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Ian Carruthers
Chair, International Public Sector Accounting Standards Board
277 Wellington Street West
Toronto, ON M5V 3H2
Canada

12 December 2023

Dear Sir,

Response to Exposure Draft 85- Improvements to IPSAS, 2023

I am pleased to submit my comments on the Exposure Draft 85- Improvements to IPSAS 2023.

I have over 13 years of experience in the field of accounting and I am currently working as an Accountant/Senior Accountant at the Treasury, Government of Mauritius. I have been part of the team working on the transition of the Government of Mauritius towards accruals based IPSAS.

The comments enclosed in this letter represent my personal views and do not reflect the official stance of the Treasury or the Government of Mauritius.

I trust that these comments will be useful to the board.

Yours Sincerely,



Meenakshi Devi Bookauram Seebundhun

Comments

Amendment- Part 1 – Classification of Liabilities as Current or Non-current and Non-current Liabilities with Covenants

Paragraph 80:

A liability shall be classified as current when it satisfies any of the following criteria:

- (a) It is expected to be settled in the entity's normal operating cycle;
- (b) It is held primarily for the purpose of being traded;
- (c) It is due to be settled within twelve months after the reporting date; or
- (d) The entity does not have the right at the end of the reporting date to defer settlement of the liability for at least twelve months after the reporting date".

All other liabilities shall be classified as non-current.

Comments:

I agree with the amendments proposed. However, my suggestion is to consider providing additional guidance as to whether the following type of liability should be classified as current or non-current:

A liability (bond) with no fixed maturity date but that can be redeemed at any time by the holder. In practice, redemption of only 1-3% bonds are being made annually.