



Item 7: Non-Exchange Expenses

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IPSASB Consultative Advisory Group Meeting

Toronto, Canada

June 18, 2018

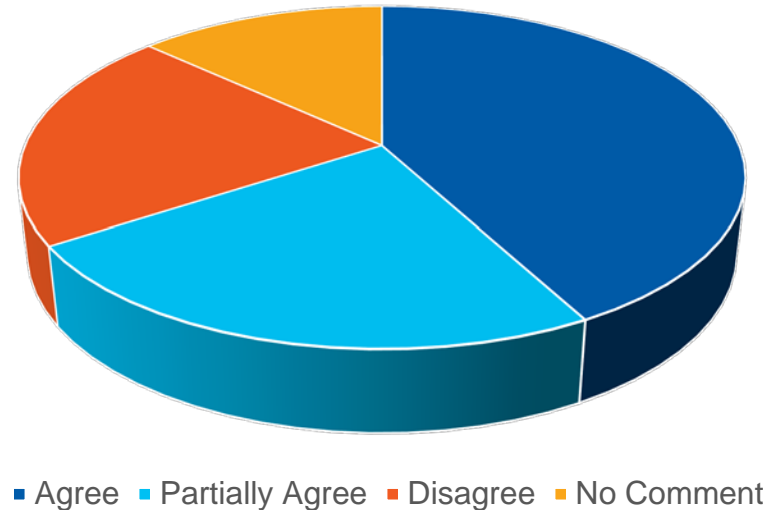
Public Sector Performance Obligation Approach (Agenda Item 7.1)

Preliminary View 7

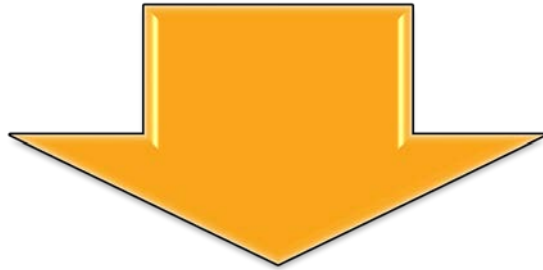
The IPSASB is of the view that where grants, contributions and other transfers contain either performance obligations or stipulations they should be accounted for using the PSPOA which is the counterpart to the IPSASB's preferred approach for revenue.

Do you agree with the IPSASB's Preliminary View 7? If not, please give your reasons

Number of Respondents

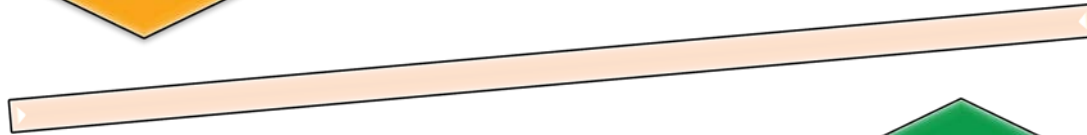


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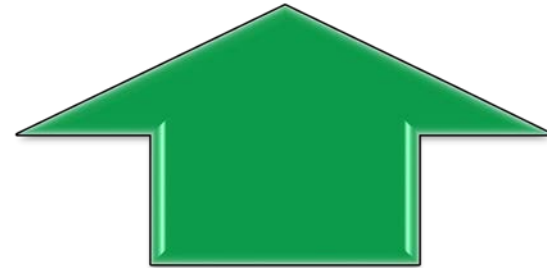
Advantages

- Symmetrical (grantor and recipient)
- Consolidation / Whole of Government Accounts



Disadvantages

- Conceptual Issues (when can an obligation be avoided)
- Practical Issues (information availability)

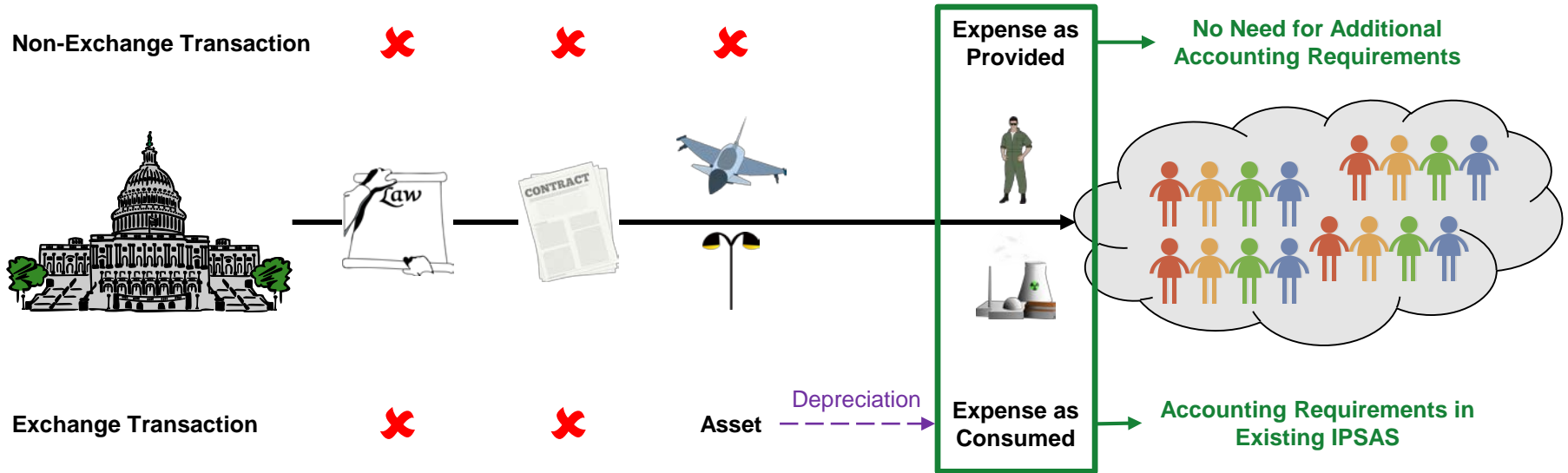


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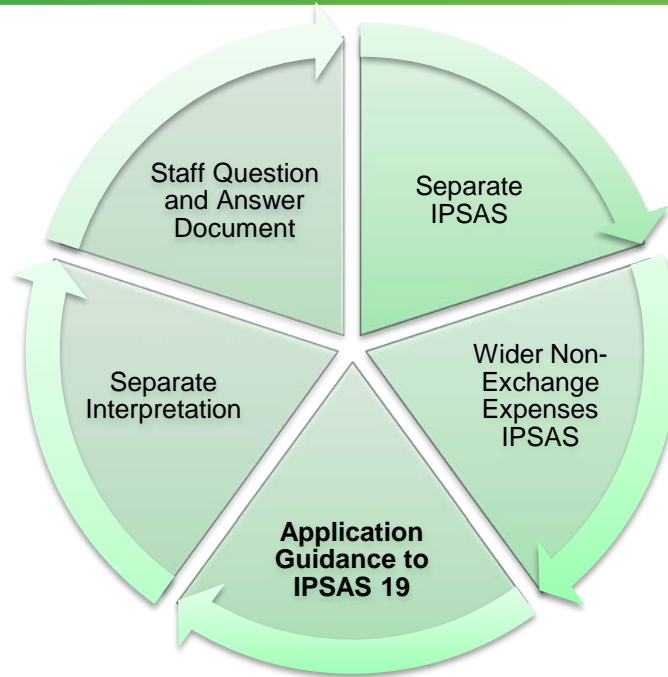
Question to the CAG

- Adopting the PSPOA for expenses in relation to certain grants, contributions and other transfers may make the transactions easier for users to understand, but practitioners may face practical difficulties in obtaining the information needed. In addition, there are questions about whether, conceptually, the recognition criteria for the expense and the related revenue are met at the same time. Are there any public interest issues that the IPSASB should take into account in weighing these questions?

Guidance on Collective Services (Agenda Item 7.2)



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Question to the CAG

Does the CAG agree that the public interest is best served by developing the guidance on accounting for collective services as amendments to IPSAS 19?



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