

October 29, 2021

International Public Sector Accounting Standards Board (IPSASB)
277 Wellington Street West
Toronto, ON M5V 3H2 Canada

Re: Response to Exposure Draft 77, *Measurement*

Thank you for the opportunity to provide input on Chapter 7 of the Conceptual Framework.

Overall, PSAB is generally supportive of the proposals in ED 77, *Measurement*. The comments set out in this letter are the views of PSAB. PSAB agrees that:

- An item that qualifies for recognition should be initially measured at its transaction price, except when the transaction price does not faithfully present relevant information or as otherwise required or permitted by another IPSAS.
- Having an accounting policy choice to measure the item at historical cost or at its current value after initial measurement, with guidance provided to help stakeholders make this decision, is appropriate.
- No measurement techniques should be proposed in relation to subsequent measurement under the historical cost measurement basis, except for impairment.
- An asset's current operational value should assume that the notional replacement will be situated in the same location as where the existing asset is situated or used.
- The guidance on fair value be aligned with IFRS 13, Fair Value Measurement.
- The guidance on cost of fulfillment is appropriate for application by public sector entities.
- Measurement disclosure requirements should be included in the IPSAS to which the asset or liability pertains and not in ED 77.
- The current value model disclosure requirements should be applied consistently across IPSAS.
- Disclosure requirements for items remeasured under the current value model at each reporting date should be more detailed as compared to disclosure requirements for items measured using the current value model at acquisition.
- Fair value disclosure requirements should include requirements to disclose inputs to the fair value measurement.

In many cases where PSAB agrees, PSAB has provided additional points for consideration or clarification.

PSAB also highlights the following issues/suggestions in relation to the Specific Matters for Comment:

- Some additional clarification may be needed to enhance the historical cost discussion. Please see discussion of this suggestion in Specific Matter for Comment 1 in Appendix A.
- PSAB also tends to agree with the Alternative View on current operational value with respect to how it is presently defined. PSAB has provided some suggestions to better clarify this discussion under Specific Matter for Comment 5 in Appendix A.
- PSAB does not agree that the income approach is appropriate to estimate the value of an asset measured using the current operational value measurement basis and suggests this measurement technique should be removed under this subsequent measurement basis. More detail on this issue is set out under Specific Matter for Comment 8 in Appendix A.

We have raised a few other points for the IPSASB's consideration in Appendix B. We have also included some stakeholder comments in Appendix C.

We hope that you find the comments helpful.

Kind regards,

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Chair, Public Sector Accounting Board

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Appendix A

RESPONSES TO SPECIFIC MATTERS FOR COMMENT

Specific Matter for Comment 1 – (paragraphs 7 – 16):

Do you agree an item that qualifies for recognition shall be initially measured at its transaction price, unless:

- That transaction price does not faithfully present relevant information of the entity in a manner that is useful in holding the entity to account, and for decision-making purposes; or
- Otherwise required or permitted by another IPSAS?

If not, please provide your reasons, stating clearly what principles are more appropriate, and why.

PSAB Response

PSAB agrees that an item that qualifies for recognition should be initially measured at its transaction price, except when the transaction price does not faithfully present relevant information or as otherwise required or permitted by another IPSAS. However, PSAB also notes that a transaction price may not always be available or observable and recommends that the final standard address this scenario explicitly. Regarding possible additions and clarifications, we note the following:

- With regards to the definition of **transaction price**, PSAB notes that the definition may be too narrowly focused as it considers only the “price paid to acquire an asset”. Assets could also be developed or built. One could argue that the term “acquire” includes “building or developing” an asset. PSAB recommends that the definition should be updated to reflect this method of acquisition. Also, should there be a part (c) to paragraph 7 to reflect circumstances in which there is no transaction price? Or could/should the transaction price concept be expanded further? For example,
 - Sometimes transactions are non-exchange. That is, no consideration is exchanged; there is no “acquisition” unless this word is defined quite broadly. To address this situation, the idea of the transaction price would need to include, for example, the amount reflected in grant agreements where the recipient provides no consideration in exchange. For a grant, the amount is observable, and it may be provided in cash and thus no measurement technique is required. So, paragraph 12 is not relevant. The scenario may arguably be captured by paragraph 13, but PSAB suggests that more detail is needed on this type of transaction given its prevalence in the public sector.

- Also, events occur that are not transactions, and an historical cost or current value must be applied to measure the impact of the event on financial results and financial position. For example, events like floods, pandemics, economic events, etc. can occur. Can/should the transaction price concept be extrapolated to include events? Perhaps this too is captured by paragraph 13, but again, given the prevalence of such events in the public sector, PSAB suggests that more detail is needed.
- PSAB also recommends that measurement techniques should be mentioned in the text relating to initial measurement of an asset or liability at historical cost when there is no transaction price. That is, when estimation of historical cost is required for initial measurement, measurement techniques may be required for such estimation. This would not be illustrated in the measurement hierarchy in ED 76, as it relates only to subsequent measurement. However, PSAB suggests that additional text be included to reflect the reality that initial measurement at historical cost may be the result of a transaction price or estimated using a measurement technique when no transaction price exists. It is also suggested that if a current value or if a current value estimated using a measurement technique could be used to estimate historical cost at initial measurement, then a cross-reference to the appropriate text on current value would be appropriate.
- PSAB agrees with the circumstances/examples provided in paragraph 12 regarding when a transaction price may not be observable or may not faithfully present relevant information. However, PSAB recommends that some criteria should be provided to help stakeholders assess when a transaction price may not be observable and/or when the transaction price does not faithfully present relevant information about the entity. These criteria might be useful in helping stakeholders assess whether they should be using the transaction price or some other current value measurement technique (as outlined in paragraphs 36 – 45). Consideration should also be given to outlining the circumstances/examples in paragraph C25 earlier or otherwise referring to these examples.
- PSAB notes that there may be insufficient distinction between transaction price and historical cost.
 - ED 77 defines transaction price as the price paid to acquire an asset or received to assume a liability.
 - Historical cost is defined as the consideration given to acquire, construct or develop an asset, or the consideration received to assume an obligation, at the time the asset is acquired, constructed, or developed, or the liability is incurred.

The definitions of historical cost and transaction price seem to be very similar. Having different terms for similar definitions may create confusion. PSAB suggests adding the following clarification:

At the transaction date, the transaction price may be representative of an item's historical cost or current value as these measurement bases may result in identical values at initial measurement.

- Finally, PSAB recommends that more clarification be provided as to what types of transaction costs can be included in the transaction price. While paragraph 14 outlines that transaction costs may be included in the initial measurement, examples of what these transaction costs are for an asset and liability may be useful.

Specific Matter for Comment 2 – (paragraph 17):

Do you agree after initial measurement, unless otherwise required by the relevant IPSAS, an accounting policy choice is made to measure the item at historical cost or at its current value? This accounting policy choice is reflected through the selection of the measurement model.

If not, please provide your reasons, stating clearly what principles are more appropriate, and why

PSAB Response

While PSAB does not anticipate any changes in Canada with regards to using fair value as a measurement basis for assets and liabilities, PSAB agrees with the IPSASB proposal to have an accounting policy choice to measure the item at historical cost or at its current value after initial measurement unless otherwise directed. However, PSAB recommends that there should be some guidance provided to help stakeholders make this decision. Paragraph 18 notes that in selecting a measurement model, an entity shall consider the characteristics of the item, the measurement objective and monetary information being presented. However, PSAB recommends that more guidance be provided to ensure stakeholders make a decision compatible with the need for the information to be useful for accountability and decision-making.

Specific Matter for Comment 3 – Appendix A (paragraphs A1-A6):

In response to constituents' comment letters on the Consultation Paper, Measurement, guidance on historical cost has been developed that is generic in nature (Appendix A: Historical Cost). Do you agree the guidance is appropriate for application by public sector entities?

If not, please provide your reasons, stating what guidance should be added or removed, and why.

PSAB Response

PSAB suggests that some additional clarification may be needed to enhance the historical cost discussion.

Please see response to Specific Matter for Comment 1 for PSAB's feedback on:

- The lack of clarity on the difference between Transaction Price and Historical Cost.

- Criteria to help stakeholders assess when a transaction price may not be observable and/or when the transaction price does not faithfully present relevant information about the entity.
- Clarification on what types of transaction costs can be included in the transaction price.

Please see response to Specific Matter for Comment 4 for PSAB's feedback on:

- Impairment measurement techniques when applying the historical cost measurement basis in subsequent measurement.

Specific Matter for Comment 4 – Appendix A (paragraphs A1-A6):

Do you agree no measurement techniques are required when applying the historical cost measurement basis in subsequent measurement?

If not, please provide your reasons, stating which measurement techniques are applicable to the subsequent measurement of an asset or liability measured at historical cost, and why.

PSAB Response

In most cases, PSAB agrees that no measurement techniques should be proposed in relation to subsequent measurement under the historical cost measurement basis, unless they are required for re-estimation because of impairment.

PSAB suggests that measurement techniques may be required to ascertain the extent of impairment of items initially measured at historical cost. While paragraph A4 mentions impairment, PSAB suggests that it may be appropriate to mention any measurement techniques that might be useful under the historical cost basis to measure impairment subsequent to initial measurement. At a minimum, reference should be made in Appendix A to where stakeholders might be able to find guidance on impairment within the IPSAS (IPSAS 21, IPSAS 26, etc.).

Specific Matter for Comment 5 – (paragraph 6):

Do you agree current operational value is the value of an asset used to achieve the entity's service delivery objectives at the measurement date?

If not, please provide your reasons, stating clearly what principles are more appropriate for the public sector, and why.

The Exposure Draft includes an Alternative View on current operational value.

PSAB Response

While PSAB agrees with the inclusion of current operational value as a measurement basis, PSAB agrees with the alternative view expressed in the document. PSAB also notes that there is a lack of clarity in the proposed definition of current operational value, particularly around the phrase "value of an asset". The lack of clarity risks not achieving the qualitative characteristics

of financial reporting. PSAB is of the view that the term “value of an asset” needs to be clearly defined.

One possible way to define “value of an asset” is in terms of the productive capacity or service potential an entity is trying to maintain such as suggested by the Alternative View put forth by Mr. Beardsworth. Defining “value of an asset” in terms of productive capacity or service potential means allowing for ongoing improvements in technology in determining the value of an asset, as opposed to just using the current cost to replace obsolete assets. PSAB suggests that defining the value of an asset in terms of productive capacity or service potential is more forward-thinking than the current operational value proposals that take the “existing assets” approach. As it stands, the current operational value approach only looks at the amount an entity would incur to acquire its *existing assets* to be able to continue to achieve its present service delivery objectives.

PSAB suggests that emphasis should be placed on the management of the asset to achieve sustainable service delivery—as opposed to on the underlying asset that delivers those services. This emphasis supports the service potential approach in the Alternative View.

This alternative view may also help with eventual incorporation of natural assets in financial statements, as the services delivered by such assets go beyond their use to deliver specific services to individuals and entities. For example, ecosystem services, such as those assisting with water management, carbon sequestration and storage, flood protection and biodiversity, may benefit the whole jurisdiction and beyond.

Service potential is a broader concept that can ultimately include these types of services whereas a focus on the same assets in the current operational value concept might preclude consideration of some of these eco-system services in the future.

Specific Matter for Comment 6 – Appendix B (paragraphs B1 – B41):

Do you agree the proposed definition of current operational value and the accompanying guidance is appropriate for public sector entities (Appendix B: Current Operational Value)?

If not, please provide your reasons, stating clearly what definition and guidance is more appropriate, and why.

PSAB Response

Please see PSAB’s response to Specific Matter for Comment 5 for feedback on the proposed definition of current operational value.

PSAB also has some feedback on the guidance in Appendix B:

- PSAB notes that many of the examples in Appendix B are about buildings (ex. paragraph B4, B7, B10). Consideration should be given to using a wider variety of examples so that stakeholders can better understand how to apply the standard to different types of public sector assets.

- The existing guidance in Appendix B also does not identify a preference amongst measurement techniques (market, cost, income). If not specified in a particular IPSAS, is it up to stakeholders to choose? If there is an active and orderly market, must stakeholders use the market measurement techniques? Does it depend on the type of asset? PSAB recommends that more guidance in this area should be provided. Consider providing some criteria on how the measurement technique should be determined, as there may be benefit, in terms of accountability to users, consistency of information for decision-making, and consistency in the application of measurement techniques for similar assets or similar liabilities.

Specific Matter for Comment 7 – Appendix B (paragraphs B6 – B7):

Do you agree the asset's current operational value should assume that the notional replacement will be situated in the same location as the existing asset is situated or used?

If not, please provide your reasons, stating clearly why the asset should be measured at a different value.

PSAB Response

PSAB agrees that an asset's current operational value should assume that the notional replacement will be situated in the same location as where the existing asset is situated or used. PSAB notes that the current operational value under all three measurement techniques (market, cost, and income) is highly dependent on location. Labour, construction costs, regulations, etc., can all vary significantly by location; therefore, to accurately estimate an asset's current operational value, it should be assumed that the notional replacement would be situated in the same location as the existing asset. However, please refer to our comments on Specific Matter for Comment 5 in which PSAB questions whether it is the asset or the service potential that would be replaced.

Specific Matter for Comment 8 – (paragraphs B38 – B39):

Do you agree the income approach is applicable to estimate the value of an asset measured using the current operational value measurement basis?

If not, please provide your reasons, stating clearly why the income approach is not applicable for measuring current operational value.

The Exposure Draft includes an Alternative View on current operational value.

PSAB Response

PSAB does not agree that the income approach can always be used to estimate the value of an asset measured using the current operational value measurement basis. If it is a cash-generating asset, then the income approach may be appropriate. But for non-cash-generating assets, the income approach may not properly value the asset. For non-cash-generating assets, PSAB agrees with the Alternative View put forth by Mr. Beardsworth and Mr. Blake. In

the public sector, assets are often held for their service potential, and, in many cases, the cash flows that are generated from the asset are nominal. For such assets, it is the opinion of PSAB that using the income approach would result in such assets being valued at low amounts compared to the real value of the asset to the entity and its stakeholders, making it difficult for users to understand the remaining service potential of an asset.

PSAB also agrees with the Alternative View that while current operational value should not exceed the amount an entity can afford to pay to replace an asset, using the income approach for this reason would confuse the value of the asset's service potential with the entity's sources of funding. As mentioned in Specific Matter for Comment 5, we also asked whether it is the asset or the service potential that should be replaced. PSAB is of the view that current operational value should be defined in terms of the productive capacity or service potential an entity is trying to maintain. Using the income approach, especially for non-cash generating assets in the public sector environment, would not reflect this approach.

It should also be noted that PSAB believes that the term "income approach" may be confusing to readers. It appears that "income approach" is new terminology under IPSAS. Stakeholders may not intuitively understand what the income approach entails, even though this measurement method is essentially discounted cash flows. To make this measurement method clear to stakeholders, PSAB suggests that IPSASB rename this measurement method to "discounted cash flows" as this terminology is already universally known and understood. Moreover, the term "income approach" may be confusing to use under select subsequent measurement bases, such as cost of fulfillment. As explained in ED 76, cost of fulfillment is only applicable to the measurement of liabilities, and therefore would include cash outflows and expenses (rather than any "income"). Given this, the term "income approach" may be ill-suited under cost of fulfillment. The term "discounted cash flows" would be better suited under all three subsequent measurement bases (current operational value, cost of fulfillment and fair value), would be simpler and better understood, implemented and interpreted by stakeholders. If this proposed suggestion is not possible, then perhaps another name could be used, with alignment in the glossary definition confirming that the method is indeed "discounted cash flows" in order to avoid any confusion.

Specific Matter for Comment 9 – Appendix C (paragraphs C1 – C89):

In response to constituents' comment letters on the Consultation Paper, Measurement, guidance on fair value has been aligned with IFRS 13, Fair Value Measurement (Appendix C: Fair Value). Do you agree the guidance is appropriate for application by public sector entities?

If not, please provide your reasons, stating what guidance should be added or removed, and why.

PSAB Response

As outlined in our response to ED 76, PSAB agrees with the proposed continued inclusion of fair value as a measurement basis for assets and liabilities and agrees that the guidance on fair

value should be aligned with IFRS 13, *Fair Value Measurement*. PSAB supports maintaining the same definition and guidance between IFRS and IPSAS allowing for one global definition of fair value that is applicable to both the private and public sector. Maintaining the same definition of fair value and aligning the guidance in Appendix C with the guidance included in IFRS 13 also creates greater understanding amongst users of financial statements. As a result, PSAB agrees that the guidance is appropriate for application by public sector entities.

With respect to aligning guidance on fair value in the IPSAS with IFRS 13, we refer you to our response to ED 79 in which we encourage inclusion of disclosure requirements consistent with IFRS 13 for non-current assets that are measured at a materially lower carrying amount.

Specific Matter for Comment 10 – Appendix D (paragraphs D1 – D48):

In response to constituents' comment letters on the Consultation Paper, Measurement, guidance on cost of fulfillment has been aligned with existing principles in the Conceptual Framework and throughout IPSAS (Appendix D: Cost of Fulfillment). Do you agree the guidance is appropriate for application by public sector entities?

If not, please provide your reasons, stating what guidance should be added or removed, and why.

PSAB Response

Except as noted below, PSAB agrees that the guidance on cost of fulfillment is appropriate for application by public sector entities. Given the guidance has been aligned with existing principles in the Conceptual Framework and other IPSAS, PSAB has not identified any application issues for public sector entities.

However, we refer you to our comments in our response to ED 76, paragraph BC7.57, when it is not possible to settle the liability in the least costly manner.

Specific Matter for Comment 11:

Do you agree measurement disclosure requirements should be included in the IPSAS to which the asset or liability pertains and not in ED 77?

If not, please provide your reasons, stating clearly where the measurement disclosure requirements should be included, and why.

PSAB Response

PSAB agrees that measurement disclosure requirements should be included in the IPSAS to which the asset or liability pertains and not in ED 77. However, PSAB suggests referencing Chapter 8 of the IPSASB conceptual framework in which parameters for Presentation in General Purpose Financial Reports are outlined.

Specific Matter for Comment 12:

Are there any measurement disclosure requirements that apply across IPSAS that should be included in ED 77, Measurement?

If yes, please provide your reasons, stating clearly what the disclosures are, and why.

PSAB Response

Except as noted below, PSAB does not have any suggestions on any other measurement disclosure requirements that apply across IPSAS that should be included in ED 77.

However, we refer you to our comments in our response to ED 76, paragraph BC7.57, when it is not possible to settle the liability in the least costly manner.

Specific Matter for Comment 13:

Do you agree current value model disclosure requirements should be applied consistently across IPSAS? For example, the same disclosure requirements should apply to inventory and property, plant, and equipment when measured at fair value.

If not, please provide your reasons, stating clearly which IPSAS require more or fewer measurement disclosures, and why.

PSAB Response

PSAB agrees that the current value model disclosure requirements should be applied consistently across IPSAS. Consistent disclosure requirements make it easier for stakeholders to apply standards and would likely result in greater comparability with IPSAS.

Specific Matter for Comment 14:

Do you agree with the proposed disclosure requirements for items remeasured under the current value model at each reporting date should be more detailed as compared to disclosure requirements for items measured using the current value model at acquisition as proposed in Appendix E: Amendments to Other IPSAS?

If not, please provide your reasons, stating clearly why disclosure requirements should be consistent for recurring items and non-recurring items measured using the current value model.

PSAB Response

PSAB agrees that disclosure requirements for items remeasured under the current value model at each reporting date should be more detailed than the disclosure requirements for items measured using the current value model at acquisition. As time passes from the date of acquisition, there are more assumptions and variables associated with the financial statement item than would be the case in the year of acquisition. As such, it is appropriate that the disclosure requirements would be more detailed in years following the year of acquisition.

Specific Matter for Comment 15:

Do you agree fair value disclosure requirements should include requirements to disclose inputs to the fair value hierarchy?

If not, please provide your reasons, stating clearly why disclosure requirements for inputs in the fair value hierarchy are unnecessary.

PSAB Response

PSAB agrees that fair value disclosure requirements should include requirements to disclose inputs to the fair value measurement. This important information allows stakeholders to assess the fair value measurement as of the reporting date. A fair value measurement of a financial statement item developed under Level III contains fewer observable inputs regarding the calculation of fair value than a measurement developed under Level I. This information should be disclosed in the notes to the financial statements so that stakeholders have a good understanding of the inputs to the fair value measurement calculation.

Appendix B

ADDITIONAL COMMENTS

Aspects of Measurement:

Consider indicating, perhaps in implementation guidance, that there would be four aspects of measurement to be considered by the IPSASB when establishing measurement requirements for a specific financial statement item at the standards level subsequent to initial measurement. They are related but separate decisions and PSAB recognizes that achieving a balance among them, while meeting the qualitative characteristics, may at times be difficult.

1. Is the measurement objective best served by use of an historical cost or current value model (or by allowing a choice of either, in some cases) for subsequent measurement?
2. Which measurement model and measurement basis within that model best reflects the financial capacity, operational capacity, and cost of services of the entity for accountability and decision-making purposes?
3. Under the chosen measurement model, which measurement basis best reflects the characteristics of the asset or liability, the measurement objective and the monetary information being presented?
4. Is a measurement technique needed to measure the item subsequent to initial measurement and if so, which technique best reflects the characteristics of the asset or liability and emphasizes the availability of observable data? Should the same measurement technique be used for assets of comparable substance and liabilities of comparable substance?

Paragraph 52, ED 77:

Paragraph 52 of ED 77 states:

Including transaction costs in the measurement of an asset or liability is dependent on the objective of measurement. Whether an entity is recognizing an asset or liability using an entry-based measurement basis or an exit-based measurement basis impacts whether those transaction costs are included in, or excluded from, the item's measurement.

PSAB notes two issues with paragraph 52 of ED 77:

1. Is the "objective of measurement" in this paragraph different from that set out in ED 76 paragraph 7.2? The next sentence of the paragraph implies that the objective of measurement is either entry or exit-based measurement. PSAB recommends that some text be provided to indicate how this terminology is aligned with ED 76 paragraph 7.2.
2. The second sentence of the paragraph implies that the entity makes the choice of measurement basis, rather than the IPSASB making the choice in individual standards. It is the understanding of PSAB that if an IPSAS allows choice within the standard, then

an entity would have a choice. But if the measurement basis is required by an IPSAS, then the entity would not have a choice. Perhaps a reference to the IPSAS instead of the entity might clarify this sentence.

APPENDIX C – CANADIAN STAKEHOLDER FEEDBACK

In addition to developing our own response, PSAB spoke with some Canadian stakeholders to understand their feedback on the proposals. Below is a brief summary of the feedback we heard.

Please note that this is a summary of the responses and feedback provided by Canadian stakeholders who chose to share their feedback with PSAB, and may not reflect the views of all Canadian stakeholders.

- Stakeholders agreed that an item that qualifies for recognition should be initially measured at its transaction price unless the transaction price does not faithfully present relevant information of the entity, or as otherwise required or permitted by another IPSAS. (SMC 1)
- Stakeholders agreed that after initial measurement, an accounting policy choice should be made to measure an item at historical cost or at its current value. However, some stakeholders noted that it was unnecessary to include an accounting policy choice in this standard as there is already guidance on making accounting policy choices in IPSAS 3. (SMC 2)
- Stakeholders agreed that the guidance that's been developed on historical cost in Appendix A is appropriate for application by public sector entities. However, one stakeholder did note that clarification is needed to reconcile the deemed cost used to describe historical cost and the deemed cost used to describe initial measurement. (SMC 3)
- Regarding Specific Matter for Comment 5 and 6, some stakeholders reiterated the fact that they felt that current operational value was not necessary (see PSAB's summary of stakeholder feedback in our response to ED 76 for the reasons why). They also did not agree that the proposed definition of current operational value and the accompanying guidance is appropriate for public sector entities. This is because they felt that the definition and guidance was not clear enough, and because they did not believe a new measurement basis was necessary or needed. They noted that the word "value" is used in both the term (current operational value) and the definition, and that this results in the definition being unclear. They also noted that the current operational value guidance in Appendix B was less than the guidance provided for fair value in Appendix C. Given that current operational value is a new measurement basis and fair value is not, they noted that more guidance is likely needed. As mentioned in the response to ED 76, Another stakeholder noted that they believed it would be difficult to calculate current operational value consistently over time, between line items and between entities.
- Stakeholders agreed that an asset's current operational value should assume that the replacement would be situated in the same location as where the existing asset is situated or used. (SMC 7)

- Stakeholders did not agree that the income approach is applicable to estimate the value of an asset measured using the current operation value measurement basis. They noted that the income approach did not seem to match the current operational value measurement basis, whose objective is not based on the ability to generate cash inflows. (SMC 8)
- Stakeholders agreed with aligning the guidance on fair value with IFRS 13, Fair Value Measurement, and agreed that the guidance on fair value is appropriate for application by public sector entities. (SMC 9)
- Stakeholders did not agree that measurement disclosure requirements should be included in the IPSAS to which the asset or liability pertains and not in ED 77. These stakeholders believed that where there are standard measurement disclosure requirements across IPSAS, these requirements should be contained in the measurement standard. (SMC 11)
- Stakeholders believe there are measurement disclosure requirements that apply across IPSAS that should be included in ED 77. They noted that they would expect to see similar disclosures in ED 77 as those contained in IFRS 13 considering that both fair value and current operational value measurement basis use measurement techniques that are required to maximize the use of observable inputs. (SMC 12)
- Stakeholders agreed that fair value disclosure requirements should include requirements to disclosure inputs to the fair value hierarchy. (SMC 15)