



## FLORIDA INSTITUTE OF CERTIFIED PUBLIC ACCOUNTANTS

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July 29, 2008

Technical Director  
International Public Sector Accounting Standards Board  
International Federation of Accountants  
277 Wellington Street West  
Toronto Ontario Canada M5V 3H2

Sent via E-mail to: [edcomments@ifac.org](mailto:edcomments@ifac.org)

File Reference -- *Accounting and Financial Reporting for Service Concession Arrangements Consultation Paper*

Dear Sir,

The Accounting Principles and Auditing Standards Committee, "The Committee", of the Florida Institute of Certified Public Accountants (FICPA) has reviewed and discussed the Consultation Paper "*Accounting and Financial Reporting for Concessions*". The Committee considered the International Public Sector Accounting Standards Board's specifically requested comments and reached a consensus on all of the items.

1. Yes. We agree with the approach and criteria for determining control as proposed in the Consultation Paper.
2. Yes. We agree the underlying property should be reported by the grantor as an asset and the related liability should initially be measured based on the fair value of the property except in cases where scheduled payments made by the grantor can be separated into a construction element and a service element. In those cases, the present value of the scheduled construction payments should be used if lower than the fair value of the property.
3. Yes. We agree that contractually determined inflows of resources to be received by a grantor from an operator as part of an SCA should be recognized as revenue by the grantor as they are earned over the life of the SCA and amounts received in advance of providing a commensurate level of access to the property should be reported as a liability.

The Committee appreciates this opportunity to share its views and concerns and to comment on the Consultation Paper. Members of the Committee are available to discuss any questions you may have regarding this communication.

Very truly yours,

*Yanick J Michel*

Yanick J. Michel, CPA, Chair  
FICPA Accounting Principles and Auditing Standards Committee

Committee members coordinating the response:  
Jason Creel, CPA  
William D. Hughes, CPA