

## Swiss Comment to

## Exposure Draft 85 Improvements to IPSAS, 2023

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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 85 Improvements to IPSAS, 2023 and comments as follows.

## **2. Remarks to Exposure Draft 85**

In assessing International Accounting Standards Board (IASB) publications for the private sector (International Financial Reporting Standards = IFRSs), the IPSASB considers whether there is a specific public sector reason that justifies a deviation from IFRSs. The objective of this ED is to propose improvements to IPSASs to align them with the amendments to IFRSs. The SRS-CSPCP would like the IPSASB to explain in future improvements not only in the Basis for Conclusions (BC) that there are no public-sector-specific reasons to deviate from IFRS, but also why these changes are being made.

### **2.1. Amendments to IPSAS 1, Presentation of Financial Statements**

The SRS-CSPCP notes that the proposed amendments regarding the classification of liabilities as current or non-current and non-current liabilities with covenants are only minor changes. These changes do not affect at all the meaning of the existing requirements. Therefore, the SRS-CSPCP considers the proposal to be appropriate and thus supports it.

### **2.2. Amendments to IPSAS 43, Leases**

The SRS-CSPCP notes that the proposed amendments regarding the Interest Rate Benchmark and Lease Liability in a Sale and Leaseback are only minor changes. These changes do not affect at all the meaning of the existing requirements. Therefore, the SRS-CSPCP considers the proposal appropriate and thus supports it.

Lausanne, December 12, 2023