

Ross Smith
Technical Director
International Public Sector
Accounting Standards Board
International Federation of Accountants
277 Wellington Street, 4th Floor
Toronto, Ontario M5V 3H2
CANADA

Lausanne, November 4, 2021

Swiss Comment to Mid-Period Work Program 2019-2023

Dear Ross,

With reference to the request for comments on the proposed Consultation Paper, we are pleased to present the Swiss Comments to the Mid-Period Work Program 2019-2023. We thank you for giving us the opportunity to put forward our views and suggestions. You will find our comments for the Work Program in the attached document.

Should you have any questions, please do not hesitate to contact us.

Yours sincerely,

SRS-CSPCP



Prof Nils Soguel, President



Evelyn Munier, Secretary

Comments to the Mid-Period Work Program 2019-2023

Swiss Comment to

Mid-Period Work Program 2019-2023

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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 Mid-Period Work Program 2019-2023.

2. General Remarks

The SRS-CSPCP appreciates the fact that the IPSAS Board is submitting its Work Program for the next two years for consultation. It is aware that because of the lack of resources a choice must be made among the topics to be dealt with.

3. Question 1

*Do you agree with the major projects proposed by the IPSASB?
If not, which major project(s) would you substitute for those proposed,
and why?*

In its response to the consultation in 2018 on the work program 2019-2023 the SRS-CSPCP expressed the wish that the topics *Differential Reporting* and *Discount Rates* should be included in the program.

It is pleased that *Differential Reporting* has been included in the Work Program as a major project. For the Swiss public sector this project is absolutely core and should be accorded the highest priority.

The SRS-CSPCP struggles with the fact that the IPSAS Board intends to commence *Presentation of Financial Statements* as a further major project during this strategy period. While it recognizes the necessity of including the topic in its Work Program, it would welcome it's being postponed into a future strategy period.

Instead, the SRS-CSPCP pleads for the inclusion of *Tax Expenditures* in this Work Program, at least to initiate the reflection on this topic during this period. It is aware that the topic is very extensive and complex. Nonetheless, it is of great importance for accounting in the public sector. This is precisely why the reflection should be initiated without delay. Should the IPSAS Board make no changes for this strategy period, the SRS-CSPCP wishes that *Tax Expenditures* be prioritized in the next Work Program. A further solution for including *Tax Expenditures* in this Work Program is discussed in the response to Question 2.

Concerning *Discount Rates* the SRS-CSPCP agrees to postponing for some time the discussions on this topic.

4. Question 2

*Do you agree with the minor projects proposed by the IPSASB?
If not, which minor project(s) would you substitute for those proposed,
and why?*

The SRS-CSPCP is of the opinion that both projects *IPSAS 31 Intangible Assets* and *IPSAS 33 First Time Adoption of Accrual Basis IPSASs* could be dropped. Both projects are not particularly important and could be postponed until a later date. It is, however, of the view that *IPSAS 21 Impairment of Non-Cash Generating Assets* and *Materiality Judgements* should be retained in the Work Program. Particularly in connection with the new *Measurement Standard*, *IPSAS 21* is important and should be revised accordingly.

If, as desired by the SRS-CSPCP, only the two above-mentioned minor projects are retained, resources would be free for commencing work on *Tax Expenditures*, if, as foreseen by the IPSAS Board, it is not included in this Work Program as a major project. The SRS-CSPCP would support such a solution (see also response to Question 1).

Lausanne, September 27, 2021