

December 20, 2011

Submitted electronically via [www.ifrs.org](http://www.ifrs.org)

International Accounting Standards Board  
30 Cannon Street,  
London EC4M 6XH  
United Kingdom

Dear Sirs,

**Re: Government Loans (Proposed amendments to IFRS 1) (ED/2011/5)**

This letter is the response of the Canadian Accounting Standards Board (AcSB) to the International Accounting Standards Board's (IASB) Exposure Draft, "Government Loans (Proposed amendments to IFRS 1)," issued in October 2011.

The AcSB is Canada's national accounting standard setting body, which has adopted a strategy of importing IFRSs into Canada for publicly accountable enterprises, without modification or interpretation. The AcSB consists of members from a variety of backgrounds, including preparers, advisors, academics and financial statement users. Additional information about the AcSB can be found at [www.acsbcanada.org](http://www.acsbcanada.org).

The views expressed in this letter do not necessarily represent a common view of the AcSB, its Committees or staff. Views of the AcSB are developed only through due process.

We support the amendment to IFRS 1 proposed in the Exposure Draft. The amendment will provide first-time adopters the same relief as those who were preparing IFRS financial statements when the requirement was added to IAS 20 *Accounting for Government Grants and Disclosure of Government Assistance* in 2008. We agree that allowing first-time adopters to prospectively apply paragraph 10A of IAS 20 will prevent the use of hindsight for loans where a fair value would need to be determined prior to the date of transition.

We would be pleased to elaborate on our comments in more detail if you require. If so, please contact Peter Martin, Director, Accounting Standards at +1 416 204-3276 (email [peter.martin@cica.ca](mailto:peter.martin@cica.ca)), or Katharine Christopoulos, Principal, Accounting Standards at +1 416 204-3270 (email [katharine.christopoulos@cica.ca](mailto:katharine.christopoulos@cica.ca)).

Yours truly,

A handwritten signature in black ink that reads "G. C. Fowler". The signature is written in a cursive, flowing style.

Gordon Fowler, FCA  
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