

PSAB

At a Glance

Section PS 3210 - Assets

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Effective Date
Fiscal periods beginning on or after April 1, 2017¹

Assets

- **Assets** are economic resources controlled by a public sector entity as a result of past transactions or events and from which future economic benefits are expected to be obtained.
- There are three essential characteristics of assets:
 - They embody future economic benefits that involve a capacity, singly or in combination with other assets, to provide goods and services, to provide future cash inflows, or to reduce cash outflows;
 - The public sector entity can control the economic resource and access the future economic benefits; and
 - The transaction or event giving rise to the public sector entity's control has already occurred.

Economic resources

- Economic resources embody value because they enable an entity to meet its objectives. To embody value as an economic resource there must be some restriction on an economic resource's availability.
- Economic resources can arise from, but are not limited to:
 - Contracts or agreements;
 - Another government's legislation;
 - A government's own legislation;
 - Voluntary contributions; or
 - Construction and development.
- Economic resources can be financial or non-financial in nature.

Disclosure

- An economic resource may meet the definition of an asset, but not be capable of being recognized in the financial statements because:
 - An appropriate basis of measurement and a reasonable estimate of the amount involved cannot be made; or
 - Other Handbook Sections prohibit recognition (i.e. intangibles, Crown land, etc).
- Information about the major categories of unrecognized assets must be disclosed in the notes.
- If an asset is not recognized because a reasonable estimate of the amount cannot be made the reason for this must be disclosed.

¹ Earlier adoption of this Section is permitted.

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