Agenda Item 11: Measurement

Dave Warren, Principal

IPSASB Meeting
Abu Dhabi, United Arab Emirates
December 10–13, 2019
Agenda Item 11 – Measurement

Project management – Stock take

- Road map – progress to date and future meeting plans
- Board decisions – previous decisions taken and key future issues
- Board instructions – satisfied with actions taken
- Other issues?
## Agenda Item 11 – Measurement

### Session Outline

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Agenda Item 11 – Measurement

Background

How Do You Calculate the Measurement Bases
(Consultation Phase)

IPSAS, Measurement

- Objective and Scope
- Definitions
- Measurements Bases
- Applications Guidance
  - Fair Value
  - Fulfillment Cost
  - Historical Cost
  - Replacement Cost
- Basis for Conclusions

What is the measurement basis?

How to calculate the measurement basis?

Why apply the measurement bases?

Which Measurement Basis Do You Use
(Exposure Draft Phase)

Other IPSAS

- ...
- IPSAS 12, Inventories
- ...
- IPSAS 16, Investment Property
- ...
- IPSAS 19, Provisions, Contingent Liabilities and Contingent Assets
- ...
- IPSAS 41, Financial Instruments

Which measurement bases should be applied in measuring the economic resource?
Agenda Item 11—Measurement

Preliminary review of responses - Illustrative Exposure Draft

Consultation Paper including Illustrative ED, *Measurement*  
ED, *Measurement*, including consequential amendments  
IPSAS, *Measurement* and amendments to other IPSAS
## Agenda Item 11—Measurement

### Preliminary review of responses - Borrowing Costs

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<th>Current IPSAS</th>
<th>Preliminary View</th>
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<td>Directly attributable to acquisition, construction or production of qualifying asset</td>
<td>Expense or capitalize</td>
<td>Expense</td>
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<td>Interest and other expenses incurred by an entity in connection with the borrowing of funds.</td>
<td>Expense</td>
<td>Expense</td>
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Preliminary review of responses – Fair Value

Fair Value

- Fair value across IPSAS
- Highest and best use
- Market value vs fair value
- Replacement cost
Agenda Item 11—Measurement

CAG Feedback

Discussed by CAG Members

- Illustrative Exposure Draft
- Borrowing Costs
- Limited-Scope Review of the Conceptual Framework
Next Steps

December 2019
• Preliminary review of responses

March 2020
• Detailed review of responses
• Re-activate task force

June 2020
• Discussion of issues

September 2020
• Approve exposure draft