

PROJECT HISTORY

Contact: Paul Mason (paulmason@ipsasb.org)

The IPSASB continued its discussion of the Non-exchange Expenses project. The IPSASB first discussed the potential for overlap with the revenues project. The IPSASB provided recommendations about the potential overlap. The IPSASB also considered example transactions for use in future analysis in both the non-exchange expenses and revenues projects and provided suggestions for additional examples and variations of transactions for consideration. The IPSASB discussed the applicability and potential challenges of using a performance obligation approach to revenue recognition in the public sector and the potential overlap of that discussion with the non-exchange expenses project. The IPSASB considered additional factors present in non-exchange transactions that may affect the recognition of the transaction. The IPSASB discussed the potential additional factors presented and suggested other factors to be considered in future meetings.

Following the joint session with the revenues project, the IPSASB continued the discussion of the non-exchange expenses project. The IPSASB continued discussion of the overlap with the revenues project and how decisions made in both the revenues project and the social benefits project may affect the non-exchange expenses project (or visa-versa). The IPSASB also discussed the overall approach to the non-exchange expenses project to continue to use a distinction of exchange and non-exchange transactions or move to a distinction of transactions with performance obligations and transactions without performance obligations. The IPSASB considered potential clarifications to the current definition of non-exchange transactions that may help operationalize the definition, if the definition is retained. No decisions were taken. The IPSASB continued discussion of the types of transactions to be considered in this project and those included in social benefits. The IPSASB provided examples of additional transactions that should be within the scope of this project. No decisions were taken.

A joint issues paper from the project staff and the revenues project staff that addresses the definition of a performance obligation in the public sector, as well as considers the effects of additional factors on recognition, will be discussed at the IPSASB's December 2015 meeting. Staff will also develop an issues paper for the December 2015 meeting to further address the definition of non-exchange transactions and also address specific recognition and measurement issues.