Conseil sur la comptabilité dans le secteur public

Améliorations annuelles 2024-2025 des Normes comptables pour le secteur public

Réponses à l'exposé-sondage

Mai 2024

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Ontario's response to PSAB's Exposure Draft: 2024-2025 Annual Improvements to Public Sector Accounting Standards

Khalida Noor CPA, CA

Assistant Deputy Minister and Provincial Controller

Office of the Provincial Controller Division|Office of the Treasury Board |Treasury Board Secretariat

7 Queen's Park Crescent, Frost South, 2nd Floor, Toronto, ON, M7A 1Y7

Khalida.Noor@Ontario.ca

Following is the Province of Ontario's response to PSAB's Exposure Draft on 2024-2025 Annual Improvements to Public Sector Accounting Standards

1. **To change terminology from "government" to "public sector entity", "entity" or another appropriate term in certain sections of the PSA Handbook?**

Ontario agrees with the proposed amendments although we encourage PSAB to reconsider updating PS 3300.09 with the term "public sector entity" as this paragraph is specific to government's passing of legislation.

2. **To replace the term "reliability" with "faithful representation" as a result of terminology changes introduced in the Conceptual Framework?**

Ontario agrees with the proposed amendments.

3. **To update references to "presentation and disclosure" to align with consequential amendments arising from the new Conceptual Framework?**

Ontario agrees with the proposed amendments.

4. **To replace the reference from Section PS 1201 to Section PS 1202 in Appendix A of Section PS 3060?**

Ontario agrees with the proposed amendments.

5. **To appropriately align references to verifiability introduced in the new Conceptual Framework?**

Ontario agrees with the proposed amendments.

6. **To separate the italicized principle from the non-italicized guidance in paragraph PS 2125.08?**

Ontario agrees with the proposed amendments.

7. **To remove references to LIBOR and replace them with a reference to SOFR in Section PS 3450?**

Ontario agrees with the proposed amendments to replace LIBOR with SOFR. We do request PSAB confirm the following sentence was removed from PS 3450.AG.40(a) as a result of SOFR being considered to be a risk-free rate.

> *(Because a rate such as LIBOR is not the risk-free interest rate, the credit risk adjustment appropriate to the particular financial instrument is determined on the basis of its credit risk in relation to the credit risk in this benchmark rate.)*

8. **To change the title of the decision tree to Appendix A in Section PS 3160?**

Ontario agrees with the proposed amendments.

Ontario appreciates the opportunity to respond to PSAB to assist in their deliberations on this matter. I would be pleased to elaborate on any of the above comments. Thank you for your consideration.

Doane Grant Thornton

Raymond Chabot Grant Thornton

Doane Grant Thornton LLP
11th Floor
200 King Street West, Box 11
Toronto, Ontario M5H 3T4

T 416-366-0100

Raymond Chabot Grant Thornton LLP
Suite 2000
600 De La Gauchetière Street West
Montréal, Quebec H3B 4L8

T 514-878-2691

March 31, 2025

Michael Puskaric, MBA, CPA, CMA
Director, Public Sector Accounting
Public Sector Accounting Board
277 Wellington Street West
Toronto, Ontario M5V 3H2

Subject: Exposure Draft – 2024-2025 Annual Improvements to Public Sector Accounting Standards

Doane Grant Thornton LLP and Raymond Chabot Grant Thornton LLP (hereafter "we") would like to thank you for the opportunity to provide comments on the Accounting Standards Board's (hereafter the "AcSB" or the "Board") Exposure Draft entitled *2024-2025 Annual Improvements to Public Sector Accounting Standards* (hereafter "the ED").

Please see the Appendix for our responses to the specific questions contained in the ED.

If you wish to discuss our comments or concerns, please contact Melanie Joseph (melanie.joseph@doane.gt.ca, 416-607-2736) or Stéphane Landry (landry.stephane@rcgt.com, 418-647-5008).

Yours sincerely,

Doane Grant Thornton LLP | Raymond Chabot Grant Thornton LLP

Melanie Joseph, CPA, CA | Stéphane Landry, CPA auditor

APPENDIX

Do you agree with the following proposed 2024-2025 Handbook improvements?

1. To change terminology from “government” to “public sector entity”, “entity” or another appropriate term in certain sections of the PSA Handbook?

We agree with the proposed amendment. However, we want to point out that other sections (or paragraphs) of the PSA Handbook include the term “government” that we believe should also be changed.

We have identified the following paragraphs of the Handbook that should be modified in the French version of the Handbook only:

Paragraph	Modification
SP 2120.03	*.03 Habituellement, les modifications (…) ne découlent pas d’une modification de la situation ~~du gouvernement~~ de l’entité du secteur public, de l’expérience acquise ou d’informations nouvelles.*
SP 2130.14-.15	*.14 ~~Le gouvernement~~ L’entité du secteur public fournit des informations sur l’ampleur de l’incertitude relative à la mesure (…)*
SP 2130.15	*.15 Parmi les autres informations pertinentes que ~~le gouvernement~~ l’entité du secteur public peut envisager de fournir afin de décrire l’incertitude relative à la mesure, citons les suivantes :* *[…]*
SP 3310.06	*.06 Le simple fait de s’appuyer sur un montant estimatif (…) Il n’y a aucun doute que ces montants sont des passifs engagés par ~~le gouvernement~~ l’entité du secteur public; l’incertitude ne porte que sur les montants en cause. Les passifs éventuels sont caractérisés par l’incertitude relative à l’existence d’un passif à la date des états financiers.*
SP 3390.10	*.10 Les obligations contractuelles (…) :* *a) les obligations contractuelles qui comportent un risque spéculatif élevé;* *b) les obligations contractuelles qui entraîneront des décaissements inhabituels eu égard à la situation financière ou aux activités normales ~~du gouvernement~~ de l’entité du secteur public;* *c) (…).*

We believe the following paragraphs should also be modified (in both the English and French versions of the Handbook):

Paragraph	Modification
PS 2200.05	*.05 The following terms are used in this Section with the meanings specified:* *(a) **Commonly controlled entities** are all public sector entities that comprise ~~a government's reporting~~ <u>another public sector entity's</u> entity (see Government Reporting Entity, Section PS 1300).* *[…]*
PS 2400.05	*.05 ~~Announced government intentions~~ <u>The entity's announced intentions</u> in the period after the financial statement date and before the completion of the financial statements (…)*

We have also identified the following sections of the Handbook that include multiple occurrences of the term "government" that we believe should be modified, since these sections are also applicable to public sector entities other than governments:

- Section PS 1300, "Government Reporting Entity"
- Section PS 2500, "Basic Principles of Consolidation"
- Section PS 2510, "Additional Areas of Consolidation"
- Section PS 2601, "Foreign Currency Translation"
- Section PS 3041, "Portfolio Investments"
- Section PS 3050, "Loans Receivable"
- Section PS 3060, "Interests in Partnerships"
- Section PS 3070, "Investments in Government Business Enterprises"
- Section PS 3100, "Restricted Assets and Revenues"
- Section PS 3260, "Liability for Contaminated Sites"
- Section PS 3410, "Government Transfers"
- Section PS 3420, "Inter-Entity Transactions"
- Section PS 3450, "Financial Instruments"

Sections PS 3250, "Retirement Benefits" and PS 3255, "Post-Employment Benefits, Compensated Absences and Termination Benefits" have been omitted from the list above given the current project to replace those standards.

We also want to point out that if the Board is revisiting the use of the word "government" that technically the term for a "Government Business Enterprise (GBE)" would then also be changed to be inclusive of public sector entities that may own a GBE. While we do not believe the Board must make this change as part of this annual improvement project, it should consider whether to revise the definition to "a public sector entity business enterprise" in the future. The easier solution for this improvement project may be to state in the Introduction to PSAS and Section PS 3070 that the term encompasses business enterprises controlled by a public sector entity.

2. To replace the term "reliability" with "faithful representation" as a result of terminology changes introduced in the Conceptual Framework?

While we generally agree with the proposal, we believe that the wording change in paragraph PS 3050.26 to state "the amount of the loan can be measured in a faithfully representative way" reads strangely. We would suggest revised wording such as "the amount of the loan can be measured in a way that faithfully represents the transaction."

3. To update references to "presentation and disclosure" to align with consequential amendments arising from the new Conceptual Framework?

We agree with the intent of the proposed amendment, but we have the following comments on the changes proposed in the ED:

- Portfolio Investments, Section PS 3041

We believe that paragraphs .28 and .30 are disclosure requirements; as a result, the change to just "Presentation" in the title would be incorrect. The Board should pull those paragraphs down after the "Presentation" section to a new section entitled "Disclosure."

Interests in Partnerships, Section 3060

Paragraphs PS 3060.55-.60 are disclosure requirements, with the exception of paragraphs PS 3060.57-.58. As a result, the Board should not revise the section title to "Presentation," rather, it should divide the relevant paragraphs between "Presentation" and "Disclosure" sections.

Revenue, Section 3400

Paragraph 3400.85A is a presentation requirement. Thus, it should be included under a separate section entitled "Presentation."

Leased Tangible Capital Assets, PSG-2

We believe the Board should remove the wording "Reporting the asset" since it is covered by the title for the section. Also, the new title "Disclosure" should be entirely capitalized. Lastly, we do not think there is a need for the title "Disclosure of contractual obligations and contingent liabilities" since it's not used in other sections.

Sale-leaseback Transactions, PSG-5

We believe the word "Disclosure" should be capitalized entirely and the title "PRESENTATION" should replace the title "Statement of cash flow."

4. To replace the reference from Section PS 1201 to Section PS 1202 in Appendix A of Section PS 3060?

Yes, we agree with the proposed amendment.

5. To appropriately align references to verifiability introduced in the new Conceptual Framework?

Yes, we agree with the proposed amendment.

We wish to point out that paragraphs PS 3160.04c) and PS 3410.05e) include references to Section PS 1000 that should also be replaced with the appropriate references to the Conceptual Framework.

6. To separate the italicized principle from the non-italicized guidance in paragraph PS 2125.08?

We agree with the intent of the proposed amendment to distinguish italicized principles from non-italicized guidance. However, we believe that the actual italicized sentence in paragraph PS 2125.08 (which would be the new paragraph .08A in the proposed changes) should not be italicized. In accordance with PS 1150.14, “Italicized paragraphs generally state the main principles, while non-italicized paragraphs generally explain the principles of their application to a particular situation.”

We therefore believe that neither new proposed paragraphs .08 and .08A should be italicized, as both paragraphs provide additional guidance on PSAS first-time adoption.

7. To remove references to LIBOR and replace them with references to SOFR in Section PS 3450?

Yes, we agree with the proposed amendment. Although, to avoid having to make any changes in the future, we encourage the Board not to refer in these examples to a specific interest rate and to replace the references to LIBOR with a more generic term such as “risk-free interest rate.”

8. To change the title of the decision tree to Appendix A in Section PS 3160?

Yes, we agree with the proposed amendment.

April 8, 2025

Michael Puskaric, MBA, CPA, CMA
Director, Public Sector Accounting
Public Sector Accounting Board
277 Wellington Street West
Toronto, ON M5V 3H2

sent via email

Re: Exposure Draft on 2024-2025 Annual Improvements to Public Sector Accounting Standards

On behalf of the Standards and Ethics Consultation Group (Working Group) of CPA Manitoba, CPA New Brunswick, CPA Newfoundland and Labrador, CPA Nova Scotia, and CPA Saskatchewan, we appreciate the opportunity to provide feedback on the Public Sector Accounting Board (PSAB)'s exposure draft on the 2024-2025 Annual Improvements to Public Sector Accounting Standards.

EXPOSURE DRAFT RESPONSE

There were two Working Group participants who participated in this project.

The first participant provided the following comments:

- Question 1 – The participant agrees with the change in terminology from "government" to some other term but noted that there are a wide variety of terms in use. The most consistent term used is "public service entity". The participant cautioned that the use of the other possible terms may cause more confusion than provide clarity. The participant suggested that it might be useful to provide a definition for "government" that includes all the other types of entities included within the term.
- Question 2 – While the participant appreciates that this change was made to conform to a change introduced in the Conceptual Framework, they feel the term "faithful representation" is no replacement for "reliability". Reliability is something that you can trust, it has worked before, and it can be proven. The participant cautioned that use of the term "faithful representation" may lead to unintended results, as it might be too easy to meet this test.
- The participant was in agreement with the improvements noted in Questions 3 through 8.

The second participant indicated their agreement with the proposed changes and had no further comments or changes.

CONTACT INFORMATION

This specific Exposure Draft response has been submitted with contributions from the following individuals:

- Ross Harwood, FCPA
- Tanya Scott, CPA, CGA

If you require any clarification regarding this response, please contact the Working Group leader, Marilyn Flaman, CPA at rules@cpask.ca.

Regards,

Marilyn Flaman, CPA
Signer ID: XNXG8TLQK8...

Associate Director, CPD and Monitoring
mflaman@cpask.ca

Institute of Chartered Professional Accountants of Saskatchewan
101 4581 Parliament Ave Regina SK CANADA S4W 0G3
Main: 306 359.0272 Direct: 306 337.2837 Fax: 306 347.8580
www.cpask.ca

ORDRE DES COMPTABLES
PROFESSIONNELS AGRÉÉS
DU QUÉBEC

5, Place Ville Marie, bureau 800, Montréal (Québec) H3B 2G2
T. 514 288.3256 1 800 363.4688 Téléc. 514 843.8375
www.cpaquebec.ca

Montréal, le 7 avril 2025

Monsieur Michael Puskaric, CPA, CMA
Directeur, Comptabilité du secteur public
Conseil sur la comptabilité dans le secteur public
277, rue Wellington Ouest
Toronto (Ontario) M5V 3H2

Monsieur,

Vous trouverez ci-joint les commentaires du Groupe de travail technique Secteur public – Comptabilité dans le secteur public, de l'Ordre des comptables professionnels agréés du Québec, concernant l'exposé-sondage intitulé « *Améliorations annuelles 2024-2025 des Normes comptables pour le secteur public* ».

Nous vous serions reconnaissants de nous faire parvenir une copie de la traduction anglaise de nos commentaires.

Veuillez prendre note que ni l'Ordre des comptables professionnels agréés (CPA) du Québec, ni quelque personne que ce soit ayant participé à la préparation des commentaires ne peuvent être tenus responsables relativement à leur utilisation et ils ne sont tenus à aucune garantie de quelque nature que ce soit découlant de ces commentaires, comme décrit dans le déni de responsabilité joint à la présente.

Veuillez agréer, Monsieur Puskaric, mes salutations distinguées.

Annie Smargiassi, CPA auditrice
Représentante du Groupe de travail technique Secteur public – Comptabilité dans le secteur public de l'Ordre des CPA du Québec

p. j. Déni de responsabilité et commentaires

DÉNI DE RESPONSABILITÉ

Les documents préparés par les groupes de travail de l'Ordre des comptables professionnels agréés du Québec (Ordre) ci-après appelés les « commentaires », sont fournis selon les conditions décrites dans la présente, pour faire connaître leur opinion sur des énoncés de principes, des documents de consultation, des exposés-sondages préliminaires ainsi que des exposés-sondages publiés par le Conseil des normes comptables, le Conseil des normes d'audit et de certification, le Conseil sur la comptabilité dans le secteur public, le Conseil sur la gestion des risques et la gouvernance et d'autres organismes.

Les commentaires fournis ne doivent pas être utilisés comme substitut à des missions confiées à des professionnels spécialisés. Il est important de noter que les lois, les normes et les règles sur lesquelles sont émis les commentaires peuvent changer en tout temps et que, dans certains cas, les commentaires écrits peuvent être sujets à controverse.

Ni l'Ordre, ni quelque personne que ce soit ayant participé à la préparation des commentaires ne peuvent être tenus responsables relativement à l'utilisation de ces commentaires et ils ne sont tenus à aucune garantie de quelque nature que ce soit découlant de ces commentaires. Les commentaires donnés ne lient pas, par ailleurs, les membres des Groupes de travail de l'Ordre ou, de façon plus particulière, le Bureau du syndic de l'Ordre.

La personne qui se réfère ou utilise ces commentaires assume l'entière responsabilité de sa démarche ainsi que tous les risques liés à l'utilisation de ceux-ci. Elle consent à exonérer l'Ordre à l'égard de toute demande en dommages-intérêts qui pourrait être intentée par suite de toute décision qu'elle aurait pu prendre en fonction de ces commentaires. Elle reconnaît également avoir accepté de ne pas faire état de ces commentaires reçus via le Groupe de travail dans les avis exprimés ou les positions prises.

MANDAT DES GROUPES DE TRAVAIL

Les groupes de travail de l'Ordre des comptables professionnels agréés du Québec ont comme mandat notamment de recueillir et de canaliser le point de vue des praticiens exerçant en cabinet et de membres œuvrant dans les affaires, dans les services gouvernementaux, dans l'industrie et dans l'enseignement ainsi que le point de vue d'autres personnes concernées œuvrant dans des domaines d'expertise connexes.

Pour chaque exposé-sondage ou autre document étudié, les membres mettent leurs analyses en commun. Les commentaires ci-dessous reflètent les points de vue exprimés et, sauf indication contraire, ces commentaires ont fait l'objet d'un consensus parmi les membres des groupes de travail ayant participé à cette analyse.

Les commentaires formulés ne font l'objet d'aucune sanction de l'Ordre. Ils n'engagent pas la responsabilité de celui-ci.

QUESTIONS SPÉCIFIQUE DU CCSP

Les améliorations 2024-2025 du Manuel du secteur public proposées ci-dessous vous conviennent-elles?

1. ***Remplacer, dans certains chapitres du Manuel du secteur public, le terme « gouvernement » (ou, dans certains cas, le terme « administrations locales ») par « entité du secteur public », « entité » ou un autre terme approprié.***

   Les membres sont d'accord avec les propositions. Toutefois, ils font remarquer que des occurrences n'ont pas toutes été modifiées dans les normes en français (qui sont parfois rédigées d'une façon différente des normes en anglais) et que certaines de ces occurrences devraient l'être, mais pas nécessairement l'entièreté de celles-ci. C'est le cas, par exemple des paragraphes .14 et .15 du chapitre SP 2130, *Incertitude relative à la mesure*.

   Les membres croient que l'analyse du CCSP ne doit pas se limiter à la lecture des textes en anglais, mais plutôt qu'une analyse équivalente doit être réalisée pour les normes en français. Ce serait le cas par exemple pour les chapitres suivants :

   - SP 2601, C*onversion des devises*;
   - SP 3041, *Placements de portefeuille*;
   - SP 3100, *Actifs et revenus affectés*;
   - SP 3260, *Passif au titre des sites contaminés*.

2. ***Remplacer les références au concept de « fiabilité » par des références au concept « d'image fidèle » pour assurer la concordance avec la terminologie instaurée par le nouveau Cadre conceptuel;***

   Les membres sont d'accord pour remplacer certaines des occurrences, mais pas nécessairement toutes les occurrences. Les paragraphes 7.10 et 7.11 du cadre conceptuel des Normes comptables pour le secteur public font référence à trois éléments pour définir le concept de fidélité, soit l'utilisation d'estimations raisonnables, la fourniture d'information pertinente concernant les incertitudes importantes et la présentation adéquate des informations. En d'autres mots, une image est fidèle si elle est exempte de parti pris, si elle fournit des informations pertinentes à la prise de décisions, dans un format compréhensible pour l'utilisateur. Dissocier ces trois éléments ne fait pas de sens pour eux. Ainsi, associer la fidélité uniquement à l'évaluation ou à la mesure ne fait pas de sens si on exclut l'aspect de la présentation et des informations à fournir. C'est la raison qui les motive à proposer au CCSP de pousser plus loin son analyse des occurrences où les changements devraient être apportés, autant dans les textes en anglais que dans les textes en français. Par exemple, pour le chapitre SP 3050, *Prêts*, le CCSP propose de modifier la phrase suivante : « …le montant du prêt peut être évalué avec fiabilité », par « le montant du prêt peut être évalué de façon à donner une image fidèle… »; ce qui ne fait pas de sens pour eux, car "l'image fidèle" n'est pas uniquement une question d'évaluation.

3. ***Remplacer l'expression « présentation et informations à fournir » par « présentation » ou par « informations à fournir », selon le cas, afin d'assurer la concordance avec le nouveau Cadre conceptuel;***

Les membres sont d'accord avec le concept derrière les propositions. Toutefois, ils ont suggéré des changements additionnels à ceux qui sont présentés dans l'exposé-sondage.

D'abord, concernant les propositions de changement au chapitre SP 3041, *Placements de portefeuille* :

- Les paragraphes .28 et .30 traitent d'informations à fournir et ne devraient pas être inclus dans la section « Présentation » de la norme. Une section distincte sur les informations à fournir devrait être ajoutée pour inclure ces deux paragraphes.

Concernant les propositions de changement à la NOSP-2, *Immobilisations corporelles louées* :

- Dans la section concernant la présentation, le sous-titre « Présentation du bien » n'est pas nécessaire et devrait être retiré par souci de cohérence avec les sections sur la présentation des autres normes.
- Le titre de la section « Informations à fournir » devrait être inscrit en lettres majuscules et les sous titres devraient être en lettres minuscules.

Concernant les propositions de changement à la NOSP-5, *Opérations de cession-bail* :

- Les membres sont d'avis que le paragraphe 52 traite de l'information à fournir et non de la présentation des informations. Ils recommandent donc de modifier les propositions en ce sens et de retirer le mot « Présentation » pour le remplacer par l'expression « INFORMATIONS À FOURNIR », en lettres majuscules.

4. ***Remplacer, dans l'Annexe A du chapitre SP 3060, la référence au chapitre SP 1201 par une référence au chapitre SP 1202;***

   Les membres sont d'accord avec les propositions et n'ont pas soulevé d'autres commentaires.

5. ***Intégrer un renvoi au concept de « vérifiabilité » décrit dans le nouveau Cadre conceptuel;***

   Les membres sont d'accord avec les propositions, toutefois, ils ont noté des renvois au chapitre SP 1000 qui n'ont pas été retirés et qui devraient l'être, soit à l'alinéa c) du paragraphe .04 du chapitre SP 3160, *Partenariats public-privé* et à l'alinéa e) du paragraphe .05 du chapitre SP 3410, *Paiements de transfert*. Ils recommandent au CCSP de revoir les références dans les versions françaises et anglaises pour s'assurer de ne pas en oublier.

6. ***Diviser en deux paragraphes distincts le paragraphe .08 du chapitre SP 2125 afin de séparer le principe des indications qui y sont énoncées et de retirer l'italique des indications;***

   Les membres sont d'accord pour scinder les exemptions présentées au paragraphe .08 du chapitre SP 2125, *Première application,* de l'indication qui est actuellement présentée en italique sous ces exemptions, dans la norme actuellement en vigueur. Toutefois, ils font remarquer que l'italique n'a pas été retiré des indications et le paragraphe .08A apparait toujours en italique contrairement à ce qui est indiqué dans l'exposé-sondage. Ils sont d'avis que la présentation proposée entre en contradiction avec le paragraphe .14 du chapitre SP 1150, *Principes comptables généralement reconnus*. Ils sont d'avis qu'on devrait mettre en italique le paragraphe .08 et retirer l'italique du paragraphe .08A ou de choisir de retirer l'italique uniquement.

7. ***Remplacer les références au TIOL par des références au SOFR dans le chapitre SP 3450;***

   Les membres ne sont pas d'accord avec les propositions. Ils font remarquer que le taux Secured Overnight Financing Rate (SOFR) est un taux utilisé principalement aux États-Unis et qu'il est très peu utilisé au Canada où le taux CORRA est davantage utilisé. Le taux CORRA est une mesure du coût du financement à un jour en dollars canadiens sur le marché général des pensions pour les opérations garanties au moyen de bons du Trésor et d'obligations du gouvernement du Canada. Les membres suggèrent de remplacer le taux SOFR par ce dernier taux ou par une expression du genre « taux sans risque » qui pourrait être plus appropriée qu'un exemple qui s'applique peu dans le contexte canadien.

8. ***Donner un titre plus approprié à l'arbre de décision de l'Annexe A du chapitre SP 3160.***

   Les membres sont d'accord avec les propositions et n'ont pas fourni d'autres commentaires.

Calgary

April 9, 2025

By email: mpuskaric@psabcanada.ca

To: Michael Puskaric, CPA, CMA
Director, Public Sector Accounting
Public Sector Accounting Board
277 Wellington Street West
Toronto ON M5V 3H2

From: The City of Calgary

Re: PSAB Exposure Draft – 2024-2025 Annual Improvements to Public Sector Accounting Standards

Purpose:

The purpose of this memo is to provide to the Public Sector Accounting Board (PSAB) the City of Calgary's ("The City" or "City") commentary and input on the 2024-2025 Annual Improvements to Public Sector Accounting Standards Exposure Draft issued in February 2025. All responses have been prepared by The City's Corporate Financial Reporting team.

The City's Response:

The City agrees with the proposed amendments in the Exposure Draft as these amendments reflect the current terminologies, current processes, or are editorial changes in nature, and are appropriate for the interpretation of the standards. The proposed amendments are not expected to affect The City's practice.

Please see table for The City's detailed response:

Ref.	PSAB Proposed Amendments	City Comment
1	Amendments to incrementally change the PSA Handbook terminology from "government" to "public sector entity", "entity" or another appropriate term	The City agrees with the proposed amendments to replace "government" with "public sector entity," "entity," or another appropriate term, as it enhances clarity, inclusivity, and consistency in the PSA Handbook. This change ensures that the standards apply uniformly to all relevant public sector organizations, not only "governments". It aligns with PSAB's 2023 Conceptual Framework, which recognizes a broad range of public sector entities. Additionally, it improves alignment with IPSAS. While the change is expected to have minimal impact on The City, it may require updates to internal policies and reporting to reflect the new terminology.
2	Amendments to replace the term "reliability" with "faithful representation" as a result of terminology changes introduced in the new Conceptual Framework	The City agrees with replacing "reliability" with "faithful representation" which is in line with the new Conceptual Framework. This change improves clarity, aligns with IPSAS, and does not impact the

		financial reporting of The City. No concerns with the proposed amendment.
3	Amendments to change references from “presentation and disclosure” to “presentation” or “disclosure” to align with the new Conceptual Framework.	The City agrees with the amendments to change references from "presentation and disclosure” to "presentation" or "disclosure" in alignment with the new Conceptual Framework. This change improves clarity and ensures consistency across PSAB standards. Since the change does not affect financial reporting requirements or principles, no concerns with the proposed amendment.
4	Amendments to replace the reference from Section PS 1201 in Appendix A of INTERESTS IN PARTNERSHIPS, Section PS 3060, to Section PS 1202.	This amendment ensures consistency with the new Conceptual Framework and reflects the transition to PS 1202 (Financial Statement Presentation). As this is an administrative update with no impact on financial reporting, The City has no concerns with the proposed amendment.
5	Amendments to update Footnote 7 to paragraph PS 3160.27 to refer to the appropriate reference to verifiability in the new Conceptual Framework.	The proposed amendment updates Footnote 7 to better align with the new Conceptual Framework by referencing verifiability. However, the previous footnote provided a direct definition of verifiability, which was helpful for readers in quickly understanding the concept. The proposed change removes this explanation, requiring readers to refer to a different section for clarity. To maintain the usefulness of the footnote, we recommend not only updating the reference but also incorporating an explanation of verifiability within the footnote itself. This would enhance clarity and ensure that key information remains easily accessible to users of the standard.
6	Amendments to separate the italicized principle from the non-italicized guidance in paragraph PS 2125.08.	The amendment clarifies the distinction between the binding principle and the supplementary guidance, enhancing user understanding. As this is only a formatting update with no impact on financial reporting requirements, The City has no concerns with the proposed amendment.
7	Amendments to Section PS 3450 to replace an outdated reference to LIBOR with SOFR due to IFRS IBOR reform.	The change ensures alignment with global financial reporting practices and reflects the transition to a more robust and reliable benchmark interest rate. As this update does not affect the core principles of financial reporting, The City has no concerns with the proposed amendment.
8	Amendments to revise the wording of the decision tree in Appendix A to Section PS 3160.	The revision enhances clarity and ensures consistency with the standard while preserving the original decision-making process, as such, amendments are appropriate. The City has no concerns with the proposed amendment.

Conclusion:

Our responses to your questions take into consideration people interested in and impacted by The City's decisions and processes, and ultimately the users of the annual consolidated financial statements of The City and their needs. The City strives to continue developing a high degree of public knowledge, trust, and delivering value for our citizens.

Thank you for your consideration of our responses. If you have any further questions, please contact me at (403) 268-1734.

Sincerely,

Nicole Hiscock, CPA, CA
Financial Reporting Officer
The City of Calgary
Nicole.Hiscock@calgary.ca
(403) 268-1734

NOVA SCOTIA
Finance and Treasury Board
`

Government Accounting
PO Box 187
Halifax, Nova Scotia B3J 2N3
6th Floor, Provincial Building
www.gov.ns.ca/finance

April 11, 2025

Michael Puskaric, MBA, CPA, CMA
Director, Public Sector Accounting
Public Sector Accounting Board
277 Wellington Street West
Toronto, ON M5V 3H2

Re: Exposure Draft – 2024-2025 Annual Improvements to Public Sector Accounting Standards

Dear Mr. Puskaric,

Thank you for the opportunity to provide comments on the Exposure Draft – 2024-2025 Annual Improvements to Public Sector Accounting Standards.

Questions
Do you agree with the following proposed 2024-2025 Handbook improvements?

1. **To change terminology from "government" to "public sector entity", "entity" or another appropriate term in certain sections of the PSA Handbook?**

   While we recognize the advantages of gradually updating the terminology from "government" to "public sector entity," "entity," or another appropriate term in specific sections of the PSA Handbook, it may be more consistent to update all relevant references throughout the handbook at once.

   For example, paragraph PS 3230.16 in the current proposal updates the term government reporting entity to public sector reporting entity. However, without also updating PS 1300, Government Reporting Entity, as well as the Introduction, paragraphs .05 and .06, this change may create confusion and result in inconsistent use of terminology.

   Although we did not complete an exhaustive search for the term "government", the following sections would also likely require updates: PS 1300, PS 3041, PS 3050, PS 3060, PS 3070, PS 3410, PS 3450, and PSG-2.

   Since certain sections of the handbook are already being amended as part of the proposed changes in this exposure draft, should other sections also be updated to reflect the new "public sector entity" terminology? For example, PS 1300.27, .38, and .39, PS 3050.26, PS 3450.A.41, PS 3041.32, PS 3070.57 and .60, PS 3230.02, PSG-2 24 and 26, and PS 3060 Appendix A.

2. **To replace the term "reliability" with "faithful representation" as a result of terminology changes introduced in the Conceptual Framework?**

   Yes, we agree with these changes.

Government Accounting
PO Box 187
Halifax, Nova Scotia B3J 2N3
6th Floor, Provincial Building
www.gov.ns.ca/finance

3. To update references to "presentation and disclosure" to align with consequential amendments arising from the new Conceptual Framework?

While we do not object to the proposed change, we have a few suggestions for consideration. First, if these changes are made, the table of contents for each section should also be updated to reflect the revised terminology.

Second, in the proposed changes to PS 3041, would it be helpful to include a separate subheading for disclosure requirements, to align with the structure used in other proposed amendments?

Finally, introducing separate subheadings for Presentation and Disclosure may be unnecessary if disclosure is already included within the Presentation objective of the Conceptual Framework. In that case, a single Presentation heading could be used, with clear distinction made between disclosure requirements and those related specifically to statement presentation—similar to the approach proposed in PS 3041.

4. To replace the reference from Section PS 1201 to Section PS 1202 in Appendix A of Section PS 3060?

Yes, we agree with this change.

5. To appropriately align references to verifiability introduced in the new Conceptual Framework?

Yes, we agree with this change.

6. To separate the italicized principle from the non-italicized guidance in paragraph PS 2125.08?

Yes, we agree with this change. However, .08A could be reworded to clarify that the intention is for the exemptions to be strictly limited to the specific cases listed—retirement and post-employment benefits, business combinations, etc.—and should not be extended to cover other similar circumstances that aren't explicitly named.

Furthermore, should "government organization" that appears in PS 2125.08 and .08A be changed to "public sector entity"?

7. To remove references to LIBOR and replace them with a reference to SOFR in Section PS 3450?

SOFR is a U.S.-based overnight floating rate. Since each country has its own benchmark rate, it may be more appropriate to reference the rate specific to the jurisdiction of the financial instrument. For instance, in the Canadian context, CORRA (Canadian Overnight Repo Rate Average) may be a more relevant example for PSAS users.

Government Accounting
PO Box 187
Halifax, Nova Scotia B3J 2N3
6th Floor, Provincial Building
www.gov.ns.ca/finance

8. To change the title of the decision tree to Appendix A in Section PS 3160?

Yes, we agree with this change. However, should the same amendment be considered for the Appendix in PS 3260 and PS 3050? Additionally, the table of contents should also be updated to reflect these changes.

Sincerely,

Robert E. Bourgeois, CPA, CA
Controller
NS Dept of Finance and Treasury Board

COFO *Colleges Ontario Finance Officers*

April 10, 2025

Michael Puskaric, MBA, CPA, CMA
Director, Public Sector Accounting
Public Sector Accounting Board
277 Wellington Street West
Toronto, Ontario M5V 3H2
info@psabcanada.ca

Re: 2024-2025 Annual Improvements to Public Sector Accounting Standards

Dear Mr. Puskaric,

We have read the above-mentioned exposure draft that was issued in February 2025 and are pleased to have the opportunity to provide responses to PSAB's specific questions.

Please find our response to the proposed questions attached following this letter. This response was prepared by the Colleges Ontario Finance Officers (COFO) organization in conjunction with Administrative Services Coordinating Committee (ASCC), on behalf of the 24 Colleges of Applied Arts and Technology in Ontario.

Thank you for your consideration of our response.

Sincerely,

Curtis Bennett, CPA, CA
(on behalf of the COFO Financial Reporting Subcommittee)
Associate Director, Financial Services
St. Lawrence College
cebennett@sl.on.ca

Colleges Ontario Financial Officers – Financial Reporting Subcommittee

RESPONSE TO 2024-2025 ANNUAL IMPROVEMENTS TO PUBLIC SECTOR ACCOUNTING STANDARDS

Do you agree with the following proposed 2024-2025 Handbook improvements?

1. *To change terminology from "government" to "public sector entity", "entity" or another appropriate term in certain sections of the PSA Handbook?*

   COFO agrees with the proposed amendments (as part of a multi-year ongoing strategy) to update terminology in the Standards identified from government another appropriate term to better reflect the Handbook's applicability to all public sector entities.

2. *To replace the term "reliability" with "faithful representation" as a result of terminology changes introduced in the Conceptual Framework?*

   COFO agrees with the proposed amendments to update terminology in the Standards identified from reliability with faithful representation to align with the Conceptual Framework.

3. *To update references to "presentation and disclosure" to align with consequential amendments arising from the new Conceptual Framework?*

   COFO agrees with the proposed amendments to update references to presentation and disclosure in the Standards identified to align with the Conceptual Framework.

   COFO suggests that there may be additional updates related to this amendment beyond what has been identified in the Exposure Draft.

   As an example, PS 3160.64 refers to both presentation and disclosure requirements in PS 3150, but PS 3150 no longer has a section on disclosure, solely presentation (PS 3150.40 – 3150.42).

   > *Presentation and disclosure requirements for infrastructure assets or betterments, including those procured through a public private partnership arrangement, are set out in TANGIBLE CAPITAL ASSETS, Section PS 3150. Liabilities resulting from public private partnerships are classified and presented on the statement of financial position according to their substance.*

   A further example would be how the suggested amendment to PSG-5, Sale-Leaseback Transactions, is to change the section title to Presentation, but PG5.52 relates primarily to disclosure requirements.

4. *To replace the reference from Section PS 1201 to Section PS 1202 in Appendix A of Section PS 3060?*

   COFO agrees with the proposed amendment.

5. *To appropriately align references to verifiability introduced in the new Conceptual Framework?*

   COFO agrees with the proposed amendments to update references to verifiability in PS3160.27 to align with the new Conceptual Framework.

6. *To separate the italicized principle from the non-italicized guidance in paragraph PS 2125.08?*

   COFO agrees with the proposed amendment.

7. *To remove references to LIBOR and replace them with a reference to SOFR in Section PS 3450?*

   COFO agrees that an amendment is required to remove references to the now-retired LIBOR in PS 3450, however suggests that reference should be made to the Canadian Overnight Repo Rate Average (CORRA) rather than the US equivalent Secured Overnight Financing Rate (SOFR).

8. *To change the title of the decision tree to Appendix A in Section PS 3160?*

   COFO agrees with the proposed amendment.

Alberta Treasury Board and Finance

Office of the Controller
340 Terrace Building
9515 – 107 Street
Edmonton, Alberta, Canada T5K 2C3
Telephone: 780-644-4736
www.finance.alberta.ca

April 11, 2025

Michael Puskaric, MBA, CPA, CMA
Director, Public Sector Accounting
Public Sector Accounting Board
277 Wellington Street West
Toronto ON M5V 3H2

PSAB Exposure Draft: 2024-2025 Annual Improvements to Public Sector Accounting Standards

Thank you for the opportunity to comment. Annual improvements are important for consistency and clarity within the Public Sector Accounting Handbook.

Our comments to the specific questions are reflected in the attached Appendix.

Sincerely,

Dan Stadlwieser

Dan Stadlwieser
Controller

Attachment

2024-2025 Annual Improvements to Public Sector Accounting Standards

Do you agree with the following proposed 2024-2025 Handbook improvements?

1. To change terminology from “government” to “public sector entity”, “entity” or another appropriate term in certain sections of the PSA Handbook?

   Agreed.

   Changing the terminology makes it more comprehensive. This is relevant for adding clarity given public sector organizations are not part of core government but still public sector entities.

   However, it would promote consistency to have this modification performed throughout the PSA Handbook.

2. To replace the term “reliability” with “faithful representation” as a result of terminology changes introduced in the Conceptual Framework?

   Agreed.

   It promotes consistent terminology throughout the PSA Handbook.

3. To update references to “presentation and disclosure” to align with consequential amendments arising from the new Conceptual Framework?

   Agreed.

   However, it would promote consistency to have this modification performed throughout the PSA Handbook. For example, the Table of Contents along with the referenced paragraphs of various PSA Handbook sections is still using terms such as “presentation and disclosure” or “disclosure”.

4. To replace the reference from Section PS 1201 to Section PS 1202 in Appendix A of Section PS 3060?

   Agreed.

5. To appropriately align references to verifiability introduced in the new Conceptual Framework?

   Agreed.

   It does better reflect having consistent terminology throughout the PSA Handbook.

6. To separate the italicized principle from the non-italicized guidance in paragraph PS 2125.08?

   Agreed.

   It does enhance clarity and promote consistency throughout the PSA Handbook.

7. To remove references to LIBOR and replace them with a reference to SOFR in Section PS 3450?

   Agreed.

   Given that SOFR has been widely adopted as the alternative reference rate and LIBOR is no longer published, updating references from LIBOR to SOFR in PS 3450 is appropriate.

8. To change the title of the decision tree to Appendix A in Section PS 3160?

   Agreed.

   Changing the title to “Decision Tree – Scope of Applicability” provides a clearer description of the purpose of Appendix A.

Office of the Auditor General of Canada
Bureau du vérificateur général du Canada

11 April 2025

Michael Puskaric, CPA, CMA
Director, Public Sector Accounting
Public Sector Accounting Board
277 Wellington Street West
Toronto, ON M5V 3H2

RE: Exposure Draft – *2024-2025 Annual Improvements to Public Sector Accounting Standards*

Thank you for the opportunity to comment on the above Exposure Draft. I am responding on behalf of the Office of the Auditor General of Canada.

We are pleased to submit to the Board our response below to the specific questions posed in the Exposure Draft.

Sincerely,

MK Kerrigan

Kate Kerrigan, CPA, CA

Principal
Office of the Auditor General of Canada

Specific questions posed by the Public Sector Accounting Board (PSAB):

Question 1

Do you agree with the change to terminology from “government” to “public sector entity”, “entity” or another appropriate term in certain sections of the PSA Handbook?

OAG response:

Yes, we agree with the change in terminology from “government” to “public sector entity”, “entity”, or another appropriate term. Although PSAB identified instances where the terminology should be updated in PS 2130, we noted that in the French version of that standard, there are 2 additional instances of “government” that should be updated. These are in paragraphs 14 and 15. In addition, we noted that the terminology “government” was not updated in the following standards: PS 3060, PS 3041, PS 3100 and PS 3260. Consider whether the terminology in these standards should also be updated.

Question 2

Do you agree with the change to replace the term “reliability” with “faithful representation” as a result of terminology changes introduced in the Conceptual Framework?

OAG response:

Yes, we agree with the change to replace the term “reliability” with “faithful representation” as a result of terminology changes introduced in the Conceptual Framework. However, we note that PS 3250, *Retirement benefits* and PS 3255, *Post-employment benefits, compensated absences and termination benefits* also use the term reliable in the context of reliable evidence or a reliable forecast. Although we are of the view that the use of ”reliable” in PS 3250 and 3255 could be justified, PSAB should consider whether these uses of “reliable” should also be updated. We also noted that while making a change to PS 3160 to replace the term “reliably” by “in a faithfully representative way”, PSAB also changed the following reference from “FINANCIAL STATEMENT CONCEPTS, Section PS 1000” to “the Conceptual Framework”. We wanted to point out that there is also a reference to Section PS 1000 that should be updated in paragraph .04 of that same standard.

Question 3

Do you agree with the change to update references to “presentation and disclosure” to align with consequential amendments arising from the new Conceptual Framework?

OAG response:

Yes, we agree with the change to update references to “presentation and disclosure” to align with consequential amendments arising from the new Conceptual Framework.

Question 4

Do you agree with the change to replace the reference from Section PS 1201 to Section PS 1202 in Appendix A of Section PS 3060?

OAG response:

Yes, we agree with the change to replace the reference from Section PS 1201 to Section PS 1202 in Appendix A of Section PS 3060.

Question 5

Do you agree with the change to appropriately align references to verifiability introduced in the new Conceptual Framework?

OAG response:

Yes, we agree with the change to appropriately align references to verifiability introduced in the new Conceptual Framework.

Question 6

Do you agree with the change to separate the italicized principle from the non-italicized guidance in paragraph PS 2125.08?

OAG response:

Yes, we agree with the change to separate the italicized principle from the non-italicized guidance in paragraph PS 2125.08.

Question 7

Do you agree with the change to remove references to LIBOR and replace them with a reference to SOFR in Section PS 3450?

OAG response:

No, we do not agree with the change to remove references to LIBOR and replace them with a reference to SOFR in Section PS 3450 since SOFR is not the only rate in use and since SOFR is used for US dollars and therefore may not be commonly used by Canadian public sector entities. We note that according to the Bank of Canada, the Canadian Overnight Repo Rate Average (CORRA) is the Canadian equivalent of the now-discontinued LIBOR[1], whereas SOFR is considered to be the US equivalent as it is only used for US dollars. We think the guidance in PS 3450 would be more relevant if more generic terminology such as “benchmark risk-free rate” or “reference risk-free rate” was used. If PSAB prefers to use a specific example, we think it would be more relevant to make reference to both SOFR (for US dollars) and CORRA (for Canadian dollars).

Question 8

Do you agree with the change to the title of the decision tree to Appendix A in Section PS 3160?

OAG response:

Yes, we agree with the change to the title of the decision tree to Appendix A in Section PS 3160.

[1] https://www.bankofcanada.ca/wp-content/uploads/2020/09/overview-canadian-interest-rate-benchmark-reform.pdf

Tel: 416 865 0111
Fax: 416 367 3912
Toll-free: 888 505 7993
www.bdo.ca

BDO Canada LLP
20 Wellington Street East
Suite 500
Toronto Ontario M5E 1C5

April 11, 2025

Michael Puskaric, MBA, CPA, CMA
Director, Public Sector Accounting
Public Sector Accounting Board
277 Wellington Street West
Toronto ON M5V 3H2

Dear Michael Puskaric,

We have read the Exposure Draft and are pleased to have the opportunity to respond to your specific questions as outlined below. We attended the webinar related to the Exposure Draft and have gathered feedback from stakeholders within BDO on this Exposure Draft.

We are supportive of the Board's direction in the proposed improvements in order to better align the standards as a whole with the Conceptual Framework. However, as outlined in our responses below, we believe there are further improvements to be made that will further align the standards with the Conceptual Framework. As the Conceptual Framework is impactful to the Standards as a whole, we believe the revisions noted below will add greater consistency and alignment to the Conceptual Framework.

Our responses to your specific questions are outlined below.

1. To change terminology from "government" to "public sector entity", "entity" or another appropriate term in certain sections of the PSA Handbook?

We agree that where appropriate, the terminology of "government" should be changed to "public sector entity", or "entity".

2. To replace the term "reliability" with "faithful representation" as a result of terminology changes introduced in the Conceptual Framework?

We agree that the term "reliability" should be replaced with "faithful representation" as a result of the terminology changes introduced in the Conceptual Framework.

3. To update references to "presentation and disclosure" to align with consequential amendments arising from the new Conceptual Framework?

As this update not only aligns with the Conceptual Framework, but with IPSAS as well, we agree with the implementation of the proposed change. However, as the Conceptual Framework is meant to be pervasive throughout the Standard, we believe the following sections should be revisited and considered for further revision under the Exposure Draft:

- TANGIBLE CAPITAL ASSETS, Section PS 3150: Currently the header for Paragraphs 40-43 of this section is "Presentation", however paragraphs 40-43 primarily focus on disclosure, therefore we advise replacing "Presentation" with "Disclosure" for paragraphs 40-43. This also closely aligns with IPSAS 45.

- Consideration should also be given, if not already done so, for revision of CAPITAL ASSETS HELD BY NO-FOR-PROFIT ORGANIZATIONS, Section PS 4230, Paragraphs 31–36, for updates in line with the proposed Annual Improvements.

As well, in order to align the separation of presentation and disclosure in the other sections presented in the Exposure Draft, we suggest the following revisions:

- PORTFOLIO INVESTMENTS, Section PS 3041 should be distinguished further. The current amendments suggest presenting paragraphs .27-.32 under a unified “Presentation” header. However, paragraphs .28, .30, and .32 all address disclosure requirements. We recommend a separate header for “Disclosures” and moving paragraphs .28, .30, and .32 to this section.
    - Paragraph 54 of SALE-LEASEBACK TRANSACTIONS, PSG-5 addresses the presentation of leased back property that constitutes a leased tangible capital asset (“LTCA”) in the statement of cash flow. We recommend including a header for “Presentation” prior to the “Disclosure” header, moving paragraph 54 under the “Presentation” header, and recognizing paragraphs 52 and 53 under a “Disclosure” header.

4. To replace the reference from Section PS 1201 to Section PS 1202 in Appendix A of Section PS 3060?

We agree that references to Section PS 1201 within Section PS 3060 should be updated to Section PS 1202 where appropriate.

5. To appropriately align references to verifiability introduced in the new Conceptual Framework?

We agree that where appropriate, the references to verifiability should be aligned to the new Conceptual Framework.

6. To separate the italicized principle from the non-italicized guidance in paragraph PS 2125.08?

We agree that the separation of the italicized principle from the non-italicized guidance is appropriate under paragraph PS 2125.08.

7. To remove references to LIBOR and replace them with a reference to SOFR in Section PS 3450?

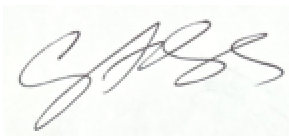
We agree with the Board’s decision to replace references to LIBOR with SOFR within Section PS 3450, however it should be noted that this diverges from IPSAS 41.AG7 as this paragraph now only refers to IBOR, but as it is an example, SOFR is the applicable replacement rate for LIBOR under the current reforms.

8. To change the title of the decision tree to Appendix A in Section PS 3160?

We agree with the Board’s decision to change the title of the decision tree to Appendix A in Section PS 3160 as this further aligns the wording to similar decision trees with the Standards, such as RELATED PARTY TRANSACTIONS, Section 2200.

Thank you for your consideration of the above-noted responses. We would be pleased to elaborate on our comments in more detail if you require. If so, please contact Neilson Woodman, Senior Manager National Accounting Standards (+1-506-343-7466 or email nwoodman@bdo.ca) or myself.

Yours sincerely,



Craig Cross
Partner, National Accounting Standards
BDO Canada LLP
ccross@bdo.ca
+1-647-798-1331

Saskatchewan

Ministry of Finance
Provincial Comptroller's Office
2350 Albert St
Regina, SK S4P 4A6

April 11, 2025

Michael Puskaric, CPA, CMA
Director, Public Sector Accounting
Public Sector Accounting Board
277 Wellington Street West
TORONTO ON M5V 3H2

Dear Michael Puskaric:

Thank you for allowing us to review the Public Sector Accounting Board's Exposure Draft (ED) on 2024-25 Annual Improvements to Public Sector Accounting Standards.

Here are our answers to the questions listed within as well as some general comments.

Questions

1. **Do you agree with the proposed amendments to change the term "government" to "public sector entity", "entity" or another appropriate term in certain sections of the PSA handbook?**

   Yes, we have no issues with these amendments.

2. **Do you agree with the proposed amendments to replace the term "reliability" with "faithful representation" as a result of terminology changes introduced in the Conceptual Framework?**

   No, we disagree with these amendments. In the exposure draft, PSAB proposes to replace "reliability" with "faithful representation" but has instead used the phrase "in a faithfully representative way." We believe that using "with faithful representation" would be more appropriate.

3. **Do you agree with the proposed amendments to update references to "presentation and disclosure" to align with consequential amendments arising from the new Conceptual Framework?**

   No, we disagree with these amendments. We understand PSAB is trying to split "presentation and disclosure." However, in some cases, presentation also includes disclosure. As well, in the new Conceptual Framework, disclosure is a component of presentation. It appears that PSAB has introduced inconsistency with the Conceptual Framework.

4. Do you agree with the proposed amendments to replace the reference from Section PS 1201 to Section PS 1202 in Appendix A of Section PS 3060?

Yes, we have no issues with these amendments.

5. Do you agree with the proposed amendments to appropriately align references to verifiability introduced in the new Conceptual Framework?

Yes, we have no issues with these amendments.

6. Do you agree with the proposed amendments to separate the italicized principle from the non-italicized guidance in paragraph PS 2125.08?

Yes, we have no issues with these amendments.

7. Do you agree with the proposed amendments to remove references to LIBOR and replace them with a reference to SOFR in Section PS 3450?

Yes, we have no issues with these amendments.

8. Do you agree with the proposed amendments to change the title of the decision tree to Appendix A in Section PS 3160?

Yes, we have no issues with these amendments.

Please contact Megan Slack with any questions at 306-787-6796.

Sincerely,

Chris Bayda, FCPA, FCA
Provincial Comptroller

cc: Jane Borland, Provincial Comptroller's Office, Ministry of Finance
Tamara Stocker, Provincial Comptroller's Office, Ministry of Finance
Megan Slack, Provincial Comptroller's Office, Ministry of Finance

Colin Semotiuk, CPA CA
Edmonton, Alberta

April 11, 2025

Michael Puskaric, MBA, CPA, CMA
Director, Public Sector Accounting Board
Public Sector Accounting Board
277 Willington Street West
Toronto ON M5V 3H2

Dear Mr. Puskaric,

My response to the PSAB Exposure Draft: 2024-2025 Annual Improvements to Public Sector Accounting Standards is below:

Do you agree with the following proposed 2024-2025 Handbook Improvements?

1. To change terminology from "government" to "public sector entity", "entity" or another appropriate term in certain sections of the PSA Handbook?

   Overall, I agree with the change in terminology from "government" to "public sector entity", "entity" or another appropriate term in the proposed sections of the PSA Handbook.

   However, I note that further analysis should be completed regarding correction of an error in prior period financial statements, specifically PS 2120.31. I agree that distinguishing between an error versus a change in estimate is a decision of the public sector entity and the consequences for its financial statements are different. However, I question why this paragraph is necessary to be in the public sector accounting standards. Why is who "raised the issue" to the entity specified? I also note that CAS 600's concepts of group and component auditor may complicate this requirement, as some may suggest that it only applies if a group auditor is raising the issue, not a component auditor. Alternatively, the specific reference to "government" may be necessary, as it likely only applies to the public accounts. I encourage PSAB to consult with the AASB regarding whether this paragraph is necessary or appropriate to be in PSAS.

I also urge PSAB to consider if the issue was raised by someone in the public, or an elected representative, should it be considered an error.

In my view, if an item is an error, it is an error regardless of who identifies it.

I have no additional comments on questions 2-8.

Thank you for the opportunity to comment.

Sincerely,

Colin Semotiuk

PROVINCIAL AUDITOR
of Saskatchewan

April 11, 2025

Michael Puskaric, MBA, CPA, CMA
Director, Public Sector Accounting
Chartered Professional Accountants of Canada
277 Wellington Street West
TORONTO, ON M5V 3H2

Dear M. Puskaric:

Re: 2024-2025 Annual Improvements to Public Sector Accounting Standards

We support the proposed changes as outlined in the exposure draft 2024-2025 Annual Improvements to Public Sector Accounting Standards. The attachment sets out our responses to the specific questions listed in the exposure draft.

Yours truly,

T. Clemett

Tara Clemett, CPA, CA, CISA
Provincial Auditor

JP/mr
Attachment

1500 Chateau Tower - 1920 Broad Street Regina, Saskatchewan S4P 3V2
t 306.787.6398 f 306.787.6383 e info@auditor.sk.ca
www.auditor.sk.ca

	Question	Response
	Do you agree with the following proposed 2024-2025 Handbook improvements?	
1	To change terminology from “government” to “public sector entity,” “entity,” or another appropriate term in certain sections of the PSA Handbook.	Yes, we agree.
2	To replace the term “reliability” with “faithful representation” because of terminology changes introduced in the Conceptual Framework.	Yes, we agree.
3	To update references to “presentation and disclosure” to align with consequential amendments arising from the new Conceptual Framework.	We agree, **except for the following sections**: - PS 3041: “and disclosure” has been removed, however the guidance in PS 3041.28 and .30 pertains to disclosure and not presentation. As such, we suggest the title should continue to include “and disclosure”. - PS 3060: “and disclosure” has been removed, however the guidance in PS 3060.55, .56, .59 and .60 pertain to disclosure and not presentation. As such, we suggest the title should continue to include “and disclosure”.
4	To replace the reference from Section PS 1201 to Section PS 1202 in Appendix A of Section PS 3060.	Yes, we agree.
5	To appropriately align references to verifiability introduced in the new Conceptual Framework.	Yes, we agree.
6	To separate the italicized principle from the non-italicized guidance in PS 2125.08.	Yes, we agree.
7	To remove references to London Interbank Offered Rate and replace them with a reference to Secured Overnight Financing Rate in Section PS 3450.	Yes, we agree.
8	To change title of the decision tree to Appendix A in Section PS 3160.	Yes, we agree.