

18 September 2018

Mr John Stanford  
Technical Director  
International Public Sector Accounting Standards Board  
International Federation of Accountants  
277 Wellington Street West  
Toronto  
Ontario M5V 3H2  
**CANADA**

Submitted to: [www.ifac.org](http://www.ifac.org)

Dear John

**ED 66 *Long-term Interests in Associates and Joint Ventures (Amendments to IPSAS 36) and Prepayment Features with Negative Compensation (Amendments to IPSAS 41)***

Thank you for the opportunity to comment on ED 66. We support the IPSASB's proposals to incorporate into IPSAS the two narrow scope amendments to IFRS® Standards discussed in ED 66, being:

- (a) *Long-term Interests in Associates and Joint Ventures (Amendments to IAS 28)* (issued October 2017); and
- (b) *Prepayment Features with Negative Compensation (Amendments to IFRS 9)* (issued October 2017).

We believe that when the same transactions occur in the public and private sectors it is desirable to maintain convergence with IFRS Standards unless there are public sector specific reasons to diverge. Maintaining convergence with IFRS Standards ensures that IPSAS incorporate the latest thinking of the International Accounting Standards Board (IASB), to the extent appropriate for the public sector. This process ultimately contributes to the IPSASB developing and maintaining high-quality standards.

Maintaining alignment with IFRS Standards also makes IPSAS more accessible for constituents that need to be familiar with both sets of standards, allowing such constituents to focus on the modifications made by the IPSASB to address public sector differences.

We have notified New Zealand constituents about the IPSASB's proposals in ED 66.

The New Zealand Accounting Standards Board (NZASB) plans to incorporate the IPSASB's proposals in ED 66 into its forthcoming Exposure Draft PBE IPSAS 41 *Financial Instruments*, which is based on IPSAS 41 *Financial Instruments*.

If you have any queries or require clarification of any matters in this letter, please contact Joanne Scott ([joanne.scott@xrb.govt.nz](mailto:joanne.scott@xrb.govt.nz)) or me.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Kimberley Crook', written in a cursive style.

Kimberley Crook  
**Chair – New Zealand Accounting Standards Board**