



October 30, 2014

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International Federation of Accountants
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Re: PSAB Staff Comments on Consultation Paper (CP) on “The Applicability of IPSASs to Government Business Enterprises and Other Public Sector Entities”

Thank you for the opportunity to provide input on the Consultation Paper, *The Applicability of IPSASs to Government Business Enterprises and Other Public Sector Entities*.

Overall, PSAB staff supports the IPSASB’s preliminary view. Responses to the Specific Matters for Comment are set out in the Appendix to this letter and represent the views of PSAB staff and not those of the Public Sector Accounting Board (PSAB).

Thank you again for the opportunity to provide you with input on this Consultation Paper. We hope that you find our comments helpful.

Sincerely,

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APPENDIX

Responses to Specific Matters for Comment

Specific Matters for Comment 1

**Do you agree with the IPSASB's PV? If so, do you prefer Option 1a or Option 1b?
Please give the reasons for your view.**

We agree with the IPSASB's preliminary view and we support option 1a. This is because option 1a:

- is principle based rather than rules oriented;
- is drawn from the *Conceptual Framework*;
- is relatively easy to understand and apply;
- is more closely aligned with GFS reporting guidelines than the current approach or option 2;
- does not create issues with further defining additional terms (as is the case with option 1b, 2a and 2b);
- allows exercise of judgment and acknowledges the role of regulators; and
- addresses the interpretation and lack of flexibility issues that lead to the start of this project.

Specific Matters for Comment 2

If you do not agree with the IPSASB's PV, please indicate whether you support Option 2a or Option 2b in Approach 2 or identify an alternative approach. Please give the reasons for your view.

As provided above we agree with the IPSASB's preliminary view.