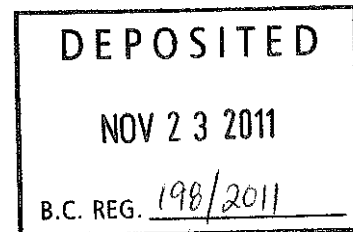


PROVINCE OF BRITISH COLUMBIA
TREASURY BOARD REGULATION

Budget Transparency and Accountability Act and Financial Administration Act

Treasury Board orders that the attached Restricted Contributions Regulation is made.



November 10, 2011
Date signed


APPROVED: CHAIR, TREASURY BOARD

(This part is for administrative purposes only and is not part of the Order.)

Authority under which Order is made:

Act and section: Budget Transparency and Accountability Act, S.B.C. 2000, c. 23, s. 23

Other: Financial Administration Act, R.S.B.C. 1996, c. 138, s. 4

November 1, 2011

R/778/2011/88

RESTRICTED CONTRIBUTIONS REGULATION

Definitions

- 1 In this regulation:
 - “**land**” does not include buildings, houses or other depreciable improvements;
 - “**restricted contribution**” means a contribution that is subject to a legislative or contractual stipulation or restriction as to its use other than a contribution or part of a contribution that is of, or for the purpose of acquiring, land;
 - “**taxpayer-supported organization**” means a government organization that is within the taxpayer-supported government reporting entity.

Accounting policies and practices for restricted contributions

- 2 (1) In its accounts, a taxpayer-supported organization must report any restricted contribution received or receivable by it in accordance with the accounting policies and practices described in this section.
- (2) A restricted contribution received or receivable by a taxpayer-supported organization for the purpose of acquiring or developing a depreciable tangible capital asset or in the form of a depreciable tangible capital asset, in each case for use in providing services, is to be reported as follows:
 - (a) it is to be treated as a deferred contribution;
 - (b) the associated liability is to be reduced, and the associated revenue recognized, at the same rate that amortization is recognized in respect of the asset;
 - (c) the reduction of the liability and the recognition of the revenue are to be accounted for in the fiscal period during which the asset is used to provide services.
- (3) A restricted contribution received or receivable by a taxpayer-supported organization other than as described in subsection (2) is to be reported as follows:
 - (a) it is to be treated as a deferred contribution;
 - (b) the associated liability is to be reduced, and the associated revenue recognized, in the fiscal period during which the stipulation or restriction the contribution is subject to is met.
- (4) If the net book value of a depreciable tangible capital asset of a taxpayer-supported organization related to a restricted contribution is reduced for any reason other than amortization, the accounts of the taxpayer-supported organization are to recognize a proportionate reduction of the liability associated with the contribution and a proportionate increase in the revenue associated with the contribution.
- (5) This section applies to the reporting of restricted contributions, whether they are received or receivable by a taxpayer-supported organization before or after this regulation comes into effect.
- (6) This section operates despite any Act other than the *Budget Transparency and Accountability Act*.