

Federal Accounting Standards Advisory Board

FOR MORE INFORMATION:

Melissa Batchelor
(202) 512-5976
batchelorm@fasab.gov

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NEWS RELEASE

AAPC Issues

Technical Release 17: Conforming Amendments to Technical Releases for SFFAS 50, Establishing Opening Balances for General Property, Plant, and Equipment

The chairperson of the Accounting and Auditing Policy Committee (AAPC), Wendy Payne, announced today the issuance of Statement of Federal Financial Accounting Technical Release (TR) 17: *Conforming Amendments to Technical Releases for SFFAS 50, Establishing Opening Balances for General Property, Plant, and Equipment*.

Statement of Federal Financial Accounting Standards (SFFAS) 50 amended SFFAS 6, *Accounting for Property, Plant, and Equipment*, and SFFAS 10, *Accounting for Internal Use Software*, and rescinded SFFAS 35, *Estimating the Historical Cost of General Property, Plant, and Equipment: Amending SFFAS 6 and 23*. TR 17 amends previously issued TRs to acknowledge the rescission of SFFAS 35. It also clarifies that all standards-level implementation guidance for general property, plant, and equipment (with the exception of certain provisions applicable to internal use software) resides in SFFAS 6, as amended.

Ms. Payne explained, “Conforming amendments were important to incorporate because comments received during the due process of SFFAS 50 made it apparent that users rely on the technical guidance provided in the TRs.” Further, six of the seven respondents supported the proposal. The AAPC considered the points raised by the respondent that did not support the proposal but concluded the particular points were beyond the scope of TR 17, which is to provide amendments to previously issued TRs. Implementation guidance for establishing opening balances under acceptable deemed cost methods provided by SFFAS 50 is under development.

The technical release is available at <http://www.fasab.gov/technical-releases/>.

ABOUT AAPC

The AAPC was organized in May 1997 by the Department of the Treasury, the Office of Management and Budget (OMB), the Government Accountability Office (GAO), the Chief

Financial Officers Council (CFOC), and the Council of the Inspectors General on Integrity and Efficiency (CIGIE) [formally the President's Council on Integrity and Efficiency (PCIE)] as a body to research accounting and auditing issues requiring guidance.

The AAPC serves as a permanent committee established by the Federal Accounting Standards Advisory Board (FASAB). FASAB's mission is to develop accounting standards after considering the financial and budgetary information needs of congressional oversight groups, executive agencies, and the needs of other users of federal financial information. The mission of the AAPC is to assist the federal government in improving financial reporting through the timely identification, discussion, and recommendation of solutions to accounting and auditing issues as they relate to the specific application of existing authoritative literature.

The AAPC is intended to address issues that arise in implementation that are not specifically or fully discussed in federal accounting and auditing standards. The AAPC's guidance is cleared by FASAB before being published.

Additional background information on the AAPC is available from FASAB on its website:

- ◆ ["Charter of the Accounting and Auditing Policy Committee"](#)
- ◆ [Accounting and Auditing Policy Committee Operating Procedures](#)

For more information on FASAB, please visit our website: www.fasab.gov.