



# Public Sector Accounting Board (PSAB)

CPA Ontario Public Sector Accounting Symposium

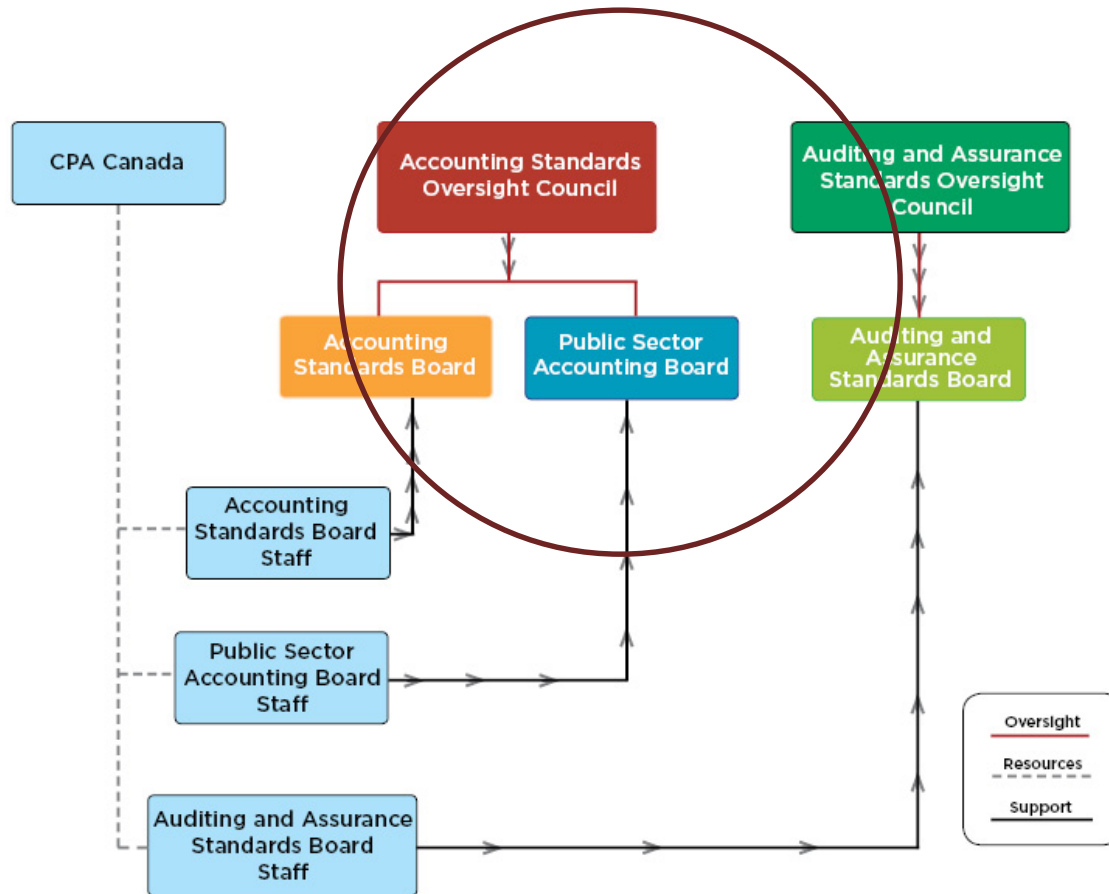
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June 20, 2018

The PSA Handbook is the primary authoritative source of public sector GAAP.

The opinions stated in the presentation are those of the author and do not necessarily reflect the views of PSAB. Official positions of PSAB are established only after extensive public due process.

# Structure of Canadian Standard-setting



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# PSAB's Mission

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- Public Sector Accounting Board (PSAB)
- Serves the public interest by establishing standards and other guidance for financial reporting by all Canadian entities in the public sector
- Supporting informed decision making and accountability for Canadian public sector entities

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# PSAB Membership

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- PSAB members are appointed by AcSOC on an annual basis
- Diverse membership ensures appropriate balance of competencies and experience

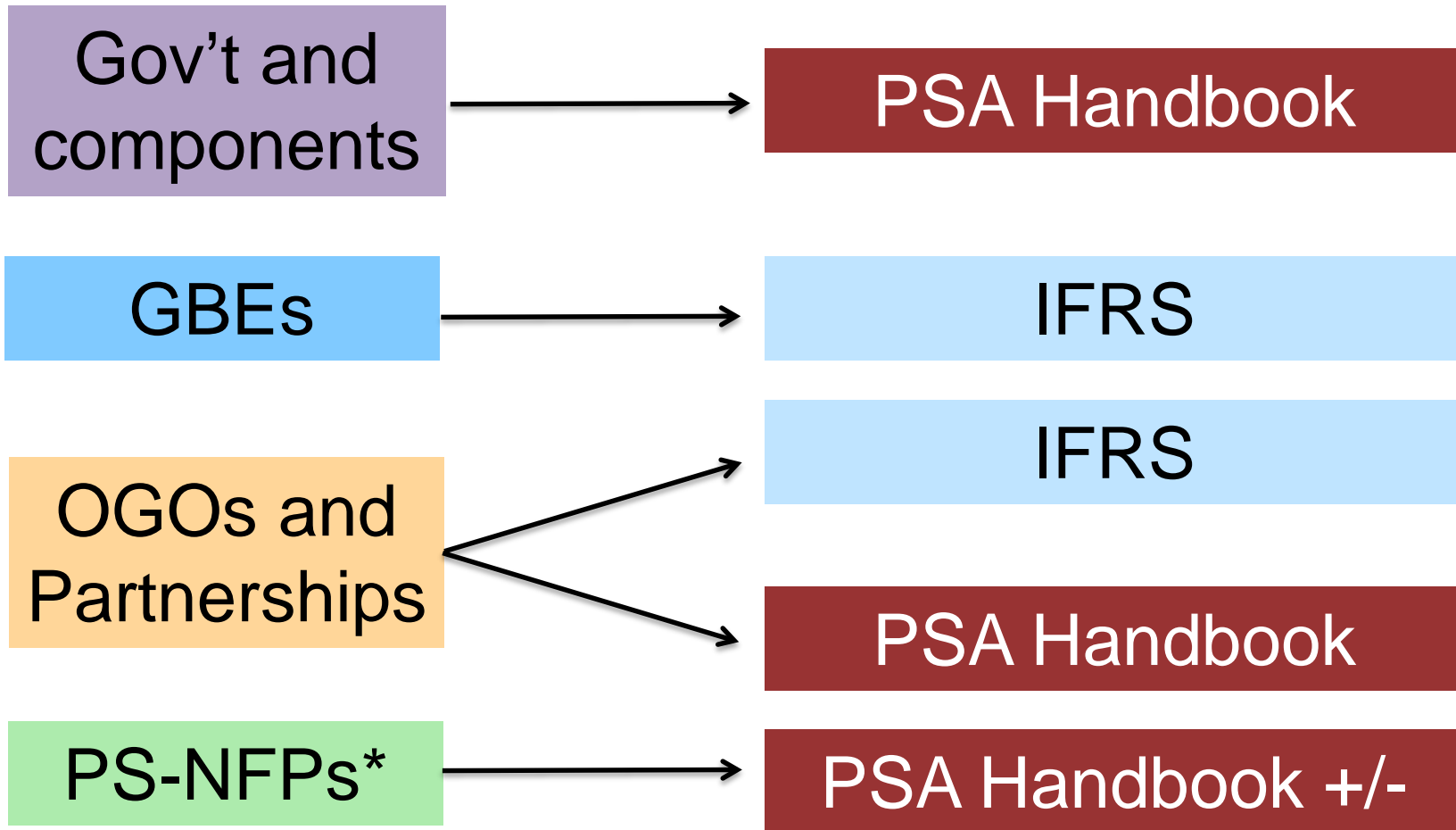
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# PSAB's Due Process

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- Key due process principles:
  - Stakeholder consultation
  - Accountability
  - Transparency
- AcSOC oversees our activities and ensures we follow our rigorous due process

# PSA Overview - Roadmap



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# Introduction Amendment

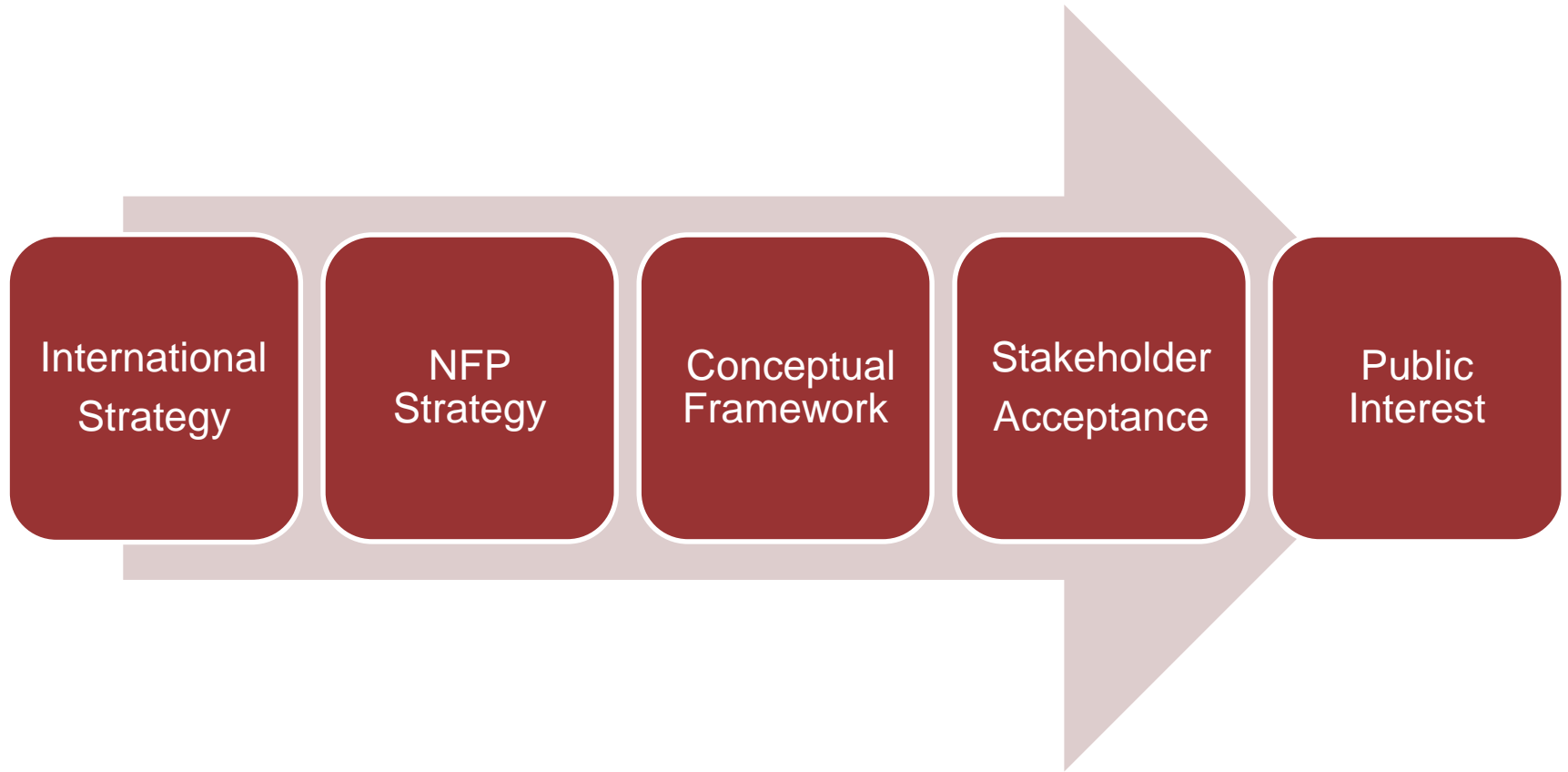
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- PSAB removed references to the types of government (December 2014)
- Now only refers to “governments”
  - Allows all types of governments, including Indigenous Governments, to be considered
  - It is inclusive of all types of governments

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# 2017-2020 Strategic plan

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# Conceptual Framework

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Statement of Concepts for a Revised Conceptual Framework



Statement of Principles for a Revised Reporting Model

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# Conceptual Framework

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- The proposed conceptual framework makes specific reference to Indigenous Governments
- Proposes revision of the definition of government to ensure it is inclusive of Indigenous governments
- The statement of principles for a revised reporting model includes an illustrative example specifically for Indigenous Governments
- PSAB is proposing to remove the recognition prohibitions (such as the prohibition to recognize intangibles)

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# Exclusions from Recognition

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inherited natural  
resources

inherited Crown  
lands

purchased and  
inherited art and  
historical  
treasures

all intangibles

# Statement of Financial Position

**Indigenous Government**  
**Statement of Financial Position**  
 As at March 31 (\$ thousands)

	<u>Actual 20X3</u>	<u>Actual 20X2</u>
<b>ASSETS</b>		
<b>Financial assets</b>		
Cash and cash equivalents	7,650	8,275
Accounts receivable	1,396	1,419
Advances to related Indigenous entities	95	144
Portfolio investments	12	4
Investment in government business enterprises	<u>2,115</u>	<u>2,264</u>
	<u>11,268</u>	<u>12,106</u>
<b>Non-financial assets</b>		
Tangible capital assets	41,258	40,581
Prepaid expenses	<u>17</u>	<u>16</u>
	<u>41,275</u>	<u>40,597</u>
<b>TOTAL ASSETS</b>	<u>52,543</u>	<u>52,703</u>
<b>LIABILITIES</b>		
Accounts payable and accrued liabilities	1,158	896
Debt	21,028	20,399
Unearned Revenue	<u>2,044</u>	<u>5,841</u>
	<u>24,230</u>	<u>27,136</u>
<b>Net assets (net liabilities)</b>	<u>28,313</u>	<u>25,567</u>
Net assets (net liabilities) consists of:		
Accumulated surplus	28,302	25,562
Accumulated rereasurement gains and losses	11	5
Accumulated other	<u>—</u>	<u>—</u>
	<u>28,313</u>	<u>25,567</u>

# Statement of Surplus Deficit

## Indigenous Government

### Statement of Surplus or Deficit

For the year ended March 31 (\$ thousands)

	Budget 20X3	Actual 20X3	Actual 20X2
<b>Revenues</b>			
Government transfers	5,608	11,245	7,109
Property taxes	2,564	2,845	2,953
Net income from government business enterprises	–	1,280	159
Net investment income	80	73	84
Rentals and leases	835	1,422	1,482
Gaming revenue distribution	225	211	226
Gain on disposal of tangible capital assets	–	69	8
Miscellaneous revenue	416	605	622
	<u>9,728</u>	<u>17,750</u>	<u>12,643</u>
<b>Expenses (by function)</b>			
Administration	658	705	732
Economic development and lands	599	602	682
Public works	1,270	5,789	2,610
Housing	558	1,839	1,675
General government	2,359	2,478	2,472
Health	1,303	1,223	1,301
Education	1,354	1,695	1,621
Social development	421	477	386
Community	103	202	243
	<u>8,625</u>	<u>15,010</u>	<u>11,722</u>
<b>Surplus</b>	<u>1,103</u>	<u>2,740</u>	<u>921</u>

# Statement of Net Debt

## Indigenous Government

### Statement of Net Debt

As at March 31 (\$ thousands)

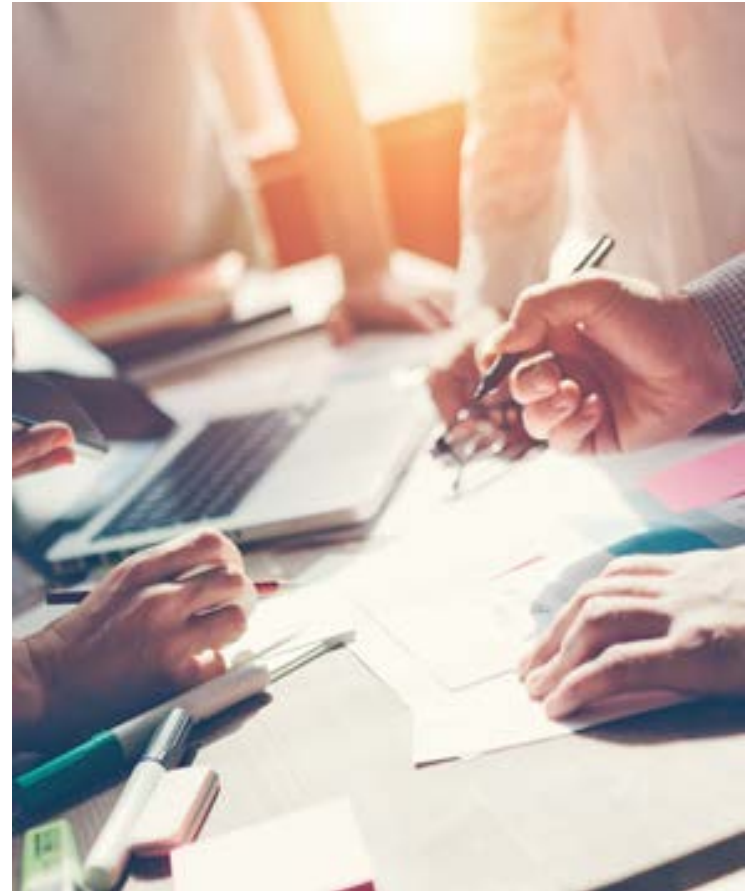
	Actual 20X3	Actual 20X2
Financial assets	11,268	12,106
Less financial assets that are externally restricted and/or not available to settle liabilities	<u>—</u> <sup>1</sup>	<u>—</u>
	11,268	12,106
Liabilities	24,230	27,136
Less liabilities that will not be settled through the use of financial assets	<u>—</u>	<u>—</u>
	24,230	27,136
<b>Net debt</b>	<u><u>(12,962)</u></u>	<u><u>(15,030)</u></u>

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# Get Involved

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- Projects will define the future of Public Sector Accounting
- Stakeholder Involvement and Participation:
  - Documents for Comment
  - Public Sector Discussion Group
  - Task Force/Advisory Group
- Outreach Opportunities



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# Questions and/or Comments

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For more information, visit  
[www.frascanada.ca/psabbigprojects2018](http://www.frascanada.ca/psabbigprojects2018)

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