



**Public Sector Accounting
Standards update**
Keeping current

What to expect moving forward

Audit & Assurance ●

Important caveats

- This webcast does not provide official Deloitte interpretive accounting guidance.
- Check with your advisor before taking any action.



PSAB's 2017–2020 Strategic plan

Effective April 1, 2017

PSAB's 2017–2020 Strategic Plan identifies 5 key strategies for the Board over the next three years:



PSAB work-plan

ED: Exposure draft

HB: Handbook release

ITC: Invitation to comment

SOP: Statement of principles

Standards for public sector entities	2017	2018	
	Q4	Q1	Q2
Asset Retirement Obligations			HB
Concepts Underlying Financial Performance			SOP
Employment Benefits	ITC		
Financial Instruments – Subsequent Issues			
Public Private Partnerships			ED
Revenue			

Source: <http://www.frascanada.ca/standards-for-public-sector-entities/projects/active/item56215.aspx>

As at November 8, 2017

Public private partnerships

PSAB Projects

Background

- The objective is to develop a public sector accounting standard specific to public private partnerships
- This project is expected to develop in two stages:
 - 1st stage – Contemplate specific issues, including project scope, recognition and measurement of a public private partnership and disclosure requirements. Other issues will also be considered.
 - 2nd stage – Determine how to account for public private partnerships

Current status

- The Board has approved a Statement of Principles, "Public Private Partnerships." The document was issued in July 2017. The Board asked that all comments be provided by October 1, 2017.

Next steps

- Review responses to the Statement of Principles in December 2017.

PS 3450 financial instruments

Subsequent issues

Background

The objective of this project is to consider issues on PS 3450 Financial Instruments

Update in 2016

- In June 2016, PSAB received a staff presentation on issues identified in cross-country meetings with stakeholders.
- In September 2016, PSAB received a report on stakeholder consultations across the country. This resulted in better understanding of the issues with implementation of Section PS 2601 and PS 3450.
- In December 2016, PSAB discussed a draft work plan to evaluate what would be involved from a technical and resource perspective to address the challenges identified by stakeholders in applying PS 3450. PSAB noted that developing a hedge accounting option could affect entities that have already adopted the standard. The Board requested staff to consult with these entities about their implementation experience to inform PSAB's future decision.

Update in 2017

- In June 2017, PSAB received an update on the stakeholder consultation regarding the implementation experiences in the not-for-profit sector with PS 3450.
- In September 2017, PSAB received an update on IPSASB's Exposure Draft 62 "Financial Instruments." PSAB has asked its staff to continue outreach with stakeholders to promote IPSASB's proposals.

Current status

- Currently conducting research

Next steps

- To be determined

Conceptual framework

PSAB Projects

Background

- PS 1000 Financial Statement Concepts and PS 1100 Financial Statement Objectives are currently being reviewed.
- The project aims to consider the concepts underlying the measure of financial performance of public sector entities.
- The review has been identified as high priority, and may result in amendments to the current conceptual framework. It may also effect PS 1201 Financial Statement Presentation.

Current status

- The PSAB has discussed a draft recognition and measurement chapter of a statement of principles and elements of financial statements and provided feedback to its task force.
- The PSAB also discussed the financial statement foundations (the concept of control and service capacity) and considered improvements to the financial statement objectives, as well as a revised reporting model.
- The PSAB has also considered a number of illustrative financial statements. The purpose was to show how the proposed financial reporting model would look for different types of public sector entities.
- PSAB plans to:
 - Introduce 10 New Chapters
 - Replace PS 1000 Financial Statement Concepts and PS 1100 Financial Statement Objectives
 - Develop a New Reporting Model and revise PS 1201 Financial Statement Presentation

Next steps

- Draft Statement of Principles.



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