





Introduction to Public Sector Accounting Standards

DEFINITIONS OF TYPES OF ENTITIES & GAAP FOLLOWED BY EACH WHEN PREPARING GENERAL PURPOSE FINANCIAL STATEMENTS

Includes: governments, government components, government organizations and partnerships.

COMPONENT

An integral part of government, such as a department. ministry or fund. It is not a separate entity with the power to contract in its own name and that can sue and be sued.

Any organization controlled by a government that is a separate entity with the power to contract in its own name and that can sue and be sued (refer to paragraphs .07-.24 in Section PS 1300, Government Reporting Entity, for an explanation of control).

ENTERPRISE (GBE)

A government organization that has all of the following characteristics:

- It is a separate entity with the power to contract in its own name and that can sue and be sued;
- It has been delegated the financial and operational authority to carry on a business;
- It sells goods and services to individuals and organizations outside of the government reporting entity as its principal activity; and
- It can, in the normal course of its operations, maintain its operations and meet its liabilities from revenues received from sources outside of the government reporting entity.

Refer to paragraphs PS 1300.29-.31 for an explanation of these characteristics.

(GNPO)

A government organization that has all of the following characteristics:

- It is a separate entity with the power to contract in its own name and that can sue and be sued;
- It has counterparts outside the public sector as defined in paragraph .02;
- It is an entity normally without transferable ownership interests;
- · It is an entity organized and operated exclusively for social, educational, professional, religious, health, charitable or any other not-for-profit purpose; and
- · Its members, contributors and other resource providers do not, in such capacity, receive any financial return directly from the organization.

A government organization that has all of the following characteristics:

- It is a separate entity with the power to contract in its own name and that can sue and be sued; and
- · It is neither a government business enterprise nor a government notfor-profit organization.

Follow PSAS or IFRS

(see paragraph .20)

Is not a government organization but is a contractual arrangement between the government or a government organization and a party or parties outside of the reporting entity that has all of the following characteristics:

- The partners co-operate toward achieving significant, clearly defined common goals;
- · The partners make a financial investment in the partnership;
- · The partners share control of decisions related to the financial and operating policies of the partnership on an ongoing basis; and
- The partners share, on an equitable basis, the significant risks and benefits associated with the operations of the partnership.

Refer to paragraphs .11-.28 in Section PS 3060. Interest in Partnerships, for an explanation of these characteristics).

Is a partnership that has all of the following characteristics:

- · it is a separate entity with the power to contract in its own name and that can sue and be sued:
- It has been delegated the financial and operational authority to carry on a business:
- · It sells goods and services to individuals and organizations other than the partners as its principal activity; and
- It can, in the normal course of its operations, maintain its operations and meet its liabilities from revenues received from sources other than the partners.

Refer to paragraphs PS 3060.11-.28 & .33 for an explanation of these characteristics.

Non-business partnerships with only public sector entity partners

> Follow PSAS or IFRS (see paragraph .21)

Partnerships or BPs with one or more private sector partners

BPs with only public sector entity partners

Follow standards determined by the partners

Follow IFRS

Follow PSAS

Follow IFRS

Follow PSAS with or without PS 4200 Series

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