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Maria Olsson

Comments on Exposure Draft 51, Joint Arrangements

The Swedish National Financial Management Authority (ESV) appreciates the opportunity to comment on the proposals in Exposure Draft 51, Disclosure of Interests in Other Entities. ESV is the government agency responsible for financial management and development of GAAP in the Swedish central government.

Specific Matter for Comment 1:

Do you agree that joint arrangements should be classified as joint ventures or joint operations based on whether an entity has (i) rights to assets and obligation for liabilities, or (ii) rights to net assets?

Yes we agree.

Specific Matter for Comment 2:

Do you agree that joint ventures should be accounted for in consolidated financial statements using the equity method?

Yes, we agree. ESV believes that the equity method will be relevant in the majority of cases. In addition, we believe that consolidation methods and their relevance regarding the specific features and activities of the entities, to be included in the consolidated financial statements of a reporting entity, should be further clarified.

Concluding remarks

Senior Advisor Maria Olsson has prepared the comments given in this report.

Yours sincerely,



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