

Note X – SBITA

4 Reporting

Note X – Subscription Based Information Technology Arrangements (SBITA)

A template for this note is not available. See “Instructions to preparer:” for disclosures that may be required.

Instructions to preparer:

A government should disclose in notes to financial statements the following information about its SBITAs (which may be grouped for purposes of disclosure) other than short-term SBITAs:

1. A general description of its SBITAs, including the basis, terms, and conditions on which variable payments not included in the measurement of the subscription liability are determined
2. The total amount of subscription assets, and the related accumulated amortization, disclosed separately from other capital assets

Example:

	Beg. Bal.	Increases	Decreases	End. Bal.
Subscription assets				
Accumulated Amortization				
Net subscription asset				

3. The amount of outflows of resources recognized in the reporting period for variable payments not previously included in the measurement of the subscription liability
4. The amount of outflows of resources recognized in the reporting period for other payments, such as termination penalties, not previously included in the measurement of the subscription liability
5. Principal and interest requirements to maturity, presented separately, for the subscription liability for each of the five subsequent fiscal years and in five-year increments thereafter

Example:

As of December 31, 20XX, the principal and interest requirements to maturity are as follows:

Year ended December 31	Principal	Interest	Total
20XX	\$	\$	\$

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20XX	\$	\$	\$
20XX	\$	\$	\$
20XX	\$	\$	\$
20XX	\$	\$	\$
20XX-20XX	\$	\$	\$
20XX-20XX	\$	\$	\$
Total	\$	\$	\$

6. Commitments under SBITAs before the commencement of the subscription term
7. The components of any loss associated with an impairment (the impairment loss and any related change in the subscription liability)

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