

**public sector accounting handbook
revisions release no. 18
September 2004**

ACCOUNTING RECOMMENDATIONS

Financial statement concepts — federal, provincial & territorial governments, paragraphs PS 1000.44 and .44A
Amended definition of liabilities and added essential characteristics.

Financial statement objectives — federal, provincial & territorial governments, paragraph PS 1100.21
Amended Recommendation paragraph by replacing the term "commitments" with "contractual obligations" to be consistent with new Section PS 3390.

Financial statement presentation — federal, provincial & territorial governments, Section PS 1200

Amended paragraph PS 1200.068 to reflect new definition of contractual obligations, and deleted paragraphs PS 1200.069-.071 since contractual obligations are dealt with in new Section PS 3390. The former wording of the Recommendation in paragraph PS 1200.069 was as follows:

♦ *Financial statements should disclose information to describe a government's material financial commitments at the end of the accounting period.* [APRIL 2005]

Amended Recommendation paragraph PS 1200.073 by replacing the term "contingencies" with "contingent assets" to be consistent with new Section PS 3390.

Amended paragraphs PS 1200.074 and PS 1200.075 to be consistent with new Section PS 3390.

Objectives of financial statements — local governments, Section PS 1700

Amended Recommendation paragraph PS 1700.104 by replacing the term "commitments" with "contractual obligations" to be consistent with new Section PS 3390.

Amended paragraph PS 1700.113 to reflect new definition of liabilities and essential characteristics.

Amended paragraph PS 1700.116 to reflect new definition of contractual obligations, and deleted paragraphs PS 1700.117-.119 since contractual obligations are dealt with in new Section PS 3390. The former wording of the Recommendation in paragraph PS 1700.117 was as follows:

♦ *Financial statements should disclose information to describe a local government's material financial commitments at the end of the accounting period.* [NOV. 1990]

Amended paragraph PS 1700.121 by replacing the term "contingencies" with "contingent assets" to be consistent with new Section PS 3390.

Amended paragraphs PS 1700.122 and PS 1700.123 to be consistent with new Section PS 3390.

General standards of financial statement presentation — local governments, paragraph PS 1800.23

Amended to reflect new definition of liabilities and essential characteristics.

Government partnerships, paragraph PS 3060.56

Amended Recommendation paragraph by replacing the term "commitments" with "contractual obligations" to be consistent with new Section PS 3390.

Investments in government business enterprises, paragraph PS 3070.60(d)

Amended Recommendation paragraph by replacing the term "financial commitments" with "contractual obligations" to be consistent with new Section PS 3390.

Liabilities, Section PS 3200 [SEPT. 2004]

New.

Retirement benefits, Section PS 3250

Revised the glossary to reflect the new definitions of "contractual obligations" and "liabilities" to be consistent with new Sections PS 3200 and PS 3300.

Contingent liabilities, Section PS 3300 [SEPT. 2004]

New.

Loan guarantees, paragraph PS 3310.06

Amended to reflect new definition of liabilities.

Contractual obligations, Section PS 3390 [SEPT. 2004]

New.

As a result of this new Section, the following paragraphs have been amended by replacing the term "commitment(s)" with "contractual obligation(s)":

PS 1000.17

PS 1100.29 and .34

PS 1200.039

PS 1700.19

PS 1800.11 and .14

PS 2100.08

PS 3060.59 and .59(a)

PS 3150.43

PS 3270.12

PS 3310.02

and the term "financial commitment(s)" with "contractual obligation(s)":

PS 1700.103

PS 3070.66

PS 3250.007

PS 3410.06 and .54.

ACCOUNTING GUIDELINES**Leased tangible capital assets (PSG-2)**

Amended paragraphs 26, 27 and 27(e) by replacing the term "commitments" with "contractual obligations" to be consistent with new Section PS 3390.

Sale-leaseback transactions (PSG-3)

Amended paragraph 18 by replacing the term "future commitments" with "contractual obligations" to be consistent with new Section PS 3390.

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