



The International Public Sector Accounting Standards Board (IPSASB)

Website submission

Preface

The Pan African Federation of Accountants (PAFA) is a network partner of the International Federation of Accountants (IFAC) and the regional organisation for the accountancy profession in Africa. Our membership consists of 56 professional accountancy organisations in 45 countries in Africa. Through these organisations we reach more than 125 000 professional accountants in Africa – all potential agents of change.

PAFA's vision is sustainable value creation to benefit the citizens of Africa. We achieve this by strengthening the influence and capacity of the accountancy profession to enhance trade, the quality of services, and trust in institutions. Our strategic actions aimed at promoting and supporting good governance, transparency, and accountability in the public sector are integrated into our three strategic areas of focus—Effective PAOs | Technical Excellence | Quality & Mobility.

Presented below is PAFA's response to the Specific Matter for Comment raised in the Exposure Draft (ED) 86, *Exploration for and Evaluation of Mineral Resources*, developed and approved by the International Public Sector Accounting Standards Board (IPSASB). The responses detailed below have been prepared in consultation with our members and other stakeholders in the region.

Specific Matter for Comment 1:

The IPSASB decided to propose an IFRS 6-aligned Standard in ED 86 (see paragraphs BC2 – BC7). Do you agree that amendments to IFRS 6, for the public sector, are limited to terminology and other IPSASB-specific formatting and consistency amendments (see paragraph BC8)?

If not, please explain your reasons, stating clearly what further amendments are necessary and why.

SAIPA House, Howick Close Waterfall Park, Bekker Road, Midrand 1685 | Private Bag X32 Northlands; Johannesburg, South Africa

Tel: +27 (0)10 822 7542 | Fax: +27 11 621 6850 | Fax2Email: +27 86 207 1471

Website: www.pafa.org.za

Registration Number: 094-631-NPO



Response

PAFA agrees with the IPSASB's proposal that amendments to IFRS 6 for the public sector, as proposed in ED 86, should be limited to terminology and other IPSASB-specific formatting and consistency amendments for the following reasons:

- The primary difference between private and public sectors often lies in the objectives and the nature of operations rather than the technical aspects of exploration and evaluation activities. Therefore, terminology adjustments (to reflect public sector terminology) and formatting changes for consistency would be sufficient in addressing these differences.
- Introducing further amendments could lead to unnecessary complexity and divergence from the well-established practices in IFRS 6. This could potentially reduce the clarity and comparability of financial statements, both within the public sector and between public and private sectors.