

Financial Reporting Council

MONTHLY UPDATES (September 2025) – IPSASB ENEWS

The International Public Sector Accounting Standards Board (IPSASB) held its third Board meeting of the year from **09 to 12 September 2025**, in Lisbon, Portugal.

The topics discussed at the meeting were on the following:

1. [IPSAS 33 – Limited Scope Update](#)
2. [Definition of Material – Narrow Scope Amendments](#)
3. [Natural Resources](#)
4. [Climate-related Disclosures](#)
5. [Presentation of Financial Statements](#)
6. [Strengthening Linkages between IPSAS Standards and GFSM](#)

1. IPSAS 33 – Limited Scope Update

The IPSASB approved the updates to improve IPSAS 33, *First-time Adoption of Accrual Basis International Public Sector Accounting Standards*. These clarifications to the existing requirements make the guidance easier to apply for first-time adopters by emphasizing exemptions available, including adding new illustrative examples and implementation guidance. The pronouncement will be published in Quarter 4 2025, and is effective January 1, 2028, with early adoption permitted.

2. Definition of Material – Narrow Scope Amendments

The IPSASB approved the Final Pronouncement, *Definition of Material* (Amendments to IPSAS 1, IPSAS 3, and the Conceptual Framework), enhancing the clarity and consistency of materiality throughout the IPSAS Standards. The amendments to IPSAS Standards are effective January 1, 2027, and amendments to the Conceptual Framework are effective upon publication of the pronouncement, which will occur in Quarter 4 2025.

3. Natural Resources

The IPSASB has decided that a tangible natural resource held for conservation is a naturally occurring tangible asset that is managed to prevent its degradation. The IPSASB plans to approve the pronouncement during the December 2025 meeting in New York.

4. Climate-related Disclosures

Following its June 2025 decision to split the project into two separate standards, in September, the IPSASB reviewed the first draft of the IPSASB SRS Standard on Phase 1. The IPSASB agreed there is a need for further materiality guidance and decided to prioritize developing practical implementation support on materiality in a timely manner, following the planned approval of the Phase 1 pronouncement at the December 2025 meeting.

5. Presentation of Financial Statements

The IPSASB completed all remaining discussions regarding the general presentation requirements and those for the Statement of Changes in Net Assets/Equity. These discussions have allowed the IPSASB to continue progressing the development of most of the Consultation Paper (CP). Next quarter, the Board will tackle the last Chapter of the CP regarding note disclosures and continue developing the illustrative Exposure Draft.

6. Strengthening Linkages between IPSAS Standards and GFSM

The IPSASB agreed to develop the non-authoritative guidance to help public sector entities maximize the extent to which they can use IPSAS Standards-based accounting data to compile statistical information. The work will continue next quarter, with the aim of approving the Exposure Draft at the December 2025 meeting.

For further information: <https://www.ipsasb.org/news-events/2025-09/ipsasb-eneews-september-2025>