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30 June 2026

Thomas Müller-Marqués Berger
Chair
International Public Sector Accounting Standards Board
70 York Street, Suite 710,
Toronto, ON M5J 1S9, Canada

Via online submission: website

Dear Thomas,

Exposure Draft 96 – Definition of an Operation and Recognition of Acquired Liabilities and Contingent Liabilities (Amendments to IPSAS 40)

As one of the largest professional accounting bodies in the world, CPA Australia represents the diverse interests of more than 175,000 members working in over 100 jurisdictions and regions around the world, working in diverse roles across public practice, commerce, industry, government and academia throughout Australia and internationally. We provide the following feedback on the International Public Sector Accounting Standards Board (IPSASB) Exposure Draft 96 – Definition of an Operation and Recognition of Acquired Liabilities and Contingent Liabilities (Amendments to IPSAS 40) (ED 96).

Overall, we support the proposed amendments to IPSAS 40, which aims to align IPSAS 40 with the equivalent amendments made to IFRS 3 *Business Combinations* (IFRS 3) through amendments to the Definition of a Business (2018) and Reference to the Conceptual Framework (2020).

The proposed amendments are consistent with requirements that have already been implemented in Australia through AASB 3 *Business Combinations* (Australian version of IFRS 3). Based on our observations, the equivalent amendments have not resulted in significant implementation challenges or unintended consequences in practice and Australian public sector entities are already familiar with the underlying concepts. Accordingly, our experience does not indicate any implementation concerns that would warrant a different approach in the public sector globally. Nor have we identified any public sector-specific circumstances that would justify departure from the corresponding IFRS 3 requirements.

We also support the proposed amendments regarding the recognition of acquired liabilities and contingent liabilities. These amendments improve consistency between IPSAS 40, IPSAS 19 and the IPSAS Conceptual Framework. We do not believe the proposals are likely to give rise to significant practical challenges, nor have we identified public sector-specific reasons to depart from the corresponding IFRS 3 requirements.

If you require further information, please contact me at ram.subramanian@cpaaustralia.com.au.

Yours sincerely

Ram Subramanian FCPA
Financial Reporting Lead
CPA Australia