

PROJECT HISTORY

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Monetary Gold – Definitions

The IPSASB agreed with modifications to the “reserve asset” definition to align more closely with Government Finance Statistics (GFS) terminology.

Monetary Gold – Specific Matter for Comment (SMCs)

The IPSASB agreed to include two SMCs for the chapter. One SMC will ask if there should be an option to select a measurement basis (current value or historical cost) based on their intention in holding monetary gold assets. A second SMC will ask which measurement basis is most appropriate for monetary gold – current value or historical cost.

Currency in Circulation – Nature of Currency

The IPSASB formed a view that both notes and coins derive value because they are legal tender and accepted as a medium of exchange and therefore serve the same purpose and function in the economy. The IPSASB agreed that a draft preliminary view should be developed for consideration at the March 2016 meeting.

Currency in Circulation – Approaches

The IPSASB believes accounting for currency in circulation should be driven by the economic substance of the transactions, and that these are accounting approaches, not options. The IPSASB therefore directed staff to update the terminology in the next version of the CP.

Currency in Circulation – Measurement

The IPSASB discussed measurement. The IPSASB agreed with the staff analysis that historical cost, market value, and on limited occasions, cost of fulfillment may be viable measurement bases.

Next Chapter for Development

Staff presented an overview of the final chapter of the CP, covering accounting for IMF Special Drawing Rights (SDRs) and IMF Quota Subscriptions.

The IPSASB directed that there should be a more detailed explanation of the different types of IMF transactions and their nature, with an analysis of similarities to, and differences from, other more common financial instruments. Examples will be developed to assist constituents in understanding each transaction. The IPSASB noted that an important distinction to highlight and discuss in the chapter is how SDRs are both a financial instrument and a unit of measurement for other financial instruments such as loans.