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September 2010

# Countdown

## Deloitte Canada's IFRS transition newsletter

Welcome to the September 2010 'Back to School' edition of Countdown!

This month's lead article highlights strategizing for the final quarter of 2010 and proposes that entities adopting IFRS should be doing some sort of progress check.

Lightyear this month looks at operating segments and any changes adopting the applicable IFRS standard, IFRS 8 *Operating Segments* (IFRS 8), will create.

With Canadian students getting back into the swing of things and making sure they know where to go for what information, we thought it was fitting to also include an article which highlights key references and provides a way for everyone to keep abreast of the continuous changes in IFRS.

As always, we want to continue to understand and meet your needs, so please submit ideas regarding matters that you would like to see us address in Countdown to deloitteifrs@deloitte.ca.

We look forward to seeing you again next month!

**Don Newell**
National Leader - IFRS services

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# "And they're at the clubhouse turn":

## Strategizing the final stages of IFRS conversion programs

In horse racing, the clubhouse turn is where riders reassess their strategy for the race they are in, looking at, among other things, the condition of their horse, where they are in the pack and the status of the track and, based on those conditions, choosing the best path to finish the race (hopefully, somewhere in the money!). While IFRS conversions don't offer garlands of roses for winners, or necessarily result in negative outcomes for those who don't win, place or show, there are some common themes to the management of a race horse by a jockey on the clubhouse turn and the management of what, for many enterprises, will be the last calendar quarter before IFRS becomes the operational basis for financial reporting.

In fact, the beginning of this last quarter of 2010 (assuming the entity has a calendar year-end) is a good time to reassess strategy. The year-end close using Canadian generally accepted accounting principles (GAAP) will soon commence, and the drafting of the annual financial statements and the last Management's Discussion and Analysis (MD&A) under Canadian GAAP will soon be a full-time occupation for most financial reporting teams. The swing into IFRS mode should be reasonably well organized by now – otherwise, some energetic steps to get there may be in order.

To continue with the horse racing analogy, consider assessing the progress of IFRS conversion using the same protocols as a jockey on the turn.

### The condition of the "horse".

An entity's financial reporting team is essentially the horse that will carry the conversion process to the finish line. At this point, many teams will have been labouring away in the, by now, customary process of assessment, analysis and data conversion. How is the team doing? First, are there sufficient resources to carry the project to the finish line? Has the team made reasonable progress and is it on track to be able to complete conversion on schedule, or are things not quite there? There may be good and valid reasons for the team to be behind schedule; for example, being sidetracked by unplanned transactions, downsized or redeployed to conserve the entity's resources or continuing to address conceptual issues that don't seem to be resolved on a timely basis. Resource constraints or accounting/conversion 'fatigue' may have impacted morale or effectiveness. If this is the case, it may be the right time to round up additional horsepower (so to speak), in order not to be exhausted at the finish line. Unlike a horse race, it's not "back to the barn" after the conclusion of your IFRS conversion activities: financial reporting in a publicly accountable entity is an ongoing process that will continue on into 2011 and has little tolerance for error.

If the matters that are holding up progress are technical in nature, it may be time to call in external assistance, such as the entity's auditors or other IFRS service providers. Keep in mind that they have been at the process for quite some time now and may be able to assist in achieving a solution more quickly and more efficiently than continuing to slog it out internally. If it's lack of adequate available resources, it may be wise to acquire contract resources that can finish the job: the same sources can often provide those (with appropriate attention to independence issues for assurance providers).

### Where they are in the pack

As in a horse race, many of the decisions are on several not-entirely independent conditions. One indicator of how the process is going is to compare your progress to other entities that are also in the process of converting. Many industries have associations that sponsor forums for discussing IFRS conversion issues. In many cases, service providers can provide assessments of the state of similar entities (without, of course, violating client confidentiality). The most recent quarterly MD&A filings of entities, such as those recently filed for the second quarter of 2010, filed in compliance with Canadian Securities Administrators (CSA) Staff Notice 52-320 *Disclosure of expected changes in accounting policies relating to changeover to International Finanical Reporting Standards* (CSA SN 52-320), provide an assessment of where things stood for registrants or reporting issuers, at least at that point in time, Reviewing such disclosures can provide much more than an assessment of progress: many entities also disclose some of the accounting policy and other choices they have made in the conversion process, and in some cases provide quantitative information on the expected effects.

### The status of the track

Financial reporting reflects the economic and financial circumstances of the reporting entity. Just as in horse racing, where track conditions may be an important determinant of the strategy for closing the race, the results to date of the conversion process may influence the approach to the conclusion of the process. If there are still numerous open unresolved issues, then more attention and effort will be required than if there are relatively few issues. One way of assessing this situation is to assess the status of any IFRS-compliant draft financial statements (for example, the opening balance sheet and accompanying notes, the converted 2010 quarterly financial statements and a mock set of Q1 2011 financial statements). If there are many unresolved issues, the financial statements will be nowhere near complete; on the other hand, a draft set may be all ready to go.

The importance of having a draft set of financial statements cannot be over-emphasized. There are many elections and decisions that can be made in the course of an IFRS conversion that will affect the portrayal of the entity's financial condition and results of operations under IFRS. Having a set of draft financial statements provides a reasonable basis for making and evaluating those choices.

To a certain extent, the external environment may also be a factor in making those decisions. If the economic or industry environment deteriorates in the next few months, asset values may fall and trigger IFRS-driven impairment tests – which are different in both measurement and the timing from those under current Canadian GAAP – and resulting recognition of losses. The impact of impairment issues may drive an entity to reconsider certain decisions – such as the election to use the fair value of any item of property, plant and equipment (PP&E) as its deemed cost on the date of conversion. Choosing to add value to a balance sheet by such elections may offset the impact of any impairment that happens during 2010. It is the sum of those two amounts – plus all other relevant adjustments – that will drive the January 1, 2010 opening balance sheet - the first reported balance sheet which is likely to be used as a basis for measuring compliance with debt covenants, for instance. Accordingly, the condition of the 'track' may make a significant difference to the strategy chosen to complete the process.

### Finishing the race "in the money"

Just as in horse races, there are good, better, and the best ways to finish, the same holds true for IFRS conversion processes. A good way to finish will be to have the process of converting the 2010 financial statements (and their quarterly elements) complete prior to December 31, 2010 so that the financial reporting group can complete the 2010 Canadian GAAP close efficiently and effectively, and seamlessly shift to IFRS as the basis for reporting for the first quarter of 2011.

A better way to finish would be to have sufficient time to contemplate the options and elections that may have been chosen en route and to make sure that they appear to be the right ones. As noted above, this will probably require the draft IFRS financial statements to be completed before December 31, 2010 and ready to be updated to reflect the most recent information available. This requires deadlines that are probably earlier than those envisioned in a "good" finish.

The "best" finish would arguably be one that not only provides an opportunity to make the best choices for financial reporting purposes, but also addresses qualitative issues that can add value to the financial reporting process, including the proposed 2010 management's discussion and analysis (MD&A) disclosures [See the article entitled "Enhancing the comparability of IFRS financial statements" in the previous issue of Countdown for ideas on how to accomplish this]. This would also include providing the best back-up for the estimates, judgments and principles chosen on conversion.

### Preparing for the next race

A horse's career is not over after running one race, but generally includes future races featuring different lengths, different racing venues and other significant changes. The financial reporting process has many similar attributes, particularly under the current IFRS environment. There are so many proposed changes on the IFRS agenda that both the International Accounting Standards Board (IASB) and the United

States Financial Accounting Standards Board (FASB) have agreed to limit exposure drafts (ED) to three a calendar quarter – which still amounts to twelve a year! Considering that there are less than 40 IFRS standards in existence (not counting the interpretations published by International Financial Reporting Interpretations Committee (IFRIC)) that is still a rate of change that exceeds more than one quarter of the existing standards in a year.

The embedded message is that the conversion process, while a significant change in accounting standards, is not the only major change on the horizon. Even a casual perusal of the projects in process at the IASB indicates that to remain knowledgeable in IFRS will require a constant training and implementation regime to keep up to date. While some of the proposed changes in standards have long-dated effective dates, others – particularly those published by IFRIC – may have very short fuses. It does require constant vigilance to stay on top of IFRS.

### Are you out of the race altogether?

In a horserace, even those horses who do not win, place or show push themselves to the finish line to race another day. Likewise, there are no "days off " in financial reporting; it is the responsibility of all preparers who are publically accountable entities to file IFRS-compliant financial statements. Is it possible to be so far behind at this point so as to be in danger of being out of the race?

There are several perspectives that should motivate those entities that believe they are behind the pack to still get a move on and finish on a timely basis. First, there is the matter of deadlines: the CSA has proposed extending the filing deadline for first quarter 2011 interim reports to provide for additional time, recognizing that entities may have their financial reporting resources stretched by the conversion process.

Second, by this time there is a significant amount of experience available for entities to draw upon, in making plans, identifying the likely places where conversion needs special attention, or, conversely, areas where IFRS 1 *First-time Adoption of International Financial Reporting Standards* elections may smooth the process.. This is another place where reading the MD&A assessments of the IFRS conversion processes of other reporting issuers may prove to be a time-saving exercise.

Third, many of the technology platforms that are the basis for providing general ledger (G/L) applications for financial statement data have developed modules for production of IFRS-compliant data. While this

should, if such modules have been implemented, ease the challenge of conversion to IFRS, some market survey data suggests that not all enterprises have yet built this into their existing systems, and are instead using spreadsheets to document the conversion entries and required IFRS disclosures.  While spreadsheets may be an effective measure during conversion, extensive spreadsheet usage may not be sustainable over the long run, and may provide an opportunity for streamlining the close process later, once regular IFRS reporting has been completed for several quarters.

As far as developing expertise and acquiring horsepower – as mentioned above, at this point it is probably more efficient to acquire the required skills under contract than to "grow your own." In the long run, however, internal knowledge of IFRS will be required to facilitate the financial statement production process, so the entire IFRS conversion activity should generally not be outsourced.

### Avoiding a rough ride

The dynamics of racing a horse are undoubtedly more heart-pounding than balancing a set of books and crafting IFRS-compliant financial statements. By comparison, though, the mental approach to the management of a process that has competitive, time-sensitive elements is not significantly different. There are absolute limits – the distance to the finish line, relative issues, external conditions, etc. – where you are compared to your competitors.  There are also management issues – such as making sure your resources don't wear out before the finish line – and long-term issues – making sure you stay in shape to keep in the race (and future races!). Balancing all these things is what makes a horse perform well for a good jockey: addressing IFRS conversion concerns in a balanced and thoughtful way will create a strong financial reporting performance for the entity.

# The Real Deal

## Operating segments

This month Lightyear's focus is on operating segments. The Lightyear team would like to determine, with the help of their Deloitte advisors, any operating segments changes under IFRS, as well as to understand any other differences that the adoption of IFRS 8 *Operating Segments* (IFRS 8) will create from their current reporting.

### What's the Deal?

The core principle of IFRS 8 is that an entity discloses information to enable financial statement users to evaluate the nature and financial effects of the business activities in which it engages and the economic environments in which it operates. This involves providing information on the performance and financial position of an entity at a level of dis-aggregation which is consistent with the way in which the key business decisions are made within the entity itself.

Some key terms relevant to the standard that will assist with our analysis:

| | |
|---|---|
| Operating Segment | An operating segment is defined as a component of an entity:<br>– that engages in business activities from which it may earn revenues and incur expenses<br>– whose operating results are regularly reviewed by the entity's chief operating decision maker to make decisions about resources to be allocated to the segment and assess its performance, and<br>– for which discrete financial information is available. |
| Chief Operating Decision Maker (CODM) | This term identifies a function, not necessarily a manager with a specific title. The function is to allocate resources to and assess the performance of the operating segments of an entity. |
| Reportable Segments | A reportable segment represents the level at which information on operating segments needs to be disclosed in the notes to the financial statements. This may be the same as an operating segment but also considers quantitative criteria as described below. |
| Quantitative Thresholds | As noted above, IFRS 8 establishes quantitative thresholds. Segment information is required to be disclosed for those operating segments which exceed these thresholds. The thresholds are as follows:<br>– its reported revenue is 10% or more of the combined revenue of all operating segments. For this purpose, revenue includes both sales to external customers and intersegment sales or transfers; or<br>– the absolute amount of its reported profit or loss is 10% or more of the greater, in absolute amount, of (i) the combined reported profit of all operating segments that did not report a loss and (ii) the combined reported loss of all operating segments that reported a loss; or<br>– its assets are 10% or more of the combined assets of all operating segments. |

Operating segments often exhibit similar long-term financial performance if they have similar economic characteristics. IFRS 8 allows two or more operating segments to be aggregated into a single operating segment if all of the following conditions are met:

- Aggregation is consistent with the core principles of IFRS 8
- The segments have similar economic characteristics; and
- The segments are similar in each of the following respects:
  - The nature of the products and services;
  - The nature of the production processes;
  - The type or class of customer for their products and services;
  - The methods used to distribute their products or provide their services; and
  - If applicable, the nature of the regulatory environment (i.e. banking, insurance, public utilities, etc.)

## Keeping it Real!

Before looking at its operating segments, Lightyear wanted to determine who the chief operating decision maker (CODM) was. The entity is set up so that each of the various lines of business has a chief operating officer (COO) who is responsible for operating, budgeting and reporting of their respective line of business. All of the COOs report to the chief executive officer (CEO) and provide her with recommendations on resource allocations. The CEO evaluates performance of each of the lines based on many different factors and is responsible for entity-wide allocation of resources. Based on this set up and despite the fact that the COOs are responsible for managing their lines of business, the final decisions related to the allocation of resources are made by the CEO, and thus the CEO is considered the CODM for Lightyear.

Lightyear has identified two situations where the team wants help clarifying as to whether or not they would be considered operating segments:

| Situation | Considerations and tentative views |
|---|---|
| Lightyear allocated 13% of combined assets of all operating segments to form a new operating unit pursuing research on a new product. This operating unit has incurred significant expenses but has not yet earned revenues. Discrete financial information for the operating unit is available and is reviewed by the CODM in making decisions. | This appears to be an operating segment. Under IFRS 8, there is no requirement for a business unit to earn revenues to meet the definition of an operating segment. Based on the information from Lightyear, the CODM makes decisions and assesses the performance of the segment based on expenditure incurred thereby suggesting this is an operating segment under IFRS 8. |
| One of Lightyear's operating units provides content for marketing and media publications. This unit derives all of its revenue from the advertising and promotions service lines. Financial information reviewed by the CODM includes revenues by service line, but operating expenses and assets are reviewed on a combined basis for the entire operating unit. No profit or loss information is provided for the individual service lines. | Discrete financial information is not available at the service line level because no measure of segment profit or loss is supplied to the CODM. Based on this information, it appears that the entire operating unit is more likely to be a operating segment than the individual service lines. |

As Lightyear continues to grow in size, both through new business and acquisitions, management needs to be aware that they may have an operating segment that may become identified as a reportable segment by exceeding one of the relevant 10% thresholds, even though it did not exceed these thresholds in the past. In such circumstances, prior-period segment data presented for comparative purposes is restated to reflect the newly reportable segment as a separate segment, unless the necessary information is not available and the cost to develop it would be excessive.

### Disclosure Requirements

IFRS 8 states that entities should disclose information to enable users of their financial statements to evaluate the nature and financial effects of the business activities in which they engage and the economic environments in which they operate.

To give effect to this overall principle, Lightyear should disclose the following:

- general information;
- information about reported segment profit or loss, including specified revenues and expenses included in reported segment profit or loss, segment assets, segment liabilities and the basis of measurement; and
- reconciliations of the totals of segment revenues, reported segment profit or loss, segment assets, segment liabilities and other material segment items to corresponding entity amounts.

The information is reported for each period for which a statement of comprehensive income is presented, with reconciliations of the amounts in the statement of financial position reported for each date at which a statement of financial position is presented.

### Until next time.....

Lightyear's conversion team will continue to look at any remaining items that have not previously been focused on over the remaining few months before transition. See you next month for more from Lightyear!

# Keeping Current!

With so much changing and so many things happening so quickly, it's often hard to stay up to date in the IFRS world. There are many points of reference, websites and subscriptions that can help you stay on top of items that are most relevant to you. Below we will explain some of the websites and references we find most helpful and how to sign up for various subscriptions. Please note that this is not an all-encompassing list and new points of reference or websites are being created constantly.

### IASB website - www.ifrs.org

This website is a very important source of relevant information and updates. Some of the key items include the latest news, which is accessed on the home page, and the work plan for IFRSs, which is updated regularly and links directly to the project pages for each of the items on the work plan. Another key area of this website is the "stay informed" tab along the top of the homepage. By clicking on this tab you will have access to Board and IFRIC meeting summaries and podcast summaries, and you can also observe meetings and subscribe to email alerts, which will bring relevant news directly to your email.

### Canadian Accounting Standards Board (AcSB) website - www.acsbcanada.org

Like the IASB website, the home page of the AcSB website contains news and updates, which is updated as new information is available. In addition, you can also subscribe here for accounting and auditing updates – this will get you access to the AcSB's eNewsletters and webinar updates as well as any other accounting / auditing updates as they are announced. There is also a link to the IFRS transition resources page which contains various training and events, including webinars and other online and in-class learning, some of which are available free of charge. It is also the place to subscribe to In The Loop – Standards in Transition and Canadian Standards in Transition website updates.

### Deloitte webcasts, periodicals and publications www.corpgov.deloitte.ca

This Deloitte website allows you to stay connected in various ways, on a regular basis, including: webcasts, periodicals and publications (these include periodicals such as: Countdown, DeloitteLink, Heads Up, IFRS in Focus etc.). You can use this link to be added to our webcasts distribution list, sign up for e-newsletters and access various Deloitte publications on various financial reporting and corporate governance topics.

### IASplus – www.iasplus.com

As with many of the other IFRS websites, the home page of IASplus shows updates and news and key events as they occur. This is also an excellent place for entities to obtain various IFRS and non-IFRS publications, model financial statements and IFRS disclosure and compliance checklists. Via IASplus you can also subscribe to the IASplus Newsletters and alerts by email. In addition, there are very good summaries by IFRS standard which can be accessed by clicking on the Standards tab at the top of the homepage.

### iGAAP: IFRS for Canada – A comprehensive reference guide by Deloitte 2nd edition

This Deloitte text is a comprehensive reference book on the transition of Canadian GAAP to IFRS. The book includes expanded Canadian content and reflects current thinking in key industries. It is essential reading for accounting professionals, as well as others who need to understand the impli¬cations of IFRS conversion on their organization. Written for Canadians by Canadian practitioners, the book provides a roadmap to help companies understand how to effectively transition from Canadian GAAP to IFRS with many excellent examples. We are currently working on the third edition, which will be coming out early 2011.

To order the book in printed or digital format, please visit the CCH website.

Each of these resources provides valuable information and insight into what has happened, what is happening and what is being looked at for the future, either overall or on a standard or topic basis. Staying up-to-date during these busy months will be difficult, but hopefully this can help point you in the right direction and even allow you to subscribe to events and newsletters that will bring information directly to you.

As always, another great resource is staying in touch with your Deloitte advisor. We are always happy to help, whether it be providing you with advice or support, or guiding you to the appropriate places to look for information.

# Deloitte IFRS publications and events

## A comprehensive summary of Deloitte IFRS publications and events is available here.

Please first login, first time visitors will need to complete a short registration form. Below we have included new publications and events most relevant to Canadian publicly-accountable enterprises.

## Publications

### Enhancing the Quality of IFRS Financial Statements

*Enhancing the Quality of IFRS financial statements* provides ten easy ways to improve the clarity and informativeness of financial statements under IFRS. It highlights qualitative aspects within the preparation of IFRS financial statements that can improve the quality of those statements beyond the level obtained by simply complying with the standards. The ideas presented in the document may be implemented by companies who are transitioning to IFRS and by those who are post-conversion.

Click here to access the online version of this publication. Printed copies are available upon request.

### The IFRS Changeover – A Guide for Canadian Users

*The IFRS Changeover – A Guide for Canadian Users* is intended to orient users of external financial reports and members of audit committees to matters arising from Canada's imminent change in accounting standards for public companies. Unlike other publications issued by the Canadian Performance Reporting Board (the CPRB) that focus on Management's Discussion & Analysis, this guide is unique in that it focuses on raising awareness in the user community about the potential effect of the changeover on performance metrics and informing users about some of the more common differences that they will encounter. Members of audit committees have also expressed an interest in its non-technical approach, and focus on users' reaction to IFRS-based financial statements.

Click here to access the online version of this publication. Printed copies are available upon request.

**IAS 34 – Interim financial reporting: A Canadian perspective** is a comprehensive reference source for financial statement preparers and users with a working knowledge of Canadian GAAP and securities requirements. The guide frames IAS 34 in a Canadian perspective and combines international reporting requirements and timely regulatory information into a single document. The report is relevant to financial statement preparers both before IFRS adoption and throughout the adoption process. It will also be relevant to first-time adopters. The guide also includes sample interim financial statements and a compliance checklist. For more information click here.

## Webcasts

### IFRS technical update – Keeping Current!

Our quarterly IFRS technical updates provide some highlights relating to both recent developments in IFRSs and perspectives on transition in Canada. Combining technical expertise with practical experience our webcasts discuss what's new and what's next in IFRS and a variety of other matters.

- **June 22, 2010 (English version)**
  View archive here
- **September 8, 2010 (French version)**
  View archive here
- **September 21, 2010 (English version)**
  View archive here

### IASB Revenue Recognition Webcast - Looking Ahead!

The Revenue Recognition Exposure Draft (ED) was issued at the end of June 2010. If the ED is finalized as drafted, there will be significant changes in how some transactions are accounted for. Learn about the key differences from current accounting standards and understand how these changes may impact your organization. If there are issues that you believe the standard setters need to reconsider, you will still have time to submit a comment letter (comments are due October 22, 2010).

- **September 27, 2010 (English version)**
  View archive here

**Toronto**

- **November 22-24, 2010**

### CICA - IFRS Foundation Conference – IFRS in North America 2010

For more information please click here.

# IFRS Round-up

## Updates in Canadian and International news

### August 26, 2010: IFRIC publishes proposed guidance on surface mining


The IFRS Interpretations Committee (IFRIC), the interpretative body of the IASB, published for public comment proposed guidance on the accounting for stripping costs in the production phase of a surface mine. The draft Interpretation considers: is the definition of an asset met? When should stripping campaign component be recognized? and How should the stripping campaign component be measured both initially and subsequently? IFRIC has reached the conclusion that costs associated with a 'stripping campaign' should be accounted for as an additional component of an existing asset, and that this component should be written down over the reserves that directly benefit from the campaign. Stripping Costs in the Production Phase of a Surface Mine is open for comment until November 30th, 2010. Deloitte's global office has also published an IFRS in Focus Newsletter – IFRS Interpretations Committee issues Draft Interpretation on Stripping Costs in the Production Phase of a Surface Mine which describes the draft interpretation that was issued.

### August 26, 2010: IASB proposes amendments to IFRS 1

The IASB published for comment proposed amendments to IFRS 1 *First-time Adoption of International Financial Reporting Standards* (IFRS 1). The proposal would amend IFRS 1 by replacing references to a fixed transition date of '1 January 2004' with 'the date of transition to IFRSs'. As a result, entities adopting IFRSs for the first time would not have to restate derecognition transactions that occurred before the date of transition to IFRSs. In addition, first-time adopters would also not have to recalculate 'day 1' differences on initial recognition of financial instruments, where the transaction occurred before the date of transition to IFRSs. The exposure draft Removal of Fixed Dates for First-time Adopters is open for comment until October 27, 2010. Deloitte's global office has also published an IFRS in Focus Newsletter – IASB issues Exposure Draft on Removal of Fixed Dates for First-time Adopters which describes the proposal.

### September 10, 2010: Joint IASB / FASB webcast on financial statement presentation

The IASB and FASB have released a recorded webcast on the Financial Statement Presentation project, in particular the Boards' decisions on the statement of cash flows reflected in the July 2010 staff draft of the forthcoming exposure draft arising from the project. The webinar discusses the Boards' rationale in developing the proposals, changes from the October 2008 Discussion Paper and changes from current practice. The recorded webcast is presented by Patricia McConnell (IASB) and Marc Siegel (FASB). It is offered free of charge (registration is required) and will be available for viewing until December 9, 2010. Click here for access to the webinar.

### September 10, 2010: IASB proposes to amend accounting for deferred tax

The IASB published for public comment an exposure draft Deferred Tax: Recovery of Underlying Assets. The proposal would amend one aspect of IAS 12 Income Taxes (IAS 12). Under IAS 12, the measurement of deferred tax liabilities and deferred tax assets depends on whether an entity expects to recover an asset by using the asset or by selling the asset. In some cases, it is difficult and subjective to assess whether recovery will be through use or through sale. To provide a practical approach in such cases, the proposed amendment would introduce a presumption that an asset is recovered entirely through sale unless the entity has clear evidence that recovery will occur in another manner. The presumption would apply when investment properties, property, plant and equipment or intangible assets are remeasured at fair value or revalued at fair value. The ED is open for comment until November 9, 2010.

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