



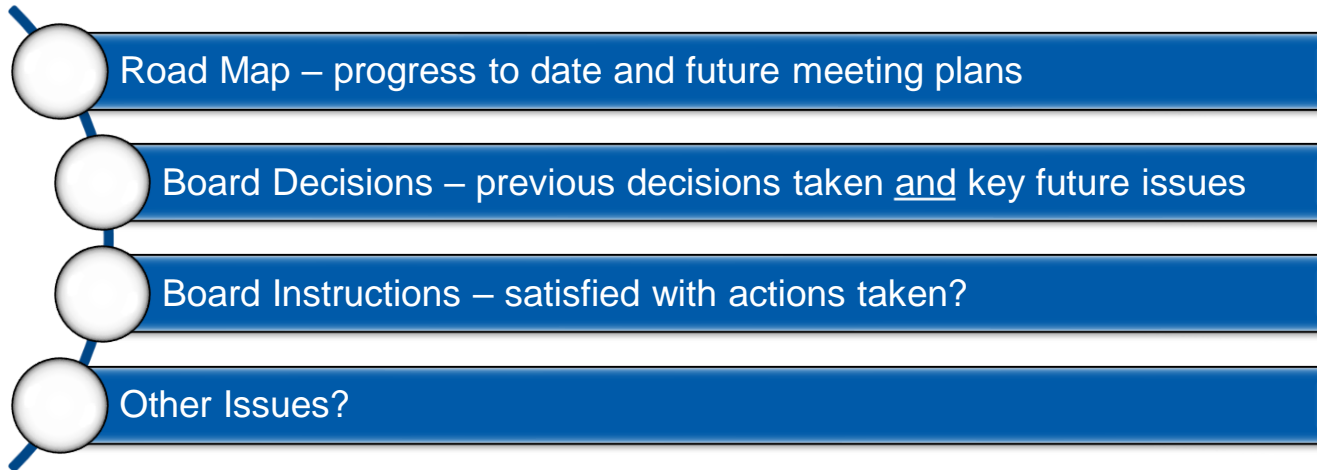
**Agenda Item 7:**  
**ED 70, *Revenue with Performance***  
***Obligations***

Todd Beardsworth, Task Force Chair

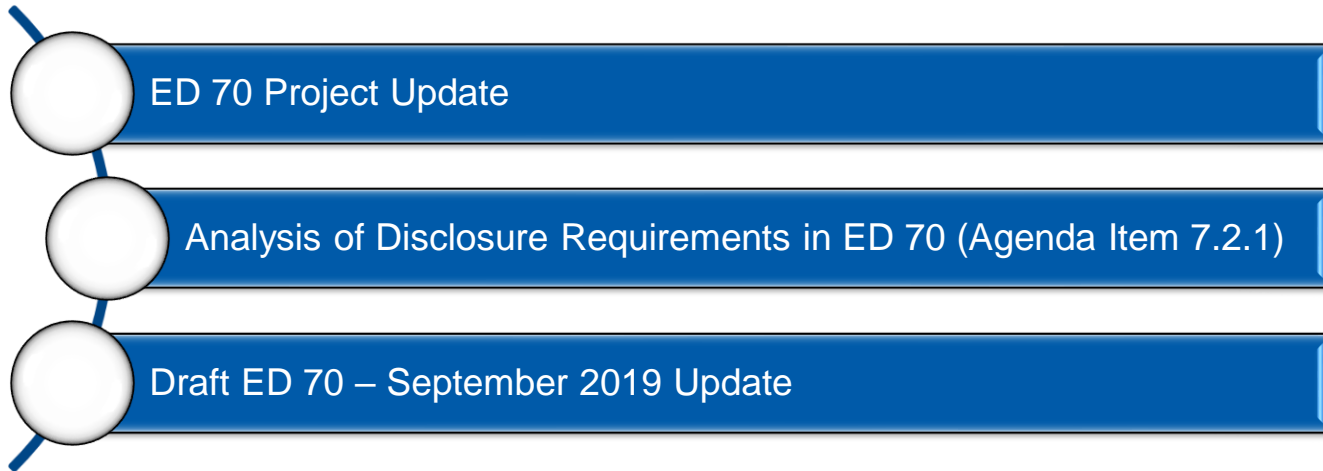
Edwin Ng, Principal

IPSASB Meeting  
Lisbon, Portugal  
September 24–27, 2019

# Project management: Stocktake

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- 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?

# Session Outline



## ED 70 Project Update (1/4)

### Since June 2019, the Task Force...

- Proposed amendments to disclosure requirements—see slides 8 to 9 and Agenda Item 7.2.1
- Proposed amendments to resolve issues raised at previous IPSASB meetings—see slides 10 to 12

## ED 70 Project Update (2/4)

### Since June 2019, the Task Force...

- Met on September 21–23 to proposed amendments to illustrative examples:
  - Modified IFRS 15 examples for realistic fact patterns which could apply to public sector entities
  - Developed new public-sector specific examples to illustrate additional application guidance on scope, three-party arrangements, enforceability and licenses, as well as additional disclosure requirements
  - Developed scenarios involving intergovernmental organizations

## ED 70 Project Update (3/4)

### Since June 2019, the Task Force...

- Further amendments to illustrative examples:
  - Deleted a few examples which were private-sector focused after attempting to modify them for the public sector

## ED 70 Project Update (4/4)

### Planned Action Items

- Finalize wording of proposed amendments to illustrative examples and agree on wording directing constituents to IFRS 15 for commercial transactions (as per the IPSASB's instruction from the June 2019 meeting)
- Consequential amendments, transitional provisions, and basis for conclusions to be updated in October to November of 2019
- Above items to be presented at December 2019 IPSASB meeting

# Analysis of Disclosure Requirements in ED 70 (Agenda Item 7.2.1) (1/2)

## Overall Approach

- Start by retaining all disclosure requirements from IFRS 15
- Remove disclosure requirements which have limited or no applicability in the public sector
  - Task Force considered removing paragraphs 116, 118 and 119 but ultimately decided to retain all disclosure requirements
- Add disclosure requirements for public sector-specific issues
  - Added paragraphs 112 on materiality and aggregation and 120 on compelled transactions where collection is not probable



# Analysis of Disclosure Requirements in ED 70 (Agenda Item 7.2.1) (2/2)

## Matter for Consideration

- Does the IPSASB agree with the Task Force Recommendations?

## Draft ED 70 – September 2019 Version (1/3)

### Other Proposed Changes to ED 70 since June 2019

- In light of the IPSASB's decision to retain paragraph 8(e), amended paragraph 14 and added AG32 to provide more guidance on transactions where the collection is not probable
- Added AG70 and AG71 to provide guidance on transactions that have components within the scope of ED 70 and ED 71
- Added AG92 to provide guidance on the determination of a stand-alone price that is based on an entry value

## Draft ED 70 – September 2019 Version (2/3)

### Other Proposed Changes to ED 70 since June 2019

- Revised the definition of third-party beneficiaries in paragraph 7 to refer to the transfer of “goods, services or other assets” and added footnote 1 to paragraph 1 to explain that goods or services may encompass non-current assets
- Added footnote 4 to paragraph 3(i) to explain that the definition of “fair value” may change depending on the outcome of the IPSASB’s Measurement project

## Draft ED 70 – September 2019 Version (3/3)

### Other Proposed Changes to ED 70 since June 2019

- Updated ED to be formally presented to the Board in December 2019
  - Current draft made available to IPSASB Members for the purpose of reviewing changes and considering the disclosures



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