

## Notice relating to early adoption of IAS 36 in relation to the impairment of assets

### 1. Scope

This Notice from the Autorité des marchés financiers (the "AMF") is intended for Québec chartered financial institutions subject to one of the following Acts (globally considered as the "Institutions"):

- *An Act respecting insurance*, R.S.Q., c. A-32
- *An Act respecting financial services cooperatives*, R.S.Q., c. C-67.3
- *An Act respecting trust companies and savings companies*, R.S.Q., c. S-29.01

It is understood that for the purposes of this notice, the "entity" as defined in the scope of the *Ligne directrice sur les normes relatives à la suffisance du capital de base* (Adequacy of Capital base Guideline) will be considered as an Institution.

### 2. Introduction

On May 29, 2013, the International Accounting Standards Board (the "IASB") has published amendments to IAS 36, *Impairment of Assets*, entitled *Recoverable Amount Disclosures for Non-Financial Assets*.

Those amendments make the disclosure requirements narrower regarding to disclosure. They clarify the IASB's original intention: that the scope of those disclosures is limited to the recoverable amount of impaired assets that is based on fair value less costs of disposal.

IAS 36 standard, before this amendment, required to disclose the recoverable amount even in reporting period when no impairment loss was recognised or reversed.

An Institution shall apply those amendments retrospectively for annual periods beginning on or after January 1, 2014. Earlier application is permitted. An entity shall not apply those amendments in periods (including comparative periods) in which it does not also apply IFRS 13.

In a Notice published on June 4, 2010, *Notice relating to the Application of International Financial Reporting Standards: Accounting Practices and Capital Adequacy Requirements*, the AMF did not authorize, for Institutions, the early adoption of IFRS standards issued by the International Accounting Standards Board (IASB) likely to come into force after 2011. However, given the amendment to IAS 36 is intended to correct a disclosure requirement, the AMF has concluded that Institutions to be allowed to early adopt the amendments to IAS 36.

### Further information

Further information is available from:

Chantale Bégin, CPA, CA  
Financial Institutions Capital Oversight  
Autorité des marchés financiers  
Québec: 418-525-0337, ext. 4595  
Toll-free: 1-877-525-0337, ext. 4595  
[chantale.begin@lautorite.qc.ca](mailto:chantale.begin@lautorite.qc.ca)

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