



Government  
of Canada

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# Directive on Accounting Standards: GC 1150 Generally Accepted Accounting Principles

## Note to reader

This document is part of the Appendix A of the [Directive on Accounting Standards](#).

## A. Primary PSAS reference

PS 1150 Generally accepted accounting principles

## B. Effective date

April 1, 2017

## C. Government of Canada Consolidated Financial Statements

1. Pursuant to PS 1150.04 and .05, the Government of Canada's consolidated financial statements are prepared using the Government's accounting policies, which are based on the Canadian

Public Sector Accounting Standards and Public Sector Guidelines (collectively, "PSAS") contained in the Canadian Public Sector Accounting Handbook (PSAH) as issued by the Chartered Professional Accountants of Canada. The presentation and results using the Government's accounting policies do not result in any significant differences from Canadian public sector accounting standards.

2. When the primary sources of GAAP (PS 1150.14-.17) contained in the PSAH:
  - a. Do not deal with the accounting and reporting of transactions or events encountered by the reporting entity, or
  - b. Provide a choice of accounting policy, or
  - c. Require additional guidance in order to apply a primary source to specific circumstances,the Government of Canada Accounting Handbook (GCAH) should be referred to for the appropriate accounting policy and/or guidance in its application.
3. When the primary sources of GAAP and the GCAH do not deal with the accounting and reporting of the transactions or events encountered, other sources of GAAP (PS 1150.18-.24) should be considered in consultation with the Office of the Comptroller General of Canada.

## **D. Departmental Financial Statements**

4. At the departmental level, certain accounting policies exist specific to Departmental Financial Statements, which may represent a departure from PSAS. These policies are identified in the GCAH,

## Summary of Applicability of PSAS and GC 4500 Departmental Financial Statements.

5. In situations where departmental financial statements are audited, the Government's accounting policies based on PSAS are applied as described in GC 1150.01 and .02 above.

## E. Other related references

[GC 4500 Departmental Financial Statements](#)

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