



14 March 2017

Kris Peach
Chair
Australian Accounting Standards Board
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Dear Kris

Service Concession Arrangements: Grantors – fatal-flaw review version

CPA Australia welcomes the opportunity to respond to the above Consultation. CPA Australia represents the diverse interests of more than 160,000 members in 118 countries. Our vision is to make CPA Australia the global accountancy designation for strategic business leaders. We make this submission on behalf of our members and in the broader public interest.

We make the following comments for consideration by the Australian Accounting Standards Board's (AASB):

- The AASB makes the standard under section 334 of the *Corporations Act 2001*. Since many of the organisations that will be required to apply the standard will not be reporting under the *Corporations Act 2001*, it may be more appropriate to refer to section 227 of the *Australian Securities and Investments Commission Act 2001* in making this standard.
- The sections "Presentation and Disclosure" (paragraphs 27-28 and B72-B73) do not include any presentation requirements or considerations. We suggest these sections are titled "Disclosure".
- The commencement of this standard on the effective date of 1 January 2019 will coincide with the commencement of AASB 16 *Leases* and AASB 1058 *Income of Not-for-profit Entities*. As this could place an undue burden on affected public sector entities, we suggest deferring the start date of this standard to a later date.

If you require further information on any of our views expressed in this submission, please contact Ram Subramanian, CPA Australia by email at ram.subramanian@cpaaustralia.com.au or 03 9606 9755.

Yours sincerely

A handwritten signature in black ink, appearing to read "Eva Tsahuridu".

Dr Eva Tsahuridu
Manager – Accounting Policy