

9 October 2014

Ms Stephenie Fox  
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International Public Sector Accounting Standards Board  
International Federation of Accountants  
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CANADA

Submitted to: [www.ifac.org](http://www.ifac.org)

Dear Stephenie

**ED 55 *Improvements to IPSASs 2014***

Thank you for the opportunity to comment on ED 55 *Improvements to IPSASs 2014* (ED 55). ED 55 was exposed in New Zealand and some New Zealand constituents may have made comments directly to you.

We are pleased that ED 55 proposes improvements to International Public Sector Accounting Standards (IPSASs) to take into account amendments to International Financial Reporting Standards (IFRSs) based on the IASB's *Improvements to IFRSs* projects and *Narrow Scope Amendments* projects. We agree with each of the proposed amendments in ED 55.

We support the IPSASB's work on eliminating unnecessary differences between IPSASs and IFRSs and encourage the IPSASB to continue to do this regularly. In our view, any unnecessary differences between IPSASs and IFRSs may undermine the credibility and quality of IPSASs. This is particularly so if improvements to IPSASs are perceived to lag significantly behind major developments in reporting in the for-profit sector that potentially would also improve reporting in the public sector.

In addition, for jurisdictions that apply IFRSs, unnecessary differences between IPSASs and IFRSs could create a barrier to adopting IPSASs, particularly if there are groups that comprise some entities that apply IFRSs and other entities that apply IPSASs. For example, a group comprising a central government applying IPSASs and its government business enterprises applying IFRSs. Unnecessary differences in the accounting policies applied by entities in the group would compound consolidation issues and affect compliance costs for group reporting entities when preparing consolidated financial statements.

If you have any questions or require clarification of any matters in this submission, please contact Aimy Luu Huynh ([aimy.luuhuynh@xrb.govt.nz](mailto:aimy.luuhuynh@xrb.govt.nz)) or me.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Kimberley Crook'. The signature is written in a cursive, flowing style.

Kimberley Crook  
**Chair – New Zealand Accounting Standards Board**