



SECTION:	Financial Statements
INDEX NO.:	F100-100
TITLE:	Requirement to File Pension Plan Financial Statements <u>or</u> Pension Fund Financial Statements - Regulation 909 ss. 76(1),76(2) and 76(8).
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Note: Where this policy conflicts with the Financial Services Commission of Ontario Act, 1997, S.O. 1997, c. 28 ("FSCO Act"), Pension Benefits Act, R.S.O. 1990, c. P.8 ("PBA") or Regulation 909, R.R.O. 1990 ("Regulation"), the FSCO Act, PBA or Regulation govern.

Section 76 of the Regulation sets out requirements for pension plan financial statements and pension fund financial statements filed with the regulator. The primary purpose of section 76 is to require disclosure regarding the assets of the plan, how the assets are invested and how these investments are performing.

Subsection 76(1) of the Regulation requires the plan administrator to file financial statements for the pension plan or financial statements for the pension fund as at the plan's fiscal year end. Subsection 76(2) of the Regulation requires financial statements of both types to be audited if the plan has \$3,000,000 or more in assets calculated at market value at the end of the fiscal year. Subsection 76(8) of the Regulation states that all financial statements and auditors' reports (if applicable) shall be prepared in accordance with the principles and standards set out in the Handbook of the Canadian Institute of Chartered Accountants (the CICA Handbook).

Pension plan financial statements are general purpose financial statements that provide information about both the assets and the liabilities of a pension plan. They are, therefore, suitable both for regulatory filing and distribution to plan members. Pension fund financial statements do not disclose benefit obligations, but they are suitable for regulatory filing because information about plan liabilities is available to the regulator in other documents filed with FSCO.

When pension fund financial statements are prepared for regulatory filing, a note to the financial statements should state the basis of accounting. As financial statements filed with FSCO may be inspected by individuals listed in subsection 29(1) of the PBA, the note should explain that the financial statements have been prepared for regulatory purposes only and are not general purpose financial statements. The note should also state that the financial statements do not disclose the pension benefit obligation but, in all other respects, are prepared in accordance with generally accepted accounting principles. Additional information about pension fund financial statements for defined benefit pension plans is set out in the CICA Handbook as Auditing Guideline 12, "Auditor's Report on Pension Fund Financial Statements Filed with a Regulator".