

Updated IPSAS 33

This Agenda Item updates IPSAS 33 to reflect the instructions given by the IPSASB. With the exception of some deletions of duplicative material, the text has not been materially changed from what is in IPSAS 33, although some suggested clarifications have been incorporated—as shown in mark-up. Further proposals will be developed by the Task Force for the IPSASB's consideration.

Notes	Core Text	Reference
	Objective	
	1. The objective of this Standard is to ensure that an entity's first IPSAS financial statements contain high quality information that: <ul style="list-style-type: none"> (a) Is transparent for accountability and decision making purposes; (b) Provides a suitable starting point for accounting in accordance with International Public Sector Accounting Standards (IPSAS); and (c) Where the benefits are expected to exceed the costs. 	IFRS 1.1, adapted
	Scope	
	2. An entity shall apply this IPSAS Standard <u>from the date on which a first-time adopter adopts accrual basis IPSAS</u> when it and prepares and presents its annual financial statements on the adoption of, and during the transition to, accrual basis IPSASs.	IPSAS 33.2, amended for current style guide, and IPSAS 33.4 (part).
	3. This Standard does not apply when, for example, a first-time adopter: <ul style="list-style-type: none"> (a) Stops presenting financial statements in accordance with prescribed requirements, having previously presented them as well as another set of financial statements that contained an explicit and unreserved statement of compliance with accrual basis IPSASs; (b) Presented financial statements in the previous reporting period in accordance with prescribed requirements and those financial statements contained an explicit and unreserved statement of compliance with accrual basis IPSASs; or (c) Presented financial statements in the previous reporting period that contained an explicit and unreserved statement of compliance with accrual basis IPSASs, even if the auditors modified their audit report on those financial statements. 	IPSAS 33.3. (See also IFRS 1.4.)
	4. This IPSAS Standard does not apply to changes in accounting policies made by an entity that already applies IPSASs. Such changes are the subject of: <ul style="list-style-type: none"> (a) Requirements on changes in accounting policies in IPSAS 3, <i>Accounting Policies, Changes in Accounting Estimates and Errors</i>; and (b) Specific transitional requirements in other IPSASs. The transitional provisions in other IPSASs apply only to changes in accounting policies made by an entity that already applies accrual basis IPSASs; they do not apply to a first-time adopter's transition to IPSASs, except as specified in this IPSAS Standard. 	IPSAS 33.6 IPSAS 33.7, and IPSAS 33.8 were deleted April 2016.

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	5. This Standard permits a first-time adopter to apply transitional exemptions and provisions that may impact fair presentation (see paragraph AG3) for a three-year transition period . Where these transitional exemptions and provisions are applied, a first-time adopter is required to disclose information about the transitional exemptions and provisions adopted, and progress towards fair presentation and compliance with accrual basis IPSASs (see paragraph 22) .	IPSAS 33.4 (in part), amended.
	6. An entity's transitional IPSAS financial statements are the annual financial statements in which an entity transitions to accrual basis IPSASs and adopts certain exemptions in this IPSAS Standard that affect the fair presentation of the financial statements and its ability to assert compliance with accrual basis IPSASs. If a first-time adopter adopts the exemptions in this IPSAS Standard that affect fair presentation and compliance with accrual basis IPSASs (see paragraphs 36 AG3 62), it will not be able to make an explicit and unreserved statement of compliance with other accrual basis IPSASs until the exemptions that provided the relief in this IPSAS Standard have expired and/or when the relevant items are recognized, measured and/or the relevant information has been presented and/or disclosed in accordance with the applicable IPSASs (whichever is earlier). Financial statements shall not be described as complying with IPSASs unless they comply with all the requirements of all the applicable IPSASs.	IPSAS 33.13 amended
	7. At the end of the transitional period a first-time adopter must comply with the recognition, measurement, presentation and disclosure requirements in the other accrual basis IPSAS in order to assert compliance with accrual basis IPSASs as required in IPSAS 1, <i>Presentation of Financial Statements</i> .	IPSAS 33.5, amended for current style guide.
	Definitions	
	<p>8. The following terms are used in this Standard with the meanings specified:</p> <p>Date of adoption of IPSASs is the date an entity adopts accrual basis IPSASs for the first time, and is the start of the reporting period in which the first-time adopter adopts accrual basis IPSASs and for which the entity presents its first transitional IPSAS financial statements or, where the transition exemptions are not used, its first IPSAS financial statements.</p> <p>Deemed cost is an amount used as a surrogate for acquisition cost or depreciated cost at a given datetransaction price at the measurement date.</p> <p>First IPSAS financial statements are the first annual financial statements that fairly present transactions and balances for the reporting period in which an entity complies compliance with the accrual basis IPSASs, and for which an entity can make an explicit and unreserved statement of compliance with those IPSASs, because it adopted one or more of the transitional exemptions in this IPSAS that do not affect the fair presentation of the financial statements and its ability to assert compliance with accrual basis IPSASs.</p> <p>First-time adopter is an entity that adopts accrual basis IPSASs for the first time and presents its first transitional IPSAS financial statements or its first IPSAS financial statements.</p>	<p>IPSAS 33.9</p> <p>Amended to provide more clarity on what is meant by 'date of adoption'.</p> <p>To align with IPSAS 46.</p> <p>Amended for clarity. See also AG2.</p>

	<p>Opening statement of financial position is a first-time adopter's statement of financial position at the date of adoption of IPSASs.</p> <p>Period of transition is the period during which a first-time adopter applies one or more of the exemptions in this IPSAS Standard before it complies with the accrual basis IPSASs, and before it is able to make an explicit and unreserved statement of such compliance with IPSASs.</p> <p>Previous basis of accounting is the basis of accounting that a first-time adopter used immediately before adopting accrual basis IPSASs.</p> <p>Transitional IPSAS financial statements are the financial statements prepared in accordance with this IPSAS Standard where a first-time adopter cannot make an explicit and unreserved statement of compliance with other IPSASs because it adopted one or more of the transitional exemptions in this IPSAS Standard that affect the fair presentation of the financial statements and its ability to assert compliance with accrual basis IPSASs.</p> <p>Terms defined in other IPSASs are used in this Standard with the same meaning as in those Standards and are reproduced in the <i>Glossary of Defined Terms</i> published separately.</p>	
	Recognition and Measurement	
	<p>Opening Statement of Financial Position on Adoption of IPSASs</p> <p>9. A first-time adopter shall prepare and present an opening statement of financial position at the date of adoption of IPSASs. This is the starting point for its accounting in accordance with accrual basis IPSASs.</p>	IPSAS 33.15
	<p>Accounting Policies</p> <p>10. On the date of adoption of accrual basis IPSASs, a first-time adopter shall apply the requirements of the IPSASs retrospectively except if required, or otherwise permitted, in this IPSAS Standard.</p>	IPSAS 33.16
	<p>11. A first-time adopter shall apply the versions of accrual basis IPSASs effective at the date of adoption of IPSASs. A first-time adopter may apply a new IPSAS that is not yet mandatory if that IPSAS permits early application. Any new IPSASs that become effective during the period of transition shall be applied by the first-time adopter from the date it becomes effective.</p>	IPSAS 33.19
	<p>12. A first-time adopter shall use the same accounting policies in its opening statement of financial position and throughout all periods presented, except as specified in paragraphs 36–134AG8–AG117. The accounting policies shall comply with each IPSAS effective at the date of adoption of IPSASs, except as specified in paragraphs 36–134.</p>	<p>IPSAS 33.17</p> <p>Deleted (duplication of material in paragraph 10).</p>
	<p>13. A first-time adopter that takes advantage of the exemptions in paragraph 36AG8–134AG117 will be required to amend its accounting policies after the exemptions that provided the relief have expired and/or when the relevant items are recognized,</p>	IPSAS 33.18

	measured and/or the relevant information is presented and/or disclosed in the financial statements in accordance with the applicable IPSASs (whichever is earlier).	
	Exceptions to the Retrospective Application of IPSASs	
	14. This IFRS-IPSAS prohibits retrospective application of some aspects of other IFRSs IPSAS. These exceptions are set out in paragraphs 15–18 and Appendix B .	IFRS 1.13, adapted. See also part of IPSAS 33.24
	Estimates 15. A first-time adopter's estimates in accordance with IPSASs at the date of transition to IPSASs shall be consistent with estimates made for the same date in accordance with the previous basis of accounting (after adjustments to reflect any difference in accounting policies), unless there is objective evidence that those estimates were in error.	IPSAS 33.23
	16. A first-time adopter may receive information after the date of adoption of IPSASs about estimates that it had made under its previous basis of accounting. In accordance with paragraph 14, a first-time adopter shall treat the receipt of that information in the same way as non-adjusting events after the reporting period in accordance with IPSAS 14, <i>Events after the Reporting Period</i> .	IPSAS 33.24
	17. A first-time adopter may need to make estimates in accordance with IPSASs at the date of adoption of IPSASs or during the period of transition that were not required at that date under the previous basis of accounting. To achieve consistency with IPSAS 14, those estimates in accordance with IPSASs shall reflect conditions that existed at the date of adoption of IPSASs or at the date during the period of transition. In particular, estimates determined at the date of adoption of IPSASs or during the period of transition of market prices, interest rates or foreign exchange rates shall reflect market conditions at that date. For non-financial assets, such as property, plant and equipment, estimates about the asset's useful life, residual value or condition reflect management's expectations and judgment at the date of adoption of IPSASs or the date during the period of transition.	IPSAS 33.25
	18. Paragraphs 2315–2517 apply to the opening statement of financial position. They also apply to a comparative period where an entity elects to present comparative information in accordance with paragraph 7820 , in which case the references to the date of adoption of IPSASs are replaced by references to the end of that comparative period.	IPSAS 33.26
	Presentation and Disclosure	
	19. This IFRS-IPSAS does not provide exemptions from the presentation and disclosure requirements in other IFRSs IPSAS <u>except where permitted (see paragraph 20)</u> .	IFRS 1.20 IPSAS 33.140 (adapted).
	Exemptions from Disclosure Requirements in IPSASs During the Period of Transition 20. To the extent that a first-time adopter takes advantage of the exemption that provides a three year relief period to not	IPSAS 33.151

	recognize and/or measure items (see paragraph AG3), it is not required to apply any associated presentation and/or disclosure requirements related to such items as required in IPSAS 1, IPSAS 18, Segment Reporting , and/or the applicable IPSASs until such time as the exemptions that provided the relief have expired and/or when the relevant items have been recognized and/or measured in accordance with the applicable IPSASs (whichever is earlier).	
	21. Notwithstanding the transitional provision in paragraph 45 420 , a first-time adopter is encouraged to disclose the information required by IPSAS 1, IPSAS 18 and/or the applicable IPSAS as soon as possible.	IPSAS 33.152
	Explanation of Transition to IPSAS 22. A first-time adopter shall disclose: (a) The date of adoption of IPSASs; and (b) Information and explanations about how the transition from the previous basis of accounting to IPSASs affected its reported financial position, and, where appropriate, its reported financial performance and cash flows.	IPSAS 33.141
	Reconciliations 23. A first-time adopter that has applied a cash basis of accounting in its previous financial statements is not required to present the reconciliations required in paragraph 24.	IPSAS 33.142 – final sentence moved here for clarity.
	24. A first-time adopter shall present in the notes to its first transitional IPSAS financial statements or its first IPSAS financial statements: (a) A reconciliation of its balance of net assets/equity reported in accordance with its previous basis of accounting to its opening balance of net assets/equity at the date of adoption of IPSASs; and (b) A reconciliation of its accumulated surplus or deficit in accordance with its previous basis of accounting to its accumulated surplus or deficit at the date of adoption of IPSASs.	IPSAS 33.142
	25. The reconciliation presented in accordance with paragraph 442 24 shall provide sufficient detail, both quantitative and qualitative, to enable users to understand the material adjustments to the opening statement of financial position and, where applicable, the restated comparative statement of financial performance presented in accordance with accrual basis IPSAS. Where narrative explanations are included in other public documents issued in conjunction with the financial statements, a cross reference to those documents shall be included in the notes.	IPSAS 33.143
	26. If an entity becomes aware of errors made under its previous basis of accounting, the reconciliations required by	IPSAS 33.144

	paragraph 142-24 shall distinguish the correction of those errors from changes in accounting policies.	
	27. If an entity did not present financial statements for previous periods, its transitional IPSAS financial statements or its first IPSAS financial statements shall disclose that fact.	IPSAS 33.145
	28. Where a first-time adopter takes advantage of the exemptions in paragraph 36AG3-43 which allow a three year <u>three-year</u> transitional relief period to not recognize and/or measure items, it shall present as part of the notes, a reconciliation of items that have been recognized and/or measured during the reporting period when these items were not included in the previous reported financial statements. The reconciliation shall be presented in each period when new items are recognized and/or measured in accordance with this IPSAS Standard .	IPSAS 33.146
	29. The reconciliation presented in accordance with paragraph 146-28 shall provides sufficient detail to enable users to understand which items have been recognized and/or measured during the reporting period where the first-time adopter adopts one or more of the exemptions that provide a three year <u>three-year</u> transitional relief period to not recognize and/or measure an item. The reconciliation shall explains the adjustments to the previously reported statement of financial position and, where applicable, the previously reported statement of financial performance in each period when new items are recognized and/or measured in accordance with this IPSAS Standard .	IPSAS 33.147, amended to reflect the language in IPSAS 33.29 above.
	Transitional Provisions <u>in other IPSAS</u>	IPSAS 33.153 heading amended for clarity.
	30. Where a first-time adopter has adopted the existing transitional provisions in other accrual basis IPSAS s , it shall continue to apply those transitional provisions until they expire and/or the relevant items are recognized and/or measured in accordance with the applicable IPSAS (whichever is earlier). If the first-time adopter elects to adopt the transitional exemptions in this IPSAS Standard , the relief period applied in adopting accrual basis IPSAS s , may not be longer than the relief period provided in this IPSAS Standard .	IPSAS 33.153
	Effective Date	
	31. A first-time adopter shall apply this Standard if its first IPSAS financial statements are for a period beginning on or after January 1, 2017 <u>202x</u> . Earlier application is permitted.	IPSAS 33.154
	Withdrawal of IPSAS 33 (issued 2015)	
	32. This IFRS Standard supersedes IFRS-IPSAS 334 (issued in 2003-2015 and as subsequently amended at May 2008).	IFRS 1.40, adapted.

Notes	Application Guidance	Reference
	Objective	
	AG1. The objective of this Standard is to provide guidance to a first-time adopter of accrual-basis IPSAS, irrespective of the basis of accounting the adopter has used prior to the date of adoption.	IPSAS 33.1, modified.
	Scope	
	AG2. <u>This Standard permits a first-time adopter to apply transitional exemptions and provisions for a three-year period after the date of adoption of accrual basis IPSAS.</u>	From IPSAS 33.3 and IPSAS 33.10, IPSAS 33.33 modified.
AG97 is a placeholder	Exemptions that Affect Fair Presentation and Compliance with Accrual Basis IPSAS during the Period of Transition AG3. <u>A first-time adopter may adopt the exemptions in the following paragraphs:</u> <u>Financial Statements—AG9</u> <u>Accounting Principles—AG20–AG21</u> <u>Accounting Boundaries—AG37–AG46</u> <u>Non-Financial Assets—AG56</u> <u>Financial Assets and Liabilities—AG72–AG74</u> <u>Revenue—AG97</u> <u>Expenses and Non-Financial Liabilities—AG99–AG103</u>	IPSAS 33.33 sub-title
AG97 is a placeholder. AG117 is a placeholder for IPSAS 48	Exemptions that Do Not Affect Fair Presentation and Compliance with Accrual Basis IPSAS during the Period of Transition AG4. <u>A first-time adopter may adopt the exemptions in the following paragraphs:</u> <u>Financial Statements—AG10–AG16</u> <u>Accounting Principles—AG22–AG35</u> <u>Accounting Boundaries—AG47–AG52</u> <u>Non-Financial Assets—AG57–AG70</u> <u>Financial Assets and Liabilities—AG75–AG96</u> <u>Revenue—AG97</u> <u>Expenses and Non-Financial Liabilities—AG104–AG117</u> <u>Disclosures—AG118–AG124</u>	IPSAS 33.63 sub-title amended for consistency with sub-title of IPSAS 33.33
	Definitions	
	AG5. The <u>date of adoption</u> of IPSASs is <u>the date that an entity adopts accrual basis IPSASs for the first time. It is the start of the reporting period in which the first-time adopter adopts accrual basis IPSASs and for which it presents its first transitional IPSAS financial statements or, where the transition</u>	IPSAS 33.10, adapted. IPSAS 33.11 omitted.

	exemptions are not used, its first IPSAS financial statements. If a first-time adopter takes advantage of the exemptions in this IPSASs that affect fair presentation and compliance with accrual basis IPSASs (see paragraphs 36–62) in producing its first transitional IPSAS financial statements,	
	AG6. The <u>previous basis of accounting</u> is the basis of accounting that a first-time adopter used immediately before adopting accrual basis IPSASs. This Prescribed bases might be a cash basis of accounting, an accrual basis of accounting, a modified version of either a cash basis or an accrual basis of accounting, or another prescribed basis.	IPSAS 33.12
	AG7. An entity's transitional IPSAS financial statements are those financial statements, where the entity transitions from another accounting basis such as when it: <ul style="list-style-type: none"> (a) Prepared its most recent previous financial statements in accordance with the IPSAS, <i>Financial Reporting Under the Cash Basis of Accounting</i>; (b) Presented its most recent previous financial statements: <ul style="list-style-type: none"> (i) In accordance with prescribed requirements that are not consistent with IPSASs in all respects; (ii) In conformity with IPSASs in all respects, except that the financial statements did not contain an explicit and unreserved statement that they complied with IPSASs; (iii) Containing an explicit statement of compliance with some, but not all, IPSASs, including the adoption of the exemptions provided in this IPSAS that affect fair presentation and compliance with accrual basis IPSASs (see paragraphs 36–62<u>AG118–AG122</u>); (iv) In accordance with prescribed requirements inconsistent with IPSASs, using some individual IPSASs to account for items for which prescribed requirements did not exist; or (v) In accordance with prescribed requirements, with a reconciliation of some amounts to the amounts determined in accordance with IPSASs; I Prepared financial statements in accordance with IPSASs for internal use only, without making them available to external users; (d) Prepared a reporting package in accordance with IPSASs for consolidation purposes without preparing a complete set of financial statements as defined in IPSAS 1; or I Did not present financial statements for previous periods. 	IPSAS 33.14
	Financial Statements	
	AG8. <u>The following IPSAS are relevant:</u> <u>IPSAS 1, Presentation of Financial Statements</u> <u>IPSAS 2, Cash Flow Statements</u> <u>IPSAS 22, Disclosure of Financial Information about the General Government Sector</u> <u>IPSAS 24, Presentation of Budget Information in Financial Statements</u>	

	The following paragraphs provide more detail on any exemptions that apply to these standards.	
	<p>IPSAS 1</p> <p>AG9. Except as described in paragraphs 36AG8–134AG117, a first-time adopter shall, in its opening statement of financial position:</p> <ul style="list-style-type: none"> (a) Recognize all assets and liabilities whose recognition is required by IPSASs; (b) Not recognize items as assets or liabilities if IPSASs do not permit such recognition; <ul style="list-style-type: none"> I Reclassify items that it recognized in accordance with the previous basis of accounting as one type of asset, liability or component of net assets/equity, but are a different type of asset, liability or component of net assets/equity in accordance with IPSASs; and (d) Apply IPSASs in measuring all recognized assets and liabilities. 	IPSAS 33.20
	<p>Exemptions that Do Not Affect Fair Presentation and Compliance with Accrual Basis IPSAS during the Period of Transition</p> <p>Comparative Information</p> <p>AG10. A first-time adopter is encouraged, but not required, to present comparative information in its first transitional IPSAS financial statements or its first IPSAS financial statements presented in accordance with this IPSAS Standard. When a first-time adopter presents comparative information, it shall be presented in accordance with the requirements of IPSAS 1.</p>	IPSAS 33.77
	<p>AG11. Where a first-time adopter elects to present comparative information, the first transitional IPSAS financial statements or the first IPSAS financial statements presented in accordance with this IPSAS Standard shall include:</p> <ul style="list-style-type: none"> (a) One statement of financial position with comparative information for the preceding period, and an opening statement of financial position as at the beginning of the reporting period prior to the date of adoption of accrual basis IPSAS; (b) One statement of financial performance with comparative information for the preceding period; <ul style="list-style-type: none"> I One statement of changes in net assets/equity with comparative information for the preceding period; (d) One cash flow statement with comparative information for the preceding period; <ul style="list-style-type: none"> I A comparison of budget and actual amounts for the current year as a separate additional financial statement or as a budget column in the financial statements if the first-time adopter makes its approved budget publicly available; and (f) Related notes including comparative information, and the disclosure of narrative information about material adjustments as required by paragraph 14224. 	IPSAS 33.78

	<p>AG12. Where a first-time adopter elects to not present comparative information, its first transitional IPSAS financial statements following the adoption of accrual basis IPSASs or its first IPSAS financial statements presented in accordance with this IPSAS Standard shall include:</p> <ul style="list-style-type: none"> (a) One statement of financial position, and an opening statement of financial position at the date of adoption of accrual basis IPSAS; (b) One statement of financial performance; (c) One statement of changes in net assets/equity; (d) One cash flow statement; (e) A comparison of budget and actual amounts for the current year as a separate additional financial statement or as a budget column in the financial statements if the first-time adopter makes its approved budget publicly available; and (f) Related notes and the disclosure of narrative information about material adjustments as required by paragraph 44224. 	IPSAS 33.79
	<p>AG13. Where a first-time adopter takes advantage of the exemptions in paragraphs 36AG3–62 which allow a three yearthree-year transitional relief period to not recognize and/or measure an item, comparative information for the year following the date of adoption of IPSASs shall be adjusted only when information is available about the items following their recognition and/or measurement during the relief period.</p>	IPSAS 33.80
	<p>Non-IPSAS Comparative Information</p> <p>AG14. A first-time adopter may present comparative information in accordance with its previous basis of accounting. In any financial statements containing comparative information in accordance with the previous basis of accounting, the first-time adopter shall label the information prepared using the previous basis of accounting information as not being prepared in accordance with IPSASs, and disclose the nature of the main adjustments that would be required to comply with IPSASs.</p>	IPSAS 33.82
	<p>AG15. Where a first-time adopter presents non-IPSAS comparative information in its first IPSAS or first transitional IPSAS financial statements following its adoption of accrual basis IPSASs, the transitional exemptions and provisions provided in this Standard shall not be applied to the non-IPSAS comparative information presented in the first IPSAS financial statements or first transitional IPSAS financial statements.</p>	IPSAS 33.83
	<p>Non-IPSAS Historical Summaries</p> <p>AG16. A first-time adopter may elect to present historical summaries of selected data for periods before the first period for which it presents financial statements in accordance with IPSASs. This IPSAS Standard does not require such summaries to comply with the recognition and measurement requirements of IPSASs. In any financial statements containing historical summaries in accordance with the previous basis of</p>	IPSAS 33.84

	accounting, the first-time adopter shall label the previous basis of accounting information prominently as not being prepared in accordance with IPSASs, and disclose the nature of the main adjustments that would be required to comply with IPSASs. The first-time adopter need not quantify those adjustments.	
	Accounting Principles	
	<p>AG17. <u>The following IPSAS are relevant:</u></p> <p><u>IPSAS 3, Accounting Policies, Changes in Accounting Estimates, and Errors</u></p> <p><u>IPSAS 4, Effects of Changes in Foreign Exchange Rates</u></p> <p><u>IPSAS 10, Reporting in Hyperinflationary Economies</u></p> <p><u>IPSAS 14, Events after the Reporting Date</u></p> <p><u>IPSAS 46, Measurement</u></p> <p><u>The following paragraphs provide more detail on any exemptions that apply to these standards.</u></p>	
	<p>IPSAS 3</p> <p>AG18. The accounting policies that a first-time adopter uses in financial statements may differ from those that it used at the end of its comparative period under its previous basis of accounting. The resulting adjustments arise from transactions, other events or conditions before the date of adoption of IPSASs. Therefore, a first-time adopter shall recognize those adjustments to the opening balance of accumulated surplus or deficit in the period in which the items are recognized and/or measured (or, if appropriate, another category of net assets/equity). The first-time adopter shall recognize these adjustments in the earliest period presented.</p>	IPSAS 33.21
	<p>AG19. The transitional exemptions and provisions in other IPSAS apply to changes in accounting policies made by an entity that already applies accrual basis IPSASs. The transitional exemptions and provisions in this IPSAS <u>applies apply</u> to a first-time adopter that prepares and presents its annual financial statements on the adoption of, and during the transition to accrual basis IPSASs.</p>	IPSAS 33.22
	<p>Exemptions that Affect Fair Presentation and Compliance with Accrual Basis IPSAS during the Period of Transition</p> <p>AG20. A first-time adopter shall only change its accounting policies during the period of transition to better conform to the accounting policies in accrual basis IPSASs, and may retain its existing accounting policies until the exemptions that provided the relief have expired or when the relevant items are recognized and/or measured in the financial statements in accordance with the applicable IPSASs (whichever is earlier). A first-time adopter may change its accounting policy in respect of the recognition and/or measurement of assets and/or liabilities on a class-by-class or category-by-category basis where the use of classes or categories is permitted in the applicable IPSAS.</p>	IPSAS 33.40
	<p>AG21. The transitional exemptions in paragraphs <u>36-AGxx</u> and <u>38-AGyy</u> are intended to allow a first-time adopter a period to</p>	IPSAS 33.39 (in part).

	develop reliable models for recognizing and/or measuring its assets and/or liabilities during the period of transition.	
	<p>Exemptions that Do Not Affect Fair Presentation and Compliance with Accrual Basis IPSAS during the Period of Transition</p> <p>IPSAS 4</p> <p>AG22. On the date of adoption of IPSASs <u>IPSAS</u>, a first-time adopter need not comply with the requirements for cumulative translation differences that exist at that date. If a first-time adopter uses this exemption:</p> <ul style="list-style-type: none"> (a) The cumulative translation differences for all foreign operations are deemed to be zero at the date of adoption of IPSASs; and (b) The gain or loss on a subsequent disposal of any foreign operation shall exclude translation differences that arose before the date of adoption of IPSASs and shall include later translation differences. 	IPSAS 33.85
	AG23. A first-time adopter need not apply Appendix A of IPSAS 4 to assets, expenses and revenue in the scope of Appendix A initially recognized before the date of adoption of IPSASs .	IPSAS 33.85A
IPSAS 33.129 is currently omitted.	AG24. Instead of applying paragraph 85 <u>AG22</u> , a controlled entity that uses the exemption in paragraph 129(a) <u>Agxx</u> may elect, in its financial statements, to measure cumulative translation differences for all foreign operations at the carrying amount that would be included in the controlling entity's consolidated financial statements, based on the controlling entity's date of adoption of IPSASs , if no adjustments were made for consolidation procedures and for the effects of the public sector combination in which the controlling entity acquired the controlled entity. A similar election is available to an associate or joint venture that uses the exemption in paragraph 129(a) <u>Agxx</u> .	IPSAS 33.85B
	AG25. A first-time adopter shall apply the requirement to treat any goodwill (see IPSAS 40) arising on the acquisition of a foreign operation and any fair value adjustments to the carrying amounts of assets and liabilities arising on the acquisition of that foreign operation, as assets and liabilities of the foreign operation, prospectively on the date of adoption of IPSASs .	IPSAS 33.86
	AG26. In applying the transitional exemption in paragraph 85 <u>AG22</u> , a first-time adopter shall not restate prior years for the acquisition of a foreign operation acquired prior to the date of adoption of IPSASs , and accordingly shall, where appropriate, treat goodwill and fair value adjustments arising on acquisition as assets and liabilities of the entity rather than as assets and liabilities of the foreign operation. Therefore, those goodwill and fair value adjustments either are already expressed in the entity's functional currency or are non-monetary foreign currency items, which are reported using the exchange rate at the date of the acquisition.	IPSAS 33.87
	<p>IPSAS 10</p> <p><i>Severe Hyperinflation</i></p>	

	AG27. If a first-time adopter has a functional currency that was, or is, the currency of a hyperinflationary economy, it shall determine whether it was subject to severe hyperinflation before the date of adoption of IPSAS 6 .	IPSAS 33.91
	AG28. The currency of a hyperinflationary economy is subject to severe hyperinflation if it has both of the following characteristics: (a) A reliable general price index is not available to all entities with transactions and balances in the currency; and (b) Exchangeability between the currency and a relatively stable foreign currency does not exist.	IPSAS 33.92
	AG29. The functional currency of a first-time adopter ceases to be subject to severe hyperinflation on the functional currency normalization date. That is the date when the functional currency no longer has either, or both, of the characteristics in paragraph 92 AG28 or when there is a change in the first-time adopter's functional currency to a currency that is not subject to severe hyperinflation.	IPSAS 33.93
	AG30. When a first-time adopter's date of adoption of IPSAS 6 is on, or after, the functional currency normalization date, the first-time adopter may elect to measure all assets and liabilities held before the functional currency normalization date at fair value on the date of adoption to IPSAS 6 . The first-time adopter may use that fair value as the deemed cost of those assets and liabilities in the opening statement of financial position.	IPSAS 33.94
New text required re IPSAS 46?	IPSAS 46 Use of a Current Value as Deemed Cost AG31. If a first-time adopter uses fair value, or the alternative in paragraphs 64, 67 or 70, a current value as deemed cost for inventory, investment property, property, plant and equipment, intangible assets, right-of-use assets, financial instruments, or service concession assets, its financial statements shall disclose: (a) The aggregate of those fair-current values or other measurement alternatives that were considered in determining deemed cost; (b) The aggregate adjustment to the carrying amounts recognized under the previous basis of accounting; and I Whether the deemed cost was determined on the date of adoption of IPSAS 6 or during the period of transition.	IPSAS 33.148
	Use of Deemed Cost for Investments in Subsidiaries, Joint Ventures and Associates AG32. If a first-time adopter uses fair value as deemed cost in its opening statement of financial position for an investment in a controlled entity, joint venture or associate in its separate financial statements, its separate financial statements shall disclose: (a) The aggregate deemed cost of those investments for which deemed cost is fair value; and (b) The aggregate adjustment to the carrying amounts reported under the previous basis of accounting.	IPSAS 33.149

	AG33. The disclosure requirements required in paragraphs 448 AG31 and 149-AG32 shall be disclosed in each period when new items are recognized and/or measured until the exemptions that provided the relief have expired and/or when the relevant assets are recognized and/or measured in accordance with the applicable IPSASs (whichever is earlier).	IPSAS 33.150
	Use of Deemed Cost to Measure Assets Acquired Through a Non-Exchange Transaction AG34. A first-time adopter may elect to measure an asset acquired through a non-exchange transaction at its fair-current value when reliable cost information about the asset is not available, and use that fair-current value as its deemed cost.	IPSAS 33.71, amended.
	Use of Deemed Cost after Severe Hyperinflation AG35. If an entity-first-time adopter elects to measure assets and liabilities at fair-a current value and to use that fair-current value as the deemed cost in its opening IFRS-IPSAS statement Statement of financial-Financial position-Position because of severe hyperinflation (see paragraphs D26AG27-D30AG30), the entity's-first-time adopter's first IFRS-IPSAS financial statements shall disclose an explanation of how, and why, the entity had, and then ceased to have, a functional currency that has both of these characteristics: (a) A reliable general price index is not available to all entities with transactions and balances in the currency. (b) Exchangeability between the currency and a relatively stable foreign currency does not exist.	IFRS 1.31C, adapted.
	Accounting Boundaries	
	AG36. The following IPSAS are relevant: IPSAS 34, Separate Financial Statements IPSAS 35, Consolidated Financial Statements IPSAS 36, Investments in Associates and Joint Ventures IPSAS 37, Joint Arrangements IPSAS 38, Disclosure of Interests in Other Entities IPSAS 40, Public Sector Combinations The following paragraphs provide more detail on any exemptions that apply to these standards.	
	Exemptions that Affect Fair Presentation and Compliance with Accrual Basis IPSAS during the Period of Transition IPSAS 34 AG37. Where a first-time adopter has not recognized its interests in controlled entities, associates or joint ventures under its previous basis of accounting, it is not required to recognize and/or measure its interests in other entities as a controlled entity, associate or joint venture for reporting periods beginning on a date within three years following the date of adoption of accrual basis IPSAS.	IPSAS 33.53
	AG38. Subject to paragraph 53AG37 , a first-time adopter is not required to change its accounting policy in respect of the recognition and/or measurement of its interests in controlled entities, associates or joint ventures for reporting periods	IPSAS 33.54

	beginning on a date within three years following the date of adoption of IPSAS s . The transitional exemption in paragraph 53 AG37 is intended to allow a first-time adopter a period to identify and appropriately classify its interests in other entities as either controlled entities, associates or joint ventures during the period of transition. The first-time adopter may apply accounting policies for the recognition and/or measurement of its interests in controlled entities, associates or joint ventures that do not comply with the provisions of other IPSAS s .	
	IPSAS 35 AG39. Subject to paragraph 53 AG37 , a first-time adopter shall present consolidated financial statements following the adoption of accrual basis IPSAS s . A first-time adopter presenting consolidated financial statements is, however, not required to eliminate all balances, transactions, revenue and expenses between entities within the economic entity for reporting periods beginning on a date within three years following the date of adoption of IPSAS s .	IPSAS 33.55
	AG40. On adoption of IPSAS s , an entity may have controlled entities with a significant number of transactions between controlled entities. Accordingly, it may be difficult to identify some transactions and balances that need to be eliminated for the purpose of preparing the consolidated financial statements of the economic entity. For this reason, paragraph 55 AG39 provides relief for a period of up to three years to fully eliminate balances, transactions, revenue and expenses between entities within the economic entity.	IPSAS 33.56
	AG41. Notwithstanding the transitional exemption in paragraph 55 AG39 , a first-time adopter is encouraged to eliminate those balances, transactions, revenue and expenses that are known on the date of adoption of IPSAS s to comply in full with the provisions of IPSAS 35 as soon as possible.	IPSAS 33.57
	AG42. Where a first-time adopter has taken advantage of the transitional exemption in paragraph 53 AG37 and/or paragraph 55 AG39 , it shall not present financial statements as consolidated financial statements until: (a) The exemptions that provided the relief have expired; and (b) Its interests in other entities have been appropriately recognized and/or measured as controlled entities, associates or joint ventures; or I Inter-entity balances, transactions, revenue and expenses between entities within the economic entity are eliminated (whichever is earlier).	IPSAS 33.58
	IPSAS 36 AG43. When a first-time adopter applies the equity method on adoption of IPSAS 36, the investor is not required to eliminate its share in the surplus and deficit resulting from upstream and downstream transactions between the investor and its associate or joint venture for reporting periods beginning on a date within three years following the date of adoption of IPSAS s .	IPSAS 33.59
	AG44. On adoption of IPSAS s , a first-time adopter may be an investor in one or more associates or joint ventures with a significant number of upstream and downstream transactions	IPSAS 33.60

	between the investor and the investee. Accordingly, it may be difficult to identify some upstream and/or downstream transactions in which the investor's share in the associate's or joint venture's surplus or deficit needs to be eliminated in applying the equity method. For this reason, paragraph 59 AG43 provides the investor relief with a period of up to three years to fully eliminate its share in the associate's or joint venture's surplus or deficit resulting from upstream and/or downstream transactions.	
	AG45. Notwithstanding the transitional exemption in paragraph 59 AG43 , a first-time adopter is encouraged to eliminate its share in the associate's and joint venture's surplus and deficit resulting from upstream and downstream transactions that are known on the date of adoption of IPSAS s , to comply in full with the provisions of IPSAS 36 as soon as possible.	IPSAS 33.61
	AG46. Where a first-time adopter has taken advantage of the transitional exemption in paragraph 53 AG29 and/or paragraph 59 AG37 , it shall not present financial statements in which investments in associates or joint ventures are accounted for using the equity method until: <ul style="list-style-type: none"> (a) The exemptions that provided the relief have expired; and (b) The interest in other entities have been appropriately recognized and/or measured as an associate or joint venture; or <ul style="list-style-type: none"> I Its share in the associate's surplus and deficit resulting from upstream and downstream transactions between the investor and the investee are eliminated (whichever is earlier). 	IPSAS 33.62
	Exemptions that Do Not Affect Fair Presentation and Compliance with Accrual Basis IPSAS during the Period of Transition IPSAS 37 AG47. Where a first-time adopter accounted for its investment in a joint venture under its previous basis of accounting basis using proportionate consolidation, the investment in the joint venture shall be measured on the date of adoption as the aggregate of the carrying amount of the assets and liabilities that the entity previously proportionately consolidated, including any purchased goodwill arising from acquisition transactions (see IPSAS 40).	IPSAS 33.132
	AG48. The opening balance of the investment determined in accordance with paragraph 432 AG47 is regarded as the deemed cost of the investment at initial recognition. A first-time adopter shall test the investment for impairment as at the date of adoption, regardless of whether there is any indication that the investment may be impaired. Any impairment loss shall be adjusted to the accumulated surplus or deficit at the date of adoption.	IPSAS 33.133
	AG49. If aggregating all previously proportionately consolidated assets and liabilities results in negative net assets, the first-time adopter shall assess whether it has legal or constructive obligations in relation to the negative net assets and, if so, the first-time adopter shall recognize a corresponding	IPSAS 33.134

	liability. If the first-time adopter concludes that it does not have legal or constructive obligations in relation to the negative net assets, it shall not recognize the corresponding liability <u>liability</u> , but it shall adjust accumulated surplus or deficit at the date of adoption. The first-time adopter shall disclose this fact, along with its cumulative unrecognized share of losses of its joint ventures as at the date of adoption of accrual basis IPSAS s .	
	<p>Exemptions that Affect Fair Presentation and Compliance with Accrual Basis IPSAS during the Period of Transition</p> <p>IPSAS 40</p> <p>AG50. Where a first-time adopter applies the exemption in paragraph 36 <u>in paragraph 36</u> which allows a three-year <u>three-year</u> transitional relief period to not recognize and/or measure assets and/or liabilities, the first-time adopter may be a party to a public sector combination during that three-year <u>three-year</u> transitional relief period. The first-time adopter is not required to recognize and/or measure the assets and/or liabilities associated with the public sector combination, until the exemption that provided the relief has expired and/or when the relevant assets and/or liabilities are recognized and/or measured in accordance with the applicable IPSASs (whichever is earlier).</p>	IPSAS 33.62A
	<p>AG51. Where a first-time adopter applies the exemption in paragraph 62A <u>AG50</u> it shall not recognize goodwill in respect of an acquisition. The first-time adopter shall recognize the difference between (a) and (b) below in net assets/equity:</p> <p>(a) The aggregate of:</p> <ul style="list-style-type: none"> (i) Any consideration transferred; (ii) Any non-controlling interests in an acquired operation; and (iii) Any previously held equity interests in an acquired operation. <p>(b) The net amounts of any identifiable assets acquired and the liabilities assumed.</p>	IPSAS 33.62B
	AG52. IPSAS 40 is applied prospectively. Consequently, a first-time adopter does not adjust any amounts of goodwill recognized as a result of a public sector combination that occurred prior to the application of IPSAS 40.	IPSAS 33.62C

	Non-Financial Assets	
	<p>AG53. <u>The following IPSAS are relevant:</u></p> <p><u>IPSAS 5, <i>Borrowing Costs</i></u></p> <p><u>IPSAS 12, <i>Inventories</i></u></p> <p><u>IPSAS 16, <i>Investment Property</i></u></p> <p><u>IPSAS 21, <i>Impairment of Non-Cash-Generating Assets</i></u></p> <p><u>IPSAS 26, <i>Impairment of Cash-Generating Assets</i></u></p> <p><u>IPSAS 27, <i>Agriculture</i></u></p> <p><u>IPSAS 31, <i>Intangible Assets</i></u></p> <p><u>IPSAS 44, <i>Assets Held for Sale and Discontinued Operations</i></u></p> <p><u>IPSAS 45, <i>Property, Plant, and Equipment</i></u></p> <p><u>The following paragraphs provide more detail on any exemptions that apply to these standards.</u></p>	
	<p>AG54. Where a first-time adopter has recognized the non-financial assets and/or liabilities included in paragraph 36 under its previous basis of accounting, it is not required to change its accounting policy(ies) in respect of the measurement of these assets and/or liabilities for reporting periods beginning on a date within three years following the date of adoption of IPSASs.</p>	IPSAS 33.38
	<p>AG55. Where a first-time adopter has not recognized non-financial assets and/or liabilities under its previous basis of accounting, it is not required to recognize and/or measure them following assets and/or liabilities for reporting periods beginning on a date within three years following the date of adoption of IPSASs.</p>	IPSAS 33.36
	<p>Exemptions that Affect Fair Presentation and Compliance with Accrual Basis IPSAS during the Period of Transition</p> <p>IPSAS 5</p> <p>AG56. Where a first-time adopter applies the exemption in paragraph 36 which allows a three year transitional relief period to not recognize and/or measure assets, and elects to account for borrowing costs in terms of the allowed alternative treatment <u>(IPSAS 5.17-29)</u>, it is not required to capitalize any borrowing costs on qualifying assets for which the commencement date for capitalization is prior to the date of adoption of accrual basis IPSASs, until the exemption that provided the relief has expired and/or when the relevant assets are RECOGNIZED and/or measured in accordance With the applicable IPSASs (whichever is earlier).</p>	IPSAS 33.44, amended.
	<p>Exemptions that Do Not Affect Fair Presentation and Compliance with Accrual Basis IPSAS during the Period of Transition</p> <p>IPSAS 5</p>	

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	AG57. A first-time adopter is encouraged, but not required, to apply the requirements of IPSAS 5 retrospectively where it adopts or changes its accounting policy to the benchmark treatment (IPSAS 5.14–15) .	IPSAS 33.88
	AG58. Where a first-time adopter adopts or changes its accounting policy to the benchmark treatment, it is allowed to designate any date before the date of adoption of IPSASs and apply IPSAS 5 prospectively on or after that designated date.	IPSAS 33.89
	AG59. Where a first-time adopter changes its accounting policy to the allowed alternative treatment, any borrowing costs incurred both before and after date of adoption of IPSASs on qualifying assets for which the commencement date for the capitalization is prior to the date of adoption of IPSASs, shall be recognized retrospectively in accordance with the allowed alternative treatment.	IPSAS 33.90
	IPSAS 21 AG60. A first-time adopter shall apply the requirements in IPSAS 21 prospectively from the date of adoption of IPSASs, except in relation to those assets where a first-time adopter takes advantage of the exemption in paragraph 36 which allows a three-year three-year transitional relief period to not recognize and/or measure assets. When a first-time adopter takes advantage of the exemption, that provides a three-year transitional relief period in IPSAS 16, 17, 27, 31 and 32 , it applies IPSAS 21 prospectively when the exemption that provided the relief has expired, and/or the relevant assets are recognized and/or measured in accordance with the applicable IPSASs (whichever is earlier).	IPSAS 33.98 IPSAS 33.100 omitted.
	AG61. On the date that the transitional exemption that provided the relief has expired, and/or when the relevant assets are recognized and/or measured in the financial statements (whichever is earlier), a first-time adopter shall assess whether there is any indication that the non-cash-generating assets recognized and/or measured are impaired. Any impairment loss shall be recognized in opening accumulated surplus or deficit on the date of adoption of IPSASs, or in opening accumulated surplus or deficit in the reporting period in which the transitional exemption expires, and/or the relevant assets are recognized and/or measured (whichever is earlier).	IPSAS 33.99
	IPSAS 26 AG62. A first-time adopter shall apply the requirements in IPSAS 26 prospectively from the date of adoption of IPSASs, except in relation to those assets where a first-time adopter takes advantage of the exemption in paragraph 36 which allows a three-year three-year transitional relief period to not recognize and/or measure assets. When a first-time adopter takes advantage of the exemption, that provides a three-year transitional relief period in IPSASs 16, 17, 27, 31 and 32 , it applies IPSAS 26 prospectively when the exemption that provided the relief has expired, and/or the relevant assets are	IPSAS 33.108 IPSAS 33.110 omitted.

	recognized and/or measured in accordance with the applicable IPSASs (whichever is earlier).	
	AG63. On the date that the transitional exemption that provided the relief has expired, and/or when the relevant assets are recognized and/or measured in the financial statements (whichever is earlier), a first-time adopter shall assess whether there is any indication that the cash-generating assets recognized and/or measured are impaired. Any impairment loss shall be recognized in opening accumulated surplus or deficit on the date of adoption of IPSASs, or in opening accumulated surplus or deficit in the reporting period in which the transitional exemption expires, and/or the relevant assets are recognized and/or measured (whichever is earlier).	IPSAS 33.109
	IPSAS 31 AG64. A first-time adopter shall recognize and/or measure an internally generated intangible asset if it meets the definition of an intangible asset and the recognition criteria in IPSAS 31, even if the first-time adopter has, under its previous basis of accounting, expensed such costs. A deemed cost may not be determined for internally generated intangible assets.	IPSAS 33.125 IPSAS 33.126 omitted.
	IPSAS 45 AG65. If a first-time adopter's depreciation methods and rates in accordance with its previous basis of accounting are acceptable in accordance with IPSASs, it accounts for any change in estimated useful life or depreciation pattern prospectively from when it makes that change in estimate (paragraphs 22-17 and 26-AG15 of IPSAS 33this Standard and paragraph 76-57 of IPSAS 1745). However, in some cases, a first-time adopter's depreciation methods and rates in accordance with its previous basis of accounting may differ from those that would be acceptable in accordance with IPSASs (for example, if they do not reflect a reasonable estimate of the asset's useful life). If those differences have a material effect on the financial statements, the entity adjusts accumulated depreciation in its opening statement of financial position retrospectively so that it complies with IPSASs.	IPSAS 33.IG53
	AG66. A first-time adopter may elect to <u>use one of the following amounts a current value</u> as the deemed cost of property, plant and equipment: <u>at the date of adoption of IPSAS, in which case the first-time adopter provides the disclosures required by paragraph AG31 of this Standard.</u>	IPSAS 33.IG54 amended.

	<p>(a) Fair value at the date of adoption of IPSASs (paragraph 67 of IPSAS 33), in which case the first-time adopter provides the disclosures required by paragraph 148 of IPSAS 33; or</p> <p>(b) A revaluation in accordance with its previous basis of accounting that meets the criteria in paragraph 67 of IPSAS 33.</p>	
	<p>AG67. Subsequent depreciation is based on that deemed cost and starts from the date for which the first-time adopter determined the deemed cost, or where the first-time adopter takes advantage of the exemption that provides a three year transitional relief period to not recognize certain assets, when the exemptions providing the relief have expired, or the asset has been recognized in accordance with IPSAS 47-45 (whichever is earlier).</p>	IPSAS 33.IG55
	<p>AG68. If a first-time adopter chooses as its accounting policy the revaluation-current value model in IPSAS 47-45 for some or all classes of property, plant and equipment, it presents the cumulative revaluation surplus as a separate component of net assets/equity. The revaluation surplus at the date of adoption of IPSASs is based on a comparison of the carrying amount of the asset at that date with its cost or deemed cost. If the deemed cost is the fair value at the date of adoption of IPSASs or where the first-time adopter takes advantage of the exemption that provides a three year transitional relief period to not recognize and/or measure certain assets, when the exemptions providing the relief have expired, or the asset has been recognized and/or measured in accordance with IPSAS 47-45 (whichever is earlier), the first-time adopter provides the disclosures required by paragraph 148-AG31 of IPSAS 33this Standard.</p>	IPSAS 33.IG56
	<p>AG69. If revaluations in accordance with the first-time adopter's previous basis of accounting did not satisfy the criteria in paragraphs 67 or 69AG15 of IPSAS 33this Standard, the first-time adopter measures the revalued assets in its opening statement of financial position on one of the following bases:</p> <ul style="list-style-type: none"> (a) Cost (or deemed cost) less any accumulated depreciation and any accumulated impairment losses under the cost model in IPSAS 47-45; (b) Deemed cost, being the fair-current value or an alternative when market-based evidence of fair value is not available, at the date of adoption of IPSASs, or where a first-time adopter takes advantage of the exemption that provides a three year transitional relief period to not recognize and/or measure certain assets, the date at which the asset is recognized and/or measured during the period of transition, or when the transitional exemptions expire (whichever is earlier); or 	IPSAS 33.IG57

	I A revalued amount, if the entity adopts the revaluation current value model in IPSAS 47-45 as its accounting policy in accordance with IPSASs for all items of property, plant and equipment in the same class.	
	AG70. IPSAS 47-45 requires each part of an item of property, plant and equipment with a cost that is significant in relation to the total cost of the item to be depreciated separately. However, IPSAS 47-45 does not prescribe the unit of measurement for recognition of an asset, i.e. what constitutes an item of property, plant and equipment. Thus, judgment is required in applying the recognition criteria to an entity's specific circumstances (paragraphs 1 IPSAS 45.8 and 59 IPSAS 45.72).	IPSAS 33.IG58
	Financial Assets and Liabilities	
	AG71. The following IPSAS are relevant: IPSAS 28, Financial Instruments: Presentation IPSAS 30, Financial Instruments: Disclosures IPSAS 41, Financial Instruments The following paragraphs provide more detail on certain of the exemptions that apply to these standards.	
	Exemptions that Affect Fair Presentation and Compliance with Accrual Basis IPSAS during the Period of Transition AG72. Where a first-time adopter has recognized the financial assets and/or financial liabilities included in paragraph 36 under its previous basis of accounting, it is not required to change its accounting policy(ies) in respect of the measurement of these assets and/or liabilities for reporting periods beginning on a date within three years following the date of adoption of IPSAS s .	IPSAS 33.38
	AG73. Where a first-time adopter has not recognized financial assets and/or financial liabilities under its previous basis of accounting, it is not required to recognize and/or measure the following assets and/or liabilities for reporting periods beginning on a date within three years following the date of adoption of IPSAS s .	IPSAS 33.36
	AG74. To the extent that a first-time adopter applies the exemptions in paragraphs 36 and 38 which allows a three year transitional relief period to not recognize and/or measure financial assets, it is not required to recognize and/or measure any related revenue in terms of IPSAS 9, Revenue from Exchange Transactions, or other receivables settled in cash or another financial asset in terms of IPSAS 23, Revenue from Non-Exchange Transactions (Taxes and Transfers) IPSAS 47, Revenue .	IPSAS 33.41
	Exemptions that Do Not Affect Fair Presentation and Compliance with Accrual Basis IPSAS during the Period of Transition IPSAS 28	

	AG75. On the date of adoption of IPSAS s , a first-time adopter shall evaluate the terms of the financial instrument to determine whether it contains both a liability component and a net asset/equity component. If the liability component is no longer outstanding on the date of adoption of IPSAS s , the first-time adopter need not separate the compound financial instrument into a liability component and a net asset/equity component.	IPSAS 33.111 IPSAS 33.112 omitted.
	IPSAS 30 AG76. Where the first-time adopter elects to present comparative information in accordance with paragraph s 78 AG10–AG12 of this Standard , it is not required to present information about the nature and extent of risks arising from financial instruments for the comparative period in its first transitional IPSAS financial statements or its first IPSAS financial statements.	IPSAS 33.123
	AG77. A first-time adopter shall apply the requirements in IPSAS 30 prospectively from the date of adoption of IPSAS s , or when the exemptions that provided the relief have expired, and/or when the relevant financial instrument is recognized and/or measured in accordance with IPSAS 41 (whichever is earlier).	IPSAS 33.124
	IPSAS 41 <i>Designation of Financial Instruments on the Date of Adoption of IPSAS or During the Period of Transition</i> AG78. A first-time adopter may designate a financial asset or financial liability as a financial asset or financial liability at fair value through surplus or deficit that meet the criteria for designation in IPSAS 41, in accordance with paragraph 413A AG79 . A first-time adopter shall disclose the fair value of financial assets and financial liabilities designated into each category at the date of designation, their classification and carrying amount.	IPSAS 33.113 (IPSAS 33.114 was deleted January 2020.)
	AG79. IPSAS 41 permits a financial asset or financial liability to be designated on initial recognition (provided it meets certain criteria) as a financial asset or financial liability as at fair value through surplus or deficit. Despite this requirement, an exception applies when a first-time adopter is permitted to designate, at the date of adoption of IPSAS s , any financial asset or financial liability as at fair value through surplus or deficit provided the asset meets the criteria in paragraph 44 of IPSAS 41 or liability meets the criteria in paragraph 46 of IPSAS 41 at that date.	IPSAS 33.113A
	AG80. An entity may designate an investment in an equity instrument as at fair value through net assets/equity in accordance with paragraph 106 of IPSAS 41 on the basis of the facts and circumstances that exist at the date of adoption of IPSAS s .	IPSAS 33.114A
	<i>Derecognition of Financial Assets and Financial Liabilities</i> AG81. Except as permitted by paragraph 416 AG82 a first-time adopter shall apply the derecognition requirements in IPSAS 41 prospectively for transactions occurring on or after the date of adoption of IPSAS s , or where a first-time adopter takes advantage of the exemptions not to recognize financial instruments, the date on which the exemptions that provided the relief have expired and/or the financial instruments are	IPSAS 33.115

	recognized (whichever is earlier). For example, if a first-time adopter derecognized non-derivative financial assets or non-derivative financial liabilities in accordance with its previous basis of accounting as a result of a transaction that occurred before the date of adoption of IPSAS es , it shall not recognize those assets and liabilities in accordance with IPSAS 41, unless they qualify for recognition as a result of a later transaction or event.	
	AG82. Notwithstanding the provision in paragraph 44 5 AG81, a first-time adopter may apply the derecognition requirements in IPSAS 41 retrospectively from a date of the first-time adopter choosing, provided that the information needed to apply IPSAS 41 to financial assets and financial liabilities derecognized as a result of past transactions was obtained at the time of initially accounting for these transactions.	IPSAS 33.116
	<p><i>Hedge Accounting</i></p> <p>AG83. As required by IPSAS 41, a first-time adopter shall at the date of adoption of IPSASes, or where a first-time adopter takes advantage of the exemption that provides a three-year transitional relief period to not recognize and/or measure financial instruments, the date when the exemption that provided the relief has expired and/or the relevant financial instruments are recognized and/or measured in accordance with the applicable IPSASes (whichever is earlier):</p> <ul style="list-style-type: none"> (a) Measure all derivatives at fair value; and (b) Eliminate all deferred losses and gains arising on derivatives that were reported in accordance with its previous basis of accounting as if they were assets or liabilities. 	IPSAS 33.117
	AG84. A first-time adopter shall not reflect in its opening statement of financial position a hedging relationship of a type that does not qualify for hedge accounting in accordance with IPSAS 41 (for example, many hedging relationships where the hedging instrument is a stand-alone written option; or where the hedged item is a net position in a cash flow hedge for another risk than foreign currency risk). However, if a first-time adopter designated a net position as a hedged item in accordance with its previous basis of accounting, it may designate as a hedged item in accordance with IPSAS es an individual item within that net position, or a net position if that meets the requirements in paragraph 146 of IPSAS 41, provided that it does so no later than the date of adoption of IPSAS es or where it takes advantage of the exemption that provides a three-year transitional relief period to not recognize and/or measure financial instruments, the date when the exemption that provided the relief has expired, and/or the relevant financial instruments are recognized and/or measured in accordance with the applicable IPSAS es (whichever is earlier).	IPSAS 33.118
	AG85. If, before the date of adoption of IPSAS es , or where a first-time adopter takes advantage of the exemption that provides a three-year transitional relief period to not recognize and/or measure financial instruments the date on which the exemption that provided the relief has expired, and/or the relevant financial instruments are recognized and/or measured in accordance with the applicable IPSAS es (whichever is earlier), a first-time adopter had designated a transaction as a hedge	IPSAS 33.119

	but the hedge does not meet the conditions for hedge accounting in IPSAS 41, the first-time adopter shall apply paragraphs 135 and 136 of IPSAS 41 to discontinue hedge accounting. Transactions entered into before the date of adoption of IPSASs, or where a first-time adopter takes advantage of the exemption that provides a three-year transitional relief period to not recognize and/or measure financial instruments, the date when the transitional exemption expires and/or the relevant financial instruments are recognized and/or measured in accordance with IPSAS 41 (whichever is earlier), shall not be retrospectively designated as hedges.	
	<i>Classification and Measurement of Financial Instruments</i> AG86. An entity shall assess whether a financial asset meets the conditions in paragraph 40 or the conditions in paragraph 41 of IPSAS 41 on the basis of the facts and circumstances that exist at the date of adoption of IPSASs.	IPSAS 33.119A
	AG87. If it is impracticable to assess a modified time value of money element in accordance with paragraphs AG68–AG70 of IPSAS 41 on the basis of the facts and circumstances that exist at the date of transition to IPSASs, an entity shall assess the contractual cash flow characteristics of that financial asset on the basis of the facts and circumstances that existed at the date of adoption of IPSASs without taking into account the requirements related to the modification of the time value of money element in paragraphs AG68–AG70 of IPSAS 41. (In this case, the entity shall also apply paragraph 49J of IPSAS 30 but references to ‘paragraph 161 of IPSAS 41’ shall be read to mean this paragraph and references to ‘initial recognition of the financial asset’ shall be read to mean ‘at the date of adoption of IPSASs’.)	IPSAS 33.119B
	AG88. If it is impracticable to assess whether the fair value of a prepayment feature is insignificant in accordance with paragraph AG74(c) of IPSAS 41 on the basis of the facts and circumstances that exist at the date of adoption of IPSASs, an entity shall assess the contractual cash flow characteristics of that financial asset on the basis of the facts and circumstances that existed at the date of adoption of IPSASs without taking into account the exception for prepayment features in paragraph AG74 of IPSAS 41. (In this case, the entity shall also apply paragraph 49K of IPSAS 30 but references to ‘paragraph 162 of IPSAS 41’ shall be read to mean this paragraph and references to ‘initial recognition of the financial asset’ shall be read to mean ‘at the date of adoption of IPSASs’.)	IPSAS 33.119C
	AG89. If it is impracticable (as defined in IPSAS 3) for an entity to apply retrospectively the effective interest method in IPSAS 41, the fair value of the financial asset or the financial liability at the date of adoption of IPSASs shall be the new gross carrying amount of that financial asset or the new amortized cost of that financial liability at the date of adoption of IPSASs.	IPSAS 33.119D
	<i>Impairment of Financial Assets</i> AG90. A first-time adopter shall apply the impairment requirements prospectively from the date of adoption of IPSASs, except in relation to those financial assets where it takes advantage of the exemptions in paragraphs 36, 38 and 42 which allow a three-year three-year transitional relief period to not recognize and/or measure financial instruments. When a	IPSAS 33.120

	first-time adopter adopts the three-year three-year transitional relief period provided, it applies the impairment provisions when exemption that provided the relief has expired, and/or the relevant financial instruments are recognized and/or measured in accordance with IPSAS 41 (whichever is earlier).	
	AG91. A first-time adopter shall on the date of adoption of IPSASs, or when the exemptions that provided the relief have expired, and/or when the relevant financial instruments are recognized and/or measured and relevant information has been presented and/or disclosed in the financial statements in accordance with the applicable IPSAS (whichever is earlier), assess at that date whether there is any indication that the financial instrument recognized and/or measured in the statement of financial position, is impaired. Any impairment loss incurred shall be recognized in opening accumulated surplus or deficit in the period in which the financial instrument is recognized and/or measured.	IPSAS 33.121
	AG92. A first-time adopter shall apply the impairment requirements prospectively. This means that on the date of adoption of IPSAS 41, when the exemptions that provided the relief have expired, and/ or when the relevant financial instruments are recognized and/or measured, a first-time adopter shall be required to assess whether there is an indication that the financial instrument is impaired. Any impairment loss shall be recognized in opening accumulated surplus or deficit on the date of adoption of IPSASs, or in the opening accumulated surplus or deficit of the reporting period in which the exemptions that provided the relief have expired, and/or the relevant financial instruments are recognized and/or measured (whichever is earlier).	IPSAS 33.122
	AG93. At the date of adoption of IPSAS 41, when the exemptions that provided the relief have expired, and/ or when the relevant financial instruments are recognized and/or measured, a first-time adopter shall use reasonable and supportable information that is available without undue cost or effort to determine the credit risk at the date that financial instruments were initially recognized (or for loan commitments and financial guarantee contracts the date that the entity became a party to the irrevocable commitment in accordance with paragraph 78 of IPSAS 41) and compare that to the credit risk at the date of adoption of IPSASs (also see paragraphs AG350–AG351 of IPSAS 41).	IPSAS 33.122A
	AG94. When determining whether there has been a significant increase in credit risk since initial recognition, an entity may apply: <ul style="list-style-type: none"> (a) The requirements in paragraph 82 and AG179–AG182 of IPSAS 41; and (b) The rebuttable presumption in paragraph 83 of IPSAS 41 for contractual payments that are more than 30 days past due if an entity will apply the impairment requirements by identifying significant increases in credit risk since initial recognition for those financial instruments on the basis of past due information. 	IPSAS 33.122B
	AG95. If, at the date of adoption of IPSASs, determining whether there has been a significant increase in credit risk since the initial recognition of a financial instrument would	IPSAS 33.122C (There is no IPSAS 33.122D.)

	require undue cost or effort, an entity shall recognize a loss allowance at an amount equal to lifetime expected credit losses at each reporting date until that financial instrument is derecognized (unless that financial instrument is low credit risk at a reporting date, in which case paragraph 422B AG94 (a) applies).	
	<p><i>Embedded Derivatives</i></p> <p>AG96. A first-time adopter shall assess whether an embedded derivative is required to be separated from the host contract and accounted for as a derivative on the basis of the conditions that existed at the later of the date it first became a party to the contract and the date a reassessment is required by paragraph AG109 of IPSAS 41.</p>	IPSAS 33.122E
	Revenue	
Need material on IPSAS 47	AG97.	
	Expenses and Non-Financial Liabilities	
	<p>AG98. The following IPSAS are relevant:</p> <p>IPSAS 19, Provisions, Contingent Liabilities, and Contingent Assets</p> <p>IPSAS 32, Service Concession Arrangements: Grantor</p> <p>IPSAS 39, Employee Benefits</p> <p>IPSAS 42, Social Benefits</p> <p>IPSAS 43, Leases</p> <p>IPSAS 48, Transfer Expenses</p> <p>The following paragraphs provide more detail on any exemptions that apply to these standards.</p>	
	<p>Exemptions that Affect Fair Presentation and Compliance with Accrual Basis IPSAS during the Period of Transition</p> <p>IPSAS 19</p> <p>AG99. Where a first-time adopter takes advantage of the exemption in paragraph 36 which allows a three-year transitional relief period to not recognize and/or measure property, plant and equipment, it is not required to recognize and/or measure the liability relating to the initial estimate of costs of dismantling and removing the item and restoring the site on which it is located until the exemption for IPSAS 45-47 has expired, and/or the relevant asset is recognized and/or measured in accordance with IPSAS 45-47 (whichever is earlier).</p>	IPSAS 33.48
	<p>AG100. This IPSAS allows a first-time adopter a period of up to three years from the date of adoption of IPSASs to not recognize and/or measure property, plant and equipment. IPSAS 45-47 requires an entity to include as part of the cost of an item of property, plant and equipment, the initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located. Where a first-time adopter takes</p>	IPSAS 33.49

	<p>advantage of the exemption that allows a three-year transitional relief period for the recognition and/or measurement of property, plant and equipment, a first-time adopter is not required to apply the requirements related to the initial estimate of costs of dismantling and removing the item and restoring the site on which it is located until the exemption that provided the relief has expired, and/or when the relevant asset is recognized and/or measured in accordance with IPSAS 45-47 (whichever is earlier). The liability shall be measured as at the date of adoption of IPSASs, or where a first-time adopter has taken advantage of the exemption that allows a three-year transitional relief period for the recognition and/or measurement of an asset, the date on which the exemption that provides the relief has expired and/or the asset has been recognized and/or measured in accordance with the applicable IPSASs.</p>	
	<p>AG101. Where a first-time adopter takes advantage of the exemption in paragraph 48AG100, it shall recognize and/or measure the obligation and any related asset at the same time.</p>	IPSAS 33.50
	<p>AG102. Where a first-time adopter takes advantage of the exemption in paragraph 36 which allows a three-year transitional relief period to not recognize assets and/or liabilities, it is not required to apply the requirements related to leases until the exemption that provided the relief has expired, and/or when the relevant assets are recognized in accordance with the applicable IPSASs (whichever is earlier).</p>	IPSAS 33.46 and part of IPSAS 33.47
	<p>Exemptions that Do Not Affect Fair Presentation and Compliance with Accrual Basis IPSAS during the Period of Transition</p> <p>IPSAS 32</p> <p><i>Initial Measurement of Related Liability</i></p> <p>AG103. Where a first-time adopter elects to measure service concession assets using deemed cost, the related liabilities shall be measured as follows:</p> <ul style="list-style-type: none"> (a) For the liability under the financial liability model, the remaining contractual cash flows specified in the binding arrangement and the rate prescribed in IPSAS 32; or (b) For the liability under the grant of a right to the operator model, the fair value of the asset less any financial liabilities, adjusted to reflect the remaining period of the service concession arrangement. 	IPSAS 33.127
	<p>AG104. A first-time adopter shall recognize and/or measure any difference between the value of the service concession asset and the financial liability under the financial liability model in paragraph 427AG103 in opening accumulated surplus or deficit in the period in which the items are recognized and/or measured.</p>	IPSAS 33.128
	<p>IPSAS 39</p> <p>AG105. A first-time adopter shall recognize and/or measure all employee benefits on the date of adoption of IPSASs, except for defined benefit plans and other long-term employee benefits where it takes advantage of the exemption in paragraph 36AG3.</p>	IPSAS 33.101

	<p>Defined Benefit Plans and Other Long-Term Employee Benefits</p> <p>AG106. On the date of adoption of IPSASs, or where a first-time adopter takes advantage of the three-yearthree-year transitional exemption, the date on which the exemption expires, or when the relevant liabilities are recognized and/or measured in the financial statements (whichever is earlier), a first-time adopter shall determine its initial liability for defined benefit plans and other long-term employee benefits at that date as:</p> <ul style="list-style-type: none"> (a) The present value of the obligation at the date of adoption of IPSASs, or where a first-time adopter takes advantage of the three-yearthree-year transitional relief period, the date on which the exemption expires, or when the relevant liabilities are recognized and/or measured in the financial statements (whichever is earlier), by using the Projected Unit Credit Method; and (b) Minus the fair value, at the date of adoption of IPSASs, or where a first-time adopter takes advantage of the three-yearthree-year transitional relief period, the date on which the exemption expires, or when the relevant liabilities are recognized and/or measured in the financial statements (whichever is earlier) of plan assets (if any) out of which the obligations are to be settled directly. 	IPSAS 33.102
	<p>AG107. If the initial liability in accordance with paragraph 102 AG106 is more or less than the liability that was recognized and/or measured at the end of the comparative period under the first-time adopter's previous basis of accounting, the first-time adopter shall recognize that increase/decrease in opening accumulated surplus or deficit in the period in which the items are recognized and/or measured.</p>	IPSAS 33.103
	<p>AG108. The effect of the change in the accounting policy to IPSAS 39 includes any remeasurements that arose, if any, in earlier periods. Under its previous basis of accounting, a first-time adopter may not have recognized and/or measured any liability, in which case the increase in the liability will represent the full amount of the liability minus the fair value, at the date of adoption of IPSASs or where a first-time adopter takes advantage of the three year transitional relief period, the date on which the exemption expires, or when the relevant liabilities are recognized and/or measured in the financial statements (whichever is earlier), of any plan assets in accordance with paragraph AG95402(b). This increased liability is recognized in opening accumulated surplus or deficit in the period in which the items are recognized and/or measured.</p>	IPSAS 33.104
	<p>AG109. A first-time adopter shall recognize all cumulative remeasurements in opening accumulated surplus or deficit in the period in which the items are recognized and/or measured.</p>	IPSAS 33.105 (IPSAS 33.106 and IPSAS 33.107 were deleted in July 2016.)
	<p>IPSAS 42</p> <p>AG110. On the date of adoption of IPSASs, or where a first-time adopter takes advantage of the three-yearthree-year</p>	IPSAS 33.143A

	transitional exemption, the date on which the exemption expires, or when the relevant liabilities are recognized and/or measured in the financial statements (whichever is earlier), a first-time adopter shall determine its initial liability for a social benefit scheme at that date in accordance with IPSAS 42.	
	AG111. If the initial liability in accordance with paragraph 434A AG110 is more or less than the liability that was recognized and/or measured at the end of the comparative period under the first-time adopter's previous basis of accounting, the first-time adopter shall recognize that increase/decrease in opening accumulated surplus or deficit in the period in which the items are recognized and/or measured.	IPSAS 33.143B
	IPSAS 43 AG112. A first-time adopter shall on the date of adoption of IPSAS, classify all existing leases as operating or finance leases on the basis of circumstances existing at the inception of the lease, to the extent that these are known on the date of adoption of IPSAS s . A first-time adopter may assess whether a contract existing at the date of adoption of IPSAS s contains a lease by applying paragraphs 10–12 of IPSAS 43 to those contracts on the basis of facts and circumstances existing at that date.	IPSAS 33.95
	AG113. When a first-time adopter that is a lessee recognizes lease liabilities and right-of-use assets, it may apply the following approach to all of its leases (subject to the practical expedients described in paragraph 96C AG115): <ul style="list-style-type: none"> (a) Measure a lease liability at the date of adoption of IPSASs. A lessee following this approach shall measure that lease liability at the present value of the remaining lease payments (see paragraph 96DAG116), discounted using the lessee's incremental borrowing rate (see paragraph 96DAG116) at the date of adoption of IPSASs. (b) Measure a right-of-use asset at the date of adoption of IPSASs. The lessee shall choose, on a lease-by-lease basis, to measure that right-of-use asset at either: <ul style="list-style-type: none"> (i) Its carrying amount as if IPSAS 43 had been applied since the commencement date of the lease (see paragraph 96D), but discounted using the lessee's incremental borrowing rate at the date of adoption of IPSASs; or (ii) An amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments relating to that lease recognized in the statement of financial position immediately before the date of adoption of IPSASs; (c) Apply IPSAS 21 or IPSAS 26 to right-of-use assets at the date of adoption of IPSASs. 	IPSAS 33.96 was deleted January 2022. IPSAS 33.96A
	AG114. Notwithstanding the requirements in paragraph 96A AG113 , a first-time adopter that is a lessee shall measure the right-of-use asset at fair value at the date of adoption of IPSAS s for leases that meet the definition of investment property in IPSAS 16 and are measured using the fair value model in IPSAS 16 from the date of adoption of IPSAS s .	IPSAS 33.96B

	<p>AG115. A first-time adopter that is a lessee may do one or more of the following at the date of adoption of IPSASs, applied on a lease-by-lease basis:</p> <ul style="list-style-type: none"> (a) Apply a single discount rate to a portfolio of leases with reasonably similar characteristics (for example, a similar remaining lease term for a similar class of underlying asset in a similar economic environment). (b) Elect not to apply the requirements in paragraph 96A AG113 to leases for which the lease term (see paragraph 96DAG116) ends within 12 months of the date of adoption of IPSASs. Instead, the entity shall account for (including disclosure of information about) these leases as if they were short-term leases accounted for in accordance with paragraph 7 of IPSAS 43. (c) Elect not to apply the requirements in paragraph 96A AG113 to leases for which the underlying asset is of low value (as described in paragraphs AG4–AG9 of IPSAS 43). Instead, the entity shall account for (including disclosure of information about) these leases in accordance with paragraph 7 of IPSAS 43. (d) Exclude initial direct costs (see paragraph 96DAG116) from the measurement of the right-of-use asset at the date of adoption of IPSASs. (e) Use hindsight, such as in determining the lease term if the contract contains options to extend or terminate the lease. 	IPSAS 33.96C
	<p>AG116. Lease payments, lessor, lessee, lessee's incremental borrowing rate, commencement date of the lease, initial direct costs and lease term are defined terms in IPSAS 43 and are used in this Standard with the same meaning.</p>	IPSAS 33.96D
Need material for IPSAS 48	IPSAS 48 AG117.	
	Disclosure Standards	
	<p>AG118. A first-time adopter with financial statements that comply with the requirements of this IPSAS Standard while taking advantage of the transitional exemptions and provisions that affect fair presentation and its ability to assert compliance with accrual basis IPSASs, shall make an explicit and unreserved statement of compliance with this IPSAS Standard in the notes to the financial statements. This statement shall be accompanied by a statement that the financial statements do not fully comply with accrual basis IPSASs.</p>	IPSAS 33.135
	<p>AG119. Where a first-time adopter takes advantage of the transitional exemptions in this IPSAS Standard, the first-time adopter shall disclose:</p> <ul style="list-style-type: none"> (a) The extent to which it has taken advantage of the transitional exemptions that affect the fair presentation of the financial statements and its ability to assert compliance with accrual basis IPSASs; and/or (b) The extent to which it has taken advantage of the transitional exemptions that do not affect the fair 	IPSAS 33.136

	presentation of the financial statements and its ability to assert compliance with accrual basis IPSASs.	
	<p>AG120. To the extent that a first-time adopter has taken advantage of the transitional exemptions and provisions in this IPSAS Standard that affect fair presentation and compliance with accrual basis IPSASs in relation to assets, liabilities, revenue and/or expenses, it shall disclose:</p> <ul style="list-style-type: none"> (a) Progress made towards recognizing, measuring, presenting and/or disclosing assets, liabilities revenue and/or expenses in accordance with the requirements of the applicable IPSAS; (b) The assets, liabilities, revenue and/or expenses that have been recognized and measured under an accounting policy that is not consistent with the requirements of applicable IPSAS; (c) The assets, liabilities, revenue and/or expenses that have not been measured, presented and/or disclosed in the previous reporting period, but which are now recognized and/or measured, and/or presented and/or disclosed; (d) The nature and amount of any adjustments recognized during the reporting period; and (e) An indication of how and by when it intends to comply in full with the requirements of the applicable IPSAS. 	IPSAS 33.137

	AG121. Where a first-time adopter takes advantage of the transitional exemption to not eliminate some balances, transactions, revenue and expenses, and/or where it applies the three year transitional relief for the recognition and/or measurement of its interest in controlled entities, associates or joint ventures in paragraph 55AG39 , it shall disclose the nature of the balances, transactions, revenue and expenses and/or upstream or downstream transactions that have been eliminated during the reporting period.	IPSAS 33.138
	AG 122. Where a first-time adopter is not able to present consolidated financial statements because of the transitional exemptions and provisions adopted in paragraphs 58-AG42 or 62AG46 and paragraphs AG50–AG52, it shall disclose: (a) The reason why the financial statements, investments in associates or interests in joint ventures could not be presented as consolidated financial statements; and (b) An indication by when the first-time adopter will be able to present consolidated financial statements.	IPSAS 33.139
	AG123. The following IPSAS are also relevant: IPSAS 18, Segment Reporting IPSAS 20, Related Parties The following paragraphs provide more detail on any exemptions that apply to these standards.	
Needs clarity.	IPSAS 18 AG124. A first-time adopter is not required to present segment information for reporting periods beginning on a date within three three -years following the date of adoption of IPSASs.	IPSAS 33.97
	IPSAS 20 AG125. A first-time adopter is not required to disclose related party relationships, related party transactions and information about key management personnel for reporting periods beginning on a date within three-three three -years following the date of adoption of IPSASs.	IPSAS 33.51
	AG126. Notwithstanding the transitional provision in paragraph 54AG125 , a first-time adopter is encouraged to disclose information about related party relationships, related party transactions and information about key management personnel that is known at the date of adoption of IPSAS.	IPSAS 33.52

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Notes	Implementation Guidance	Reference
	To be developed	
Notes	Illustrative Examples (if any)	Reference
	To be developed	
Notes	Basis for Conclusions	Reference
	To be developed	

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Comparison of IPSAS 33 content with proposed restructuring

IPSAS 33	IPSAS 33 revision
Paragraph	Paragraph
1	AG1
2	2
3	3, AG2
4	5 in part
5	7
6	4
7	Deleted April 2016
8	Deleted April 2016
9	8, AG2
10	AG2, AG5
11	Omitted
12	AG16
13	6
14	AG7
15	9
16	10
17	12
18	13
19	11
20	AG9
21	AG18
22	AG19
23	15
24	14 in part, 16
25	17
26	18
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32	
33	AG2
34	Omitted – see 27-32
35	
36	AG55, AG73
37	Omitted – covered by AG105
38	AG54, AG72
39	AG21 in part
40	AG20
41	AG74
42	TBD as part of AG97
43	
44	AG56
45	AG56
46	AG102
47	AG102 (part)
48	AG99
49	AG100
IPSAS 33	IPSAS 33 revision
Paragraph	Paragraph
50	AG101

51	AG125
52	AG126
53	AG37
54	AG38
55	AG39
56	AG40
57	AG41
58	AG42
59	AG43
60	AG44
61	AG45
62	AG46. AG50-AG52
63	Replaced by AGs relating to IPSAS 46, IPSAS 45, IPSAS 12, IPSAS 16
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69	
70	
71	AG34
72	Replaced by AGs relating to IPSAS 46, IPSAS 45, IPSAS 12, IPSAS 16
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77	AG10
78	AG11
79	AG12
80	AG13
81	Omitted- covered by AG13
82	AG14
83	AG15
84	AG16
85	AG22-AG24
86	AG25
87	AG26
88	AG57
89	AG58
90	AG59
91	AG27
92	AG28
93	AG29
94	AG30
95	AG111
96	AG112-AG115
97	AG124
98	AG60
99	AG61
100	Omitted
101	AG104
IPSAS 33	IPSAS 33 revision
Paragraph	Paragraph
102	AG105
103	AG106
104	AG107
105	AG108

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106	Deleted January 2016
107	Deleted January 2016
108	AG62
109	AG63
110	Omitted
111	AG75
112	Omitted
113	AG78-AG79
114	AG80
115	AG81
116	AG82
117	AG83
118	AG84
119	AG85-AG89
120	AG90
121	AG91
122	AG92-AG96
123	AG76
124	AG77
125	AG64
126	Omitted
127	AG102
128	AG103
129	Currently omitted. Need further consideration.
130	
131	
132	AG47
133	AG48
134	AG49
135	AG118
136	AG119
137	AG120
138	AG121
139	AG122
140	19
141	22
142	23, 24
143	25, AG109-AG110
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148	AG31
149	AG32
150	AG33
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