

December 30, 2014

International Public Sector Accounting Standards Board
International Federation of Accountants
529 Fifth Avenue, 6th Floor
New York
NY 10017 USA

Via online submission and email
(stepheniefox@ipsasb.org)

Attn: Ms Stephenie Fox

Dear Ms Stephenie

**COMMENTS ON IPSASB CONSULTATION PAPER
THE APPLICABILITY OF IPSASs TO GOVERNMENT BUSINESS ENTERPRISES
AND OTHER PUBLIC SECTOR ENTITIES**

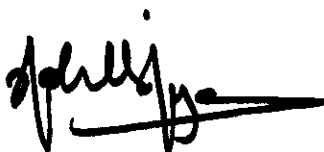
We refer to the IPSASB Consultation Paper, *The Applicability of IPSASs to Government Business Enterprises and Other Public Sector Entities*, issued by the International Public Sector Accounting Standards Board ("IPSASB") of the International Federation of Accountants ("IFAC").

In this regard, we are pleased to attach the Institute's comments as set out in **Appendix I** for your consideration.

Please do not hesitate to contact the undersigned or the Institute's Senior Technical Manager, Ms Hoh Kim Hyan at +603-2698 9622 should you require any clarification.

Thank you.

Yours faithfully,



FOO YOKE PIN (Mr)
Executive Director

THE MALAYSIAN INSTITUTE OF CERTIFIED PUBLIC ACCOUNTANTS
(INSTITUT AKAUNTAN AWAM BERTAULIAH MALAYSIA)

International Public Sector Accounting Standards Board

Consultation Paper
The Applicability of IPSASs to Government Business Enterprises and
Other Public Sector Entities

Questionnaire

The IPSASB welcomes comments on all of the matters discussed in this Consultation Paper ("CP"). The CP highlights the preliminary view of the IPSASB and two specific matters for comment. These are provided below to facilitate your comments. Comments are most helpful if they indicate the specific paragraph or groups of paragraph to which they relate, and contain a clear rationale, including reasons for agreeing or disagreeing. If you disagree, please provide alternative proposals.

The IPSASB has expressed a unanimous preliminary view (PV) that Approach 1 is the best way forward. A majority of IPSASB members expressed a PV on support for Option 1a.

The IPSASB particularly values comments on the Matters below.

Specific Matter for Comment 1 (pgs 15 – 17)

Do you agree with the IPSASB's PV? If so, do you prefer Option 1a or Option 1b? Please give the reasons for your view.

MICPA's Comments:

MICPA agrees with the IPSASB's Preliminary View and prefers Option 1a.

Option 1a is a principles-based approach and leaves regulators and other relevant authorities to decide on borderline cases. However, MICPA is of the view that the degree of flexibility should not lead to inconsistent decision on what accounting standards should be applied for all borderline cases. Changes should only be allowed based on strong valid grounds.

In this regard, there should also be transitional provisions to cater for such changes.

Specific Matter for Comment 2 (pgs 17 - 19)

If you do not agree with the IPSASB's PV, please indicate whether you support Option 2a or Option 2b in Approach 2 or identify an alternative approach. Please give the reasons for your view.

MICPA's Comment:

Not applicable since MICPA agrees with the IPSASB's Preliminary View.