In IFRS Release No. 2 *A Reminder Before You File Your First IFRS Interim Financial Report*, which was published by the OSC on June 7, 2011, a tip sheet was included as a reminder to reporting issuers of some of the key elements of a first IFRS interim financial report. As the reporting date for the second quarter is fast approaching, we are providing you with new tip sheets that list the key elements that are required in the interim financial reports for the second and third quarters. Please see the attached tip sheets, which are for calendar year-end companies. If your company has a March 31, June 30, or September 30 year-end, please refer to the OSC website for the respective Q2 and Q3 tip sheets.

Please note that this publication is not meant to be a complete checklist for all of the requirements under IFRS and securities legislation for an interim financial report, but rather a quick reference tool to enable an issuer to avoid certain significant deficiencies in their filings.

**Some Important Reminders**

**Filing due date**

Issuers are reminded to revert to their original due dates for the Q2 and Q3 interim filings. The 30-day extension to the filing due date available to issuers filing their first IFRS interim financial report is not available for the filing of second and third quarter interim financial reports. Please refer to the Filing Due Dates Calendar for Annual & Interim Filings by Reporting Issuers on the OSC website.

**Auditor review**

We continue to remind issuers of the securities requirement for a company to disclose if an auditor has not performed a review of the company’s interim financial report. The disclosure, typically in the form of a notice that appears as a separate page immediately before the interim financial report, must indicate that the interim financial report has not been reviewed by an auditor. Issuers are also reminded that the term “review” refers to a review in accordance with securities legislation and Section 7050 Auditor Review of Interim Financial Statements of the CICA Handbook. Engagements where an auditor has been retained to perform limited review procedures or to review only certain components of the interim financial report would not constitute a review and the disclosure described above would be required. Please refer to OSC Staff Notice 51-718 Key Considerations Relating to an Auditor’s Involvement with Interim Financial Reports for more details.

**Statement of compliance with IAS 34**

Securities rules require an unreserved statement of compliance with IAS 34 Interim Financial Reporting (IAS 34) to be included in all interim financial reports, regardless of whether the interim financial report is presented as a complete set or a condensed set of financial statements. During our review of the first quarter interim financial reports, we noted that a number of issuers omitted this statement. We remind issuers to include this statement in future filings of interim financial reports.
Q2 or Q3 expectations

IAS 34 states that the purpose of interim financial reporting is to provide an update on the latest complete set of annual financial statements. Given that, less note disclosure is required in interim reporting than that required in a full set of IFRS annual financial statements. However, an issuer’s interim financial report that complies only with the minimum requirements under IAS 34 is less informative to investors in the first quarter after an issuer transitions to IFRS, since the latest annual financial statements were prepared under old Canadian generally accepted accounting principles (Part V of the Handbook). Consequently, additional IFRS transition information, such as the opening statement of financial position and accounting policies under IFRS, are included in issuers’ Q1 interim financial reports so that financial statements users are better able to understand how the transition to IFRS affected previously reported annual and interim results. Given this, issuers do not have to repeat this kind of information in their Q2 and Q3 interim financial reports, since the information is already available on public record through their Q1 report. Staff would therefore not object to issuers just making a cross-reference to the Q1 report in their Q2 and Q3 interim financial reports.

Notwithstanding the above, we remind issuers that there are certain minimum disclosures required for each interim financial report, and IFRS 1 reconciliations for certain periods continue to be required in the Q2 and Q3 reports. See IAS 34 and the attached tip sheets for more information on these requirements.

Change in Accounting Policies in Q2/Q3

When an issuer changes its accounting policies (including an early adoption of new IFRS standards)  in the second or third quarter of the first year of adopting IFRS, the following additional items are required to be included in the interim financial report of the period in which the change takes place (the following assumes a calendar year-end):

- **Opening statement of financial position** – the opening statement of financial position as at January 1, 2010 (the date of transition to IFRS), restated to reflect the change in accounting policies.  
- **IFRS 1 reconciliations** – in addition to the reconciliations required for the respective quarters, updated equity reconciliations for January 1, 2010 and December 31, 2010 and total comprehensive income reconciliation for the year ended December 31, 2010.
- **Disclosure of accounting policies** – a detailed disclosure of those accounting policies that have changed.

(There is no requirement for the Q1 interim financial report to be refiled on SEDAR.)

Questions

Questions may be referred to:

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1 The same approach would be appropriate for a change in the use of IFRS 1 exemptions.
2 Note that the opening statement of financial position is also required when there is a reclassification of items.
Check for inclusion of the following items before you file your IFRS interim financial report for the second quarter of 2011. (The dates provided below apply to calendar year-end companies only.)

**Financial statements**

☐ If an auditor has not performed a review of the interim financial report, include a notice indicating that the interim financial report has not been reviewed by an auditor.

☐ Include all of the following on the face of the financial statements:

- Statements of financial position as at:
  - □ June 30, 2011  □ December 31, 2010
  ( □ January 1, 2010  if there is a change in accounting policies, a change in the use of IFRS 1 exemptions, or a reclassification of items in the quarter.)
- Statements of comprehensive income for the three and six months ended:
  □ June 30, 2011  □ June 30, 2010
- Statements of changes in equity for the six months ended:
  □ June 30, 2011  □ June 30, 2010
  (ensure the statements of changes in equity include all components of equity)
- Statements of cash flows for the six months ended:
  □ June 30, 2011  □ June 30, 2010

**Notes to financial statements**

☐ Include notes to the interim financial report. Ensure the applicable minimum disclosures required by paragraphs 15 – 15C and 16A in IAS 34 *Interim Financial Reporting* are included.

☐ Include an unreserved statement of compliance with IAS 34.

☐ Accounting policies – disclose the accounting policies or use of IFRS 1 exemptions that have changed from those disclosed in the March 31, 2011 interim financial report (if any).

☐ Include all of the following IFRS 1 reconciliations (with sufficient detail to enable a user to understand the material adjustments):

- Equity reconciliation for:
  - □ June 30, 2010
  ( □ January 1, 2010  and □ December 31, 2010  if there is a change in accounting policies or a change in the use of IFRS 1 exemptions in the quarter.)
- Total comprehensive income reconciliations for:
  - □ the three and six months ended June 30, 2010
  ( □ the year ended December 31, 2010  if there is a change in accounting policies or a change in the use of IFRS 1 exemptions in the quarter.)
  (ensure the reconciliations are for total comprehensive income and not just for net profit)
Q3 2011 FILING TIP SHEET
(for calendar year-end companies)

Check for inclusion of the following items before you file your IFRS interim financial report for the third quarter of 2011. (The dates provided below apply to calendar year-end companies only.)

Financial statements

☐ If an auditor has not performed a review of the interim financial report, include a notice indicating that the interim financial report has not been reviewed by an auditor.

☐ Include all of the following on the face of the financial statements:
  • Statements of financial position as at:
    □ September 30, 2011 □ December 31, 2010
    (☐ January 1, 2010 if there is a change in accounting policies, a change in the use of IFRS 1 exemptions, or a reclassification of items in the quarter.)
  • Statements of comprehensive income for the three and nine months ended:
    □ September 30, 2011 □ September 30, 2010
  • Statements of changes in equity for the nine months ended:
    □ September 30, 2011 □ September 30, 2010
    (Ensure the statements of changes in equity include all components of equity)
  • Statements of cash flows for the nine months ended:
    □ September 30, 2011 □ September 30, 2010

Notes to financial statements

☐ Include notes to the interim financial report. Ensure the applicable minimum disclosures required by paragraphs 15 – 15C and 16A in IAS 34 Interim Financial Reporting are included.

☐ Include an unreserved statement of compliance with IAS 34.

☐ Accounting policies – disclose the accounting policies or use of IFRS 1 exemptions that have changed from those disclosed in the March 31, 2011 interim financial report (if any).

☐ Include all of the following IFRS 1 reconciliations (with sufficient detail to enable a user to understand the material adjustments):
  • Equity reconciliation for:
    □ September 30, 2010
    (☐ January 1, 2010 and □ December 31, 2010 if there is a change in accounting policies or a change in the use of IFRS 1 exemptions in the quarter.)
  • Total comprehensive income reconciliations for:
    □ the three and nine months ended September 30, 2010
    (☐ the year ended December 31, 2010 if there is a change in accounting policies or a change in the use of IFRS 1 exemptions in the quarter.)
    (Ensure the reconciliations are for total comprehensive income and not just for net profit)