

July 19, 2012

Ms. Stephanie Fox
Technical Director
International Public Sector Accounting Standards Board
International Federation of Accountants
277 Wellington Street West
Toronto, Ontario M5V 3H2

RE: Consultation Paper - Conceptual Framework for General Purpose Financial Reporting by Public Sector Entities: Presentation in General Purpose Financial Reports

Dear Madam,

Please find enclosed our comments on the consultation paper referred to above.

From a general standpoint, we are of the view that the consultation paper makes a positive contribution to the consideration of the presentation aspect of general purpose financial reports.

We continue to believe that, in a context of limited resources, accounting standard-setters should concentrate their efforts on the financial information to be presented in financial statements. Notwithstanding our preference that the scope of the conceptual framework be limited to the financial statements, our views on the specific subjects for comment are given below.

Specific Matter for Comment 1: *« With respect to the descriptions of « presentation », « display », « disclosure », « core information », and « supporting information », and the proposed relationships between these terms :*

(a) Do you agree that the proposed descriptions and relationships are appropriate and adequate?

We disagree with the proposed descriptions and relationships. It is incorrect to say that everything shown in the notes to the statements is supporting information. Instead, we support the position presented in paragraph 2.20.

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

We are of the view that, as a minimum, core and supporting information should be identified in the conceptual framework. Thus, if in certain standards this identification is not made, the conceptual framework can serve as support to do so.

Specific Matter for Comment 2: « *With respect to the IPSASB's approach to presentation of information :*

(a) Do you agree with the development of presentation concepts that can be adopted for the more comprehensive scope of GFRs including, but not restricted to, financial statements?

We disagree. In our opinion, there is too much difference between the nature of the information presented in the financial statements compared to the information that can be included in financial reports for the same presentation concepts to be applied. In addition, as we mentioned in our comments regarding an earlier phase of development of the conceptual framework, its scope should be limited to financial information contained in the financial statements.

(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?

We agree with this approach.

Specific Matter for Comment 3: « *This CP discusses the importance of developing presentation objectives as part of standard setting.*

(a) Do you agree that presentation objectives should be developed?

We agree.

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

In view of the evolving nature of the extent of financial reporting and the targeted interrelationship between the needs of the users and the information necessary to meet these needs, the objectives should be developed at the standards level.

Specific Matter for Comment 4: « *This CP proposes three presentation concepts. Please provide your views on these concepts, in particular whether:*

(a) Any of these concepts should be excluded from the Conceptual Framework; and

In our view, none of these three presentation concepts should be excluded from the conceptual framework.

(b) The description of each concept could be improved and, if so, indicate how.

We have no particular suggestion for improving the description of each concept.

Specific Matter for Comment 5: « *Given the three concepts proposed, please provide your views on:*

(a) Whether there are further concepts that should be included in the Conceptual Framework; and

In our view, the three concepts proposed are sufficient to contribute to achieving the objectives of financial reports. In addition, the relationship between the proposed concepts, the qualitative characteristics and the constraints on the information mean that the appropriateness of its presentation can be ensured.

(b) What those further concepts should be.

Not applicable.

Specific Matter for Comment 6: *« Each presentation concept refers to the possibility of developing criteria to determine the presentation techniques to be used in setting accounting standards. Please provide:*

(a) Your views on whether it would be useful and workable for the IPSASB to apply such techniques; and

Given the variety of situations that may have to be presented in financial reports, we are of the view that it is better, except for the financial statements, to defer to the professional judgment of the preparers of financial reports to determine the preferred presentation techniques. With respect to the financial statements, presentation rules already exist in the IPSAS standards.

(b) Any suggestions you have for developing these techniques.

Not applicable.

We hope that our comments will be helpful as you continue your work.

Yours truly

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