Approved Minutes of the Meeting of the
INTERNATIONAL PUBLIC SECTOR ACCOUNTING STANDARDS BOARD
Held on March 11–14, 2013 in Abu Dhabi, UAE

1. Attendance, Opening Remarks, and Approval of Minutes

1.1 Attendance – Abu Dhabi, UAE

Voting Members

Present: Andreas Bergmann (Chairman)
Ron Salole (Deputy Chair)
Ian Carruthers
Robert Dacey
Mariano D’Amore
Rachid El Bejjet
Sheila Fraser
Guohua Huang
Kenji Izawa
Thomas Müller-Marqués Berger
Anne Owuor
Guy Piolé
Jeannine Poggiolini
Adriana Tiron Tudor
Ken Warren
Tim Youngberry

Technical Advisors

Sajjad Ahmad (Mr. Mazaffar)
Clark Anstis (Mr. Youngberry)
Stuart Barr (Ms. Fraser)
Stefan Berger (Mr. Bergmann)
Lindy Bodewig (Ms. Poggiolini)
Takeo Fukiya (Mr. Izawa)
Yangchun Lu (Mr. Huang)
Rasmimi Ramli (Datuk Wan Selamah Wan Sulaiman)
Joanne Scott (Mr. Warren)
Gillian Waldbauer (Mr. Müller-Marqués Berger)

Apologies:

Massud Mazaffar
Datuk Wan Selamah Wan Sulaiman

Tim Beauchamp (Mr. Salole)
Aziz El Khattabi (Mr. El Bejjet)
Fabrizio Mocavini (Mr. D’Amore)
Chris Wobschall (Mr. Carruthers)

Non-Voting Observers

Present:

Dinara Alieva (UNDP)
Jón Blöndal (OECD)
Sagé de Clerck (IMF)
Abdul Khan (IMF)
Brian Quinn (World Bank) (Mon.-Wed.)
Chandramouli Ramanathan (UN) (Mon.-Wed.)
John Verrinder (Eurostat)
Approved Minutes March 2013 IPSASB Meeting  
 IPSASB Meeting (June 2013)  

Apologies:  
Simon Bradbury (ADB)  
Martin Koehler (EC)  
Ian Mackintosh (IASB)  
Darshak Shah (UNDP)  

IFAC Staff  
Present:  
Annette Davis, IPSASB  
Stephenie Fox, Director, IPSASB  
John Stanford, Deputy Director, IPSASB  
Jim Sylph, Executive Director, Professional Standards (Mon.-Tues.)  

Apologies:  
Gwenda Jensen, IPSASB  
Grant Macrae, IPSASB  
Ross Smith, IPSASB  
Paul Sutcliffe, IPSASB

1.1 Attendance List & Apologies

The Chair welcomed members to Abu Dhabi and thanked the Abu Dhabi Accountability Authority for its generosity in hosting the Board and for the high calibre facilities provided. The Chair also acknowledged recent correspondence from the New Zealand External Reporting Board (XRB) indicated an increase in the XRB’s annual funding to the IPSASB as well as its additional support by providing staffing on the project to update IPSASs 6-8.

1.3 Approval of Minutes

The minutes of the December 2012 IPSASB meeting were approved pending an adjustment of wording made as suggested by one of the Members.

1.4 Communications and Liaison Activities

A communication and liaison activity summary for the previous quarter was noted.

1.5 Oversight and Governance update

The Chair gave an overview of the recent Monitoring Group (MG) roundtable on IPSASB oversight that was held in New York City on February 27, 2013. In addition to the MG and the PIOB, representatives included; IMF, World Bank, OECD and INTOSAI. On February 28, 2013 the Chair of the PIOB reported to the IFAC Board that the MG had decided against the PIOB taking on oversight of the IPSASB. They noted that the PIOB’s primary public interest focus was audit quality and they were concerned that taking on IPSASB oversight might strain the PIOB’s resources and risk losing the audit focus. In addition, the PIOB as currently composed does not have the knowledge and capacity needed to address public sector issues.

The World Bank, together with a number of interested parties, including the IMF, indicated its willingness to address the issue and to consider how oversight of the IPSASB might be established. The observer to the IPSASB from the World Bank noted that while recognizing the excellent work of the IPSASB and the

1 Manfred Kraff attended in place of Martin Koehler for this meeting.
technical quality of IPSAS, the need for improvements to the governance and oversight of the mechanisms for setting those standards, in order to enhance their legitimacy and standing, has been acknowledged for some time.

Accordingly, and having regard to the Communique issued by G20 Finance Ministers and Central Bank Governors following their recent meeting in Moscow, the Monitoring Group welcomed the creation of a separate group to carry out a review and to come forward with proposals for a satisfactory solution. In accordance with their mandate from the G20, and subject to finalization of the terms of reference and composition of the group, the IMF and World Bank will be members, as will the OECD and the FSB. Other organizations are in the process of considering whether they should be members of the group. Irrespective of the group’s membership, the review process will be transparent, consultative and inclusive. The terms of reference for the review are currently being finalized, in consultation with IFAC and the IPSASB Chair. It is anticipated that a consultation document will be issued for public comment, accompanied by outreach activities to ensure that the views of key stakeholders are heard. IPSASB members and observers will be kept fully informed at all key stages of the process. So, too, will the G20 and FSB.

The Chair noted that the IFAC Board expressed strong support of the IPSASB. Members expressed their appreciation to the World Bank and the other parties in furthering this issue and highlighted the urgency of coming to a resolution.

1.6 IASB Work Plan Summary

A staff analysis of the potential impacts of the IASB’s Work Plan on IPSASs was noted.

1.7 Tracking Table

A staff analysis of the differences between IPSASs and underlying IFRSs at February 25, 2013 was noted.

2. Conceptual Framework (Agenda Item 2)

2.1 Coordinator’s Report (AP 2)²

The IPSASB considered a report from the Project Coordinator dealing with:

- The Project Plan; and
- Developments in the International Accounting Standards Board’s (IASB) Conceptual Framework project.

The Project Plan

The Coordinator directed members to the project plan in the appendix to the agenda item. He noted that, with very minor editorial revisions, this was the version circulated following the December 2012 meeting and reflected the IPSASB’s approval of the Phase 1 chapters at that meeting and subsequent publication of those chapters in January 2013. It also reflected the decision to reconsider the Preface with a view to approval at the March 2013 meeting.

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² The Project Brief for the Conceptual Framework consists of three subject groups. Group 1 addresses: the role, authority and scope; objectives and users; qualitative characteristics, and the reporting entity (also referred to as Phase 1). Group 2 addresses elements of GPFSs and recognition (also referred to as Phase 2), and Group 3 addresses measurement (also referred to as Phase 3) and presentation and disclosure (also referred to as Phase 4).
Largely for the information of new members the Coordinator repeated the point made at previous meetings that the timing for completion of the Framework remains very tight and demanding in some places. It was noted that there is only one meeting for a review of responses to the Phase 4 ED and a further meeting for finalization and approval of the final chapter on Presentation. Although there are two meetings for reviews of responses for the Phase 2 ED and the Phase 3 EDs, the April 30, 2013 consultation expiry date for both EDs means that the first review of responses in June is likely to be high level.

It was agreed to review the timetable in the light of decisions made on the Phase 4 ED at this meeting. In accordance with normal procedures the timetable would be revised and circulated after the meeting.

**IASB Conceptual Framework Project**

The Coordinator reported developments on the IASB’s Conceptual Framework project. He noted that IASB Staff had presented a very preliminary draft of material for much of the Discussion Paper at the February 2013 meeting and that the Senior Advisor, who was the lead author of the first four chapters of the IPSASB Framework, and the Coordinator had been asked to provide informal comments on these agenda materials.

Further material had been prepared for the March IASB meeting covering most of the remaining sections, particularly presentation and disclosure, which focuses particularly on issues relating to Other Comprehensive Income. A more advanced draft of the Discussion Paper is to be brought to the April IASB meeting. The Coordinator indicated that he intends to observe some of the sessions on the Framework at the April meeting and will highlight any particularly relevant emerging issues to IPSASB members.

The IASB’s aim remains to approve the Discussion Paper in June 2013 and publish it shortly afterwards. IASB Staff had confirmed that it is not the intention to reopen chapters 1 and 3 of the Framework, which were completed before the IASB paused the project in 2010 and deal with the objective of general purpose financial reporting and the qualitative characteristics of useful financial information. However, consequential amendments or more substantial changes are not precluded if work on the other chapters reveals that the provisions of chapters 1 and 3 are not operating as the IASB intended. Nevertheless, IASB Staff have a strong presumption that chapters 1 and 3 will not be amended significantly and will not be looking actively for major amendments.

Although it is not a convergence project some Members suggested that, in light of the progress in the IASB project there is a need to identify the main differences between the IPSASB and IASB approaches and to communicate why there is a need for different Frameworks and where there are significant differences.

**2A. Conceptual Framework Preface**

The IPSASB considered key issues raised by staff and a further draft version of the Preface.

Staff briefly outlined the background to the Preface, noting that it had evolved from The *Key Characteristics* Exposure Draft that had been issued in April 2011 on a four-month consultation. The material had originally been intended as an informal information piece for those with an interest in financial reporting concepts, but limited knowledge of the public sector. Staff had not intended that it be part of the Framework or that it be included in the *Handbook of International Public Sector Accounting Pronouncements*. However, members considered that the informal material identified characteristics of importance to both the Framework and the IPSASB’s broader standard-setting and guidance.
development and therefore directed that it be formalized and subjected to a full due process. At consultation respondents had been generally supportive of the ED and a majority had favored its inclusion in the Conceptual Framework, rather than elsewhere in the Handbook of International Public Sector Accounting Pronouncements, or in the IPSASB’s literature with some other status.

**Key Issue: Indication of Impact of Characteristics on the Framework**

The principal issue identified by staff was the indication of the impact of the identified characteristics on the Framework.

Staff noted that the extent, if any, to which the Preface should identify the impact of identified characteristics on the Framework and IPSASB’s approach to standard setting and the development of non-authoritative guidance had been a recurrent and pervasive issue during the development of the Preface. Staff expressed a view that there were two competing tensions. It seemed inappropriate to go into detail on the potential impact of characteristics, especially when Phases 2–4 of the Framework were still at pre or post-ED stage. However, vagueness about the effects of the identified characteristics on the Framework and wider standard-setting and guidance-setting activities reduced the usefulness of the Preface.

Members confirmed the importance of the Preface and its earlier decision that the Preface should be included in the Framework. It was decided to defer approval until the finalization of Phases 2–4. This would allow the linkages between the characteristics in the Preface and the concepts to be more explicitly identified.

**Further Key Issues**

Further key issues identified by staff were:

- The Volume and Financial Significance of Involuntary Transfers and Non-Exchange Transactions;
- The Longevity of the Public Sector;
- The Regulatory Role of Public Sector Entities; and
- The Importance of Statistical Bases of Accounting.

Prior to a paragraph-by-paragraph review of the draft ED members considered these issues.

**The Volume and Financial Significance of Involuntary Transfers and Non-Exchange Transactions**

Staff noted that the section had been revised in accordance with the directions at the December 2012 meeting to distinguish involuntary transfers and non-exchange transactions. Staff considered that this distinction was problematic because involuntary transfers were generally non-exchange in character.

Members acknowledged this problem and directed that the distinction between involuntary transfers and other non-exchange transactions should be modified to indicate that involuntary transfers were generally non-exchange in character.

**The Longevity of the Public Sector and the Nature of Public Sector Programs**

Staff noted that the direction at the December 2012 meeting had been to shorten the section and put going concern at its core. Staff had responded by highlighting the nature and longevity of governments and public sector entities in paragraph 15 and then discussing the long-term nature of many public sector programs in paragraph 16. The discussion on the long-term nature of many public sector programs noted
that the ability to meet many obligations is dependent on future taxation and contributions and that many
obligations may not meet the definition of a liability. As a result the title of the section had been extended
to include the *Nature of Public Sector Programs*.

Members directed that, in the context of going concern, it should be made clear that negative net
assets/liabilities is not an overriding determinant of whether a government or public sector entity is a
going concern. Other factors such as the financial support from other tiers of government and donors and
liquidity need to be taken into account in an assessment of going concern. In the context of sub-national
entities national governments might act as lenders of last resort or provide large scale guarantees, which
need to be taken into account in assessing the going concern of an entity.

Members questioned the use of the term obligations in paragraph 16 and suggested that it should be
replaced with an alternative term such as commitments.

It was further suggested that the linkage to IPSASB literature might include a reference to Financial
Statement Discussion and Analysis and that the section should be reviewed for consistency with the draft
Recommended Practice Guidelines, *Reporting on the Long-Term Sustainability of an Entity’s Finances*
and consideration given to incorporating some material from the draft RPG.

*The Regulatory Role of Public Sector Entities*

Staff explained that the direction at the December 2012 meeting had been to expand the section to
include discussion of the ability of governments and public sector entities to regulate themselves.

Staff said that the original intention of this section had been to suggest that regulatory powers needed to
be assessed when determining the boundary of the reporting entity and to suggest that such powers
would generally not lead to the incorporation of the regulated entity unless all conditions of the control
notion are satisfied. Because the recently published Chapter 4, *The Reporting Entity*, does not discuss
either the group reporting entity or the notion of control the linkages with the Framework are vague and
staff questioned whether this section of the Preface should be retained.

Paragraph 18 had been inserted to indicate that government regulatory decisions could potentially have
an influence on whether certain rights and obligations met the definitions of assets and liabilities. Staff
thanked Ken Warren for taking the lead in drafting this paragraph. Members directed that:

- The reference to risks that would not be conveyed through pricing mechanisms in paragraph 17
  should be simplified to a broader reference to public policy objectives rather than risks not
  conveyed through pricing mechanisms;
- There should be a reference to the fact that regulatory activities would be carried out in accordance
  with legal processes; and
- The section would be further reviewed when the Framework is further advanced.

*The Importance of Statistical Bases of Accounting*

Members directed that the title of this section should be changed to “The Relationship to the Statistical
Basis of Reporting”. Members further directed that:

- The assertion that there are benefits to users in removing unnecessary differences between
  IPSASs and statistical bases of accounting should be supported by reasons; and
- The reference to IPSASB considering the objectives and requirements of statistical accounting to
  the Framework should be extended to other IPSASB literature.
Way Forward

Following a paragraph-by-paragraph review that identified a few additional editorial points, Members considered the way forward. It was agreed that Staff would circulate a further draft of the ED out-of-session in the second quarter of 2013. Subject to the further views of members the Preface might be made available on the website as an advanced draft.

2B. Conceptual Framework Presentation – Discussion of issues and approval of ED

Members reviewed a draft Conceptual Framework Exposure Draft (CF–ED4), *Presentation in General Purpose Financial Reports*. Members considered the proposed descriptions of display and disclosure in Section 1 of the ED. After identifying and directing minor revisions they confirmed that the descriptions were adequate. The idea that displayed information “provides an overview” was deleted, on the basis that displayed information is more substantial and more detailed than an overview. The discussion highlighted that the ED needs to make clear that the notes to the financial statements are an integral part of the financial statements—they are not separate from the statements. Members agreed that the ED should have descriptions for these two terms rather than definitions.

Members discussed the coverage of presentation objectives in the ED. The discussion highlighted issues about how such objectives would be applied in conjunction with the overarching objectives of GPFRs, established in Phase 1. Members expressed concern that presentation objectives introduced a new term which could cause confusion. They concluded that presentation objectives would create an unnecessary additional layer of objectives beneath the financial reporting objectives established in Phase 1, which could be confusing and detract from the Phase 1 objectives. On this basis it was decided that references to presentation objectives should be deleted. Presentation decisions are guided by application of the objectives of financial reporting to the area covered by a particular report.

Members then carried out a page by page review of the remaining Sections, and the Basis of Conclusions. They directed that Section 2 should be revised to:

(a) Include reference to the two levels for information selection decisions;

(b) Relocate discussion of disaggregation to Section 4;

(c) Delete reference to information not exceeding that required by users, on the basis that this idea is already adequately captured by the idea that information should be sufficient;

(d) Clarify that information is critically reviewed during its development, as well as its presentation; and

(e) Amend the application of cost-benefit to individual items so that it focused on their impact on the overall view and nature of information presented.

During the review of Section 2, a Member raised the issue that additional information could arrive later than the reporting date and thereby undermine information’s timeliness. It was proposed that Section 2 should state that the date of delivery of additional information should be as close as possible to the reporting date of the financial statements. It was concluded that this point should be addressed in the Basis for Conclusions.

Members directed that Section 3 be revised to:

(a) Delete introductory paragraphs on information allocation, on the basis that subsequent paragraphs adequately address the same ideas;
(b) Expand the description of key drivers for display on the face of the financial statements, previously focused on element recognition, to include display that supports achievement of the objectives of financial reporting, which captures other information, including cash flow information;

(c) Amend the description of when a separate report may be necessary to focus on the identification of new user needs; and,

(d) Bring forward the factors relevant to decisions about whether information should be included in the financial statements or another report and (v) replace “preparation” as a possible factor with “jurisdiction specific”.

Members directed that Section 4 be revised to:

(a) Delete detailed references to CF–ED2;

(b) Replace the word “elements” with “displayed amounts” in the discussion of relationships that exist in the financial statements,

(c) Link the examples of financial statement relationships to the three types of relationships identified earlier in the section; and,

(d) Revise a paragraph on how information organization supports comparability to sharpen its focus on inter-period and inter-entity comparability.

During the review of Section 4, a Member raised the issue that links to information outside of the financial statements could undermine the quality of information reported in the financial statements. To address this problem it was proposed that such information should be restricted to information produced by the reporting entity. Other Members described situations where relevant, high quality information outside the financial statements, not produced by the reporting entity, could enhance the information reported in the financial statements or other reports. This point should be addressed in the Basis for Conclusions.

Members directed that the Basis of Conclusions should be revised for decisions made during the earlier discussion. In particular changes should be made to reflect (a) confirmation of a two level decision approach to presentation, (b) a further simplification of the approach, which now focuses on showing how concepts in other parts of the Conceptual Framework—particularly Chapters 1 to 4—apply to presentation, and (c) the decision to directly apply the financial reporting objectives rather than use an intermediate set of presentation objectives. The revised ED would be reviewed later that week.

Members considered a revised version of CF–ED4 on the final morning of the meeting. This version reflected the changes directed by Members at the earlier session on Monday, March 11, 2013. Members carried out a page-by-page review of the revised ED. They directed that:

- An additional Specific Matter for Comment on whether CF–ED4 contains sufficient detail on concepts applicable to presentation in GPFRs, including financial statements of governments and other public sector entities should be inserted;

- Because location is a presentation decision it should not be referred to as a presentation technique in paragraph 1.3;

- The opening paragraph of the Basis for Conclusions should state that concepts for the more comprehensive scope of financial reporting have not previously received detailed attention from international standard setters;
• The references to the timeliness of any information included in GPFRs derived from sources outside the financial information system in the context of information selection in paragraph BC20 should be moved to Section 2; and

• The references to ensuring that links to information reported outside the GPFRs do not undermine achievement of the QCs in paragraph BC21 should be moved to Section 4.

Members also directed that a number of further editorial changes should be made.

The IPSASB approved CF–ED4 with 16 members in favor and 2 absentees. It was agreed that a revised version reflecting the changes directed at this additional session should be circulated for a fatal flaw review prior to publication.

3. Criteria for Pronouncements (Agenda Item 3)

The IPSASB discussed issues relating to developing a set of criteria for determining the types of documents the IPSASB might develop and whether these would be authoritative or non-authoritative pronouncements, and gave directions as set out below.

Existing Pronouncements

The IPSASB discussed staff’s analysis of the authority of IPSAS 22, Disclosure of Financial Information about the General Government Sector and IPSAS 24, Presentation of Budget Information in Financial Statements. The IPSASB did not agree that these standards are largely voluntary and consider that these standards are the same as other IPSASs in that they are authoritative where an entity has the type of transaction or information relevant to that standard. The Chairman highlighted that IPSAS 22 is applied by some jurisdictions, e.g., by the government of Costa Rica. A member commented that IPSAS 24 is applied in their jurisdiction. Another member commented that IPSAS 24 is not a voluntary standard where one level of government imposes a requirement on another level of government for that government to make its approved budget publicly available.

A member noted that all guidance produced by the IPSASB is authoritative in the sense that it represents the considered position of the IPSASB. However, the issue of whether a standard or an RPG must be applied by a particular entity is a decision made by regulators in that jurisdiction.

The IPSASB did not agree with staff’s proposal that the status of IPSAS 22 and IPSAS 24 should be reviewed.

Types of Pronouncements

The IPSASB discussed the possible types of pronouncements illustrated in Diagram 1 of Agenda Paper 3 (reproduced below).
The IPSASB had an extensive discussion. Members agreed that pronouncements relating to general purpose financial statements (GPFSs) should be authoritative International Public Sector Accounting Standards (IPSASs) as illustrated by the left-hand column of Diagram 1. However, there were contrasting views as to the status of pronouncements relating to general purpose financial reports (GPFRs) as illustrated by the middle column of Diagram 1.

Some Members Consider that Pronouncements relating to some GPFRs should be Authoritative Pronouncements

Some members consider that pronouncements relating to GPFRs, other than GPFSs, should be capable of being authoritative pronouncements. A member considers that if all pronouncements relating to GPFRs, other than GPFSs, are non-authoritative it would be a backwards step because the IPSASB has agreed that the scope of its Conceptual Framework for General Purpose Financial Reports in the Public Sector would not be limited to GPFSs. Therefore, the Conceptual Framework envisages authoritative pronouncements for GPFRs. This member also considers that if the IPSASB wants jurisdictions to apply the Conceptual Framework then it should issue authoritative pronouncements for items outside the GPFSs. Another member added that the IPSASB’s Terms of Reference enable the IPSASB to issue authoritative pronouncements relating to GPFRs.

Another member added that one of the reasons that the Conceptual Framework encompasses GPFRs is that the IPSASB considers that limiting the scope of the Conceptual Framework to GPFSs would not give a complete view of the performance of public sector entities—performance is a broader concept than just the surplus or deficit for a period. This is why the IPSASB has undertaken projects such as Reporting Service Performance Information—because service performance reports are vital in meeting user needs. Therefore, this member considers that it is crucial for the IPSASB to issue authoritative pronouncements for GPFRs. This member also considers that if the IPSASB does not issue authoritative pronouncements for GPFRs then it implies that it does not support the broader scope of the Conceptual Framework.

This member commented that it appears that the reason to have a distinction between pronouncements relating to GPFSs and GPFR is because there is an issue about the potential impact on the audit report on the GPFSs if pronouncements relating to GPFRs are authoritative.
Another member considers that issuing authoritative pronouncements for GPFRs relates to the choices an entity has in reporting items outside the GPFSs rather than the types of transactions that they have. This member considers that information in GPFRs is important information for users and an area where the IPSASB should issue authoritative guidance.

It was suggested that authoritative pronouncements related to GPFRs should be a separate suite of standards so that these pronouncements are clearly distinguished from IPSASs. Possible names suggested for this suite of standards were “International Public Sector Financial Reporting Standards” (IPSFRSs) or “Authoritative Practice Statements” (APSs). In supporting this view a member expressed the view that financial statements should not be tainted by the fact that an entity has not complied with guidance on another area of reporting such as long-term sustainability.

Some Members Consider all Pronouncements relating to GPFRs should be Non-authoritative Pronouncements

Some members consider that all pronouncements relating to GPFRs should be non-authoritative pronouncements.

Some members consider that authoritative pronouncements relating to GPFRs raises a compliance issue for the audit of the GPFSs where an entity has not complied with the GPFR pronouncement and this would have an effect on the audit opinion because the entity has not complied with the IPSAS Framework. In other words the entity has complied with IPSAS applicable to the financial statements but has not complied with the IPSAS Framework as a whole. A member considers that this issue will remain in some jurisdictions, even if the authoritative pronouncements relating to GPFRs are a separately named suite of standards.

Other members commented that there is not a big difference between an authoritative pronouncement for a GPFR and a RPG because they consider that there is no effect on the audit opinion on the GPFSs if an entity does not apply the authoritative pronouncement for a GPFR. This is a similar situation to where an entity does not apply an RPG.

Some members consider that to have a distinction between authoritative pronouncements for the GPFSs and authoritative pronouncements for a GPFR is an unnecessary complication. They consider that this distinction would be difficult to communicate to constituents. A member added that the fact that the IPSASB is undertaking projects relating to GPFRs indicates to constituents that it is an important area without the need for the pronouncement to be authoritative.

Some members consider that it is too early for the IPSASB to issue authoritative pronouncements in some areas of GPFR such as reporting on the long-term sustainability of an entity’s finances.

Conclusion

The IPSASB agreed that pronouncements relating to GPFSs should be authoritative, i.e., IPSASs. The IPSASB also agreed that, in the short-term, pronouncements relating to GPFRs should be non-authoritative, i.e., RPGs, notwithstanding that in the long-term pronouncements relating to GPFRs could be authoritative. The IPSASB agreed that this tentative decision should be reviewed in the future to consider further whether pronouncements relating to GPFRs could be authoritative.

This decision gives the IPSASB time to build credibility for pronouncements related to GPFRs and for some areas of GPFRs to further develop. It also addresses concerns raised by some members that it would be difficult to communicate to constituents the differences between authoritative IPSASs applicable to the GPFSs and authoritative pronouncements applicable to an area of GPFR. It also reflects that the
Conceptual Framework is a long-term document and leaves open the possibility of developing authoritative GPFR pronouncements at some point.

Comments relating to FSDA

The decision to issue only non-authoritative pronouncements for GPFRs (i.e., RPGs) affects the Financial Statement Discussion and Analysis (FSDA) project because ED 47 proposed that the guidance would be issued as an authoritative GPFR pronouncement. The IPSASB discussed the implications of its decision for FSDA.

A member considers that FSDA is different from LTFS and SPR because FSDA is a well-established area of financial reporting and if the IPSASB does not consider that it can issue an authoritative pronouncement for this area of financial reporting now, would there ever be a time when it would be appropriate? A staff member responded that issuing a RPG does not reflect on the IPSASB’s credibility, for example, the International Accounting Standards Board (IASB) issued its Practice Statement, Management Commentary specifically so that entities are not required to comply with it unless required by their jurisdiction. The member responded that the IPSASB should not be bound by what the IASB has done.

The Chairman noted that the IPSASB is not under pressure to issue a standard for FSDA. Staff added that it does not introduce a gap in the IPSASB’s suite of standards if FSDA is issued as an RPG.

A member commented that entities in her jurisdiction apply non-authoritative guidance similar to the IPSASB’s proposed RPGs because these entities want to provide users with the information. In this jurisdiction this non-authoritative guidance effectively becomes the standard for those who prepare the particular GPFR.

A member highlighted that FSDA is an explanation of the GPFSs and users are able to get information from the GPFSs irrespective of whether the entity prepares a FSDA, in other words, the GPFSs can stand on their own. Another member added that FSDA is important for the accountability objective of financial reporting however, it is not critical to the fair presentation of the GPFSs and that this fact should be included in the Basis for Conclusions. Another member commented that each pronouncement relating to an area of GPFR may have a different quality of relationship with the GPFSs. For example, LTFS can be assessed in isolation from the GPFSs, however, FSDA cannot be assessed in isolation from the GPFSs.

Another member highlighted that the decision to have FSDA as a RPG is contradictory to the IPSASB’s tentative decision at the December 2012 meeting that when a topic is an essential component of GPFRs then it should be an authoritative pronouncement. This member considers that having FSDA as an RPG is an acceptable compromise for now, but that it is critical in helping entities to meet the accountability objective of financial reporting and therefore the IPSASB should review the status of the FSDA RPG sometime in the future.

Another member suggested that the rationale for changing the status of the FSDA pronouncement to a RPG should be clearly explained in the Basis for Conclusions. This member considers that the reasons should include relevance to users, judgment or reliability of data and a cost-benefit analysis. Another member agreed with this suggestion because he remains unconvinced as to why FSDA should be a RPG. The Basis for Conclusions needs to be clear that the status of the RPG will be reviewed in the future.

A member considers that the title of the FSDA pronouncement needs to be changed now that it will be an RPG.
The IPSASB reached a consensus that the draft FSDA IPSAS should be revised to become a RPG. The IPSASB also agreed that comprehensive minutes explaining the rationale for this decision should be circulated as soon as possible after the meeting in order for members to comment.

Potential Criteria to Determine the Status of a Pronouncement

Staff outlined potential criteria that could be used to determine the status of a pronouncement in Agenda Paper 3. Due to the decisions made above, it was not necessary to discuss these criteria.

4. Reporting on the Long-Term Sustainability of Public Finances (Agenda Item 4)

The IPSASB reviewed draft RPG 1, Reporting on the Long-Term Sustainability of an Entity’s Finances.

Issue of Fiscal Drag

The Task Force and staff presented a possible solution to the issue of fiscal drag whereby the core text of the draft RPG will include Option B (current policy assumptions means current legislation or regulation with departures where appropriate—see paragraphs 20–23 of Agenda Paper 4.1) and include the following draft wording in the Basis for Conclusions:

“The IPSASB considers that the issue of fiscal drag is addressed in the core text of the draft RPG because it permits current policy assumptions to be applied to the economic and demographic assumptions, including assumptions over inflation. When a flow such as tax is modeled it may be based on a percentage of a variable such as GDP or reflecting the application of current policy assumptions to changing circumstances.”

In addition, to address concerns that there needs to be a “sense check” of the projections to ensure that the current policy assumptions are reasonable, the Task Force and staff suggested that an additional sentence is inserted into the core text close to the assumptions section. The draft sentence put forward for consideration was as follows:

“Current policy assumptions and economic and demographic assumptions should reflect reasonable (realistic?) assumptions about the future course of inflows and outflows.”

The IPSASB agreed with this proposal, noted its preference for the word “reasonable” rather than “realistic” and noted that the text could be further refined. A member considers that “reasonableness” of assumptions is readily understandable. Another member commented that there is a tension between current legislation or regulation which is fact-based and where departures are made. A member gave an example of an entity calculates its projections with no departures from current legislation or regulation and the projections do not make sense this indicates that a departure from current legislation is necessary.

Page-by-Page Review of Draft RPG 1, Reporting on the Long-Term Sustainability of an Entity’s Finances Excluding Dimensions of LTFS Section

Members made comments on specific paragraphs, as follows:

- Paragraph 7: The proposed change should not be made.
- Paragraph 11: The definitions of the dimensions of LTFS should be deleted.
- Paragraph 12: The proposed change should not be made.
• Paragraph 15: Delete first sentence and amend second sentence: “This Use of the reporting boundary of the financial statements enhances the understandability of projections and increases their usefulness to the users of general purpose financial reports (GPFRs)”
• Paragraph 16: Add “alternatively” to the start of the paragraph.
• Paragraph 18(a): “Projections of prospective inflows and outflows which can be displayed in tabular statements …”
• Paragraph 19: Amend first sentence: “The projections of economic and other phenomena reported in long-term fiscal sustainability information …” and amend third sentence: “To faithfully represent an entity’s long-term fiscal sustainability information assumptions each input should reflect the best available information.”
• Paragraph 23: “In selecting an appropriate time horizon an entity needs to balance the qualitative characteristics of verifiability, and faithful representation and relevance.”
• Paragraph 46: Second sentence: “…that are not modeled individually are projected to grow (or diminish) in line with a variable such as gross domestic product (GDP) or an another index such as the inflation index.”
• Paragraph 53(g): Add to the end of the sentence: “and the item that has been used.”
• Paragraph BC5: Delete because is in a footnote.
• Paragraph BC12: This paragraph needs to be revised so that it does not repeat what is explained in the core text and instead needs to explain how the IPSASB decided on the definition of a projection.
• Check the draft RPG to ensure that the use of “raise” is understandable and whether it should be replaced with “increase”.
• Check the draft RPG to ensure that “dependency” is replaced with “dependence”.

Dimensions of LTFS

The IPSASB discussed the “Dimensions of Long-Term Fiscal Sustainability” section of the draft RPG and agreed that vulnerability applies to all three dimensions and not just the revenue dimension. The IPSASB agreed that this section needed to be revised to:

1. Remove the definitions of debt capacity, service capacity and revenue capacity and instead refer to each dimension directly, in the following order: the service dimension, revenue dimension and debt dimension. The text of the definitions is then used as a description of each dimension.

2. Include an explanation that each dimension has two aspects: capacity and vulnerability. Capacity is the ability of the entity to change or influence the dimension and vulnerability is the extent of the dependency of the entity on factors outside its control or influence.

The IPSASB reviewed a revised “Dimensions of Long-Term Fiscal Sustainability” section and directed staff to make the following amendments:

3. Paragraph 29: Add an example to the last sentence.

4. Paragraph 30: Second sentence: “Capacity is the ability of the entity to change or influence affect the dimension and vulnerability is the extent dependency of the entity’s dependence on factors outside its control or influence.” Move last sentence to revenue dimension.

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5. Paragraph 32: Add an explanation of vulnerability as it applies to the service dimension and reinsert the following wording at the end of the first sentence: “...based on current policy assumptions for raising revenue from taxation and other sources, while remaining within debt constraints.

6. Paragraph 33: First sentence: “By projecting the impact of current policy assumptions for raising revenue from taxation and other sources...”

7. Paragraph 33: Last sentence: “...and thereby evaluate the sustainability of the service provision dimension.”

8. Paragraph 34: Make last sentence a separate paragraph and amend: “...also involves an assessment of the useful lives and replacement cycles of items of property, plant, and equipment to assess the sustainability of the provision of services.

9. Paragraph 35: Add an explanation of capacity as it applies to the revenue dimension and add the following wording to the end of the first sentence: “...policy assumptions for service delivery to recipients and entitlements for beneficiaries, while remaining within debt constraints.”

10. Paragraph 38: Add an explanation of vulnerability as it applies to the debt dimension and reinsert the following wording at the end of the first sentence: “...based on current policy assumptions for service delivery to recipients and entitlements for beneficiaries, and for raising revenue from taxation and other sources.”

11. Paragraph 39: Last sentence: “Users can then assess the entity’s ability to raise and maintain, refinance or increase its such levels of debt and thereby evaluate the sustainability of the entity’s debt.”

12. Paragraph 40: Penultimate sentence: “At sub-national levels or for international organizations the focus may...”

13. Paragraph 55: Delete (d) and (e).

14. Paragraphs BC20–BC22: Need to include a clear explanation of why the IPSASB changed the dimensions of LTFS section.

15. Paragraph BC22: First sentence needs to reflect that the notion of vulnerability has been extended to all three dimensions.

16. Diagram 1 below paragraph BC26:

   (a) Move to a separate appendix so that it can be referred to in paragraph 29 of the core text and add introductory paragraph.

   (b) “Revenue Dimension Capacity to raise levy additional revenue...”

   (c) “Service Dimension Capacity to maintain or change services and benefits Vulnerable to willingness of recipients to accept reductions in services and entitlements or inability to determine or vary service levels”

   (d) “Can current services be maintained or changed given current revenue policies and debt constraints?”

**Next Steps**

The IPSASB agreed that a revised draft RPG will be circulated to members for an initial review before the June 2013 meeting with a view to approving it at that meeting.
5. Financial Statement Discussion and Analysis (Agenda Item 5)

In the session on Criteria for Determining the Status of a Pronouncement the IPSASB agreed that the draft FSDA IPSAS should be redrafted as an RPG. Therefore, it was not necessary to discuss the section on assurance issues relating to FSDA in Agenda Paper 5.1.

Page-by-Page Review of Draft FSDA IPSAS

Although the IPSASB agreed that the draft FSDA IPSAS will be redrafted to become an RPG, the IPSASB reviewed the draft FSDA IPSAS, acknowledging that specific wording may change due to the change in status of this draft pronouncement. The draft FSDA RPG will also need to be checked for consistency with draft RPG 1, Reporting on the Long-Term Sustainability of an Entity’s Finances.

Members made comments on specific paragraphs, as follows:

- Paragraph 1: Needs to be reviewed so that it is consistent with the objective paragraphs in the draft RPG, Reporting on the Long-Term Sustainability of an Entity’s Finances. This consistency check should be done for all the paragraphs in the core text. Some suggested wording for paragraph 1: “The objective of this Guideline Standard is to provide guidance to establish principles for preparing and presenting financial statement discussion and analysis. Financial statement discussion and analysis will assist users to understand the financial position and financial performance described by the general purpose financial statements (hereafter referred to as ‘financial statements’).”

- Paragraph 2: Should be split into two paragraphs to separate the different topics in the paragraph.

- Paragraph 3, first sentence: ... Financial statement discussion and analysis should shall be issued published with the financial statements.

- Paragraph 10: Should be moved to immediately below revised paragraph 2.

- Paragraph 11: Should be deleted.

- Paragraph 12: The last sentence should be deleted.

- Heading above paragraph 13: Presenting Key Principles of Financial Statement Discussion and Analysis

- Paragraph 15: Delete reference to specific QCs and constraints of financial reporting.

- Paragraph 16: Delete “supportable” and revise paragraph so that it is precise. Rather than using the phrase “currently-known” the text should explain that there is a requirement to be consistent with the financial statements and the underlying transactions and estimates. There may be appropriate suggested text in the responses to ED 47.

- Paragraphs 17–20, section on Compliance with this IPSAS: Move this section as it does not belong in Content of FSDA section.

- Paragraph 21(b) and (d): These sub-paragraphs need to be consistent. As presently worded (b) relates to objectives and strategies and (d) relates to financial risks. Instead these sub-paragraphs should discuss objectives, risks and strategies in the context of the financial statements. Members gave examples of financial objectives—protecting assets, level of debt...
and level of reserves. A member added that FSDA should discuss the entity’s risk management strategy for the reporting period rather than its overall risk management strategy, e.g., the use of foreign currency hedges to mitigate this risk in the reporting period.

- Paragraph 21(c): Do not delete the second sentence.
- Paragraphs 27–32, section on Analysis of the Entity’s Financial Statements: This section needs to include reference to analyzing the financial statements.
- Paragraph 28: Should not focus on one QC.
- Paragraph 30: The two sentences in this paragraph are contradictory and need to be reworded.
- Paragraphs 38–41, sections on Transition and Effective Date: Should be deleted.

A member suggested that the draft RPG needs to recommend disclosure of the set of GPFSs and the entity to which the FSDA applies. Another member suggested that the Basis for Conclusions needs to include an explanation as to why the IPSASB decided not to require the disclosure of forward-looking information.

Next Steps

The IPSASB agreed that a draft RPG with a draft Basis for Conclusions will be considered at the June 2013 meeting.


The IPSASB had a brief discussion on a new project on government business enterprises (GBEs) noting that the project has just commenced and that significant research and analysis is still needed.

It is proposed that the project will review the current definition of a GBE and assess whether any changes to that definition are needed. One member proposed taking a broader strategic approach as the project commences, specifically that the IPSASB might question whether a definition is needed at all. The definition effectively scopes out public sector entities that would apply IFRSs rather than IPSASs. It was highlighted that the IASB indicates that their standards apply to profit-oriented enterprises but do not provide a definition of profit-oriented.

Research indicates that entities that meet the definition of a GBE will vary by jurisdiction and governance arrangements. Perhaps the IPSASB should approach this issue by stating that it develops standards for public sector entities but that regulatory bodies within a jurisdiction direct which entities should apply IPSASs as opposed to IFRSs. As a public sector standard setter the IPSASB should focus its efforts on standards for the public sector.

Members found this notion interesting at some level though many had reservations about operationalizing it. If the IPSASB sets standards for the public sector, except for those that are profit-oriented, then implicitly there is a need to define or at least be able to describe the types of entities that would not apply IPSASs. However, the difference between the IASB focus on capital markets was also highlighted. Many profit-oriented entities in the public sector would not be involved in the capital markets and therefore may see the use of IFRSs as irrelevant.

One member noted that the current definition is transaction focused rather than objectives focused. The member wondered if taking an approach that was service oriented might be more appropriate. It was also highlighted that some entities might have both service and profit goals. Including something around the
nature of the entity’s activities was also discussed. Considering users’ needs might also be part of the approach.

Members briefly discussed the characteristics that might be important in the definition and also highlighted that some of the existing criteria seem to be consolidation criteria rather than being needed as part of the definition. For example, the last criterion requires that the entity be controlled by a public sector entity. This criterion may be redundant because the definition is applied only to those entities that are within the reporting entity, in other words, that are controlled.

Members also noted that further analysis of the GFS definition and differences needs to be undertaken.

Members noted that an element of judgment will be necessary and some entities will be more challenging than others to assess.

The IPSASB will further discuss this project at its next meeting in June.

7. Review of IPSASs 6–8 (Agenda Item 7)

The IPSASB provided feedback on issues arising from the development of two Exposure Drafts (EDs):  

(a) ED X, *Separate Financial Statements* (based on IAS 27 as amended in 2011); and  

*In relation to ED X, Separate Financial Statements the IPSASB:*  

(a) Noted that the International Accounting Standards Board (IASB) has amended IAS 27 to give effect to an exemption for investment entities from the consolidation requirements in IFRS 10, *Consolidated Financial Statements* and agreed to reconsider the relevance of the concept of investment entities in the public sector, including the accounting treatment for investment entities;  
(b) Agreed to reinstate the use of the equity method in separate financial statements and to monitor the IASB’s project proposing to reinstate the equity method in IAS 27 (an IASB ED is expected later this year);  
(c) Noted that if the IPSASB decides to exempt certain types of entities from the consolidation requirements in ED X, *Consolidated Financial Statements*, it would also need to specify the accounting requirements for the separate financial statements of such entities in ED X, *Separate Financial Statements*; and  
(d) Provided detailed feedback on the contents of the draft ED (as set out under item 7.2 below).

The discussion around these items is outlined in more detail below.

*Investment Entities*  

The IPSASB’s consideration of ED X, *Separate Financial Statements* prompted the IPSASB to reconsider its earlier views on the relevance of the investment entity concept in the public sector and whether controlled investment entities should be exempt from consolidation.

Comments made by Members in relation to investment entities included:  

(a) Types of entities that should be considered to see if they meet the IASB’s definition of an investment entity include funded employee pension plans with significant investment funds, sovereign wealth funds and government pension plans. There would need to be a clear distinction between pension plans and entities whose sole objective is to invest funds. IFRSs distinguish between investment entities and retirement benefit plans, with IAS 26 *Accounting*...
and Reporting by Retirement Benefit Plans specifying the accounting requirements for retirement benefit plans.

(b) The prevalence of investment entities is likely to vary between jurisdictions. For example, some Members were of the view that certain public sector entities in their jurisdiction would meet the definition of an investment entity whilst others noted that they had specifically considered this issue and had not identified any public sector investment entities.

(c) Although the concept of investment entities may be relevant for the public sector, the application of this concept may differ from the way it has been expressed by the IASB in IFRS 10. For example, entities with social policy objectives should be specifically excluded.

(d) Given the existence of an exemption from consolidation for investment entities in IFRS 10, the IPSASB should have a good public sector reason for proposing an alternative accounting treatment. It should also be noted that other members did not necessarily consider that the IFRS 10 exemption was appropriate.

(e) In determining an appropriate course of action, the IPSASB should have regard to the priority of this issue in an international context.

(f) The IFRS 10 exemption from consolidation applies only to the investment entity itself. The exemption from consolidation does not apply to the ultimate public sector entity. This would need to be taken into account when considering the pros and cons of the exemption.

(g) The key conceptual issue is whether the principles underlying line by line consolidation can be overridden in certain circumstances, and what those circumstances are.

Following this discussion the IPSASB agreed that further consideration should be given to:

(a) The nature and prevalence of investment entities in the public sector;
(b) How public sector investment entities are managed;
(c) The relevance of private sector arguments for and against the IFRS 10 investment entity exemption; and
(d) The impact of the IFRS 10 exemption on information presented in various financial statements (including an investment entity’s separate financial statements, an investment entity’s consolidated financial statements and whole of government consolidated financial statements).

Equity Method in Separate Financial Statements

The IPSASB decided to continue to permit the use of the equity method in separate financial statements. In coming to this decision IPSASB members made the following comments:

(a) IPSAS 6 currently permits the use of the equity method, in addition to cost or fair value. This has been a permitted option in IPSAS 6 since it was first issued.

(b) The use of equity accounting in separate financial statements in the public sector is likely to be influenced by the difficulties of obtaining fair values and the non-availability or limited relevance of cost information. It is a prevalent method of accounting for investments in separate financial statements.

(c) In some cases public sector entities may have thousands of investments. The cost of obtaining fair values for such high numbers of investments would be very large.

(d) The IASB has an active project to propose reinstating the use of the equity method in IAS 27.
(e) It would not be helpful to constituents to have multiple short term changes in the accounting methods permitted in separate financial statements, if the equity method were to be removed and then reinstated.

(f) A member expressed the view that the IASB’s reasons for removing the equity method are not relevant in the public sector. For example, the IASB considered that the focus in separate financial statements is on the performance of the assets as investments and argued that cost and fair value can provide relevant information for this purpose.

(g) The equity method could be used as a means of obtaining an opening figure for an investment, with that figure subsequently being used as deemed cost.

(h) There were differing views about the extent to which users rely on the carrying amount of investments in separate financial statements when they also have access to consolidated financial statements.

(i) Some Members considered that equity accounting in separate financial statements is appropriate because the investments are associated with service provision.

(j) Equity accounting does show some aspects of performance of the controlled entities.

(k) Equity accounting is more likely to lead to downwards adjustments to the carrying amount of an investment than relying on assessments of impairment (or may lead to such adjustments being made on a timelier basis).

(l) Some members noted that their support for the use of the equity method in separate financial statements did not extend to consolidated financial statements. They noted that the IPSASB has not yet concluded on whether to permit the use of the equity method in consolidated financial statements.

(m) One member disagreed with the general view, taking the view that the equity accounting approach was a form of consolidation, which meant the net result reported was not the result of the separate entity, but rather a group result. This member supported a cost or market value approach, noting that in most cases a deemed cost could be just as easily or more easily determined as the application of an equity accounting approach.

In relation to ED X, Investments in Associates and Joint Ventures the IPSASB:

(a) Agreed to incorporate the amendments in ED/2012/3 Equity Method: Share of Other Net Asset Changes (Proposed amendments to IAS 28) in ED X, Investments in Associates and Joint Ventures to the extent that they are relevant. Those amendments referring to other comprehensive income are not relevant to IPSASs. The IPSASB noted that the IASB’s amendments may have been finalized by the IASB by the time the IPSASB’s ED is issued. If the IASB’s amendments are still under consideration at the time the ED is issued the IPSASB agreed to incorporate the relevant amendments and to specifically seek constituents’ views on those aspects of the ED;

(b) Agreed not to incorporate the amendments in ED/2012/6 Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (Proposed amendments to IFRS 10 and IAS 28) in ED X, Investments in Associates and Joint Ventures on the grounds that it would be more appropriate to consider the recognition of full or partial gains and losses in the context of drafting standards level requirements for public sector combinations;
(c) Agreed, to monitor the IASB’s research project on the usefulness of the equity method of accounting and, in the context of the liaison meetings with the IASB, to indicate the IPSASB’s interest in this project; and

(d) Provided detailed feedback on the contents of the draft ED (as set out under item 7.3 below).

In relation to ED X, Joint Arrangements the IPSASB:

(a) Agreed not to incorporate the proposals in IASB ED/2012/7 in ED X, 

Joint Arrangements

(Proposed Amendment to IFRS 11) on the grounds that it would be more appropriate to consider the proposals in that ED in the context of drafting standards level requirements for public sector combinations.

Exemption Issues

The IPSASB also considered unresolved issues arising from consideration of other EDs within this project at previous meetings. The key issues were (i) possible exemptions from the consolidation requirements in ED X, Consolidated Financial Statements and alternative accounting methods for any such entities; (ii) in the event that consolidation is required, alternative ways of presenting information on certain controlled entities in consolidated financial statements The IPSASB had an extensive discussion, but has not yet concluded on which, if any controlled entities should be exempt from the consolidation requirements in ED X, Consolidated Financial Statements or the alternative ways of presenting information on such entities in consolidated financial statements.

The IPSASB noted the potential difficulties in operationalizing exemptions and the risk that such exemptions could lead to dissimilar accounting treatment for similar entities. Comments and key issues from the discussion included the following:

(a) As noted above, the concept of investment entities is to be considered at the next meeting.

(b) All controlled entities including Government Business Enterprises and entities where control was obtained in circumstances of financial distress form part of the economic entity, but some members still consider that the use of the equity method is more appropriate than consolidation for certain entities.

(c) Members had mixed views as to the usefulness of the various options presented, with support spread across Options 2-4, and some other options presented by members. Some members felt that it was difficult to form an opinion on the options presented without also focusing on exactly which category or categories of entities would be exempt from consolidation, or subject to different presentation or additional disclosure requirements. A number of members agreed that there would be implementation issues associated with exemptions. For example, a member raised concerns about separately identifying entities rescued from financial distress as a discrete group of entities that might be accounted for differently to other controlled entities. Other members felt the inclusion of information on one set of assets (for example, an automotive manufacturer held on a temporary basis by a government) with other ongoing general government activity obscured the presentation of the results and the condition of the government itself. It was noted that there can be many different types of entities that could potentially be regarded as warranting separate treatment or disclosure.
(d) It was suggested that the range of views expressed at the meeting reflected the range of accounting treatments and exemptions currently being applied in different jurisdictions, with members’ views on the usefulness of information being shaped by their experiences.

(e) Option 1 proposed line by line consolidation of all controlled entities together with the presentation of an extra column in which certain controlled entities could be accounted for as investments. This option did not receive much support. Members were generally concerned that the size of certain controlled entities could limit the usefulness of line by line consolidation and that an additional column would clutter the face of the financial statements.

(f) Option 2 proposed that certain controlled entities not be consolidated on a line by line basis – instead consolidated information would be presented in respect of a few subtotals, (for example, total assets or current assets and non-current assets). Although members acknowledged that this form of presentation was one way of separating the financial performance and position of certain controlled entities that could otherwise swamp (ie., dominate) the consolidated financial statements, members noted some reservations about this approach. Reservations included: (i) practical difficulties in implementing Option 2 (these related to the need to have different accounting streams for the consolidation process); (ii) concerns this would not reflect the economic substance of the assets and liabilities controlled by the group and (iii) the lack of sufficient detail for statistical reporting purposes.

(g) Option 3 proposed line by line consolidation of all controlled entities together with disclosure of information on certain controlled entities in the notes (with a view to allowing users to deconsolidate those entities if they so wished). Comments made by members supporting Option 3 included the following:

(h) It was suggested that consideration of the principles being developed in Phase 4 of the Conceptual Framework project might be helpful. A member expressed the view that consideration of the key message being presented in consolidated financial statements would support line by line consolidation of all controlled entities.

(i) Whole of government financial statements have a different perspective from separate financial statements. Separate financial statements provide information on the activities of the core government.

(j) Consolidated financial statements purport to report on the whole of government. How does treating a group of controlled entities in a different way support that objective?

(i) There would be practical difficulties associated with any attempt to create exemptions from consolidation.

(ii) The arguments made in a recent IMF paper on fiscal transparency were cited as supporting the need for full consolidation.3

(iii) Presentation is critical. Users need assistance to understand consolidated financial statements. This was regarded as an area where there could be further development. One suggestion was to present a breakdown of consolidated information by entities with social objectives and entities held for the purpose of a financial return. Views were

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3 International Monetary Fund, August, 2012, Fiscal Transparency, Accountability, and Risk
mixed as to the usefulness of the additional note disclosure proposed in the agenda papers.

(k) The possibility of combining Options 2 and 3 was noted – some members considered that Option 2 could usefully be supported by detailed note disclosure similar to that proposed under Option 3. In relation to this suggestion a member noted that both the nature of the accounting treatment and the way in which information is presented can affect its usefulness.

(l) There was some support for Option 4, being the use of equity accounting for certain controlled entities. There were mixed views as to the usefulness of additional note disclosure intended to allow users to recast the financial statements as if such entities had been consolidated. Some members regarded equity accounting as being an appropriate option in the long-term, whilst others considered that equity accounting could be an acceptable option in the context of moving towards full consolidation over time. Those that supported it as a long term option noted that it could be seen as representing the financial activities of a government, having regard to the way that the government manages those activities.

(m) The agenda papers had been prepared on the assumption that the requirements in current IPSASs to apply uniform accounting policies would continue. However, it was noted that entities being consolidated may be applying a range of accounting standards, including international and domestic standards and that the IPSASB will need to address the issue of accounting policy alignment adjustments.

(n) Some members raised other options for consideration, including combinations of the options in the agenda papers, and the separate presentation of consolidated financial information by function or by statistical sector. For example, a member noted the possibility of requiring mandatory line-by-line consolidation within a statistical sector, and optional consolidation across sectors. In relation to this proposal a member expressed the view that the presentation of information about the general government sector was appropriate at a whole of government level but may not be useful at other levels of government.

(o) In relation to user needs it was suggested that the IPSASB could consider in more detail the needs of various user groups including parliamentary bodies and the community. It was suggested that the reasons for having certain types of interests might influence the nature of the information desired by users. In one jurisdiction the main rationale for whole of government financial statements was better information for fiscal policy making.

The IPSASB agreed to give these matters further consideration at its next meeting, with an emphasis on the concept of investment entities, full line by line consolidation with additional note disclosure and separate presentation of information on the general government sector. The IPSASB noted that the diversity of current practice and the range of views held by members might appropriately be reflected in an ED that outlines alternative accounting treatments or exemptions and seeks views on those alternative treatments or exemptions. In concluding on this part of the discussion the Chair noted that it would be helpful for the IPSASB to consider at the next meeting, user needs in relation to different types of entities, the accounting treatment for different types of entities in both separate and consolidated financial statements, with the aim of identifying areas of agreement and ensuring that the IPSASB takes a consistent approach in making decisions across types of entities.

Although the IPSASB did not form a view on the treatment of Government Business Enterprises in consolidated financial statements, the IPSASB did agree that consideration of this issue fell within the scope of this project rather than the separate project on Government Business Enterprises.
A number of members expressed their willingness to assist in developing proposals for the next meeting.

**Disclosure Issues**

The IPSASB considered possible ways of limiting the structured entity disclosures within ED X, *Disclosure of Interests in Other Entities* to ensure appropriate disclosures in the public sector context.

The IPSASB has previously expressed concern about the consequences of applying the IASB’s definition of a structured entity to public sector entities, many of which are dependent on a government for ongoing funding. The IPSASB considered two options for limiting application of the structured entity disclosures in the public sector. The first option (set out in the agenda papers) was to limit the disclosures to profit-oriented structured entities. The second option (raised in the meeting) was to limit the definition of structured entities to entities that have been designed so that voting or similar rights, including administrative arrangements or statutory provisions, are not the dominant factor in determining control of the entity. The IPSASB agreed to proceed on the basis of the second approach in developing the ED.

**Variable Benefits**

The IPSASB agreed with the proposal to include an additional example of variable benefits in ED X, *Consolidated Financial Statements*, paragraph AG56.

**Binding Arrangements**

The IPSASB was generally supportive of the proposed changes to the discussion of binding arrangements and other rights arising from legislative or executive authority in ED X, *Consolidated Financial Statements* and ED X, *Joint Arrangements* as set out in agenda item 7.1 (paragraphs 119 to 125) and with the proposal that this approach be carried through to the other EDs in the project. The IPSASB agreed to modify the definition of binding arrangements to incorporate arrangements that establish enforceable rights and obligations on the parties.

**Matters for Noting**

The IPSASB noted a number of other, more minor changes that had been made in revising ED X, *Consolidated Financial Statements* since the previous meeting.

**Agenda item 7.2: Detailed feedback on ED X, Separate Financial Statements**

Detailed feedback on the ED set out in agenda item 7.2 included the following:

(a) Scope: ensure that the scope section includes all generic scope paragraphs.

(b) Amend paragraph 10 to permit the use of the equity method.

(c) Consider whether paragraph 16 needs to be amended to require disclosure of information about investments accounted for using the equity method.

(d) Correct paragraph 17(a) by deleting either law, or legislation.

(e) The Basis for Conclusions section on investment entities (and the Comparison with IAS 27) will need to be redrafted once the IPSASB has made a decision about whether to permit an exemption from consolidation for investment entities.

(f) The Basis for Conclusions section on the use of the equity method (and the Comparison with IAS 27) will need to be revised to reflect the IPSASB’s decision to permit the use of the equity method in separate financial statements.
Agenda item 7.3: Detailed feedback on ED X, Investments in Associates and Joint Ventures

Detailed feedback on the ED set out in agenda item 7.3 included the following:

(a) Objective: include reference to the accounting for joint ventures.

(b) Paragraph 2: Refer to significant influence first on the grounds that, in the public sector, significant influence occurs more frequently than joint ventures.

(c) Scope: ensure that the scope section includes all generic scope paragraphs.

(d) Investor/Investee: The IPSASB confirmed that the use of the terms investor and investee in this ED was appropriate. The IPSASB noted that it had agreed not to use these terms in the ED dealing with consolidated financial statements because, in the public sector, control can exist in the absence of a traditional investor/investee relationship.

(e) Paragraph 5: Include reference to “other formal equity structures” as per wording in the previous paragraph.

(f) Paragraph 9: The third sentence refers to an associate becoming subject to the control of a regulator. The IPSASB proposed that this paragraph be revised to avoid the implication that regulatory power is an indicator of control.

(g) Paragraph 10(d): Consistent with the structure of other EDs, the IPSASB agreed that the example should be located in an Appendix. A member indicated concerns with the example and it was agreed to address this issue out of session.

(h) Paragraph 15: The classification requirement in this paragraph is to be checked for consistency against the disclosure requirements in IPSAS 17, Property, Plant and Equipment.

(i) Paragraph 22(b): The IPSASB noted that the proposed requirement to measure the retained interest in a former associate or joint venture at fair value could be difficult in the public sector. The IPSASB agreed to that an alternative measurement should be permitted, having regard to the current requirements in IPSAS 7.

(j) Paragraph 32: The IPSASB noted that this paragraph refers to goodwill. A public sector entity may or may not have recognized goodwill in relation to an associate or a joint venture. The IPSASB therefore agreed that the requirement should be reworded to apply only in the event that an entity has recognized goodwill.

(k) Paragraph 34: The IPSASB agreed that the uniform reporting date requirements should be consistent with the proposals in the ED based on IFRS 10 Consolidated Financial Statements. That ED will permit a period of more than three months in certain circumstances.

(l) Paragraph 42: The IPSASB noted that this paragraph focuses on discounted cash flows, which is linked with cash generating assets. The IPSASB therefore queried whether the reference to IPSAS 21, Impairment of Non-Cash-Generating Assets was appropriate.

8. Public Sector Combinations (Agenda Item 8)

The IPSASB had an initial discussion of the responses received to Consultation Paper (CP), Public Sector Combinations prepared by staff. The CP was issued in June 2012 with comments requested by October 31, 2012. The IPSASB received 26 responses.
SMC 1 Is the scope of the CP appropriate?

The IPSASB considered the responses to Specific Matter for Comment (SMC) 1 “Is the scope of the CP appropriate?” The IPSASB agreed that the project should continue with the scope proposed in the CP. The IPSASB also agreed that the draft ED should include guidance on (a) the derecognition and recognition of assets for the transferor, (b) the definition of an operation, (c) disclosure requirements for combining entities relating to the going concern basis, (d) subsequent measurement requirements similar to that included in IFRS 3, Business Combinations, and (e) distinguishing between asset acquisitions, entity and operation acquisitions and amalgamations using relevant text from IFRS 3.

SMC 2 Distinguishing between Acquisitions and Amalgamations and Combinations NUCC and UCC

The IPSASB had an initial discussion of the responses to SMC 2 which asked respondents whether the approach used in the CP of distinguishing between acquisitions and amalgamations, with a further distinction for public sector combinations not under common control and under common control, is appropriate. The IPSASB directed staff to outline the possible consequences for the accounting treatment of the different suggestions that respondents made to this SMC for review at its June 2013 meeting.

Next Steps

The IPSASB will consider a detailed analysis of the responses to the other SMCs and Preliminary Views at its June 2013 meeting.

9. First Time Adoption of Accrual IPSAS (Agenda Item 9)

The session was led by IPSASB member Jeanine Poggiolini who is on the Task Based Group (TBG) for this project. Gratitude was expressed to Ernst &Young Germany, specifically to Jens Heiling formerly on secondment with the IPSASB and Thomas Mueller-Marques Berger, IPSASB member and partner at E&Y Germany for supporting Jens work with the IPSASB.

At this meeting members were asked

- to consider proposed transitional provisions for IPSAS 21 Impairment of Non-Cash Generating Assets and IPSAS 26 Impairment of Cash-Generating Assets;
- to assess the transitional accounting issues of IPSAS 23 Revenue from Non-Exchange Transactions (Taxes and Transfers), IPSAS 25 Employee Benefits and IPSAS 32 Service Concession Arrangements: Grantor on a pre-defined set of criteria; and
- to consider the concluding proposals for the ED on First-Time Adoption of Accrual IPSASs.

In terms of impairments of assets it had been noted previously that the transitional provisions for IPSAS 21 are inconsistent with those for IPSAS 26 specifically because IPSAS 26 currently provides no transitional provisions. Members generally agreed in December 2012 that these two IPSASs should both include transitional provisions and that they should be consistent.

For IPSAS 21 staff proposed previously, and members agreed, that the existing transitional provisions be retained. Specifically, these note that entities are not required to apply IPSAS 21 retrospectively. As a consequence, entities would be required to perform an impairment test under IPSAS 21 in the opening statement of financial position if there is any indication at the date of transition that the respective assets are impaired. In discussing these issues in relation to IPSAS 26, members agreed that the treatment should be the same.
In terms of recognizing the effect of an impairment loss that results from first-time adoption of IPSAS 21 or IPSAS 26, members discussed two main options. The first would be to measure such assets at their recoverable amount and use the recoverable amount as the deemed cost at the date of transition. The effect could not be reversed in the future. This means assets existing at the date of transition would be treated differently than the same assets acquired after transition and this is not considered ideal. The alternative option is to measure the assets at their recoverable amount and report the effect either in net assets/equity or in surplus or deficit in the first statement of financial performance. Members generally had concerns about the first approach given the fact that the effect could not be reversed in the future and ultimately agreed that the effect of an impairment loss or reversal of an impairment loss that results from first-time adoption of IPSAS 21 or IPSAS 26 should be recognized in net assets/equity in the opening statement of financial position.

The IPSASB then turned to the assessment of the transitional accounting issues for IPSAS 23, IPSAS 25 and IPSAS 32.

For IPSAS 23 the issue of retrospective recognition and measurement of both taxation revenue and other revenues from non-exchange transactions was addressed along with the initial measurement of assets acquired through non-exchange transactions.

In this context, one member raised the issue as to whether the IPSASB should identify a general guideline on an appropriate relief period rather than addressing this on a standard by standard basis. The current relief period in IPSAS 23 is five years. The member preferred a three year relief period and thought this would generally be adequate for all IPSASs. In the cases where there is a rationale for a longer period the IPSASB would have the leeway to make that decision. Members noted that the three year period would commence one the standards are being applied. Most were generally supportive of a three year period and highlighted this as a project management issue. After discussing the issue, members agreed with the guideline that the general relief period should be three years, though one member expressed a concern with respect to IPSAS 25 (see below).

With respect to IPSAS 25 a number of transitional issues were identified in the agenda papers. As far as the relief period, staff had proposed a three year relief period. One member expressed concern that this is too short. The member preferred a five year relief period and thought this would make decisions to implement IPSASs easier. Most members did not see any rationale for deviating from the previously agreed general guideline of three years for IPSAS 25.

Members then discussed the issue of cumulative actuarial gains and losses and whether the current transitional provisions should be retained (staff’s recommendation) or whether actuarial gains and losses should be split between recognized and unrecognized portions. Members agreed with the staff recommendation that the current provisions be retained. Members also agreed with the staff recommendation that no specific transitional provision be provided with respect to the presentation of comparative information regarding employee benefits.

Issues related to specific disclosures were also discussed for IPSAS 25. Currently in the first year of adoption an entity is not required to provide the disclosures set out in paragraphs 141(c), 141(e) and 141(f). After discussing, members agreed with the staff view that entities generally should be able to provide these disclosures and that not doing so would contravene fair presentation. General relief is available if the required information is not available and this should be sufficient in those circumstances. With respect to current transitional provision that an entity may provide the information required in paragraph 141(p) prospectively, members agreed with the staff view that this transitional provision be retained.
For IPSAS 32 members discussed the issue of the time period for recognizing service concession assets and liabilities and agreed to allow the proposed three year period as a transitional provision. In terms of initial measurement of service concession assets and related liabilities members agreed with the staff proposal that a deemed cost approach should be allowed. The agenda papers proposed to remove the current requirement for grantors that have previously recognized service concession assets to apply the standard retrospectively. The IPSASB discussed this and the general sense was that there was a preference to keep the requirement. This issue will be further discussed to confirm the IPSASB’s views.

Eurostat Study Update

The observer from Eurostat provided an update on the recently released report on the suitability of IPSASs. The report emphasizes the importance of harmonized accrual standards for the member states noting increased consistency, transparency and comparability among the advantages. It was also noted that IPSASs are the only internationally recognized set of public sector accounting standards and the fact they are derived from IFRSs facilitates the consolidation of the public sector.

The main conclusions are that while it would not be appropriate to implement IPSASs directly in their current state most stakeholders agree that IPSASs represent an indisputable reference framework for potential EU harmonized accruals based public sector accounts (*EPSAS*).

There will be an EPSAS conference in Brussels in May 2013 with further consultation on EPSAS planned. A working group will be established and a further road map with more detailed steps will be developed, potentially including legislative initiatives.

10. Strategy and Work Planning (Agenda Item 10)

The Technical Director led the session on the strategy and work planning. It was noted that members discussed this in December 2012 and directed staff to undertake further work on factors that might be considered in assessing potential projects. To that end staff prepared agenda materials that provided a the detailed analysis of responses to the 2012 Consultation Paper (CP), and elaborated on the preliminary discussions on criteria that might be relevant in prioritizing projects with the goal of contributing to the IPSASB’s discussions of possible future projects to add to the work program. Projects to be added to the work program will be discussed further in June 2013 with a goal to approval.

The agenda materials identified committed projects as well as a longer list of potential projects. The longer list was developed from the responses to the CP. Since the IPSASB has capacity to start only two to three new projects over the period 2013–2014 staff proposed that the analysis of responses be used as a first filter to distil the longer list of projects to a shorter list that could then be further analyzed in the context of relevant criteria the IPSASB develops for prioritizing projects. Those projects not selected for initiation will be further considered in the broader strategic review that the IPSASB will be undertaking for the period post 2014.

One member expressed concern about multiple lists of projects. The member expressed the view that criteria developed should be applied to all projects, including those that are already committed. It was highlighted that in the CP it was assumed that committed projects would continue and on that basis respondents had a certain expectation in this regard. The Technical Director expressed the view that it would not be appropriate to apply the criteria being developed to the committed projects unless responses indicated a specific issue with this position, which was not the case.
Other members were satisfied with the methodology of distilling the list for purposes of the analysis and in fact some thought that it should be shortened even further. After discussing, the IPSASB agreed to proceed generally with the approach proposed by staff.

In terms of the further detailed analysis of the responses to the CP the IPSASB had few comments or concerns with the materials presented. Members also reviewed the strategic priorities for 2013–2014 and reaffirmed these as the guiding strategies for the period. Members agreed with a small proposed amendments to include “projects to align with GFS” in the abbreviated description of public sector critical projects (the second strategic priority).

Members noted that with respect to adoption and implementation it may be helpful to include the first time adoption project as an example that meets this priority. In addition other initiatives such as case studies and the train the trainers’ course being developed in conjunction with IFAC might be highlighted.

The IPSASB then moved on to discuss committed projects. One member expressed comfort with the existing committed projects. There was some discussion of the timing of the project to update the IPSASB’s financial instruments standards (IPSASs 28–30). Generally members agreed it should not be undertaken until the IASB has completed its work in this area though a number of problems of implementation were noted. However, the IPSASB generally agreed that a project on public sector financial instruments should continue to be committed and that work on that project could commence fairly soon.

With respect to the project on the review of the cash basis IPSAS there were concerns expressed about its deferral though some members continue to agree that it is of lower priority. One member noted that listing this as a committed project likely overstates the situation since the IPSASB is not committed to it unless specific funding is received. The IPSASB agreed to further address this in the discussions in June.

As far as the staff resources and the proposal to prioritize three projects for possible initiation over the period members commented that they rely on staff’s analysis in this regard and therefore generally supported this approach.

The IPSASB then discussed the potential criteria that had been further developed from the IPSASB’s discussions in December 2012. Members suggested some changes to the descriptions of the various criteria. Some members did not think that likelihood of success should be a separate criterion but rather is encompassed in some of the other criteria. One member expressed concern that this criteria would lead to certain projects never being initiated because they are “too hard” and noted that this would be inappropriate. There was general agreement that this had not been the intent of this proposed criterion.

One member cautioned not to over engineer the criteria since they are intended simply as guides to assist in discussions of potential projects. Given the fact that individuals will weigh the various criteria differently in terms of importance as they assess various potential projects it is important to recognize that these criteria should be used qualitatively rather than providing any quantitative analysis.

In terms of the discussions of specific projects to be added to the IPSASB’s work program the Chair asked the IPSASB for a mandate to negotiate with the IASB for a joint project on emissions trading schemes (ETS). The IPSASB would then consider the IASB’s response to this in June in order to make a decision on whether a project on ETS should be commenced. Members wanted to ensure the process would be collaborative and suggested that the Chair clarify the proposed process with the IASB. Members generally agreed that the Chair should further discuss this at the next IASB liaison meeting currently scheduled for May 2013.
In terms of other projects, the IPSASB agreed to further discuss the potential projects in June and make decisions at that time as to projects that would be initiated.

Lastly, the IPSASB briefly discussed the broader strategic review it is planning for the period post 2014. Members agreed that the public consultation paper should be approved in March 2014. Members provided some preliminary suggestions including:

- that consideration be given to streamlining the due process for IFAS convergence projects;
- that factors of success of the board be explored; and
- how to address the issues of developing countries and assisting them.

The IPSASB agreed that there should be a TBG for the strategic review and asked that the Chair identify the members in conjunction with the Technical Director.

11. **Closing Remarks and Conclusion of Meeting**

The Chair made note of the progress made on various projects at this meeting and thanked all those who made the meeting possible, particularly the technical team, and those behind the scenes.

The meeting was adjourned at 3:00 pm on March 14, 2013.
### Appendix 1 – March 2013 Action List

<table>
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<tr>
<th>Action Required</th>
<th>Person(s) Responsible</th>
<th>Date to be Completed</th>
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<tbody>
<tr>
<td><strong>1. Conceptual Framework—General</strong></td>
<td>John Stanford</td>
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<tr>
<td>• Update and re-circulate CF project plan</td>
<td></td>
<td>April 5, 2013</td>
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<tr>
<td><strong>2. Conceptual Framework—Preface (Key Characteristics)</strong></td>
<td>John Stanford</td>
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<tr>
<td>• Provide revised draft Preface (Key Characteristics) to Members for inter-meeting review</td>
<td>John Stanford</td>
<td>May 15, 2013</td>
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<tr>
<td>• Members to provide comments on revised draft Preface</td>
<td>Members</td>
<td>May 31, 2013</td>
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<tr>
<td>• Revise draft Preface for comments received and post on Internet</td>
<td>John Stanford</td>
<td>June 14, 2013</td>
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<tr>
<td><strong>3 Conceptual Framework—Presentation</strong></td>
<td>Gwenda Jensen / John Stanford</td>
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<tr>
<td>• Revise CF–ED4 and provide to Members for their information</td>
<td>Annette Davis</td>
<td>April 2, 2013</td>
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<tr>
<td>• CF–ED4 to be published (with a consultation period to August 15, 2013)</td>
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<td>April 15, 2013</td>
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<tr>
<td>• Finalize <em>At a Glance</em> summary and press release</td>
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<td><strong>4. Financial Statement Discussion and Analysis</strong></td>
<td>Annette Davis</td>
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<tr>
<td>• Post draft minutes of Criteria and FSDA sessions on Extranet</td>
<td>Annette Davis</td>
<td>March 28, 2013</td>
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<td>• Members to provide comments on draft minutes</td>
<td>Members</td>
<td>April 12, 2013</td>
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<td>• Revise draft minutes for comments received and post for meeting</td>
<td>Annette Davis</td>
<td>May 13, 2013</td>
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<tr>
<td>• Revise draft pronouncement as a draft RPG in conjunction with TBG</td>
<td>Annette Davis</td>
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<td><strong>5. Long-Term Fiscal Sustainability</strong></td>
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<tr>
<td>• Provide revised draft RPG to Members for inter-meeting review</td>
<td>Annette Davis</td>
<td>April 29, 2013</td>
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<td>• Members to provide comments on revised draft RPG</td>
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<td><strong>6. Update of IPSASs 6–8</strong></td>
<td>Joanne Scott</td>
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<td>• Reconsider issues discussed at March 2013 meeting</td>
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<td><strong>7. Public Sector Combinations</strong></td>
<td>Annette Davis</td>
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<tr>
<td>• Continue review of responses in conjunction with TBG</td>
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<td><strong>8. First-Time Adoption of Accrual Basis IPSASs</strong></td>
<td>Amanda Botha</td>
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<td>• Continue review of transitional provisions especially for financial instruments</td>
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<tr>
<td>• Address overarching issues</td>
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<td>• Develop Exposure Draft for review at June meeting</td>
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<td>• Follow up with IASB re possible collaborative project on Emissions Trading Schemes</td>
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<td>• Revise draft criteria for project selection</td>
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<td>• Consider potential projects for approval at June meeting</td>
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<td>• Develop outline for broad strategic consultation and form TBG</td>
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<tr>
<td>• Continue research and analysis of definition of GBEs for review of issues at June meeting</td>
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<td><strong>11. Communications</strong></td>
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<td>• Action List posted to Intranet</td>
<td>Annette Davis</td>
<td>March 22, 2013</td>
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<tr>
<td>• Power Point presentations posted to Intranet</td>
<td>Leah Weselowski</td>
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<td>• Draft minutes posted to Intranet</td>
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<tr>
<td>• Update IPSASB Summary of IASB Work Plan and Tracking Table</td>
<td>Annette Davis</td>
<td>June 3, 2013</td>
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<tr>
<td>• Meeting Highlights posted to Internet</td>
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13. Appendix 2 – Voting Record

13.1 – Vote #1– Approve Exposure Draft – Conceptual Framework Presentation

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Agenda Item 1.3
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