

August 15, 2016

Mr John Stanford
Technical Director
International Public Sector Accounting Standards Board
International Federation of Accountants
529 5th Avenue, 6th Floor
New York, New York 10017
United States of America

By Email
johnstanford@ipsasb.org

Dear Mr John Stanford

**COMMENTS ON IPSASB EXPOSURE DRAFT 60,
PUBLIC SECTOR COMBINATIONS**

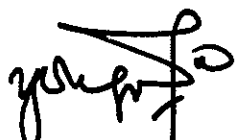
We thank you for the opportunity to comment on IPSASB Exposure Draft 60, *Public Sector Combinations*.

In this regard, we are pleased to attach the Institute's comments as set out in Appendix I for your consideration.

Please do not hesitate to contact the undersigned or the Institute's Senior Technical Manager, Ms Hoh Kim Hyan, at +603-2698 9622 should you require any clarification.

Thank you.

Yours sincerely



FOO YOKE PIN (Mr)
Executive Director

THE MALAYSIAN INSTITUTE OF CERTIFIED PUBLIC ACCOUNTANTS
(INSTITUT AKAUNTAN AWAM BERTAULIAH MALAYSIA)

International Public Sector Accounting Standards Board

Exposure Draft 60

Public Sector Combinations

Questionnaire

The IPSASB welcomes comments on all matters discussed in this Consultation Paper. Comments are most helpful when they refer to specific paragraphs, include the reasons for the comments, and, where appropriate, make specific suggestions for any proposed changes to wording. When a respondent agrees with proposals in this Consultation Paper, it will be helpful for the IPSASB to be made aware of this view.

Specific Matter for Comment 1

Do you agree with the scope of the Exposure Draft? If not, what changes to the scope would you make?

MICPA's Comments:

The Institute agrees with the scope of the Exposure Draft.

Specific Matter for Comment 2

Do you agree with the approach to classifying public sector combinations adopted in this Exposure Draft (see paragraphs 7–14 and AG10–AG50)? If not, how would you change the approach to classifying public sector combinations?

MICPA's Comments:

The Institute agrees with the approach to classifying public sector combinations adopted in the Exposure Draft.

Specific Matter for Comment 3

Do you agree that the modified pooling of interests method of accounting should be used in accounting for amalgamations? If not, what method of accounting should be used?

MICPA's Comments:

The Institute agrees that the modified pooling of interest method of accounting should be used in the accounting for amalgamations.

Specific Matter for Comment 4

Do you agree to adjustments being made to the residual amount rather than other components of net assets/equity, for example the revaluation surplus? If not, where should adjustments be recognized?

Do you agree that the residual amount arising from an amalgamation should be recognized:

- (a) In the case of an amalgamation under common control, as an ownership contribution or ownership distribution; and
- (b) In the case of an amalgamation not under common control, directly in net assets/equity?

If not, where should the residual amount be recognized?

MICPA's Comments:

Yes, MICPA agrees.

Specific Matter for Comment 5

Do you agree that the acquisition method of accounting (as set out in IFRS 3, *Business Combinations*) should be used in accounting for acquisitions? If not, what method of accounting should be used?

MICPA's Comments:

MICPA agrees that the acquisition method of accounting should be used in accounting for acquisitions.