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**Conceptual Framework for General Purpose Financial Reporting by Public
Sector Entities: Measurement of Assets and Liabilities in Financial Statements**

I'm Denise Juvenal this is pleased to have the opportunity to comment on this consultation. This is my individual commentary for IFAC-IPSAS. The measurement of Assets and Liabilities in Financial Statements is very important for established the concepts that are to be applied in developing International Public Sector Accounting Standards (IPSASs) and other documents that provide guidance on information included in general purpose financial reports (GPFRs) as described in the introduction of the IPSAS Conceptual Framework.

Considering the development of countries and jurisdictions, with different political systems, different forms of government and different institutional and administrative services.

Guide for Respondents

The IPSASB would welcome comments on all of the matters discussed in this Consultation Paper. Comments are most helpful if they indicate the specific paragraph

or group of paragraphs to which they relate and contain a clear rationale. The Specific Matters for Comment requested in the Consultation Paper are provided below.

Specific Matter for Comment 1

Should the role of the Framework be to identify factors that are relevant in selecting a measurement basis for particular assets and liabilities in specific circumstances, rather than specify a single measurement basis or combination of bases?

Yes, I think that the framework of IPSAS will be make identify of possible factors that are relevant in selecting a measurement basis for particular assets and liabilities. It will be similar than IASB Framework that have objective “of financial statements is to provide information about the financial position, performance and changes in financial position of an entity that is useful to a wide range of users in making economic decisions. Financial statements prepared for this purpose meet the common needs of most users. However, financial statements do not provide all the information that users may need to make economic decisions since they largely portray the financial effects of past events and do not necessarily provide non-financial information ... Financial statements also show the results of the stewardship of management, or the accountability of management for the resources entrusted to it.”¹

I observed that the proposal in relating a measurement basis for particular assets and liabilities in specific circumstances will be make consideration the clarification of IPSAS should be amended through the annual improvements process and interested parties when the develop comments on clarification and corrections proposed using that process similar than IASB process that was discussed in your meetings.²

Specific Matter for Comment 2

If, in your view the Framework should specify a measurement basis or combination of bases (or approach in the case of deprival value), which should that be?

Single Measurement Bases

(a) Historical cost.

(b) Market value.

¹ Framework for the Preparation and Presentation of Financial Statements of IASB pg 12-21 www.ifrs.org access in 04/10/2010

² www.ifrs.org- Discussion paper comment letter CL 37 Annual improvements.

(c) Replacement cost.

Combinations of Bases/Approach

(d) Deprival value.

(e) Historical cost and market value.

(f) Replacement cost and market value.

(g) Historical cost, replacement cost, and market value.

Others

(h) Another measurement basis or combination of bases/approach.

Please explain why you support a particular measurement basis or combination of measurement bases/approach and your reasons for rejecting alternatives.

In relation in your view the Framework should specify a measurement basis or combination of bases (or approach in the case of deprival value), I think that is very important the Combinations of Bases/Approach with choose letter (e) Historical cost and market value for public entities and non-profit can be used market used, but will be observed that in some countries is very different application. The jurisdiction, culture rules and law can be observed for don't make impact than don't used your application for this IPSAS.

Specific Matter for Comment 3

The Consultation Paper discusses the following measurement bases: historical cost, market value, and replacement cost. It also discusses the deprival value concept which does not describe a single measurement basis, but rather a means by which a basis may be selected that is relevant to the circumstances.

Value in use and net selling price are discussed in the context of the deprival value model. In your view, is this discussion complete, balanced and fair? If not, please indicate what in your view is missing or in what respects you consider the discussion does not draw out the strengths and weaknesses of the various bases (or approach in the case of deprival value).

This question is relationship with comment 2, will need to know how and what procedures for application in your countries principally in aspect of measurement bases, the IPSAS can be used similar than IASB but is need to observed the impact and regulations that this application will be occur in your countries. The IFAC will need to make the rules and your proposals will be accepted with same situations or discussions that private entities and rules for procedures for audit for public sector.

Specific Matter for Comment 4

In your view, should:

(a) The effect of an entity's own credit risk be reflected in the measurement of liabilities at initial recognition; and

(b) The effect of changes in own credit risk be reflected when liabilities are subsequently remeasured?

I think that this question depends of comments 3, and the effect of an entity's own credit risk be reflected in the measurement of liabilities at initial recognition have relation with the reflected when liabilities are subsequently remeasured. I don't know but the measurement as explain for Soltani, 2007 said that "the audit of financial statements is a special type of assurance engagement that deals primarily wit accounting information. ... the auditor attests to the fairness of a company's financial statements, which are assertions by management regarding the financial performance and financial condition of the company, ... For this is very important to observed the objectives and strategies for non-profit and public sector for valuation the business risks. "³

Specific Matter for Comment 5

In your view, where assets are not restricted in use and therefore may be sold for an alternative use, should the measurement reported in the statement of financial position reflect:

(a) Only the service potential relating to the existing use; or

(b) Include the incremental value relating to its possible sale for an alternative use?

This questions depends for question number 4. The include or no the incremental value is relationship with the analysis of the measurement, for this is very important to make analysis of risk and internal control, for don't have problems in your application.

Thank you for opportunity for comments this proposals, if you have questions don't hesitate contact to me, rio1042370@terra.com.br.

Yours Sincerely,

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³ SOLTANI, Bahram. Auditing International Approach. England: Prentice Hall, 2007 p.12 and p 235

