

## public sector accounting handbook

### highlight summary no. 61

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#### **Tangible Capital Assets, Section PS 3150**

This Section has been amended as part of implementing the Government Not-for-Profit (GNFP) Strategy – incorporating the PS 4200 series into public sector accounting standards with potential customizations.

The main features of the amendments are adding:

- a new criterion to the definition of a tangible capital asset;
- a new definition of a collection;
- new disclosure requirements for works of art, historical treasures and/or collections;
- new guidance for situations where an entity purchases a tangible capital asset at substantially below fair value; and
- new guidance for situations where an entity receives contributed materials and/or labour when constructing or developing a tangible capital asset.

For government not-for-profit organizations (GNFPOs) that apply the PS 4200 series, this Section is effective for fiscal years beginning on or after April 1, 2030. Early adoption is permitted. The Section would be applied retroactively with restatement of prior periods.

For public sector entities that have not applied the PS 4200 series, the amendments to this Section are effective for fiscal periods beginning on or after April 1, 2030. Early adoption is permitted. The amendments would be applied retroactively with restatement of prior periods except for the amendments related to purchases of tangible capital assets at substantially below fair value and including in the cost of a constructed or developed tangible capital asset, the contributed materials and/or labour, which are applied only to new transactions or events from the date of change.

As a consequence of amending Section PS 3150, editorial changes have been made to other standards.

#### **Capital Assets Held by Not-for-Profit Organizations, Section PS 4230**

This Section will be withdrawn as part of implementing the GNFP Strategy. Similar guidance is provided in Section PS 3150.

Section PS 4230 will remain in effect until the adoption of Section PS 3150 for fiscal periods beginning on or after April 1, 2030, unless a GNFPO elects earlier adoption.

#### **Collections Held by Not-for-Profit Organizations, Section PS 4240**

This Section will be withdrawn as part of implementing the GNFP Strategy. Guidance is provided in Section PS 3150.

Section PS 4240 will remain in effect until the adoption of Section PS 3150 for fiscal periods beginning on or after April 1, 2030, unless a GNFP elects earlier adoption.

#### **Archived Pronouncements**

To give Handbook readers continued access to superseded paragraphs until such time as they are no longer applicable, supplements in Archived Pronouncements set out the wording of those paragraphs. The archived material will be withdrawn from the Handbook when it is no longer effective.