

Accountants Templates Inc.
ASPE Adoption and Transition for Annual Financial Statements

The information provided in this document intends to briefly discuss the transition and adoption dates and should not be considered a complete source of information. Please refer to the CICA Handbook for information.

The following information is prepared under the assumption that the entity is preparing annual financial statements and not other periods such as monthly or quarterly.

We have received a number of phone calls from practioners who are looking for ASPE content for both JAZZ-it! and for JAZZ-it! Programs and Checklists. Many of these calls stem from confusion regarding when the first set of financial statements must be presented in accordance with ASPE.

A common question is as follows:

“I have a December 31, 2010 year end to do and am issuing statements after January 2011. I need the ASPE content for JAZZ-it! and I need the JAZZ-it! Programs and Checklists with the ASPE content right away so I can start work on these engagements.”

An excerpt from Part II of the Handbook (Accounting Standards for Private Enterprises):

FIRST-TIME ADOPTION

- II.3 First-time adoption of this Part of the Handbook is mandatory for annual financial statements relating to fiscal years beginning on or after January 1, 2011. When the end of an entity's annual reporting period does not coincide with the end of a calendar year, the mandatory date for first-time adoption of this Part is the beginning of the annual reporting period that commences on or after December 21, 2010.
- II.4 This Part of the Handbook may be adopted for fiscal years beginning prior to the dates specified in paragraph II.3.

Note that first time adoption is mandatory for fiscal years **beginning** on or after January 1, 2011. This means that if you have a company with a fiscal year end of January 31, 2011, your first set of financial statements prepared under the new standard **will be for the year end January 31, 2012. The date of transition in this case is February 1, 2010.** If, for example, you would like to move to fair value for some property plant and equipment, you would need values as of February 1, 2010. Some of this information is more difficult to determine the further you move into the future. Although your first statements prepared under the new standard are not until January 31, 2012, it is important that you start preparing for the transition to ASPE as soon as possible.

If you wish to adopt ASPE when presenting the financial statements for the year ended January 31, 2011, you will be **early adopting**. Keep in mind that your first set of financial statements will have comparative figures that will also need to reflect the new standards. Part of the transition requirement is to prepare an opening balance sheet. In early adopting ASPE for the January 31, 2011 financial statements, **your transition date will be February 1, 2009.**

	Transition Date <i>(First Day of Comparative Period)</i>	Date of Adoption <i>(First Day of the Year)</i>	Adoption Year Ending <i>(Year End Date under ASPE)</i>	Comparative Period
EARLY ADOPTION	February 1, 2009	February 1, 2010	January 31, 2011	January 31, 2010
	March 1, 2009	March 1, 2010	February 28, 2011	February 28, 2010
	April 1, 2009	April 1, 2010	March 31, 2011	March 31, 2010
	May 1, 2009	May , 2010	April 30, 2011	April 30, 2010
	June 1, 2009	June 1, 2010	May 31, 2011	May 31, 2010
	July 1, 2009	July 1, 2010	June 30, 2011	June 30, 2010
	August 1, 2009	August 1, 2010	July 31, 2011	July 31, 2010
	September 1, 2009	September 1, 2010	August 31, 2011	August 31, 2010
	October 1, 2009	October 1, 2010	September 30, 2011	September 30, 2010
	November 1, 2009	November 1, 2010	October 31, 2011	October 31, 2010
	December 1, 2009	December 1, 2010	November 30, 2011	November 30, 2010
	MANDATORY ADOPTION	January 1, 2010	January 1, 2011	December 31, 2011
February 1, 2010		February 1, 2011	January 31, 2012	January 31, 2011
March 1, 2010		March 1, 2011	February 29, 2012	February 28, 2011
April 1, 2010		April 1, 2011	March 31, 2012	March 31, 2011
May , 2010		May , 2011	April 30, 2012	April 30, 2011
June 1, 2010		June 1, 2011	May 31, 2012	May 31, 2011
July 1, 2010		July 1, 2011	June 30, 2012	June 30, 2011
August 1, 2010		August 1, 2011	July 31, 2012	July 31, 2011
September 1, 2010		September 1, 2011	August 31, 2012	August 31, 2011
October 1, 2010		October 1, 2011	September 30, 2012	September 30, 2011
November 1, 2010		November 1, 2011	October 31, 2012	October 31, 2011
December 1, 2010		December 1, 2011	November 30, 2012	November 30, 2011