

## Editorial Corrections to PBE Standards

Date posted: December 2021

Editorial corrections revise minor inaccuracies, including misspellings and numbering or grammatical mistakes. New text is underlined and deleted text is struck through.

Standard	Correction
PBE IPSAS 13 <i>Leases</i>	<p>12. The classification of leases adopted in this Standard is based on the extent to which risks and rewards incidental to ownership of a leased asset lie with the lessor or the lessee. Risks include the possibilities of <del>(a)</del> losses from idle capacity, technological obsolescence, or <del>(b)</del> changes in value because of changing economic conditions. ...</p> <p>Source: IPSASB 2019 Handbook editorial corrections (issued Feb 2020)</p>
PBE IPSAS 22 <i>Disclosure of Financial Information about the General Government Sector</i>	<p>Cover page</p> <ul style="list-style-type: none"> <li>PUBLIC BENEFIT ENTITY INTERNATIONAL PUBLIC SECTOR ACCOUNTING STANDARD 22 DISCLOSURE OF <u>FINANCIAL</u> INFORMATION ABOUT THE GENERAL GOVERNMENT SECTOR (PBE IPSAS 22)</li> </ul> <p>Copyright page</p> <ul style="list-style-type: none"> <li>PBE IPSAS 22 DISCLOSURE OF <u>FINANCIAL</u> INFORMATION ABOUT THE GENERAL GOVERNMENT SECTOR</li> </ul> <p>Source: Domestic correction</p>
PBE IPSAS 23 <i>Revenue from Non-Exchange Transactions</i>	<p>72. In some jurisdictions, the government uses the tax system as a convenient method of paying to taxpayers benefits that would otherwise be paid using another payment method, such as writing a <u>cheque</u> <del>check</del>, directly depositing the amount in a taxpayer's bank account, or settling another account on behalf of the taxpayer. For example, a government may pay part of residents' health insurance premiums, to encourage the uptake of such insurance, either by reducing the individual's tax liability, making a payment by <u>cheque</u> <del>check</del>, or by paying an amount ...</p> <p>Source: Domestic correction</p>
PBE IPSAS 26 <i>Impairment of Cash-Generating Assets</i>	<p>In the text above paragraphs IG17–IG18:</p> <p><b>Reversal of an Impairment Loss</b></p> <p><i>This Example relies on the data for Government R as presented in <u>paragraphs IG9 to IG16</u> <del>Example 2</del>, with supplementary information provided in this Example. In this Example, tax effects are ignored.</i></p> <p><i>Background</i></p> <p>IG17. By 20X6 some competitors have closed down power plants and this has meant that the negative impact on the revenues of Government R has been less than projected at the end of 2004. This favourable change requires the government to re-estimate the recoverable amount of the power plant.</p> <p>IG18. Calculations similar to those in Example 2 show that the recoverable amount of the power plant is now CU157.7 million.</p> <p>Source: IPSASB 2019 Handbook editorial corrections (issued Feb 2020)</p>

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<p>PBE IPSAS 27 <i>Agriculture</i></p>	<p>In the first Illustrative Example “Disclosure Requirements” in the Statement of Financial Position change the footnote:</p> <ul style="list-style-type: none"> <li>• Dairy livestock – mature<sup>42</sup></li> </ul> <p>In the first Illustrative Example “Disclosure Requirements” in the Statement of Comprehensive Revenue and Expense, add a subtotal line above ‘558,170’ as shown:</p> <ul style="list-style-type: none"> <li>• <table style="margin-left: 40px; border-collapse: collapse;"> <tr> <td style="border-top: 1px solid black; width: 100px;"></td> <td style="text-align: right; border-top: 1px solid black;">558,170</td> </tr> </table></li> </ul> <p>In the first Illustrative Example “Disclosure Requirements”, in footnote 5 to the Cash Flow Statement change the footnote reference:</p> <ul style="list-style-type: none"> <li>• <sup>5</sup> See Footnote <del>43</del>.</li> </ul> <p>Source: IPSASB 2019 Handbook editorial corrections (issued Feb 2020)</p>		558,170										
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<p>PBE IPSAS 31 <i>Intangible Assets</i></p>	<p><b>Revaluation Model</b></p> <p>74. <b>After initial recognition, an intangible asset shall be carried at a revalued amount, being its fair value at the date of the revaluation less any subsequent accumulated amortisation <u>and any subsequent accumulated impairment losses</u>. For the purpose of revaluations under this Standard, fair value shall be determined by reference to an active market. Revaluations shall be made with such regularity that at the reporting date the carrying amount of the asset does not differ materially from its fair value.</b></p> <p>In footnotes 5 and 6 (in the table following paragraph IE22) change the footnote references:</p> <ul style="list-style-type: none"> <li>• <sup>5</sup> See Footnote <del>43</del>.</li> <li>• <sup>6</sup> See Footnote <del>43</del>.</li> </ul> <p>Source: IPSASB 2019 Handbook editorial corrections (issued Feb 2020)</p>												
<p>PBE IPSAS 32 <i>Service Concession Arrangements: Grantor</i></p>	<p>IE15. The grantor’s accounting policy for property, plant and equipment is to recognise such assets using the cost model specified in PBE IPSAS 17.</p> <p><b>Exhibit 1: Fair Values of the Components of the Arrangement (Currency Units)</b></p> <table border="1" style="margin-left: 40px; border-collapse: collapse; width: 60%;"> <thead> <tr> <th style="text-align: center;"><u>Arrangement <del>Contract</del> Component</u></th> <th style="text-align: center;">Fair Value</th> </tr> </thead> <tbody> <tr> <td>Road – base layers</td> <td style="text-align: right;">940</td> </tr> <tr> <td>Road – original surface layers</td> <td style="text-align: right;">110</td> </tr> <tr> <td>Total FV of road</td> <td style="text-align: right;">1,050</td> </tr> <tr> <td>Annual service component</td> <td style="text-align: right;">12</td> </tr> <tr> <td>Effective interest rate</td> <td style="text-align: right;">6.18%</td> </tr> </tbody> </table> <p>IE29. The grantor’s cash flows, statement of comprehensive revenue and expense, and statement of financial position over the duration of the arrangement will be as illustrated in Tables 2.1 to 2.3. In addition, Table <del>2.3</del> <del>2.4</del> shows the changes in the liability.</p> <p>IE30. Because there are no payments made to the operator, there are no cash flow impacts for this example.</p> <p><b>Table <del>2.1</del> <del>2.2</del> Statement of Comprehensive Revenue and Expense (Currency Units)</b></p> <p><b>Table <del>2.2</del> <del>2.3</del> Statement of Financial Position (Currency Units)</b></p> <p><b>Table <del>2.3</del> <del>2.4</del> Changes in Liability (Currency Units)</b></p> <p>Source: IPSASB 2019 Handbook editorial corrections (issued Feb 2020)</p>	<u>Arrangement <del>Contract</del> Component</u>	Fair Value	Road – base layers	940	Road – original surface layers	110	Total FV of road	1,050	Annual service component	12	Effective interest rate	6.18%
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PBE IPSAS 37 <i>Joint Arrangements</i>	<p>IE63. Municipality E recognises in its financial statements its share of the assets and liabilities resulting from the <u>binding contractual</u> arrangement (see paragraph 23).</p> <p>Source: IPSASB 2019 Handbook editorial corrections (issued Feb 2020)</p>
PBE IPSAS 38 <i>Disclosure of Interests in Other Entities</i>	<p>5A. Except as described in paragraph AG16.1, the requirements in this Standard apply to an entity's interests listed in paragraph 53 that are classified (or included in a disposal group that is classified) as held for sale or discontinued operations in accordance with PBE IFRS 5 <i>Non-current Assets Held for Sale and Discontinued Operations</i>.</p> <p>Source: IPSASB 2019 Handbook editorial corrections (issued Feb 2020)</p>
PBE IPSAS 39 <i>Employee Benefits</i>	<p>Change the heading styles as shown.</p> <p><del><b>Accounting for the Constructive Obligation</b></del>  <u>Accounting for the Constructive Obligation</u></p> <p>63. <b>An entity shall account not only for its legal obligation under the formal terms of a defined benefit plan, but also for any constructive obligation that arises from the entity's informal practices. Informal practices give rise to a constructive obligation where the entity has no realistic alternative but to pay employee benefits. An example of a constructive obligation is where a change in the entity's informal practices would cause unacceptable damage to its relationship with employees.</b></p> <p><del><b>Statement of Financial Position</b></del>  <u>Statement of Financial Position</u></p> <p>65. <b>An entity shall recognise the net defined benefit liability (asset) in the statement of financial position.</b></p> <p>Source: IPSASB 2019 Handbook editorial corrections (issued Feb 2020)</p>
PBE IPSAS 41 <i>Financial Instruments</i>	<p>In the Table of Contents for the Illustrative Examples, change the heading above Example 23.</p> <p style="padding-left: 40px;">Financial Guarantee (Paragraphs <del>AG118–AG127</del> <u>AG131–AG136</u>)</p> <p>In the Illustrative Examples that accompany PBE IPSAS 41, change the heading above Example 20.</p> <p style="padding-left: 40px;">Concessionary Loans (paragraphs <del>AG118–AG126</del> <u>AG127</u>)</p> <p>Source: Domestic</p>
PBE IFRS 9 <i>Financial Instruments</i>	<p>B5.1.2F Any difference between the fair value of the loan and the transaction price (the loan proceeds) is treated as follows:</p> <p style="padding-left: 40px;">(a) ...</p> <p style="padding-left: 40px;">(b) ...</p> <p style="padding-left: 40px;">Illustrative Examples are provided in paragraph <del>IG54</del> <u>A54</u> of PBE IPSAS 23.</p> <p>Source: Domestic</p>