

*This release should be retained and filed.*

This release accomplishes the following:

- Updated the guide, where applicable, to account for costs associated with Asset Retirement Obligations (ARO).
- Updated the guide, where applicable, and added Appendix N to provide guidance on the accounting of Public Private Partnerships (P3s).
- Provided a reference for guidance on Purchased Intangibles.

Revisions have therefore been made to the following areas:

### **GENERAL INTRODUCTION**

- Updated paragraph .05 to make reference to the Ministry's Purchased Intangible Accounting Policy and Implementation Guide for guidance on Purchased Intangibles.

### **OWNED TANGIBLE CAPITAL ASSETS**

- Updated the definition of cost to include costs associated with asset retirement obligations – in Definitions paragraph .18.
- Added definition of Asset Retirement Obligations – in Definitions paragraph .19.
- Added guidance on the initial measurement of a P3 Asset – in Measurement paragraph .26.

### **CAPITALIZATION OF TANGIBLE CAPITAL ASSETS**

- Added the requirement to capitalize ARO costs to the associated tangible capital asset – paragraph .104.
- Added the requirement to capitalize P3 asset – paragraph .105.

### **AMORTIZATION**

- Added guidance on amortization of capitalized ARO costs – in General paragraph .113.

- Corrected the Appendix reference from L to J – in Amortization Method paragraph .118.

### **LEASED TANGIBLE ASSET CLASSES**

- Added guidance on how to account for a Leased P3 asset that meets the P3 requirement – in Application paragraph .212.

### **APPENDIX B – ESTIMATED USEFUL LIVES AND CAPITALIZATION THRESHOLD**

- Added footnote for Capitalization Threshold by Unit Value to include ARO costs – in paragraph B.01, footnote 6.

### **APPENDIX N – PUBLIC PRIVATE PARTNERSHIPS**

- Added a new appendix to provide guidance on the accounting for P3 assets.