

## Swiss Comment to

## Exposure Draft 56 The Applicability of IPSASs

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## **1. Introduction**

The Swiss Public Sector Financial Reporting Advisory Committee (SRS-CSPCP) was established in 2008 by the Swiss Federal Ministry of Finance together with the cantonal Ministers of Finance. One of its aims is to provide the IPSAS Board with a consolidated statement for all three Swiss levels of government (municipalities, cantons and Confederation).

The SRS-CSPCP has discussed the *Exposure Draft The Applicability of IPSASs* and comments as follows.

## **2. General Remarks**

The SRS-CSPCP notes with satisfaction that its comments on the Consultation Paper (CP) have been considered in this ED. As mentioned, it is particularly important that a positive approach is used to identify which entity must apply IPSAS. The SRS-CSPCP also welcomes the fact that the concept of General Business Enterprises (GBE) is no longer defined

## **3. Specific Matter of Comment 1**

The SRS-CSPCP agrees with the changes proposed in this ED. It agrees with the three proposed criteria to identify entities that must apply IPSAS. However, it would welcome that a remark would be added to make clear whether the criteria are to be fulfilled cumulatively or not. Such a remark would be useful for the users of IPSASs.

Already in its comments on the CP the SRS-CSPCP expressed the wish that the expressions "direct" or "indirect financing" be defined. The SRS-CSPCP can somehow understand that the IPSAS Board deliberately does not define these expressions. If defining them could not be an option, the SRS-CSPCP would still suggest that the scope of these expressions could be illustrated using examples.

In the considered standards, the expression "GBE" is substituted by "commercial entity" but sometimes also by "commercial public sector entity". To avoid confusion, the SRS-CSPCP believes that only one of these expressions should be chosen and systematically used.

Lausanne, November 9, 2015