

An aerial photograph of New York City, showing the dense skyline of Manhattan and the green expanse of Central Park. The image is used as a background for the presentation slide.

IPSASB

International Public
Sector Accounting
Standards Board®

AGENDA ITEM 6

OTHER LEASE-TYPE ARRANGEMENTS

IPSASB Meeting – March 2024

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Overview of Project Finalization

ED 84, *Concessionary Leases and Right-of-Use Assets In-kind*

ED 88, *Arrangements Conveying Rights over Assets*

Final Pronouncement, *Concessionary Leases and Other Arrangements Conveying Rights over Assets*

IPSAS 43

IPSAS 23

IPSAS 47

IPSAS 48

IPSAS 43

IPSAS 47

IPSAS 48

Core Text

Core Text

Core Text

Core Text

Core Text

Application Guidance

Application Guidance

Application Guidance

Application Guidance

Basis for Conclusions

Implementation Guidance

Implementation Guidance

Illustrative Examples

Illustrative Examples*

Illustrative Examples*

Illustrative Examples*

Illustrative Examples*

Illustrative Examples*

Authoritative

Non-Authoritative

* Includes all arrangements identified in the Request for Information, *Concessionary Leases and Other Arrangements Similar to Leases*

[draft] ED 88: Development

Analysis

- Title:
 - Exposure Draft 88, *Arrangements Conveying Rights over Assets* (Amendments to IPSAS 47 and IPSAS 48)
- Specific Matters for Comment (SMC)
 - SMC 1: Concessionary leases
 - SMC 2: Non-authoritative guidance in IPSAS 47 and IPSAS 48
- Proposed amendments to IPSAS 47 and IPSAS 48
- Basis for Conclusions to IPSAS 47 and IPSAS 48

Recommendation

- Title: Exposure Draft 88, *Arrangements Conveying Rights over Assets* (Amendments to IPSAS 47 and IPSAS 48)
- SMC 1 and SMC 2
- Proposed amendments to IPSAS 47 and IPSAS 48
- Basis for Conclusions to IPSAS 47 and IPSAS 48

[draft] ED 88: Approval

Analysis

- Approval of ED 88, *Arrangements Conveying Rights over Assets* (Amendments to IPSAS 47 and IPSAS 48)
 - Proposed amendments to IPSAS 47 and IPSAS 48 consistent with objective of the Other Lease-Type Arrangements project
 - ED 88 includes the remaining arrangements identified in the Request for Information, *Concessionary Leases and Other Arrangements Similar to Leases*
- Exposure period: 2 months

Recommendation

- Approval of ED 88, *Arrangements Conveying Rights over Assets* (Amendments to IPSAS 47 and IPSAS 48)
- 2-month Exposure Period

[draft] Final Pronouncement: Remaining Issues from Review of Responses to ED 84

Analysis

1. Add guidance on the reasonable level of effort to identify lease payments at market rates (Paragraphs 4–7 of Agenda Item 6.2.4)
2. “Not readily available” versus “impracticable” (Paragraphs 8–10 of Agenda Item 6.2.4)
3. “Market rates” versus “the lessee would have to pay without concession” (Paragraphs 11–15 of Agenda Item 6.2.4)

Recommendation

1. Not to add additional guidance on the “reasonable level of effort” to identify lease payments at market rates
2. Not to replace the wording “not readily available” with “impracticable”
3. Retain the wording “market rates” in proposed IPSAS 43.26A