IPSASB International Public Sector Accounting Standards Board®

AGENDA ITEM 13

IPSASB APPLICATION GROUP



IPSASB Meeting – March 2026

Edwin Ng, Principal

Toronto, Canada

IPSASB Application Group – Q1 2026 Activities

- The IAG met on February 11, 2026 to discuss submissions and IFRIC updates received since the December 2025 IPSASB meeting:
  - 3 issues were discussed by the IAG – see Agenda Items 13.A.2 to 13.A.4
  - 1 issue was and not discussed with the IAG in detail – see Agenda Item 13.B.2
  - 2 final IFRIC agenda decisions were issued but not discussed with the IAG in detail – see Agenda Item 13.B.3
- Updated IAG website to include IPSASB decision from December 2025
- Published Staff Q&A on Contingencies and Guarantees for IFRIC agenda decision regarding scoping of guarantees

Accounting for Digital Currencies Issued by a Central Bank from a Holder's Perspective

Analysis

- IAG was asked about the accounting for a Central Bank Digital Currency (CBDC) from a holder's perspective
- IFRIC had concluded holdings of cryptocurrencies that were not issued by a jurisdictional authority are inventories or intangible assets
- IAG noted that the CBDC could be considered cash because:
  - The CBDC is considered the jurisdiction's legal tender and represents a medium of exchange; and
  - The CBDC forms the basis on which transactions are measured and recognized in the GPFS
- IAG expect diversity in practice and issue could have widespread impact in both public and private sectors

Decision Required

- Does the IPSASB agree with the IAG's recommended approach to address CBDC?

Recommendation

- Collaborate with the IASB staff to determine appropriate path forward

Accounting for the Transfer of Assets Without Consideration Between Government Entities under Common Control

Analysis

- IAG was asked if IPSAS Standards can allow assets transferred between entities under common control to be measured at carrying amount
- IAG noted that existing guidance can be read in 2 ways:
  - View 1 – guidance on receipt of assets from non-exchange transactions is applicable and results in measurement at deemed cost (current value)
  - View 2 – such transfers are transactions with owners as contemplated by paragraph 122 of IPSAS 1, which can be read to mean they are measured at carrying amount
- Existing guidance can be interpreted to support significantly different accounting outcomes

Decision Required

- Does the IPSASB agree with the IAG's recommendation to do further research on common control transfers?

Recommendation

- Direct staff to perform further research to determine an appropriate way forward for transfers between entities under common control

Valuation of Heritage Assets

Analysis

- IAG received a query on the valuation of an art collection and whether the items can be reliably measured. Specifically:
  - Can an insurance value serve as a basis for a reliable measurement?
  - Is it acceptable to value some items at costs and conclude that others cannot be reliably measured, and therefore, only provide disclosures per paragraph 77 of IPSAS 45?
- IAG concluded that:
  - Whether items can be reliably measured depends on facts and circumstances – guidance can be found in paragraph 23 of IPSAS 45
  - Whether an insurance value can be used depends on whether its determination is in line with the requirements of IPSAS 46
  - Assessment of whether an item can be reliably measured is done on an item-by-item basis

Decision Required

- Does the IPSASB agree with the IAG's recommendation regarding the valuation of heritage assets?

Recommendation

- No need to undertake standard-setting activities



Follow Us

Register & Subscribe for updates:
www.ipsasb.org

@IPSASB_News

@International Public Sector
Accounting Standards Board (IPSASB)

@IPSASB

The 'International Public Sector Accounting Standards Board', 'International Public Sector Accounting Standards', 'Recommended Practice Guidelines', 'International Federation of Accountants', 'IPSASB', 'IPSAS', 'RPG', 'IPSASB SRS', 'IFAC', the IPSASB logo, and IFAC logo are trademarks of IFAC, or registered trademarks and service marks of IFAC in the US and other countries.

Issues not Discussed in Detail

- Received submission on whether paragraph 39 of IPSAS 21 can be read to mean that public sector entities have discretion over when to determine if impairment losses exist
  - Staff clarified that paragraph is meant to indicate that an entity does not need to detailed computations if there are more expedient ways to support whether an impairment exists
- Considered 2 final IFRIC agenda decisions and concluded no action required:
  - Can directly attributable costs incurred before entering the contract for origination or issuance of a financial instrument be considered ‘transaction costs’? (Yes)
  - Is the ‘entity’ in the assessment of whether a prepayment option is closely related to the host debt contract referring to the lender or reporting entity? (Lender)

IPSASB Colors

8 / 56 / 98	0 / 170 / 85
11 / 84 / 148	0 / 164 / 166
40 / 157 / 216	121 / 40 / 161
74 / 74 / 74	230 / 87 / 34
131 / 131 / 131	135 / 12 / 37
245 / 245 / 245	

- These colors are available in the color palette of the show
- Use these # to change your icon/graphic colors
- They are your RGB Color Codes
- Colors for graphs, charts, etc. should be limited to the IPSASB brand colors:



