

## PROJECT HISTORY

Contact:

João Fonseca ([joaofonseca@ipsasb.org](mailto:joaofonseca@ipsasb.org))

Paul Mason ([paulmason@ipsasb.org](mailto:paulmason@ipsasb.org))

Staff presented an Issues Paper and draft Exposure Draft (ED) for the IPSASB to consider. The Issues Paper raised the key issues to be determined before the IPSASB could consider approving the ED.

### *Scope and Definitions*

The Issues Paper included a proposal to reorder the definitions in the Exposure Draft to group them by type of public sector combination. Members agreed that this would be helpful for preparers, and noted that a similar approach had been used in other standards. The IPSASB therefore agreed that the definitions should be reorganized.

### *Classification of public sector combinations*

The IPSASB discussed the details of the rebuttable presumption approach agreed at its September 2015 meeting. Under this approach, there is a rebuttable presumption that a combination is an acquisition where one of the parties to the combination gains control of operations. The IPSASB agreed that the objectives of financial reporting and the QCs should inform an entity's consideration of the rebuttable presumption, but should only be referred to as specific factors in exceptional circumstances.

### *Residual amount in an amalgamation*

Staff presented a number of options for the IPSASB to consider regarding the treatment of the opening surplus of deficit in an amalgamation. The IPSASB agreed that the residual amount should comprise all net assets/equity amounts, including the revaluation surplus. The IPSASB acknowledged that some stakeholders may have concerns about the treatment of the revaluation surplus and similar components of net assets/equity. The IPSASB agreed to refer to this issue in the SMC on the residual amount, and to include a paragraph in the Basis for Conclusions explaining the IPSASB's approach.

### *Approval*

The IPSASB approved the ED after a final review, and agreed that the response period should run from the end of January 2016 until June 30, 2016.