



April 26, 2004

Mr. Ron Salole  
Director, Accounting Standards  
Accounting Standards Board  
277 Wellington Street West  
Toronto, Ontario  
M5V 3H2

Dear Mr. Salole:

Thank you for the opportunity to provide a response to the Exposure Draft "Subsequent Events" Section 3820.

In the draft, you ask for comments regarding several issues; we will address some of these issues, referring to their number as noted in the comments requested section of the Exposure Draft.

1. We agree with the definition of "date of authorization for issue" as outlined in the new Section 3820 of the Handbook. This date is a more meaningful date for assessing subsequent events.
  
3. We agree with the concept that both the date of authorization for issue and the name of who gave that authorization should be provided. We would, however, like to suggest a simplification of that process rather than providing another note. In the case of most small and medium sized enterprises, the statements are prepared and reviewed by the professional accountant. When the directors approve the statements on behalf of the board, they are also approving them for issue. Therefore, the process could be simplified by amending the approval process on the balance sheet. The wording could be amended as such:

Approved on behalf of the Board and  
Authorization for issue

(Signed)  
NAME (typed or printed)

\_\_\_\_\_  
DATE

This will eliminate the need for another note and clearly indicate to the director(s) approving the statements what they are signing for. It will also provide better evidence to the user of the financial statements as to who approved the financial statements and when they were approved. If there is an unforeseen delay in meeting to approve the statements for issue, the notes will not have to be changed to amend the date if the signor of the statements also dates the approval for release.

We feel this change is of particular significance to the small and medium size practitioners (SMPs) who deal with small and medium-sized clients. The revised standard is proposing the provision of a note to the financial statements that states who approved the statements for release and on what date that they made the approval. However, in reality this would be impractical as it is not uncommon for last minute delays to occur with SMPs or their clients. Under the proposed revised standard, these delays could necessitate that the statements be reproduced.

8. We feel that you are allowing a much longer delay than necessary to implement this section. Although you have indicated that early adoption is encouraged, it could be strengthened to require the standards be met for all periods ending on or after December 31, 2004, or at least for year ends commencing on or after the date of publication.

With regards to issues 2, 4 to 7, 9, and 10, we have no further comments or suggestions and feel the committee has dealt with the issues appropriately.

We hope that you find our input useful in your deliberations.

Regards,

[Original signed by:]

Anthony Ariganello, B.Comm, CGA  
President and CEO