

# ASNPO At a Glance

Section 3463 - Reporting Employee  
Future Benefits by Not-for-Profit  
Organizations

# Section 3463 - Reporting Employee Future Benefits by Not-for-Profit Organizations

Effective Date  
Fiscal years beginning on or after January 1, 2014<sup>1</sup>

## Scope

- This Section applies to accounting for employee future benefits provided by a NPO.
- Except as stated in this Section, a NPO applies the guidance in Section 3462, *Employee Future Benefits*, in Part II of the Handbook in accounting for employee future benefits.
  - Refer to our publication “ASPE At a Glance: Section 3462 - Employee Future Benefits,” for more information.

## Defined benefit plans - Recognition and presentation of remeasurements and other items

- **Remeasurements and other items** are defined in paragraph 3462.006(z) as the aggregate of:
  - The difference between the actual return on plan assets and the return calculated using the discount rate used to determine the defined benefit obligation;
  - Actuarial gains and losses;
  - The effect of any valuation allowance in the case of a net defined benefit asset, determined in accordance with paragraph 3462.086;
  - Past service costs; and
  - Gains and losses arising from settlements and curtailments.
- A NPO determines the amount of remeasurements and other items for the period in accordance with paragraphs 3462.085-.090.
- Remeasurements and other items are:
  - Recognized directly in net assets in the Statement of Financial Position, not in the Statement of Operations; and
  - Presented as a separate line item in the Statement of Changes in Net Assets.
- In a subsequent period, remeasurements and other items cannot be reclassified to the Statement of Operations.

<sup>1</sup> Earlier application is permitted, but only if applied to all of a NPO’s benefit plans. This Section is applied retrospectively, in accordance with Section 1506, *Accounting Changes*, except as set out in paragraphs 3463.06-.07.

# About BDO

BDO Canada LLP is a leading provider of professional services to clients across a variety of sectors and segments. For over 100 years, our team has served communities across Canada through a comprehensive range of assurance, tax, and consulting services, complemented by deep industry knowledge. With over 5000 people across 100 offices in Canada, and more than 1,800 offices in 164 countries, BDO is well-positioned to assist clients with both domestic and global needs.

BDO Canada LLP, a Canadian limited liability partnership, is a member of BDO International Limited, a UK company limited by guarantee, and forms part of the international BDO network of independent member firms. BDO is the brand name for the BDO network and for each of the BDO member Firms.

This publication has been carefully prepared, but it has been written in general terms and should be seen as broad guidance only. The publication cannot be relied upon to cover specific situations and you should not act, or refrain from acting, upon the information contained therein without obtaining specific professional advice. Please contact BDO Canada LLP to discuss these matters in the context of your particular circumstances.

BDO Canada LLP, its partners, employees and agents do not accept or assume any liability or duty of care for any loss arising from any action taken or not taken by anyone in reliance on the information in this publication or for any decision based on it. BDO Canada LLP, a Canadian limited liability partnership, is a member of BDO International Limited, a UK company limited by guarantee, and forms part of the international BDO network of independent member firms. BDO is the brand name for the BDO network and for each of the BDO Member Firms.

