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Lausanne, May 20, 2019

Swiss Comment to

Exposure Draft 67 Collective and Individual Services and Emergency Relief (Amendments to IPSAS 19)

Dear John,

With reference to the request for comments on the proposed Consultation Paper, we are pleased to present the Swiss Comments to Exposure Draft 67 Collective and Individual Services and Emergency Relief (Amendments to IPSAS 19). We thank you for giving us the opportunity to put forward our views and suggestions. You will find our comments for the Exposure Draft in the attached document.

Should you have any questions, please do not hesitate to contact us.

Yours sincerely,

SRS-CSPCP



Prof Nils Soguel, President



Evelyn Munier, Secretary

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1. Introduction

The Swiss Public Sector Financial Reporting Advisory Committee (SRS-CSPCP) was established in 2008 by the Swiss Federal Ministry of Finance together with the cantonal Ministers of Finance. One of its aims is to provide the IPSAS Board with a consolidated statement for all three Swiss levels of government (municipalities, cantons and Confederation).

The SRS-CSPCP has discussed ED 67 Collective and Individual Services and Emergency Relief (Amendments to IPSAS 19) and comments as follows

2. Comments to Exposure Draft 67

The SRS-CSPCP is positively disposed to this ED. The proposed changes will hardly cause changes in practice in Switzerland, because provisions are already used very restrictively.

We would suggest to supplement the table under AG 6, page 8 of the ED, on the relationship between social benefits and collective and individual benefits for the population with a column for emergency relief.

3. Specific Matter for Comment 1

The SRS-CSPCP is in agreement with the definitions of collective services and individual services. It should, however, be examined whether within the definitions it should be explicitly mentioned that collective and individual services are non-cash services. This distinction from the definition of social benefits is so far clear only in the table under AG 6, page 8 of the ED.

In addition, it should be ensured that the proposed definitions are consistent with those in other Standards, in particular IPSAS 42. As in this amendment of IPSAS 19 the expressions *individual* and *collective services* are defined, it would be logical also to define the expressions "*community*" and the "*needs of society as a whole*".

4. Specific Matter for Comment 2

The SRS-CSPCP is in agreement that for collective services no provisions may be recognized, because they are ongoing services for the benefit of the whole population.

5. Specific Matter for Comment 3

The SRS-CSPCP is in agreement that for individual services no provisions may be recognized, because they are ongoing services for the benefit of the whole population.

6. Specific Matter for Comment 4

The SRS-CSPCP is in agreement with the proposed accounting treatment of emergency relief. However, the SRS-CSPCP believes that the distinction between *ongoing activities* and *specific emergencies* is difficult. This distinction creates confusion rather than being helpful. Further the SRS-CSPCP would welcome it, if the IPSASB could provide examples of these two cases. The SRS-CSPCP wonders whether or not, for instance, the fire service belongs to these activities.

Furthermore, the SRS-CSPCP notes with satisfaction that IPSAS 19 represents a major obstacle to arbitrary provisions.

Lausanne, April 9, 2019