

CONCEPTUAL FRAMEWORK LIMITED SCOPE UPDATE: MEASUREMENT

John Stanford, Senior Adviser

IPSASB Meeting – September 2022

Lisbon, Portugal



Standing Items



4.1.1: Project Roadmap

4.1.2: Instructions

4.1.3: Decisions

Replacement Cost

- Background
 - General
 - Approach in IASB literature
 - Relevance of replacement cost to public sector financial reporting
 - Views previously expressed by constituents on 2019 Consultation Paper, *Measurement*
- Analysis
 - Respondents agreeing
 - Respondents partially agreeing
 - Respondents disagreeing
- Way Forward

Replacement Cost

Recommendation

- Board Sponsor and Staff recommend that replacement cost, as defined in the 2014 Conceptual Framework, is not included in updated Chapter 7, *Measurement of Assets and Liabilities in Financial Statements*.

Does the IPSASB agree with this recommendation?

Value in Use

- Background
 - General
 - IASB literature
 - Relevance of value in use in public sector financial reporting
 - Views previously expressed by constituents on 2019 Consultation Paper, *Measurement*
- Analysis
 - Respondents agreeing
 - Respondents partially agreeing
 - Respondents disagreeing
- Way Forward

Value in Use

Recommendations

- Board Sponsor and Staff recommend Board to:
 - (a) Retain the approach in ED 76, Chapter 7, *Measurement of Assets and Liabilities in Financial Statements*, of the Conceptual Framework whereby value in use is described in general terms rather than being defined.
 - (b) Provide an explanation in the Basis for Conclusions of how value in use differs from the current value measurement basis for assets primarily held for operational capacity.

Does the IPSASB agree with these recommendation?

Updated Chapter 7

For Information

- To be further updated to reflect decisions at this meeting and further development of current operational value

No decision needed



International Public Sector Accounting Standards Board
277 Wellington Street West
Toronto, ON M5V 3H2
Canada
T +1 647 826 3171
www.ipsasb.org



[@IPSASB_News](https://twitter.com/IPSASB_News)



[@International Public Sector
Accounting Standards Board \(IPSASB\)](https://www.linkedin.com/company/@International-Public-Sector-Accounting-Standards-Board-(IPSASB))



YouTube [@IPSASB](https://www.youtube.com/@IPSASB)