



**Australian Government**

**Australian Accounting  
Standards Board**

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30 November 2015

Mr John Stanford  
Deputy Director, IPSASB  
International Public Sector Accounting Standards Board  
277 Wellington Street  
Toronto, Ontario, M5V 3H2  
CANADA

Dear John

***IPSASB ED 56 The Applicability of IPSASs***

The Australian Accounting Standards Board (AASB) is pleased to provide comments on the IPSASBs Exposure Draft ED 56 *The Applicability of IPSASs*.

In response to the Specific Matter for Comment, the AASB agrees with the approach taken to delete the defined term “Government Business Enterprise” and to remove any reference to ‘Government Business Enterprise’ or ‘GBE’ within the suite of International Public Sector Accounting Standards (IPSASs) and Recommended Practice Guidelines (RPGs).

However, we note that as a replacement for the term ‘GBE’ both ‘commercial public sector entity’ and ‘commercial entity’ have been used, however, there does not appear to be any rationale to determine when either term should be used. Regardless, we consider that only the term ‘commercial public sector entity’ should be used as a replacement for ‘GBE’ to avoid any confusion that the entity in question is a public sector entity, rather than a private sector entity.

We also note the following drafting issues:

- IPSAS 4 *The Effects of Changes in Foreign Exchange Rates*, paragraph 13(a) includes a reference to ‘GBEs’ that has not been identified as an amendment;
- RPG 1 *Reporting on the Long-Term Sustainability of an Entity’s Finances*, Appendix A – the defined term of a Government Business Enterprise has not been identified as a deletion; and
- RPG 2 *Financial Statement Discussion and Analysis*, Appendix A - the defined term of a Government Business Enterprise has not been identified as a deletion.

If you have any queries regarding any matters in this submission, please contact Joanna Spencer ([jspencer@asb.gov.au](mailto:jspencer@asb.gov.au)).

Yours sincerely,

A handwritten signature in blue ink that reads "K. E. Peach".

Kris Peach  
Chair and CEO