

Meeting: International Public Sector Accounting
Standards Board

Meeting Date: March 10-13, 2026

Agenda Item 11

POST-IMPLEMENTATION REVIEWS

Project summary	The objective of the post-implementation review is to assess whether the effects of applying existing IPSASB pronouncements on the users of financial statements, preparers, auditors, and regulators are as intended when the IPSASB developed those new requirements.	
Meeting objective	To recommend that the IPSASB not proceed with the post-implementation review of IPSAS 20, <i>Related Party Disclosures</i> , and to propose setting up the Financial Reporting Implementation Forum.	
Project staff leads	<ul style="list-style-type: none"> Edwin Ng, Principal Emma Tran, Manager 	
Task Force members	<ul style="list-style-type: none"> N/A 	
	Topic	Agenda Item
Essential Documents (Required Reading)	Preliminary Research on IPSAS 20, <i>Related Party Disclosures</i>	11.A.1
	Financial Reporting Implementation Forum	11.A.2
Supporting Documents (Posted separately on the meeting webpage)	Additional Information from Preliminary Research on IPSAS 20, <i>Related Party Disclosures</i>	11.B.1
Background Information (Available on the project webpage)	Not applicable.	

Prepared by: Edwin Ng and Emma Tran (February 2026)

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Preliminary Research on IPSAS 20, *Related Party Disclosures*

Question

1. Does the IPSASB agree to not proceed with a post-implementation review (PIR) of IPSAS 20, *Related Party Disclosures* at this stage?

Recommendations

2. Staff recommend:
 - (a) The IPSASB to not proceed with a PIR of IPSAS 20, *Related Party Disclosures* at this stage; and
 - (b) To perform additional fact-finding procedures and activities to inform the PIR process (see [Agenda Item 11.A.2](#))

Context

3. At its March 2025 meeting, the IPSASB decided to conduct a post-implementation review of IPSAS 20, *Related Party Disclosures*. Following this decision, Staff undertook preliminary research to identify potential implementation issues related to IPSAS 20.
4. The IPSASB also instructed Staff to circulate an informal survey to national standard setters to identify which IPSAS Standards are modified or adapted before adoption, or not adopted in their jurisdictions, and the reasons for any modifications or lack of adoption. Accordingly, Staff distributed the survey in Q2 2025 and received responses from a number of jurisdictions.
5. This Agenda Item summarizes the results of Staff's preliminary research and the survey responses received. It also presents Staff's analysis of the issues identified and recommendations for the IPSASB's consideration.

Analysis

Preliminary Research Findings

6. To inform the preliminary assessment of potential implementation issues related to IPSAS 20, Staff reviewed a range of publicly available reports issued by standard-setting bodies, including:
 - (a) *EPSAS Screening Report – IPSAS 20, Related Party Disclosures*, issued by Eurostat;
 - (b) Feedback Statement from post-implementation review of related party disclosures applied by not-for-profit entities, issued by the Australian Accounting Standards Board (AASB); and
 - (c) Review Report from the review of the Standard of Generally Recognised Accounting Practice (GRAP) on Related Party Disclosures (GRAP 20), issued by the Accounting Standards Board of South Africa.
7. In addition, in reviewing the survey responses, Staff noted that New Zealand External Reporting Board (XRB) and Accounting Standards Board of South Africa reported application issues relating to IPSAS 20. The issues reported by New Zealand XRB are consistent with those identified in the reports reviewed above. Staff also note that the response from the Accounting Standards Board of South Africa is consistent with the Review Report as noted in paragraph 6 above.

8. Based on this review, Staff noted that reported issues relating to IPSAS 20 generally fall into the following key areas:
- (a) [Identification of related party relationships](#);
 - (b) [Relevance of related party disclosures](#);
 - (c) [Data privacy concerns](#);
 - (d) [Cost-benefit considerations](#); and
 - (e) [Materiality thresholds](#).

Identification of Related Party Relationships

9. As noted in the reports, constituents have encountered difficulties applying the definitions of “*related party*”, “*key management personnel*”, and “*close members of the family of an individual*”. In particular, constituents reported challenges in assessing common control for the purposes of identifying related parties.

Relevance of Related Party Disclosures

10. IPSAS 20 requires an entity to disclose information about Key Management Personnel (KMP) and their close family members, including information on remuneration and other types of compensation, and certain loans provided to them.
11. The *EPSAS Screening Report – IPSAS 20, Related Party Disclosures* questioned the relevance of these disclosure requirements in the public sector for the following reasons:
- (a) In some jurisdictions, information on KMP remuneration may already be disclosed through other reports as required by legislation;
 - (b) Transactions between KMP and their close family members are uncommon in the public sector due to heightened scrutiny and potential legal consequences; and
 - (c) It is unlikely that public sector entities provide loans to KMP and their close family members if it is not part of their service delivery objectives.
12. On this basis, the report raised concerns about whether there is added value in requiring disclosure of information about KMP and their close family members in the financial statements.

Data Privacy Concerns

13. Constituents reported that some related parties, including KMP and close family members, may have privacy concerns and therefore be reluctant to provide information on remuneration and other types of compensation provided to them. This can create practical challenges in collecting information required for related party disclosures in the financial statements in jurisdictions that do not have legislative requirements for such disclosures.

Cost-Benefit Considerations

14. Constituents noted that the large number of related parties and transactions in the public sector, together with the complexity of calculating KMP remuneration in certain circumstances, can make compliance with the related party disclosure requirements costly and onerous for some jurisdictions. As a result, some constituents questioned whether the effort and resources required to comply with the requirements outweigh the perceived benefits, particularly where the relevance of disclosures

relating to KMP and their close family members was challenged. Staff note, however, that a direct cost-benefit analysis is difficult due to the lack of quantifiable evidence. Furthermore, as noted in paragraph 13, the information on remuneration may already be required by legislative requirements in some jurisdictions.

Materiality Thresholds

15. Constituents highlighted the importance of applying materiality when determining which related party relationships and transactions should be disclosed. They suggested that including specific materiality thresholds and additional guidance in IPSAS 20 could support preparers in exercising their judgement, particularly when assessing materiality by nature.

IPSASB Staff Assessment and Recommendation

16. In considering the issues identified above, Staff acknowledge that:
 - (a) **Identification of Related Party Relationships** – Determining related parties, particularly KMP and close family members, in the public sector can be complex due to governance structures; however, IPSAS Standards are principle-based and require the exercise of professional judgment based on an entity's specific facts and circumstances. Staff also note that IPSAS 20 is aligned with an older version of IAS 24 *Related Party Disclosures*, which has since been amended. These amendments include simplifying the definition of “*related party*” and revising disclosure requirements relating to management compensation. Staff note that alignment with the current version of IAS 24 could address some of the implementation issues identified above. However, this should be considered as part of a separate alignment project rather than a post-implementation review;
 - (b) **Relevance of Related Party Disclosures** – While some disclosure requirements in IPSAS 20 may overlap with other legislative requirements in some jurisdictions, such legislative requirements may not exist in all jurisdictions. Similarly, related party transactions may not be uncommon in all jurisdictions. As a result, related party disclosures remain a key element for enhancing transparency and accountability of financial reporting and supporting users' understanding of the stewardship of public resources. Furthermore, presenting related party disclosures within the general-purpose financial statements provides a single point of reference for users, thereby reducing the reliance on multiple reports;
 - (c) **Data Privacy Concerns** – IPSAS 20 requires disclosure of aggregate remuneration and compensation provided to KMP and their close family members, and does not require disclosure of personally identified information, indicating that data privacy concerns can be addressed through clarification and education rather than changes to the Standard;
 - (d) **Cost-Benefit Considerations** – Although compliance can be costly in some cases, some of the required information may already be collected for other legislative reporting purposes, and there is limited evidence to suggest that the ongoing implementation costs outweigh the benefits; and
 - (e) **Materiality Thresholds** – The IPSASB is developing separate guidance on making materiality judgements when preparing financial statements that will apply to all IPSAS Standards. Accordingly, additional materiality guidance in IPSAS 20 is not necessary.

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17. Staff recommend not to proceed with a PIR of IPSAS 20 at this time based on the following:
 - (a) The above preliminary issues relate primarily to the judgement required in applying IPSAS 20, and the concerns relating to data privacy and relevance appear to be jurisdictional legal issues and rather than accounting issues. These preliminary findings alone do not justify the allocation of resources to perform a PIR at this stage; and
 - (b) To determine if a PIR of IPSAS 20 is warranted, additional information, particularly input from implementation leaders on any practical challenges in the implementation of the standard, is needed.
18. As a result of this recommendation, staff propose performing additional fact-finding procedures to inform the PIR process, which is discussed in [Agenda Item 11.A.2](#).

Decision Required

19. Does the IPSASB agree with the Staff [recommendations](#)?

Financial Reporting Implementation Forum**Question**

1. Does the IPSASB agree that the proposed Financial Reporting Implementation Forum would achieve the intended outcomes outlined in paragraph 2?

Recommendation

2. Staff recommend that the Financial Reporting Implementation Forum be established to support the IPSASB in institutionalizing the promotion of the implementation of IPSAS Standards across its ecosystem by:
 - (a) Informing the post-implementation review (PIR) process;
 - (b) Identifying potential issues for consideration by the IPSASB Application Group (IAG);
 - (c) Identifying potential public sector-specific issues for consideration in technical projects, such as Improvements to IPSAS Accounting Standards or other future projects; and
 - (d) Identifying areas where supporting material would be beneficial for constituents.

Context

3. One of the IPSASB activities in delivering on its strategic objective is to support the adoption and implementation of accrual basis IPSAS Standards. With a complete suite of IPSAS Standards, the Board committed to allocating more resources to maintaining its financial reporting standards and their implementation. Key to good maintenance of the standards and supporting their implementation is a sound understanding of the challenges faced by stakeholders.
4. This need for stakeholder feedback is also relevant in the context of PIR. As discussed in [Agenda Item 11.A.1](#), additional fact-finding activities would be beneficial to better understand the implementation challenges relating to IPSAS Standards and to inform the PIR process.
5. To support these initiatives, Staff propose establishing a Financial Reporting Implementation Forum (FRIF) to provide a platform for structured engagement and discussion with implementation leaders to gather feedback on the application of IPSAS Standards. The concept of such forum was initially identified during the development of the Sustainability Implementation Forum (SIF), where Staff noted that a comparable but adapted approach could be beneficial for financial reporting. This Agenda Item outlines the proposed operating framework of the FRIF, including its structure and operations, membership, roll-out plan, and intended outputs.

Analysis*Proposed Structure and Operations*

6. The SIF was established in 2024 to convene implementation leaders and gather practical feedback to support the development and implementation of IPSASB Sustainability Reporting Standards (IPSASB SRS).
7. Since the IPSAS Standards are a mature suite of guidance, the purpose of the FRIF is different than the SIF. The FRIF will convene implementation leaders to gather feedback on the challenges faced in implementing IPSAS Standards. However, while the purpose for the FRIF and SIF are different,

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the objective of seeking output from implementation leaders is consistent. Given the effectiveness of the SIF model, Staff modeled the FRIF on its operating framework.

8. Meetings would be held quarterly and would focus on specific implementation topics identified in advance through a survey of implementation leaders to ensure that the agenda consists of the most relevant issues. Discussions would be structured around practical examples and jurisdictional experiences.
9. FRIF meetings will be recorded for reference and use by the IPSASB Staff only. The meetings will operate under the [Chatham House Rule](#), where any recommendations made to the IPSASB will be publicly available on an unattributed basis.
10. Initially, the IPSASB Chair, Thomas Müller-Marqués Berger, will serve as the Chair of the FRIF to ensure alignment with the IPSASB's strategic priorities and facilitate communication between the forum and the IPSASB.

Proposed Membership

11. FRIF membership would comprise implementation leaders from jurisdictions or organizations that report using IPSAS Standards. Staff plan to reach out proactively to potential members to gauge interest and ensure representation across different regions and public sector environments.
12. Other parties interested in, or affected by, the implementation of IPSAS Standards may observe the FRIF discussions when appropriate.

Proposed Roll-out Plan

13. Staff plan to hold the first FRIF meeting in Q2 2026. Key outcomes from this meeting will be reported to the IPSASB at its June meeting.

Proposed Output from the FRIF

14. The FRIF would serve as an information-gathering mechanism. It is not intended to provide implementation guidance or act as a training forum. Rather, it would function as a structured channel through which implementation leaders can raise practical issues and provide insights into how IPSAS Standards are being applied in practice, including reasons why certain Standards are not applied.
15. Conceptually, the FRIF would operate as part of a broader “funnel” process. The implementation feedback collected from the FRIF could result in the following:
 - (a) **Future PIR Projects** – The FRIF could provide valuable input to support PIR planning and prioritization. As discussed in [Agenda Item 11.A.1](#), the issues relating to IPSAS 20 identified through Staff's preliminary research were not sufficient to warrant a PIR and further fact-finding procedures were necessary. Engagement through the FRIF could help identify IPSAS Standards where issues are indicative of deficiencies and can justify a PIR. This would support a more evidence-based approach to determining where PIR resources may be most effectively allocated;

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- (b) **Issues for the IAG's Consideration** – The FRIF could also serve as an additional stream of input into the IAG.¹ A staff member would be allocated to assess the issues raised through FRIF discussions against the IAG's selection criteria and refer those that meet the criteria to the IAG for consideration;
 - (c) **Public Sector-specific Issues for Consideration in Technical Projects** – Implementation feedback from the FRIF may further highlight areas where public sector-specific improvements to IPSAS Standards could be considered, as well as potential gaps in existing suite of IPSAS Standards or emerging issues to inform future projects; or
 - (d) **Supporting Material** – In addition, findings from FRIF discussions could help identify areas where supporting material, including educational resources, would help constituents better understand and apply IPSAS Standards. Over time, support initiatives could be expanded through the development of targeted implementation support materials, such as webinars, modular learning materials, workshops, and training courses.
16. Collectively, these outputs of the FRIF would strengthen the IPSASB's engagement with implementation leaders, help ensure that its standard-setting and maintenance activities are informed by practical experience across jurisdictions, and institutionalize a more active and strategically organized approach to supporting implementation of IPSAS Standards.

Decision Required

17. Does the IPSASB agree with the Staff [recommendation](#)?

¹ The FRIF is envisioned to address different aspects of application issues from the IAG. The IAG was formed to address issues where there could be a lack of clarity in existing IPSAS Standards, and its output consists of recommendations to the IPSASB on whether lack of clarity should be considered in the board's standards setting activities. In contrast, the FRIF is meant to solicit feedback on situations where the existing IPSAS Standards are clear, but there are practical implementation issues that could result in challenges for preparers and other constituents.