International Public Sector Accounting Standard

This document was developed and approved by the International Public Sector Accounting Standards Board® (IPSASB®).

The objective of the IPSASB is to serve the public interest by setting high-quality public sector accounting standards and by facilitating the adoption and implementation of these, thereby enhancing the quality and consistency of practice throughout the world and strengthening the transparency and accountability of public sector finances.

In meeting this objective the IPSASB sets IPSAS® and Recommended Practice Guidelines (RPGs) for use by public sector entities, including national, regional, and local governments, and related governmental agencies.

IPSAS relate to the general purpose financial statements (financial statements) and are authoritative. RPGs are pronouncements that provide guidance on good practice in preparing general purpose financial reports (GPFRs) that are not financial statements. Unlike IPSAS, RPGs do not establish requirements. Currently all pronouncements relating to GPFRs that are not financial statements are RPGs. RPGs do not provide guidance on the level of assurance (if any) to which information should be subjected.

The structures and processes that support the operations of the IPSASB are facilitated by the International Federation of Accountants® (IFAC®).

Copyright © July 2016 by IFAC. For copyright, trademark, and permissions information, please see page 17.
## IMPAIRMENT OF REVALUED ASSETS

### CONTENTS

<table>
<thead>
<tr>
<th>Section</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>Objective</td>
<td>4</td>
</tr>
<tr>
<td>Amendments to IPSAS 21, <em>Impairment of Non-Cash-Generating Assets</em></td>
<td>5</td>
</tr>
<tr>
<td>Amendments to IPSAS 26, <em>Impairment of Cash-Generating Assets</em></td>
<td>10</td>
</tr>
<tr>
<td>Consequential Amendments to Other IPSASs</td>
<td>15</td>
</tr>
</tbody>
</table>
Objective


2. As a result of the amendments, an entity is required to assess at each reporting date whether there is any indication that an asset, or group of assets, may be impaired. If any indication exists, the entity is then required to assess the recoverable service amount (non-cash-generating asset) or recoverable amount (cash-generating asset) of that asset, or group of assets, and recognize an impairment loss if the recoverable service amount or recoverable amount is less than the carrying amount.

3. However, where an impairment loss is recognized for an asset, or group of assets, that is revalued, an entity is not necessarily required to revalue the entire class of assets to which that impaired asset, or group of assets, belongs.
Amendments to IPSAS 21, Impairment of Non-Cash-Generating Assets

Paragraphs 2, 54, 69 and 73 are amended, paragraphs 7 and 11 are deleted, and paragraphs 54A, 69A, 81A and 82F are added. New text is underlined and deleted text is struck through.

Scope

2. An entity that prepares and presents financial statements under the accrual basis of accounting shall apply this Standard in accounting for impairment of non-cash-generating assets, except:

(a) ... 

(d) Investment property that is measured using the fair value model (see IPSAS 16, Investment Property); and

(e) [Deleted] Non-cash-generating property, plant, and equipment that is measured at revalued amounts (see IPSAS 17, Property, Plant, and Equipment); and

(f) [Deleted] Non-cash-generating intangible assets that are measured at revalued amounts (see IPSAS 31, Intangible Assets); and

(g) Other assets in respect of which accounting requirements for impairment are included in another IPSAS.

... 

7. [Deleted] This Standard excludes non-cash-generating intangible assets that are regularly revalued to fair value from its scope. This Standard includes all other non-cash-generating intangible assets (e.g., those that are carried at cost less any accumulated amortization) within its scope. Entities apply the requirements of this Standard to recognizing and measuring impairment losses, and reversals of impairment losses, related to such non-cash-generating intangible assets.

... 

11. [Deleted] This Standard does not require the application of an impairment test to non-cash-generating assets that are carried at revalued amounts under the allowed alternative treatment in IPSAS 17. This is because, under the allowed alternative treatment in IPSAS 17, (a) assets will be revalued with sufficient regularity to ensure that they are carried at an amount that is not materially different from their fair value at the reporting date, and (b) any impairment will be taken into account in the valuation. In addition, the approach adopted in this Standard to measuring an asset's recoverable service amount means that it is unlikely that the recoverable service amount of an asset will be materially less than its revalued amount, and that any such differences would relate to the costs of disposal of the asset.

... 

Recognizing and Measuring an Impairment Loss

... 

54. An impairment loss shall be recognized immediately in surplus or deficit, unless the asset is carried at revalued amount in accordance with another Standard (for example, in accordance with the revaluation model in IPSAS 17 and IPSAS 31). Any impairment loss of a revalued asset shall be treated as a revaluation decrease in accordance with that other Standard.
54A. An impairment loss on a non-revalued asset is recognized in surplus or deficit. However, an impairment loss on a revalued asset is recognized in revaluation surplus to the extent that the impairment loss does not exceed the amount in the revaluation surplus for that class of assets. Such an impairment loss on a revalued asset reduces the revaluation surplus for that class of assets.

Reversing an Impairment Loss

69. A reversal of an impairment loss for an asset shall be recognized immediately in surplus or deficit, unless the asset is carried at revalued amount in accordance with another Standard (for example, the revaluation model in IPSAS 17 and IPSAS 31). Any reversal of an impairment loss of a revalued asset shall be treated as a revaluation increase in accordance with that other Standard.

69A. A reversal of an impairment loss on a revalued asset is recognized directly in the revaluation reserve and increases the revaluation surplus for that class of assets. However, to the extent that an impairment loss on the same class of revalued assets was previously recognized in surplus or deficit, a reversal of that impairment loss is also recognized in surplus or deficit.

Disclosure

73. An entity shall disclose the following for each class of assets:

(a) The amount of impairment losses recognized in surplus or deficit during the period, and the line item(s) of the statement of financial performance in which those impairment losses are included; and

(b) The amount of reversals of impairment losses recognized in surplus or deficit during the period, and the line item(s) of the statement of financial performance in which those impairment losses are reversed;

(c) The amount of impairment losses on revalued assets recognized directly in revaluation surplus during the period; and

(d) The amount of reversals of impairment losses on revalued assets recognized directly in revaluation surplus during the period.

Transitional Provisions

81A Paragraphs 2, 54, 69 and 73 were amended, paragraphs 7 and 11 were deleted, and paragraphs 54A and 69A were added by Impairment of Revalued Assets (Amendments to IPSASs 21 and 26) in July 2016. Those amendments shall be applied prospectively from the date of their application.
Effective Date

...

82F. Impairment of Revalued Assets (Amendments to IPSASs 21 and 26) amended paragraphs 2, 54, 69 and 73, deleted paragraphs 7 and 11, and added paragraphs 54A, 69A and 81A. An entity shall apply those amendments for annual financial statements covering periods beginning on or after January 1, 2018. Earlier application is encouraged. If an entity applies those amendments for a period beginning before January 1, 2018, it shall disclose that fact.

Basis for Conclusions

Paragraphs BC17, BC18 and BC19 are amended and paragraphs BC20A to BC20J are added. Paragraph BC20 is not amended but is provided for context. New text is underlined and deleted text is struck through.

Property, Plant and Equipment and Intangible Assets

BC17. At the time this The Standard was approved in December 2004, it did not require the application of an impairment test to non-cash-generating assets that are carried at revalued amounts under the allowed alternative treatment (“revaluation model”) in IPSAS 17 and IPSAS 31. The IPSASB was of the view that under the allowed alternative treatment revaluation model in IPSAS 17 and IPSAS 31, assets would be revalued with sufficient regularity to ensure that they are carried at an amount that is not materially different from their fair value as at the reporting date, and any impairment would be taken into account in the valuation. Therefore any difference between the asset’s carrying amount and its fair value less costs to sell would be the disposal costs. The IPSASB was of the view that, in most cases, these would not be material and, from a practical viewpoint, it was not necessary to measure an asset’s recoverable service amount and to recognize an impairment loss for the disposal costs of a non-cash-generating asset.

BC18. In contrast to this approach, IAS 36 requires entities to test revalued assets for impairment after they have been revalued. The rationale for this difference can be explained by reference to the factors set out in paragraphs BC19 and BC20 below.

BC19. Firstly, there are different methods of determining recoverable service amount under this Standard, and of determining recoverable amount under IAS 36. Recoverable service amount is defined in this Standard as the higher of a non-cash-generating asset’s fair value less costs to sell and its value in use. Under this Standard, an entity determines an asset’s value in use by determining the current cost to replace the asset’s remaining service potential. The current cost to replace the asset’s remaining service potential is determined using the depreciated replacement cost approach, and approaches described as the restoration cost approach and the service units approach. These approaches may also be adopted to measure fair value under IPSAS 17 and IPSAS 31 and therefore the value in use is a measure of fair value. Recoverable amount is defined in IAS 36 as the higher of an asset’s fair value less costs to sell and its value in use. Value in use under IAS 36 is determined using the present value of the cash flows expected to be derived from continued use of the asset and its eventual disposal. IAS 36 states that the value in use may be different from the fair value of the asset.

BC20. Secondly, the requirement under IAS 36 to combine non-cash-generating assets with cash-generating assets to form a cash-generating unit is not replicated in this Standard. Under IAS 36, where an asset does not produce cash inflows, it is combined with other assets to form a cash-
generating unit, the value in use of which is then measured. The sum of the fair values of the assets that make up a cash-generating unit may be different to the value in use of the cash-generating unit.

**Impairment of Revalued Assets (Amendments to IPSAS 21 and IPSAS 26)**

BC20A. As a consequence of requests from jurisdictions that apply IPSASs, in 2015 the IPSASB revisited the original decision to exclude revalued property, plant and equipment and intangible assets from the scope of IPSAS 21.

BC20B. The IPSASB considered that the rationale in paragraphs BC19 and BC20 for the different requirements in IPSAS 21 and IAS 36 remained sound. The IPSASB acknowledged the view that impairments would be taken into account when carrying out revaluations of assets to ensure that their carrying amounts do not differ materially from fair value, as required by paragraph 44 of IPSAS 17 and paragraph 74 of IPSAS 31.

BC20C. The IPSASB also acknowledged that it was ambiguous whether impairment losses and reversals of impairment losses are revaluations, given that they are accounted for in a similar manner. Paragraph 51 of IPSAS 17 requires an entire class of assets to be revalued if an item of property, plant and equipment belonging to that class is revalued. Therefore, if impairment losses and reversals of impairment losses are interpreted as revaluations the consequences are onerous. The IPSASB considered that it should resolve this ambiguity.

BC20D. The IPSASB also considered it important that users are provided with the quantitative and qualitative information on impairments specified in paragraphs 77 and 78 of IPSAS 21.

BC20E. The IPSASB’s objective in clarifying the ambiguity, was to ensure that impairment losses and reversals of impairment losses of a revalued asset did not require an entity to revalue the entire class of assets to which that item belongs in order to recognize an impairment loss in respect of that item.

BC20F. Although including property, plant and equipment and intangible assets that are measured at revalued amounts within the scope of IPSAS 21 means that an entity is required to assess annually whether there is any indication that an asset may be impaired, it is likely that an entity will be aware of any indicators of impairment. The IPSASB therefore concluded that bringing property, plant and equipment and intangible assets that are measured at revalued amounts within the scope of IPSAS 21 will not be overly onerous for the preparers of financial statements.

BC20G. As a result of these considerations the IPSASB approved ED 57, Impairment of Revalued Assets, in September 2015 and published the ED the following month.

**Responses to ED 57**

BC20H. The majority of the respondents to ED 57 supported the proposals and the IPSASB’s rationale. The IPSASB considered a proposal that a clarification that impairment losses and reversals of impairment losses of a revalued asset do not require an entity to revalue the entire class of assets to which that item belongs could be achieved more economically through a simple statement in IPSAS 17.

BC20I. The IPSASB acknowledged this view but considered it inappropriate for two reasons. Firstly, such an approach did not sufficiently address the different methods of determining value in use for non-cash generating assets when evaluating an asset’s recoverable service amount. Such methods are the depreciated replacement cost approach, the restoration cost approach and the service-units
approach. Secondly, the approach does not provide the information needed for accountability and decision-making purposes by users that is provided by the disclosures in IPSAS 21 and IPSAS 26. The IPSASB therefore decided to effect the proposals in ED 57 in a final pronouncement.

Following comments by respondents to the ED the IPSASB reassessed the assertion in the Basis for Conclusions of ED 57 that impairments are conceptually different from revaluation decreases. Because both impairments and revaluation decreases involve a diminution of service potential or the ability to generate economic benefits, the IPSASB concluded that they are conceptually the same. However, there is a practical difference. Impairments are events that affect individual assets, or groups of assets, rather than the result of periodic revaluations. This practical difference is reflected in the statement in paragraph 51A of IPSAS 17 that “impairment losses and reversals of impairment losses of an asset under IPSAS 21 and IPSAS 26, Impairment of Cash-Generating Assets, do not necessarily give rise to the need to revalue the class of assets to which that asset, or group of assets, belongs.”
Amendments to IPSAS 26, Impairment of Cash-Generating Assets

Paragraphs 2, 73, 108, 115 and 124 are amended, paragraphs 6 and 11 are deleted, and paragraphs 73A, 108A and 126H are added. New text is underlined and deleted text is struck through.

Scope

2. An entity that prepares and presents financial statements under the accrual basis of accounting shall apply this Standard in accounting for the impairment of cash-generating assets, except for:

(a) …

(e) [Deleted] Cash-generating property, plant, and equipment that is measured at revalued amounts (see IPSAS 17, Property, Plant, and Equipment);

(f) …

(h) [Deleted] Cash-generating intangible assets that are measured at revalued amounts (see IPSAS 31, Intangible Assets);

(i) Goodwill;

(j) …

6. [Deleted] This Standard excludes cash-generating intangible assets that are regularly revalued to fair value from its scope. This Standard includes all other cash-generating intangible assets (for example, those that are carried at cost less any accumulated amortization) within its scope.

11. [Deleted] This Standard does not require the application of an impairment test to cash-generating assets that are carried at revalued amounts under the revaluation model in IPSAS 17. Under the revaluation model in IPSAS 17, assets will be revalued with sufficient regularity to ensure that they are carried at an amount that is not materially different from their fair value at the reporting date, and any impairment will be taken into account in that valuation.

Recognizing and Measuring an Impairment Loss of an Individual Asset

73. An impairment loss shall be recognized immediately in surplus or deficit, unless the asset is carried at revalued amount in accordance with another Standard (for example, in accordance with the revaluation model in IPSAS 17 and IPSAS 31). Any impairment loss of a revalued asset shall be treated as a revaluation decrease in accordance with that other Standard.

73A. An impairment loss on a non-revalued asset is recognized in surplus or deficit. However, an impairment loss on a revalued asset is recognized in revaluation surplus to the extent that the impairment loss does not exceed the amount in the revaluation surplus for that class of assets. Such an impairment loss on a revalued asset reduces the revaluation surplus for that class of assets.
Reversing an Impairment Loss for an Individual Asset

...  

108. A reversal of an impairment loss for an asset shall be recognized immediately in surplus or deficit, unless the asset is carried at revalued amount in accordance with another Standard (for example, the revaluation model in IPSAS 17 and IPSAS 31). Any reversal of an impairment loss of a revalued asset shall be treated as a revaluation increase in accordance with that other Standard.

108A. A reversal of an impairment loss on a revalued asset is recognized directly in the revaluation reserve and increases the revaluation surplus for that class of assets. However, to the extent that an impairment loss on the same class of revalued assets was previously recognized in surplus or deficit, a reversal of that impairment loss is also recognized in surplus or deficit.

...  

Disclosure

...  

115. An entity shall disclose the following for each class of assets:

(a) The amount of impairment losses recognized in surplus or deficit during the period, and the line item(s) of the statement of financial performance in which those impairment losses are included;

(b) The amount of reversals of impairment losses recognized in surplus or deficit during the period, and the line item(s) of the statement of financial performance in which those impairment losses are reversed;

(c) The amount of impairment losses on revalued assets recognized directly in revaluation surplus during the period; and

(d) The amount of reversals of impairment losses on revalued assets recognized directly in revaluation surplus during the period.

...  

124. If some or all of the carrying amount of intangible assets with indefinite useful lives is allocated across multiple cash-generating units, and the amount so allocated to each unit is not significant in comparison with the entity’s total carrying amount of intangible assets with indefinite useful lives, that fact shall be disclosed, together with the aggregate carrying amount of intangible assets with indefinite useful lives allocated to those units. In addition, if (a)—the recoverable amounts of any of those units are based on the same key assumption(s), and (b)—the aggregate carrying amount of intangible assets with indefinite useful lives allocated to them is significant in comparison with the entity’s total carrying amount of intangible assets with indefinite useful lives, an entity shall disclose that fact...

...  

Effective Date

...
126H. Impairment of Revalued Assets (Amendments to IPSASs 21 and 26) amended paragraphs 2, 73, 108, 115 and 124, deleted paragraphs 6 and 11, and added paragraphs 73A and 108A. An entity shall apply those amendments prospectively for annual financial statements covering periods beginning on or after January 1, 2018. Earlier application is encouraged. If an entity applies those amendments for a period beginning before January 1, 2018, it shall disclose that fact.

Basis for Conclusions

Paragraphs BC4 and BC7 are amended and paragraphs BC7A to BC7J are added. Paragraphs BC5 and BC6 are not amended but are provided for context. New text is underlined and deleted text is struck through.

Exclusion of Property, Plant, and Equipment Carried at Revalued Amounts and Intangible Assets that are Regularly Revalued to Fair Value from Scope

BC4. At the time this Standard was approved in February 2008, the scope of IPSAS 21 excluded non-cash-generating property, plant, and equipment carried at revalued amounts in accordance with the revaluation model in IPSAS 17. The Basis for Conclusions in IPSAS 21 stated that the IPSASB was of the view that assets carried at revalued amounts in accordance with the revaluation model in IPSAS 17 would be revalued with sufficient regularity to ensure (a) that they are carried at an amount that is not materially different from their fair value at the reporting date, and (b) that any impairment will be taken into account in that valuation. The IPSASB therefore considered whether a similar scope exclusion should be included in this Standard.

BC5. The IPSASB acknowledged that property, plant, and equipment held on the revaluation model are within the scope of IAS 36, and considered the view that guidance on determining impairment losses for such assets would be appropriate for public sector entities with assets on the revaluation model. The IPSASB noted that in IAS 36, in cases where the fair value of an item of property, plant and equipment is its market value, the maximum amount of an impairment loss is the disposal costs. In the Basis for Conclusions for IPSAS 21, it is stated that “the IPSASB is of the view that, in most cases, these will not be material and, from a practical viewpoint, it is not necessary to measure an asset’s recoverable service amount and to recognize an impairment loss for the disposal costs of a non-cash-generating asset.” The IPSASB considered that disposal costs are also unlikely to be material for cash-generating assets.

BC6. For specialized cash-generating assets where fair value has not been derived from market value, IAS 36 requires recoverability to be estimated through the value in use. Because value in use is based on cash flow projection, it might be materially greater or lower than carrying amount. This analysis is also relevant in the public sector. However, it is questionable whether public sector entities hold specialized assets that meet the definition of a cash-generating asset in this Standard.

BC7. The IPSASB was of the view that it would be onerous to impose a requirement to test for impairment in addition to the existing requirement in IPSAS 17, i.e., that assets will be revalued with sufficient regularity to ensure that they are carried at an amount that is not materially different from their fair value at the reporting date. Therefore, on balance, the IPSASB concluded that consistency with IPSAS 21 should take precedence over convergence with IAS 36, and that property, plant and equipment carried on the revaluation model in IPSAS 17 should be excluded from the scope of this Standard. Consistent with the approach to property, plant, and equipment, intangible assets that are regularly revalued to fair value were also excluded from the scope.
Impairment of Revalued Assets (Amendments to IPSAS 21 and IPSAS 26)

BC7A. As a consequence of requests from jurisdictions that apply IPSASs, in 2015 the IPSASB revisited the original decision to exclude revalued property, plant and equipment and intangible assets from the scope of IPSAS 26.

BC7B. The IPSASB considered that the rationale in paragraphs BC5 and BC6 for the different requirements in IPSAS 26 and IAS 36 is sound. The IPSASB acknowledged the view that impairments would be taken into account when carrying out revaluations of assets to ensure that their carrying amounts do not differ materially from fair value, as required by paragraph 44 of IPSAS 17 and paragraph 74 of IPSAS 31.

BC7C. The IPSASB also acknowledged that it was ambiguous whether impairment losses and reversals of impairment losses are revaluations, given that they are accounted for in a similar manner. Paragraph 51 of IPSAS 17 requires the entire class of assets to be revalued if an item of property, plant and equipment belonging to that class is revalued. Therefore, if impairment losses and reversals of impairment losses are interpreted as revaluations the consequences are onerous. The IPSASB considered that it should resolve this ambiguity.

BC7D. The IPSASB also considered it important that users are provided with the quantitative and qualitative information on impairments specified in paragraphs 120 and 121 of IPSAS 26.

BC7E. Consistent with IPSAS 21, the IPSASB's objective in clarifying the ambiguity, was to ensure that impairment losses and reversals of impairment losses of a revalued asset did not require an entity to revalue the entire class of assets to which that item belongs in order to recognize an impairment loss in respect of that item.

BC7F. Although including property, plant and equipment and intangible assets that are measured at revalued amounts within the scope of IPSAS 26 means that an entity is required to assess annually whether there is any indication that an asset may be impaired, it is likely that an entity will be aware of any indicators of impairment. The IPSASB therefore concluded that bringing property, plant and equipment and intangible assets that are measured at revalued amounts within the scope of IPSAS 26 will not be overly onerous for the preparers of financial statements.

BC7G. As a result of these considerations the IPSASB approved ED 57, Impairment of Revalued Assets, in September 2015 and published the ED the following month.

Responses to ED 57

BC7H. The majority of respondents to ED 57 supported the proposals and the IPSASB’s rationale. The IPSASB considered a proposal that a clarification that impairment losses and reversals of impairment losses of a revalued asset do not require an entity to revalue the entire class of assets to which that item belongs could be achieved more economically through a simple statement in IPSAS 17.

BC7I. The IPSASB acknowledged this view but considered it inappropriate for two reasons. Firstly such an approach did not sufficiently address the different methods of determining value in use for non-cash generating assets when evaluating an asset’s recoverable service amount. Such methods are the depreciated replacement cost approach, the restoration cost approach and the service-units approach. Secondly, the approach does not provide the information needed for accountability and decision-making purposes by users that is provided by the disclosures in IPSAS 21 and IPSAS 26. The IPSASB therefore decided to effect the proposals in ED 57 in a final pronouncement.
BC7J. Following comments by respondents to the ED the IPSASB reassessed the assertion in the Basis for Conclusions of ED 57 that impairments are conceptually different from revaluation decreases. Because both impairments and revaluation decreases involve a diminution of service potential or the ability to generate economic benefits, the IPSASB concluded that they are conceptually the same. However, there is a practical difference. Impairments are events that affect individual assets, or groups of assets, rather than the result of periodic revaluations. This practical difference is reflected in paragraph 51A of IPSAS 17 that “impairment losses and reversals of impairment losses of an asset under IPSAS 21 and IPSAS 26, Impairment of Cash-Generating Assets, do not necessarily give rise to the need to revalue the class of assets to which that asset, or group of assets, belongs.”
Consequential Amendments to Other IPSASs

Amendment to IPSAS 17, Property, Plant, and Equipment

Paragraphs 51A and 107L are added. Paragraph 51 is not amended but is provided for context. New text is underlined.

... 51. If an item of property, plant, and equipment is revalued, the entire class of property, plant, and equipment to which that asset belongs shall be revalued.

51A. Impairment losses and reversals of impairment losses of an asset under IPSAS 21 and IPSAS 26, Impairment of Cash-Generating Assets, do not necessarily give rise to the need to revalue the class of assets to which that asset, or group of assets, belongs.

... 107L. Impairment of Revalued Assets (Amendments to IPSASs 21 and 26) added paragraph 51A. An entity shall apply that amendment for annual financial statements covering periods beginning on or after January 1, 2018. Earlier application is encouraged. If an entity applies that amendment for a period beginning before January 1, 2018, it shall disclose that fact.

Basis for Conclusions

Paragraph BC14 is added.

Impairment of Revalued Assets (Amendments to IPSAS 21 and IPSAS 26)

BC14. As a consequence of amendments to IPSAS 21, Impairment of Non-Cash-Generating Assets, and IPSAS 26, Impairment of Cash-Generating Assets, the IPSASB decided to add paragraph 51A to clarify that the recognition of impairment losses and reversals of impairment losses of an asset, or group of assets, do not give rise to the need to revalue the entire class of assets to which that asset, or group of assets, belongs.
Amendment to IPSAS 31, *Intangible Assets*

Paragraph 110 is amended and paragraph 132G is added. New text is underlined and deleted text is struck through.

**Recoverability of the Carrying Amount—Impairment Losses**

110. To determine whether an intangible asset measured under the cost method is impaired, an entity applies either IPSAS 21 or IPSAS 26, as appropriate. …

…

**Effective Date**

…

132G. *Impairment of Revalued Assets (Amendments to IPSASs 21 and 26)* amended paragraph 110. An entity shall apply that amendment for annual financial statements covering periods beginning on or after January 1, 2018. Earlier application is encouraged. If an entity applies that amendment for a period beginning before January 1, 2018, it shall disclose that fact.