KOREA INSTITUTE OF PUBLIC FINANCE
Government Accounting and Finance Statistics Center

IPSASB Exposure Draft 94,

Linkages Between IPSAS Standards and the Government Finance Statistics Manual 2014 (Amendments to IPSAS 22)

Comments on the Exposure Draft 94, Linkages Between IPSAS Standards and the Government Finance Statistics Manual 2014 (Amendments to IPSAS 22)

June 22, 2026

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Ross Smith
Program and Technical Director, International Public Sector Accounting Standards Board
70 York Street, Suite 710
Toronto, ON M5J 1S9
Canada

Re: The comments on the Exposure Draft 94, Linkages Between IPSAS Standards and the Government Finance Statistics Manual 2014 (Amendments to IPSAS 22)

Dear Mr. Smith,

The Government Accounting and Finance Statistics Center (GAFSC) at the Korea Institute of Public Finance (KIPF) is pleased to provide its comments on IPSAS Exposure Draft 94, Linkages Between IPSAS Standards and the Government Finance Statistics Manual 2014 – Amendments to IPSAS 22.

The GAFSC is responsible for research on the development and revision of the central government accounting standards in the Republic of Korea, technical support for the preparation of the Central Government's consolidated financial statements, and the compilation and production of government finance statistics. Drawing on these functions and related experience, the GAFSC has carried out in-depth internal discussions on ED 94 and has developed its comments on the proposed non-authoritative guidance from both an accounting and a government finance statistics perspective.

The GAFSC generally supports the IPSASB's proposal to introduce non-authoritative guidance to IPSAS 22 in order to strengthen the linkages between IPSAS Standards-based accounting data and GFSM 2014 reporting. The proposed guidance is expected to be useful to standard setters, compilers of government finance statistics, and preparers of financial information. At the same time, the GAFSC suggests several refinements to improve clarity and practical usability, including adding more explicit source references and providing limited additional illustrations on measurement techniques in areas where measurement issues frequently arise in practice.

Our detailed comments are set out below in response to Specific Matter for Comment 1 and Specific Matter for Comment 2. Please feel free to contact us if you have any questions regarding our comments. You may direct your inquiries to the technical staff of the GAFSC, Jung-Hyuk Yim (junghyim@kipf.re.kr).

Sincerely,
Chang, Woo Hyun

Chang, Woo Hyun
Executive Director of GAFSC at KIPF

[Specific Matter for Comment 1]

The IPSASB decided to propose non-authoritative guidance to strengthen the linkages between IPSAS Standards-based accounting data and GFSM 2014 reporting in IPSAS 22 (see paragraphs IPSAS 22.BC18–BC26). Do you agree with the proposed non-authoritative amendments to IPSAS 22? If not, please explain your reasons.

[GAFSC Comments]

The Government Accounting and Finance Statistics Center (GAFSC) at the Korea Institute of Public Finance (KIPF) generally agrees with the proposals in ED 94 to introduce non-authoritative guidance to IPSAS 22, Disclosure of Financial Information about the General Government Sector.

The GAFSC is responsible for (i) research on the development and revision of the central government accounting standards in the Republic of Korea, (ii) technical support for the preparation of the Central Government's consolidated financial statements, and (iii) the compilation and production of government finance statistics. Based on these functions and related experience, the GAFSC has practical experience in addressing the linkages and consistency between government accounting standards and government finance statistics. Although IPSAS has not been formally adopted in the Korean public sector, the GAFSC has developed its comments on the non-authoritative guidance proposed in ED 94 through in-depth internal discussions that considered both accounting and government finance statistics perspectives.

From the perspective of potential users of this guidance, the GAFSC considers that the proposals in ED 94 have the following significance and usefulness:

Government Accounting Standard Setters

The guidance explicitly presents, on a standard-by-standard basis, the results of comparisons between IPSAS Standards and the Government Finance Statistics Manual 2014 (GFSM 2014). This will be useful when planning future projects to develop or revise the central government accounting standards in a manner that avoids unnecessary differences with GFSM 2014.

Compilers of GFSM reporting

In compiling government finance statistics, mapping and making adjustments between accounting data and statistical data is indispensable. The guidance in ED 94 provides explicit principles for these processes and, therefore, is practically useful. It can also be used to identify in advance the additional data needed from individual reporting entities and to provide a clear basis for requesting such data.

Financial Statement Preparers

Preparers can use the guidance to identify more systematically the information needed for government finance statistics and to establish the necessary data production processes within their accounting systems. Although additional data collection and disclosure may increase the burden in the short term, generating richer accounting data is expected, in the longer term, to enhance the transparency and usefulness of both financial reporting and statistical reporting.

In addition, to enable users of ED 94 to better understand the content of each paragraph in the guidance and the underlying requirements in IPSAS Standards and GFSM 2014, the GAFSC recommends that references to the relevant source literature be provided to the extent practicable. At present, the paragraphs in the guidance summarise and restate the relevant requirements at a relatively high level, which means that users need to undertake additional work to identify and review the original texts in IPSAS Standards and GFSM 2014. If the paragraph numbers of the relevant IPSAS Standards and GFSM 2014 provisions were included, or if key passages were directly quoted in footnotes, users would be able to understand more precisely the intent and context of both frameworks and, as a result, apply the guidance more appropriately in practice.

Furthermore, the GAFSC requests that the IPSASB consider whether certain aspects of the draft guidance require clarification or refinement:

IG197 – discounting of social benefit obligations

IG197 states that “GFSM 2014 generally does not require discounting of social benefit obligations.” However, paragraph 4.49 of GFSM 2014 is understood to require a present value assessment when memorandum items are disclosed for contingent liabilities related to social security schemes. The GAFSC therefore requests that the IPSASB review whether the wording in IG197 sufficiently distinguishes between (a) the discounting of recognised obligations related to social benefits and (b) the present value measurement of memorandum items for contingent liabilities under social security schemes, and whether there is any risk of interpretative confusion for users.

IG199 – repetition of content

The content of IG199 appears to substantially repeat that of IG195 and IG196. In order to improve the readability and conciseness of the guidance, the GAFSC suggests that the IPSASB consider whether IG199 can be shortened or streamlined.

[Specific Matter for Comment 2]

The IPSASB decided to propose the non-authoritative guidance on measurement at the measurement basis level, rather than at the measurement technique level (see paragraph IPSAS 22.BC32). Do you agree with the proposed non-authoritative amendments to IPSAS 22? If not, please explain your reasons.

[GAFSC Comments]

The GAFSC generally agree with the proposed non-authoritative guidance on measurement being provided at the measurement basis level.

However, to enhance the practical usefulness of the guidance, the GAFSC suggests that the IPSASB consider providing more detailed explanations and illustrative examples of measurement techniques for a limited number of items where measurement issues frequently arise in practice.

For example, where market value is difficult to observe and GFSM 2014 therefore requires the use of an alternative valuation method, it would be helpful if the guidance were to include brief illustrations of the types of measurement techniques that may be applied and how current value may be estimated in practice. In the GAFSC's view, such illustrations would help accounting and statistical practitioners to make more consistent estimates while still preserving the high-level and non-authoritative nature of the guidance.