COMMENT LETTER ON EXPOSURE DRAFT 95 AND 96 – IPSASB

Dear Sir/Madam,

RE: COMMENT LETTER ON EXPOSURE DRAFT 95 – IMPROVEMENTS TO IPSAS ACCOUNTING STANDARDS (VOLUME 10)

AND EXPOSURE DRAFT 96 – AMENDMENTS TO IPSAS 40

This submission is informed by practical experience in Zimbabwe's public sector and my role as a member of the Public Sector Accounting Standards Panel (PSASP).

A. COMMENTS ON ED 95

1. Public Sector Applicability:

IPSASB should include implementation guidance tailored to developing economies, particularly local authorities with significant non-exchange transactions.

2. Revenue Classification:

Clear guidance is required to distinguish between exchange and non-exchange transactions, especially service charges vs statutory levies.

3. Terminology:

Consistency across standards (revenue, levies, obligations) is essential.

4. Implementation:

Longer transition periods and simplified implementation toolkits are recommended.

B. COMMENTS ON ED 96

1. Definition of an Operation:

Guidance should include service delivery units such as schools and clinics.

2. Liabilities:

Practical expedients are needed for measuring contingent liabilities in low-data environments.

3. Measurement:

Alternative approaches should be permitted where fair value is unreliable.

4. Public Sector Restructuring:

Clarify treatment of government reorganisations.

C. CROSS-CUTTING ISSUES

- Capacity constraints in local authorities
- ERP and system limitations
- Need for simplified practitioner guidance

D. CONCLUSION

The proposals are supported, subject to enhanced practical guidance and flexibility for developing economies.

Yours faithfully,

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