

Meeting: IPSASB Consultative Advisory Group

Meeting Location: Toronto, Canada

Meeting Date: June 24, 2024

Agenda Item 5

For:

Approval

Discussion

Information

PRESENTATION OF FINANCIAL STATEMENTS

Project summary	The objective of the project is to enhance the communication effectiveness of financial information reported in general purpose financial statements by developing a new IPSAS to replace IPSAS 1, <i>Presentation of Financial Statements</i> . The project is in the Consultation Paper (CP) development phase.	
Meeting objectives	Topic	Agenda Item
Discussion items	Statement of Financial Position — Classification of Assets and Liabilities	5.1
Other papers	IPSASB Due Process Checklist	5.2

Statement of Financial Position – Classification of Assets and Liabilities

Purpose

1. To receive CAG feedback on developing requirements in IPSAS for the classification of assets and liabilities on the face of an entity's statement of financial position.

Introduction

2. Since our last discussions with the CAG in December 2023, the IPSASB has considered a selection of issues concerning the general principles that underpin the presentation of general purpose financial statements (the 'financial statements').¹ In June 2024, the IPSASB will commence its deliberations on the specific requirements for presenting information in the primary financial statements, starting with the statement of financial position.
3. A key aspect of presenting the statement of financial position is the requirement to classify assets and liabilities into broad groups, to assist the reader's understanding of the entity's short-term liquidity and long-term solvency, the nature of items held, and their purpose. At this meeting, we are seeking CAG feedback on whether the existing classification requirements for assets and liabilities in IPSAS should be changed or enhanced.
4. To support the CAG discussion, staff from the IPSASB and the Canadian Public Sector Accounting Board (PSAB) will provide a short presentation on two common classification approaches used by public sector entities — the current/non-current approach and the financial/non-financial approach.
5. This paper provides background information together with [questions](#) for CAG feedback.

Project Recap

6. Before discussing the specific issue for CAG consideration, it is useful to briefly recap the role of the financial statements and the project objectives.

The Role of The Financial Statements

7. Financial statements prepared and presented by governments and other public sector entities are a structured set of financial reports that provide an important source of information about:²
 - (a) The resources it owns and controls (its assets);
 - (b) The amount it owes and other obligations (its liabilities);
 - (c) The money and other resources received in the period (its revenue); and
 - (d) The money spent and other resources consumed in the period (its expenses).

¹ General purpose financial statements are financial reports intended to meet the information needs of users who are unable to require the preparation of financial reports tailored to meet their specific information needs. The financial statements provide information about a reporting entity's assets, liabilities, net asset/equity, revenue, expenses, and cash flows for a reporting period.

² Financial statements prepared in accordance with IPSAS include a statement of financial position, a statement of financial performance, a statement of changes in equity/net assets, and a cash flow statement, together with accompanying notes.

8. The financial statements confirm the financial impact of transactions incurred and other events or conditions for a specified reporting period. Under the accrual basis of accounting, this is typically done by providing information about the entity's financial position, financial performance, and cash flows.
9. The presentation of financial statements in accordance with standardized reporting requirements (such as IPSAS) supports the provision of financial information that is faithfully representative, comparable, verifiable, and useful for accountability and decision-making purposes. The information presented in the financial statements also provides essential inputs into budgetary and fiscal management processes.

Project Objective

10. The objective of this project is to improve the communication effectiveness of financial information presented in public sector financial statements by developing a new IPSAS to replace IPSAS 1, *Presentation of Financial Statements*. Recent international developments have highlighted the opportunity to improve the existing requirements, given that IPSAS 1 has not been substantially reviewed or updated since its original publication in 2000.³
11. Achieving this objective will include considering the existing requirements for presenting financial statements, encompassing the structure, location of information, minimum disclosures, and overarching presentation principles currently provided in IPSAS 1.
12. How financial information is presented in financial statements plays a critical role in strengthening public financial management (PFM) globally, due to the importance of ensuring the information presented is relevant, transparent, understandable, and accessible to users.

The Statement of Financial Position

13. The statement of financial position (also often known as a 'balance sheet') forms a critical component of an entity's financial statements by providing a snapshot of an entity's assets, liabilities, and net assets/equity at the end of a reporting period. An entity's assets, liabilities, and net assets/equity are recognized and measured in accordance with the requirements of individual IPSAS Standards.
14. The statement of financial position provides essential information about:
 - (a) The extent to which management has discharged its responsibilities for safekeeping and managing an entity's resources;
 - (b) The extent of indebtedness incurred as a result of funding activities delivered in previous reporting periods;
 - (c) The availability of resources to support the ongoing delivery of public services and the consumption of resources during the current reporting period;
 - (d) The ability to meet its short-term and long-term financial and service delivery obligations; and
 - (e) The entity's net assets/equity position at the end of the reporting period.⁴

³ Including, the issuance of IFRS 18 *Presentation and Disclosure in Financial Statements* by the IASB in April 2024.

⁴ Net assets/equity is the term used in IPSAS to refer to the difference between an entity's recognized assets and liabilities.

Presenting the Statement of Financial Position

15. The preparation of the statement of financial position requires the preparer to make several key decisions regarding how the information will be presented, including:
 - (a) How the assets and liabilities should be broadly **classified**;
 - (b) Whether the statement should be **structured** in a way that allows for the presentation of specific sub-totals or indicators of financial sustainability; and
 - (c) What **line items** should be displayed on the statement of financial position (such as receivables, payables, and investments)?⁵
16. To assist the IPSASB in advancing the development of principles and requirements for presenting the statement of financial position, we are seeking CAG feedback at this meeting on the first of these presentation decisions—the broad classification of assets and liabilities. The classification approach will significantly impact other presentation decisions concerning the structure of the statement of financial position and the reporting of specific sub-totals to help users assess an entity’s financial position.

The issue for CAG Discussion

Classification of Assets and Liabilities

17. Since the inception of IPSAS, the requirement that a reporting entity classify its assets and liabilities into broad groups when presenting the statement of financial position has been a fundamental aspect of financial reporting.
18. Classifying an entity’s assets and liabilities into different groups enhances the understandability of the information by providing a clear and structured approach for presenting information in the statement of financial position. The classification of assets and liabilities helps the user focus on the information relevant to their specific needs. This is particularly important in the public sector, given the wide range of resources and obligations arising from the delivery of services to the public.
19. The classification of assets and liabilities also supports the calculation of key measures of financial sustainability used for government finance statistical reporting (GFS), budgeting, and fiscal management purposes — for example, net debt.⁶
20. The selection of an appropriate approach for classifying assets and liabilities for public sector entities requires consideration of:
 - (a) The nature and characteristics of assets and liabilities held by the reporting entity — for example, whether they are financial or non-financial;
 - (b) The entity’s purpose for holding the assets and liabilities — for service delivery (operational), investing, financing, or preservation purposes;

⁵ ‘Line items’ represent the groupings of transactions with common or shared characteristics. An entity is required to use its judgment to determine an appropriate level of aggregation/disaggregation when presenting line items in the statements or the notes of the financial statements.

⁶ ‘Net debt’ is a common fiscal indicator used to measure the strength of a public sector entity’s balance sheet, it typically reflects the difference between an entity’s financial assets and financial liabilities. ‘

- (c) Entity-specific user needs — resource providers and service recipients will often be interested in understanding the entity’s liquidity and long-term solvency; and
 - (d) Jurisdictional considerations — such as key indicators of an entity’s financial sustainability used for local PFM purposes.
21. An informal review of central government financial statements by staff has identified that in practice, three approaches are commonly used for classifying assets and liabilities on the face of the statement of financial position:
- (a) Current/non-current approach;
 - (b) Financial/non-financial approach; and
 - (c) Order of liquidity approach.
22. Each of these is discussed in turn below, followed by the consideration of other possible approaches. Examples of the different approaches are provided in [Appendix A](#).

Current/Non-Current Approach

23. The current/non-current approach is broadly considered the general approach for classifying assets and liabilities in IPSAS and IFRS. This approach requires current and non-current assets and current and non-current liabilities to be presented as separate classifications on the face of the statement of financial position.
24. The current/non-current classification approach is illustrated in Table 1.

Table 1

Statement of Financial Position As at 31 December 20X2	20X2 CU	20X1 CU
ASSETS		
Current assets		
...		
Total current assets		
Non-current assets		
...		
Total non-current assets		
Total assets		
LIABILITIES		
Current liabilities		
...		
Total current liabilities		
Non-current liabilities		
....		
Total non-current liabilities		
Total liabilities		
Net assets		
NET ASSETS/EQUITY		
...		
Total net assets/equity		

25. IPSAS provides criteria for classifying assets and liabilities as current or non-current.
- (a) **Current assets** are those expected to be converted into cash or used up within one year or the entity's operating cycle, whichever is longer. They include items like cash, accounts receivable, and inventory.
 - (b) **Non-current assets** are all other assets not classified as current, such as property, plant and equipment, intangibles, and long-term investments.
 - (c) **Current liabilities** are obligations due within one year or the entity's operating cycle, whichever is longer, such as accounts payable and short-term loans.
 - (d) **Non-current liabilities** are all liabilities not classified as current, such as long-term loans and provisions.

Commentary on Approach

26. The current/non-current approach provides information to help users assess an entity's short-term liquidity and long-term solvency (its ability to meet its obligations as they fall due). The classification aims to distinguish assets and liabilities that are continuously circulating as 'working capital' from those used to service the entity's long-term operations.⁷
27. The approach is relevant to the public sector because of its responsibility for managing its assets and liabilities to ensure resources are available over the short, medium, and long term to sustain the delivery of services to the public and respond to other unexpected events. The current/non-current distinction helps identify resources that can be used immediately to support service provision and those that are earmarked for longer-term initiatives or investments, enabling informed decision-making regarding resource allocation and fiscal planning.
28. In addition, the categorization of assets and liabilities based on when they are expected to be realized or due for settlement enables more accurate forecasting of cash flows and resource requirements, facilitating the development of sound budgetary plans that align with organizational objectives and fiscal priorities.
29. The current/non-current approach is generally understood in practice by both preparers and users. It is widely used by jurisdictions applying IPSAS or IFRS-based accounting standards.

Financial/Non-Financial Approach

30. The financial/non-financial approach involves financial and non-financial assets, and financial and non-financial liabilities, being presented as separate classifications on the face of its statement of financial position.
31. The financial/non-financial classification approach is illustrated in Table 2 on the next page.

⁷ The term 'working capital' is not used in IPSAS, but is the term used to define the difference between current assets and current liabilities. It is often used as a key indicator of an entity's short-term solvency.

Table 2

Statement of Financial Position		
As at 31 December 20X2		
	20X2	20X1
	CU	CU
ASSETS		
Financial assets		
...		
Total Financial assets		
Non-financial assets		
...		
Total non-financial assets		
Total assets		
LIABILITIES		
Financial liabilities		
...		
Total financial liabilities		
Non-financial liabilities		
...		
Total non-financial liabilities		
Total liabilities		
Net assets		
NET ASSETS/EQUITY		
...		
Total net assets/equity		

32. The Public Sector Accounting Board (PSAB) in Canada has recently developed a new reporting model for the public sector. This model requires that assets and liabilities be classified in the statement of financial position based on a financial/non-financial distinction.
33. PSAB provides specific criteria for classifying assets and liabilities as financial or non-financial. This criterion is primarily based on how the assets could be used and how the liabilities are expected to be settled rather than only their nature.
 - (a) A **financial asset** is an asset that could be used to discharge existing financial liabilities or spend on future operations and is not for consumption in the normal course of operations, such as cash and cash equivalents, accounts receivable, inventories held for sale, and other assets available for sale.

- (b) A **non-financial asset** is an asset that does not meet the definition of a financial asset, such as property, plant, and equipment, inventories held for use, and assets not available for sale.
- (c) A **financial liability** is a liability that is expected to be settled using existing or future financial assets, such as loans, accounts payable, and liabilities for employee benefits.
- (d) A **non-financial liability** does not meet the definition of a financial liability, such as obligations that will be settled by the transfer of capital assets.

Commentary on Approach

- 34. The financial/non-financial approach provides similar benefits to the current/non-current approach in that both primarily seek to provide a measure of an entity's solvency and liquidity.
- 35. The financial/non-financial classification focuses on providing transparency over how well an entity's financial resources are being managed. If financial liabilities are greater than financial assets, this provides a clear signal to users that either revenues (e.g., taxes) will need to be increased, services reduced, additional borrowings drawn down, or non-financial assets sold in the future.
- 36. The classification of assets and liabilities based on a financial/non-financial distinction is considered useful for accountability and decision-making purposes because it provides users with a clear understanding of:
 - (a) The financial resources available to cover past and future obligations, for example immediate expenses associated with the ongoing delivery of services to the public (such as, for example, the payment of salaries for doctors, police officers, and teachers); and
 - (b) The allocation of resources towards non-financial assets intended to sustain public service delivery over the long term.
- 37. Advocates of the approach consider that given the characteristics of the public sector (which are focused on maintaining short and long-term financial sustainability), it is more important to classify assets and liabilities on the statement of financial position based on their nature (i.e., financial or non-financial) rather than their liquidity (i.e., current or non-current). They contend that if an entity wants to present assets and liabilities as current or non-current, this can be done through note disclosure.
- 38. Some jurisdictions choose to use the financial/non-financial approach because it helps facilitate the calculation of an entity's net debt. Net debt is an important indicator of a government's fiscal health and sustainability. Policymakers, economists, and analysts often use it to assess an entity's overall indebtedness and ability to meet its financial obligations.
- 39. 'Net debt is broadly understood to be the difference between an entity's financial assets and liabilities. However, net debt is calculated differently across jurisdictions based on a government's short—and long-term fiscal objectives (i.e., there is no universally accepted measure of net debt).
- 40. The financial/non-financial distinction is also used in GFS to broadly classify an entity's assets and liabilities. However, there are variations in how financial and non-financial items are defined for GFS purposes, compared with definitions used by individual jurisdictions and national standard-setters.

41. The financial/non-financial approach is currently used in several jurisdictions as the basis for classifying assets and liabilities on the face of the statement of financial position. For example, the central government financial statements of Australia, Canada, and France use this classification approach.

Order of Liquidity Approach

42. The third presentation approach is similar to the other classification approaches, except that it does not require classifying assets and liabilities into broad groups. Instead, asset and liability line items are listed on the face of the statement of financial position based on an order of liquidity. The line items are ordered based on their relative liquidity (i.e., how quickly they can be converted into cash or settled).
43. Displaying assets and liabilities in this order, like the other classification approaches, helps users assess an entity's ability to meet its short-term financial obligations and manage cash flow effectively.
44. An example of the order of liquidity presentation approach is provided below.

Table 3

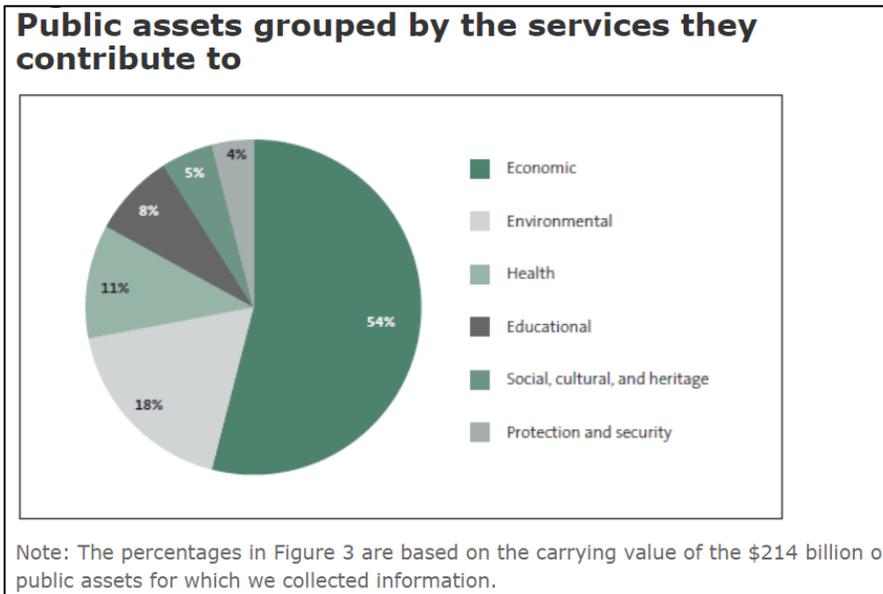
Statement of Financial Position		
As at 31 December 20X2		
(in thousands of currency units)		
	20X2	20X1
	CU	CU
ASSETS		
Cash and cash equivalents		
Receivables		
Inventories		
Investments		
Property assets held for sale		
Investment property		
Property, plant, and equipment		
Other assets		
Total assets		
LIABILITIES		
Payables		
Taxes and transfers payable		
Employee entitlements		
Social benefits liabilities		
Loans and other borrowings		
Other liabilities		
Total liabilities		
Net assets		

Commentary on Approach

45. Financial institutions, service industries, and insurance entities often use an order of liquidity approach because the assets and liabilities held are highly liquid rather than assets such as property, plant, and equipment with long useful lives. For these entities, listing items in order of liquidity provides a clearer view of how quickly assets can be converted to cash and liabilities can be settled.

Other Classification Approaches

46. We note there are other possible approaches for classifying assets and liabilities held by public sector entities into broad groups for presentation purposes. For example, two other approaches include:
- (a) Classification based on the entity's purpose for holding the asset or liability — i.e., operational purposes (to deliver services directly to the public, such as hospital buildings), investing (to generate inflows of economic benefits, such as long-term investments), or financing (to manage debt, such as loans); and
 - (b) Classification based on the public services the assets or liabilities contribute to — this approach recognizes that all assets and liabilities, regardless of their nature or purpose, are ultimately held to provide services to the public.
47. In New Zealand, for example, the total assets of the Government and other large public entities are classified into six groups of service lines, as illustrated below. The information is used to support public policy decisions about the allocation of resources.



This information is reported outside the financial statements — [Source](#).

48. These other classification approaches provide useful information about how an entity's assets and liabilities support its objectives. However, we consider that this type of classification would be better suited to management commentary-type reporting, which accompanies the financial statements.
49. It is important to maintain an appropriate level of consistency in the presentation of the statement of financial position, prepared in accordance with IPSAS, between different jurisdictions. An approach

that requires the 'splitting' of assets and liabilities of a similar nature could potentially weaken this consistency. For example, an individual building asset may be held for multiple purposes and contribute to multiple service delivery lines within the public sector.

Standardization Versus Flexibility

50. The existing requirements in IPSAS (which are aligned with IFRS) require that an entity apply the current/non-current classification approach when preparing the statement of financial position. Except when a presentation based on the order of liquidity provides information that is faithfully representative and more relevant.
51. This raises the question of whether the requirements in IPSAS should be relaxed to allow for the use of other classification approaches due to the diverse nature of the public sector. This would give preparers the flexibility to select an approach based on the entity's nature, user needs, and jurisdictional considerations.
52. Offering increased flexibility and options within accounting standards often raises concerns about a loss of comparability. However, these concerns are alleviated by the existing requirements in IPSAS to present specific asset and liability line items. These would remain regardless of the classification approach applied. The same information will be presented in the statement of financial position, with differences limited to how the line items are classified under different headings.
53. In practice, we expect decisions about the classification of assets and liabilities will often be determined by jurisdictional and sector considerations. Providing a choice within IPSAS will enable the entities across part or all of the public sector in a given jurisdiction to follow a consistent classification approach, which may be based on the direction of a central government agency or relevant standard-setting authority.

Task Force View

General Classification Approaches

54. The IPSASB Task Force supporting this project considered the requirements for classifying assets and liabilities on the face of the statement of financial position in May 2024.
55. The Task Force concluded that the new IPSAS should allow entities to apply either one of the following approaches for classifying their assets and liabilities on the face of the statement of financial position:
 - (a) Current/non-current approach; or
 - (b) Financial/non-financial approach.
56. Both approaches seek to help the reader understand the entity's ability to meet its short-term, medium-term, and long-term service objectives and financial obligations. IPSAS should allow public sector entities currently applying either of these classification approaches to continue doing so.
57. The Task Force noted that the financial/non-financial approach may be more effective at a central government level, where the focus is on long-term financial sustainability. However, for other public sector entities, such as agencies, a current/non-current approach may be more appropriate for presenting information to users. This supports the concept that both approaches equally apply to different types of entities within the public sector.

Order of Liquidity

58. The Task Force also agreed that the order of liquidity approach should be retained in IPSAS, consistent with IFRS 18. The approach would be positioned as an exception to the current/non-current and financial/non-financial classification approaches.
59. An entity would only be permitted to apply the approach when it is considered to provide information that is faithfully representative and more relevant than the current/non-current or financial/non-financial classification approaches. The basis for this decision was to allow entities, such as central banks and other financial institutions in the public sector, to continue using this approach.

Questions for CAG

Favored classification approach

- Q1. What classification approach do you consider most appropriately meets the objectives of public sector financial reporting?⁸
- (a) Current/Non-current approach;
 - (b) Financial/Non-financial approach;
 - (c) Order of liquidity approach; or
 - (d) Another approach.
- What are the reasons for your preferred approach?

Extent of flexibility

- Q2. Should the new IPSAS to replace IPSAS 1:
- (a) Require all public sector entities to apply a single standardized classification approach; or
 - (b) Provide different classification approaches from which an entity may choose from.

⁸ The IPSASB Conceptual Framework provides that the objective of public sector financial reporting is to provide information about the entity that is useful to users of general purpose financial reports for accountability and decision-making purposes.

Appendix A — Examples of Different Classification Approaches

(a) [United Kingdom Whole of Government Annual Consolidated Financial Statements – 30 June 2022](#)

Example of current/non-current approach

Statement of Financial Position

As at 31 March 2022

	Note	2021-22 £bn	2020-21 £bn
Non-current assets			
Property, plant and equipment	12	1,340.4	1,270.3
Investment properties	13	14.8	16.5
Intangible assets	14	43.7	41.0
Trade and other receivables	15	22.4	20.6
Other financial assets	16	456.9	340.8
		1,878.2	1,689.2
Current assets			
Inventories	17	13.5	15.3
Trade and other receivables	15	193.2	182.3
Other financial assets	16	267.9	264.9
Cash and cash equivalents	18	45.6	39.6
Gold holdings	33	14.7	12.3
Assets held for sale		1.2	3.1
		536.1	517.5
Total assets		2,414.3	2,206.7
Current liabilities			
Trade and other payables	19	(160.8)	(169.3)
Government borrowings	20	(340.0)	(274.0)
Other financial liabilities	21	(1,030.4)	(943.3)
Provisions	22	(29.7)	(28.4)
		(1,560.9)	(1,415.0)
Non-current liabilities			
Trade and other payables	19	(51.8)	(52.0)
Government borrowings	20	(1,235.7)	(1,246.3)
Other financial liabilities	21	(303.6)	(175.5)
Provisions	22	(498.1)	(338.0)
Net public sector pension liability	24	(2,639.1)	(2,306.2)
Total non-current liabilities		(4,728.3)	(4,118.0)
Total liabilities		(6,289.2)	(5,533.0)
Net liabilities		(3,874.9)	(3,326.3)
Financed by taxpayers' equity:			
General reserve		(4,547.6)	(3,932.3)
Revaluation reserve		667.8	601.8
Other reserves		4.9	4.2
Total liabilities to be funded by future revenues		(3,874.9)	(3,326.3)

(b) [Consolidated Annual Financial Statement of Australian Government – 30 June 2023](#)

Example of financial/non-financial approach

Australian Government balance sheet as at 30 June 2023			
	Note	2023 \$m	2022 \$m
Assets			
<i>Financial assets</i>			
Cash and deposits		7,464	8,698
Advances paid	5A	73,135	70,598
Other receivables and accrued revenue	5A	73,814	74,405
Investments, loans and placements	5B	569,265	558,191
Equity investments	5C	84,051	75,891
Total financial assets		807,729	787,783
<i>Non-financial assets(a)</i>			
Land	5D	16,818	15,113
Buildings	5D	53,831	50,742
Specialist military equipment	5D	84,627	81,255
Other plant, equipment and infrastructure	5D	78,806	70,918
Intangibles	5D	15,810	15,008
Investment property	5D	343	365
Inventories	5E	12,976	11,979
Heritage and cultural assets	5D	12,618	12,632
Other non-financial assets	5F	6,790	6,036
Total non-financial assets		282,619	264,048
Total assets	5G	1,090,348	1,051,831
Liabilities			
<i>Interest bearing liabilities</i>			
Deposits held	6A	412,584	426,128
Government securities	6B	573,980	575,625
Loans	6C	42,897	39,017
Leases	6D	32,913	31,783
Other interest bearing liabilities	6E	26,818	26,188
Total interest bearing liabilities		1,089,192	1,098,741
<i>Provisions and payables</i>			
Superannuation liability	6F	313,080	321,998
Other employee liabilities	6F	46,563	36,910
Supplier payables	6G	20,854	14,011
Personal benefits payable	6G	3,142	2,999
Subsidies payable	6G	561	908
Grants payable	6G	3,570	3,926
Australian currency on issue	6H	101,285	102,345
Other payables	6G	13,922	16,444
Other provisions	6H	68,403	62,263
Total provisions and payables		571,380	561,804
Total liabilities		1,660,572	1,660,545
Net worth			
Accumulated results		(668,095)	(698,304)
Reserves		97,099	88,960
Minority interests		772	630
Net worth		(570,224)	(608,714)

(c) [Consolidated Annual Financial Statements of the Government of New Zealand](#)

Example of an order of liquidity approach

Statement of Financial Position				
as at 30 June 2023				
2023 Forecast at		Actual		
Budget	Budget		30 June	30 June
2022	2023	Note	2023	2022
\$m	\$m		\$m	\$m
Assets				
17,713	19,084		18,791	17,835
28,906	33,383	13	33,548	35,135
51,202	63,866	14	66,490	65,456
53,423	44,710	15	48,046	46,261
5,991	7,024	15	7,317	6,096
70,883	65,247	16	66,489	54,659
2,908	3,268		3,041	3,068
4,027	4,324		4,612	4,208
230,776	259,280	17	267,390	249,182
15,816	16,678	18	17,034	16,247
4,209	4,178		3,908	3,697
2,274	-		-	-
(2,810)	(1,850)		-	-
485,318	519,192		536,666	501,844
Liabilities				
9,159	9,256		9,002	9,061
15,057	17,147	19	18,726	21,420
2,807	3,420		3,610	3,368
230,618	222,465	20	226,755	203,965
10,694	8,360	21	6,125	11,308
69,026	56,850	12	57,511	55,301
9,061	8,254	22	8,039	8,769
10,042	14,484	23	15,426	14,333
356,464	340,236		345,194	327,525
128,854	178,956		191,472	174,319
Net Worth				
(10,254)	6,932		8,380	2,681
134,146	164,188	17	174,575	164,385
(687)	196	22	409	55
(659)	(566)	23	(392)	(566)
(145)	298		542	481
122,401	171,048		183,514	167,036
6,453	7,908	24	7,958	7,283
128,854	178,956		191,472	174,319

IPSASB Due Process Checklist (condensed to include portions relevant to the CAG)

Project: Presentation of Financial Statements

#	Due Process Requirement	Yes/No	Comments
A. Project Brief			
A1.	A proposal for the project (project brief) has been prepared, that highlights key issues the project seeks to address.	Yes	The IPSASB considered the draft project brief in June and September 2023.
A2.	The IPSASB has approved the project in a public meeting.	Yes	The Project Brief was approved by the IPSASB in September 2023.
A3.	The IPSASB CAG has been consulted on the project brief.	Yes	At the June 2023 meeting, the CAG provided feedback on key aspects of the project to inform the development of the project brief.
B. Development of Proposed International Standard			
B1.	The IPSASB has considered whether to issue a consultation paper or undertake other outreach activities to solicit views on matters under consideration from constituents.	Yes	The IPSASB has agreed to issue a consultation paper (CP) together with an illustrative exposure draft (ED) during the first phase of public consultation. Upon issuing the CP together with the illustrative ED, the IPSASB will consider the nature of other outreach activities to support this consultation.
B2.	If comments have been received through a consultation paper or other public forum, they have been considered in the same manner as comments received on an exposure draft.	TBD	[Pending]
B3.	The IPSASB CAG has been consulted on significant issues during the development of the exposure draft.	TBD	It is expected the CAG will be consulted on significant issues throughout the development of the CP.
D. Consideration of Respondents' Comments on an Exposure Draft			
D4.	The IPSASB CAG has been consulted on significant issues raised by respondents to the exposure draft and the IPSASB's related responses.	TBD	[Pending]

#	Due Process Requirement	Yes/No	Comments
D5.	Significant comments from consultation with the IPSASB CAG are brought to the IPSASB's attention. Staff have reported back to the IPSASB CAG the results of the IPSASB's deliberations on those comments received from the CAG.	TBD	[Pending]
D6.	The IPSASB has assessed whether there has been substantial change to the exposed document such that re-exposure is necessary.	TBD	[Pending]
D7.	If applicable, the IPSASB has voted on a resolution in favor of re-exposure.	TBD	[Pending]
D8.	The basis of the IPSASB's decision with respect to re-exposure has been minuted.	TBD	[Pending]
D9.	If the exposure draft has been re-exposed, the explanatory memorandum accompanying the re-exposure draft explained the reasoning for re-exposure and the changes made as a result of the earlier exposure.	TBD	[Pending]
<i>E. Approval</i>			
E1.	The Program and Technical Director has confirmed to the IPSASB that due process has been followed effectively the final standard is approved for issuance.	TBD	[Pending]
E2.	The IPSASB has approved the final revised content of the exposed standard in accordance with its Terms of Reference.	TBD	[Pending]
E3.	If applicable, the IPSASB has set an effective date for application of the final standard.	TBD	[Pending]
E4.	The IPSASB's basis for conclusions has been prepared and included in the final standard.	TBD	[Pending]

Completed by: IPSASB Staff as of June 2024.