Agenda Item 11: Measurement

Dave Warren, Principal

IPSASB Meeting

Abu Dhabi, United Arab Emirates

December 10–13, 2019

Project management – Stock take

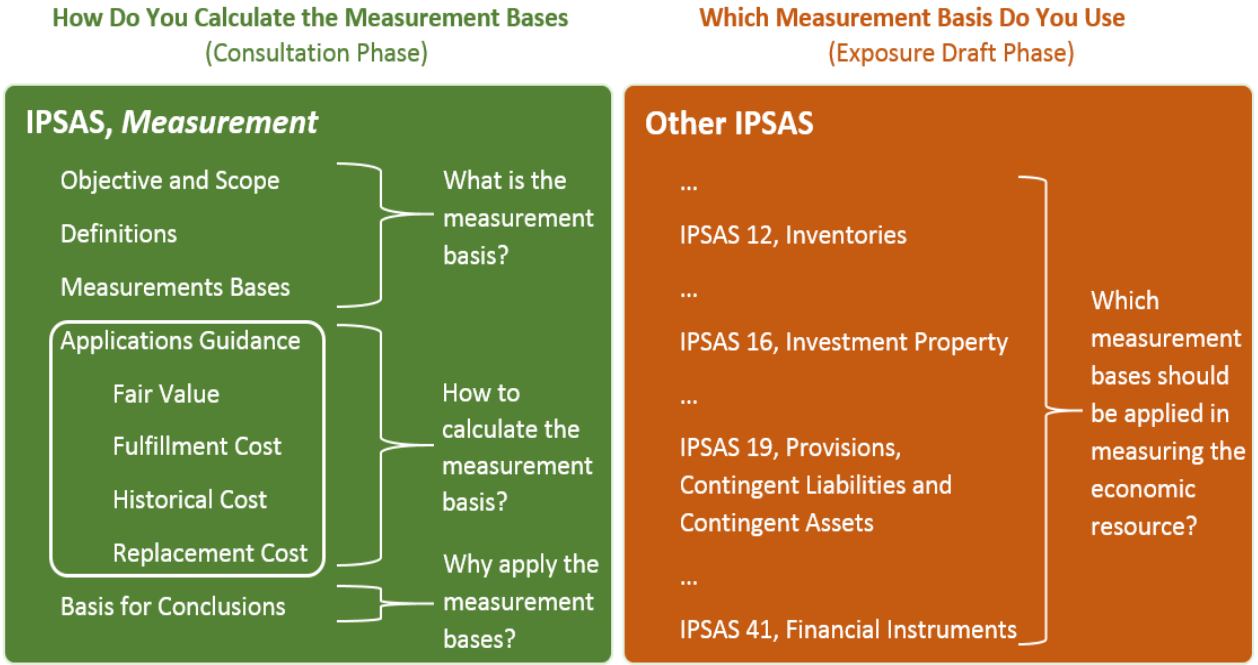
- Road map – progress to date and future meeting plans
- Board decisions – previous decisions taken and key future issues
- Board instructions – satisfied with actions taken
- Other issues?

Session Outline

Session Outline

- Background
- Preliminary review of responses
- CAG Feedback
- Next Steps

Background


How Do You Calculate the Measurement Bases
(Consultation Phase)
Which Measurement Basis Do You Use
(Exposure Draft Phase)
IPSAS, Measurement
Objective and Scope
Definitions
Measurements Bases
What is the measurement basis?
Applications Guidance
Fair Value
Fulfillment Cost
Historical Cost
Replacement Cost
How to calculate the measurement basis?
Basis for Conclusions
Why apply the measurement bases?
Other IPSAS
...
IPSAS 12, Inventories
...
IPSAS 16, Investment Property
...
IPSAS 19, Provisions, Contingent Liabilities and Contingent Assets
...
IPSAS 41, Financial Instruments
Which measurement bases should be applied in measuring the economic resource?

Preliminary review of responses - Illustrative Exposure Draft



Preliminary review of responses - Borrowing Costs

Borrowing Costs	Current IPSAS	Preliminary View
Directly attributable to acquisition, construction or production of qualifying asset	Expense or capitalize	Expense
Interest and other expenses incurred by an entity in connection with the borrowing of funds.	Expense	Expense

Preliminary review of responses – Fair Value

Fair Value

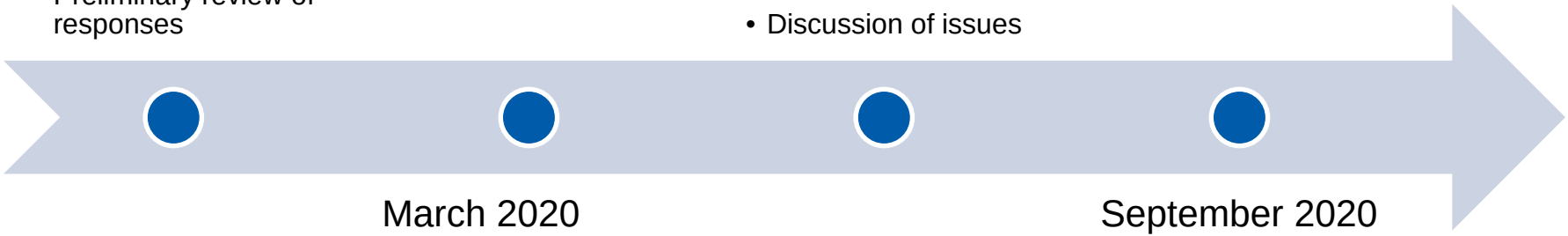
- Fair value across IPSAS
- Highest and best use
- Market value vs fair value
- Replacement cost

CAG Feedback

Discussed by CAG Members

- Illustrative Exposure Draft
- Borrowing Costs
- Limited-Scope Review of the Conceptual Framework

Next Steps


December 2019
• Preliminary review of responses
March 2020
• Detailed review of responses
• Re-activate task force
June 2020
• Discussion of issues
September 2020
• Approve exposure draft



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