

Investment companies, AcG-18

- 11 In addition to the disclosure requirements in FINANCIAL INSTRUMENTS, paragraphs 3856.37-.54, an investment company shall disclose that its investments are measured and reported at fair value, including those that meet the definition of a subsidiary and those over which the investment company exercises significant influence (identifying any exceptions as permitted by paragraph 5).
- 12 When the maximum exposure to loss for any investment is greater than the carrying amount of the investment, the enterprise shall disclose the maximum exposure to loss and the nature of the exposure, including the risks that could give rise to that loss. When an investment company consolidates a subsidiary in accordance with SUBSIDIARIES, Section 1591, it discloses information about that interest in accordance with Section 1591.
- 13 When investment company accounting is retained in the financial statements of the parent company or equity method investor, those statements shall disclose information necessary to understand the extent to which enterprises that are controlled by the reporting entity or over which it is able to exercise significant influence are reported using investment company accounting, including, at a minimum:
 - (a) that investments held by an investment company subsidiary or an investment company over which the reporting entity is able to exercise significant influence are measured at fair value;
 - (b) the parent company's percentage ownership in the investee; and
 - (c) the disclosure required in paragraph 12.
- 14 When investment company accounting is retained in the financial statements of the parent company, those statements shall disclose information necessary to understand the impact on the parent company financial statements, including, at a minimum:
 - (a) the net realized gains and losses and the net unrealized gains and losses for each year; and
 - (b) the policy for distinguishing the nature and type of investments made by the investment company from investments made by other members of the consolidated group.