

PROJECT HISTORY

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September 2015: The IPSASB provided direction for development of the Heritage Assets consultation paper (CP). The IPSASB indicated support for a proposed description of heritage items: “Heritage items are items that are expected to be held for the benefit of present and future generations and preserved, because of their rarity, importance and/or significance.” Heritage items range from historic buildings and artwork to conservation lands and even living people who have special skills of particular value to their community. The IPSASB will discuss specific types of heritage items and whether financial reporting is appropriate for those types during further meetings.

A staff proposal that the project should focus on heritage items that broadly fit into three existing accounting categories—property, plant and equipment (tangible physical assets), intangible assets and biological assets or natural resources—was rejected on the basis that this approach takes too narrow a financial reporting category perspective.

The IPSASB considered arguments for and against heritage items being assets for financial reporting purposes, applying the asset definition in the Conceptual Framework. Some types of heritage items may be assets while others not. The IPSASB directed staff to develop analyses of whether specific types of heritage items could be considered assets, applying the asset definition. Staff should also identify factors that could influence whether or not a heritage item can be classified as an asset. A definition of heritage assets was rejected, because different types of heritage items need to be reviewed in more detail.

A second issues paper will be developed for the December 2015 meeting.