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## **Introduction to Part IV**

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### **Basis for Conclusions**

May 2012

- IV.1 The Preface to the CPA Canada Handbook – Accounting (Handbook) defines the various categories of reporting entity and specifies which Part of the Handbook applies to each category. This Introduction provides information specific to the use of Part IV and should be read in conjunction with the Preface.

#### **AUTHORITY**

- IV.2 The Accounting Standards Board has approved the standards set out in Part IV of the Handbook as accounting standards for pension plans. 1

#### **FIRST-TIME ADOPTION**

- IV.3 Except as noted in paragraph IV.4, first-time adoption of this Part of the Handbook is mandatory for annual financial statements relating to fiscal years beginning on or after January 1, 2011. When the end of an entity's annual reporting period does not coincide with the end of a calendar year, the mandatory date for first-time adoption of this Part is the beginning of the annual reporting period that commences on or after December 21, 2010.

- IV.4 For benefit plans providing benefits during active service, first-time adoption of this Part of the Handbook is mandatory for annual financial statements relating to fiscal years beginning on or after January 1, 2012. When the end of an entity's annual reporting period does not coincide with the end of a calendar year, the mandatory date for first-time adoption of this Part is the beginning of the annual reporting period that commences on or after December 21, 2011.

- IV.5 This Part of the Handbook may be adopted for fiscal years beginning prior to the dates specified in paragraphs IV.3-IV.4.

#### **EFFECTIVE DATE OF NEW OR AMENDED STANDARDS**

- IV.6 Standards being amended remain in force until the effective date of the amendments. New or amended standards may be adopted early unless otherwise specified in the standard.

- IV.7 When the end of an entity's annual reporting period does not coincide with the end of a month, the entity should apply new or amended standards in the annual reporting period beginning on or after the 21st of the month immediately preceding the month of the effective date specified in the standard.

#### **BASIS OF ACCOUNTING**

- IV.8 An entity that prepares its financial statements in accordance with this Part of the Handbook states that they have been prepared in accordance with Canadian accounting standards for pension plans.

- IV.9 An entity that prepares its financial statements in accordance with this Part of the Handbook is permitted, but not required, to make the additional statement that its financial statements are in accordance with Canadian GAAP.
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## **Footnotes**

1. The term "pension plan" is defined in paragraph 3(d) of the Preface and is used in this Part of the Handbook with the meaning specified in the Preface.
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