

Agenda Item 8: Infrastructure Assets

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IPSASB Meeting

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Toronto, Canada

Feedback from CAG

CAG
asked
questions
in relation
to:

Infrastructure Asset Issues

Project Process

Project Output

Infrastructure Asset Issues

Issues
already
identified

Depreciation

Componentization

Measurement

Control - easements

Capital and maintenance expenditure

Measurement of remaining service potential

Infrastructure Asset Issues

Issues raised by CAG

- Control of assets – economic ownership, financing arrangements
- Characteristics of Infrastructure Assets: immovable? – global satellite networks
- Only network assets
- Service concession arrangements during construction
- Capital inventory – depreciate or not
- Land under roads/water
- Impairment during construction/development
- Asset retirement obligations
- At what point to commission an asset
- Performance information – public interest
- Climate changes – useful service potential
- Transitional arrangements

Feedback from CAG: Project Process and Output

Project Process

- Flexibility
 - Follow a process that provides desired information
- CP? To be determined – Survey used as pseudo CP

Project Output

- Preferred output – additional guidance to IPSAS 17
- Other options
 - New IPSAS
 - Recommended Practice Guideline
 - Staff paper

Progress from September 2017 Board meeting

Limited literature review from:

United Kingdom

Financial Reporting Manual (FReM)

Office of Water Services (OFWAT)

CIPFA – Highways Network Assets

Sth Africa

ASB – IGRAP 18, Recognition and Derecognition of Land

EPSAS working paper – Infrastructure Assets (general discussion)

France

City of Essen

Austria

Need more examples of guidance

Progress from September 2017 Board meeting cont.

Reviewing literature on the following aspects:

Basis of accounting

Definition

Recognition

Measurement (initial and subsequent)

Expenditure

Depreciation

Componentization

Impairment

Disclosures

Types of Infrastructure

Next steps

Project deferred until Dec 2018

But plan for survey to be completed

Will continue to gather examples of
guidance