



19 November 2015

Mr John Stanford
Deputy Director
International Public Sector Accounting Standards Board
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Via online submission: www.ipsasb.org

Dear John

Exposure Draft 56: The Applicability of IPSASs

CPA Australia welcomes the opportunity to respond to the above Exposure Draft. CPA Australia represents the diverse interests of more than 150,000 members in 120 countries. Our vision is to make CPA Australia the global accountancy designation for strategic business leaders. We make this submission on behalf of our members and in the broader public interest.

CPA Australia supports the proposed deletion of the definition and references to Government Business Enterprise (GBE) within the International Public Sector Accounting Standards (IPSAS) and moving to a more principles based approach that requires application of IPSAS by public sector entities that possess characteristics as set out. Accordingly, we support the introduction of the updated paragraph 10 in the Preface, which sets out the characteristics of public sector entities for which IPSASs are intended.

We suggest the following amendments to the proposed paragraph 10(b):

- Two distinct characteristics of public sector entities are included in paragraph 10(b): Firstly, how public sector entities finance their activities, and secondly, that they do not have capital providers. For clarity, we suggest these two characteristics are separated into two sub paragraphs.
- In our view public sector entities may have debt capital providers but not equity capital providers. Therefore, we suggest replacing “capital providers” with “equity capital providers”.

If you require further information on any of our views expressed in this submission, please contact Ram Subramanian, CPA Australia by email at ram.subramanian@cpaaustralia.com.au.

Yours sincerely

A handwritten signature in black ink, appearing to read "Eva Tsahuridu".

Dr Eva Tsahuridu
Manager – Accounting Policy