Final Pronouncement
November 2026

IPSAS®

IPSAS® Accounting Standard

Linkages Between IPSAS Standards and the Government Finance Statistics Manual 2014
(Amendments to IPSAS 22)

IPSASB International Public Sector Accounting Standards Board®

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The objective of the IPSASB is to serve the public interest by setting high-quality public sector accounting and sustainability reporting standards and by facilitating the adoption and implementation of these, thereby enhancing the quality and consistency of practice throughout the world and strengthening the transparency and accountability of public sector finances and sustainable development.

In meeting this objective, the IPSASB sets International Public Sector Accounting Standards™ (IPSAS®), IPSASB SRS™ Standards, IPSAS® Practice Statements, and Recommended Practice Guidelines™ (RPG™), for use by public sector entities, including national, regional, and local governments, and related governmental agencies.

IPSAS Accounting Standards relate to the general purpose financial statements (financial statements) and are authoritative. IPSASB SRS Standards relate to sustainability disclosures and are authoritative. RPG Guidelines are pronouncements that provide guidance on good practice in preparing general purpose financial reports (GPFRs) that are not financial statements. IPSAS Practice Statements are non-mandatory guidance. Unlike IPSAS Accounting Standards and IPSASB SRS Standards, IPSAS Practice Statements, and RPG Guidelines do not establish requirements. IPSASB SRS Standards, IPSAS Practice Statements, and RPG Guidelines do not provide guidance on the level of assurance (if any) to which information should be subjected.

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LINKAGES BETWEEN IPSAS STANDARDS AND THE GOVERNMENT FINANCE STATISTICS MANUAL 2014 (AMENDMENTS TO IPSAS 22)

CONTENTS

	Page
Introduction	4
Amendments to IPSAS 22, *Disclosure of Financial Information about the General Government Sector*	6

Introduction

Objective

1. The objective of this final pronouncement is to support the presentation of information about the General Government Sector (GGS) where governments elect to include this in their consolidated financial statements, as well as its use for statistical reporting purposes.

2. The additional non-authoritative guidance to IPSAS 22, *Disclosure of Financial Information about the General Government Sector*, explains the IPSAS Standards recognition and measurement requirements, and the accounting policy options that already allow IPSAS Standards-based accounting data to be used for Government Finance Statistics Manual 2014 (GFSM 2014) reporting. It also identifies the additional data requirements where key high-level recognition and/or measurement differences currently exist between IPSAS Standards and GFSM 2014.

Scope of Additional Implementation Guidance

3. The non-authoritative Implementation Guidance to IPSAS 22 is presented in a question-and-answer format for each IPSAS Standard. This final pronouncement provides additional high-level information for each IPSAS Standard on:

   (a) Which data recognition and measurement requirements are aligned with GFSM 2014;

   (b) Where GFSM 2014 has different data presentation requirements even though recognition and measurement requirements are aligned; and

   (c) Where additional data needs to be collected for GFSM 2014 reporting because of key recognition and measurement differences between IPSAS Standards and GFSM 2014.

4. The additional non-authoritative guidance to IPSAS 22 has been developed for the following groups of IPSAS Standards:

Groups	IPSAS Standards
A: Financial Statements	• IPSAS 1, *Presentation of Financial Statements* • IPSAS 2, *Cash Flow Statements* • IPSAS 22, *Disclosure of Financial Information about the General Government Sector* • IPSAS 24, *Presentation of Budget Information in Financial Statements*
B: General Principles	• IPSAS 3, *Accounting Policies, Changes in Accounting Estimates and Errors* • IPSAS 4, *The Effects of Changes in Foreign Exchange Rates* • IPSAS 10, *Financial Reporting in Hyperinflationary Economies* • IPSAS 14, *Events after the Reporting Date* • IPSAS 33, *First-time Adoption of Accrual Basis International Public Sector Accounting Standards* • IPSAS 46, *Measurement*
C: Accounting Boundaries	• IPSAS 34, *Separate Financial Statements* • IPSAS 35, *Consolidated Financial Statements* • IPSAS 36, *Investments in Associates and Joint Ventures* • IPSAS 37, *Joint Arrangements* • IPSAS 38, *Disclosure of Interests in Other Entities* • IPSAS 40, *Public Sector Combinations*
D: Non-financial Assets	• IPSAS 5, *Borrowing Costs* • IPSAS 12, *Inventories* • IPSAS 16, *Investment Property* • IPSAS 21, *Impairment of Non-Cash-Generating Assets* • IPSAS 26, *Impairment of Cash-Generating Assets*

Groups	IPSAS Standards
	• IPSAS 27, *Agriculture* • IPSAS 31, *Intangible Assets* • IPSAS 43, *Leases* • IPSAS 44, *Non-Current Assets Held for Sale and Discontinued Operations* • IPSAS 45, *Property, Plant, and Equipment* • IPSAS 50, *Exploration for and Evaluation of Mineral Resources* • IPSAS 51, *Tangible Natural Resources Held for Conservation*
E: Financial Assets and Liabilities	• IPSAS 28, *Financial Instruments: Presentation* • IPSAS 29, *Financial Instruments: Recognition and Measurement* • IPSAS 30, *Financial Instruments: Disclosures* • IPSAS 41, *Financial Instruments*
F: Revenue and Transfer Expenses	• IPSAS 47, *Revenue* • IPSAS 48, *Transfer Expenses*
G: Other Expenses and Non-financial Liabilities	• IPSAS 19, *Provisions, Contingent Liabilities and Contingent Assets* • IPSAS 32, *Service Concession Arrangements: Grantor* • IPSAS 39, *Employee Benefits* • IPSAS 42, *Social Benefits* • IPSAS 49, *Retirement Benefit Plans*
H: Disclosures and Other Standards	• IPSAS 18, *Segment Reporting* • IPSAS 20, *Related Party Disclosures*

5. This final pronouncement does not add non-authoritative guidance to IPSAS 22 on the following IPSAS Standards because there is no corresponding guidance in GFSM 2014:

(a) IPSAS 10, *Financial Reporting in Hyperinflationary Economies*;

(b) IPSAS 20, *Related Party Disclosures*;

(c) IPSAS 24, *Presentation of Budget Information in Financial Statements*;

(d) IPSAS 33, *First-time Adoption of Accrual Basis International Public Sector Accounting Standards*; and

(e) IPSAS 38, *Disclosure of Interests in Other Entities*.

Amendments to IPSAS 22, *Disclosure of Financial Information about the General Government Sector*

Paragraphs BC18–BC46 and IG1–IG207 are added. New text is underlined.

Basis for Conclusions

This Basis for Conclusions accompanies, but is not part of, IPSAS 22.

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Revision of IPSAS 22 as a result of *Linkages Between IPSAS Standards and the Government Finance Statistics Manual 2014* (Amendments to IPSAS 22)

Introduction

BC18. IPSAS 22 is a non-mandatory Standard for the reasons explained in BC5. Therefore, if a government does not elect to apply the standard, this does not impact on its ability to assert compliance with IPSAS Standards. The objective of IPSAS 22 is to prescribe disclosure requirements for governments that elect to present information about the General Government Sector in their consolidated financial statements. This requires an understanding of where the IPSAS Standards requirements and the Government Finance Statistics Manual 2014 (GFSM 2014) data requirements are aligned, and where additional data needs to be collected because of different requirements. Understanding these similarities and differences is also necessary for IPSAS Standards-based accounting data to be utilized to improve the quality of the statistical information used for macroeconomic decision-making.

BC19. IPSAS 22 did not provide any Implementation Guidance to help jurisdictions achieve these aims. Therefore, the proposed Implementation Guidance in Exposure Draft 94, *Linkages Between IPSAS Standards and the Government Finance Statistics Manual 2014* identifies:

(a) Which data recognition and measurement requirements in IPSAS Standards are aligned with GFSM 2014;

(b) Where GFSM 2014 has different data presentation requirements from IPSAS Standards even though the recognition and measurement requirements are aligned; and

(c) Where additional data needs to be collected for GFSM 2014 reporting because of key recognition and measurement differences between IPSAS Standards and GFSM 2014.

BC20. Therefore, adding non-authoritative Implementation Guidance to IPSAS 22 assists jurisdictions seeking to maximize the use of IPSAS Standards-based accounting data for GFSM 2014 reporting.

Link to the Conceptual Framework

BC21. The IPSASB highlighted that paragraph 24 of *The Conceptual Framework for General Purpose Financial Reporting by Public Sector Entities*, referring to Government Finance Statistics (GFS), states that the "use of a single integrated financial information system to generate both IPSAS Standards-compliant financial statements and GFS reports can provide benefits to users in terms of report quality, timeliness and understandability." In the context of this guidance, those benefits extend to reports prepared in accordance with GFSM 2014. The IPSASB is of the view that the proposed non-authoritative guidance to IPSAS 22 enhances the above benefits by strengthening the linkages between IPSAS Standards and GFSM 2014.

Link to IPSASB's 2024-2028 Strategy and Work Program

BC22. The IPSASB noted that the IPSASB's 2024-2028 Strategy and Work Program has the following Strategic Objective:

> "Strengthening Public Financial Management (PFM) and sustainable development globally through increasing adoption and implementation of accrual IPSAS Standards and international public sector sustainability reporting standards."

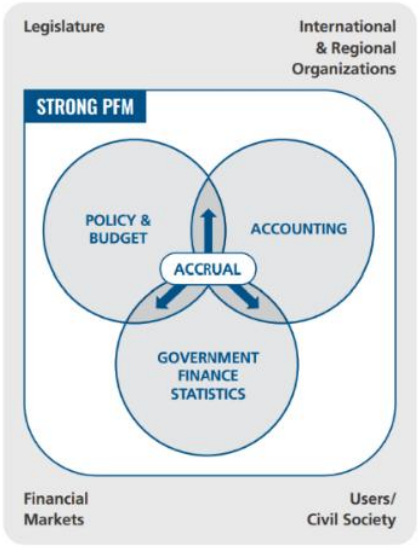
BC23. This Strategic Objective will be delivered through four key areas:



BC24. The IPSASB concluded that undertaking a project to address the guidance gap in IPSAS 22 as explained in paragraph BC19 is consistent with the IPSASB's Strategic Objective because it will:

(a) Raise awareness of the options for maximizing the use of IPSAS Standards-based accounting data for preparing both financial statements and GFSM 2014 reporting; and

(b) Help deliver the IPSASB's aim of advocating the benefits of financial reporting information.



Development of Exposure Draft (ED) 94, Linkages Between IPSAS Standards and the Government Finance Statistics Manual 2014 (Amendments to IPSAS 22)

BC25. In March 2025, the IPSASB approved a project brief to develop supplementary non-authoritative guidance to IPSAS 22 to help maximize the extent to which public sector entities can draw on IPSAS Standards-based accounting data in preparing the statistical information that is used for macroeconomic management purposes. The project was planned in two phases:

(a) Phase 1—to clarify the areas where IPSAS Standards and GFSM 2014 are already aligned, or where an accounting policy option available under IPSAS Standards permits alignment; and

(b) Phase 2—to identify opportunities arising from the GFSM 2014 update process to increase alignment between IPSAS Standards and GFSM 2014.

BC26. The ED proposed new guidance to IPSAS 22. It took the form of additional non-authoritative Implementation Guidance on the IPSAS Standards recognition and measurement requirements and accounting policy options that allow IPSAS Standards-based accounting data to be used for GFSM 2014 reporting. Where there were differences, it provided a summary of these, together with the additional information requirements.

BC27. The IPSASB also noted that GFSM 2014 does not provide guidance on several topics addressed in IPSAS Standards. For this reason, the IPSASB decided not to propose non-authoritative guidance for IPSAS 10, *Financial Reporting in Hyperinflationary Economies,* IPSAS 20, *Related Party Disclosures,* IPSAS 24, *Presentation of Budget Information in Financial Statements,* IPSAS 33, *First-time Adoption of Accrual Basis International Public Sector Accounting Standards,* and IPSAS 38, *Disclosure of Interests in Other Entities*.

Task Force

BC28. The IPSASB utilized a Task Force to support the development of Exposure Draft 94 given the special expertise required. The Task Force was composed of representatives of the International Monetary Fund, Eurostat, and several jurisdictions, including users, accountants, and statisticians. The Task Force highlighted points of substance for explicit review by the IPSASB.

Type of Non-authoritative Implementation Guidance in IPSAS 22

BC29. To better support the accounting data identification described in paragraph BC18, the IPSASB decided that the proposed non-authoritative Implementation Guidance to IPSAS 22 should follow a question-and-answer format that should focus on identifying the issues raised in paragraph BC19.

BC30. The IPSASB also decided that the proposed guidance in IPSAS 22 should be focused on the key high-level principles for each IPSAS Standard to better guide users on the main issues that they need to consider when using IPSAS Standards-based accounting data for GFSM 2014 reporting. The statistical community, particularly national statistical offices, would likely benefit from this guidance which ensures that, where IPSAS Standards-based accounting data is already available, it is fully utilized and drawn upon from the accounting system for GFSM 2014 reporting.

BC31. The IPSASB also decided to propose the new non-authoritative guidance to IPSAS 22 in groups of IPSAS Standards focusing on a common topic in order to be consistent with the groupings in IPSAS 33, *First-time Adoption of Accrual Basis International Public Sector Accounting Standards*, issued in October 2025.

BC32. The IPSASB considered whether to propose the non-authoritative guidance on measurement at measurement basis level or at measurement technique level in accordance with IPSAS 46, *Measurement*. The IPSASB decided to propose the non-authoritative guidance on measurement at measurement basis level because it provides flexibility to accountants and statisticians working together to apply the measurement techniques in accordance with IPSAS 46 that best meet the objectives of both IPSAS 46 and GFSM 2014 in each specific situation.

Jurisdictional Considerations

BC33. The IPSASB is aware that some jurisdictions have aligned elements of their public sector reporting with GFSM 2014, or with earlier GFSM frameworks, due to program or funding arrangements with international financial institutions and development partners. In these cases, GFSM 2014 reporting may precede, or operate alongside, the adoption of accrual-based IPSAS Standards. The IPSASB noted that the non-authoritative Implementation Guidance added to IPSAS 22 may assist such jurisdictions by clarifying the areas of similarities and differences between IPSAS Standards and GFSM 2014 requirements, thereby

supporting the transition toward IPSAS Standards-compliant financial statements and promoting greater consistency across financial and statistical reporting frameworks.

Terminology and Materiality Considerations

BC34. The IPSASB noted that IPSAS Standards and GFSM 2014 sometimes use different terms to describe the same underlying concept (for example, market value in IPSAS Standards and market price in GFSM 2014), and in other cases use the same term with different meanings. Accountants and statisticians should work together to consider whether terminology differences reflect substantive recognition or measurement differences, or merely different labelling of similar information. Where terminology varies but the underlying economic phenomenon is the same, accountants and statisticians should ensure that IPSAS Standards-based accounting data is mapped appropriately for GFSM 2014 reporting.

BC35. While GFSM 2014 does not articulate a formal materiality concept in the same way as IPSAS Standards, it applies a pragmatic approach based on relevance, significance, and cost-benefit. Consistent with IPSAS Standards principles, accountants and statisticians should work together to apply materiality when considering additional information needs for GFSM 2014 reporting, recognizing that minor differences may not require additional data collection or separate identification where they do not materially affect accountability, decision-making, and fiscal analysis.

ED 94, Linkages Between IPSAS Standards and the Government Finance Statistics Manual 2014 (Amendments to IPSAS 22)

BC36. In February 2026, the IPSASB published ED 94, *Linkages Between IPSAS Standards and the Government Finance Statistics Manual 2014* (Amendments to IPSAS 22).

Overview of Responses to ED 94

BC37. Feedback on ED 94 indicated that:

(a) Most respondents agreed or partially agreed with including the non-authoritative guidance as Implementation Guidance accompanying IPSAS 22;

(b) Most respondents agreed or partially agreed with providing measurement guidance at the measurement basis level, rather than at the measurement technique level; and

(c) Some respondents noted that their views were broadly consistent with the IPSASB's reasoning in the Basis for Conclusions to ED 94, while others agreed without providing additional rationale.

BC38. Most respondents suggested that the IPSASB undertake additional work in several areas related to the relationship between IPSAS Standards and GFSM 2014. Some respondents, while agreeing with the ED 94 proposals, also identified minor issues for further consideration by the IPSASB.

BC39. The few respondents who disagreed with ED 94 did so because they did not support locating the non-authoritative guidance within IPSAS 22 and/or were of the view that measurement guidance should be at the measurement technique level rather than at the measurement basis level.

Location of the Non-authoritative Guidance

BC40. Some respondents suggested locating ED 94 outside of IPSAS 22, arguing that:

(a) Its usefulness for financial statement preparers may be limited;

(b) The benefits described relate primarily to statistical reporting rather than financial statement preparation; and

(c) Appending non-authoritative guidance to an optional Standard is questionable.

BC41. The IPSASB considered the overall feedback received and decided to proceed with the ED 94 proposals to amend IPSAS 22 because:

(a) Most respondents supported including the guidance as non-authoritative Implementation Guidance accompanying IPSAS 22; and

(b) Locating the guidance outside IPSAS 22 could reduce its perceived importance.

Level of Guidance on Measurement

BC42. While there was strong support for providing measurement-related guidance at the measurement basis level, the single respondent that disagreed with guidance at the measurement basis level was of the view that it does not provide a detailed understanding of how the measurement techniques in IPSAS Standards compare to the valuation techniques in GFSM 2014.

BC43. The IPSASB considered this argument and decided to retain the measurement basis level guidance because:

(a) Alignment between IPSAS Standards and GFSM 2014 occurs primarily at the measurement-basis level and avoids prescriptive technique-level detail;

(b) This approach aligns with the principle-based nature of both frameworks while preserving flexibility across jurisdictions; and

(c) Consistent with BC32, it allows accountants and statisticians to apply the most suitable techniques under IPSAS 46, *Measurement* to meet IPSAS Standards and GFSM 2014 objectives.

Development of Additional Guidance

BC44. The majority of respondents suggested additional work because they believed the ED 94 guidance:

(a) Lacks sufficient detail for practical implementation across several accounting and statistical topics;

(b) Is not designed for developing or resource-constrained environments;

(c) Is elective within an elective Standard, limiting reach where alignment is most needed; and

(d) Identifies differences but does not provide solutions.

BC45. The IPSASB considered the extensive list of suggested additional work. As Phase 1 of the project was intended to be limited in scope, the IPSASB decided not to expand the scope of that phase. However, the IPSASB acknowledged the implementation issues raised by respondents and agreed that these should inform consideration of future work and continued collaboration with the statistical community, where appropriate.

BC46. The IPSASB noted that the suggested additional work did not preclude it from proceeding with the ED 94 proposals to amend IPSAS 22.

Implementation Guidance

This guidance accompanies, but is not part of, IPSAS 22.

Part 1 – Illustrative Financial Statement Structure

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Part 2 – Linkages Between IPSAS Standards and GFSM 2014

Introduction

IG1. The objective of IPSAS 22 is to prescribe disclosure requirements for governments that elect to present information about the General Government Sector (GGS) in their consolidated financial statements. IPSAS 22 is a non-mandatory Standard. Therefore, if an entity does not elect to apply the Standard, this does not impact the entity's ability to assert compliance with IPSAS Standards.

IG2. Preparing GGS information requires an understanding of the areas where the recognition and measurement requirements of IPSAS Standards and the Government Finance Statistics Manual 2014 (GFSM 2014) are aligned, and where additional data needs to be collected because of different recognition and measurement requirements between IPSAS Standards and GFSM 2014. Using IPSAS Standards-based accounting data, where possible, improves the quality of GFSM 2014 reporting used for macroeconomic decision-making.

IG3. An entity that prepares financial statements in accordance with IPSAS Standards records transactions and other events in its accounting system (referred to as "accounting data"). The accounting system may be designed according to a standardized chart of accounts or may be specific to the entity. The entity uses the accounting data stored in the accounting system to prepare IPSAS Standards-compliant financial statements to meet the information needs of users of the financial statements, by applying materiality, aggregation and disaggregation principles and other considerations in IPSAS Standards.

IG4. In the same way that IPSAS Standards include recognition, measurement, presentation, and disclosure requirements for information in the financial statements, the GFSM 2014 prescribes these requirements for GFSM 2014 reporting. Where the requirements of IPSAS Standards and GFSM 2014 are aligned, the accounting data recorded in the accounting system may be useful for GFSM 2014 reporting purposes. The degree to which the accounting data could be used would depend on many factors, such as how the accounting system is designed, the identification and labels used, the degree of similarities in the requirements, the entity's accounting policy choices, and the entity's specific circumstances.

IG5. Part 2 of this Implementation Guidance identifies:

(a) Which data recognition and measurement requirements in IPSAS Standards are aligned with GFSM 2014;

(b) Where GFSM 2014 has different data presentation requirements from IPSAS Standards even though the recognition and measurement requirements are aligned; and

(c) Where additional data needs to be collected for GFSM 2014 reporting because of key recognition and measurement differences between IPSAS Standards and GFSM 2014.

IG6. Part 2 of this Implementation Guidance provides the information in paragraph IG5 for the key high-level principles of each IPSAS Standard. For example, the Implementation Guidance on measurement is provided at the measurement basis level, rather than at the measurement technique level. This high-level guidance serves the purpose of enabling compilers of GFSM 2014 reporting to better understand the issues that need to be considered when using IPSAS Standards-based accounting data as a starting point for GFSM 2014 reporting purposes. Compilers of GFSM 2014 reporting need to analyze and understand the accounting data in each entity's context to determine the extent to which the accounting data can be used for GFSM 2014

reporting purposes, and the additional information that may be required, as explained in paragraph IG2. For example, the accounting data may not be identified as domestic or external, or may not contain information about the counterparty.

IG7. Part 2 groups IPSAS Standards into broad reporting areas and identifies the Standards within each group to support the use of IPSAS Standards-based accounting data for GFSM 2014 reporting:

Groups	**IPSAS Standards**
A: Financial Statements (refer paragraphs IG8–IG15)	• IPSAS 1, *Presentation of Financial Statements* • IPSAS 2, *Cash Flow Statements* • IPSAS 22, *Disclosure of Financial Information about the General Government Sector* • IPSAS 24, *Presentation of Budget Information in Financial Statements*
B: General Principles (refer paragraphs IG16–IG34)	• IPSAS 3, *Accounting Policies, Changes in Accounting Estimates and Errors* • IPSAS 4, *The Effects of Changes in Foreign Exchange Rates* • IPSAS 10, *Financial Reporting in Hyperinflationary Economies* • IPSAS 14, *Events after the Reporting Date* • IPSAS 33, *First-time Adoption of Accrual Basis International Public Sector Accounting Standards* • IPSAS 46, *Measurement*
C: Accounting Boundaries (refer paragraphs IG35–IG61)	• IPSAS 34, *Separate Financial Statements* • IPSAS 35, *Consolidated Financial Statements* • IPSAS 36, *Investments in Associates and Joint Ventures* • IPSAS 37, *Joint Arrangements* • IPSAS 38, *Disclosure of Interests in Other Entities* • IPSAS 40, *Public Sector Combinations*
D: Non-financial Assets (refer paragraphs IG62–IG139)	• IPSAS 5, *Borrowing Costs* • IPSAS 12, *Inventories* • IPSAS 16, *Investment Property* • IPSAS 21, *Impairment of Non-Cash-Generating Assets* • IPSAS 26, *Impairment of Cash-Generating Assets* • IPSAS 27, *Agriculture* • IPSAS 31, *Intangible Assets* • IPSAS 43, *Leases* • IPSAS 44, *Non-Current Assets Held for Sale and Discontinued Operations* • IPSAS 45, *Property, Plant, and Equipment* • IPSAS 50, *Exploration for and Evaluation of Mineral Resources* • IPSAS 51, *Tangible Natural Resources Held for Conservation*
E: Financial Assets and Liabilities (refer paragraphs IG140–IG160)	• IPSAS 28, *Financial Instruments: Presentation* • IPSAS 29, *Financial Instruments: Recognition and Measurement* • IPSAS 30, *Financial Instruments: Disclosures* • IPSAS 41, *Financial Instruments*
F: Revenue and Transfer Expenses (refer paragraphs IG161–IG174)	• IPSAS 47, *Revenue* • IPSAS 48, *Transfer Expenses*
G: Other Expenses and Non-financial Liabilities (refer paragraphs IG175–IG203)	• IPSAS 19, *Provisions, Contingent Liabilities and Contingent Assets* • IPSAS 32, *Service Concession Arrangements: Grantor* • IPSAS 39, *Employee Benefits* • IPSAS 42, *Social Benefits* • IPSAS 49, *Retirement Benefit Plans*

Groups	IPSAS Standards
H: Disclosures and Other Standards (refer paragraphs IG204–IG207)	• IPSAS 18, *Segment Reporting* • IPSAS 20, *Related Party Disclosures*

Group A: Financial Statements

IG8. Under the IPSAS Standards, the main financial statements comprise the Statement of Financial Position, Statement of Financial Performance, Statement of Changes in Net Assets/Equity, and the Cash Flow Statement. GFSM 2014 requires a Statement of Operations, a Balance Sheet, a Statement of Other Economic Flows, and a Statement of Sources and Uses of Cash. While there are differences in terminology, structure, and the location of flows and balances, whether IPSAS Standards data can be used directly largely depends on whether the recognition and measurement requirements in other IPSAS Standards are consistent with GFSM 2014 requirements. Compilers of GFSM 2014 reporting can make more extensive use of accounting data if they have direct access to relevant public sector accounting systems, or to data extracted from those systems, rather than needing to rely solely on financial statements.

IG9. The following IPSAS Standards are relevant:

(a) IPSAS 1, *Presentation of Financial Statements*;

(b) IPSAS 2, *Cash Flow Statements*;

(c) IPSAS 22, *Disclosure of Financial Information about the General Government Sector*; and

(d) IPSAS 24, *Presentation of Budget Information in Financial Statements*.

There is no Implementation Guidance for IPSAS 24 because there is no corresponding guidance in GFSM 2014.

A.1 IPSAS 1, Presentation of Financial Statements

Which data presentation requirements in IPSAS 1 are aligned with GFSM 2014?

IG10. Both IPSAS 1 and GFSM 2014 require assets, liabilities, revenue, expenses, and net assets (net worth) to be presented in the financial statements when they meet the recognition and measurement requirements in the respective frameworks. In this way, the basic data presentation requirements of IPSAS 1 can be broadly aligned with the GFSM 2014 structure.

Where does GFSM 2014 have more detailed data presentation requirements than IPSAS 1?

IG11. There are more detailed data presentation requirements in GFSM 2014 in the areas listed below, but IPSAS Standards-based accounting data can be used for GFSM 2014 reporting if it is disaggregated as follows:

(a) Non-financial assets—split between fixed assets (e.g., buildings), inventories (e.g., consumables), valuables (e.g., works of art) and nonproduced assets (e.g., land and intangible assets);

(b) Financial assets and liabilities—split between domestic and external;

(c) Change in net worth due to other economic flows (comprising holding gains and losses due to valuation changes and other changes in the volume of assets, such as appearances and disappearances of assets and unilateral debt write-offs); and

(d) Presentation of data in time series.

A.2 IPSAS 2, Cash Flow Statements

Which data presentation requirements in IPSAS 2 are aligned with GFSM 2014?

IG12. Both IPSAS 2 and GFSM 2014 require the classification and presentation of cash flows into operating, investing, and financing activities. IPSAS 2 permits either the direct or indirect method, while GFSM 2014 uses the direct method for operating cash flows.

Where does GFSM 2014 have more detailed data presentation requirements than IPSAS 2?

IG13. There are more detailed presentation requirements in GFSM 2014 in the areas listed below, but IPSAS Standards-based accounting data can be used for GFSM 2014 reporting if it is disaggregated as follows:

(a) Cash flows from operating activities classified according to the standardized categories of revenue and expense;

(b) Net cash outflow from investments in non-financial assets, such as fixed assets, inventories, valuables, and nonproduced assets; and

(c) Cash flows from transactions in financial assets and liabilities—split between domestic and external, and classified according to the standardized financial instruments used.

A.3 IPSAS 22, Disclosure of Financial Information about the General Government Sector

Which data presentation requirements in IPSAS 22 are aligned with GFSM 2014?

IG14. IPSAS 22 uses the same definitions of subsectors of the GGS as in GFSM 2014, ensuring consistency in the scope of the GGS where all government units are under the control of the central government.

Where does GFSM 2014 have more detailed data presentation requirements than IPSAS 22?

IG15. There are more detailed presentation requirements in GFSM 2014 in the areas listed below, but IPSAS Standards-based accounting data can be used for GFSM 2014 reporting if it is disaggregated as follows:

(a) Non-financial assets—split between fixed assets (e.g., buildings), inventories (e.g., consumables), valuables (e.g., works of art) and nonproduced assets (e.g., land and intangible assets);

(b) Financial assets and liabilities—split between domestic and external;

(c) Change in net worth due to other economic flows (comprising holding gains and losses due to valuation changes and other changes in the volume of assets, such as appearances and disappearances of assets and unilateral debt write-offs); and

(d) Presentation of data in time series.

Additionally, presentation differences arise in jurisdictions where the Federal or Central Governments do not control all the entities in the statistical Central Government and Local Government subsectors. For example, in jurisdictions with legally separate states, it may not be possible to prepare an IPSAS 22-based report for GGS. In such cases, separate accounting data for the various government units will need to be obtained for GFSM 2014 reporting.

Group B: General Principles

IG16. Despite the different overall reporting objectives of IPSAS Standards and GFSM 2014, there are many commonalities in the data required to meet these objectives. Most recognition and measurement requirements relating to accounting policies, changes in accounting estimates, errors, the effects of changes in foreign exchange rates, events after the reporting date, and measurement are broadly aligned. While there

are some differences, IPSAS Standards-based accounting data could in most cases be used for GFSM 2014 reporting.

IG17. The following IPSAS Standards are relevant:

(a) IPSAS 3, *Accounting Policies, Changes in Accounting Estimates and Errors*;

(b) IPSAS 4, *The Effects of Changes in Foreign Exchange Rates*;

(c) IPSAS 10, *Financial Reporting in Hyperinflationary Economies*;

(d) IPSAS 14, *Events after the Reporting Date*;

(e) IPSAS 33, *First-time Adoption of Accrual Basis International Public Sector Accounting Standards;* and

(f) IPSAS 46, *Measurement*.

There is no Implementation Guidance for IPSAS 10 and IPSAS 33 because there is no corresponding guidance in GFSM 2014.

B.1 IPSAS 3, Accounting Policies, Changes in Accounting Estimates and Errors

Which data recognition and measurement requirements in IPSAS 3 are aligned with GFSM 2014?

IG18. Both IPSAS 3 and GFSM 2014 require the correction of prior period errors and changes in accounting policies to be applied retrospectively when practicable.

Where does GFSM 2014 have different data presentation requirements from IPSAS 3 even though recognition and measurement requirements are aligned?

IG19. Under IPSAS 3, the cumulative effect of an error on prior periods is presented as a single adjustment in the comparative period (i.e., the opening balance) or by restating the comparative amounts for prior period(s) presented in which the error occurred, whereas GFSM 2014 requires the entire time series to be restated back to the period in which the error occurred. If adjustments are calculated so that the same overall correction is achieved, the accounting data and disclosures prepared under IPSAS 3 can also be used as input for GFSM 2014 reporting.

Where does additional data need to be collected for GFSM 2014 reporting because of key recognition and measurement differences between IPSAS 3 and GFSM 2014?

IG20. The data collected or not collected is based on the cumulative effect calculation, which is normally determined by year. This annual data may be used for GFSM 2014 reporting time series.

B.2 IPSAS 4, The Effects of Changes in Foreign Exchange Rates

Which data recognition and measurement requirements in IPSAS 4 are aligned with GFSM 2014?

IG21. Both IPSAS 4 and GFSM 2014 require foreign currency transactions to be measured on initial recognition in the functional currency of the entity by applying to the foreign currency amount the spot exchange rate between the functional currency and the foreign currency at the transaction date.

IG22. At subsequent reporting dates, both IPSAS 4 and GFSM 2014 also require:

(a) Foreign currency monetary items to be translated using the spot exchange rate at the end of the reporting period; and

(b) Non-monetary items that are measured at fair value in a foreign currency to be translated using the exchange rate at the measurement date.

IG23. Where observable market exchange rates are not available, both IPSAS Standards and GFSM 2014 permit the use of estimation techniques. GFSM 2014 refers to market-equivalent estimates, whereas IPSAS Standards describe the use of approximate rates, but the underlying principle is consistent.

Where does GFSM 2014 have different data presentation requirements from IPSAS 4 even though recognition and measurement requirements are aligned?

IG24. There will be a need to identify the gains or losses in foreign exchange rates for GFSM 2014 reporting because they are presented within other economic flows, and in IPSAS 4 they are presented in surplus or deficit or net assets/equity, as appropriate.

Where does additional data need to be collected for GFSM 2014 reporting because of key recognition and measurement differences between IPSAS 4 and GFSM 2014?

IG25. There will be no need to collect additional data for GFSM 2014 reporting if IPSAS 4 requirements have been applied.

B.3 IPSAS 14, Events after the Reporting Date

Which data recognition and measurement requirements in IPSAS 14 are aligned with GFSM 2014?

IG26. Neither IPSAS 14 nor GFSM 2014 requires recognition of declared dividends or similar distributions after the reporting date and before the date when the financial statements are authorized for issue as a liability at the reporting date.

Where does GFSM 2014 have different data presentation requirements from IPSAS 14 even though recognition and measurement requirements are aligned?

IG27. GFSM 2014 recognizes fines, penalties, and forfeits when the government obtains an unconditional claim to the funds, such as when a court judgment or administrative ruling is issued. Under IPSAS 14, some such events may be treated as adjusting events after the reporting date, resulting in recognition in the current reporting period. Therefore, entities need to separately identify IPSAS Standards adjustments related to such events to ensure the amounts are recorded in the appropriate period for GFSM 2014 reporting purposes.

Where does additional data need to be collected for GFSM 2014 reporting because of key recognition and measurement differences between IPSAS 14 and GFSM 2014?

IG28. There will be no need to collect additional data for GFSM 2014 reporting if IPSAS 14 requirements have been applied.

B.4 IPSAS 46, Measurement

Which data measurement requirements in IPSAS 46 are aligned with GFSM 2014?

IG29. IPSAS 46 defines measurement bases that reflect the cost of services, operational capacity and financial capacity of an entity, and describes the measurement techniques that can be used to apply these bases in individual IPSAS Standards.

IG30. When applying measurement requirements in individual IPSAS Standards, entities may select measurement bases and techniques that meet the measurement objectives in IPSAS Standards while aligning with GFSM 2014.

IG31. IPSAS 46 requires an item to be initially measured at its transaction price. GFSM 2014 requires initial measurement at market price, which is consistent with the IPSAS 46 definition of transaction price when the transaction takes place in an orderly market.

IG32. IPSAS 46 allows the use of the fair value measurement basis under the current value model for subsequent measurement, which aligns with the market value measurement basis in GFSM 2014.

Where does GFSM 2014 have different data presentation requirements from IPSAS 46 even though measurement requirements are aligned?

IG33. Although IPSAS 46 and GFSM 2014 both allow measurement at current value, GFSM 2014 has different presentation requirements for costs of ownership transfer (transaction costs). Under IPSAS Standards, transaction costs are included in the initial measurement of financial assets and deducted in the initial measurement of financial liabilities. In contrast, GFSM 2014 excludes all costs of ownership transfer from the value of financial assets and liabilities and requires these costs to be presented separately under the appropriate revenue and expense categories. For non-financial assets (excluding land), both IPSAS Standards and GFSM 2014 include costs of ownership transfer in initial recognition. For land, GFSM 2014 requires the costs of ownership transfer to be presented as land improvements, which are recorded separately from land itself. Entities should therefore separately identify data in the accounting system for costs of ownership transfer related to financial assets and liabilities for GFSM 2014 reporting.

Where does additional data need to be collected for GFSM 2014 reporting because of key recognition and measurement differences between IPSAS 46 and GFSM 2014?

IG34. There will be a need to collect additional data for GFSM 2014 reporting if the entity elects to use the historical cost model for subsequent measurement in IPSAS Standards as GFSM 2014 requires valuation at current market values. Entities should therefore identify and collect the information needed to re-measure relevant assets and liabilities at current value for GFSM 2014 reporting.

Group C: Accounting Boundaries

IG35. Both IPSAS Standards and GFSM 2014 require consolidation where an entity is controlled, although there are some differences in the criteria for this and the associated presentation requirements. The entity-level accounting data required by the IPSAS Standards for separate financial statements, investments in associates and joint ventures, joint arrangements, and public sector combinations can support GFSM 2014 reporting, even where transactions and balances are presented differently in the financial statements.

IG36. The following IPSAS Standards are relevant:

(a) IPSAS 34, *Separate Financial Statements*;

(b) IPSAS 35, *Consolidated Financial Statements*;

(c) IPSAS 36, *Investments in Associates and Joint Ventures*;

(d) IPSAS 37, *Joint Arrangements*;

(e) IPSAS 38, *Disclosure of Interests in Other Entities*; and

(f) IPSAS 40, *Public Sector Combinations*.

There is no Implementation Guidance for IPSAS 38 because there is no corresponding guidance in GFSM 2014.

C.1 IPSAS 34, Separate Financial Statements

Which data recognition and measurement requirements in IPSAS 34 are aligned with GFSM 2014?

IG37. IPSAS 34 requires the recognition and measurement of investments in individual controlled entities, joint ventures and associates either at cost, in accordance with IPSAS 41, or using the equity method as described in IPSAS 36. However, data from the separate financial statements of the individual entities that present consolidated financial statements can be used for GFSM 2014 reporting because GFSM 2014 requires the use of unconsolidated data before applying the consolidated procedures. Compilers of GFSM 2014 reporting can make more extensive use of accounting data if they have direct access to relevant public sector

accounting systems, or to data extracted from those systems, rather than needing to rely solely on financial statements.

Where does GFSM 2014 have different data presentation requirements from IPSAS 34 even though recognition and measurement requirements are aligned?

IG38. IPSAS 34 is applied by individual entities that elect or are required by regulations to present separate financial statements. GFSM 2014 does not require the presentation of separate entity-level financial statements but instead requires presentation only at the sector or subsector level of the GGS.

Where does additional data need to be collected for GFSM 2014 reporting because of key recognition and measurement differences between IPSAS 34 and GFSM 2014?

IG39. There will be a need for more detailed presentation requirements in GFSM 2014 related to financial information by the counterparty. IPSAS Standards-based accounting data can be used for GFSM 2014 reporting if the entity's accounting data identifies counterparties, allowing disaggregation required for GFSM 2014 reporting. Where counterparty information is not collected in sufficient detail, additional data collection may be required. Furthermore, there will be a need to collect additional data for GFSM 2014 reporting if the entity uses cost or the equity method in IPSAS 34 as GFSM 2014 requires valuation at market values for investments in controlled entities, associates, and joint ventures.

C.2 IPSAS 35, Consolidated Financial Statements

Which data recognition and measurement requirements in IPSAS 35 are aligned with GFSM 2014?

IG40. Both IPSAS 35 and GFSM 2014 require consolidation of controlled entities.

Where does GFSM 2014 have different data presentation requirements from IPSAS 35 even though recognition and measurement requirements are aligned?

IG41. GFSM 2014 requires entity-level data for the compilation of GFSM 2014 reporting before applying consolidation procedures. Where this source of accounting data can be made available at an entity level and consolidations (e.g. by subsector) can be carried out, then it can be used for GFSM 2014 reporting.

IG42. GFSM 2014 requires more detailed presentation by counterparty, residency (non-resident units), and by institutional sector (e.g., distinguishing general government units as non-market producers from public corporations as market producers). IPSAS Standards-based accounting data can be used if disaggregated appropriately; otherwise, additional information may be needed.

IG43. GFSM 2014 requires consolidation for the subsectors of the public sector. IPSAS 35 does not require such a consolidation where there is no control relationship.

IG44. IPSAS 35 does not require an investment entity to consolidate its controlled entities, while GFSM 2014 does not have such a consolidation exclusion.

Where does additional data need to be collected for GFSM 2014 reporting because of key recognition and measurement differences between IPSAS 35 and GFSM 2014?

IG45. IPSAS 35 requires an assessment of whether entities are controlled or not that may be used for GFSM 2014 reporting. If an entity-by-entity exercise is carried out to review whether the conclusion that an entity is controlled and should be consolidated under IPSAS 35 coincides with the sector classification decision under GFSM 2014, then the entity-level data may be used for GFSM 2014 reporting. In addition, this Standard provides guidance on the presentation of GGS information within IPSAS Standards-compliant consolidated financial statements, which can support alignment with GFSM 2014 when compiling GGS data.

IG46. However, there will be a need to separately identify data in the accounting system related to non-resident units controlled by the GGS because they are consolidated in accordance with IPSAS 35, but they are not consolidated under GFSM 2014.

C.3 IPSAS 36, Investments in Associates and Joint Ventures

Which data recognition and measurement requirements in IPSAS 36 are aligned with GFSM 2014?

IG47. Both IPSAS 36 and GFSM 2014 require the recognition and measurement of investments in associates and joint ventures. Measurement aligns where IPSAS 36 applies fair value, which is consistent with the GFSM 2014 requirement to measure these investments at market value.

Where does GFSM 2014 have different data presentation requirements from IPSAS 36 even though recognition and measurement requirements are aligned?

IG48. There are different presentation requirements in GFSM 2014 related to changes in the measurement of investments in associates and joint ventures as other economic flows, but IPSAS Standards-based accounting data can be used for GFSM 2014 reporting if it is disaggregated to provide this information.

Where does additional data need to be collected for GFSM 2014 reporting because of key recognition and measurement differences between IPSAS 36 and GFSM 2014?

IG49. As a result of the different recognition and measurement requirements for joint ventures, where IPSAS 36 applies the equity method and GFSM 2014 measures at market value, additional data will need to be collected for GFSM 2014 reporting.

C.4 IPSAS 37, Joint Arrangements

Which data recognition and measurement requirements in IPSAS 37 are aligned with GFSM 2014?

IG50. IPSAS 37 requires a joint operator to account for joint operations in accordance with the applicable IPSAS Standard and to account for interests in joint ventures at cost, fair value, or using the equity method. However, for joint operations, GFSM 2014 requires the recording to reflect the economic classification of the institutional unit and requires all stocks and flows to be shared and recorded according to their economic nature at market value.

Where does GFSM 2014 have different data presentation requirements from IPSAS 37 even though recognition and measurement requirements are aligned?

IG51. There are different presentation requirements in GFSM 2014 related to the presentation of changes in the measurement of joint arrangements as other economic flows, but IPSAS Standards-based accounting data can be used for GFSM 2014 reporting if it is disaggregated to provide this information.

Where does additional data need to be collected for GFSM 2014 reporting because of key recognition and measurement differences between IPSAS 37 and GFSM 2014?

IG52. As a result of the different recognition and measurement requirements for joint arrangements, where IPSAS 37 applies cost, fair value, or the equity method and GFSM 2014 measures all assets and liabilities at market value, additional data will need to be collected for GFSM 2014 reporting if a measurement basis other than fair value is applied.

C.5 IPSAS 40, Public Sector Combinations

Which data recognition and measurement requirements in IPSAS 40 are aligned with GFSM 2014?

IG53. Both IPSAS 40 and GFSM 2014 require the recognition and measurement of public sector combinations.

IG54. Both IPSAS 40 and GFSM 2014 require the recognition and measurement of amalgamations at the carrying amounts of the identifiable assets, liabilities and any non-controlling interests in the financial statements of the combining operations.

IG55. Both IPSAS 40 and GFSM 2014 require an acquirer to recognize, separately from any goodwill recognized, the identifiable assets acquired, the liabilities assumed, and any non-controlling interest in the acquired operation, and to measure them at their acquisition date fair values.

IG56. Both IPSAS 40 and GFSM 2014 require the recognition and measurement of goodwill as the difference between the consideration paid and the net of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed.

IG57. Neither IPSAS 40 nor GFSM 2014 recognizes goodwill in amalgamations.

Where does GFSM 2014 have different data presentation requirements from IPSAS 40 even though recognition and measurement requirements are aligned?

IG58. GFSM 2014 requires public sector combinations to be classified as transactions (acquisitions) or other economic flows (reclassifications, such as amalgamations). IPSAS Standards-based accounting data can be used for GFSM 2014 reporting where it is disaggregated to provide this information.

IG59. GFSM 2014 has different presentation requirements for changes in institutional structure (for example, mergers of entities or splits of existing entities). IPSAS Standards-based accounting data can be used for GFSM 2014 reporting where it is disaggregated to provide this information.

Where does additional data need to be collected for GFSM 2014 reporting because of key recognition and measurement differences between IPSAS 40 and GFSM 2014?

IG60. While IPSAS 40 includes specific initial measurement requirements for items such as reacquired rights, indemnification assets, and contingent liabilities, GFSM 2014 applies a broader market value principle and does not recognize certain items, such as contingent liabilities, as liabilities. Where such items are recognized under IPSAS 40, additional information may be required to ensure appropriate statistical treatment under GFSM 2014.

IG61. Where non-controlling interests are measured on a proportionate-share basis, additional information may be required to support the determination of a market value for GFSM 2014 reporting.

Group D: Non-financial Assets

IG62. Both IPSAS Standards and GFSM 2014 have requirements for recognition and measurement of non-financial assets, which generally allow them to be measured at market values, although there are some detailed differences in recognition, measurement, and presentation. The accounting data required by the IPSAS Standards for non-financial assets can therefore mainly be used to support GFSM 2014 reporting.

IG63. The following IPSAS Standards are relevant:

(a) IPSAS 5, *Borrowing Costs*;

(b) IPSAS 12, *Inventories*;

(c) IPSAS 16, *Investment Property*;

(d) IPSAS 21, *Impairment of Non-Cash-Generating Assets*;

(e) IPSAS 26, *Impairment of Cash-Generating Assets*;

(f) IPSAS 27, *Agriculture*;

(g) IPSAS 31, *Intangible Assets*;

(h) IPSAS 43, *Leases*;

(i) IPSAS 44, *Non-Current Assets Held for Sale and Discontinued Operations*;

(j) IPSAS 45, *Property, Plant, and Equipment*;

(k) IPSAS 50, *Exploration for and Evaluation of Mineral Resources*; and

(l) IPSAS 51, *Tangible Natural Resources Held for Conservation*.

D.1 IPSAS 5, Borrowing Costs

Which data recognition and measurement requirements in IPSAS 5 are aligned with GFSM 2014?

IG64. Both IPSAS 5 and GFSM 2014 require the recognition and measurement of borrowing costs.

IG65. IPSAS 5 includes an accounting policy option that allows borrowing costs that are directly attributable to the acquisition, construction, or production of a qualifying asset to be expensed (benchmark treatment). In GFSM 2014, all borrowing costs are expensed.

Where does additional data need to be collected for GFSM 2014 reporting because of key recognition and measurement differences between IPSAS 5 and GFSM 2014?

IG66. If entities choose the benchmark treatment available in IPSAS 5, there will be no need to collect additional data for GFSM 2014 reporting. However, if entities do not choose the benchmark treatment available in IPSAS 5, there will be a need for the accounting data to be disaggregated for capitalized borrowing costs so that they can be expensed for GFSM 2014 reporting.

D.2 IPSAS 12, Inventories

Which data recognition and measurement requirements in IPSAS 12 are aligned with GFSM 2014?

IG67. Both IPSAS 12 and GFSM 2014 require the recognition and measurement of inventories.

IG68. IPSAS 12 requires inventories to be measured at the lower of cost and net realizable value, except:

(a) Where acquired through a non-exchange transaction, which will be measured at deemed cost[1]; or

(b) Held for:

(i) Distribution at no charge (a transfer expense) or for a nominal charge;

(ii) Consumption in the production process of goods to be distributed at no charge (a transfer expense); or

(iii) Consumption in the rendering of services at no charge (a transfer expense) or for a nominal charge,

which will be measured at the lower of cost and current operational value.

IG69. GFSM 2014 requires inventories to be valued at current market prices on the balance sheet date.

Where does GFSM 2014 have different data presentation requirements from IPSAS 12 even though recognition and measurement requirements are aligned?

IG70. IPSAS 12 classifies animals and plants for one-time use after they are harvested/slaughtered as inventory ('agricultural produce'), and until then they are classified as assets under IPSAS 27. GFSM 2014 classifies animals and plants for one-time use as inventories, except for non-cultivated biological resources over which

[1] Deemed cost of inventories may be measured by applying current operational value or fair value.

ownership rights can be enforced, but for which natural growth or regeneration is not under the direct control, responsibility, and management of any institutional units.

IG71. IPSAS 12 requires any write-down of inventories and all losses of inventories to be presented as an expense. The amount of any reversal of any write-down of inventories is to be presented as a reduction in the amount of inventories presented as an expense in the period in which the reversal occurs. In GFSM 2014, any change in the value of inventories between the time of acquisition and withdrawal is presented as other economic flows.

Where does additional data need to be collected for GFSM 2014 reporting because of key recognition and measurement differences between IPSAS 12 and GFSM 2014?

IG72. Where entities measure inventories at cost, deemed cost, net realizable value, or current operational value in IPSAS 12, there may be a need to collect additional data or separately identify data in the accounting system to be used for GFSM 2014 reporting.

IG73. Where cost, net realizable value, or current operational value are applied, IPSAS Standards-based values may closely approximate the market value required by GFSM 2014. However, entities should assess whether adjustments are needed, for example to reflect costs of sale.

D.3 IPSAS 16, Investment Property

Which data recognition and measurement requirements in IPSAS 16 are aligned with GFSM 2014?

IG74. Both IPSAS 16 and GFSM 2014 require the recognition and measurement of investment properties.

IG75. IPSAS 16 requires initial measurement of investment properties at their cost, which will be market value at that point in time, unless they are acquired through non-exchange transactions, in which case fair value is applied. IPSAS 16 includes an accounting policy option that allows fair value for subsequent measurement. In GFSM 2014, fixed assets are initially and subsequently measured at market value. Entities can choose the fair value measurement option available in IPSAS 16 in order to align with GFSM 2014.

IG76. Both IPSAS 16 and GFSM 2014 require capitalization of costs of transfer directly attributable to the asset.

Where does GFSM 2014 have different data presentation requirements from IPSAS 16 even though recognition and measurement requirements are aligned?

IG77. There are different presentation requirements in GFSM 2014 related to changes in market value because they are presented as other economic flows, and in IPSAS 16 they are presented in surplus or deficit.

IG78. IPSAS 1 presents investment property as a separate line item in the statement of financial position. GFSM 2014 requires the presentation of investment property within fixed assets of nonfinancial assets, as appropriate, in the balance sheet.

IG79. IPSAS 1 requires, as a minimum, the presentation of land as investment property within the line item of investment property in the statement of financial position, while GFSM 2014 requires its presentation as a sub-item under nonproduced assets in the balance sheet.

IG80. IPSAS 1 and IPSAS 16 require transaction costs related to land as investment property to be presented in the statement of financial position together as investment property, while GFSM 2014 requires costs of ownership transfer on all land to be presented with land improvements in the balance sheet.

Where does additional data need to be collected for GFSM 2014 reporting because of key recognition and measurement differences between IPSAS 16 and GFSM 2014?

IG81. If entities choose the fair value measurement basis option available in IPSAS 16, there will be no need to collect additional data for GFSM 2014 reporting. However, entities should consider whether adjustments are

needed to, for example, exclude ownership-transfer costs for GFSM 2014 reporting. Where an entity applies the historical cost model, there may be a need to obtain the market value for GFSM 2014 reporting.

D.4 IPSAS 21, Impairment of Non-Cash-Generating Assets

Which data recognition and measurement requirements in IPSAS 21 are aligned with GFSM 2014?

IG82. Both IPSAS 21 and GFSM 2014 require the recognition and measurement of impairment losses in non-cash-generating assets. Under IPSAS 21, impairment is recognized when indicators show that an asset's service potential has declined, and impairment is measured on a service-potential basis. GFSM 2014 records valuation changes at market value and reflects these annually, which may result in timing and measurement differences.

Where does GFSM 2014 have different data presentation requirements from IPSAS 21 even though recognition and measurement requirements are aligned?

IG83. There are different presentation requirements in IPSAS 21 related to impairment losses because they are presented in surplus or deficit (unless the asset is carried at revalued amount in accordance with another IPSAS Standard), and in GFSM 2014 they are presented as other economic flows. Additionally, GFSM 2014 does not make a separate distinction to identify non-cash-generating assets.

Where does additional data need to be collected for GFSM 2014 reporting because of key recognition and measurement differences between IPSAS 21 and GFSM 2014?

IG84. As a result of the different recognition and measurement requirements for impairment of non-cash-generating assets, where the measurement in IPSAS 21 is based on service potential and in GFSM 2014 is based on market value, additional data will need to be collected for GFSM 2014 reporting if the measurement amount is different. Additionally, as IPSAS 21 impairment losses are recognized only when trigger events occur, entities may need to obtain additional market value information to support the annual valuation requirements of GFSM 2014.

D.5 IPSAS 26, Impairment of Cash-Generating Assets

Which data recognition and measurement requirements in IPSAS 26 are aligned with GFSM 2014?

IG85. Both IPSAS 26 and GFSM 2014 require the recognition and measurement of impairment losses in cash-generating assets. Under IPSAS 26, impairment is recognized when indicators show that an asset's recoverable amount has declined. GFSM 2014 records valuation changes at market value and reflects these annually, which may result in timing and measurement differences.

Where does GFSM 2014 have different data presentation requirements from IPSAS 26 even though recognition and measurement requirements are aligned?

IG86. There are different presentation requirements in IPSAS 26 related to impairment losses because they are presented in surplus or deficit (unless the asset is carried at revalued amount in accordance with another IPSAS Standard), and in GFSM 2014 they are presented as other economic flows. Additionally, GFSM 2014 does not make a separate distinction to identify cash-generating assets.

Where does additional data need to be collected for GFSM 2014 reporting because of key recognition and measurement differences between IPSAS 26 and GFSM 2014?

IG87. Because IPSAS 26 impairment is recognized when a triggering event occurs, entities may need to obtain market-based valuation information (or market-equivalent estimates) to meet GFSM 2014 requirements, which reflect annual valuation updates at market value.

D.6 IPSAS 27, Agriculture

Which data recognition and measurement requirements in IPSAS 27 are aligned with GFSM 2014?

IG88. Both IPSAS 27 and GFSM 2014 require the recognition and measurement of biological assets.

IG89. IPSAS 27 requires initial measurement at transaction price and includes an accounting policy option that allows fair value less costs to sell for subsequent measurement. In GFSM 2014, assets are initially and subsequently measured at market values.

IG90. Both IPSAS 27 and GFSM 2014 require capitalization of transaction costs/costs of ownership transfer directly attributable to the asset.

IG91. A biological asset acquired through a non-exchange transaction is measured under IPSAS 27 at fair value less costs to sell on initial recognition, which broadly aligns with the GFSM 2014 requirement to record acquisitions at market value at the time of acquisition.

Where does GFSM 2014 have different data presentation requirements from IPSAS 27 even though recognition and measurement requirements are aligned?

IG92. There are different presentation requirements in IPSAS 27 related to biological assets for one-time use because they are presented as property, plant, and equipment in accordance with IPSAS 45, and in GFSM 2014 they are presented as inventories.

IG93. There are also different presentation requirements in IPSAS 27 related to gains or losses on a biological asset or agricultural produce because they are presented in surplus or deficit, and in GFSM 2014 they are presented as other economic flows.

Where does additional data need to be collected for GFSM 2014 reporting because of key recognition and measurement differences between IPSAS 27 and GFSM 2014?

IG94. Where biological assets fall within the scope of IPSAS 45 (for example, bearer plants) and are measured using the cost model, entities may need to obtain market value information for GFSM 2014 reporting.

D.7 IPSAS 31, Intangible Assets

Which data recognition and measurement requirements in IPSAS 31 are aligned with GFSM 2014?

IG95. Both IPSAS 31 and GFSM 2014 require the recognition and measurement of intangible items in the financial statements.

IG96. IPSAS 31 requires initial measurement of intangible assets at cost, except where they are acquired through non-exchange transactions, public sector combinations, or exchanges of assets with commercial substance, in which case fair value is applied. IPSAS 31 includes an accounting policy option that allows the current value model for subsequent measurement. In GFSM 2014, intangible nonproduced assets are initially and subsequently measured at market value. Entities can choose the current value measurement option available in IPSAS 31 in order to align with GFSM 2014.

IG97. Both IPSAS 31 and GFSM 2014 require capitalization of costs of ownership transfer directly attributable to the asset.

IG98. Where IPSAS 31 requires capitalization of development costs, so does GFSM 2014.

Where does GFSM 2014 have different data presentation requirements from IPSAS 31 even though recognition and measurement requirements are aligned?

IG99. GFSM 2014 distinguishes produced intangible assets (e.g., intellectual property products) from intangible nonproduced assets (e.g., certain licenses). IPSAS 31 may present these within a single intangible asset class. Entities may need to identify these components separately for GFSM 2014 classification.

IG100. There are different presentation requirements in GFSM 2014 related to research and development expenditure because they are presented together as intangible assets, and in IPSAS 31 research is presented as an expense and development is presented as an intangible asset, if recognition conditions are satisfied.

IG101. There are also different presentation requirements in GFSM 2014 related to changes in market value because they are presented as other economic flows, and in IPSAS 31 they are presented in either net assets/equity or surplus or deficit, as appropriate.

Where does additional data need to be collected for GFSM 2014 reporting because of key recognition and measurement differences between IPSAS 31 and GFSM 2014?

IG102. If entities choose the fair value measurement basis option under the current value model in IPSAS 31, there will be no need to collect additional data for GFSM 2014 reporting, including for research and development, as it is already available in the accounting data. However, where an entity applies the historical cost model, there may be a need to obtain the market value for GFSM 2014 reporting.

D.8 IPSAS 43, Leases

Which data recognition and measurement requirements in IPSAS 43 are aligned with GFSM 2014?

IG103. Both IPSAS 43 and GFSM 2014 require the recognition and measurement of leases.

IG104. Both IPSAS 43 and GFSM 2014 require the application of the risks and rewards model for lessor accounting. Additionally, GFSM 2014 also requires symmetrical treatment for lessee accounting.

IG105. Under IPSAS 43, lessors classify leases as finance leases or operating leases. Under GFSM 2014, leases are classified as financial leases, operating leases, or resource leases.

IG106. GFSM 2014 records the underlying leased asset held by its economic owner by its economic nature (e.g., land, structures, or intangible nonproduced assets), while IPSAS 43 requires recognition of a right-of-use asset in lessee accounting, which may be presented within property, plant, and equipment.

Where does GFSM 2014 have different data presentation requirements from IPSAS 43 even though recognition and measurement requirements are aligned for lessor accounting?

IG107. There are different presentation requirements in GFSM 2014 related to lessee accounting because it is required to present the underlying asset and the lease liability for all leases, and in IPSAS 43 it is required to present the right-of-use asset and the lease liability, except for short-term leases and leases for which the underlying asset is of low value if the lessee elects to present the lease payments as an expense.

IG108. GFSM 2014 separately classifies resource leases as a category of operating lease, whereas IPSAS 43 does not use this classification. Additional disaggregation may be required to support GFSM 2014 reporting in the case of resource leases.

Where does additional data need to be collected for GFSM 2014 reporting because of key recognition and measurement differences between IPSAS 43 and GFSM 2014?

IG109. For lessors, there will be no need to collect additional data for GFSM 2014 reporting if IPSAS 43 requirements have been applied. For lessees, there will be a need to collect additional data related to the underlying asset

because GFSM 2014 recognizes and measures the underlying asset (leased asset), not the right-of-use asset, including for short-term leases and leases for which the underlying asset is of low value.

IG110. For lessees, additional data may be required to apply the GFSM 2014 reciprocal approach to leases, i.e. to classify the leases as finance leases or operating leases and recording them as appropriate.

D.9 IPSAS 44, Non-Current Assets Held for Sale and Discontinued Operations

Which data recognition and measurement requirements in IPSAS 44 are aligned with GFSM 2014?

IG111. Both IPSAS 44 and GFSM 2014 require the recognition and measurement of non-current assets held for sale and discontinued operations.

Where does GFSM 2014 have different data presentation requirements from IPSAS 1[2] even though recognition and measurement requirements are aligned?

IG112. IPSAS 1 requires the presentation of non-current assets held for sale and discontinued operations as a separate line item in the statement of financial position. GFSM 2014 does not have this type of classification and requires the inclusion of non-current assets held for sale within the appropriate category of non-financial assets in the balance sheet.

IG113. IPSAS 1 also requires separate disclosure of discontinued operations in the statement of financial performance, whereas GFSM 2014 does not recognize discontinued operations as a distinct category; flows from discontinued units are integrated into the relevant transactions or other economic flows.

Where does additional data need to be collected for GFSM 2014 reporting because of key recognition and measurement differences between IPSAS 44 and GFSM 2014?

IG114. IPSAS 44 requires the measurement of non-current assets (or disposal group) classified as held for sale or held for distribution to owners at the lower of their carrying amount and fair value less costs to sell or less costs to distribute, respectively. GFSM 2014 uses market value as the general valuation approach for all assets.

IG115. There will be no need to collect market value for GFSM 2014 reporting if the fair value is used. There will not be a need to deduct the costs to sell from the fair value measurement of the assets held for sale and discontinued operations for GFSM 2014 reporting.

IG116. Where disposal groups are used under IPSAS 44, entities may need to disaggregate asset and liability components to support GFSM 2014 presentation and valuation requirements, which are based on the economic nature of the underlying items rather than a disposal group classification.

D.10 IPSAS 45, Property, Plant, and Equipment

Which data recognition and measurement requirements in IPSAS 45 are aligned with GFSM 2014?

IG117. Both IPSAS 45 and GFSM 2014 require the recognition and measurement of property, plant, and equipment.

IG118. IPSAS 45 requires initial measurement of property, plant, and equipment at their cost, which will be market value at that point in time, unless they are acquired through non-exchange transactions, in which case deemed cost is applied. IPSAS 45 includes an accounting policy option that allows the current value model for subsequent measurement. In GFSM 2014, fixed assets are initially and subsequently measured at market value. Entities can choose the current value measurement option available in IPSAS 45 in order to align with GFSM 2014.

[2] The presentation requirements for assets held for sale and discontinued operations are in IPSAS 1, *Presentation of Financial Statements*.

IG119. Both IPSAS 45 and GFSM 2014 require capitalization of costs of ownership transfer directly attributable to the asset.

IG120. IPSAS 45 permits heritage assets to be measured at cost where reliable fair value information is not available. GFSM 2014 requires market value for all assets, including heritage assets.

Where does GFSM 2014 have different data presentation requirements from IPSAS 45 even though recognition and measurement requirements are aligned?

IG121. There are different presentation requirements in GFSM 2014 related to changes in market value because they are presented as other economic flows, and in IPSAS 45 they are presented in either net assets/equity or surplus or deficit, as appropriate.

IG122. IPSAS 1 presents property, plant, and equipment as a separate line item in the statement of financial position. GFSM 2014 includes land, buildings, structures, machinery, equipment, and weapons systems within the appropriate category of non-financial assets in the balance sheet.

IG123. IPSAS 1 and IPSAS 45 require transaction costs related to land to be presented in the statement of financial position as property, plant, and equipment, while GFSM 2014 requires costs of ownership transfer on all land to be presented with land improvements in the balance sheet.

Where does additional data need to be collected for GFSM 2014 reporting because of key recognition and measurement differences between IPSAS 45 and GFSM 2014?

IG124. If entities choose the current value model option available in IPSAS 45, there may be no need to collect additional data for GFSM 2014 reporting. However, entities should consider whether adjustments are needed, for example, to exclude ownership-transfer costs for GFSM 2014 reporting. Where an entity applies the historical cost model, there may be a need to obtain the market value for GFSM 2014 reporting.

D.11 IPSAS 50, Exploration for and Evaluation of Mineral Resources

Which data recognition and measurement requirements in IPSAS 50 are aligned with GFSM 2014?

IG125. Both IPSAS 50 and GFSM 2014 require the recognition and measurement of expenditure related to exploration for and evaluation of mineral resources.

IG126. IPSAS 50 includes an accounting policy option to capitalize expenditure related to exploration for and evaluation of mineral resources. When an entity elects to capitalize expenditure related to exploration for and evaluation of mineral resources, both IPSAS 50 and GFSM 2014 require an entity to account for the expenditure as exploration and evaluation assets.

IG127. IPSAS 50 requires initial measurement at cost and includes an accounting policy option that allows fair value for subsequent measurement. In GFSM 2014, assets are initially and subsequently measured at market value.

Where does GFSM 2014 have different data presentation requirements from IPSAS 50 even though recognition and measurement requirements are aligned?

IG128. There are different presentation requirements in GFSM 2014 related to the classification of exploration and evaluation assets as a type of intellectual property products (as produced non-financial assets), and IPSAS 50 requires the classification of exploration and evaluation assets as either tangible or intangible assets.

IG129. There are also different presentation requirements in GFSM 2014 related to the inclusion of a return to fixed capital on initial measurement, and IPSAS 50 does not include such an item. Therefore, GFSM 2014 needs to calculate the return to fixed capital to add to the IPSAS Standards-based accounting data.

Where does additional data need to be collected for GFSM 2014 reporting because of key recognition and measurement differences between IPSAS 50 and GFSM 2014?

IG130. If entities choose the current value measurement option in IPSAS 50, there will be no need to collect additional data for GFSM 2014 reporting. However, if the historical cost model is chosen, there will be a need to collect additional data on market value for GFSM 2014 reporting.

IG131. Entities may need to disaggregate amounts to:

(a) Separate exploration and evaluation assets from other mining-related assets (for example, resource leases/licenses and mineral rights); and

(b) Identify revaluations/holding gains for classification as other economic flows for GFSM 2014 reporting.

D.12 IPSAS 51, Tangible Natural Resources Held for Conservation

Which data recognition and measurement requirements in IPSAS 51 are aligned with GFSM 2014?

IG132. Both IPSAS 51 and GFSM 2014 require the recognition and measurement of tangible natural resources held for conservation, although GFSM 2014 does not report them separately but includes them in the appropriate category of non-financial assets.

IG133. IPSAS 51 requires initial measurement at deemed cost or cost depending on whether recognition resulted from a transaction in an orderly market and includes an accounting policy option that allows current operational value for subsequent measurement. In GFSM 2014, assets are initially and subsequently measured at market value.

Where does GFSM 2014 have different data presentation requirements from IPSAS 51 even though recognition and measurement requirements are aligned?

IG134. There are different presentation requirements in GFSM 2014 in the areas listed below, but IPSAS Standards-based accounting data can be used for GFSM 2014 reporting if it is disaggregated as follows:

(a) Types of natural resources – a broader range of natural resource types;

(b) Fixed assets – inclusion of tangible natural resources held for conservation within fixed assets in the balance sheet; and

(c) Change in net worth due to other economic flows (comprising holding gains and losses due to valuation changes and other changes in the volume of assets, such as appearances and disappearances of assets).

IG135. Additionally, IPSAS 51 requires the presentation of increases in the carrying amount in either net assets/equity or surplus or deficit, as appropriate, while GFSM 2014 requires the presentation of changes in market value as other economic flows.

IG136. IPSAS 51 requires the presentation of tangible natural resources held for conservation as a separate line item in the statement of financial position. GFSM 2014 includes tangible natural resources held for conservation within the appropriate category of non-financial assets in the balance sheet.

Where does additional data need to be collected for GFSM 2014 reporting because of key recognition and measurement differences between IPSAS 51 and GFSM 2014?

IG137. Where entities measure tangible natural resources held for conservation at historical cost or deemed cost, there may be a need to collect additional data for GFSM 2014 reporting.

IG138. Where IPSAS 51 groups natural resources for presentation purposes, further breakdown by resource type (e.g., land, mineral and energy resources, and other naturally occurring assets) may be required for GFSM 2014 reporting.

IG139. Where current operational value is applied, IPSAS Standards-based values may closely approximate the market value required by GFSM 2014. However, entities should assess whether adjustments are needed.

Group E: Financial Assets and Liabilities

IG140. Both IPSAS Standards and GFSM 2014 have requirements on recognition and measurement of financial assets and financial liabilities, although there are some detailed differences in recognition, measurement, and presentation. The accounting data required by the IPSAS Standards for financial assets and financial liabilities can therefore mainly be used to support GFSM 2014 reporting.

IG141. The following IPSAS Standards are relevant:

(a) IPSAS 28, *Financial Instruments: Presentation*;

(b) IPSAS 29, *Financial Instruments: Recognition and Measurement*;

(c) IPSAS 30, *Financial Instruments: Disclosures*; and

(d) IPSAS 41, *Financial Instruments*.

E.1 IPSAS 28, Financial Instruments: Presentation

Which data presentation requirements in IPSAS 28 are aligned with GFSM 2014?

IG142. Both IPSAS 28 and GFSM 2014 require the presentation of financial instruments.

IG143. IPSAS 28 permits offsetting and IPSAS 41 permits, in limited circumstances, fair value measurement based on net positions. GFSM 2014 requires financial assets and liabilities to be recorded on a gross basis, except for derivatives and certain settlement arrangements where the economic substance is a single net position. Entities may therefore need to obtain gross values for individual instruments for GFSM 2014 reporting.

Where does GFSM 2014 have more detailed data presentation requirements than IPSAS 28?

IG144. There are more detailed presentation requirements in GFSM 2014 related to:

(a) Shares/contributed capital because they are presented as equity within liabilities as opposed to being presented separately as required in IPSAS 28;

(b) Dividends paid because they are to be expensed instead of being presented by the entity directly in net assets/equity as required in IPSAS 28;

(c) Related costs of an equity transaction (other than when related to acquisition of a business) because they are presented as expenses whereas IPSAS 28 requires them to be accounted for as a direct deduction from equity; and

(d) Distinction between domestic and external presentation of financial instruments in presentation that is not present in IPSAS 28.

E.2 IPSAS 29, Financial Instruments: Recognition and Measurement

Which data recognition and measurement requirements in IPSAS 29 are aligned with GFSM 2014?

IG145. Both IPSAS 29 and GFSM 2014 require recognition and measurement of financial instruments used in hedging activities.

Where does GFSM 2014 have different data presentation requirements from IPSAS 29 even though recognition and measurement requirements are aligned?

IG146. There are different presentation requirements in GFSM 2014 related to the changes in the measurement of the hedging instrument and the offsetting effects as other economic flows, and in IPSAS 29 they are presented in surplus or deficit or net assets/equity, as appropriate, but IPSAS Standards-based accounting data can be used for GFSM 2014 reporting.

IG147. IPSAS 29 classifies hedging relationships into three types: fair value hedge, cash flow hedge, and hedge of a net investment in a foreign operation as defined in IPSAS 4. GFSM 2014 does not have classification of hedging relationships, so the accounting data is more detailed than is required for GFSM 2014 reporting.

Where does additional data need to be collected for GFSM 2014 reporting because of key recognition and measurement differences between IPSAS 29 and GFSM 2014?

IG148. There will be no need to collect additional data for GFSM 2014 reporting if IPSAS 29 requirements have been applied.

IG149. Entities may need to separately identify data in the accounting system to unwind hedge accounting effects for GFSM 2014 reporting, including:

(a) Separating fair value changes on hedging instruments from amounts recognized in net assets/equity or as basis adjustments; and

(b) Identifying revaluation components that should be recorded as other economic flows for GFSM 2014 reporting, rather than as transactions.

E.3 IPSAS 30, Financial Instruments: Disclosures

Which data disclosure requirements in IPSAS 30 are aligned with GFSM 2014?

IG150. Both IPSAS 30 and GFSM 2014 require the disclosure of financial instruments.

Where does additional data need to be collected for GFSM 2014 reporting because of key disclosure differences between IPSAS 30 and GFSM 2014?

IG151. IPSAS 30 requires a broader range of disclosures on financial instruments compared with GFSM 2014, which only requires disclosures on gross debt, net debt, and concessionary loans and arrears. IPSAS 30 disclosures can benefit GFSM 2014 reporting.

E.4 IPSAS 41, Financial Instruments

Which data recognition and measurement requirements in IPSAS 41 are aligned with GFSM 2014?

IG152. Both IPSAS 41 and GFSM 2014 require the recognition and measurement of financial instruments, including public-sector-specific financial instruments.

IG153. IPSAS 41 requires a financial asset to be measured at fair value where the cash flows are not solely payments of principal and interest (as is the case with equity instruments). GFSM 2014 adopts a "current market price" (fair value) hierarchy across all financial assets, except for loans and receivables (nominal value).

Where does GFSM 2014 have different data presentation requirements from IPSAS 41 even though the recognition and measurement requirements are aligned?

IG154. There are different presentation requirements in GFSM 2014 in the areas listed below, but IPSAS Standards-based accounting data can be used for GFSM 2014 reporting, as follows:

(a) IPSAS 41 requires the presentation of changes in the value of financial assets where the cash flows are not solely payments of principal and interest (as is the case with equity instruments) in surplus or

deficit. GFSM 2014 requires the presentation of changes in the value of financial assets and financial liabilities as other economic flows.

(b) IPSAS 41 requires an equity instrument arising from a non-exchange transaction to be separated into two components (exchange and non-exchange) and the non-exchange component to be presented in surplus or deficit. GFSM 2014 requires the non-exchange component to be presented as a capital transfer.

(c) IPSAS 41 requires the presentation of financial guarantees issued through a non-exchange transaction as an expense in the issuer's statement of financial performance. GFSM 2014 requires the presentation of the non-exchange component as a capital transfer.

(d) IPSAS 41 requires the recognition of the concession component in a concessionary loan for both the lender and the borrower. In GFSM 2014, the concession component in a concessionary loan is not recognized but disclosed as a memorandum item.

(e) IPSAS 41 requires that transaction costs are included in the measurement of the financial instrument, whereas in GFSM 2014 they are expensed.

(f) IPSAS 41 requires the presentation of the offsetting effects on surplus or deficit in the fair values of the hedging instrument and the hedged item. GFSM 2014 requires the presentation of the offsetting effects as other economic flows.

(g) IPSAS 41 requires the presentation of the gains or losses from remeasuring the hedging instrument in either surplus or deficit or net assets/equity depending on the type of hedging relationship and other criteria. GFSM 2014 requires the presentation of the gains or losses from remeasuring the hedging instrument as other economic flows.

IG155. IPSAS 41 classifies hedging relationships into three types: fair value hedge, cash flow hedge, and hedge of a net investment in a foreign operation as defined in IPSAS 4. GFSM 2014 does not have classification of hedging relationships, so the accounting data is more detailed than is required for GFSM 2014 reporting.

IG156. Conversely, GFSM 2014 identifies four types of securitizations, while IPSAS 41 does not make such a distinction. Therefore, the accounting data need to be disaggregated to provide the GFSM 2014 classification.

IG157. IPSAS 41 requires the expected credit loss model for the impairment assessment of financial assets; GFSM 2014 does not use this model.

Where does additional data need to be collected for GFSM 2014 reporting because of key recognition and measurement differences between IPSAS 41 and GFSM 2014?

IG158. There will be a need to collect additional data on the contractual terms of concessionary loans because IPSAS 41 requires the measurement of concessionary loans at fair value and GFSM 2014 requires the measurement of concessionary loans at nominal value.

IG159. IPSAS 41 requires a financial liability to be subsequently measured at amortized cost, except for specific financial liabilities. GFSM 2014 requires the measurement of financial liabilities at market values, except for loans which are measured at nominal value. Therefore, there will be a need to collect additional data for financial liabilities that require market value for GFSM 2014 reporting.

IG160. Additional data may be required where IPSAS 41 applies amortized cost and expected credit loss models, as GFSM 2014 measures most financial instruments at market value and measures loans at nominal value. Entities may need to identify and remove valuation adjustments such as effective interest rate amortization, expected credit losses, and gains or losses to derive the nominal or market value amounts required for GFSM 2014 reporting. GFSM 2014 also applies different criteria for derecognition and does not use the substantial-modification test applied in IPSAS 41. Therefore, entities may need to separately identify data in

the accounting system related to contractual changes, revaluations, and extinguishments to support GFSM 2014 reporting.

Group F: Revenue and Transfer Expenses

IG161. Both IPSAS Standards and GFSM 2014 have recognition and measurement requirements for revenue and transfer expenses. Revenue recognition in IPSAS 47 is based on the concept of control, whereas GFSM 2014 applies the risks and rewards approach. Although there are some detailed differences in recognition, measurement, and presentation, the accounting data required by the IPSAS Standards for revenue and transfer expenses can mainly be used to support GFSM 2014 reporting.

IG162. The following IPSAS Standards are relevant:

(a) IPSAS 47, *Revenue*; and

(b) IPSAS 48, *Transfer Expenses*.

F.1 IPSAS 47, Revenue

Which data recognition and measurement requirements in IPSAS 47 are aligned with GFSM 2014?

IG163. Both IPSAS 47 and GFSM 2014 require the recognition and measurement of revenue.

IG164. IPSAS 47 includes an accounting policy option that allows services in-kind to be recognized as revenue. In GFSM 2014, all services in-kind are recognized as revenue.

Where does GFSM 2014 have different data presentation requirements from IPSAS 47 even though the recognition and measurement requirements are aligned?

IG165. There are different presentation requirements in GFSM 2014 related to binding arrangements when only one of the parties has performed because in GFSM 2014 it is presented as other accounts receivable/payable in the balance sheet, and IPSAS 47 requires its presentation in the statement of financial position as a binding arrangement asset or as a binding arrangement liability.

Where does additional data need to be collected for GFSM 2014 reporting because of key recognition and measurement differences between IPSAS 47 and GFSM 2014?

IG166. Recognition and measurement requirements in IPSAS 47 are based on whether the transaction is part of a binding arrangement or not. In GFSM 2014, the requirements are based on the economic nature of the types of transactions. For those arrangements where the revenue recognition is at a point in time under IPSAS 47, there will be no need to collect additional data for GFSM 2014 reporting if IPSAS 47 requirements have been applied.

IG167. However, for arrangements in which revenue is recognized over time under IPSAS 47, there will be a need to separately identify the related revenue for GFSM 2014 reporting.

IG168. If entities choose the option in IPSAS 47 to recognize services in-kind, there will be no need to collect additional data for GFSM 2014 reporting. However, if entities do not choose to recognize services in-kind, there will be a need to collect additional data for GFSM 2014 reporting.

IG169. The disclosures in IPSAS 47 can be used for GFSM 2014 reporting.

F.2 IPSAS 48, Transfer Expenses

Which data recognition and measurement requirements in IPSAS 48 are aligned with GFSM 2014?

IG170. Both IPSAS 48 and GFSM 2014 require the recognition and measurement of transfer expenses.

Where does GFSM 2014 have different data presentation requirements from IPSAS 48 even though the recognition and measurement requirements are aligned?

IG171. There are different presentation requirements in GFSM 2014 related to grants because GFSM 2014 distinguishes them as either current or capital grants, regardless of whether the grant arises from a binding arrangement, and IPSAS 48 distinguishes between them as transfer expenses arising from transactions with binding arrangements (including capital transfers) and transfer expenses from transactions without binding arrangements.

Where does additional data need to be collected for GFSM 2014 reporting because of key recognition and measurement differences between IPSAS 48 and GFSM 2014?

IG172. Recognition and measurement requirements in IPSAS 48 are based on whether the transaction is part of a binding arrangement or not. In GFSM 2014, the requirements are based on, among other considerations, the assessment of whether the transfer is compulsory or voluntary. For arrangements in which the expense recognition is at a point in time under IPSAS 48, there will be no need to collect additional data for GFSM 2014 reporting if IPSAS 48 requirements have been applied.

IG173. However, for arrangements in which the expense recognition is over time under IPSAS 48, there will be a need to separately identify it for GFSM 2014 reporting.

IG174. The disclosures in IPSAS 48 can be used for GFSM 2014 reporting.

Group G: Other Expenses and Non-financial Liabilities

IG175. Both IPSAS Standards and GFSM 2014 have requirements on provisions, contingent liabilities, contingent assets, service concession arrangements, employee benefits, social benefits, and retirement benefit plans, although there are some differences in recognition, measurement, and presentation. The accounting data required by the IPSAS Standards for these topics can mainly be used to support GFSM 2014 reporting.

IG176. The following IPSAS Standards are relevant:

(a) IPSAS 19, *Provisions, Contingent Liabilities and Contingent Assets*;

(b) IPSAS 32, *Service Concession Arrangements: Grantor*;

(c) IPSAS 39, *Employee Benefits*;

(d) IPSAS 42, *Social Benefits*; and

(e) IPSAS 49, *Retirement Benefit Plans*.

G.1 IPSAS 19, Provisions, Contingent Liabilities and Contingent Assets

Which data recognition and measurement requirements in IPSAS 19 are aligned with GFSM 2014?

IG177. Both IPSAS 19 and GFSM 2014 require the recognition of provisions for standardized guarantees.

IG178. Neither IPSAS 19 nor GFSM 2014 requires the recognition of contingent liabilities; both require their disclosure.

IG179. Neither IPSAS 19 nor GFSM 2014 requires the recognition of provisions for collective and individual services prior to the delivery of those services to the beneficiaries.

Where does GFSM 2014 have different data presentation requirements from IPSAS 19 even though the recognition and measurement requirements are aligned?

IG180. There are more detailed presentation requirements in GFSM 2014 related to contingent liabilities because GFSM 2014 distinguishes between explicit contingent liabilities and implicit contingent liabilities, and IPSAS 19 does not make such a distinction.

Where does additional data need to be collected for GFSM 2014 reporting because of key recognition and measurement differences between IPSAS 19 and GFSM 2014?

IG181. The need for collection of additional data for GFSM 2014 reporting will depend on the type of transaction.

IG182. For provisions, there will be no need to collect additional data because they are not used for GFSM 2014 reporting, except for standardized guarantees and for some implicit provisions for tax refunds.

IG183. For contingent assets and contingent liabilities, there will be no need to collect additional data if IPSAS 19 requirements have been applied because IPSAS 19-based accounting data can be used as a data source in the compilation of statistics in accordance with GFSM 2014.

G.2 IPSAS 32, Service Concession Arrangements: Grantor

Which data recognition and measurement requirements in IPSAS 32 are aligned with GFSM 2014?

IG184. Both IPSAS 32 and GFSM 2014 require the recognition and measurement of service concession arrangements.

Where does GFSM 2014 have different data presentation requirements from IPSAS 32 even though the recognition and measurement requirements are aligned?

IG185. GFSM 2014 identifies two models for public-private partnerships: the government is the economic owner of the asset(s) during the contract period and a private corporation is the economic owner of the asset(s) during the contract period, while IPSAS 32 identifies two models of service concession arrangements: the financial liability model and the grant of a right to the operator model.

Where does additional data need to be collected for GFSM 2014 reporting because of key recognition and measurement differences between IPSAS 32 and GFSM 2014?

IG186. IPSAS 32 follows a control-based approach to service concession asset recognition. GFSM 2014 follows a risks and rewards approach to service concession asset recognition. This may lead to different recognition results in specific arrangements.

IG187. IPSAS 32 includes two cumulative conditions that, once met by the grantor, require the recognition of the service concession asset by the grantor. GFSM 2014 includes several risks associated with acquiring and operating the asset that need to be considered in assessing economic ownership of assets related to public-private partnerships.

IG188. There will be no need for collection of additional data for GFSM 2014 reporting if IPSAS 32 requirements have been applied with the same recognition results.

G.3 IPSAS 39, Employee Benefits

Which data recognition and measurement requirements in IPSAS 39 are aligned with GFSM 2014?

IG189. Both IPSAS 39 and GFSM 2014 require the recognition and measurement of employee benefits.

IG190. For defined contribution plans, the recognition and measurement requirements of IPSAS 39 and GFSM 2014 are aligned.

IG191. For defined benefit plans, both IPSAS 39 and GFSM 2014 require the recognition of the net defined benefit liability. However, IPSAS 39 requires the inclusion of constructive obligations in the measurement of the net defined benefit liability, while the measurement in GFSM 2014 only includes legal obligations.

Where does GFSM 2014 have different data presentation requirements from IPSAS 39 even though the recognition and measurement requirements are aligned?

IG192. There are different presentation requirements in GFSM 2014 in the areas listed below, but IPSAS Standards-based accounting data can be used for GFSM 2014 reporting as follows:

(a) Changes in the value of the defined benefit obligation from actuarial and financial assumptions—presented as other economic flows.

(b) Short-term and long-term employee benefits distinction—no such distinction is made.

(c) Net interest approach—GFSM 2014 does not use this presentation approach; instead, it presents the proceeds from fund assets and interest on fund liabilities according to the economic nature of the related revenue and expense.

Where does additional data need to be collected for GFSM 2014 reporting because of key recognition and measurement differences between IPSAS 39 and GFSM 2014?

IG193. IPSAS 39 requires the recognition of future non-pension employee benefits, while GFSM 2014 does not require the recognition of such benefits. IPSAS 39 includes constructive obligations in the measurement of the defined benefit obligation, while GFSM 2014 does not. Therefore, there will be a need to distinguish in the accounting data the amounts related to legal obligations and constructive obligations for GFSM 2014 reporting if IPSAS 39 requirements have been applied.

G.4 IPSAS 42, Social Benefits

Which data recognition and measurement requirements in IPSAS 42 are aligned with GFSM 2014?

IG194. Both IPSAS 42 and GFSM 2014 recognize social benefits that are earned (provided that eligibility criteria are met).

IG195. Both IPSAS 42 and GFSM 2014 recognize social benefits that arise from government social benefit schemes. However, IPSAS 42 limits its scope to cash transfers (including cash equivalents), while GFSM 2014 covers both cash and in-kind social benefits. Alignment exists to the extent that both frameworks recognize obligations once eligibility criteria (other than claim submission) are met.

IG196. IPSAS 42 permits certain social benefit schemes to be recognized and measured using the insurance approach where the scheme is designed and managed similarly to an insurance contract. GFSM 2014 does not include this option and continues to treat these schemes as social benefits. Entities therefore need to reverse the insurance accounting effects for GFSM 2014 reporting.

IG197. IPSAS 42 requires discounting where the time value of money is material to the social benefit obligation. GFSM 2014 generally does not require discounting of social benefit obligations. Entities may therefore need additional information to adjust IPSAS 42-compliant discounted measurements to the nominal amounts required by GFSM 2014.

Where does GFSM 2014 have different data presentation requirements from IPSAS 42 even though the recognition and measurement requirements are aligned?

IG198. There are different presentation requirements in GFSM 2014 related to the presentation of social benefits as social benefits can be provided in cash or in-kind (for example, health services), while IPSAS 42 limits its definition of social benefits to cash transfers (including cash equivalents).

Where does additional data need to be collected for GFSM 2014 reporting because of key recognition and measurement differences between IPSAS 42 and GFSM 2014?

IG199. There will be no need to collect additional data for GFSM 2014 reporting if IPSAS 42 requirements have been applied, except for social benefits in-kind and the social benefits accounted for using the insurance approach (see paragraphs IG195 and IG196).

G.5 IPSAS 49, Retirement Benefit Plans

Which data recognition and measurement requirements in IPSAS 49 are aligned with GFSM 2014?

IG200. Both IPSAS 49 and GFSM 2014 require the recognition of retirement benefit obligations by retirement benefit plans.

IG201. IPSAS 49 requires retirement benefit plan investments to be measured at fair value. In GFSM 2014, assets are generally measured at market values.

IG202. Both IPSAS 49 and GFSM 2014 require the measurement of the present value of the retirement benefits using an actuarial valuation.

Where does additional data need to be collected for GFSM 2014 reporting because of key recognition and measurement differences between IPSAS 49 and GFSM 2014?

IG203. There will be no need to collect additional data for GFSM 2014 reporting if IPSAS 49 requirements have been applied.

Group H: Disclosures and Other Standards

IG204. Both IPSAS Standards and GFSM 2014 have requirements on the classification of functions of Government, although there are some presentation differences. The accounting data required by the IPSAS Standards for this topic can mainly be used to support GFSM 2014 reporting, even where there are differences in presentation requirements.

IG205. The following IPSAS Standards are relevant:

(a) IPSAS 18, *Segment Reporting*; and

(b) IPSAS 20, *Related Party Disclosures*.

No Implementation Guidance is provided for IPSAS 20 because there is no corresponding guidance in GFSM 2014.

H.1 IPSAS 18, Segment Reporting

Which data presentation requirements in IPSAS 18 are aligned with GFSM 2014?

IG206. IPSAS 18 allows the aggregation and reporting, at the whole-of-government level, of activities undertaken by general government classified by function in accordance with the Classification of Functions of Government (COFOG).

Where does GFSM 2014 reporting have more detailed data presentation requirements than IPSAS 18?

IG207. There will be no need to collect additional data for GFSM 2014 reporting if IPSAS 18 requirements have been applied consistent with COFOG requirements. However, if a different presentation is applied (for example, geographical segments), there will be a need to separately identify data in the accounting system or collect additional data for COFOG reporting.

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