



**The Japanese Institute of
Certified Public Accountants**

4-4-1 Kudan-Minami, Chiyoda-ku, Tokyo 102-8264, Japan
Phone: +81-3-3515-1129 Fax: +81-3-3515-1167
Email: hieirikaikai@jicpa.or.jp

September 30, 2021

Mr. Ross Smith
Program and Technical Director
International Public Sector Accounting Standards Board
International Federation of Accountants
277 Wellington Street West
Toronto, Ontario, Canada M5V 3H2

Comments on Exposure Draft 80 “Improvements to IPSAS, 2021”

Dear Mr. Smith,

The Japanese Institute of Certified Public Accountants (hereafter “JICPA”) highly respects the International Public Sector Accounting Standards Board (hereafter “IPSASB”) for its continuous effort to serve the public interest. We are also pleased to comment on the Exposure Draft 80 “Improvements to IPSAS, 2021” (hereafter “ED”). Our comments to ED are as follows.

Comment:

1. PART II-1b and Part II-2b

Regarding the impact of interest rate benchmark reform on IPSAS 29, *Financial Instruments: Recognition and Measurement*, the Exposure Draft proposes that Part I-4 shall be applied to entities that have not yet adopted IPSAS 41, *Financial Instruments*, and Part II to entities that have already adopted IPSAS 41. We agree with this proposal.

However, paragraph 125I describing the effective date for Part II-1b (amendments to IPSAS 29), which will be effective after the adoption of IPSA 41, needs to add a description that the application of paragraph 125I is conditional on the adoption of IPSAS 41. The same applies to Part II-2b.

2. Comments for proofreading purposes

Related to Part II-3a: Comments on current IPSAS 33 for proofreading purposes

Paragraph 129(a) of IPSAS 33, *First-time Adoption of Accrual Basis International Public Sector Accounting Standards (IPSASs)*, which is the subject of improvement in Part II-3a, includes the description “the controlled entity’s date of adoption of IPSAS.” However, this should be corrected to “the controlling entity’s date of adoption of IPSAS” because paragraph 129(a) of IPSAS 33 is prepared based on paragraph D16(a) of IFRS 1, which includes the description

“based on the parent’s date of transition to IFRSs.”.

Yours sincerely,

Hiroshi Shiina

Executive Board Member - Public Sector Accounting and Audit Practice

The Japanese Institute of Certified Public Accountants