



August 7 2019
File No.: 78000-01
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To: All British Columbia (BC) Authorized Non-Federally Regulated Insurers

Re: Adoption of the IFRS 17 Transition and Progress Report Requirements Advisory

This is to inform BC authorized non-federally regulated insurers that the Financial Institutions Commission has adopted the IFRS 17 Transition and Progress Report Requirements Advisory (Advisory), issued in May 2018 by the federal Office of the Superintendent of Financial Institutions (OSFI).

In May 2017, the International Accounting Standards Board (IASB) issued the final version of the IFRS 17 Insurance Contracts Standard, which replaces IFRS 4 and is effective for annual periods beginning on or after January 1, 2021.

The *Financial Institutions Act* stipulates that an insurer authorized in BC “must prepare its financial statements in accordance with generally accepted accounting principles and with the regulations.” Generally accepted accounting principles for insurers is effectively International Financial Reporting Standards as issued by the International Accounting Standards Board.

To support insurers in their transition to IFRS 17, the Advisory provides direction on:

- early adoption of IFRS 17;
- accounting for financial guarantee contracts; and
- semi-annual progress reporting.

A link to the Advisory can be found [here](#).

Should you have any questions, please contact FICOM’s Policy department via email at feedback@ficombc.ca.

Yours truly,

Rob O’Brien
Managing Director, Policy