

Through email-casl@icai.in

**DIRECTORATE OF LOCAL FUND AUDIT, ODISHA
TREASURY & ACCOUNTS BHAWAN, 2nd FLOOR,
UNIT-III, KHARAVELA NAGAR, BHUBANESWAR**

No. 15804 /DLFA/Date 28.12.2016
XIV- Aud- 9/2014

From

Sri A.K.Das
Director

To

The Secretary
Committee on Accounting Standards for Local Bodies
The Institute of Chartered Accounts of India
ICAI Bhawan, Post Box No.7100
Indraprastha Marg, New Delhi-110002

Sub:- Comments on the pre-exposure draft of the Conceptual Frame work for
General Purpose Financial Reporting by Local Bodies.

Ref:- Your Letter No.ICAI/TD/CASLB/2016-17,December 7,2016

Madam/Sir,

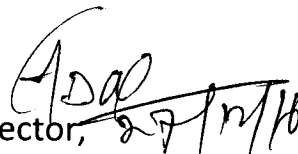
Enclosed, please find herewith my comments on the above mentioned pre-
exposure draft for appreciation at your level.

Thanking You

Yours faithfully,

Enclosure

Comments on GPFR (one page)


Director,
Local Fund Audit,
Odisha, Bhubaneswar

Comments on

“ The Conceptual Framework for General Purpose Financial Reporting by Local Bodies “

The pre-exposure draft on the aforesaid subject is highly commendable and expected to satisfy the users who are unable to command the preparation of reports tailored to their particular information needs. However, following suggestions are given to make the ASLB user-friendly.

(I) Definitions of the following terms may be added to **Chapter-2** (*before the objectives.*)

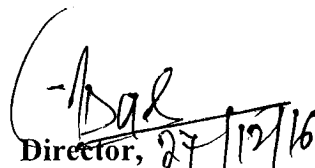
(a) "**Accountability**" means the responsibility to provide information for enabling users to make informed judgements about the performance, financial position, investment etc. of the reporting entity;

(b) "**Performance**" means the proficiency of a reporting entity in acquiring resources economically and using efficiently as well as effectively in achieving intended objectives.

(c) "**Financial position**" means the economic condition of a reporting entity, having regard to its control over resources, structural arrangements, capacity for adaptation and solvency;

(d) "**ccompliance**" means adherence to those statutory requirements, regulations, rules, budget requirements in respect of which non-compliance may have, or may have had, a financial effect on the reporting entity;

(II) General purpose financial reporting is not an end in itself, but is a means of communicating relevant and reliable information about a reporting entity to users. The needs of the users depend, in turn, on the activities of reporting entities and the decisions users make about them. In a welfare State like India, specific discussion on preparation of information about poverty alleviation programme should take place in the ASLB.


Director, 27/12/16

Local Fund Audit, Odisha,
Bhubaneswar.