



## *Amendments to IPSAS Standards as a Result of the Application of IPSAS 46, Measurement*

This summary provides an overview of [Amendments to IPSAS Standards as a Result of the Application of IPSAS 46, Measurement](#)

**Project Objective:**

The primary objective of this project was to amend relevant IPSAS® Accounting Standards to add the current operational value measurement basis.

**Approved:**

The International Public Sector Accounting Standards Board® (IPSASB®) approved [Amendments to IPSAS Standards as a Result of the Application of IPSAS 46, Measurement](#) in June 2025. It was issued in August 2025.

**Project History:**

In March 2023, the IPSASB initiated the Measurement Application Phase project to assess the applicability of current operational value across relevant IPSAS Standards.

Based on its analysis, the IPSASB issued [ED 90, Amendments to IPSAS as a Result of the Application of IPSAS 46, Measurement](#) in August 2024.

Responses to ED 90 were considered in developing the final pronouncement [Amendments to IPSAS Standards as a Result of the Application of IPSAS 46, Measurement](#).

## Project Overview

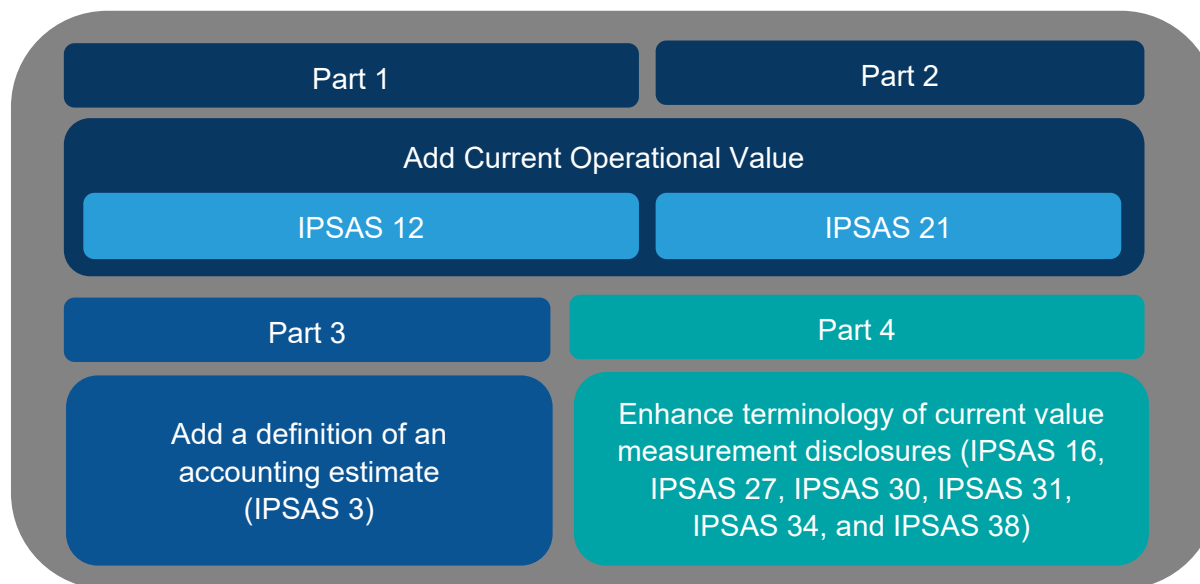
This project introduces amendments to IPSAS Standards to add current operational value, a definition of an accounting estimate, and enhance the terminology used across current value measurement disclosures.

### Why the IPSASB Undertook this Project

In March 2023, the IPSASB began a 'limited scope' phase that continued the measurement project. The primary objective of this phase was to evaluate the applicability of current operational value, developed as part of the IPSAS 46 and the Updated Conceptual Framework: Chapter 7, *Measurement of Assets and Liabilities in Financial Statements* projects, across the IPSAS Standards.

### The Structure of Amendments to IPSAS Standards as a Result of the Application of IPSAS 46, Measurement

The pronouncement is divided into four parts:



## Amendments to Add Current Operational Value

This pronouncement adds current operational value to IPSAS 12 and IPSAS 21.

### Current operational value across IPSAS

Following the publication of IPSAS 46 in May 2023, the IPSASB analyzed the applicability of current operational value to individual IPSAS Standards. After considering all IPSAS Standards with measurement guidance for assets, the IPSASB concluded that current operational value should be introduced to IPSAS 12, *Inventories*, and IPSAS 21, *Impairment of Non-Cash Generating Assets*.

#### Inventories

This pronouncement adds current operational value:

- (a) At initial measurement, for inventories acquired in non-exchange transactions; and
- (b) At subsequent measurement, for inventories held for their operational capacity.

The addition of current operational value to measure inventories held for purposes other than the generation of cash flows is expected to result in more relevant and faithful measurement information.

#### Intangible Assets

The IPSASB decided to address the applicability of current operational value in IPSAS 31, *Intangible Assets*, as a separate limited-scope project. Thus, this pronouncement does not include amendments to the initial and subsequent measurement of intangible assets in the scope of IPSAS 31 proposed in ED 90.

#### Impairment of Non-Cash Generating Assets

This pronouncement:

- (a) Update the definition of recoverable service amount in IPSAS 21 to the higher of fair value less costs to sell and current operational value; and
- (b) Remove depreciated replacement cost, restoration cost, and service unit approaches from IPSAS 21.

Replacing value in use of a non-cash operating asset with current operational value aligns the recoverable service amount with the updated measurement methodology in IPSAS 46.

## Other Amendments

This pronouncement adds a definition of accounting estimates to IPSAS 3 and enhances the current value measurement disclosure terminology across relevant IPSAS Standards.

### **Definition of an Accounting Estimate**

This pronouncement adds a definition of accounting estimates in IPSAS 3, *Accounting Policies, Changes in Accounting Estimates and Errors* aligned with IPSAS 46 terminology.

Adding a definition of accounting estimate is expected to help entities better distinguish changes in accounting estimates from changes in accounting policies.

The accounting estimate definition leverages the terminology introduced by IPSAS 46 subsequent measurement framework (i.e., measurement techniques).

### **Current Value Measurement Disclosures**

This pronouncement streamlines the terminology used in the current value measurement disclosure requirements across IPSAS Standards by removing the term 'recurring or non-recurring'.

This terminology is considered redundant as the current value measurement disclosures are in the specific IPSAS Standards that indicate the measurement requirements, as opposed to consolidating current value measurement disclosures in IPSAS 46.

## Effective Date and Project History

The effective date of the amendments to IPSAS Standards is January 1, 2028.



### Effective Date

The effective date of the amendments to IPSAS Standards, presented in [Amendments to IPSAS Standards as a Result of the Application of IPSAS 46, Measurement](#) is January 1, 2028, with earlier application permitted.

The IPSASB selected this effective date because:

- (a) It is broadly consistent with the implementation period offered with respect to other IPSASB pronouncements; and
- (b) Enables public sector entities time to prepare for the implementation of the amendments.

### Project History

To learn more about the project history and to view the consultation documents and responses, please visit:

[Measurement – Application of Current Operational Value | IPSASB](#)