

## ACCOUNTING PRACTICES ORDER

**Authority:** *School Act*, sections 156(1)(b), 156(12)(b) and 168(2)(o)

{	Ministerial Order 033/09 (033/09) .....	Effective February 18, 2009
{	Repeals and Replaces M257/04	
	Amended by M177/10 .....	Effective June 21, 2010
	Amended by M135/12 .....	Effective July 1, 2012
	Amended by M413/14 .....	Effective December 2, 2014
	Order of the Minister of Education	

### Interpretation

#### 1 In this order

"board" includes a francophone educational authority as defined in the *School Act*;

"fiscal year" means a period beginning on July 1 in one year and ending on June 30 in the next year;

"generally accepted accounting principles" means

- (a) the set of standards and guidelines that comprise generally accepted accounting principles for senior governments in Canada, or
- (b) if the Treasury Board makes a regulation under section 23.1(2) of the *Budget Transparency and Accountability Act*, the set of standards and guidelines that comprise generally accepted accounting principles for senior governments in Canada as modified by the alternate standard or guideline or part thereof adopted in the regulation;

"Ministry" means the Ministry of Education.

[am. M177/10]

### Accounting Procedures

2 Boards must account and keep accounting records for funds and prepare and submit financial reports and statements in accordance with generally accepted accounting principles and with

- (i) the Ministry's Financial Statement Instructions and
- (ii) the Ministry's Annual Budget Instructions,

as amended from time to time, and in the manner and form required by the Minister.

### Deficit Criteria

3 (1) In this section, "**employee future benefits**" and "**amortization expense**" have the same meaning as in the "CPA Standards and Guidance Collection (CPA Handbook)" (the "Handbook"), as published from time to time by the Chartered Professional Accountants of Canada.

(2) A board may incur a deficit in the following circumstances:

- (a) as a result of establishing on July 1, 2004 an unfunded liability for employee future benefits, as determined in Part V of the Handbook entitled "Accounting Standards for Not-for-Profit Organizations", section 4400; and

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- (b) as a result of establishing on July 1, 2011 an unfunded liability for employee future benefits, as determined in the portion of the Handbook entitled “Public Sector Accounting Standards”, sections 2125.10 and 3255.
- (3) A board may incur an annual deficit
- (a) as a result of using a surplus balance in a fund balance, the amount of such deficit being not greater than the available surplus balance, or
  - (b) for the portion of amortization expense that exceeds amortization of deferred capital contributions.

[am M135, effective July 1/12; am M413/14, effective Dec 2/14]