

IPSAS 33 LIMITED SCOPE UPDATE

IPSASB Meeting – March 2024

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Applicability of IPSAS 33 to the IPSAS Implementation Process

Analysis

- **Key Issue 1** – Expectation gap on applicability of IPSAS 33
 - Used from the date of adoption
 - Limited guidance for the pre-adoption planning and preparation
- Constituents require more guidance
- Leveraging Pathways to Accrual
 - Useful tool for transitioning to accrual basis IPSAS
 - New IGs using a Q&A structure
 - Distinguish between the first-time adoption of all IPSAS from a phased approach
- General reference to other sources – no direct reference to Pathways to Accrual

Recommendation

- Add IGs based on Pathways to Accrual, for:
 - Purpose and role of IPSAS 33
 - Planning and Preparation phase
- Amend BCs to reflect current guidance

Clarifying Exemptions During the Transition Period

Analysis

- **Key Issue 2** – Exemption: “not required...within three years”
 - Deferred recognition, measurement, and disclosure, with consequences
- Proposed option **(c) Amend IPSAS 33**

From	To
<i>“not required...within three years”</i>	“may take advantage of the three-year transition period”

- Early compliance for improved accountability to be encouraged through IGs

Recommendation

- Amend phrasing of exemption provisions
- Revisit IGs to encourage incremental compliance as soon as possible

Implementation Guidance Approach and Structure

Analysis

- Need for additional non-authoritative guidance for first-time adopters
- Topic approach using Q&A structure

New IG	No New IG
Definitions	Objective
Recognition and Measurement	Scope
Exceptions	Transitional Provisions in Other IPSAS
Presentation and Disclosure	Effective date
Planning and Preparation phase (Pathways to Accrual)	

Implementation Guidance Approach and Structure

Analysis

- Review of existing IG for consistency and clarity
- Delegate detail review of drafting to the Task Force to support IPSASB

Recommendation

- Approve in principle the approach and structure for IG development
- Delegate detail review of drafting to the TF

Changes to IPSAS 33

Analysis

- No material changes
- Changes since December 2023:
 - Reorganization of authoritative text
 - Re-phrasing per Agenda item 11.2.2
 - Amendments for clarity and consistency
 - Editorial amendments
- Continued consideration to refine guidance
 - Entity combinations
 - Financial Instruments
- Direction from members and their networks

Recommendation

- Approve in principle the reorganization of IPSAS 33
- Review page by page of Agenda Item 11.3.1
- Provide direction on further development of the ED