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**Re :Feb 21, 2020 | Exposure Drafts and Consultation Papers English - Comments due by: Nov 01, 2020**

To the review committee members,

Please consider these comments as my academic contribution to the Exposure draft in the context of public policy development.

**Specific Matter for Comment 1:**

**Q.** Do you agree that the scope of this Exposure Draft is clear? If not, what changes to the scope of the Exposure Draft or the definition of binding arrangements would you make?

**R.** If interpreted as substance over form it is clear -- Considering that the payor entity is a government authority, there should be a legislative source with implications that are judicially enforceable in support to the characterization as binding arrangements, just as were *accords fiscaux sur agréments* / "tax attributes under agreement" in French tax laws.

**Specific Matter for Comment 2:**

**Q.** Do you agree with the IPSASB's decision not to define "transfer revenue" or "transfer revenue with performance obligations"? If not, why not?

**R.** The transfer payments, known in *Constitutional law* as intergovernmental payments, could be conditional or unconditional. First, we need to know whether conditions performance refers to any conditions attached to the transfer. Second, whether transfer payments should be distinguishing between financial transfer and transfer by tax points. Once these theoretical aspects resolved, there are certain imbalances in a federal in respect of equalization payments which are, unconditional financial transfers. Should we differentiate between vertical and horizontal transfers? Then once these appropriate distinctions are made, the accounting standards should determine whether they should be reflected and in fact mirrored in financial reporting of the payor and the payee entity.

**Specific Matter for Comment 3:**

**Q.** Do you agree with the application guidance? If not, why not?

**R.** The incorporation by reference of the application guidance -- for example performance obligations and ED 71 – should specify where necessary, how the guidelines are to be adapted.

**Specific Matter for Comment 4:**

**Q.** Do you agree that the disclosure requirements should be aligned with those in IFRS 15, and that no disclosure requirements should be removed? If not, why not?

**R.** Since IFRS 15 is considered for the private sector (even if shares of the corporate entity could be publicly traded on a sock exchange), there is a difference in legal obligations under an administrative public service, an industrial and commercial service and industrial and commercial public service. These differences should be analyzed carefully both in terms of characterization than in terms of legally recognized obligations.


**Specific Matter for Comment 5:**

**Q.** Do you agree with the decision to add the disclosure requirement in paragraph 120 for disclosure of information on transactions which an entity is compelled to enter into by legislation or other governmental policy decisions? If not, why not?

**R.** Absolutely, but if it's another governmental policy decisions, it should specify to which extent that the payor entity subdelegates its power, at the least it should mention is the reference is open-ended or closed-ended to decisions prior to a certain date or in certain contexts.

I hope these comments could be useful,

Regards

A handwritten signature in cursive script that reads "Michel Maher".

Michel Maher  
Professor, University of Ottawa