



Agenda Item 9: Heritage

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IPSASB Meeting

June 21—21, 2016

Toronto, Canada

Objective of this Session

- Provide directions on issues

Materials Presented

9.1 Issues paper: 9.1.1 to 9.1.6

9.2 Directions up to March 2016

9.3 Decisions up to March 2016

9.4 Draft Chapter 1

9.5 Draft Chapter 2

9.6 Draft Chapter 3

9.7 Draft Chapter 4

9.8 National Public Sector Standards Setters' Forum

9.1.1 Consultation Paper's Name and Revised Structure

Does the IPSASB agree with:

- Name: CP, *Accounting for Heritage*; and
- Revised structure for the CP?

9.1.1 CP's Revised Structure

1. Introduction
 2. Descriptions and definitions of “heritage”
 3. Heritage items as assets
 4. Measurement and recognition of heritage assets
- Appendices: A—Examples of Heritage Items;
B—Selected Bibliography

9.1.1 CP's Revised Structure

5. Heritage items and their Obligations
 6. Presentation in the Financial Statements—
Heritage Information
 7. Presentation Outside of the Financial Statements—
Heritage Information
- Appendices: A—Examples of Heritage Items;
B—Selected Bibliography

9.1.2 Revised Chapter 1, Introduction

1. Does IPSASB agree:

- That Chapter 1 provides adequate introduction?
- With Chapter 1's:
 - Use of words “heritage”, “heritage items”, “heritage resources” and “heritage assets”; and
 - Description of CP’s approach to discussion of potential liabilities, that is, liabilities may arise when entity:
 - Has maintenance or preservation due to heritage items it controls; and
 - Carries out broad heritage preservation responsibilities, independent of heritage items that entity controls?

9.1.2 Revised Chapter 1, Introduction

2. IPSASB's view on two appendices on national jurisdictions' practices: Update and include in CP?

9.1.3 Draft Chapter 2, Heritage Items and Heritage Categories

1. Does IPSASB agree with:

- a) Selection and ordering of topics in Chapter 2;
- b) Addition of word “archeological” to working description for heritage items;
- c) Discussion of faithful representation of heritage phenomenon and use of principles–based approach to identify heritage items; and
- d) Use of general description of heritage items in this CP, without criteria to objectively distinguish between heritage and non-heritage items?

9.1.3 Draft Chapter 2, Heritage Items and Heritage Categories

1. Does IPSASB agree with:
 - e) The descriptions for each heritage category;
 - f) Scope indicated by Chapter 2 for CP's discussion of accounting for heritage (i.e. all four categories of heritage, including intangible cultural heritage);
 - g) Chapter 2's discussion of intellectual property and conclusion that intangible cultural heritage includes heritage items that are intellectual property; and
 - h) Specific Matter for Comment (SMC)?

9.1.3 Draft Chapter 2, Heritage Items and Heritage Categories

Specific Matter for Comment (SMC):

(1) Do you agree:

- (a) With the proposed working description of “heritage items”?
- (b) That the four categories of heritage and the examples of heritage items in chapter 2 provide a sufficient basis for consideration of heritage accounting issues? (If not, please identify any further categories and/or examples that should be considered.)
- (c) That accounting guidelines should be developed for all four categories. (If you disagree, please indicate for which category or categories accounting guidelines should not be developed.)

9.1.4 Draft Chapter 3, Heritage Items as Assets

1. Does the IPSASB agree with:
 - a) Selection and ordering of topics in draft Chapter 3?
 - b) Arguments for and against heritage items being assets?
 - c) Asset existence issues for particular categories and subcategories of heritage items?
 - d) Specific Matter for Comment (SMC) proposed?

9.1.4 Draft Chapter 3, Heritage Items as Assets

2. Does IPSASB have a preliminary view on whether heritage items could be assets for financial reporting purposes?
3. Any further issues that should be discussed in Chapter 3? (For example, asset existence issues related to categories or subcategories?)

9.1.5 Draft Chapter 4, Recognition and Measurement of Heritage Assets

1. Does the IPSASB agree with:

- a) Selection and ordering of topics in draft Chapter 4?
- b) Measurement bases proposed as applicable to measurement of heritage assets (historical cost and market value)?
- c) Arguments expressed for and against heritage items being recognized as assets for financial reporting purposes?

9.1.5 Draft Chapter 4, Recognition and Measurement of Heritage Assets

- d) Set of factors important for evaluation of cost-benefit constraint applied to heritage assets?
- e) Discussion of measurement for different categories and subcategories of heritage assets?

9.1.5 Draft Chapter 4, Recognition and Measurement of Heritage Assets

2. Any further issues that should be discussed in this chapter?
 - a) Further factors relevant to whether heritage assets should be recognized; and
 - b) Further recognition issues raised by particular categories and subcategories of heritage assets?

Next Steps

- Revisions to first four chapters
- Develop further chapters
- Issues paper and draft chapters to IPSASB's September 2016 meeting



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