

## SECTION PS 4200

### financial statement presentation by not-for-profit organizations

#### SUPPLEMENT

This supplement sets out the previous wording of paragraphs that have been amended substantially as a consequence of approving the amendments to TANGIBLE CAPITAL ASSETS, Section PS 3150.

- .02 The following terms are used in this Section with the meanings specified. Definitions for financial statement elements, such as assets and liabilities, are included in Chapter 8 of the Conceptual Framework. Additional definitions of particular relevance to financial reporting by not-for-profit organizations are presented in CONTRIBUTIONS — REVENUE RECOGNITION, Section PS 4210, and CAPITAL ASSETS HELD BY NOT-FOR-PROFIT ORGANIZATIONS, Section PS 4230. [Former paragraph PS 4200.02, amended by the Conceptual Framework, retained in Archived Pronouncements.]

#### SUPPLEMENT

This supplement sets out the previous wording of paragraphs that have been amended as a consequence of approving FINANCIAL STATEMENT PRESENTATION, Section PS 1202.

#### PURPOSE AND SCOPE

- .01 This Section establishes presentation and disclosure standards for financial statements of not-for-profit organizations. These standards supplement those in FINANCIAL STATEMENT PRESENTATION, Section PS 1201, which apply to governments.

#### FINANCIAL STATEMENTS

- .05 Financial statements for a not-for-profit organization normally include:

- (a) a statement of financial position;
- (b) a statement of operations;
- (c) a statement of changes in net assets; 1 and
- (d) a statement of cash flows.

These names are used for descriptive purposes only. Organizations may use whatever titles are appropriate in the circumstances as long as each financial statement provides the information necessary to meet the requirements of this and other Sections in a manner that results in the fair presentation in accordance with generally accepted accounting principles of the organization's financial position, results of operations and cash flows. The statement of changes in net assets may be combined with the statement of operations. Notes to financial statements and supporting schedules to which the financial statements are cross-referenced are an integral part of such statements.

#### STATEMENT OF CASH FLOWS

- .46 *The statement of cash flows should be prepared in accordance with FINANCIAL STATEMENT PRESENTATION, Section PS 1201. [JAN. 2012 \*]*

#### APPENDIX A

#### ILLUSTRATIVE EXAMPLES

##### SITUATION I

**NFP A Follows the Deferral Method and  
does not Report Using Fund Accounting**

##### NFP A

**Statement of Cash Flows**

**Cash flows from operating activities (a)**

##### SITUATION II

**NFP A Follows the Restricted Fund Method**

##### NFP A

**Statement of Cash Flows (a)**

##### SITUATION III

**NFP A Follows the Deferral Method and Reports  
Using Fund Accounting**

**NFP A**  
**Statement of Cash Flows**

**Cash from operating activities (a)**

**SUPPLEMENT**

This supplement sets out the previous wording of paragraphs that have been amended as a consequence of approving the new CONCEPTUAL FRAMEWORK FOR FINANCIAL REPORTING.

- .02 The following terms are used in this Section with the meanings specified. Definitions for financial statement elements, such as assets and liabilities, are included in FINANCIAL STATEMENT CONCEPTS, Section PS 1000. Additional definitions of particular relevance to financial reporting by not-for-profit organizations are presented in CONTRIBUTIONS — REVENUE RECOGNITION, Section PS 4210, and CAPITAL ASSETS HELD BY NOT-FOR-PROFIT ORGANIZATIONS, Section PS 4230.
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## Footnotes

1. FOREIGN CURRENCY TRANSLATION, Section PS 2601, and FINANCIAL INSTRUMENTS, Section PS 3450, may require an organization to present a statement of remeasurement gains and losses.

\* Editorial change — June 2011.

(a) Operating activities include service delivery, administrative and research activities. Statement has been prepared using the direct method (see FINANCIAL STATEMENT PRESENTATION, paragraph PS 1201.112).

(a) Statement prepared on a fund accounting basis using the direct method (see FINANCIAL STATEMENT PRESENTATION, paragraph PS 1201.112).

(a) Statement prepared using the indirect method (see FINANCIAL STATEMENT PRESENTATION, paragraph PS 1201.113).

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