

Citation: Blanket Order 51-508, 2005 ABASC 225

Date: 20050318

ALBERTA SECURITIES COMMISSION

Sections 213 and 214 of the *Securities Act* (R.S.A. 2000, c. S-4, as amended) and National Instrument 51-102 *Continuous Disclosure Obligations*

Requirements for Annual Financial Statements for Financial Years Beginning Prior to January 1, 2004

PART 1 BACKGROUND

- 1.1 National Instrument 51-102 *Continuous Disclosure Obligations* (NI 51-102) was made an Alberta Securities Commission Rule effective March 30, 2004.
- 1.2 NI 51-102 applies to reporting issuers other than “investment funds”, as defined in NI 51-102, and supersedes and replaces a number of continuous disclosure and proxy solicitation requirements previously in the *Securities Act* (Alberta) (the Act) and the *ASC Rules (General)* (the Rules).
- 1.3 The Commission approved Blanket Order 51-508 *Interim Relief from Certain Continuous Disclosure and Proxy Solicitation Requirements*, which provided relief from certain continuous disclosure and proxy solicitation provisions of the Act and Rules that had not been repealed or amended when NI 51-102 came into force.
- 1.4 On March 30, 2005, the relief previously provided by Blanket Order 51-508 will no longer be required because the provisions of the Act and Rules relating to continuous disclosure and proxy solicitation will have been amended or repealed.
- 1.5 It is necessary to retain the requirements previously set out in sections 149 and 150 of the Act and sections 151 and 160 of the Rules for annual financial statements for financial years beginning prior to January 1, 2004 because NI 51-102 only applies to annual financial statements for financial years beginning on or after January 1, 2004.
- 1.6 The Commission considers that it would not be prejudicial to the public interest to revoke and replace Blanket Order 51-508 with this Blanket Order.

PART 2 ORDER

- 2.1 **Application** – This Blanket Order only applies to annual financial statements for financial years beginning prior to January 1, 2004.
- 2.2 **Comparative Financial Statements** –
 - (1) Subject to section 2.1, every reporting issuer that is not an investment fund shall, within 140 days from the end of its last financial year that began prior to

January 1, 2004, file with the Executive Director comparative financial statements relating separately to

- (a) the period that commenced on the date of incorporation or organization and ended as of the close of the first financial year or, if the reporting issuer has completed a financial year, the most recently completed financial year, as the case may be, and
- (b) the period covered by the financial year immediately preceding the most recently completed financial year, if any.

- (2) Every financial statement referred to in subsection (1) shall be accompanied by an auditor's report prepared in accordance with the regulations.

2.3 **Delivery Requirement** – Every financial statement required to be filed pursuant to section 2.2 shall be sent within 140 days from the end of the reporting issuer's financial year beginning prior to January 1, 2004 to those persons and companies that under section 4.6 of NI 51-102 are to be provided with annual financial statements.

2.4 **Content** – The financial statements required to be filed under section 2.2 shall include the following statements prepared for or as at the end of the period as applicable:

- (1) an income statement;
- (2) a statement of retained earnings;
- (3) subject to subsection (2), a cash flow statement; and
- (4) a balance sheet.

2.5 **Approval of Financial Statements** – Every financial statement required to be filed under section 2.2 shall be approved by the board of directors of the reporting issuer before the statements are filed.

2.6 **Effective Date** –

- (1) Effective March 30, 2005, Blanket Order 51-508 dated February 6, 2004 (as varied on May 28, 2004) is revoked and this Blanket Order is substituted in its place.
- (2) This Blanket Order will remain in effect until December 31, 2005.

“original signed by”

 Glenda A. Campbell, Q.C., Vice-Chair
 Alberta Securities Commission

“original signed by”

 Stephen R. Murison, Vice-Chair
 Alberta Securities Commission