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Date: September, 2017.

Dear Sir,

RESPONSE TO THE CONSULTATION PAPER ON FINANCIAL REPORTING FOR HERITAGE IN THE PUBLIC SECTOR

Association of National Accountants of Nigeria is very pleased to comment on the Consultation Paper on Financial Reporting for Heritage in the Public Sector.

Our responses to Specific Matters for Comment and Preliminary Views are set out below:

Specific Matter for Comment - Chapter 1

The Association of National Accountants of Nigeria (ANAN) believes that the IPSASB has captured all of the characteristics of heritage items and the potential consequences for financial reporting in paragraph 1.7 and 1.8 as they appear to be comprehensive enough.

Preliminary View - Chapter 2.1

ANAN agrees with the IPSASB's preliminary view of the significant of this heritage properties as enumerated in Chapter 2.1

Preliminary View - Chapter 2.2

ANAN agrees with the Board's preliminary view in Chapter 2.2 and with the UNESCO convention of including natural plants and organisms because of its common nature in PAN Africa. There are some living plants that has serious historical significant to their natural habitats such that their significance to people there cannot be discarded.

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Preliminary View - Chapter 3

ANAN agrees with the Board's preliminary view as enumerated in Chapter 3. In our opinion, the economic benefit generated from tourist so attracted by such unique heritage

assets and the other various economic activities usually associated with tourism in general cannot be overemphasised.

Specific Matter for Comment - Chapter 4.1

ANAN supports initially recognizing heritage assets at a nominal cost of currency unit where historical cost is zero so that such assets will continue to be recognized in the book of the entity (country, state, city, town) where they are found.

Preliminary View - Chapter 4.1

ANAN agrees with the Board's preliminary view in Chapter 4.1 that heritage assets should be recognize in the statements of financial position provided they meet the recognition criteria in the Conceptual Framework.

Specific Matter for Comment - Chapter 4.2

We cannot think of any such heritage assets since in the Board's Specific Matters for Comment in Chapter 4.1, it has been postulated that where there is no historical cost, a nominal value of one currency unit can be assigned to heritage assets for recognition purposes.

Preliminary View - Chapter 4.2

ANAN agrees with the Board's preliminary view in Chapter 4.2 because in many cases, it is possible to assign monetary value to heritage assets and where that is the case, it means that such assets have historical cost or market value.

Specific Matter for Comment - Chapter 4.3

ANAN beliefs that the guideline should be on two prompts, one dwelling on when monetary value is assigned to heritage assets while the other one should be when nominal value is assigned.

Preliminary View - Chapter 5

ANAN agrees with the Board's preliminary view in Chapter 5, once there is initial value assigned and recognized for such heritage assets, subsequent expenditure, depreciation or amortization, impairment and revaluation should just then flow accordingly in line with other non-heritage assets.

Specific Matter for Comment - Chapter 5

ANAN cannot identify any such types of heritage related assets.

Preliminary View - Chapter 6

ANAN agrees with the Board's preliminary view in Chapter 6 because in some cases budgets are being prepared for the maintenance of such heritage assets regularly and since most countries now operate the accrual basis IPSAS, whether or not the amount has actually been spent, the obligation to maintain those heritage assets as provided for in the relevant budget should be recognized as a liability.

Preliminary View - Chapter 7

ANAN disagree with the Board's preliminary view in Chapter 7 that information about heritage assets should be presented in line with existing IPSASB pronouncements, it should instead be presented in line with IPSASB pronouncements as amended.

ABOUT ANAN

Association of National Accountants of Nigeria (ANAN) is a statutorily recognized Professional Accountancy body in Nigeria. The body is charged among others, with the responsibility of advancing the science of accountancy.

The Association was founded on 1st January, 1979 and operates under the ANAN Act 76 of 1993(Cap A26 LFN 2004), working in the public interest. The Association regulates its practising and non-practising members, and is overseen by the Financial Reporting Council of Nigeria.

Active ANAN members are 20,049, who are either FCNA or CNA and are found in Business, Practice, Academic and Public Sector in all the States of Nigeria and Overseas. The members provide professional services to various users of accountancy services.

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ANAN is a member of the International Federation of Accountants (IFAC), International Association for Accounting Education & Research (IAAER), The Pan African Federation of Accountants (PAFA), and Associate of Accountancy Bodies in West Africa (ABWA).

Yours faithfully,

ASSOCIATION OF NATIONAL ACCOUNTANTS OF NIGERIA



DR. SUNDAY A. EKUNE, FCNA

Registrar/Chief Executive