

Quito, June 2024

R-04-06-IPSAS

Mr. Ian Carruthers
Chairman International Public Sector Accounting Standards Board,
The International Federation of Accountants,
277 Wellington Street West,
Toronto, Ontario M5V 3H2 CANADA

Dear Ian Carruthers,

Subject: Comment letter on Draft Exposure 89, “International Public Sector Accounting Standard: Amendments to Consider IFRIC Interpretations”

For the, we are pleased to provide comments on Exposure Draft 89 mentioned above. “Amendments to Consider IFRIC Interpretations”, issued by the International Public Sector Accounting Standards Board (IPSASB) of the International Federation of Accountants (IFAC).

Specific topic for comment 1:

The IPSASB proposes amendments to IPSAS based on five IFRIC Interpretations developed by the IFRS Interpretations Committee, as presented in Table 1, because the guidance is applicable to the public sector (see Basis for Conclusions paragraphs in the respective IPSAS). Do you agree with the proposed amendments? If not, please explain your reasons.

Specific topic for comment 2:

The IPSASB decided not to propose amendments to IPSAS based on two Interpretations, as presented in Table 2, for the rationale listed below. Do you agree with the IPSASB’s decision not to propose amendments to IPSAS for these two Interpretations? If not, please explain your reasons, and indicate where the guidance should be included and why.

Answer comment 1:

Yes, we agree the proposals on five IFRIC Interpretations developed by the IFRS Interpretations Committee, because the guidance is applicable to the public sector, we request the evaluation of the following points.

It is advisable in IFRIC 1 to clarify the procedure to reverse the discount.

- Consider in IFRIC1, which may include provisions for dismantling or remediation due to joint and several obligations of previous operators.

- Consider in IFRIC5, the position of guarantees that could be constituted as a joint and several obligations.
- When amending IFRIC7, clarifying when the general price index is not available or does not provide reliability, the application of paragraph 20 of IPSAS 10 should be considered.
- In paragraph 8 of IFRIC 21 it mentions that the event that generates the obligation that gives rise to a liability to pay a lien is the activity that produces the payment of the lien, in the terms established by the legislation. A conflict can be observed that needs to be clarified since certain lien obligations may arise indistinctly from the generating event.

Please feel free to contact us in case any further clarification in this regard is required.

Regards,



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