

WIRTSCHAFTSPRÜFERKAMMER . Postfach 30 18 82 . 10746 Berlin

**By website:** [www.ipsasb.org](http://www.ipsasb.org)

International Public Sector Accounting Standards Board  
529 Fifth Avenue, 6<sup>th</sup> Floor  
New York, NY 10017  
USA

**Geschäftsführung**

Rauchstraße 26  
10787 Berlin  
[www.wpk.de](http://www.wpk.de)

July, 16, 2014  
Contact: **WPin Daniela Zintzsch**  
**+49 30 726 161 325**  
INT/IPSASB/960

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**IPSASB Strategy Consultation**

Dear Ladies and Gentlemen,

We are pleased to take this opportunity to comment on the IPSASB's Strategy Consultation Paper: IPSASB's Strategy for the period from 2015 forward and IPSASB's 2015–2019 work program.

***IPSASB's Strategy for the period from 2015 forward***

We support the identified strategic objective for the period 2015 forward to strengthening public financial management and knowledge globally. Especially the adoption of accrual-based accounting in all areas of the public sector entity is absolutely essential.

In what extent the IPSAS are appropriate to strengthening public financial management and knowledge by providing faithful, understandable and comparable information needs to be expressed more clearly. Therefore we see the need not only to raise awareness of the benefits of the adoption of the IPSAS but also of the benefits of the IPSAS itself.

***IPSASB's 2015–2019 work program***

With regard to the work program in general further adjustments to extant IPSASs or the development of new standards should be limited to a minimum level. This would provide users a stable platform for adoption and implementation of standards.

According to the key factors to be considered in deciding whether to initiate a project and assessing its relative priority we think that "IFRS convergence" is not a necessary key factor. The IPSASB should concentrate on the IPSAS itself and their target group. The IAS/IFRS are very extensive and complex, there are hard to understand and contain to many discretionary decisions. For providing faithful, understandable and comparable information by adoption of the IPSAS it is not recommendable to converge with the IAS/IFRS.

As an additional key factor to be considered we recommend the factor "cost effectiveness" what means that a project should only initiate when it is in proportion to the importance of the results and the benefits.

Relating to the three options you identified in relation to the Cash Basis IPSAS we would recommend to withdraw the Cash Basis IPSAS from the IPSASB Handbook. The Cash Basis IPSAS are not adequate to achieve your outcome to improve the ability of public sector entities to reflect the full economic reality of their finances.

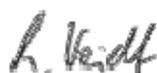
In the course of the actual project of creating European Public Sector Accounting Standards (EPSAS) and implementing it in the EU Member States the European Commission concluded according to the suitability of the IPSAS for the EU member states that on the one hand "IPSAS cannot easily be implemented in EU Member States as it stands currently. On the other hand, the IPSAS standards represent an indisputable reference for potential EU harmonized public sector accounts." The last public consultation paper dealt with future EPSAS governance principles and structures. We recommend to await the results of this consultation and the further development for prioritization the potential projects of the IPSASB.

We would like to thank you for the opportunity to comment on the above mentioned consultation paper and hope that you will find our comments useful. We would be delighted to answer any further questions that you may have.

Kind Regards



Claus C. Securs  
President



Dr. Reiner Veidt  
Executive Director