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Dear Stephenie,

Conceptual Framework: Presentation in General Purpose Financial Reports

The Local Authority [Scotland] Accounts Advisory Committee (LASAAC) welcomes the opportunity to comment on the discussion paper. LASAAC's remit is principally related to accounting issues affecting Scottish local government.

LASAAC welcomes the focus on presentation especially in the context of recent United Kingdom debate on the length and usability of financial statements, in both the public and private sectors.

Responses to Selected Matters for Comment

Specific Matter for Comment 1

(b) Do you agree that identification of core and supporting information for GPFRs should be made at a standards level rather than as part of the Conceptual Framework?

LASAAC has some concerns that the specification of presentation at a standards level could weaken the role of professional judgement by finance practitioners, including external auditors. In particular presentation decisions that will be specific for a particular organisation and the users of its General Purpose Financial Report (GPFR) will normally require the exercise of judgement and discretion. In this respect guidance may be a more helpful approach.

Additionally the risk of lengthening already long financial statements is one that should be noted. It is suggested that one of the stated objectives of any final document should be to appropriately limit or reduce unnecessary complexity and length of financial statements.

Specific Matter for Comment 2

(b) Do you agree with the approach of (i) focusing on user needs to identify presentation objectives, (ii) application of the qualitative characteristics (QCs) to presentation decisions, and (iii) separate presentation concepts?

LASAAC agrees, however it should be noted that guidance on how to identify and assess user needs would be extremely beneficial in improving presentation decisions.

Specific Matter for Comment 3

(b) If so, in your view, should they [*presentation objectives*] be developed at a standards level, or as part of the Conceptual Framework?

LASAAC recommends that identification of presentation objectives through the provision of guidance, rather than specification, should be considered.

Specific Matter for Comment 6

(a) Your views on whether it would be useful and workable for the IPSASB to apply such [*presentation*] techniques; and
(b) Any suggestions you have for developing these techniques.

As indicated earlier LASAAC considers that guidance, not specification, on how to identify and assess user needs would potentially be extremely beneficial in improving presentation decisions.

LASAAC trusts that the above comments are of assistance. Naturally if you have any questions on this, or any other local authority accounting matter, please do not hesitate to contact the Committee secretary (Gareth Davies, 0131 550 7534, lasaac@cipfa.org.uk or gareth.davies@cipfa.org.uk) in this respect.

Yours sincerely,



Gareth Davies
LASAAC Secretary