

Institute of Certified Public Accountants of Kenya
CPA Centre, Ruaraka, Thika Road.
P. O. Box 59963 – 00200 Nairobi, Kenya
Tel: (020) 2304226/7; 8068570/1
Mobile: (+254) 727531006 / 733856262 / 721469796
Fax: (020) 8562206

Drop in box no. 164 Revlon Professional Plaza



Our Ref: PSD/ED11/2016

Thursday, 28 July 2016

John Stanford
IPSASB Technical Director
International Public Sector Accounting Standards Board
International Federation of Accountants
277 Wellington Street West
Toronto, Ontario M5V 3H2
Canada

Dear Mr Stanford,

RE: Exposure Draft 61: Proposed International Public Sector Accounting Standard - Amendments to Financial Reporting under the Cash Basis of Accounting (the Cash Basis IPSAS)

The Institute of Certified Public Accountants of Kenya (ICPAK) welcomes the opportunity to comment on the *Exposure Draft 61-Proposed International Public Sector Accounting Standard - Amendments to Financial Reporting under the Cash Basis of Accounting (the Cash Basis IPSAS)*, issued by the International Public Sector Accounting Standards Board (IPSASB) of IFAC.

The Institute supports the Boards decision to revise the Cash Basis IPSAS for ease of adoption while also simplifying and transferring to part II of the standards the current requirements for the preparation of consolidated financial statements and disclosures of information about external assistance and third party payments. We also agree with the boards position to clarify that Cash Basis IPSAS is a stepping stone to IPSAS Accrual.

If you would like to discuss these comments further, please contact the undersigned on nixon.omindi@icpak.com.

Yours Faithfully,

Nixon Oindi
Manager, Technical Services

Specific Matters for Comment

1. Do you agree with the changes to the Cash Basis IPSAS proposed in this ED? If not, please provide your reasons. In explaining your reasons for supporting or disagreeing with the proposed amendments, the IPSASB would welcome your views on the capacity of public sector entities in your jurisdiction to achieve compliance with the requirements of, and present the additional information encouraged by, the Cash Basis IPSAS amended as proposed by this ED.

We support the proposed changes as it will ease the adoption of IPSAS Cash Basis.

2. Since issue of the Cash Basis IPSAS in 2003, the accrual IPSASs then on issue have been updated, and in some cases withdrawn and/or replaced, and new IPSASs and Recommended Practice Guides (RPGs) have been issued. All IPSASs and RPGs currently on issue are available free of charge for the IPSASB website at www.IPSASB.org. The IPSASB would welcome your views on whether requirements or guidance drawn from any of these IPSASs or RPGs should be included as additional requirements or encouragements in the Cash Basis IPSAS in the future and, if so, which requirements or guidance.

We opine that requirements or guidance drawn from any IPSAS or RPGs should be included in the IPSAS and updated whenever IPSAS Accrual standards are amended.