August 24th 2014

Professor Dr. Andreas Bergmann
Chairperson
International Public Sector Accounting Standards Board
andreas.bergmann@zhaw.ch

Re; Comments on Exposure Draft, Improvements to IPSASs 2014

Summary of Proposed Change IPSAS 1,
Presentation of Financial Statements Amendments to clarify the requirements for comparative
information as a result of the Annual Improvements to IFRSs 2009 - 2011 Cycle (issued in May
2012 by the IASB)

Comment:

While Public Sector agencies could have disparate disclosures from year to year I feel that
too only provide users of such financial statements one year of comparative figures is an
extreme application of de minimis and FAILS to provide stakeholders, including citizens,
with the degree of comfort that adequate transparency through comparability requires in this
era of serving the public interest and being accountable..

I recommend five years of comparative figures for all complete sets of financial statements,
namely:

(a) A statement of financial position;
(b) A statement of financial performance;
(c) A statement of changes in net assets/equity;
(d) A cash flow statement;
(e) When the entity makes publicly available its approved budget, a comparison of budget
and actual amounts either as a separate additional financial statement or as a budget
column in the financial statements; and
(f) Notes, comprising a summary of significant accounting policies and other explanatory
Notes; and
(g) Comparative information in respect of the preceding periods
IPSAS 31,
Intangible Assets Amendments to clarify the revaluation methodology of the carrying amount and accumulated amortization when an intangible asset is revalued, as a result of the Annual Improvements to IFRSs 2010 - 2012 Cycle (issued in May 2012 by the IASB)

Amendments to clarify acceptable methods of amortizing intangible assets, as a result of the narrow scope amendment, Clarification of Acceptable Methods of Depreciation and Amortisation (Amendments to IAS 16 and IAS 28 issued in May 2014 by the IASB)

Comment:
The recommendation for goodwill fails to engender any certainty. It meanders like a stream down a mountain slope into an abyss.

Para. 97 actually does make a good attempt at amortizing the depreciable amount using units of production, patterns of consumption etc.

However the following paragraphs, perhaps meant to be elaborative, are bordering on difficult to comprehend as several caveats apply.

The greater the elaboration the more one realizes that “one size does not fit all”.

Thank you for the opportunity to comment.

Sincerely

Ashley Burrowes PhD  FCA (New Zealand)
Visiting Professor
Te Whare Wānanga o Awanuiārangi, New Zealand &
MidSweden University
2013 Erskine Scholar in Accounting
University of Canterbury
Member California CPA Society Accounting Principles and Auditing Standards Committee