

Swiss Comments to

ED 45: *Improvements to IPSASs 2011*

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1. Introduction

The Swiss Public Sector Financial Reporting Advisory Committee (SRS-CSPCP) has discussed ED 45 *Improvements to IPSASs 2011* and comments as follows. The SRS-CSPSP was established in 2008 by the Swiss Federal Ministry of Finance together with the Ministers of Finance at the cantonal level. One of its aims is to provide the IPSAS Board with a consolidated statement for all the three Swiss levels of government (municipalities, cantons and Confederation).

2. Comments to Exposure Draft 45 *Improvements to IPSASs 2011*

2.1. Part I: Deletion of Introduction

In the drafts the Introduction paragraphs are useful and informative, but in the final standard they can be omitted: the SRS-CSPCP agrees with the deletions.

2.2. Part II: Insertion of objective paragraph

The insertion of the missing objective paragraphs in the four standards makes sense, so that in all the standards the objective is clearly stated: the SRS-CSPCP agrees with the insertions.

2.3. Part III: General Improvements

The Exposure Draft does not clearly state why the improvements have been made. Are they based on updates to IFRS or do they concern peculiarities of the public sector? What is the thinking behind them? Without this information it was difficult to assess the improvements. For future improvements the corresponding background information should therefore be included in the Exposure Draft to facilitate assessment.

Standard 16, Investment Property

The SRS-CSPCP agrees with the improvements to this standard.

Standard 17, Property, Plant, and Equipment

The insertion with IPSAS 26 for the realisation of the impairment gave rise to a controversial discussion in the SRS-CSPCP, because in IPSAS 17 fixed assets, whose main purpose is not to generate a return, are covered. In special cases uncertainties could arise as to when and which valuation method is applicable.

Otherwise we agree with the improvements to the standard.

Standard 19, Provisions Contingent Liabilities and Contingent Assets

The insertion of the example under Item IG 14 with IPSAS 29 gave rise to controversial discussion in the SRS-CSPCP. The question arises whether in the public sector there could not also be financial guarantees that would not fall under IPSAS 29. In this connection therefore the sector specific aspects should once again be reviewed.

Otherwise we agree with the improvements to the standard.

Standard 21, Impairment of Non-Cash-Generating Assets

The SRS-CSPCP agrees with the improvements to this standard.

Lausanne, June 27, 2011