

(NBAA)
THE NATIONAL BOARD OF ACCOUNTANTS AND AUDITORS
TANZANIA



UPDATEs ON TECHNICAL ISSUES – SECOND QUARTER 2024

INTRODUCTION

These updates on Technical Issues – Second Quarter 2024 cover a summary of updates/issues including International Standards on Auditing (ISAs), International Financial Reporting Standards (IFRSs), International Ethics Standards for Professional Accountants, International Public Sector Accounting Standards (IPSAS) and International Ethics for Professional Accountants.

These technical updates are classified into two broad categories;

Part one: Invitation to comment

This part analyses a number of new raised issues i.e., Exposure Drafts and Consultation Papers that request constructive comments from our members and a broad range of stakeholders within Tanzania. For each new issue raised, a respective commenting deadline is specified as prescribed by comments seeking authority i.e. IASB, IAASB, IPSAB, IIRC, ISSB and tax issues etc.

Extra related deadline at which NBAA would like to receive stakeholders' comments is as well specified therein. Please use emails mohamed.msimu@nbaa.go.tz or saimon.kiondo@nbaa.go.tz to send your comments before the specified NBAA due dates.

Part two: New Issued Standards, amendments and Guidelines

This part gives updates on the new standards which have been currently issued and those standards which are expected to be applicable in the next coming years.

Note: This document includes issues published in March, April, May and June (Inclusive) 2024.

PART ONE: INVITATION TO COMMENT

NBAA invites comments on the following updates on or before the due dates as specified by NBAA.

INTERNATIONAL FINANCIAL REPORTING STANDARDS (IFRSs)

Current updates on IFRSs

PROJECTS/APPROVED STANDARDS	CHANGES	EFFECTIVE DATE
Exposure Draft: Business Combinations— Disclosures, Goodwill and Impairment Proposed amendments to IFRS 3 and IAS 36	<p>The International Accounting Standard Board (IASB) has issued an Exposure Draft for the proposed amendments to IFRS 3 and IAS 36.</p> <p>The proposed amendments mainly relate to the:</p> <ol style="list-style-type: none">1. Disclosure requirements in IFRS 3; The IASB proposes to add new disclosure requirements that would result in an entity disclosing:<ol style="list-style-type: none">(a) information about the performance of business combinations—specifically, information about the entity’s acquisition-date key objectives and related targets for a strategic business combination and the extent to which those key objectives and related targets are met in subsequent periods; and(b) quantitative information about the synergies expected to arise from a business combination.2. Impairment test in IAS 36. The IASB proposes some targeted amendments to the requirements in IAS 36 relating to the calculation of value in use, the allocation of goodwill to cash-generating units and the disclosure requirements. <p>For more information go to: https://www.ifrs.org/content/dam/ifrs/project/goodwill-and-impairment/exposure-draft-2024/iasb-ed-2024-1-bcdgi.pdf</p>	<p>IASB Deadline: The deadline for stakeholders’ comments is on or before 15th July 2024.</p> <p>NBAA Deadline: Send your comments on or before 11th July 2024.</p>

<p>Exposure Draft IFRS for SMEs Accounting Standard</p> <p>Addendum to the Exposure Draft Third edition of the IFRS for SMEs Accounting Standard</p>	<p>The International Accounting Standard Board (IASB) has issued an Exposure Draft for the SMEs Accounting Standard, and addendum to the Exposure Draft Third edition of the IFRS for SMEs Accounting Standard.</p> <p>The proposals in this exposure draft supplement those in the 2022 Exposure Draft to amend the requirements in the IFRS for SMEs Accounting Standard. The supplementary amendments would require an SME:</p> <ul style="list-style-type: none"> (a) to disclose for its supplier finance arrangements: <ul style="list-style-type: none"> (i) their terms and conditions; (ii) the amount of the liabilities that are part of the arrangements, disclosing separately the amounts for which the suppliers have already received payment from the finance providers, and stating where the liabilities are presented in the statement of financial position; (iii) the range of payment due dates; and (iv) the type and effect of non-cash changes; and (b) to apply a consistent approach in: <ul style="list-style-type: none"> (i) assessing whether a currency can be exchanged into another currency; and (ii) estimating the exchange rate to use (and the disclosures to provide) when a currency cannot be exchanged into another currency <p>For more information go to: https://www.ifrs.org/content/dam/ifrs/project/addendum-to-the-exposure-draft-third-edition-of-the-ifrs-for-smes-accounting-standard/addendum-ed-smes.pdf</p>	<p>IASB Deadline: The deadline for stakeholders' comments is on or before 31st July 2024.</p> <p>NBAA Deadline: Send your comments on or before 25th July 2024.</p>
<p>Exposure Draft Contracts for Renewable Electricity Proposed amendments to IFRS 9 and IFRS 7</p>	<p>The International Accounting Standard Board (IASB) has issued an Exposure Draft for Contracts for Renewable Electricity Proposed amendments to IFRS 9 and IFRS 7.</p> <p>It is proposed to amend IFRS 9 and IFRS 7 Financial Instruments: Disclosures, specifically:</p> <ul style="list-style-type: none"> (a) the own-use requirements—to include the factors an entity is required to consider when applying paragraph 2.4 of IFRS 9 to contracts to buy and take delivery of renewable electricity for which the source of production of the electricity is nature dependent and the purchaser is exposed to substantially all of the volume risk; (b) the hedge accounting requirements—to permit an entity using a contract for renewable electricity with specified characteristics as a hedging instrument: <ul style="list-style-type: none"> (i) to designate a variable volume of forecast electricity transactions as the hedged item if specified criteria are met; and 	<p>IASB Deadline: The deadline for stakeholders' comments is on or before 7th August 2024.</p> <p>NBAA Deadline: Send your comments on or before 5th August 2024.</p>

	<p>(ii) to measure the hedged item using the same volume assumptions as those used for the hedging instrument; and</p> <p>(c) the disclosure requirements—to add disclosure requirements to enable users of financial statements to understand the effects of contracts for renewable electricity with specified characteristics on an entity’s financial performance and on the amount, timing and uncertainty of the entity’s future cash flows.</p> <p>For more information go to: https://www.ifrs.org/content/dam/ifrs/project/power-purchase-agreements/exposure-draft/iasb-ed-2024-3-contracts-re.pdf</p>	
<p>Proposed IFRS® Taxonomy Update IFRS 18 Presentation and Disclosure in Financial Statements</p>	<p>The International Accounting Standard Board (IASB) has issued an Exposure Draft for Contracts for Renewable Electricity Proposed amendments to IFRS 9 and IFRS 7.</p> <p>IFRS 18 is intended to improve how information is communicated in financial statements by:</p> <p>(a) requiring an entity to present defined totals and subtotals and to classify income and expenses into the categories of operating, investing, financing, income taxes and discontinued operations in the statement of profit or loss;</p> <p>(b) requiring an entity to disclose information about management-defined performance measures (MPMs); and</p> <p>(c) strengthening the requirements for aggregating and disaggregating information by introducing principles on aggregation and disaggregation and disclosure requirements for specified expenses by nature.</p> <p>For more information go to: https://www.ifrs.org/content/dam/ifrs/project/ifrs-accounting-taxonomy-update-primary-financial-statements/iasb-ptu-2024-1-ifrs18.pdf</p>	<p>IASB Deadline: The deadline for stakeholders’ comments is on or before 3rd September 2024.</p> <p>NBAA Deadline: Send your comments on or before 29th September 2024.</p>

INTERNATIONAL ETHICS STANDARDS

Current updates on ethics

PROJECTS/APPROVED STANDARDS	CHANGES	EFFECTIVE DATE
<p>Exposure Draft: Proposed Revisions to IES 2, 3, and 4 – Sustainability</p>	<p>The International Ethics Standards Board for Accountants (IESBA) has issued an Exposure Draft on the proposed changes to the international Education Standard 2, 3 and 4.</p> <p>These proposed changes to the international Education Standards embed sustainability—from analysis to reporting to assurance—across aspiring professional accountants’ training. Key proposals include:</p> <ul style="list-style-type: none"> (i) Emphasizing working with experts and in multi-disciplinary teams; (ii) Introducing key sustainability reporting concepts, such as systems thinking, value chains and scenario analysis; (iii) Referencing relevant sustainability reporting and assurance standards; and (iv) Creating a new assurance competence area and learning outcomes <p>For more information go to: https://www.ifrs.org/content/dam/ifrs/project/fice/exposure-draft/iasb-ed-2023-5.pdf</p>	<p>IASB Deadline: The deadline for stakeholders’ comments is on or before 24th July 2024.</p> <p>NBAA Deadline: Send your comments on or before 18th July 2024.</p>
<p>Explanatory Memorandum: Proposed Revisions to IES 6 – Initial Professional Development – Assessment of Professional Competence</p>	<p>The International Ethics Standards Board for Accountants (IESBA) has issued an Explanatory Memorandum on proposed revisions to IES 6 – Initial Professional Development – Assessment of Professional Competence.</p> <p>The proposed revisions to IES 6 are expected to improve the consistency, quality, and relevance of assessments undertaken by aspiring professional accountants during IPD. This also serves the public interest by improving the quality of professional accounting education and enhancing the professional competence of the accountancy profession.</p> <p>For more information go to: https://ifacweb.blob.core.windows.net/publicfiles/2024-04/IFAC-Exposure-Draft-International-Education-Standard-6-Assessment.pdf</p>	<p>IASB Deadline: The deadline for stakeholders’ comments is on or before 24th July 2024.</p> <p>NBAA Deadline: Send your comments on or before 18th July 2024.</p>

INTERNATIONAL PUBLIC SECTOR ACCOUNTING STANDARDS (IPSASs)

Current updates on IPSASs

PROJECTS/APPROVED STANDARDS	CHANGES	EFFECTIVE DATE
<p>Exposure Draft 89: Amendment to consider IFRIC Interpretation</p>	<p>The International Public Sector Accounting Standard Board (IPSASB) has issued an Exposure Draft for the proposed amendments to consider IFRIC Interpretation.</p> <p>The Exposure Draft proposes some amendments to the following seven IFRIC and SIC interpretations to consider whether they are applicable to the public sector: -</p> <ol style="list-style-type: none"> 1 IFRIC 1, Changes in Existing Decommissioning, Restoration and Similar Liabilities 2 IFRIC 5, Rights to Interests Arising from Decommissioning, Restoration and Environmental Rehabilitation Funds 3 IFRIC 6, Liabilities arising from Participating in a Specific Market—Waste Electrical and Electronic Equipment 4 IFRIC 7, Applying the Restatement Approach under IAS 29 Financial Reporting in Hyperinflationary Economies 5 IFRIC 14, IAS 19, The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction 6 IFRIC 21, Levies; and 7 SIC-7, Introduction of the Euro <p>For more information go to: https://ifacweb.blob.core.windows.net/publicfiles/2024-04/ED-89-Amendments-Consider-IFRIC-Interpretations.pdf</p>	<p>IASB Deadline: The deadline for stakeholders' comments is on or before 17th June 2024.</p> <p>NBAA Deadline: Send your comments on or before 14th June 2024.</p>

PART TWO: NEW ISSUED STANDARDS, AMENDMENTS AND GUIDELINES

This part includes all newly issued standards amendments, guidelines and technical pronouncements of which NBAA would like to urge members and other stakeholders to get prepared for their application.

IFRS SUSTAINABILITY DISCLOSURE STANDARDS

IFRS Ss expected to be applicable soon

PROJECTS/APPROVED STANDARDS	CHANGES	EFFECTIVE DATE
<p>IFRS S1: General Requirements for Disclosure of Sustainability-related Financial Information</p>	<p>The International Sustainability Standard Board (ISSB) has issued the IFRS S1 on the requirements for disclosure of sustainability-related financial information.</p> <p>The standard requires an entity to disclose information about its sustainability-related risks and opportunities that is useful to primary users of general-purpose financial reports in making decisions relating to providing resources to the entity, whereby these risks and opportunities are collectively referred to as ‘sustainability-related risks and opportunities that could reasonably be expected to affect the entity’s prospects’.</p> <p>The standard requires an entity to provide disclosures about:</p> <ul style="list-style-type: none"> (a) governance—the governance processes, controls and procedures the entity uses to monitor and manage sustainability-related risks and opportunities (see paragraphs 26–27); (b) strategy—the approach the entity uses to manage sustainability related risks and opportunities (see paragraphs 28–42); (c) risk management—the processes the entity uses to identify, assess, priorities and monitor sustainability-related risks and opportunities (see paragraphs 43–44); and (d) metrics and targets—the entity’s performance in relation to sustainability-related risks and opportunities, including progress towards any targets the entity has set or is required to meet by law or regulation (see paragraphs 45–53) <p>For more information go to: https://www.ifrs.org/content/dam/ifrs/publications/pdf-standards-issb/english/2023/issued/part-a/issb-2023-a-ifrs-s1-general-requirements-for-disclosure-of-sustainability-related-financial-information.pdf</p>	<p>An entity shall apply this Standard for annual reporting periods beginning on or after 1st January 2024.</p> <p>Earlier application is permitted.</p> <p>If an entity applies this Standard earlier, it shall disclose that fact and apply IFRS S2.</p>

<p>IFRS S2: Climate related disclosures</p>	<p>The International Sustainability Standard Board (ISSB) has issued the IFRS S2 on climate related disclosures.</p> <p>IFRS S2 requires an entity to disclose information about climate-related risks and opportunities that could reasonably be expected to affect the entity’s cash flows, its access to finance or cost of capital over the short, medium or long term, whereby these risks and opportunities are collectively referred to as ‘climate-related risks and opportunities that could reasonably be expected to affect the entity’s prospects’.</p> <p>IFRS S2 requires an entity to disclose information that enables users of general-purpose financial reports to understand:</p> <ul style="list-style-type: none"> (a) the governance processes, controls and procedures the entity uses to monitor, manage and oversee climate-related risks and opportunities; (b) the entity’s strategy for managing climate-related risks and opportunities; (c) the processes the entity uses to identify, assess, priorities and monitor climate-related risks and opportunities, including whether and how those processes are integrated into and inform the entity’s overall risk management process; and (d) the metrics and targets used to understand the entity’s performance in relation to its climate-related risks and opportunities <p>For more information go to: https://www.ifrs.org/content/dam/ifrs/publications/pdf-standards-issb/english/2023/issued/part-c/issb-2023-c-basis-for-conclusions-on-ifrs-s2-climate-related-disclosures-part-c.pdf</p>	<p>An entity shall apply this Standard for annual reporting periods beginning on or after 1st January 2024.</p> <p>Earlier application is permitted.</p> <p>If an entity applies this Standard earlier, it shall disclose that fact and apply IFRS S1.</p>
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INTERNATIONAL STANDARDS ON AUDITING (ISAs)

ISAs expected to be applicable soon

PROJECTS/APPROVED STANDARDS	CHANGES	EFFECTIVE DATE
<p>Narrow Scope Amendments to:</p> <ul style="list-style-type: none"> • ISA 700 (Revised), Forming an Opinion and Reporting on Financial Statements; and • ISA 260 (Revised), Communication with Those Charged with Governance, <p>as a Result of the Revisions to the IESBA Code that Require a Firm to Publicly Disclose When a Firm Has Applied the Independence Requirements for Public Interest Entities (PIEs)</p>	<p>The International Assurance and Auditing Standard Board has issued Narrow Scope Amendments to ISA 700 (Revised) and ISA 260 (Revised) as a Result of the Revisions to the IESBA Code that Require a Firm to Publicly Disclose When a Firm Has Applied the Independence Requirements for Public Interest Entities (PIEs).</p> <p>These narrow scope amendments to two IAASB standards put into practice changes made to the International Ethics Standards Board for Accountants' (IESBA) International Code of Ethics for Professional Accountants, which encompasses International Independence Standards, specifically concerning listed and public interest entities.</p> <p>The changes to the IESBA Code mandate that companies must publicly disclose when they have implemented independence requirements for audits of financial statements involving public interest entities. The amendments to the ISAs establish a transparent process for fulfilling this novel obligation.</p> <p>For more information go to: https://ifacweb.blob.core.windows.net/publicfiles/2023-10/IAASB-Listed-Public-Interest-Entity-Standard_0.pdf</p>	<p>Effective for audits of financial statements for periods beginning on or after 15th December 2023.</p>

<p>Final Pronouncement: International Standard on Auditing 600 (revised), Special Considerations— Audits of Group Financial Statements (including the work of component auditors)</p>	<p>The International Assurance and Auditing Standard Board has issued International Standard on Auditing 600 (600) for Special Considerations on Audits of Group Financial Statements (including the work of component auditors).</p> <p>The objectives of the standard are to help an auditor to:</p> <ul style="list-style-type: none"> (a) With respect to the acceptance and continuance of the group audit engagement, determine whether sufficient appropriate audit evidence can reasonably be expected to be obtained to provide a basis for forming an opinion on the group financial statements; (b) Identify and assess the risks of material misstatement of the group financial statements, whether due to fraud or error, and plan and perform further audit procedures to appropriately respond to those assessed risks; (c) Be sufficiently and appropriately involved in the work of component auditors throughout the group audit, including communicating clearly about the scope and timing of their work, and evaluating the results of that work; and (d) Evaluate whether sufficient appropriate audit evidence has been obtained from the audit procedures performed, including with respect to the work performed by component auditors, as a basis for forming an opinion on the group financial statements. <p>For more information go to: https://www.ifac.org/system/files/publications/files/IAASB2021-Handbook-Volume-1.pdf</p>	<p>Effective for audits of group financial statements for periods beginning on or after 15th December 2023.</p>
<p>Final Pronouncement: Conforming and Consequential Amendments to the IAASB's Other Standards as a Result of the New and Revised Quality Management Standards</p>	<p>The International Assurance and Auditing Standard Board has issued a Conforming and Consequential Amendments to the IAASB's Other Standards.</p> <p>This is a compilation of limited amendments to the IAASB's suite of standards in response to the quality management standards.</p> <p>The amendments address any actual or perceived inconsistencies between the quality management standards and the full suite of IAASB standards to ensure that all the standards operate in conjunction with each other without conflict.</p> <p>For more information go to: https://www.ifac.org/system/files/publications/files/IAASBFinal-Pronouncement-Conforming-Amendments.pdf</p>	<p>Effective dates are as per the final pronouncements of each individual amended standards</p>

<p>Final Pronouncement: The International Standard on Auditing for Audits of Financial Statements of Less Complex Entities and Conforming Amendments to Other International Standards</p>	<p>The International Assurance and Auditing Standard Board has issued The International Standard on Auditing for Audits of Financial Statements of Less Complex Entities and Conforming Amendments to Other International Standards.</p> <p>The standard (i.e., the ISA for LCE) has been designed to achieve reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, for audits of financial statements of less complex entities (LCEs) in the private and public sectors.</p> <p>The standard has been developed to reflect the nature and circumstances of an audit of the financial statements of an LCE and result in the consistent performance of a quality audit engagement.</p> <p>For more information go to: IAASB-Audits-Less-Complex-Entities-LCE-Standard_0.pdf (windows.net)</p>	<p>This standard is effective for audits of financial statements of LCEs for periods beginning on or after 15th December, 2025.</p>
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CODE OF ETHICS FOR PROFESSIONAL ACCOUNTANTS

Codes expected to be applicable soon

PROJECTS/APPROVED STANDARDS	CHANGES	EFFECTIVE DATE
<p>Final Pronouncement: Revision to the code relating to the Definition of Engagement Team and Group Audits</p>	<p>The International Ethics Standards Board for Accountants (IESBA) has issued a final pronouncement on the Revision to the code relating to the Definition of Engagement Team and Group Audits.</p> <p>The revisions deal with the independence and other implications of the changes made to the definition of an engagement team in the Code to align with changes to the definition of the same term in the IAASB, ISAs and ISQMs.</p> <p>Among other matters, the revisions:</p> <ul style="list-style-type: none"> • Strengthen and clarify the independence principles: • Specify the need for, and content of, appropriate communication on independence matters between the group auditor firm and component auditor firms participating in the group audit. • More explicitly set out the process to address a breach of an independence provision at a component auditor firm, reinforcing the importance of transparency and appropriate communication with those charged with governance of the group. • Amend the definitions of the terms “engagement team” and “audit team” in the Code to recognize the different and evolving engagement team structures, and address the implications of those definitional changes. • Provide guidance to facilitate the determination of who is included in an engagement team or an audit team. • Revise the definitions of a number of existing terms and establish new defined terms with respect to independence in a group audit context. <p>For More information go to: https://www.ethicsboard.org/publications/final-pronouncementobjectivity-engagement-quality-reviewer-and-other-appropriate-reviewers</p>	<p>Effective for audits of financial statements for periods beginning on or after 15th December 2023.</p>

<p>Final Pronouncement: Revision to the definitions of listed entity and public listed entity in the code</p>	<p>The International Ethics Standards Board for Accountants (IESBA) has issued a final pronouncement on the Revision to the Revision to the definitions of listed entity and public listed entity in the code</p> <p>In approving the revisions to the definitions of listed entity and PIE, the IESBA has relied on an overall framework that includes the following key elements:</p> <ul style="list-style-type: none"> • An overarching objective that explains the need for additional independence requirements for entities that are defined as PIEs. • A top-down list of mandatory high-level PIE categories subject to local refinement. • A bottom-up list of PIE categories that could be added by the relevant local bodies to the local PIE definitions. • An encouragement for firms to determine whether to treat additional entities as PIEs with a transparency requirement. <p>For More information go to: https://www.ethicsboard.org/_flysystem/azure-private/publications/files/IESBA-Basis-for-Conclusions_Listed-Entity-and-Public-Interest-Entity.pdf</p>	<p>Effective for audits of financial statements for periods beginning on or after 15th December, 2024.</p> <p>Early adoption will be permitted</p>
<p>Final Pronouncement: Technology-related Revisions to the Code</p>	<p>The International Ethics Standards Board for Accountants (IESBA) has issued a final pronouncement on the technology-related revisions to the code</p> <p>The revisions, which were informed by extensive fact-finding and stakeholder outreach:</p> <ul style="list-style-type: none"> • Strengthen the Code in guiding the mindset and behavior of professional accountants when they use technology. • Provide enhanced guidance fit for the digital age in relation to the fundamental principles of confidentiality, and professional competence and due care, as well as in dealing with circumstances of complexity. • Strengthen and clarify the International Independence Standards (IIS) by addressing the circumstances in which firms and network firms may or may not provide a technology-related non-assurance service to an audit or assurance client. <p>For More information go to: https://ifacweb.blob.core.windows.net/publicfiles/2023-05/Final%20Pronouncement%2C%20Technology%20Revisions%20%28Final%20-%20April%2011%29%28Updated%20May%2030%29.pdf</p>	<p>Effective dates are as follows:</p> <ul style="list-style-type: none"> • Part 1-3: 15th December 2023 • Part 4A: Audit and review on or before 15th December 2023 • Conforming and consequential amendments to Part 4B: 15th December 2023

INTERNATIONAL PUBLIC SECTOR ACCOUNTING STANDARDS (IPSAS)

IPSASs applicable for the next coming years

PROJECTS/APPROVED STANDARDS	CHANGES	EFFECTIVE DATE
<p>IPSAS 43: Leases</p>	<p>The International Public Sector Accounting Standards Board (IPSASB) has issued a new International Public Sector Accounting Standard 43 which replaces IPSAS 13 on issues related to leases.</p> <p>IPSAS 43 is a final product of phase one dealing with lease accounting model (s) for both lessees and lessors on the same definition of a lease as in IFRS 16.</p> <p>Now, IPSAS 43 requires the lease to recognize: -</p> <ul style="list-style-type: none"> (a) A right-of- use asset because they control the right to use the underlying compared with IPSAS 13 where the lease recognizes the underlying asset when the lease is classified as a finance lease but not when it is classified as an operating lease. (b) A lease liability because they have a present obligation to make future lease payments in accordance with the lease contract (once the underlying asset has been made available and the lessee has the right to use it). Under IPSAS 13, a lease liability is not recognized when the lessee classifies the lease as an operating lease. <p>For More information go to: https://www.ifac.org/system/files/publications/files/IPSAS-43-Leases_0.pdf</p>	<p>Effective for annual periods beginning on or after 1st January 2025.</p> <p>Earlier application is permitted for entities that apply IPSAS 41 at or before the date of initial application of this standard.</p>
<p>IPSAS 44: Non - current Assets Held for Sale and Discontinued Operations</p>	<p>The International Public Sector Accounting Standards Board (IPSASB) has issued a new International Public Sector Accounting Standard 44 non-current assets held for sale and discontinued operations.</p> <p>The standard specifies the accounting for assets held for sale and the presentation and disclosure of discontinued operations. It requires assets that meet the criteria to be classified as held for sale to be:</p> <p>Measured at the lower of carrying amount and fair value less costs to sell and depreciation on such assets to cease; and</p>	<p>Effective for annual periods beginning on or after 1st January 2025.</p> <p>Earlier application is permitted, and it is early applied entities shall disclose that fact and apply IPSAS 43 on leases at the same time.</p>

	<p>Presented separately in the statement of financial position and the results of discontinued operations to be presented separately in the statement of financial performance.</p> <p>For More information go to: https://www.ifac.org/system/files/publications/files/IPSAS-44-Noncurrent-Assets.pdf</p>	
IPSAS 45: Property, Plant and Equipment	<p>The International Public Sector Accounting Standards Board (IPSASB) has issued a new International Public Sector Accounting Standard 45 Property, Plant and Equipment.</p> <p>IPSAS 45 intends at updating principles drawn from IPSAS 17, Property, Plant, and Equipment by adding new guidance for heritage assets, infrastructure assets, and measurement of property, plant, and equipment</p> <p>This is after considering responses to the Consultation Paper (CP), Financial Reporting for Heritage in the Public Sector, and constituents' feedback on infrastructure assets the IPSASB concluded that:</p> <ul style="list-style-type: none"> (a) IPSAS 17 should fully apply to heritage assets that are property, plant, and equipment; and (b) Additional authoritative and non-authoritative guidance should be included in IPSAS 45 to clarify its application to heritage and infrastructure assets. <p>For More information go to: https://www.ifac.org/system/files/publications/files/IPSAS-44-Noncurrent-Assets.pdf</p>	<p>Effective for annual periods beginning on or after 1st January 2025.</p> <p>Earlier application is permitted for entities that apply IPSAS 43, IPSAS 44, and IPSAS 46 at or before the date of initial application of the Standard.</p>
IPSAS 46: Measurement	<p>The International Public Sector Accounting Standards Board (IPSASB) has issued a new International Public Sector Accounting Standard 46 Measurement.</p> <p>The objective of IPSAS 46 to improve measurement guidance across IPSAS by:</p> <ul style="list-style-type: none"> (a) Providing further detailed guidance on the implementation of commonly used measurement bases, and the circumstances under which they should be used; (b) Clarifying transaction costs guidance to enhance consistency across IPSAS; and 	<p>Effective for annual periods beginning on or after 1st January 2025.</p> <p>Earlier application is permitted.</p>

	<p>(c) Amending, where appropriate, guidance across IPSAS related to measurement at recognition, subsequent measurement, and measurement-related disclosures</p> <p>For More information go to: https://ifacweb.blob.core.windows.net/publicfiles/2023-05/IPSAS-46-Measurement.pdf</p>	
IPSAS 47: Revenue	<p>The International Public Sector Accounting Standards Board (IPSASB) has issued a new International Public Sector Accounting Standard 47 Revenue.</p> <p>The objective of IPSAS 47 is to:</p> <ul style="list-style-type: none"> (a) Present revenue guidance in a single standard by replacing IPSAS 9, Revenue from Exchange Transactions, IPSAS 11, Construction Contracts, and IPSAS 23, Revenue from Non-Exchange Transactions (Taxes and Transfers); (b) Clarify and refine the accounting principles and concepts to account for revenue transactions in the public sector; and (c) Provide non-authoritative guidance to help preparers use professional judgment in applying the accounting principles consistently. <p>For More information go to: https://ifacweb.blob.core.windows.net/publicfiles/2023-05/IPSAS-47-Revenue_0.pdf</p>	<p>Effective for annual periods beginning on or after 1st January 2026.</p> <p>Earlier application is permitted.</p> <p>If an entity applies this Standard earlier, it shall disclose that fact.</p>
IPSAS 48: Transfer Expenses	<p>The International Public Sector Accounting Standards Board (IPSASB) has issued a new International Public Sector Accounting Standard 48 Transfer Expenses.</p> <p>The objective of IPSAS 48 is to:</p> <ul style="list-style-type: none"> (a) Revise the accounting of transfer expenses to move away from the Public Sector Performance Obligation Approach (PSPOA) and to focus on whether the transfer transaction results in the recognition of an asset; (b) Focus on the accounting from the perspective of the transfer provider (the entity); and (c) Streamline the requirements for measurement, as well as presentation and disclosure. <p>For More information go to: https://ifacweb.blob.core.windows.net/publicfiles/2023-05/IPSAS-48-Transfer-Expenses.pdf</p>	<p>Effective for annual periods beginning on or after 1st January 2026.</p> <p>Earlier application is permitted.</p> <p>If an entity applies this Standard earlier, it shall disclose that fact and shall apply IPSAS 47, Revenue, at the same time.</p>

<p>IPSAS 49: Retirement Benefit Plans</p>	<p>The International Public Sector Accounting Standards Board (IPSASB) has issued a new International Public Sector Accounting Standard 49 on Retirement Benefit Plans.</p> <p>The objective of IPSAS 49 is to prescribe the accounting and reporting requirements for public sector retirement benefit plans, which provide retirement benefits to public sector employees and other eligible participants.</p> <p>IPSAS 49 establishes comprehensive accounting and reporting requirements for the financial statements of retirement benefit plans, with participants comprising current and former public sector employees and other eligible members.</p> <p>For More information go to: https://ifacweb.blob.core.windows.net/publicfiles/2023-11/IPSAS-49-Retirement-Benefit-Plans_0.pdf</p>	<p>Effective for annual periods beginning on or after 1st January 2026.</p> <p>Earlier application is permitted.</p> <p>If an entity applies this Standard earlier, it shall disclose that fact.</p>
<p>Conceptual Framework Updates: Chapter 7: Measurement of assets and liabilities in the financial statement</p>	<p>The International Public Sector Accounting Standards Board (IPSASB) has issued an updated version of chapter 7 on measurement of assets and liabilities in the financial statement.</p> <p>The objective of the updated version of chapter 7 is to improve measurement guidance across IPSAS by:</p> <ul style="list-style-type: none"> (a) Providing further detailed guidance on the implementation of commonly used measurement bases, and the circumstances under which they should be used; (b) Clarifying transaction costs guidance to enhance consistency across IPSAS; and (c) Amending, where appropriate, guidance across IPSAS related to measurement at recognition, subsequent measurement, and measurement-related disclosures. <p>For More information go to: https://ifacweb.blob.core.windows.net/publicfiles/2023-05/Update-Chapter-7-Conceptual-Framework.pdf</p>	<p>Effective when published</p>
<p>Recommended Practice Guidelines: Reporting Sustainability Program Information – Amendments to RPGs</p>	<p>The International Public Sector Accounting Standards Board (IPSASB) has issued Recommended Practice Guidelines on Reporting Sustainability Program Information, Amendments to RPGs 1 and 3 and Additional Non - Authoritative Guidance.</p> <p>The amendments to RPG 1 added implementation guidance to:</p>	<p>Effective when published</p>

<p>1 and 3: Additional Non-Authoritative Guidance</p>	<p>(a) Emphasize that RPG 1 applies to reporting information on the impact of sustainability programs on an entity’s overall finances;</p> <p>(b) Explain how sustainability program impacts on the three dimensions (service, revenue, and debt) of long-term fiscal sustainability should be assessed; and</p> <p>(c) Highlight the applicable principles for reporting on sustainability program information</p> <p>For More information go to: https://ifacweb.blob.core.windows.net/publicfiles/2023-05/Reporting-Sustainability-Program-Information-Amendments-RPG-1-RPG-3.pdf</p>	
<p>Final Pronouncement: Improvements to IPSAS, 2021</p>	<p>The International Public Sector Accounting Standards Board (IPSASB) has issued a final pronouncement on Improvements to IPSAS, 2021.</p> <p>The pronouncement deals with non-substantial changes to IPSAS through a collection of amendments that are unrelated, it categorizes the improvements to IPSAS into two parts: -</p> <p>Part I: General Improvements to IPSAS Relates to amendments arise from comments received from stakeholders</p> <p>Part II: IFRS alignment improvements to IPSAS Relates to amendments arise through consideration of the annual improvements and narrow scope amendments to projects of the IASB.</p> <p>For More information go to: https://www.ifac.org/system/files/publications/files/Improvementsto-IPSAS-2021_1.pdf</p>	<p>Effective dates are as per the final pronouncements of each individual amended standard.</p>

<p>Final Pronouncement: Amendments to IPSAS 5, Borrowing Costs – Non-Authoritative Guidance</p>	<p>The International Public Sector Accounting Standards Board (IPSASB) has issued a non-authoritative guidance on amendments to IPSAS 5, Borrowing Costs.</p> <p>The objective of this pronouncement is to add non-authoritative material to IPSAS 5, Borrowing Costs, and to provide guidance for determining the extent to which borrowing costs can be capitalized.</p> <p>The amendments add implementation guidance and illustrative examples, which IPSAS 5 does not currently contain.</p> <p>For More information go to: https://www.ifac.org/system/files/publications/files/IPSASB-FinalPronouncement-Amendments-IPSAS-5-Borrowing-Costs.pdf</p>	<p>No amendment to authoritative standard.</p>
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INTERNATIONAL FINANCIAL REPORTING STANDARDS

IFRS Ss expected to be applicable soon

PROJECTS/APPROVED STANDARDS	CHANGES	EFFECTIVE DATE
<p>IFRS 18: General Presentation and Disclosure in Financial Statements</p>	<p>The International Accounting Standard Board (IASB) has issued the IFRS 18 on the General Presentation and Disclosure in Financial Statements.</p> <p>The main changes introduced by IFRS 18 relate to three areas:</p> <ol style="list-style-type: none"> 1. Presentation of new defined subtotals in the statement of profit or loss—operating profit and profit before financing and income taxes—and consistent classification of income and expenses in categories to provide useful information and improve comparability 2. Disclosure of information about management-defined performance measures (MPMs) to promote transparency and discipline 3. Enhanced requirements for grouping (aggregation and disaggregation) of information to help a company provide useful information <p>For more information go to: https://www.ifrs.org/content/dam/ifrs/publications/amendments/english/2024/effect-analysis-ifrs18-april2024.pdf</p>	<p>An entity shall apply this Standard for annual reporting periods beginning on or after 1st January 2024.</p> <p>Earlier application is permitted.</p> <p>If an entity applies this Standard earlier, it shall disclose that fact and apply IFRS S2.</p>

For more information, contact:

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