



THE INSTITUTE OF CHARTERED ACCOUNTANTS OF NIGERIA

(Established by Act of Parliament No. 15 of 1965)

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Registrar/Chief Executive

AHMED M. KUMSHE (PROF.), FCA

October 31, 2020

ICAN/ED/R&T/OCT31/2020

IPSASB

277 Wellington Street West
Toronto, ON M5V 3H2
Canada.

Dear Sir,

Re: EXPOSURE DRAFT 70 – REVENUE WITH PERFORMANCE OBLIGATIONS

Please find below our responses to the above-named Exposure Draft.

Specific Matter for Comment 1:

Do you agree that the scope of this Exposure Draft is clear? If not, what changes to the scope of the Exposure Draft or the definition of binding arrangements would you make?

Response: We agree that the scope of this Exposure Draft is clear.

Specific Matter for Comment 2:

Do you agree with the IPSASB's decision not to define "transfer revenue" or "transfer revenue with performance obligations"? If not, why not?

Response: We agree with the IPSASB's decision not to define "transfer revenue" with performance obligations because we believe that sufficient guidance and appropriate explanation have been given, as a reason not to mirror the relationship.

Specific Matter for Comment 3:

Because the IPSASB decided to develop two revenue standards—this Exposure Draft on revenue with performance obligations and ED 71 on revenue without performance obligations—the IPSASB decided to provide guidance about accounting for transactions with components relating to both exposure drafts. The application guidance is set out in paragraphs AG69 and AG70. Do you agree with the application guidance? If not, why not?

Response: We agree with the application guidance.

Specific Matter for Comment 4:

Do you agree that the disclosure requirements should be aligned with those in IFRS 15, and that no disclosure requirements should be removed? If not, why not?

Response: We agree that the disclosure requirements should be aligned with those in IFRS 15 and that no disclosure requirements should be removed. We only want the Board to check and adjust for any form of private-sector definition or concept within the disclosure requirements of IFRS 15, which may not be relevant in the public sector.

Specific Matter for Comment 5:

Do you agree with the decision to add the disclosure requirement in paragraph 120 for disclosure of information on transactions which an entity is compelled to enter into by legislation or other governmental policy decisions? If not, why not?

Response: We agree with the decision to add the disclosure requirement in paragraph 120 for disclosure of information on transactions which an entity is compelled to enter into by legislation or other governmental policy decisions.

We thank you for giving us the opportunity to contribute to the Exposure Draft and we are available should there be need for further clarifications.

Yours faithfully,

For: Registrar/Chief Executive

A handwritten signature in black ink, appearing to read 'Ben Ukaegbu', written in a cursive style.

Ben Ukaegbu, PhD, ACA
Deputy Registrar, Technical Services