

Agenda Item 8: Infrastructure

Marc Wermuth, Task Force Chair

Joanna Spencer, Manager, Standards
Development and Technical Projects

IPSASB Meeting

Toronto, Canada

June 18–21, 2019

Session Outline



Project Background

Project added to the IPSASB Work Plan in June 2015 following responses to IPSASB's Strategy Consultation (March 2014)

- Within scope of IPSAS 17, *Property Plant & Equipment*
- Revised Project Brief reviewed by:
 - IPSASB – September 2017
 - CAG – December 2017

Main Areas Identified in Project Brief

Definition:

Not defined

Are the characteristics in IPSAS 17 still appropriate?

Control:

Difficulty in determining control – easements, across jurisdictions

Recognition:

Distinguishing between capital and maintenance expenditure

Measurement – Initial vs Subsequent:

Initial measurement when historical cost is not available

Concepts of 'replacement cost' and 'optimized replacement cost'

Measuring remaining service potential

Main Areas Identified in Project Brief continued

Depreciation:

Same requirements as other assets?

Aligned with management policies?

Componentization

Disaggregation of network parts with different useful lives, replacement costs

What constitutes a component?

How much disaggregation?

Disclosures

IPSAS 17 insufficient for infrastructure assets

For accountability need disclosures on condition assessments, maintenance backlogs

Next Steps until September 2019 IPSASB meeting

Teleconference Call #1

(July 2019)

- Meet members
- Project Background
- Discuss Issues

Teleconference Call #3

(September 2019)

- Control
- Recognition

Teleconference Call #2

(August 2019)

- Prioritize issues
- Scope
- Characteristics of Infrastructure
- Definition

Questions

Any Questions?

Other issues not mentioned?



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