

Part: **Financial Reporting**
 Section: **Public Accounts**
 Subsection: **Summary Financial Statements**
 Policy: **SFS Accounting Policies**

Number: **2210**
 Date: **2015-10-26**
 Page: **1 of 2**

SFS Accounting Policies

Objective

The objective is to outline Treasury Board's accounting policies for the Summary Financial Statements (SFS).

Authority

The Financial Administration Act, 1993, section 16 specifies the financial statements of the Government of Saskatchewan (referred to as the Summary Financial Statements) for each fiscal year are to be prepared by the Provincial Comptroller in accordance with the accounting policies established by Treasury Board.

Treasury Board Policy

.01 The SFS are prepared in accordance with generally accepted accounting principles for the public sector as recommended by the Public Sector Accounting Board (PSAB) of the Chartered Professional Accountants of Canada (CPA). Treasury Board's approval for exceptions is required.

Procedures

Reporting Entity

- .02 In accordance with PSAB, the SFS report the financial activities of organizations which are controlled by the Government.
- .03 Trusts administered by the Government are excluded from the government reporting entity.
- .04 A list of organizations included in the government reporting entity is provided in Volume 1 of the Public Accounts.

Method of Consolidation

- .05 Organizations included in the government reporting entity are segregated into two classifications. **Government business enterprises** are entities that are self-sufficient and have the financial and operating authority to sell goods and services to individuals and organizations outside the government reporting entity as their principal activity. All other entities are **government service organizations**.
- .06 Government service organizations are consolidated after adjusting their accounting policies to a basis consistent with public sector accounting standards. Significant inter-organization balances and transactions are eliminated.

Part: **Financial Reporting**
 Section: **Public Accounts**
 Subsection: **Summary Financial Statements**
 Policy: **SFS Accounting Policies**

Number: **2210**
 Date: **2015-10-26**
 Page: **2 of 2**

.07 Government business enterprises are recorded using the modified equity method. The Government's investment in government business enterprises, which is initially recorded at cost, is adjusted to include the net earnings/losses and other net equity changes of the enterprise without adjustment to conform to accounting policies of the SFS. With the exception of dividends declared, inter-organization balances and transactions are not eliminated.

Basis of Accounting .08 The SFS are prepared using the accrual basis of accounting.

Revenues, Expenses, Assets and Liabilities .09 Treasury Board's significant accounting policies for revenues, expenses, assets and liabilities are outlined in the [Summary Financial Statements](#) significant accounting policies note.

.10 Refer to the Summary Financial Statements and related notes and schedules and for information regarding these financial statements.

References

[2000 Overview of the Public Accounts](#)

[2005 Form and Content of the Public Accounts](#)

[2200 Summary Financial Statements](#)

CPA Public Sector Accounting Handbook, PS 1300 – Government Reporting Entity