The International Public Sector Accounting Standards Board
277 Wellington St. West
Toronto, ON
M5V 3H2
Submission via website
13 December 2023

Dear Ross

COMMENTS ON EXPOSURE DRAFT ON IMPROVEMENTS TO IPSAS, 2023 (ED 85)

We thank you for the opportunity to provide comments on ED 85. We welcome an approach to align with amendments to IFRS® Accounting Standards based on the International Accounting Standards Board’s Narrow Scope Amendments projects.

The comments outlined in this letter are those of the Secretariat of the Accounting Standards Board and not the Board.

We are generally supportive of the amendments. Specific comment on the amendments in ED 85 are outlined below.

Publications not included in ED 85

We acknowledge the IPSASB’s decision to consider amendments from Disclosure of Accounting Policies to IAS 1 on Presentation of Financial Statements and IFRS Practice Statement 2 on Making Materiality Judgements as part of its project on Presentation of Financial Statements.

We have noted that the stakeholders in our environment found the amendment from “significant accounting policies” to “material accounting policies” useful as “significant” is not a defined term, while “material” is defined and explained in existing literature such as the Conceptual Framework for General Purpose Financial Reporting by Public Sector Entities and IPSAS 1 on Presentation of Financial Statements. We are of the view that a similar clarification will be useful to IPSAS 1. Clarification that accounting policies that relate to immaterial transactions, other events or conditions need not be disclosed, is helpful to avoid obscuring material information in financial statements. We are therefore of the view that the improvements to IAS 1 and IFRS Practice Statement 2 should be considered as part of the IPSASB’s next improvements project.

Should you have any questions regarding the comments outlined in our letter, please feel free to contact me.

Board Members: Ms P Moalusi (Chair), Mr A van der Burgh (Deputy Chair), Mr C Braxton, Ms W de Jager, Mr D Dlamini, Mr S Khan, Ms A Muller, Ms N Themba
Chief Executive Officer: Ms J Poggiolini
Your sincerely

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Head of Technical