



MALAYSIAN INSTITUTE  
OF ACCOUNTANTS

30 May 2014

Ms Stephenie Fox  
Technical Director  
International Public Sector Accounting Standards Board  
International Federation of Accountants  
277 Wellington Street West  
Toronto, Ontario M5V 3H2  
CANADA

Dear Stephenie

**EXPOSURE DRAFT 54 REPORTING SERVICE PERFORMANCE INFORMATION**

The Accountant General Office of Malaysia ("AG Office") and the Malaysian Institute of Accountants ("MIA") are pleased to provide comments on the International Public Sector Accounting Standards Board ("IPSASB") Exposure Draft ("ED") 54 *Reporting Service Performance Information*.

We agree with the Specific Matter for Comments ("SMC") raised in the ED except as set out below.

**Specific Matter for Comment 1**

Do you generally agree with the proposals in the ED? If not, please provide reasons.

We generally agree with the proposals in the ED. However, we would like to propose that the requirement of paragraph 79 to be expanded to include that when an entity decides what information needs to be disclosed, such information should be based on how the entity views and determines its service performance. This is done by using the information provided internally to key management personnel of the entity as defined in IPSAS 20, Related Party Transactions.

We believe such approach would:

- a) provide useful insight into how the entity views and determines its service performance;
- b) prevent an entity to only select those information that they wish to disclose in the report

(maybe favourable information) rather than its actual service performance information (which may include both favourable and unfavourable information); and  
c) have practical advantages for preparers of financial statements where they need to disclose the information that is already available.

**Specific Matter for Comment 5**

Do you agree with the ED's proposed principles for presentation of service performance information (see paragraphs 31 to 39)? If not how would you modify them?

We agree with the ED's proposed principles for presentation of service performance information. However, we believe paragraph 37 should be limited to the following:

"The benefits of reporting service performance information should justify the costs imposed by such reporting. The preparation and reporting of service performance information is expected to benefit both users of the information and the entity, as a result of better decision making by management."

We propose to remove the rest of the discussion from the paragraph as these have been discussed in Chapter 3: Qualitative Characteristics of the Conceptual Framework for General Purpose Financial Reporting by Public Sector Entities.

We hope our comments would contribute to the IPSASB deliberation in finalising the ED. If you have any queries or require clarification of this submission, please contact Rasmimi Ramli at +603 2279 9200 or by email at [rasmimi@mia.org.my](mailto:rasmimi@mia.org.my).

Yours sincerely,



**DATUK WAN SELAMAH WAN SULAIMAN**

Accountant General of Malaysia  
ACCOUNTANT GENERAL'S DEPARTMENT  
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**JOHAN IDRIS**

President  
MALAYSIAN INSTITUTE OF ACCOUNTANTS