



MALAYSIAN INSTITUTE  
OF ACCOUNTANTS

13 December 2024

Mr Ross Smith  
Program and Technical Director  
International Public Sector Accounting Standards Board  
International Federation of Accountants  
277 Wellington Street West  
Toronto, Ontario M5V 3H2  
CANADA

Dear Mr Smith

**EXPOSURE DRAFT 90, AMENDMENTS TO IPSAS AS A RESULT OF THE APPLICATION OF IPSAS 46, MEASUREMENT**

The Malaysian Institute of Accountants (“MIA”) is pleased to provide comments on the International Public Sector Accounting Standards Board (“IPSASB”) Exposure Draft 90, **Amendments to IPSAS As a Result of the Application of IPSAS 46, Measurement** as attached in Appendix 1 to this letter.

We hope our comments would contribute to the IPSASB’s deliberation in finalising the matter. If you have any queries or require clarification of this submission, please contact Rasmimi Ramli, Executive Director of Sustainability, Digital Economy, and Reporting at +603 2722 9277 or by email at [rasmimi@mia.org.my](mailto:rasmimi@mia.org.my).

Yours sincerely,

**MALAYSIAN INSTITUTE OF ACCOUNTANTS**

**DR WAN AHMAD RUDIRMAN WAN RAZAK**  
Chief Executive Officer

**Specific Matter for Comment 1:**

Do you agree that current operational value is an applicable current value measurement basis for assets in the scope of IPSAS 12, *Inventories*, and IPSAS 31, *Intangible Assets*, as proposed in Part 1 of this ED?

If you do not agree please explain your reasoning.

*The ED includes an [Alternative View](#) on adding current operational value as an additional measurement basis to the current value model in IPSAS 31.*

We agree with the proposal. We would like to request for implementation guidance or illustrative examples on measuring items such as donated inventories or specialized intangible assets at current operational value (COV).

**Specific Matter for Comment 2:**

Part 1 of this ED proposes that current operational value is an applicable subsequent current value measurement basis for right-of-use assets (i.e., assets in scope of IPSAS 43, *Leases*).

- (a) Do you agree that current operational value can be applied to the subsequent measurement of right-of-use assets? If you do not agree, please explain your reasoning.
- (b) If you agree with (a), do you agree that current operational value can be applied using the current guidance in IPSAS 46 (without the income approach as one of its measurement techniques)? If you do not agree please explain your reasoning.

We agree with the proposal on the following reasons:

- (a) Applying COV to subsequently measure the right-of-use assets reflects that such assets are held for operational capacity.
- (b) Public sector assets often lack the capacity to generate cash flows, hence the income approach becomes less relevant. The use of cost and market approaches ensures practicality and relevance.

**Specific Matter for Comment 3:**

Do you agree with the replacement of value in use of a non-cash-generating asset by current operational value in the definition of recoverable service amount in IPSAS 21, *Impairment of Non-Cash Generating Assets*, as proposed in Part 2 of this ED? Recoverable service amount is the higher of a non-cash generating asset's fair value less costs to sell and its current operational value.

If you do not agree please explain your reasoning.

We agree with the proposal. We recommend that the IPSASB clarifies how time value of money and asset-specific risks be addressed by COV.