

SECTION 1506

accounting changes

SUPPLEMENT

This supplement sets out the previous wording of paragraphs that have been amended as a consequence of approving ACCOUNTING GUIDELINE AcG-20, Customer's Accounting for Cloud Computing Arrangements.

- .09 *An enterprise may change the following accounting policies without meeting the criterion in paragraph 1506.06(b):*
- (a) to consolidate subsidiaries, to account for them using the cost or equity method (see SUBSIDIARIES, Section 1591);*
 - (b) to account for investments subject to significant influence using the cost or equity method (see INVESTMENTS, Section 3051);*
 - (c) to account for interests in jointly controlled enterprises using the cost or equity method or by accounting for rights to the individual assets and obligations for the individual liabilities, in accordance with INTERESTS IN JOINT ARRANGEMENTS, Section 3056;*
 - (d) to capitalize or expense expenditures on internally generated intangible assets during the development phase (see GOODWILL AND INTANGIBLE ASSETS, Section 3064);*
 - (e) to measure a defined benefit obligation for which an appropriate funding valuation has been prepared using that funding valuation or a separate actuarial valuation prepared for accounting purposes (see EMPLOYEE FUTURE BENEFITS, Section 3462);*
 - (f) to account for income taxes using the taxes payable method or the future income taxes method (see INCOME TAXES, Section 3465);*
 - (g) to initially measure the equity component of a financial instrument that contains both a liability and an equity component at zero (see FINANCIAL INSTRUMENTS, Section 3856); and*
 - (h) to determine the cost of agricultural inventories using full cost or only input costs (see AGRICULTURE, Section 3041).*

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