

# Financial Reporting Council

## MONTHLY UPDATES (March 2025) – IPSASB ENEWS

The International Public Sector Accounting Standards Board (IPSASB) held its first meeting for the year from **18 to 21 March 2025**, in Washington, D.C., USA.

The topics discussed at the meeting were on the following:

1. [Strengthening Linkages Between IPSAS Standards and the GFSM](#)
2. [Making Materiality Judgements – Limited Scope](#)
3. [Sustainability: Climate-related Disclosures](#)
4. [Presentation of Financial Statements](#)
5. [IPSAS 33 – Limited Scope Update](#)
6. [Measurement – Application Phase](#)
7. [IPSASB Application Group](#)

### 1. Strengthening Linkages Between IPSAS Standards and the GFSM

The Board approved the Project Brief, *Strengthening Linkages Between IPSAS Standards and the GFSM*, and had an initial discussion on the illustrative examples proposed for the Exposure Draft. The Board will be updating the examples for the next meeting in June 2025. This project will help governments and public sector entities make the most of IPSAS-based information when preparing statistical data for decision-making and accountability.

### 2. Making Materiality Judgements – Limited Scope

The Board kicked off the project to enhance the clarity and consistent application of the definition of material with two approvals: It approved the Project Brief, *Making Materiality Judgements*, and a limited-scope Exposure Draft to enhance the consistency of materiality guidance across the IPSASB's literature. The Exposure Draft is expected to be published in Q2 2025 with a 60-day consultation period.

### 3. Sustainability: Climate-related Disclosures

The consultation period for the draft of the inaugural sustainability reporting standard, IPSASB SRS ED 1, *Climate-related Disclosures*, closed last month with a record number of responses. The Board discussed the outreach efforts undertaken to obtain that feedback along with next steps, including plans to review the feedback to finalize the *Climate-related Disclosures Standard*.

### 4. Presentation of Financial Statements

To continue developing the IPSASB's Consultation Paper and form its preliminary views, the Board considered the results of additional analysis on two challenging topics. This work has helped the Board refine its views on the presentation of revenue and expenses on the statement of financial performance and statement of changes in net assets/equity. The Board intends to finalize those views on the different presentation approaches at the next meeting.

## 5. IPSAS 33 – Limited Scope Update

The Board reviewed the responses to ED 91, *Limited Scope Updates of First-time Adoption of Accrual Basis IPSAS* and believe a government that uses IPSAS Standards is better equipped to make sound financial decisions transparently. Constituents strongly supported the reorganized structure and streamlined guidance to make the journey to implementation as easy as possible. The Board intend to approve a final pronouncement at our next meeting in June 2025.

## 6. Measurement – Application Phase

The Board reviewed responses to ED 90, *Amendments to IPSAS as a Result of IPSAS 46, Measurement*. Respondents supported including the current operational value measurement basis in IPSAS 12, *Inventories*, and IPSAS 21, *Impairment of Non-Cash Generating Assets*, its applicability to right-of-used assets when measured under the current value model in IPSAS 45, *Property, Plant, and Equipment*, and enhancing the current value disclosures across the IPSAS Standards. The IPSASB will continue its discussion of issues in June 2025.

## 7. IPSASB Application Group

The Board discussed the roll-out of the IPSASB Application Group and the group’s work plan for the remainder of the year. In addition, the IPSASB approved amendments to the financial instruments IPSAS Standards, including guidance on supplier finance arrangements, the classification and measurement of financial instruments, contracts referencing nature-dependent electricity, and other editorial changes. These amendments, as well as other improvements to be discussed later in the year, will be exposed for comment in the second half of 2025.

**For further information:** <https://www.ipsasb.org/news-events/2025-03/ipsasb-eneews-march-2025>