

EUROPEAN COMMISSION
BUDGET

The Accounting Officer of the Commission

Brussels,
BUDG.DGAI.C.2/MK/BGMr Ian Carruthers
Chairman
International Public Sector Accounting
Standards Board (IPSASB)**Comment letter on Exposure Draft 68 *Improvements to IPSAS, 2019***

Dear Mr Carruthers,

We welcome the opportunity to comment on the above mentioned Exposure Draft 68 *Improvements to IPSAS, 2019* (the 'ED'). The following comments are made in my capacity as Accounting Officer of the European Commission responsible for, amongst other tasks, the preparation of the consolidated annual accounts of the European Union, which comprise more than 50 European Agencies, Institutions and other European Bodies with an annual budget of more than EUR 140 billion¹.

We would like to thank the International Public Sector Accounting Standard Board (the 'IPSASB') for this opportunity to contribute to the due process and we are pleased to provide you with our comments with the aim of improving the transparency, relevance and comparability of the financial statements across jurisdictions.

Overall, the EC agrees with the proposals included in the ED and considers that these minor changes will improve the consistency and understandability of the IPSAS standards concerned. Furthermore, the EC agrees with the decision to exclude from the ED the two amendments arising from the IASB's projects. Although we consider the amendments to IFRS 3 (*Definition of Business*) might be useful for public sector combinations classified as acquisitions, we agree with the IPSASB that its impact should rather be analysed in separate project.

Rosa ALDEA BUSQUETS

¹ For the sake of clarity, the views presented in this comment letter do not represent the views of the EU Member States, or the views of European Public Sector Accounting Standards ('EPSAS') team, and are without prejudice to future decisions which may be taken in the context of the EPSAS project.