



Accounting Standards Board

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Stephenie Fox,
Technical Director,
International Public Sector Accounting Standards Board,
International Federation of Accountants,
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17 September 2009

Dear Stephenie

Exposure Draft 42 ‘Improvements to IPSASs’

1 The UK Accounting Standards Board’s Committee on Accounting for Public Benefit Entities (CAPE) welcomes the opportunity to comment on the International Public Sector Accounting Standards Board’s (IPSASB) proposals in Exposure Draft 42 ‘Improvements to IPSASs’.

2 The UK ASB has supported the International Accounting Standards Board (IASB) in introducing the annual improvements process as a way of enabling matters of clarification or conflicts between IFRSs to be resolved in a quick and efficient manner. The UK ASB and CAPE also support the IPSASB’s policy to develop a set of accrual based International Public Sector Accounting Standards that are convergent with IFRSs issued by the International Accounting Standards Board, where appropriate for public sector entities. CAPE is therefore supportive of IPSASB’s proposals to propose improvements to 12 IPSASs in order to converge with amendments to IFRS in the IASB’s ‘Improvements to IFRSs’ (issued in May 2008).

3 We found the explanatory material that was published alongside the Exposure Draft helpful in reconciling the amendments proposed in ED 42 to those that were issued by the IASB in May 2008. Based on our review of that material, we agree with the proposed amendments. We also agree that not all the IASB amendments are relevant, for example where there is no equivalent IPSAS or where the IASB amendment is incorporated within other exposure drafts that have recently been published by IPSASB.

4 In reviewing recent exposure drafts, we have noted that IPSASB has considered IFRICs in the context of the IFRS to which they primarily relate: this approach has resulted in ED 38 including adapted versions of IFRIC 9 and IFRIC 11 and ED 40 including an adapted version of SIC 32. Whilst we have supported this approach, we think that going forward it would be helpful for IPSASB to have a clear and explicit policy for dealing with IFRICs.

5 If you require any further information please contact me or Alan O'Connor (a.oconnor@frc-asb.org.uk) or telephone +44 (0)20 7492 2421).

Yours sincerely



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