

The Technical Director  
International Public Sector Accounting Standards Board  
International Federation of Accountants  
277 Wellington Street West  
Toronto, Ontario M5V 3H2 CANADA

Dear Stephanie,

**ED 51 Joint Arrangements**

The Accounting and Auditing Standards Desk of the Abu Dhabi Accountability Authority (ADAA) is pleased to provide a response to the International Public Sector Accounting Standards Board (IPSASB) request for comments on ED 51. We are fully supportive of the IPSASB's objectives to enhance the quality and consistency of financial reporting of Public Sector Entities (PSEs) and improve the transparency and accountability of government reporting.

Our comments on the specific question asked by the IPSASB are as follows:

**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 obligations for liabilities, or (ii) rights to net assets?**

We agree with the proposal.

**Specific Matter for Comment 2:**

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

We agree with the proposal to require the use of the equity method to account for investments in joint ventures, except where that investment is held by an investment entity. We suggest that an exception is added to the ED.

Yours faithfully

Steven Ralls BA, FCA  
Head of Accounting and Auditing Standards Desk  
Financial Audit and Examination, Abu Dhabi Accountability Authority