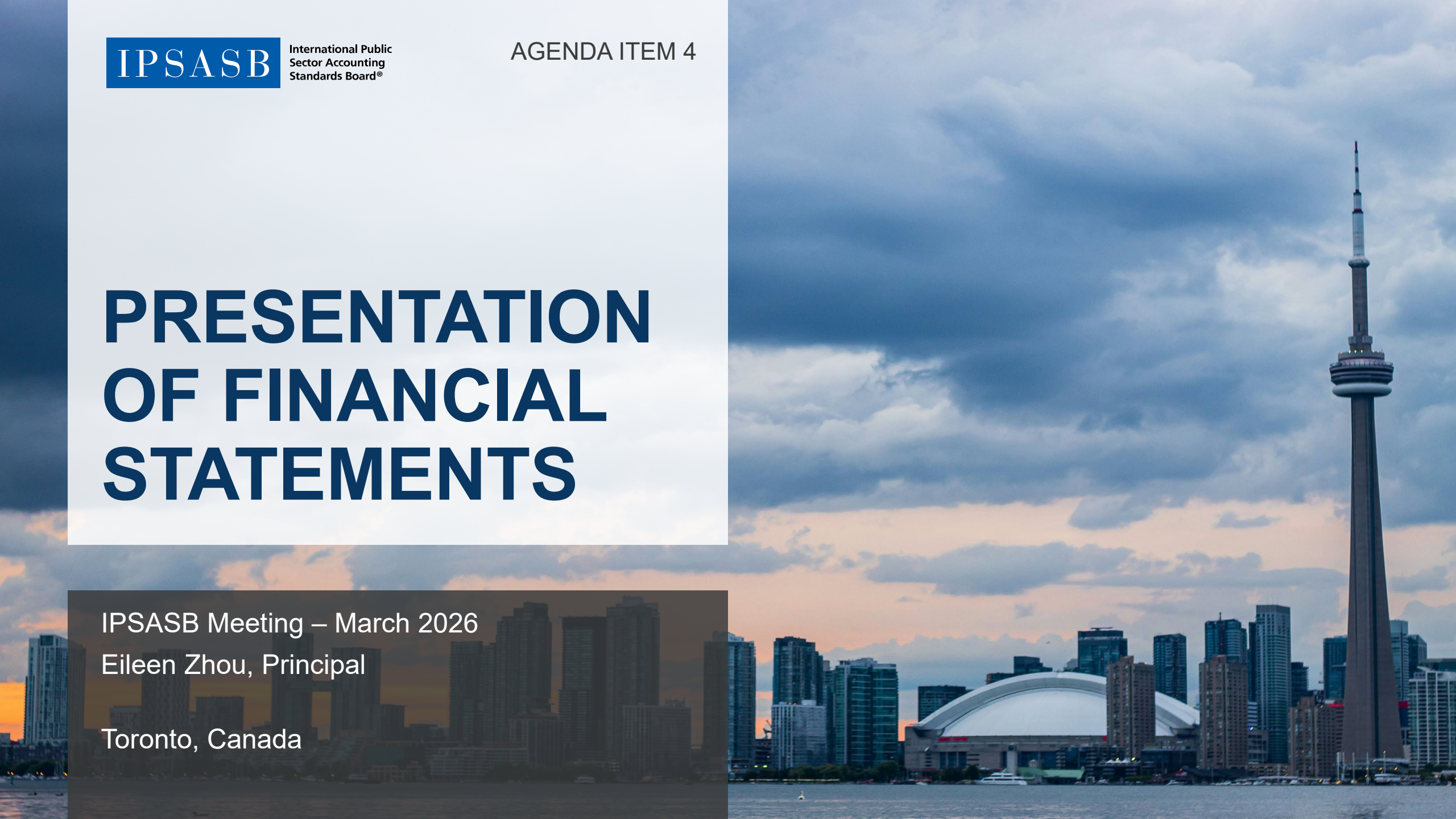
IPSASB International Public Sector Accounting Standards Board®

AGENDA ITEM 4

PRESENTATION OF FINANCIAL STATEMENTS



IPSASB Meeting – March 2026

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Toronto, Canada

Agenda Item 4

Project Overview and Progress

Presentation Topics	Discussions *… to form view*	CP Development *… to capture that view*	IED Development *… to illustrate that view*
Project Overview and Development	✓	1	✓
Purpose of FS / General Principles	✓	2	✓
Statement of Financial Position	✓	3	✓
Statement of Financial Performance	✓	4	✓
Statement of Changes in Net Assets/Equity	✓	5	✓
Disclosures in the Notes	✓	6 Revised	Q1 New

Vote to Approve (March 2026)

Revisions to Chapter 6 of the [draft] Consultation Paper

Analysis

- In December 2025, the IPSASB:
  - Completed its discussions regarding disclosure requirements for the new IPSAS Standard replacing IPSAS 1;
  - Reviewed [draft] Chapter 6 of the [draft] CP; and
  - Instructed Staff to update [draft] Chapter 6 to reflect its discussion regarding the applicability of IFRS 18 MPMs in the public sector and present two separate PVs.
- Staff revised Chapter 6 text related to applicability of IFRS 18 MPMs (paragraphs 6.20-6.32). Excerpt is in Appendix 1.
- Staff and the Task Force request the IPSASB complete a **page-by-page review** of the Appendix, to respond to the recommendation and finalize the [draft] CP.

Decision Required

- **Decide** whether revised Chapter 6 appropriately reflects IPSASB discussion and views regarding the applicability of MPMs in the public sector, in order to finalize its [draft] CP.

Recommendation

- **Confirm** that revised [draft] Chapter 6 of the CP appropriately reflects the December 2025 discussion and IPSASB members' views.

New Guidance for the [draft] Illustrative Exposure Draft

Analysis

- In December 2025, the IPSASB:
  - Completed its discussions regarding disclosure requirements for the new IPSAS Standard replacing IPSAS 1; and
  - Reviewed [draft] Chapter 6 of the [draft] CP.
- Staff drafted new guidance to illustrate PV 14, for the IPSASB to include in the Illustrative ED (paragraphs 139-169 and AG118), presented in Appendix 1.
- Staff and the Task Force request the IPSASB complete a **page-by-page review** of the Appendix, to respond to the recommendation and finalize Appendix D of the [draft] CP.

Decision Required

- **Decide** whether to include the proposed guidance on disclosure requirements in the Illustrative ED, in order to finalize Appendix D of its [draft] CP

Recommendation

- **Incorporate** the proposed guidance on disclosure requirements into the [draft] Illustrative ED.

Articulating Consideration to Allow a Standalone Taxes Category

Analysis

- The IPSASB considered several public-sector specific ideas to form PV 8 related to the categorization of revenue and expenses on the Statement of Financial Performance (Chapter 4 of CP).
- Each idea is to be articulated in a clear and balanced manner.
- Paragraph 4.30(c) articulates the idea for a standalone category for taxes, in addition to the required IFRS 18 categories.
- Staff collaborated with the IPSASB member who first raised this idea to more effectively articulate the idea, its merits, and potential limitations.

Decision Required

- **Decide** whether to replace the text in paragraph 4.30(c) of the CP, to more clearly and effectively summarizes the idea, its merits, and its potential limitations in a balanced manner, in order to finalize its [draft] CP.

Recommendation

- **Replace** paragraph 4.30(c) of [draft] CP with the new proposal in paragraph 6 of this Agenda Item.

Articulating Consideration to Allow a Standalone Taxes Category

- Proposed text to replace the current paragraph 4.30(c) of the CP:

Allow entities to present a standalone category for revenues from taxes – The ability to levy taxes, fines and levies is unique in the public sector and is a major source of revenue for national and subnational governments. Revenue from taxes, alongside additional borrowing if required, is often distributed to the government entities through appropriations to enable them to fulfil their service obligations. This distribution of funds is not equivalent to revenue from sale of goods and services and may merit a standalone category in addition to the IFRS 18 categories. Separately presenting revenues from taxes (including those subject to appropriations) in its own category could help communicate whether the entity is funded through tax collection, central allocations, and or other revenue-raising activities, could support greater consistency in the reporting of tax revenues, and could emphasize the importance of these revenues in the public sector. However, the IPSASB acknowledged that this communication benefit could still be achieved without a new standalone category, if the entity is appropriately applying general presentation requirements (such as materiality, aggregation, and disaggregation) and IPSAS 47, Revenue requirements[1] to display its financial statement line items, and categorizing these line items in accordance with IFRS 18 categories, to provide useful information for its financial statement users.

Footnote 1: IPSAS 47, *Revenue* requires entities to present on the face or in the notes the amount of revenue from transactions, and showing separately by major classes (which could be sources), and disclose qualitative and quantitative information about its revenues.

Approval of [draft] CP, *Presentation of Financial Statements*

Analysis

- The IPSASB has taken a **systematic approach** to developing a comprehensive CP that proposes requirements for the future IPSAS Standard replacing IPSAS 1.
- The IPSASB has:
  - **Developed** its [draft] CP (including Appendices) to articulate its views and illustrate its proposals; and
  - **Confirmed** it intends to proceed with **16 PVs and 1 SMC**.
- Staff and the Task Force are of the view that the IPSASB's standard **120-day exposure period** is sufficient for constituents to consider the proposals in the [draft] CP, but acknowledge that a longer period may be warranted.

Decision Required

- **Decide** whether to vote to approve the [draft] CP, and whether to expose it for a 120-day exposure period.

Recommendation

- **Vote to approve** the [draft] Consultation Paper (CP), *Presentation of Financial Statements*.
- **Agree to expose** the CP for a 120-day exposure period.



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