

PROJECT HISTORY

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At its September 2019 meeting, the IPSASB progressed both streams of the non-exchange expenses project – collective and individual services and transfer expenses.

Collective and Individual Services

ED 67, *Collective and Individual Services and Emergency Relief* was issued for consultation in January 2019. At this meeting, the IPSASB considered the responses to the consultation. Respondents generally supported the proposals for collective and individual services, but raised concerns about the proposals for emergency relief. In particular, respondents considered that a definition of emergency relief was required, and that the distinction between ongoing emergency relief and emergency relief provided in response to a specific emergency would difficult to implement. The IPSASB decided to remove the guidance on emergency relief, and will consider whether to start a new project on emergency relief when it considers its mid-term work plan consultation in 2021.

The IPSASB then agreed some minor changes to the collective and individual services requirements, and approved the final pronouncement. This is not a new IPSAS, but rather amends IPSAS 19 to include the additional guidance.

Collective and Individual Services (Amendments to IPSAS 19) is expected to be issued in January 2020.

Transfer Expenses

As the IPSASB agreed in June, ED 72, *Transfer Expenses* will deal with expenses where the transfer provider transfers resources but doesn't receive anything in return.

At this meeting, the IPSASB reviewed the authoritative text of the ED.

ED 72 covers two groups of transfer expenses. The first group includes those transfer expenses that impose performance obligations on the transfer recipient. The accounting arrangements will mirror those in ED 70, *Revenue with Performance Obligations*, making use of the Public Sector Performance Obligation Approach.

The second group of transfer expenses includes transfer expenses that do not impose performance obligations on the transfer recipient. For these transactions, the IPSASB agreed that entities should recognize an expense at the earlier of the point when they have a present obligation to transfer resources, or the point at which they lose control of the resources transferred.

The IPSASB made good progress in resolving outstanding issues, although some issues remain, in particular the level of disclosures.