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**First-Time Adoption of Accrual Basis International Public Sector
Accounting Standards (IPSASs)**

I'm Denise Juvenal this pleasure to have the opportunity to comment on this consultation about First-Time Adoption of Accrual Basis International Public Sector Accounting Standards (IPSASs). This is my individual commentary for IFAC-IPSASb.

Guide for Respondents

The IPSASB would welcome comments on all of the matters discussed in this Exposure Draft. Comments are most helpful if they indicate the specific paragraph or group of paragraphs to which they relate, contain a clear rationale and, where applicable, provide a suggestion for alternative wording. The Specific Matters for Comment requested for the Exposure Draft is provided below.

Matter for Comment 1:

The objective of this Exposure Draft is to provide a comprehensive set of principles that provides relief to entities that adopt accrual basis IPSASs for the first time.

(a) Do you agree with the proposed transitional exemptions included in the Exposure Draft; and

Yes, I agree with the proposed transitional exemptions included in the Exposure Draft. In the study 14 about Transition to the Accrual Basis of Accounting: Guidance for Public Sector Entities elaborated for IFAC-IPSASB¹ explains in page 13 about Financial Position, I know that Accrual Basis do not has impact for the process of implementation for IPSAS, for this, I have doubt in relation if subsequent events can be include in the Contingent Liabilities considering the complexity of application in the Public Sector.

(b) Do you believe that the IPSASB achieved its goal in providing appropriate relief to a first-time adopter in transitioning to accrual basis IPSASs? Please provide a reason for your response.

Yes, I believe that the IPSASB achieved its goal in providing appropriate relief to a first-time adopter in transitioning to accrual basis IPSAS. I suggest for the Board, if agrees, that observes the importance of internal control applied for public sector with results of discussions of COSO², EUROSTAT³ and IFAC⁴.

Matter for Comment 2:

The IPSASB agreed that there should be a differentiation between those transitional exemptions that do not affect the fair presentation of a first-time adopter`s financial statements and its ability to assert compliance with accrual basis IPSASs, and those that do.

¹ <http://www.ifac.org/publications-resources/study-14-transition-accrual-basis-accounting-guidance-governments-and-governm>

² <http://www.coso.org/documents/FINAL%20News%20Release%20--%20How%20Frameworks%20Improve%20Organizational%20Performance%20and%20Governance%20--%202002%2010%2014.pdf>

³ http://epp.eurostat.ec.europa.eu/cache/ITY_PUBLIC/D4_2012/EN/D4_2012-EN.PDF

⁴ <http://www.ifac.org/publications-resources/evaluating-and-improving-internal-control-organizations-executive-summary>

I suggest for the board if agrees, that observes the results of discussion about financial instruments elaborated for IVSC⁵ and GASB⁶ is very important in this moment for measurement and valuation.

(a) Do you agree with the proposed differentiation and how it is addressed in the Exposure Draft,

Yes, I agree with the proposed differentiation and how it is addressed in the Exposure Draft.

and

(b) Do you agree that the individual categorization is appropriate? If not, please provide a reason for your response and provide an alternative approach.

Yes, I agree with the individual categorization is appropriate.

Matter for Comment 3:

This Exposure Draft proposes a relief period of three years for the recognition and/or measurement of specific assets and/or liabilities in allowing a first-time adopter to transition to accrual basis IPSASs. Do you agree that a relief period of three years is appropriate? If not, please indicate the time frame that, in your view, would be appropriate, supported with the reason for the longer or shorter transitional relief period.

I have doubt in relation the period, because recognition and/or measurement for public sector of specific assets and/or liabilities is very complex, for this time I understand that the internal control needs to have more high quality that its results in more transparency. In relation this point is very important the IFAC observes in countries and receive the results of difficulties for this process.

Thank you for opportunity for comments this proposal, if you have questions do not hesitate contact to me, rio1042370@terra.com.br.

Yours,

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⁵ <http://www.ivsc.org/sites/default/files/230%20-%20300%20changes%20ED%20%28published%29.pdf> and <http://www.ivsc.org/sites/default/files/Valuers%20Guide%20to%20Audit%20%20-%20Released%20ED.pdf>

⁶ http://www.gasb.org/cs/ContentServer?c=GASBContent_C&pagename=GASB%2FGASBContent_C%2FGASBNewsPage&cid=1176163861100