

INPAS Due Process

Annex B – Evidence Pack

27 May 2025

Evidence - Outreach

	As at 26 May 2025
TAG meetings held	38
PAG meetings held	24
Donor Reference Group meetings	12
Subscribers + LinkedIn + Youtube	15,056
Country Champions & Deputy CCs Countries	54 40
Newsletters issued	47
Blogs and articles published	53
Webinars, conferences, events & podcasts	179
LinkedIn followers	6,540
You tube subscribers	809
Org logos on 'support us' page (excl DRG)	57

Engagement around the world



14,000+
newsletter subscribers + LinkedIn +
Youtube

ED1 responses

Comment letter submissions

- 69 responses received
- 34 countries

Surveys

- 310 surveys from 150 individuals
- 50 countries

TOTAL: 67 countries



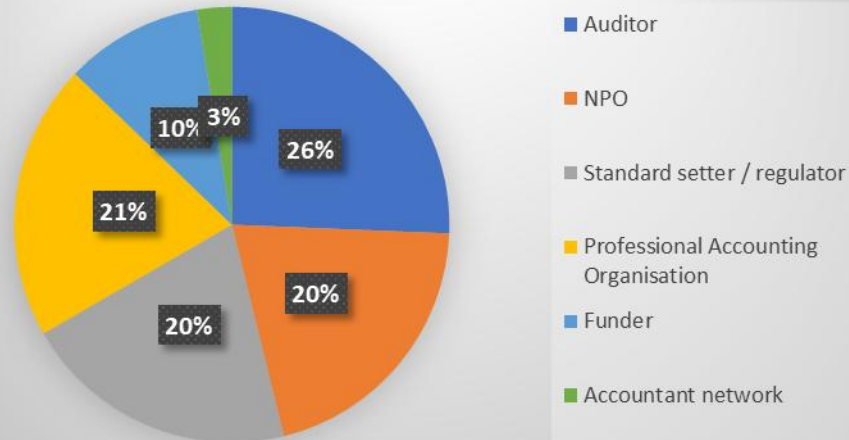
INTERNATIONAL FINANCIAL REPORTING
FOR NON PROFIT ORGANISATIONS

Comment period: 129 days

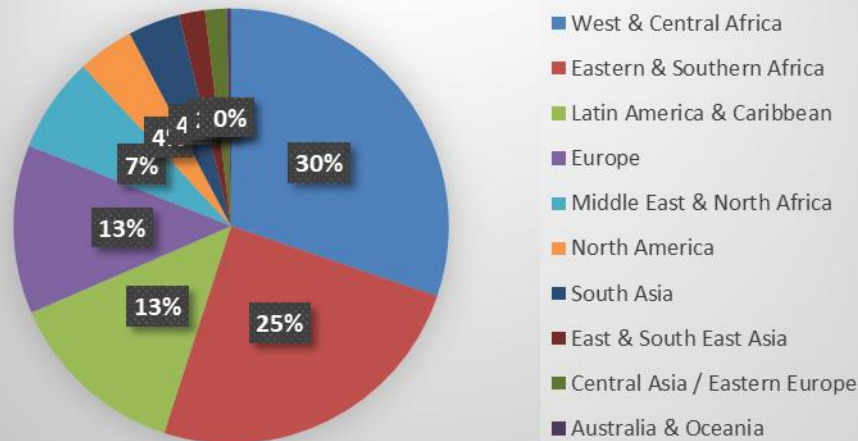
Launched: 22 November 2022

Closed: 31 March 2023

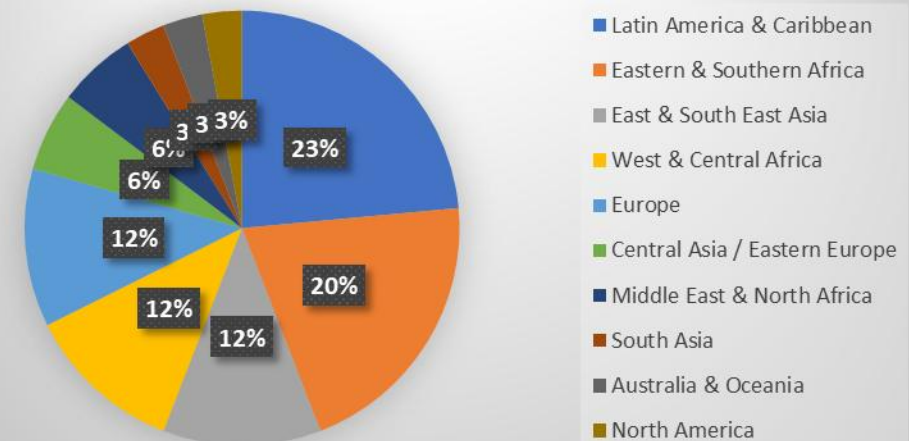
ED1 39 organisational responses



310 ED1 Survey responses by region

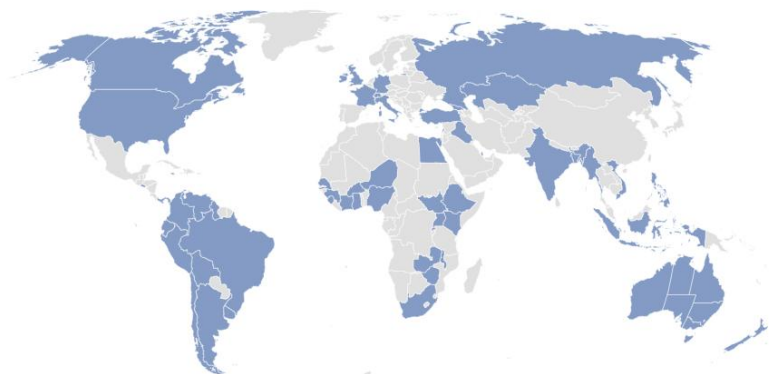


ED1 responses from 34 countries



ED2 responses

161 responses to INPAG ED2 from
organisations and individuals in 58 countries



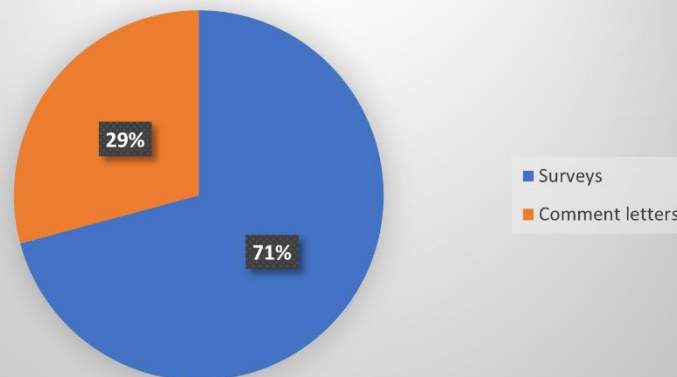
INTERNATIONAL FINANCIAL REPORTING
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Comment period: 175 days

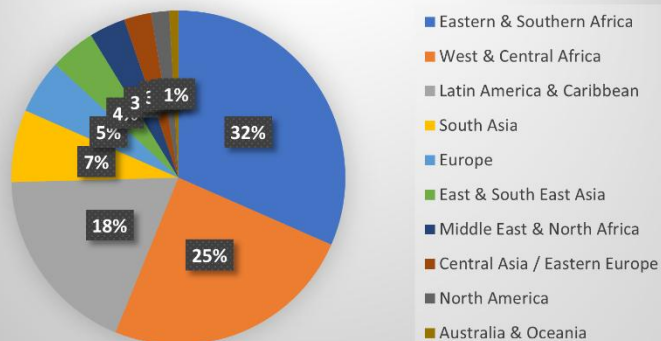
Launched: 21 September 2023

Closed: 15 March 2024

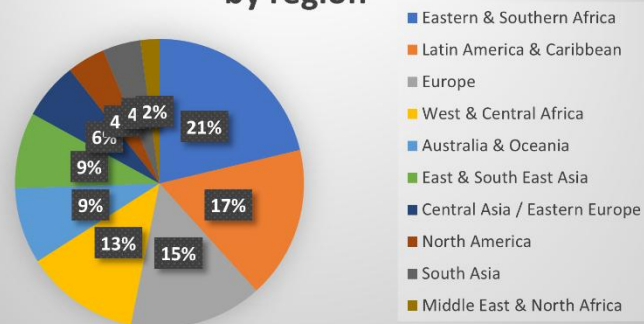
161 responses to INPAG ED2



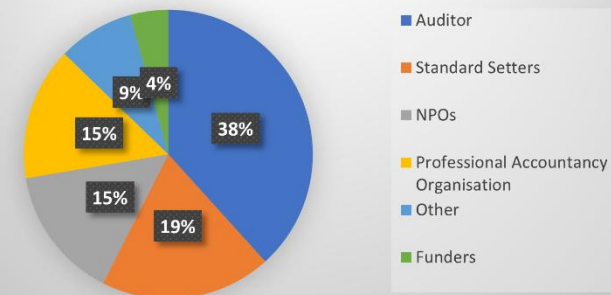
114 ED2 survey responses by region



INPAG ED2 - 47 comment letters
by region



INPAG ED2 - 47 comment letters by
stakeholder group



ED3 responses

192 responses

63 letters (33 orgs, 30 indivs)

129 surveys

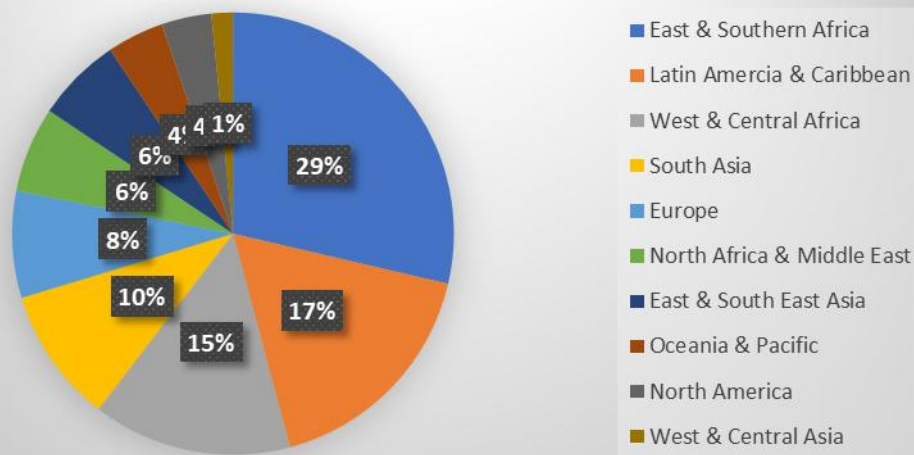
Published on www.ifr4npo.org/ed3

Comment period: 111 days

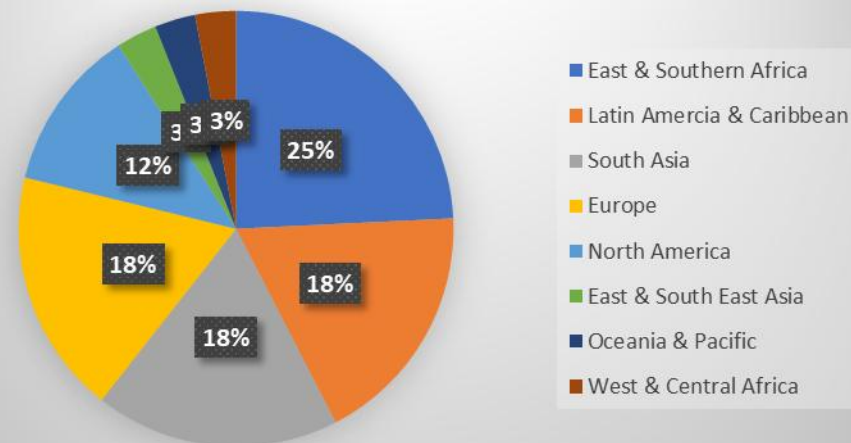
Launched: 28 May 2024

Closed: 16 September 2024

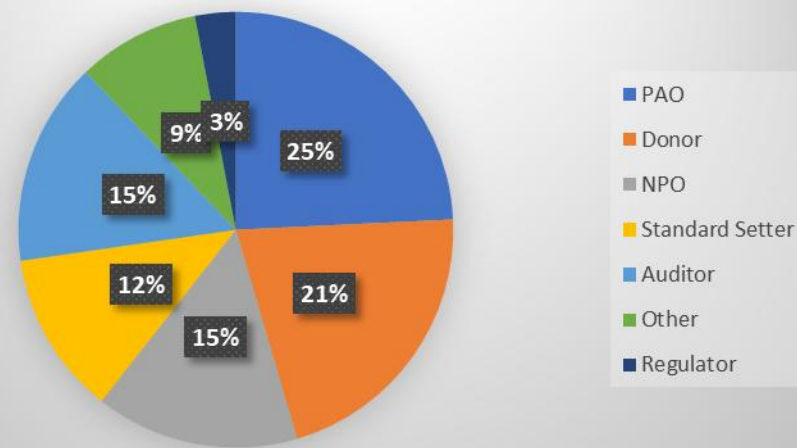
192 ED3 responses - 63 letters and 129 surveys



ED3 33 org responses by region



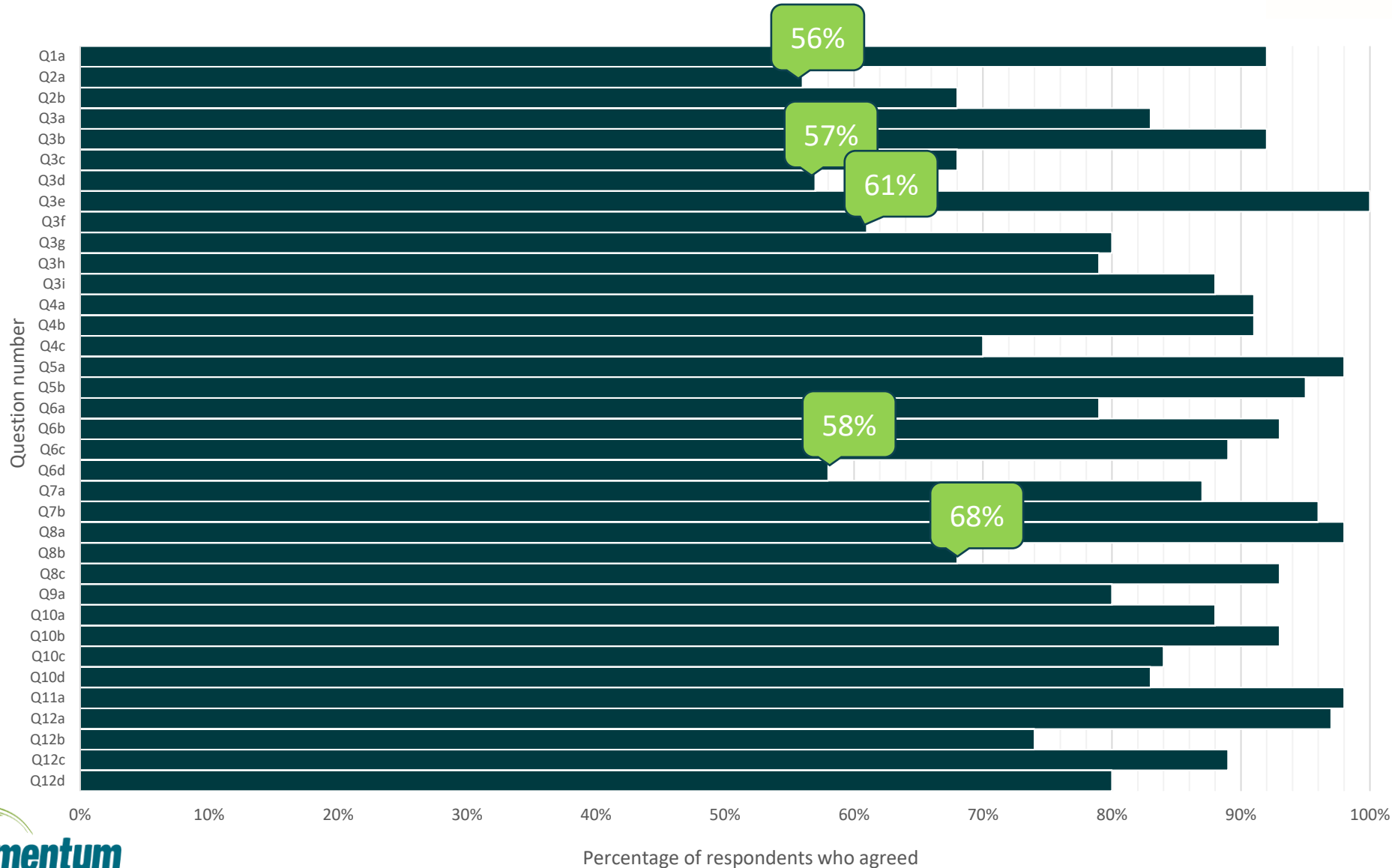
ED3 - 33 comment letters by org type



Exposure Draft 1 - Responses



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Areas of lower support (less than 70%):

- Q2a – the broad characteristics of NPOs
- Q3d – equity as an element
- Q3f – equity contributors
- Q6d – whether income or expenses are presented first
- Q8b – presentation of grants/donations received for capital purposes in the cashflow

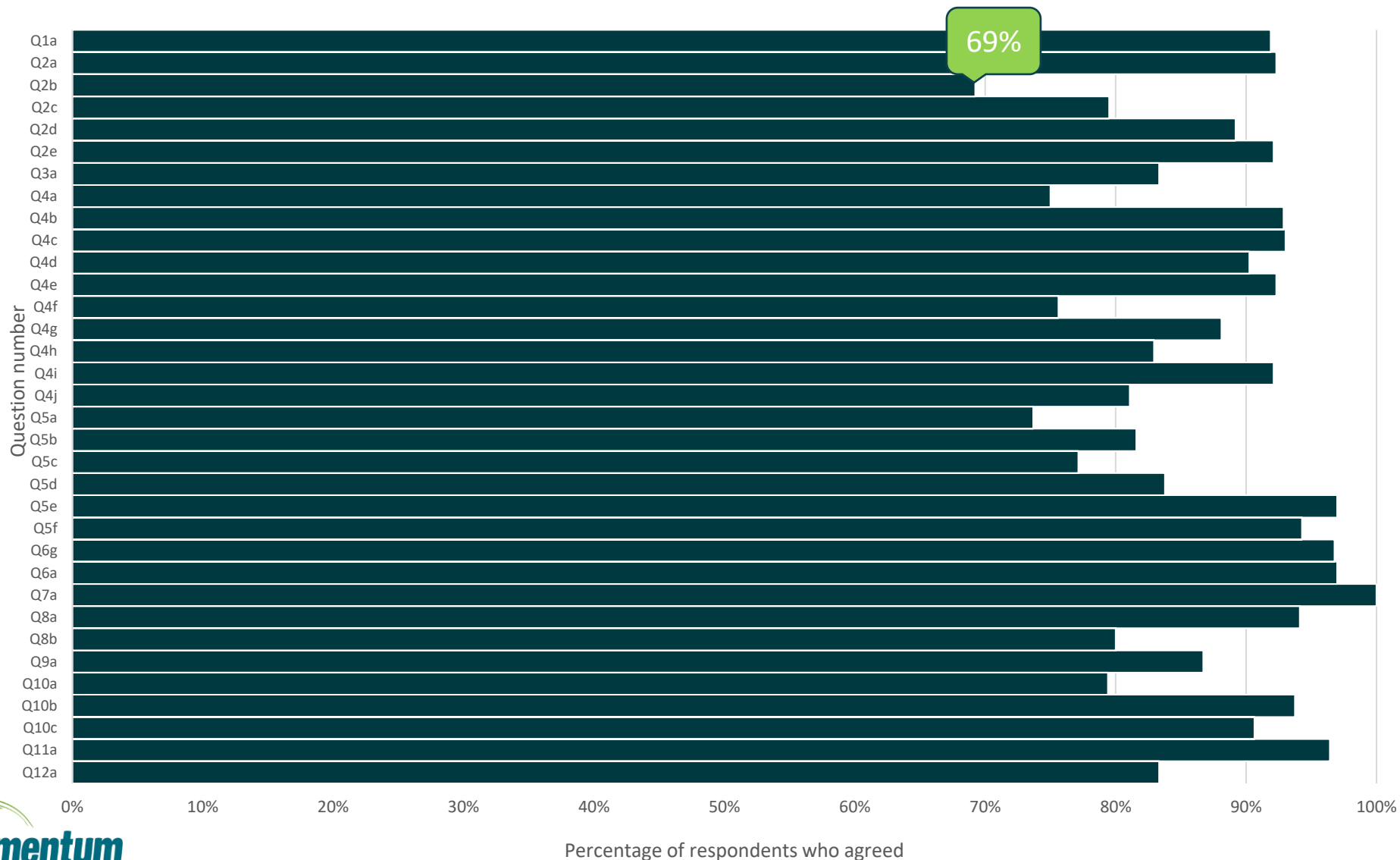
Issues addressed:

- Concern about the level of 'private benefit' that can exist and still be an NPO, particularly co-operatives
- Definition of equity and the low likelihood of equity for an entity to be an NPO
- Presentation of the Statement of Income and Expenses and Statement of Changes in Net Assets
- Presentation of grants received for capital purposes on the cashflow.
- Disclosure of sensitive information when there is risk of harm to an NPO's staff, volunteers or beneficiaries
- Presentation of restricted funds

Exposure Draft 2 - Responses



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Good support – only one less than 70%:

- Q2b – Exception related to the recognition of work-in-progress within inventory

Other key points:

- Some challenges with the new terminology for grant recognition but support for the principles
- Some challenges with the application of enforceability
- Differences of viewpoint on the recognition of services in-kind
- Differences of viewpoint expressed in responses to revenue and inventory relating to permitted exceptions

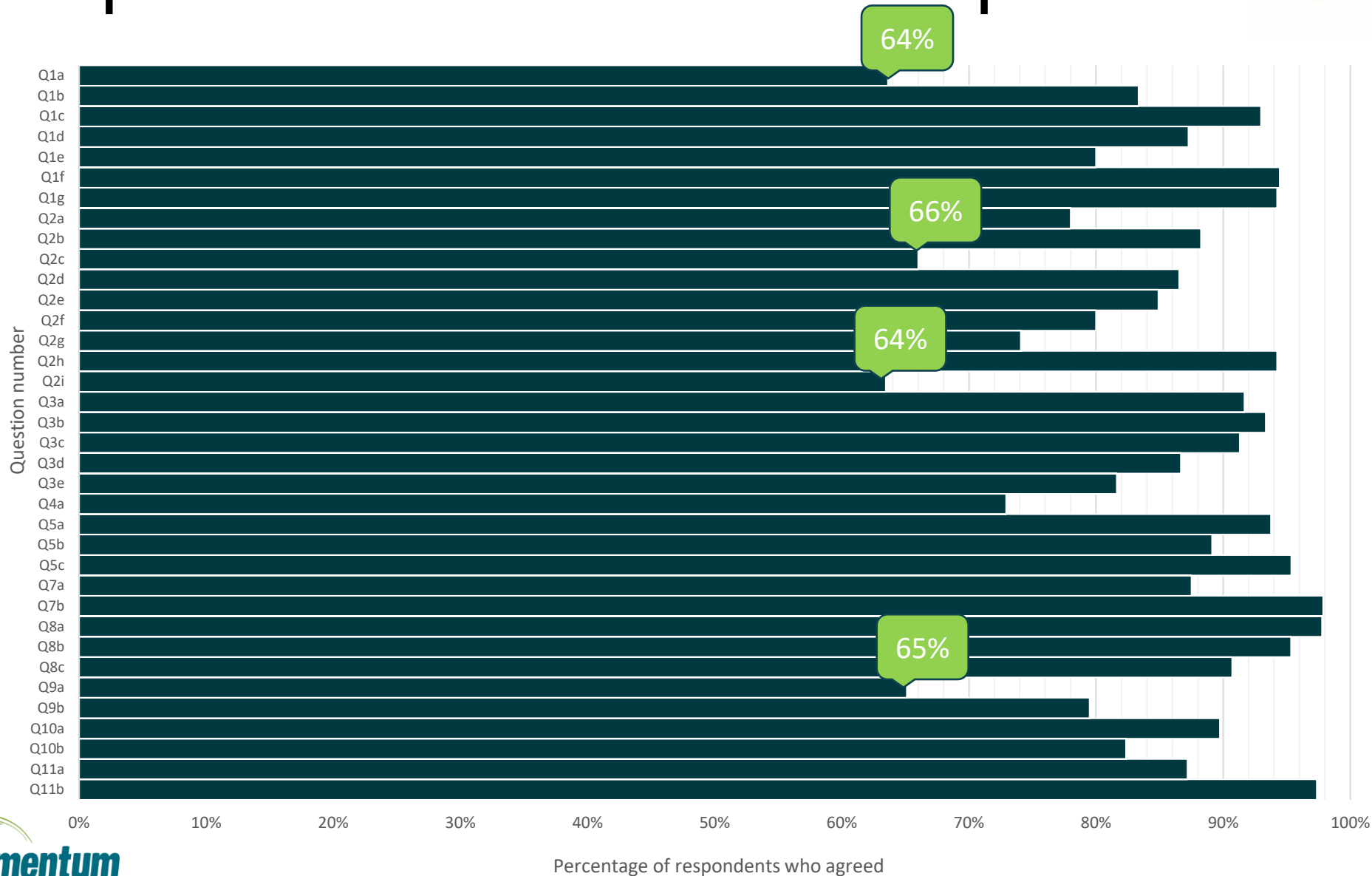
Issues addressed:

- Terminology has been reviewed and simplified to focus on delivery obligations
- Additional enforceability guidance - principles vs rules
- Clarified the services in-kind expected to be recognised
- Permitted exceptions to recognising donations in-kind retained, but with additional guidance
- Revenue related disclosures addressed

Exposure Draft 3 - Responses



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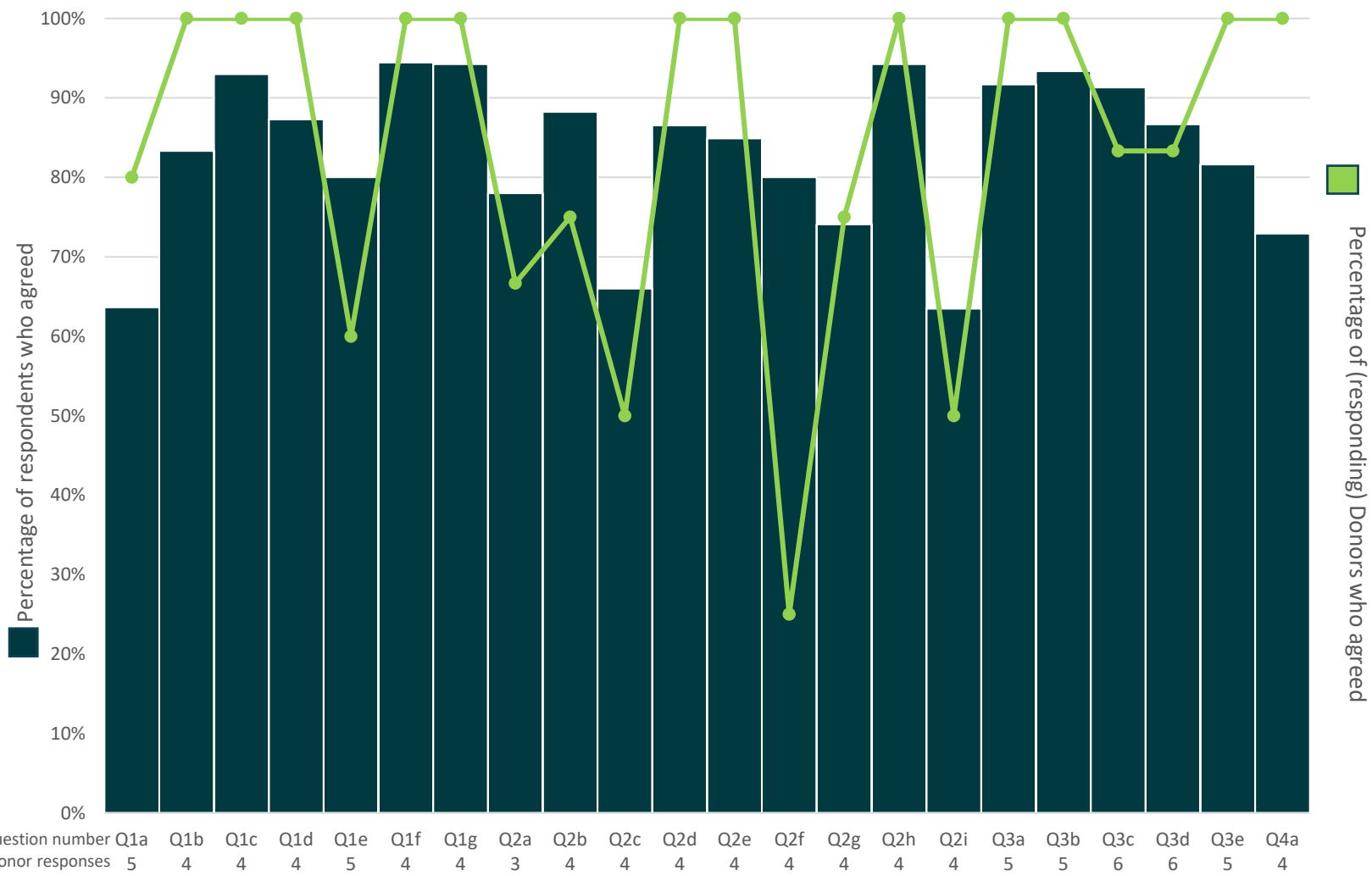
Areas of lower support (less than 70%):

- Q1a – Presentation of funds with and without restrictions
- Q2c – Disclosures where there is a functional or mixed presentation
- Q2i – Governing body member disclosures
- Q9a – use of the term 'business'

Issues addressed:

- Clarified that NPOs can report restricted and unrestricted funds on the Statement of Income and Expenses
- Addressed the definition of direct, shared and support costs for functional and mixed presentation
- Distinguished between funds and grants to ease concerns on donor reporting
- Reduced the exemption for the disclosure of transactions with governing body members
- Provided additional application guidance for fund accounting and additional examples where they illustrate a concept or principle
- Updated the illustrative financial statements

Exposure Draft 3 - Donors



- Areas where donors showed less support than the overall population on questions 1-4:
- Q1e – What should be charged to an individual fund
 - Q2a – use of a rebuttable presumption
 - Q2b – rationale for expense presentation used
 - Q2c – Quantification where there is a functional or mixed presentation
 - Q2f – Scope of fundraising costs
 - Q2i – Governing body member disclosures
 - Q3c – Format of the supplementary statement
 - Q3d – Options for the disclosure of capital and inventory items

- Key points:
- There were differences of opinion between donors about the charging of costs to a fund – which have been addressed through revisions to terminology
 - Lower support for the presumption of a natural classification of expenses. Text has been augmented to explain when this should and shouldn't be used
 - Donors much more concerned than other respondents about the use of categories of fundraising costs other than 'traditional fundraising'. These categories are separately reported and can be identified
 - Transparency over donations from governing body members. The proposed exemption has been removed

Feedback from TAG members on the final draft

For information:

This spreadsheet shows the detailed comments from each of the TAG members on the final draft and the Secretariat response.

[INPAS Pre-Ballot Reviews Tracking](#)