



Ms Stephenie Fox
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IPSASB
IFAC

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Ref.: PSC/AKI/PGI

Dear Ms Fox,

IPSASB ED 48 Separate Financial Statements

- (1) FEE (the Federation of European Accountants, www.fee.be) is pleased to submit its views on this proposed International Public Sector Accounting Standard.

General Comments on the Exposure Draft

- (2) We strongly support IPSASB's programme which helpfully combines IFRS converged IPSASs on matters which are common to both private and public sectors, public sector specific IPSASs on matters which are unique to the sector, and conceptual work which will inform the development of standards in future, seeking to achieve the optimum balance between maintaining comparability and addressing sector specific issues.
- (3) We have reviewed the changes in terminology between this Exposure Draft and its donor Standard, IAS 27, and agree that the revised terminology better represents the position of public sector bodies.
- (4) We have also considered the IPSASB's decision to replace references to IFRS 9 Financial Instruments contained in IAS 27 with references to the IPSASs dealing with financial instruments. As the IPSASB has not yet considered the applicability to the public sector of this standard, and also in view of the fact that the IASB's proposed amendments to this standard are not complete, we agree with the IPSASB's decision to remove references to it in this Exposure Draft.

- (5) We also agree with the proposal that if an investment entity measures its investments in a controlled entity at fair value through surplus or deficit in its consolidated accounts it should also account for those investments in the same way in its separate financial statements.

Specific Matter for Comments

- (6) FEE's views are set out below on the Specific Matter on which the IPSASB would particularly value comments.

Specific Matter for Comment 1

Do you agree generally with the proposals for separate financial statements? In particular, do you agree with the proposal to permit the use of the equity method in addition to cost and fair value, for investments in other entities?


- (7) We agree in general with the proposals dealing with separate financial statements. We also agree that permitting the use of the equity method in addition to cost and fair value is appropriate for this sector and will enhance the usefulness of the separate financial statements in certain circumstances.

For further information on this letter, please contact Paul Gisby, Project Manager from the FEE Team, on +32 2 285 40 70 or via e-mail at paul.gisby@fee.be.

Yours sincerely,



André Killesse
President



Olivier Boutellis-Taft
Chief Executive