



THE INSTITUTE OF CHARTERED ACCOUNTANTS OF INDIA

(Set up by an Act of Parliament)

4th May 2026

Mr. Thomas Müller-Marqués Berger
Chairman,
International Public Sector Accounting Standards Board (IPSASB),
The International Federation of Accountants,
70 York Street, Suite 710, Toronto, ON M5J 1S9, Canada.

Dear Thomas Müller-Marqués Berger,

Subject: Comment on IPSASB Consultation on Strategy and Work Program 2024–2028

We are pleased to provide comments on the Consultation on *Strategy and Work Program 2024-2028* issued by the International Public Sector Accounting Standards Board (IPSASB) of the International Federation of Accountants (IFAC). Our comments on the Consultation are enclosed with this letter.

Please feel free to contact us in case any further clarification in this regard is required.

Thanking you,

Yours sincerely,

(CA. Hans Raj Chugh)

Chairman

Public & Government Financial Management Committee (PGFMC)

The Institute of Chartered Accountants of India

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IPSASB Consultation on “Strategy and Work Program 2024-2028”

Specific Matter for Comment 1

What financial reporting projects should the IPSASB prioritize? For each financial reporting project you suggest, please clearly explain the project scope and your reasoning, using the IPSASB’s project prioritization criteria outlined in the consultation document, to support its priority. Respondents are encouraged to use the format in the Optional Template illustrated in the Instructions for Respondents in the Consultation Document for each project suggested.

ICAI’s views:

We recommend that the following three financial reporting projects be considered to prioritise by the IPSASB:

- i. Better Communication in Financial Reporting (*Potential Disclosure Project*),
- ii. Climate-related and Other Uncertainty within the Financial Statements, and
- iii. Revision of IPSAS 19, ‘Provisions, Contingent Liabilities and Contingent Assets’ (in line with Amendment to IAS 37) (*Targeted Improvements Project*).

The project-wise Prioritisation Criteria is as follows:

(i) **Better Communication in Financial Reporting (Potential Disclosure Project)**

This project will help in enhancing clarity and transparency of public sector financial statements, enabling stakeholders to better understand government’s financial performance, financial position, and use of public resources.

Criteria	Analysis
Prevalence	High: Applies across all public sector entities
Consequences	Medium: Improves clarity but limited direct financial impact
Urgency	Low: Existing IPSAS disclosures are robust, so reform is beneficial but not urgent.
Feasibility	High: Easier to implement (presentation/disclosure changes)

(ii) **Climate-related and Other Uncertainty within the Financial Statements**



This project will develop practical guidance to help public sector entities incorporate climate-related and other uncertainties into financial statements, improving risk assessment, fiscal planning, and alignment with sustainability disclosures.

Criteria	Analysis
Prevalence	Medium: Expected to have broad impact, as these disclosures affect most public sector entities.
Consequences	High: Significant long-term fiscal and reporting impact
Urgency	High: Demand of current evolving economic environment
Feasibility	Medium: Guidance-based approach improves practicality, though complexity remains specially in measurement.

(iii) Revision of IPSAS 19, 'Provisions, Contingent Liabilities and Contingent Assets' (in line with Amendment to IAS 37) (Targeted Improvements Project)

This project will align IPSAS 19 with amended IAS 37, while also addressing additional public sector-specific issues.

Criteria	Analysis
Prevalence	High: Provisions and contingencies are common in government
Consequences	High: Direct impact on liabilities and fiscal position
Urgency	Low: IASB project is still in progress as they are currently reviewing comments received on Exposure Draft of IAS 37 Amendments
Feasibility	Medium: Beyond incorporating IAS 37 Amendments, additional public sector issues must also be identified and addressed

Specific Matter for Comment 2

Which IPSAS Standards do you think are the highest priority for the IPSASB to undertake a post implementation review? For each post implementation review you suggest, please clearly explain the issues with the existing IPSAS Standard and your priority reasoning using the IPSASB's project prioritization criteria outlined in the Consultation Document. Respondents are encouraged to use the format in the Optional Template illustrated in the Instructions for Respondents in the Consultation Document for each PIR suggested.



ICAI's views:

We recommend that both post implementation review projects suggested by the IPSASB Staff be considered to prioritise:

- i. IPSAS 18, '*Segment Reporting*', and
- ii. IPSAS 35, '*Consolidated Financial Statements*'.

The project-wise Prioritisation Criteria is as follows:

i. IPSAS 18, '*Segment Reporting*'

IPSAS 18, '*Segment Reporting*' is currently based on IAS 14, '*Segment Reporting*'; this project will propose to align it with IFRS 8, '*Operating Segments*' and explore opportunities to better align with Classification of Functions of Government (COFOG) categories.

Criteria	Analysis
Prevalence	Medium: Not all entities apply segment reporting extensively
Consequences	Medium: Improves transparency, but limited impact on core financial position
Urgency	Low: Alignment with IFRS 8 Operating Segments is desirable, not critical
Feasibility	Medium: Alignment with IFRS 8 is achievable, but integrating COFOG classifications adds moderate complexity

ii. IPSAS 35, '*Consolidated Financial Statements*'

The project will provide guidance on applying the concept of control under IPSAS 35.

Criteria	Analysis
Prevalence	High: Widely applicable to governments and controlled entities
Consequences	High: Direct impact on group reporting and fiscal transparency
Urgency	Low: Issues are not emerging or time-critical
Feasibility	Medium: Complex judgments involved, but supported by existing frameworks



Specific Matter for Comment 3

Which sustainability reporting projects should the IPSASB prioritize? For each sustainability reporting project you suggest, please clearly explain the project scope and your reasoning, using the IPSASB's project prioritization criteria outlined in the Consultation Document, to support its priority. Respondents are encouraged to use the format in the Optional Template illustrated in the Instructions for Respondents in the Consultation Document for each project suggested.

ICAI's views:

We recommend IPSASB to prioritise '*General Sustainability-related Disclosures*' project. This project will develop public sector specific principles for disclosing sustainability-related information based on the guidance provided in IFRS S1, '*General Requirements for Disclosure of Sustainability-related Financial Information*'. The Prioritisation Criteria is as follows:

Criteria	Analysis
Prevalence	High: Adoption varies across jurisdictions and entities
Consequences	High: Significant impact on transparency, accountability, and long-term decision-making
Urgency	High: Strong and growing stakeholder demand for sustainability reporting
Feasibility	High: Achievable using frameworks like IFRS S1

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