

## PROJECT HISTORY

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The IPSASB continued to consider the draft Consultation Paper, *Accounting for Revenue and Non-Exchange Expenses*.

Staff outlined the changes that were made from the draft presented at the December 2016 meeting, these included:

- Adding a diagram of a tripartite agreement;
- Adding the flowchart from IPSAS 23, *Revenue from Non-Exchange Transactions (Taxes and Transfers)* that illustrates the analysis of initial inflows of resources; and
- Minor editorial changes due to a restructuring of the subsequent chapters.

The Board agreed with the modifications made.

The Board also discussed the various approaches for revenue recognition to be included in a consultation paper.

These approaches include:

- Providing additional guidance to the current Standard IPSAS 23 *Revenue from Non-exchange transactions (taxes and transfers)* to help with the distinction between what is an exchange and non-exchange transaction;
- Various options to address the issue of transfers with a time requirement restriction; and
- Adapting IFRS 15 *Revenue from Contracts with Customers*, which was issued by the IASB, to address public sector specific issues.

The Board also considered the proposed approaches for recognition of non-exchange expenses. The approaches proposed to be included in the CP are:

1. Obligating Event Approach;
2. Public Sector Performance Obligation Approach; and
3. IPSAS 23 Reverse Approach.

The Board then briefly considered the initial and subsequent measurement approaches for non-contractual receivables proposed in the draft CP. For the initial measurement the approaches proposed are:

1. Best estimate of the discounted cash flows; and
2. Face value of the transactions with uncollectable amounts recognized as an impairment.

The proposed approaches for the subsequent measurement of non-contractual receivables are:

1. Fair value or market value approach;
2. Amortized cost approach; and
3. Cost Approach.