



Australian Government
**Australian Accounting
Standards Board**

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Agenda paper A4 (M143)

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Ms Stephenie Fox
Technical Director
International Public Sector Accounting Standards Board
International Federation of Accountants
277 Wellington Street West
Toronto, Ontario M5V 3H2
CANADA

Dear Stephenie

***IPSASB Consultation Paper The Applicability of IPSASs to Government Business
Enterprises and Other Public Sector Entities***

The Australian Accounting Standards Board (AASB) is pleased to provide comments on the IPSASBs Consultation Paper *The Applicability of IPSASs to Government Business Enterprises and Other Public Sector Entities*.

In response to Specific Matter for Comment 1, the AASB agrees with the IPSASBs preliminary view that Approach 1 is the most appropriate and supports option (a).

The AASB agrees that it is not within the IPSASB's mandate to state that Government Business Enterprises apply IFRSs as this is a role for the relevant jurisdictional regulator. Further, the AASB supports option (a) because:

- GFS terminology is generally not well understood by constituents, unlike the IPSASB terminology that is proposed to be used in option (a); and
- If GFS terminology were to be used, the IPSASB would be reliant on third party literature. Any change to GFS reporting guidelines would be outside the IPSASB's control. Therefore, if these guidelines changed then the wording in the IPSAS *Preface* would also have to be changed.

If you have any queries regarding any matters in this submission, please contact Joanna Spencer (jspencer@aaab.gov.au).

Yours sincerely,

Kris Peach
Chair and CEO