

**public sector accounting and auditing handbook
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HIGHLIGHT SUMMARY

(Note: New Handbook material or changes in existing material are identified in each HANDBOOK REVISIONS RELEASE).

Restricted assets and revenues, Section PS 3100

This new Section defines different types of restrictions and deals with the accounting and reporting for each. The new Recommendations are:

- Externally restricted inflows should be recognized as revenues in the period the resources are used for the purpose or purposes specified. Until the restriction has been met, such resources should be deferred and reported as a liability on the statement of financial position.
- Information about the nature and source of external restrictions should be disclosed, including: the amounts of externally restricted inflows by major source; changes in the deferred revenue balance; and externally restricted assets that are segregated.
- Information about the financial position and operating results of internally restricted entities should be disclosed in the notes or schedules.
- Information about designated assets should not be reported on the statement of financial position but may be disclosed in the notes.

The new Recommendations apply to federal, provincial, territorial and local governments.

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