The International Public Sector Accounting Standards Board (IPSASB) held its quarterly meeting from June 13-16, 2023.

The topics discussed at the meeting were on the following:

1. **Sustainability Reporting - Climate-Related Disclosures**
2. **Conceptual Framework – Limited Scope Update – Next Stage (Chapter 3)**
3. **Natural Resources**
4. **Other Lease – Type Arrangements**
5. **Measurement – Application Phase**
6. **Retirement Benefit Plans**
7. **Presentation of Financial Statements**
8. **Differential Reporting**
9. **First-Time Adoption of Accrual Basis IPSASs**

1. **Sustainability Reporting - Climate-Related Disclosures**

   The IPSASB decided to move forward with the development of a public sector specific Climate-Related Disclosures standard and approved a project brief related to this major initiative. The IPSASB hopes to be able to initiate other sustainability-related projects in the coming months, subject to funding and resource availability.

   Further information on how to get involved and support this critical initiative is available in the recent announcement.

2. **Conceptual Framework – Limited Scope Update – Next Stage (Chapter 3)**

   The IPSASB approved the updated Chapter 3, *Qualitative Characteristics*, which clarifies the role of prudence in public sector financial reporting and updates the guidance on materiality to better serve the users of financial information. The updated chapter is expected to be published in July 2023, and the project to revise the IPSASB’s Conceptual Framework is now complete.

3. **Natural Resources**

   The IPSASB revised the project timelines to develop by March 2024 two Exposure Drafts (ED):
   - One to propose IPSAS guidance on natural resources; and
   - Another to propose an aligned IPSAS with IFRS 6, *Exploration for and Evaluation of Mineral Resources.*
The IPSASB intends to refine the definition and guidance on the accounting for natural resources to reflect the recognition challenges raised by constituents in comment letters to the 2022 Consultation Paper, *Natural Resources*.

4. **Other Lease – Type Arrangements**

The IPSASB undertook a first review of the responses to ED 84, *Concessionary Leases and Right-of-Use Assets In-kind*. The IPSASB agreed that the ED 84 proposals received strong support on balance, and that it should undertake a detailed review of the issues highlighted in the comments letters starting at the September 2023 meeting.

5. **Measurement – Application Phase**


The IPSASB also decided the scope of its IPSAS 21, *Impairment of Non-Cash-Generating Assets* update should focus on the definition and components of ‘recoverable service amount’.

6. **Retirement Benefit Plans**

The IPSASB decided to update the disclosure requirements in [draft] IPSAS 49, *Retirement Benefit Plans* and clarify the objective and scope, by highlighting the requirements are only applicable to retirement benefit plans in the public sector. The IPSASB agreed this clarification would address concerns identified by respondents related to definitions and consolidation.

The IPSASB plans to approve this new IPSAS at its September 2023 meeting.

7. **Presentation of Financial Statements**

The IPSASB decided the scope of the project is to replace IPSAS 1, *Presentation of Financial Statements* with a new IPSAS. The IPSASB further decided that because of the complexity of the topic, the use of a consultation paper is warranted to obtain stakeholder input to support the development of an ED.

The IPSASB will further consider a draft project brief at the September 2023 meeting.

8. **Differential Reporting**

The IPSASB reflected on the findings and constituent input from the research and scoping activities, and how to best address the public needs that gave rise to a call for an international differential reporting model. The IPSASB agreed the development of other forms of guidance, rather than a standard-setting solution, may be more feasible and better address the public interest needs.
The IPSASB will consider the types of guidance and the future approach for this project at its September 2023 meeting.

9. **First-Time Adoption of Accrual Basis IPSASs**

The IPSASB discussed feedback from jurisdictions with experience applying IPSAS 33. The IPSASB agreed steps should be taken to better enable the use of IPSAS 33 in practice.

The IPSASB decided to consider alternatives on how it could improve IPSAS 33 at its September 2023 meeting.


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*Financial Reporting Council*

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