Agenda Item 10: Improvements

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IPSASB Meeting
December 10–13, 2019
Abu Dhabi, United Arab Emirates
Improvements to IPSAS, 2019

Review of Responses Agenda 10.2.1 (1/5)

Seeking approval of Improvements to IPSAS, 2019

Majority Responses

Fully Supported

Comments Raised

Editorials

Few Comments and Editorials
### Fully Supported Improvements

#### IPSAS 5, Borrowing Costs
Components of borrowing costs

#### IPSAS 30, Financial Instruments: Disclosures
Accounting for financial guarantee contracts

#### Other Improvements to IPSAS

#### IPSAS 13, Leases
Include appropriate impairment references to IPSAS

#### IPSAS 33, First Time Adoption of Accrual Basis International Public Sector Accounting Standards (IPSASs)
Make implementation guidance on deemed cost consistent with the core principles in that Standard

#### IPSAS 40, Public Sector Combinations
Include the effective date paragraph in IPSAS 40
### Improvements Where Comments are Raised

**Agenda 10.2.1 (3/5)**

<table>
<thead>
<tr>
<th>IPSAS</th>
<th>Description</th>
<th>Comments Raised</th>
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<tbody>
<tr>
<td><strong>Amendments resulting from IPSAS 41, Financial Instruments</strong></td>
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<tr>
<td>IPSAS 30</td>
<td>Update hedging and credit risk illustrative examples</td>
<td><strong>Respondent 01</strong> questioned the suitability of the ‘Residential mortgage loans’ example. <strong>Staff propose no change – Example is applicable (confirmed by a jurisdiction) and fully supported by respondents.</strong></td>
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<td><strong>Other Improvements to IPSAS</strong></td>
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<td>IPSAS 21 and IPSAS 26</td>
<td>Ensure consistency of impairment guidance for revalued assets in the scope of IPSAS 17, PPE and IPSAS 31, Intangible Assets</td>
<td><strong>Respondent 01</strong> questioned the insertion of words ‘individual and class’ of asset. <strong>Staff did not make the change. Improvement clarifies an issue raised by a constituent.</strong></td>
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## Improvements to IPSAS, 2019

### Editorial Improvements

**Agenda 10.2.1 (4/5)**

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<td><strong>Amendments resulting from IPSAS 41, Financial Instruments</strong></td>
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<td>IPSAS 33</td>
<td>Classifying financial instruments on initial adoption of IPSAS</td>
<td><strong>Respondent 03</strong> advised paragraph 114A should be updated to 114B because it has already been used in IPSAS 41. <strong>Staff accepted the change (see Part 1d).</strong></td>
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<td>IPSAS 13 and IPSAS 17</td>
<td>Remove transitional provisions which should have been deleted when IPSAS 33 was issued</td>
<td><strong>Respondent 01</strong> proposed an editorial to clarify transitional provisions were removed as a result of IPSAS 33. <strong>Staff accepted the change – (see Part 3a and Part 3b).</strong></td>
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### Editorial Improvements

#### Agenda 10.2.1 (5/5)

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<td><strong>Other Improvements to IPSAS (continued)</strong></td>
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| **IPSAS 21 and IPSAS 26** | Ensure consistency of impairment guidance for revalued assets in the scope of IPSAS 17, *Property, Plant, and Equipment* and IPSAS 31, *Intangible Assets* | **Respondent 03** commented that the titles of the Standards, IPSAS 17 and IPSAS 31 should replace the term, ‘relevant standard’.  
**Staff agrees and made the change** (see Part 4a and Part 4b). |
Improvements to IPSAS, 2019

Approval of Final Pronouncement

Agenda 10.2.3 (1/1)

- ED68 issued.
- Responses publicly available on the IPSASB website.
- IPSASB discussed issues.
- Technical Director asserts Due process followed.

Approve
Improvements to IPSAS, 2019

- Effective date is January 1 of year following publication.
- IPSAS 41 Related Improvements - Effective Date: January 1, 2022.
- All Other Improvements - Effective Date: January 1, 2021.

Confirm Due Process Followed

Agree Effective Date