IPSAS 45 at a glance

IPSAS 45 Property, Plant, and Equipment · one-page reference

Core Knowledge

CORE PRINCIPLE

Recognise when service potential or benefits are probable and the amount is reliable; measure at cost (deemed cost if received free); then pick a model per class (IPSAS 45.6, 11, 12, 24).

Topic	The question	The test	Reference	Where it shows
1 **Recognition**	**Recognise it?**	Probable benefits or service potential, reliable amount. Unmeasurable heritage: disclose.	**IPSAS 45.6, 7, 77**	Position, notes
2 **Basis**	**Which current value?**	Operational capacity: current operational value. Financial capacity: fair value. Unclear: operational.	**IPSAS 45.27, AG21, AG23**	Position
3 **Revaluation**	**Where does it go?**	Whole class. Increases to revaluation surplus; decreases beyond the class surplus to surplus or deficit.	**IPSAS 45.32, 36, 37**	Net assets, performance
4 **Depreciation**	**What, how long?**	Each significant part; finite lives only; review life and residual value yearly, prospectively.	**IPSAS 45.41, 48, 53**	Performance, notes
5 **Impairment**	**Which standard?**	IPSAS 21 (non-cash-generating) or IPSAS 26 (cash-generating). From 2028 IPSAS 21 uses current operational value.	**IPSAS 45.59; IPSAS 21.82O**	Performance
6 **Transition**	**First IPSAS 45 year?**	Retrospective, except heritage deemed cost and the fair value to new current value change (to opening accumulated surplus).	**IPSAS 45.87, 88**	Net assets, notes

Independent learning material prepared by Core Knowledge. Not affiliated with or endorsed by the IPSASB or IFAC. Paragraph references are to the 2026 IPSASB Handbook; IPSAS 45 and IPSAS 46 number their paragraphs separately. A summary for revision, not a substitute for the standards.