 64 to clarify that a ceiling test is required in preparing interim financial statements in accordance with INTERIM FINANCIAL STATEMENTS, Section 1751, on the same basis as for annual financial statements.

### EIC ABSTRACTS

#### **Liability recognition for costs to exit an activity (including certain costs incurred in a restructuring) (EIC-60)**

Amended on July 18, 2000 to revise the requirements for an exit plan and to update the reference for special and contractual termination benefits.

#### **Future income taxes in business combinations that do not involve the recognition of goodwill as an intangible asset presented separately on the balance sheet (EIC-99)**

Amended on July 18, 2000 to clarify the issue.