IPSASB Meeting Highlights

November 2007

Contact: Barry Naik, barrynaik@ifac.org

This Meeting Highlights from the International Public Sector Accounting Standards Board (IPSASB) meeting in Beijing, China on November 27-30, 2007 has been prepared for information purposes only.

For more detailed information on individual projects beyond that provided below, please refer to the IPSASB’s project history pages: http://www.ifac.org/PublicSector/Projects.php#InProgress.

Conceptual Framework

The IPSASB discussed key issues on the papers ‘objectives of financial reporting’, ‘scope of financial reporting’, ‘reporting entity’ and ‘qualitative characteristics’, agreeing to review a first draft consolidated consultation paper of all four papers in March 2008.

IFAC staff contacts – Technical Director Stephenie Fox: stephenefox@ifac.org /or Senior Advisor Paul Sutcliffe: paulsutcliffe@ifac.org.

Service Concession Arrangements

The IPSASB considered a draft Consultation Paper Accounting and Financial Reporting for Service Concession Arrangements requesting further development of some aspects of the paper. Approval for public comment is planned before the next IPSASB meeting in March 2008.

IFAC staff member contact - Barry Naik: barrynaik@ifac.org.

Social Benefits

The IPSASB approved, for public comment, an exposure draft on cash transfers to individuals and households and a project brief for a new project on Long-Term Fiscal Sustainability. A consultation paper outlining a number of related issues was also reviewed. The documents will be issued as a single package in the first quarter of 2008.

IFAC staff member contact - John Stanford: johnstanford@ifac.org.
Employee Benefits

The IPSASB approved a new International Public Sector Accounting Standard (IPSAS) 25: Employee Benefits. The IPSAS is planned to be issued early in 2008.

IFAC staff member contact - John Stanford: johnstanford@ifac.org.

Impairment of Cash Generating Assets

The IPSASB approved a new International Public Sector Accounting Standard (IPSAS) 26: Impairment of Cash Generating Assets. The IPSAS is planned to be issued early in 2008.

IFAC staff member contact - John Stanford: johnstanford@ifac.org.

External Assistance

The IPSASB approved disclosure requirements for recipients of external assistance who follow the cash basis of accounting. The requirements (to be housed within the cash-basis IPSAS), are planned to be issued early in 2008.

IFAC Senior Advisor contact - Paul Sutcliffe: paulsutcliffe@ifac.org.

Updating IPSASs

Out-of-session, the IPSASB approved an Exposure Draft (ED 33) Amendments to IPSAS 4, The Effects of Changes in Foreign Exchange Rates. ED 33 was issued in September with comments due by 31 December 2007.

IFAC staff member contact – Technical Director Stephenie Fox: stepheniefox@ifac.org.

Cash-Basis IPSAS Review

The IPSASB approved a project brief for a review of the cash basis International Public Sector Accounting Standard (IPSAS) subject to some revisions. This important project will inform the Board as to how the cash basis IPSAS is being implemented and any issues that are being encountered.

IFAC staff member contact – Don Geiger: dongeiger@ifac.org.
Financial Instruments

The IPSASB will consider draft Exposure Drafts in March on presentation and disclosure requirements that converge with IFRS 7 and IAS 32. Staff are developing an in-depth analysis of the public sector issues related to financial instruments and these will be considered in the context of the new “Guidelines for Modifying IASB Documents”.

IFAC staff member contact – Matthew Bohun-Aponte: matthewbohun@ifac.org.

Guidelines for Modifying IASB Documents

The IPSASB’s policy is to converge accruals basis IPSASs with IFRSs to the extent that these are appropriate for the public sector. During its recent strategic planning process the IPSASB recommitted to IFRS convergence and has now developed internal guidelines for modifying IASB documents for the public sector. The guidelines establish rules to be applied by staff for identifying when a public sector difference warrants departure. Having these “rules of the road” will help to delineate Board discussions and should serve to focus Board debate to those issues which are truly public sector specific and to enhance consistency in application. Any departures and the rationale will be described in the Basis for Conclusions for the related IPSAS.

IFAC staff member contact: Technical Director Stephenie Fox stepheniefox@ifac.org

Next Meeting

The next IPSASB meeting will be held in Toronto, Canada on March 10-13, 2008.