IPSAS 35 at a glance

IPSAS 35 Consolidated Financial Statements · one-page reference

Core Knowledge

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Control means power, variable benefits and the link between them. Consolidate every controlled entity line by line, remove everything inside the economic entity in full, and show the NCI within net assets/equity (IPSAS 35.20, 35.40, 35.47).

Topic	The question	The test	Reference	Where it shows
1 **Duty and scope**	**Must it consolidate?**	Yes, unless all four exemption tests are met. No controlled body is left out for having different activities.	**5, 8**	Whole set
2 **Control**	**Does it control the body?**	Power from existing rights, benefits that can vary, and the ability to use the power to affect them. Protective rights and funding dependence alone are not power.	**20, 23, 26, AG29**	Notes
3 **Combine and eliminate**	**How is it put together?**	One set of policies and one reporting date. Add like items, offset the investment, remove internal balances, transactions and unrealised surpluses in full.	**38, 40, 46**	All statements
4 **NCI and stake changes**	**Who owns the rest?**	NCI sits inside net assets/equity. A stake change that keeps control is a transaction with owners: no gain or loss.	**47, 49, 51**	Net assets/equity
5 **Losing control**	**Has control ended?**	Derecognise at carrying amounts, retained interest at fair value, gain or loss in surplus or deficit.	**52, 54, 55**	Performance, notes
6 **Investment entities**	**Held by an investment entity?**	Its controlled investments stay at fair value; a controller that is not an investment entity keeps that fair value.	**56, 58**	Position, notes

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