

Meeting: International Public Sector Accounting
Standards Board

Meeting Location: Lisbon, Portugal

Meeting Date: September 9–12, 2025

Agenda Item 9

For:

☐ Approval

☒ Discussion





☐ Information


STRENGTHENING LINKAGES BETWEEN IPSAS STANDARDS AND THE GFSM

Project summary	Development of non-authoritative guidance on the accounting policy options in IPSAS® Standards that can be useful for Government Finance Statistics Manual (GFSM) reporting.	
Project staff lead	<ul style="list-style-type: none"> João Fonseca, Principal 	
Task Force members	<ul style="list-style-type: none"> Ross Smith, IPSASB Program and Technical Director (Task Force Chair) Ian Carruthers, IPSASB Chair Lindy Bodewig, South African National Treasury Sagé De Clerck, International Monetary Fund Mariana Sabatés, International Monetary Fund John Verrinder, Eurostat Marc Wermuth, Swiss Federal Finance Administration 	
Meeting objectives	Topic	Agenda Items
Project management	Project Management Dashboard	9.1.1
	Instructions up to Previous Meeting	9.1.2
	Decisions up to Previous Meeting	9.1.3
	Project Roadmap	9.1.4
Decisions required at this meeting	Project Management Update	9.2.1
	Proposed Non-Authoritative Guidance	9.2.2
Other supporting items	Supporting Document 1—draft Exposure Draft [XX], <i>Linkages Between IPSAS Standards and the GFSM 2014 (Amendments to IPSAS 22)</i> (for information purposes only)	9.3.1 (separate document)

Prepared by: João Fonseca (August 2025)

STRENGTHENING LINKAGES BETWEEN IPSAS STANDARDS AND THE GFSM PROJECT MANAGEMENT DASHBOARD

Topic	Mar 2025	Sep 2025	Dec 2025	Mar 2026	Jun 2026
Overall Project Management					
Project Brief	✓				
Approval of Exposure Draft					
Approval of Final Pronouncement					
Key Issues					
Project Management Update					
Proposed Non-Authoritative Guidance					
Review and Approval of Exposure Draft					
Review of responses to Exposure Draft					
Review and Approval of Final Pronouncement					

Legend	
✓	Task Completed
	Planned IPSASB Discussion
	Page-by-page Review

INSTRUCTIONS UP TO PREVIOUS MEETING

Meeting	Instruction	Actioned
March 2025	1. N/A	1. N/A

DECISIONS UP TO PREVIOUS MEETING

Meeting	Decision	BC Reference
March 2025	1. N/A	1. N/A

**STRENGTHENING LINKAGES BETWEEN IPSAS STANDARDS AND
 THE GFSM:
 PROJECT ROADMAP**

Meeting	Completed Actions or Discussions / Planned Actions or Discussions:
December 2024	1. Project Brief: Discussion of issues
March 2005	1. Project Brief: Approval 2. Approach to Developing Proposed Guidance
September 2025	1. Discussion of Issues
December 2025	1. Approval of Exposure Draft
June 2026	1. Approval of Final Pronouncement

Project Management Update

Purpose

1. To provide the IPSASB with an update on the management of the project.

Background

2. At the March 2025 meeting, the IPSASB approved the Project Brief, *Strengthening Linkages Between IPSAS Standards and GFSM 2014*. The Project aims to help public sector entities maximize the extent to which they can draw on IPSAS Standards-based accounting data and information to compile statistical information that is used by decision-makers and for accountability purposes.
3. The Project builds on more than 20 years of work on alignment between IPSAS Standards and statistical guidelines¹ and consolidates the work of the [Consultation Paper, IPSASs and Government Finance Statistics Guidelines](#), issued in October 2012. The outputs from the project will all be in the form of additional non-authoritative guidance to IPSAS 22, which is itself an optional standard. There will be no changes to the authoritative guidance in any of the IPSAS Standards.
4. This Agenda Item addresses the main project management considerations that have supported the development of the additional non-authoritative guidance.

Analysis

Using a Task Force to develop the non-authoritative guidance

5. This project will develop non-authoritative guidance based on existing principles in IPSAS Standards. The proposed guidance will help both accountants and statisticians to understand when IPSAS-based accounting data can be used directly for statistical compilation purposes. Where the recognition and measurement requirements are aligned between the frameworks, this strengthens the quality of the statistical data used for macroeconomic management.
6. As the project requires a knowledge of both IPSAS Standards and the relevant GFSM 2014 sections, guidance development is mainly being undertaken through using a Task Force whose members have the necessary experience across both sets of guidance, rather than through Board discussions. This should enable the board to consider issues on an exceptions basis rather than doing a detailed review itself.
7. This same approach was taken to the development of the Implementation Guidance and the Illustrative Examples for IPSAS 41, *Financial Instruments*, which also required specialist knowledge and experience, as well as a face-to-face meeting to work through a large volume of material. The Task Force did the large volume of detailed work required on the Board's behalf, and the Task Force Chair reported back to the next IPSASB meeting. Instead of doing a detailed page-by-page review of the non-authoritative material, the Task Force highlighted any key issues for the IPSASB's consideration, and the Board was able to raise any additional points for the discussion in the meeting

¹ See [Research Report, International Public Sector Accounting Standards \(IPSASs\) and Statistical Bases of Financial Reporting: An Analysis of Differences and Recommendations for Convergence](#), issued in January 2005, and [Final Report, Task Force on Harmonization of Public Sector Accounting](#), issued in March 2006.

to support its approval of the ED. Given the volume and technical nature of the material, and its non-authoritative status, it is proposed to take the same approach for this project.

Task Force Composition

8. The IPSASB previously approved the establishment of a Task Force comprised of technical experts to develop the guidance. The Task Force is comprised of people from the:
 - (a) IPSASB;
 - (b) Statistics department of the International Monetary Fund (IMF);
 - (c) Statistics office of the European Union (Eurostat); and
 - (d) Preparers of both IPSAS Standards and GFSM 2014 financial statements from two different jurisdictions (South Africa and Switzerland).
9. The IPSASB Program and Technical Director is the Task Force Chair for continuity reasons, while the current IPSASB Chair is a member of the Task Force, based on his previous experience with UK Whole of Government Accounts, and having been involved in the work of aligning IPSAS Standards with the statistical guidelines since the inception at the IPSASB, more than 20 years ago. Both the Task Force members from the international organizations have been involved in the IPSASB's work in this area for similar periods of time.
10. The Task Force members from the two jurisdictions are former IPSASB Members with a deep knowledge of IPSAS Standards and standard setting. They also have extensive practical experience in applying IPSAS Standards and using accounting data in compiling GFSM 2014 reports.

Task Force work to date

11. The Task Force held its initial meeting virtually in late May. In July 2025, the Task Force held a 2-day meeting in Bern, Switzerland, hosted by the Swiss Federal Finance Administration, to develop the proposed non-authoritative guidance comprised of the following three parts:
 - (a) **Part 1** – tables of IPSAS Standards–GFSM Alignment Dashboard, which are all brought together in the IPSAS Standards–GFSM 2014 Alignment Dashboard (see [Agenda Item 1.6](#));
 - (b) **Part 2** – first draft Exposure Draft [XX], *Linkages Between IPSAS Standards and the GFSM 2014* (Amendments to IPSAS 22) including the current draft of the Implementation Guidance proposed to be added to IPSAS 22, *Disclosures of Financial Information about the General Government Sector* (see [Agenda Item 9.3.1](#)); and
 - (c) **Part 3** – ‘Comparison with GFSM 2014’ tables (previously labelled as *Comparison with GFS*) from IPSAS 1 to IPSAS 41 and revised tables for IPSAS 42–IPSAS 50 (see sample of tables for Group B in [Appendix A.3](#) of [Agenda Item 9.2.2](#)), which will be included as supporting non-authoritative material to the published ED.
12. Following the Task Force meeting, staff consolidated the many comments made and the conclusions reached during the meeting. The Task Force has now reviewed the updated draft material, and its main comments have been incorporated in the draft ED in the attached material.
13. After the Board meeting, the remainder of the Task Force comments will be incorporated, and there will be further Task Force meetings to resolve any significant remaining points, prior to presentation of the draft ED for Board approval at the December meeting.

Decision Required

14. No decision required. This paper is for discussion purposes only.

Proposed Non-Authoritative Guidance

Question

1. What comments does the IPSASB have on the proposed Group B sample of non-authoritative guidance in [Appendix A](#)?

Recommendation

2. The Task Force asks the IPSASB comments on the proposed Group B sample of non-authoritative guidance in [Appendix A](#).

Background

3. See [Agenda Item 9.2.1](#).

Analysis

4. [Agenda Item 9.3.1](#) includes the draft Exposure Draft [XX], *Linkages Between IPSAS Standards and the GFSM 2014* (Amendments to IPSAS 22) with the proposed non-authoritative guidance developed by the Task Force divided into the same eight groups of IPSAS Standards that have been used for the update of IPSAS 33, *First-time Adoption of Accrual Basis International Public Sector Accounting Standards (IPSASs)*, as follows:
 - (a) Group A: Financial Statements;
 - (a) Group B: General Principles;
 - (b) Group C: Accounting Boundaries;
 - (c) Group D: Non-financial Assets;
 - (d) Group E: Financial Assets and Liabilities;
 - (e) Group F: Revenue and Transfer Expenses;
 - (f) Group G: Other Expenses and Non-financial Liabilities; and
 - (g) Group H: Disclosures and Other Standards.
5. [Appendix A](#) shows a sample of the non-authoritative guidance developed by the Task Force related to **Group B** and has been provided so that the Board can see the three strands of work alongside each other:
 - (a) [Part A.1.](#) – Tables of IPSAS Standards–GFSM Alignment Dashboard, which are brought together in the IPSAS Standards–GFSM 2014 Alignment Dashboard (see [Agenda Item 1.6](#));
 - (b) [Part A.2.](#) – draft Exposure Draft [XX], *Linkages Between IPSAS Standards and the GFSM 2014* (Amendments to IPSAS 22) with Implementation Guidance proposed to be added to IPSAS 22, *Disclosures of Financial Information about the General Government Sector*; and
 - (c) [Part A.3.](#) – New ‘Comparison with GFSM 2014’ tables (previously labelled as ‘Comparison with GFS’) that will be added at the end of each standard as has been the practice since IPSAS 42, *Social Benefits* was published.

6. The IPSAS Standards–GFSM Alignment Dashboard is a staff management document. The objective of the Dashboard tables is to provide a high-level summary of the alignment status between IPSAS Standards and the GFSM, and to highlight opportunities to improve alignment through the GFSM 2104 update and/or future IPSASB financial reporting projects (Categories C and D).
7. The objective of the non-authoritative guidance to be added to IPSAS 22 is to help public sector accountants and statisticians to understand where:
 - (a) IPSAS Standards recognition and measurement requirements are already aligned with GFSM 2014 and IPSAS accounting data and information can be used for statistical compilation purposes (Category A); and
 - (b) Highlight areas where there will be a need to collect additional data for GFSM 2014 purposes (Category B) or because the presentation requirements differ between the two sets of guidance.
8. The draft Illustrative Guidance that is proposed to be added to IPSAS 22 is not sufficiently detailed to meet all statistical compilation requirements. These will need to be addressed through the development of appropriate compilation guidance by the statistical community.
9. The objective of the non-authoritative ‘Comparison with GFSM 2014’ tables included in Part A.3. is to provide a high-level summary of the areas where there is alignment and non-alignment between IPSAS Standards and GFSM 2014. The approach adopted since IPSAS 42 has been revised to fit in with the approach being taken to the proposed additional IPSAS 22 Implementation Guidance, as exemplified by the draft amendments to the IPSAS 46, *Measurement* table.
10. The comments from the IPSASB during the September meeting will be help inform the Task Force deliberations and work in Q4 2025 to help finalize the draft ED, ready for approval by the IPSASB at the December 2025 meeting.

Decision Required

11. What comments does the IPSASB have on the overall approach adopted and the draft Group B material provided in [Appendix A](#)?

Appendix A—Sample of Group B Non-Authoritative Guidance Details

1. Appendix A provides a sample of the Group B non-authoritative guidance developed by the Task Force divided in three parts:
 - (a) [Part A.1.](#) – Tables of IPSAS Standards–GFSM Alignment Dashboard, which are brought together in the IPSAS Standards-GFSM 2014 Alignment Dashboard (see [Agenda Item 1.6](#)); and
 - (b) [Part A.2.](#) – draft Exposure Draft [XX], *Linkages Between IPSAS Standards and the GFSM 2014* (Amendments to IPSAS 22) with Implementation Guidance proposed to be added to IPSAS 22, *Disclosures of Financial Information about the General Government Sector* (see [Agenda Item 9.3.1](#)); and
 - (c) [Part A.3.](#) – New ‘Comparison with GFSM 2014’ tables (previously labelled as ‘Comparison with GFS’).

Group B: General Principles

The following IPSAS Standards are considered within this group:

- (a) IPSAS 3, *Accounting Policies, Changes in Accounting Estimates and Errors*;
- (b) IPSAS 4, *The Effects of Changes in Foreign Exchange Rates*;
- (c) IPSAS 10, *Financial Reporting in Hyperinflationary Economies*;
- (d) IPSAS 14, *Events after the Reporting Date*;
- (e) IPSAS 33, *First-time Adoption of Accrual Basis IPSAS*; and
- (f) IPSAS 46, *Measurement*.

There is no proposed Implementation Guidance for IPSAS 10 and IPSAS 33 because there is no corresponding guidance in GFSM 2014.

A1. Table of IPSAS Standards–GFSM Alignment Dashboard






Status Legend:

- A** Aligned: same requirements or GFSM 2014-aligned accounting policy option available
- B** Key recognition and measurement differences: between IPSAS Standards and GFSM 2014
- C** GFSM alignment opportunity: GFSM 2014 update process
- D** IPSAS Standards alignment opportunity: current IPSASB project or potential future projects
- n/a** IPSAS Standards without corresponding GFSM 2014 guidance

Table 3 – IPSAS Standards and GFSM 2014—Supporting Detail					
IPSAS Standards	GFSM 2014	Status	Category A: Recognition and Measurement Aligned	Category B: Key Recognition and/or Measurement Differences	Categories C and D: Alignment Opportunities
<u>Accounting Policies, Changes in Accounting Estimates and Errors</u>					
IPSAS 3 (Revised December 2006)	A6.46	A	<ul style="list-style-type: none"> Both IPSAS 3 and GFSM 2014 require applying retrospectively the correction of errors and changes in accounting policies. Under IPSAS 3 the cumulative effect of the error on prior periods is made as a single adjustment in the prior period, whereas under the GFSM 2014, the time series is adjusted back to when the error was made. If calculated so that the same total adjustment can be made for both purposes, then the accounting data used for the disclosures in IPSAS 3 may be used for GFSM 2014 purposes. 	-	-

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Table 3 – IPSAS Standards and GFSM 2014—Supporting Detail

IPSAS Standards	GFSM 2014	Status	Category A: Recognition and Measurement Aligned	Category B: Key Recognition and/or Measurement Differences	Categories C and D: Alignment Opportunities
<u>The Effects of Changes in Foreign Exchange Rates</u>					
IPSAS 4 (Revised April 2008)	3.31; 10.44		<ul style="list-style-type: none"> Both IPSAS 4 and GFSM 2014 require the recognition and measurement of the effects of changes in exchange rates. <p>Presentation Differences</p> <ul style="list-style-type: none"> IPSAS 4 require the presentation of the effects of changes in foreign exchange rates in either surplus or deficit or in net assets/equity. GFSM 2014 require the presentation of the exchange rates gains or losses as other economic flows. 	-	-
<u>Financial Reporting in Hyperinflationary Economies</u>					
IPSAS 10 (July 2001)	—		<ul style="list-style-type: none"> No corresponding guidance in GFSM 2014. 	-	-
<u>Events After the Reporting Date</u>					
IPSAS 14 (Revised December 2006)	5.111-5.117	  	<ul style="list-style-type: none"> IPSAS 14 provides useful information for GFSM 2014 compilation purposes. Neither IPSAS 14 nor GFSM 2014 require the recognition of declared dividends or similar distributions after the reporting date and before the date when the financial statements are authorized for issue as a liability at the reporting date. 	<ul style="list-style-type: none"> IPSAS 19 requires the financial statements to be adjusted to reflect the settlement of court cases after the reporting date and before the date when the financial statements are authorized for issue. GFSM 2014 only requires the recognition of court cases when a court renders judgment. 	<p>Category C:</p> <ul style="list-style-type: none"> Research Project 1.7 – Recording penalties and fines

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Table 3 – IPSAS Standards and GFSM 2014—Supporting Detail

IPSAS Standards	GFSM 2014	Status	Category A: Recognition and Measurement Aligned	Category B: Key Recognition and/or Measurement Differences	Categories C and D: Alignment Opportunities
<u>First-time Adoption of Accrual Basis IPSAS</u>					
IPSAS 33 (January 2015)	–	n/a	<ul style="list-style-type: none"> No corresponding guidance in GFSM 2014. 	-	-

Measurement

IPSAS 46 (May 2023)	3.107-3.129	A C	<ul style="list-style-type: none"> IPSAS 46 provides the measurement principles that are applied in individual IPSAS Standards. GFSM 2014 has general measurement rules. IPSAS 46 includes the market approach as a current value measurement technique that can be used to provide the market value data in GFSM 2014. 	-	Category C: <ul style="list-style-type: none"> Research Project 1.1 – Valuation principles and methodologies
			<p>Presentation Differences</p> <ul style="list-style-type: none"> IPSAS 46 requires transactions costs to be added in the initial measurement of assets and to be subtracted in the initial measurement of liabilities. GFSM 2014 requires all costs of ownership transfer to be excluded from the initial measurement of assets and liabilities, except for nonfinancial assets (excluding land), which includes any costs of ownership transfer. GFSM 2014 requires that costs of ownership transfer should be presented separately from the transaction in the financial asset and liability, under appropriate categories of revenue and expense. GFSM 2014 also requires that costs of ownership transfer on land to be included and presented in the value of land improvements. 		

A.2. Non-authoritative Guidance in IPSAS 22, *Disclosure of Financial Information about the General Government Sector*

Implementation Guidance

This guidance accompanies, but is not part of, IPSAS 22.

(...)

Part 2 – Alignment Between IPSAS Standards and GFSM 2014

(...)

Group B: General Principles

IG1. Despite the different overall reporting objectives of IPSAS Standards and GFSM 2014, there are many commonalities in the data required to meet these. Most of their recognition and measurement requirements on accounting policies, changes in accounting estimates, errors, the effects of changes in foreign exchange rates, events after the reporting date, and on measurement are aligned. While there are some differences and where transactions and balances are presented in the financial statements, IPSAS Standards-based accounting data should in most cases be aligned with GFSM 2014 requirements.

IG2. The following IPSAS Standards are relevant:

- (a) IPSAS 3, *Accounting Policies, Changes in Accounting Estimates and Errors*;
- (b) IPSAS 4, *The Effects of Changes in Foreign Exchange Rates*;
- (c) IPSAS 10, *Financial Reporting in Hyperinflationary Economies*;
- (d) IPSAS 14, *Events after the Reporting Date*;
- (e) IPSAS 33, *First-time Adoption of Accrual Basis International Public Sector Accounting Standards (IPSAS)*; and
- (f) IPSAS 46, *Measurement*.

There is no Implementation Guidance for IPSAS 10 and IPSAS 33 because there is no corresponding guidance in GFSM 2014.

B.1 IPSAS 3, *Accounting Policies, Changes in Accounting Estimates and Errors*

Which recognition and measurement requirements in IPSAS 3 are aligned with GFSM 2014?

IG3. Both IPSAS 3 and GFSM 2014 require the correction of errors and changes in accounting policies to be applied retrospectively.

IG4. Additionally, while under IPSAS 3 the cumulative effect of the error on prior periods is made as a single adjustment in the prior period, whereas under the GFSM 2014, the time series is adjusted back to when the error was made. If calculated so that the same total adjustment can be made for both purposes, then the accounting data and disclosures in IPSAS 3 may be used for GFSM 2014 purposes.

Where will recognition and measurement differences between IPSAS 3 and GFSM 2014 require additional data to be collected for GFSM 2014 purposes?

- IG5. There will be no need to collect additional data for GFSM 2014 purposes if IPSAS 3 requirements have been applied.

B.2 IPSAS 4, The Effects of Changes in Foreign Exchange Rates

Which recognition and measurement requirements in IPSAS 4 are aligned with GFSM 2014?

- IG6. Both IPSAS 4 and GFSM 2014 require, a foreign currency transaction to be measured on initial recognition in the functional currency of the entity by applying to the foreign currency amount the spot exchange rate between the functional currency and the foreign currency at the date of the transaction.
- IG7. At subsequent reporting dates, both IPSAS 4 and GFSM 2014 also require:
- (a) Foreign currency monetary items to be translated using the spot exchange rate at the end of the reporting period; and
 - (b) Non-monetary items that are measured at fair value in a foreign currency to be translated using the exchange rates at the date when the fair value was measured.

Where do GFSM 2014 presentation requirements differ from IPSAS 4 even though recognition and measurement requirements are aligned?

- IG8. There will be a need to identify the gains or losses in foreign exchange rates for GFSM 2014 purposes because they are presented within other economic flows, and in IPSAS 4 they are presented in surplus or deficit or net assets/equity, as appropriate.

Where will recognition and measurement differences between IPSAS 4 and GFSM 2014 require additional data to be collected for GFSM 2014 purposes?

- IG9. There is no need to collect additional data for GFSM 2014 purposes if IPSAS 4 requirements have been applied.

B.3 IPSAS 14, Events after the Reporting Date

Which recognition and measurement requirements in IPSAS 14 are aligned with GFSM 2014?

- IG10. IPSAS 14 provides useful information for GFSM 2014 compilation purposes.
- IG11. Neither IPSAS 14 nor GFSM 2014 require the recognition and measurement of declared dividends or similar distributions after the reporting date and before the date when the financial statements are authorized for issue as a liability at the reporting date.

Where do GFSM 2014 presentation requirements differ from IPSAS 14 even though recognition and measurement requirements are aligned?

- IG12. There will be a need to identify the adjustment of the financial statements related to settlement of court cases after the reporting date and before the date when the financial statements are authorized for issue made in accordance with IPSAS 14 because GFSM 2014 requires the recognition of court cases when a court renders judgment.

Where will recognition and measurement differences between IPSAS 14 and GFSM 2014 require additional data to be collected for GFSM 2014 purposes?

- IG13. There is no need to collect additional data for GFSM 2014 purposes if IPSAS 14 requirements have been applied.

B.4 IPSAS 46, Measurement

Which measurement requirements in IPSAS 46 are aligned with GFSM 2014?

- IG14. IPSAS 46 defines measurement bases that fairly reflect the cost of services, operational capacity and financial capacity of an entity, as well as measurement techniques that enable those measurement bases to be applied through individual IPSAS Standards to achieve the objectives of financial reporting.
- IG15. When applying the requirements in individual IPSAS Standards, entities can choose to apply the measurement bases and measurement techniques that are aligned with GFSM 2014.
- IG16. IPSAS 46 requires an item to be initially measured at its transaction prices. GFSM 2014 requires all flows to be measured at market prices, which is aligned with IPSAS 46 transaction prices.
- IG17. IPSAS 46 allows the use of Fair Value basis under the Current Value Model for subsequent measurement, which is aligned with the Market Value measurement basis in GFSM 2014 if the Market Approach is used as the measurement technique.

Where will measurement differences between IPSAS 46 and GFSM 2014 require additional data to be collected for GFSM 2014 purposes?

- IG18. There will be a need to collect additional data for GFSM purposes if the entity elects to use the historical cost model for subsequent measurement.

Where does GFSM 2014 have more detailed presentation requirements than IPSAS 46 even though the measurement requirements are aligned?

- IG19. There will be a need to identify the transactions costs related to assets and liabilities for GFSM 2014 purposes because IPSAS 46 requires transactions costs to be added in the initial measurement of assets and to be subtracted in the initial measurement of liabilities, while GFSM 2014 requires all costs of ownership transfer to be excluded from the initial measurement of assets and liabilities, except for nonfinancial assets (excluding land), which includes any costs of ownership transfer. GFSM 2014 requires costs of ownership transfer to be presented separately from the transaction in the financial asset and liability, under appropriate categories of revenue and expense. GFSM 2014 also requires that costs of ownership transfer for land to be included and presented in the value of land improvements.

A.3. Comparison with GFSM 2014 Tables

IPSAS 3, *Accounting Policies, Changes in Accounting Estimates and Errors*

COMPARISON WITH GFSM 2014

The following recognition and measurement requirements in IPSAS 3 are aligned with those in GFSM 2014:

- Both IPSAS 3 and GFSM 2014 require the retrospective correction of errors and changes in accounting policies.
- IPSAS 3 and GFSM 2014 require changes in accounting estimates to be applied prospectively.

IPSAS 4, *The Effects of Changes in Foreign Exchange Rates*

COMPARISON WITH GFSM 2014

The following recognition and measurement requirements in IPSAS 4 are aligned with those in GFSM 2014:

- Both IPSAS 4 and GFSM 2014 require the recognition and measurement of changes in exchange rates.

The following presentation requirements in IPSAS 4 are not aligned with those in GFSM 2014:

- In IPSAS 4, exchange rates gains or losses are presented in surplus or deficit or in a separate component of net assets/equity, while in GFSM 2014 exchange rates gains or losses are presented as other economic flows.

IPSAS 10, *Financial Reporting in Hyperinflationary Economies*

COMPARISON WITH GFSM 2014

There is no corresponding guidance in GFSM 2014.

IPSAS 14, *Events after the Reporting Date*

COMPARISON WITH GFSM 2014

The following recognition and measurement requirements in IPSAS 14 are aligned with those in GFSM 2014:

- Neither IPSAS 14 nor GFSM 2014 require the recognition of declared dividends or similar distributions after the reporting date and before the date when the financial statements are authorized for issue as a liability at the reporting date.

The following recognition and measurement requirements in IPSAS 14 are not aligned with those in GFSM 2014:

- IPSAS 19 requires the financial statements to be adjusted to reflect the settlement of court cases after the reporting date and before the date when the financial statements are authorized for issue. GFSM 2014 only requires the recognition of court cases when a court renders judgment.

IPSAS 33, *First-time Adoption of Accrual Basis IPSAS*

COMPARISON WITH GFSM 2014

There is no corresponding guidance in GFSM 2014.

IPSAS 46, Measurement

COMPARISON WITH GFSM 2014

~~In developing IPSAS 46, *Measurement*, the IPSASB considered Government Finance Statistics (GFS) reporting guidelines.~~

~~Key similarities and differences with GFS are as follows:~~

~~The following recognition and measurement requirements in IPSAS 46 are aligned with those in GFSM 2014:~~

- ~~• The similarities and differences between the measurements under IPSAS 46 and GFS will depend on the facts and circumstances of the transactions and carrying amounts at the end of the reporting period.~~
- On initial recognition, IPSAS 46 requires measurement at transaction price or deemed cost where appropriate. In GFSM 2014, as a general rule, transactions should be measured at market prices and all assets and liabilities should be measured at market prices values, so both may result in the same valuations.
- On subsequent measurement, IPSAS 46 allows current operational value, cost of fulfilment and fair value measurement bases. In GFSM 2014, as a general rule, all assets and liabilities should be measured at market values, so the same valuation can result if the market approach is used as the measurement technique.

~~The following presentation requirements in IPSAS 46 are not aligned with those in GFSM 2014:~~

- IPSAS 46 requires capitalization of transaction costs for all assets, while GFSM 2014 only requires capitalization of cost of ownership transfer for non-financial assets.
- ~~• On subsequent measurement, IPSAS 46 allows historical cost measurement basis, current operational value, cost of fulfilment and fair value measurement bases. In GFSM 2014, as a general rule, all assets and liabilities should be measured at market prices values, so the same valuation can result if the market approach is used as the measurement technique.~~

Supporting Document 1 – draft Exposure Draft [XX], *Linkages Between IPSAS Standards and the GFSM 2014* (Amendments to IPSAS 22)

1. The draft Exposure Draft (ED) [XX], *Linkages Between IPSAS Standards and the GFSM 2014* (Amendments to IPSAS 22) is provided separately for ease of reading and is for information purposes only.
2. The draft ED is not expected to be reviewed page-by-page during the IPSASB meeting.