



Revised Cash Basis IPSAS and IPSASB Strategy and Work Plan Consultation 2019-2023

João Carlos Fonseca, Principal

Miami, USA
May 14, 2018

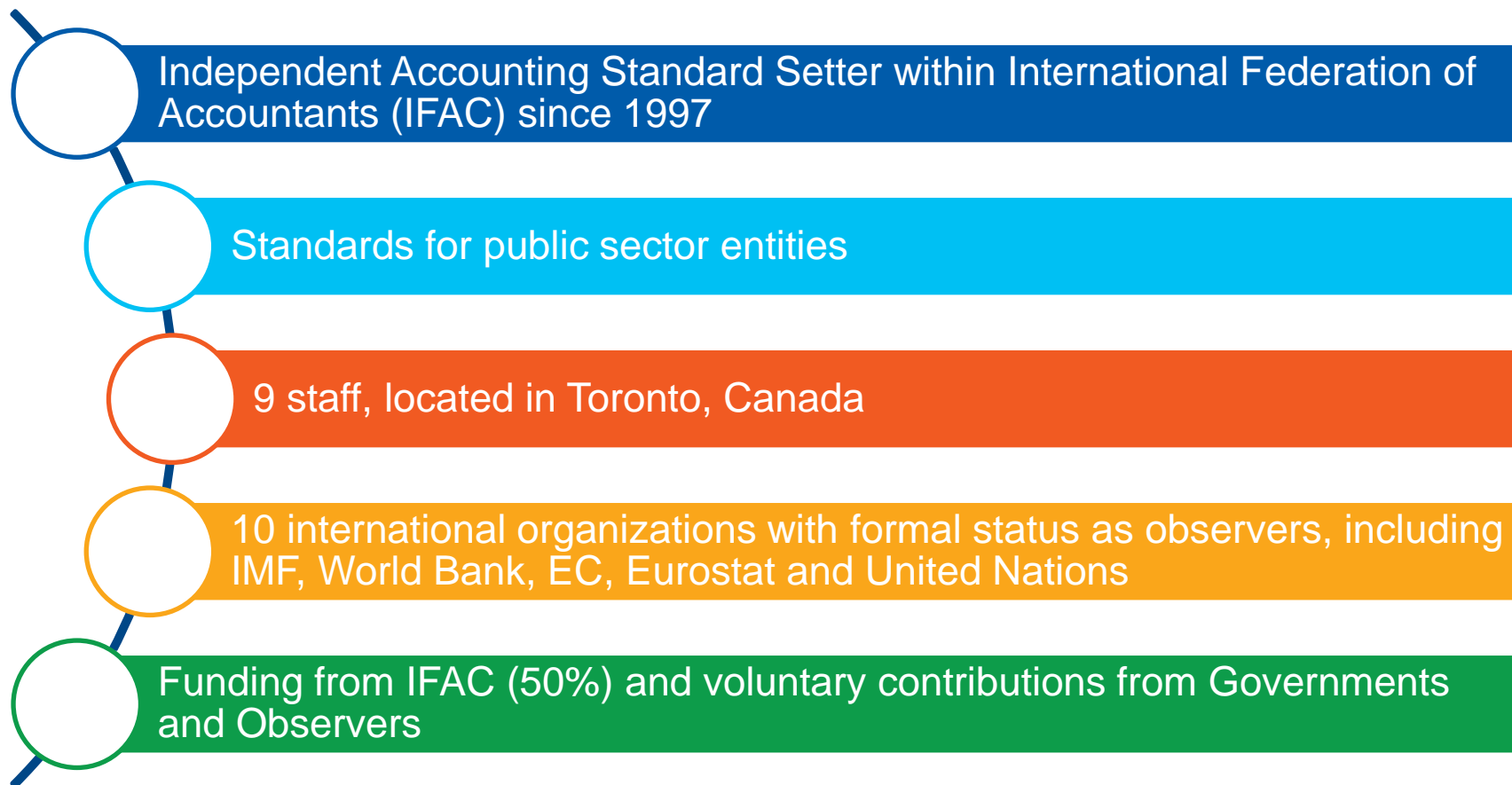
Agenda

International Public Sector Accounting Standards Board (IPSASB)

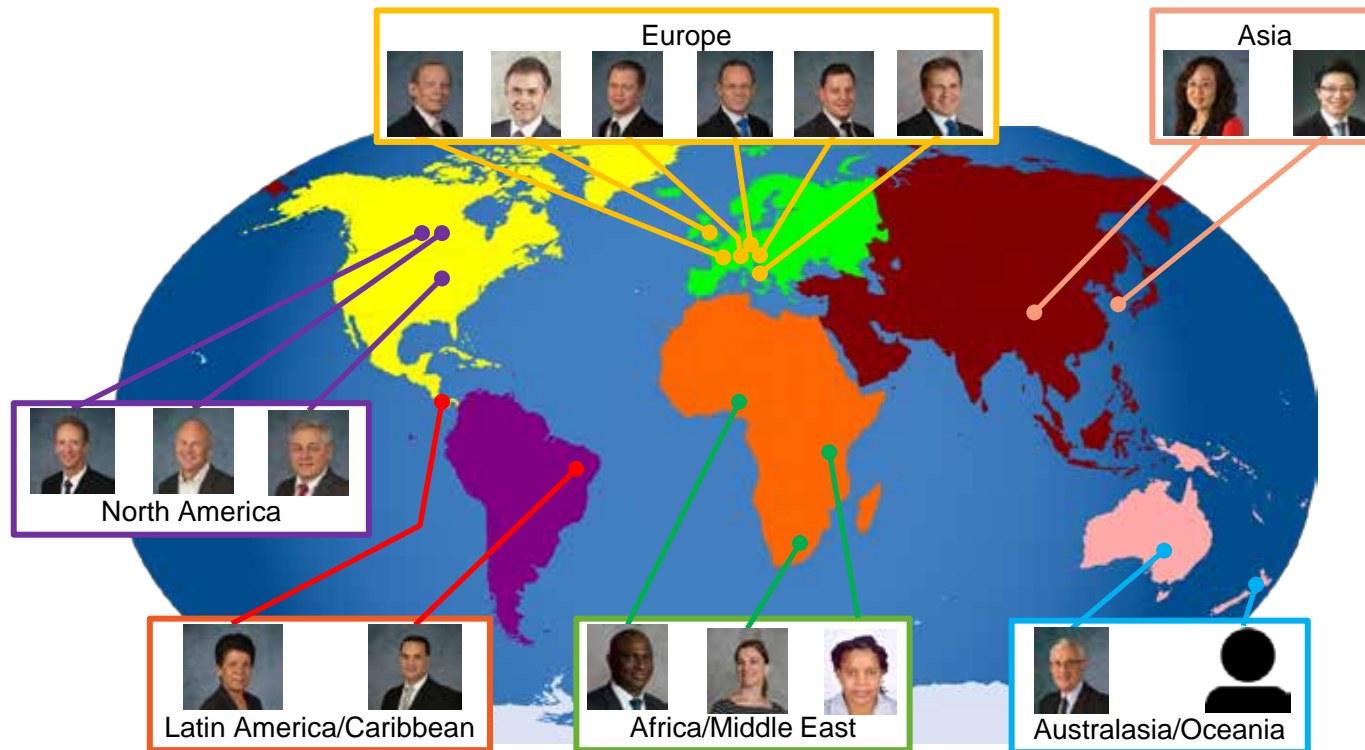
Revised Cash Basis IPSAS

Strategy and Work Plan Consultation 2019-2023

The IPSASB



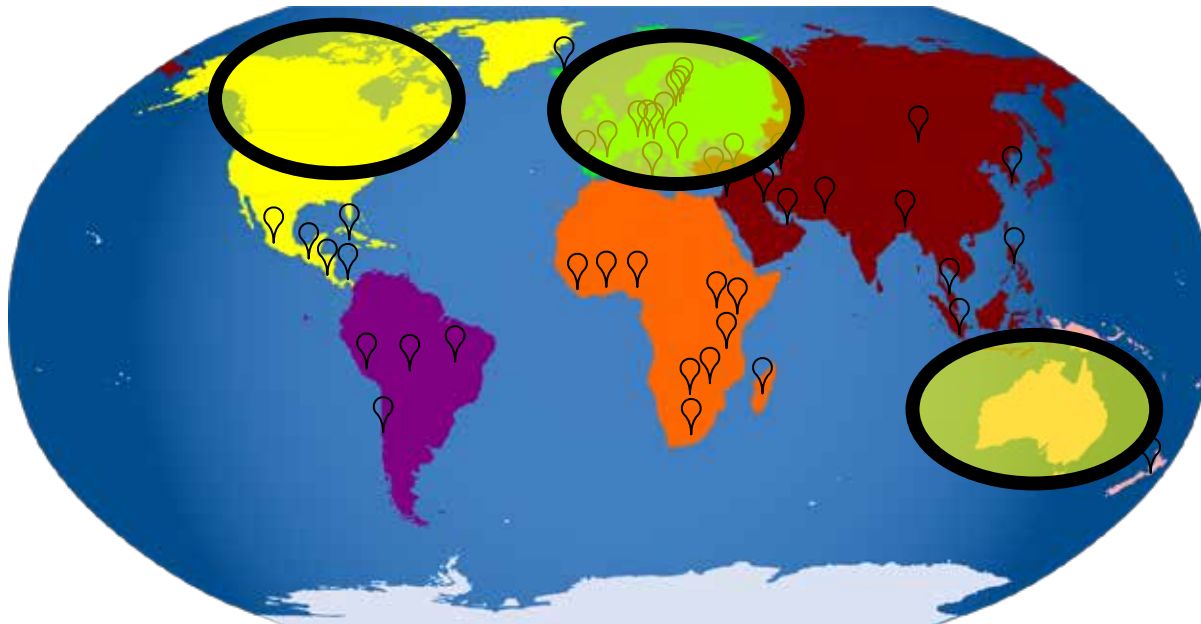
IPSASB members 2018



The IPSASB Outputs

	IPSASB
Authoritative Standards	35 accrual based IPSAS 1 Cash Basis IPSAS
Non-Authoritative Guidance	3 RPG
	Conceptual Framework
Other	Staff publications

IPSAS Adoption and Implementation



- IPSAS Adopters
 - Over 80 Countries
 - United Nations
 - OECD
 - NATO
 - African Union
 - European Commission
 - Commonwealth Secretariat

Revised Cash Basis IPSAS

First Issued January 2003 (updated 2006 & 2007)

- Part 1 – Requirements
- Part 2 – Encouraged Additional Disclosures

2008 Task Force

- Implementation Issues

Revised Cash Basis IPSAS

Decision - Strategy & Work Plan 2015 Forward

- Limited Scope Project – Focused on Implementation Issues

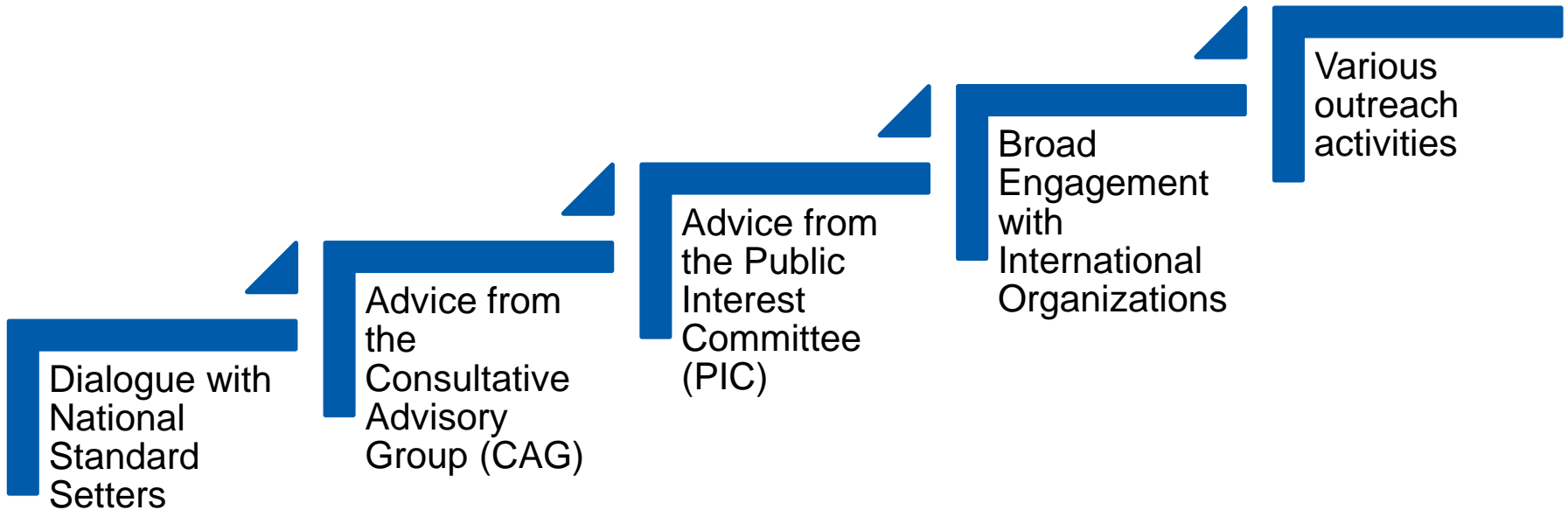
ED 61, *Amendments to Financial Reporting under the Cash Basis IPSAS of Accounting*

- Issued February 2016
- IPSASB View: '*Cash Basis IPSAS-Not an Endpoint – Step on Path to Accrual*'
- ED 61 Proposed Relocation of the Following from Part 1 to Part 2:
 - Requirement to Consolidate Controlled Entities
 - Requirement to Disclose External Assistance Information
 - Requirement to Disclose Third Party Payments Information

The Proposals in ED 61 were supported and the Revised Cash Basis IPSAS (2017) was approved in December 2017 and was issued in January 2018

- New Cash Basis IPSAS 2017 – will be included in the 2018 Handbook
- Nothing Further on the Current Work Plan or Proposed for the 2019-2023 Work Plan

Proposed Strategy Consultation - Development Process



Outreach Approach – Consultation Period

Regional Roundtable Discussions – Part of Formal Due Process

- Latin America – Hosted by the Brazilian Federal Accounting Council, National Treasury and Accounting Foundation in Brasilia – April 25, 2018
- Africa – Hosted by the African Union in Addis Ababa – May 4, 2018
- Europe – Hosted by Accountancy Europe in Brussels – March 28, 2018
- South East Asia – Hosted by the Asian Development Bank In Manila – May 29, 2018

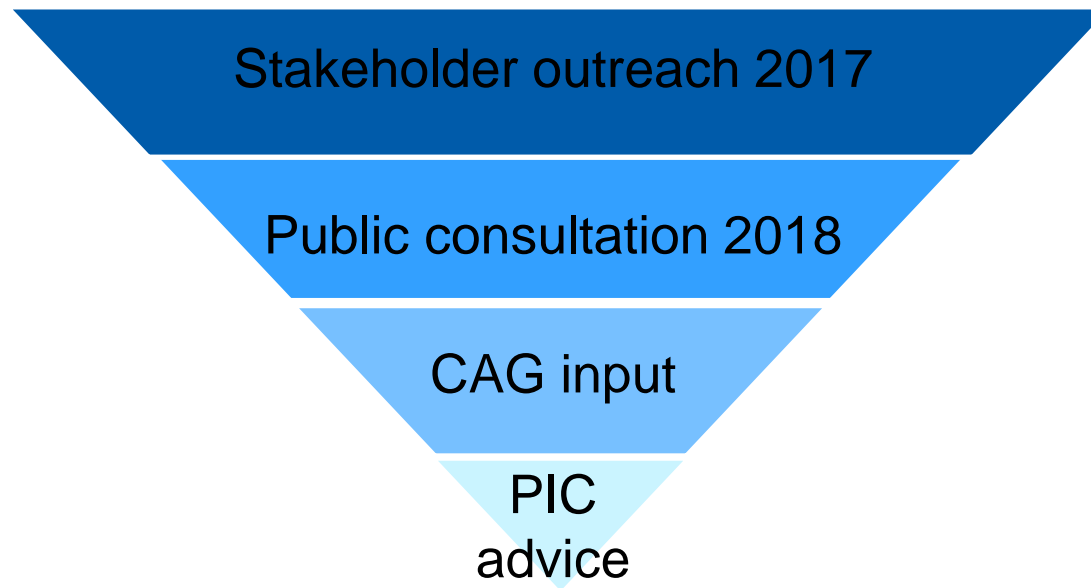
IPSASB Members, Technical Advisors, Staff Outreach

- Support awareness of the ongoing consultation and encourage constituents to share their views, e.g. INTOSAI FAAS Annual Meeting, Discussions with the Japanese Ministry of Finance

Local/Regional Events

- UK Roundtable – April 13 – Organized by the Consultative Committee of Accountancy Bodies

Developing the next IPSASB Strategy and Work Plan



Multi-year Strategy (2019-2023), Work Plan to implement/operationalize Strategy

Proposed Strategic Objective 2019–2023

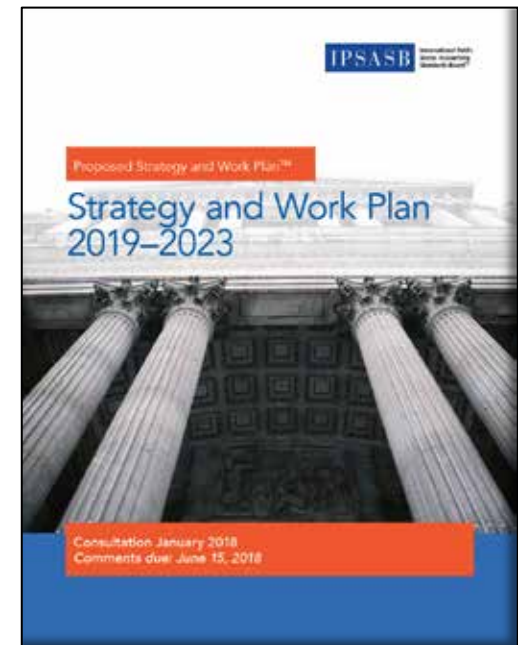
Strengthening Public Financial Management (PFM) globally through increasing adoption of accrual-based IPSAS.



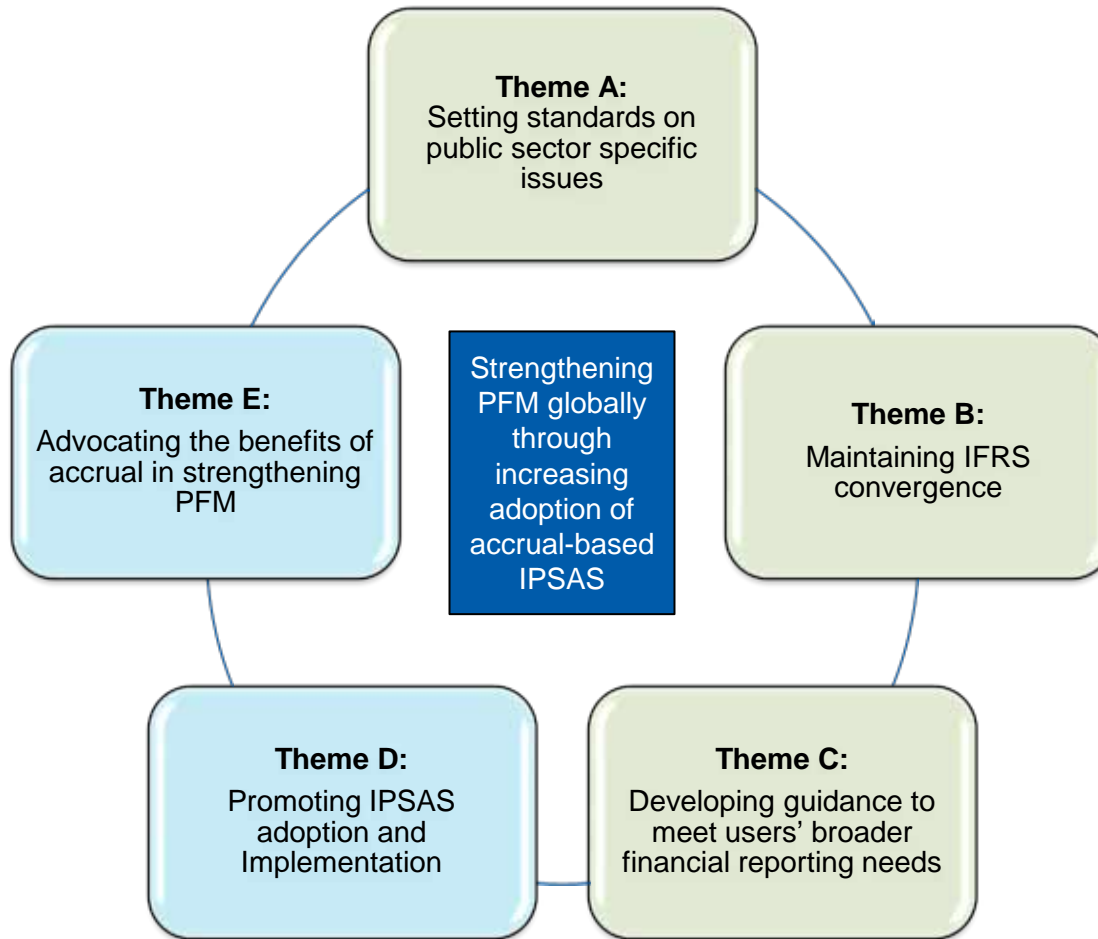
This Strategic Objective will be delivered through two main areas of activity:

Developing IPSAS and other high-quality financial reporting guidance for the public sector; and

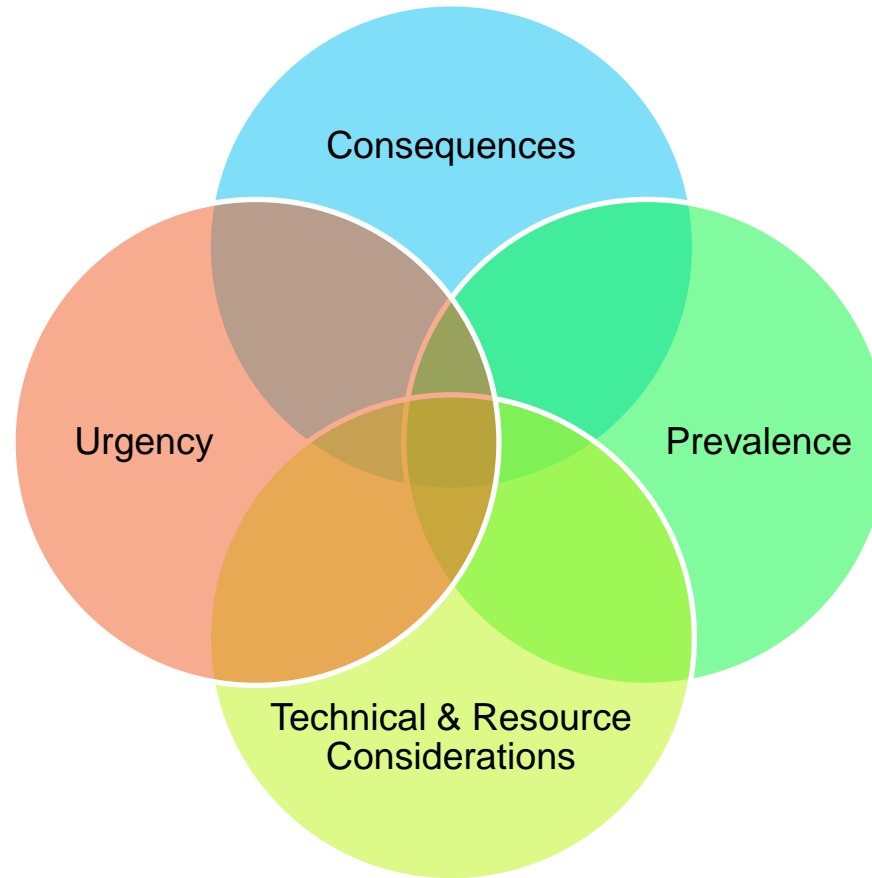
Raising awareness of IPSAS and the benefits of their adoption.



Proposed Strategic Themes 2019-2023



Criteria for Assessing Projects To Propose for Future Work Plan



Projects Proposed for Addition to the Work Plan 2019-2023

Theme A: Public Sector Specific

Natural Resources

Discount Rates

Differential Reporting

Limited Review of the Conceptual Framework

Accounting for Tax Expenditures

Military Assets

Intangible Assets – Public Sector Specific

Sovereign Powers & Impact on Financial Reporting

IPSAS 22, Disclosure GGS

Asset Retirement Obligations

Theme B: IFRS Convergence

Update of IPSAS 18, Segment Reporting

IASB 'catch up' (narrow scope projects)

IPSAS 1, Presentation of Financial Statements

IPSAS 20, Related Party Transactions

IFRS 5, Non Current Assets Held for Sale and Discontinued Operations

IFRS 6, Exploration for and Evaluation of Mineral Resources

IFRS 14, Regulatory Deferral Accounts

IFRS 17, Insurance Contracts

IAS 34, Interim Financial Reporting

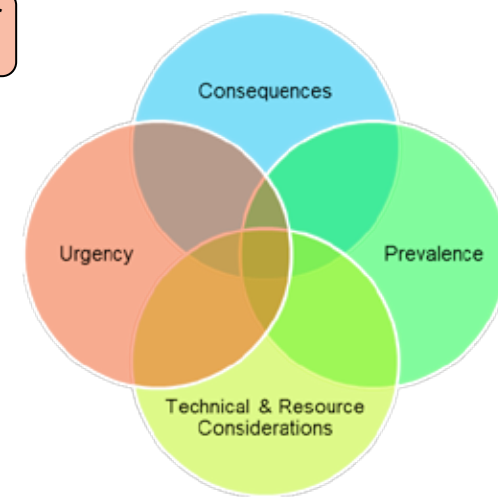
Theme C: Broader Reporting

Revising RPG 1, Long-Term Sustainability of an Entity's Finances

IASB Initiative – Better Communication in Financial Reporting

Defining Public Sector Key Financial Performance Indicators

Public Sector Guidance for Cost Accounting



Strategic Theme C - Broader Financial Reporting in the Public Sector

Theme C – *Developing guidance to meet users' broader financial reporting needs*

- No proposed projects related to Theme C
- IPSASB will monitor developments in the broader narrative reporting area
 - Specifically, monitor progress related to Integrated Reporting <IR>, the Corporate Reporting Dialogue and the IASB's project on Better Communication in Financial Reporting.

Theme D—Promoting IPSAS adoption and implementation

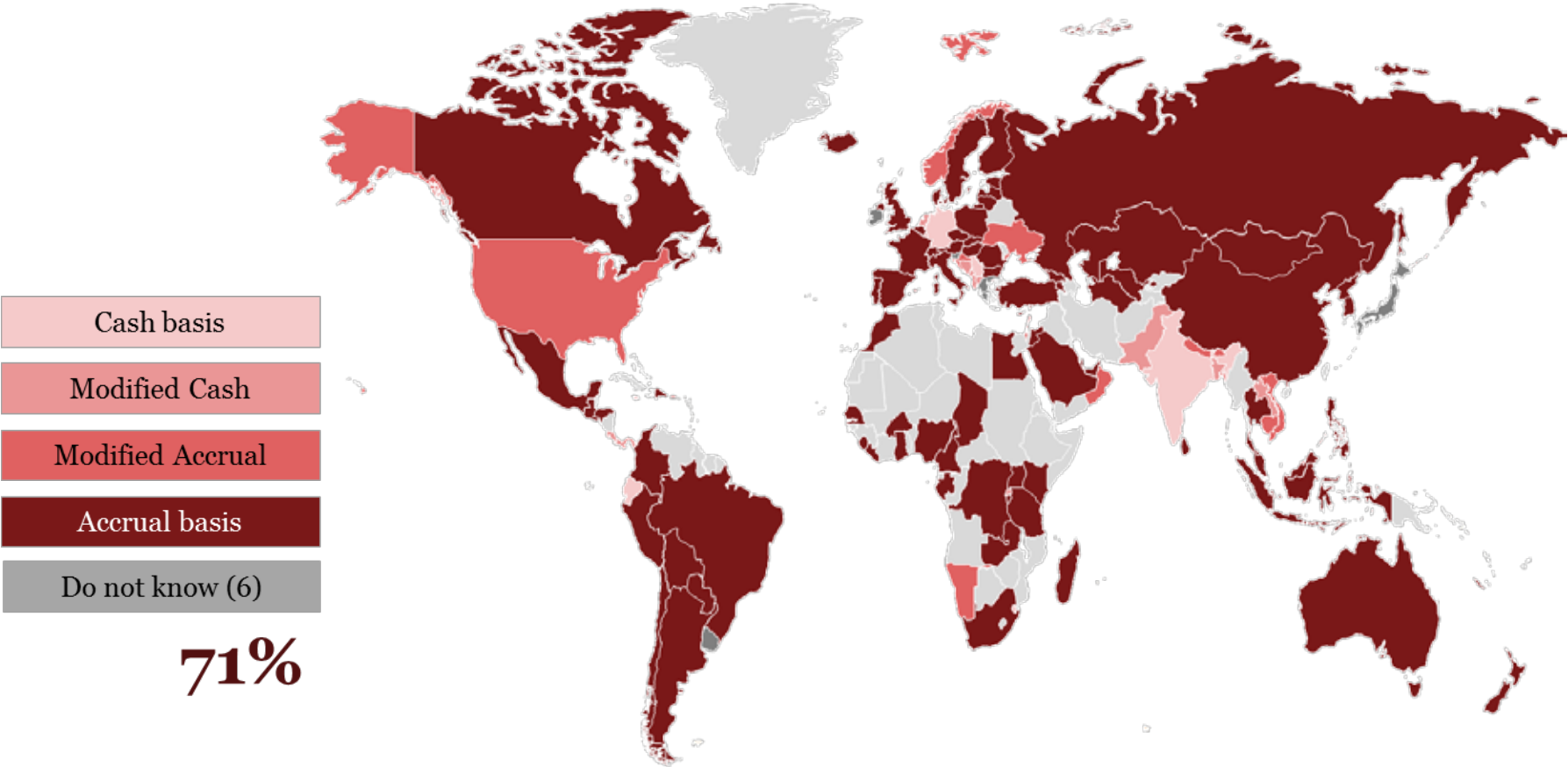
- PFM reform landscape within individual jurisdictions is complex, and the IPSASB’s role is more limited than other groups

Type of Support	Entity Staff	Consultants / Contractors	Supranational & Regional Organizations	IPSASB
Promotion	ü	ü	ü	ü
Technical Guidance	ü		ü	ü
Financial	ü		ü	
Practical / Technical	ü	ü	ü	
Capacity Development	ü	ü	ü	

- Promotion
 - Active outreach – Chair, Members, TAs, CAG
- Technical Guidance
 - ‘At a Glance’ summaries
 - Webinars
 - Q&A
- Update-*Study 14: Transition to the Accrual Basis of Accounting: Guidance for Public Sector Entities*

Accrual implementation–Future Outlook

Trend toward accrual accounting is clear.....

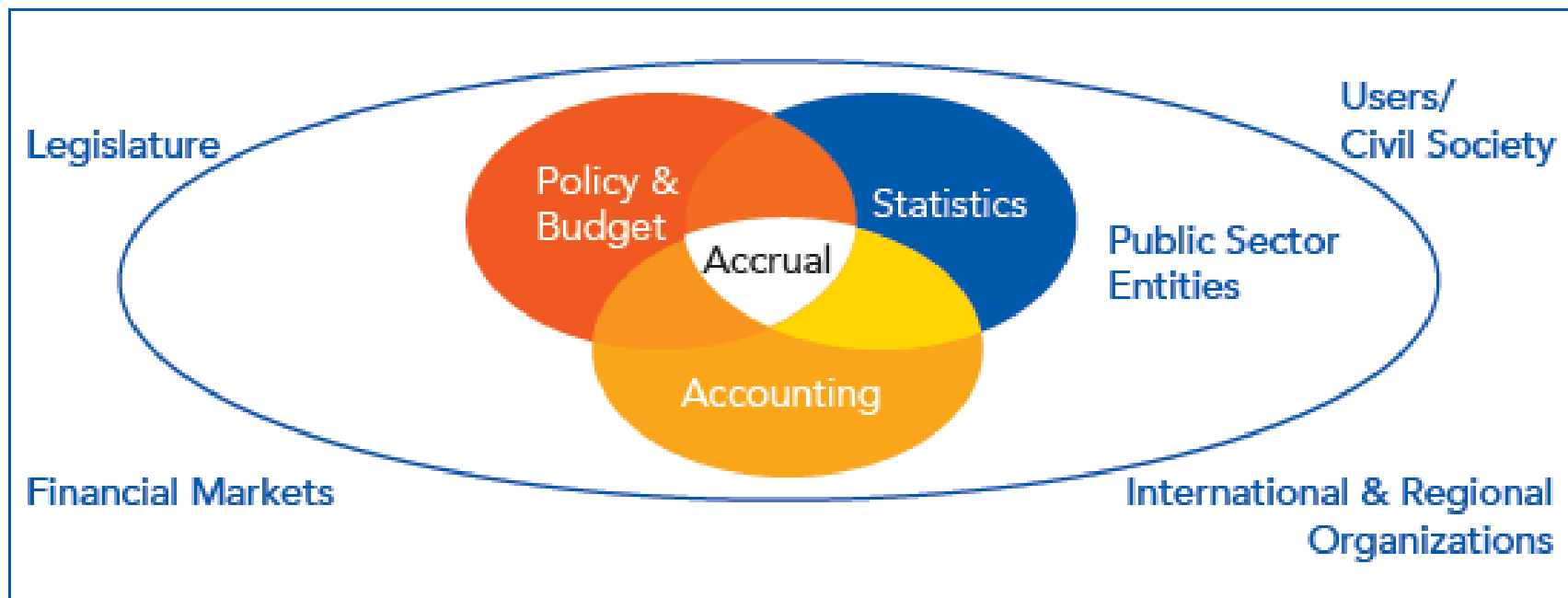


Source: PWC Global Survey on Accounting and Reporting by Central Governments (2nd edition) – July 2015

Theme E—Advocating the Benefits of Accrual in Strengthening PFM

In order to maximize the benefits of accrual-based information, it should be used for as many purposes as possible:

Uses/Users of accrual in PFM



Theme E—Advocating the Benefits of Accrual in Strengthening PFM

Build relationships with key international organisations and donors – IMF, World Bank, IMF, regional development banks, etc

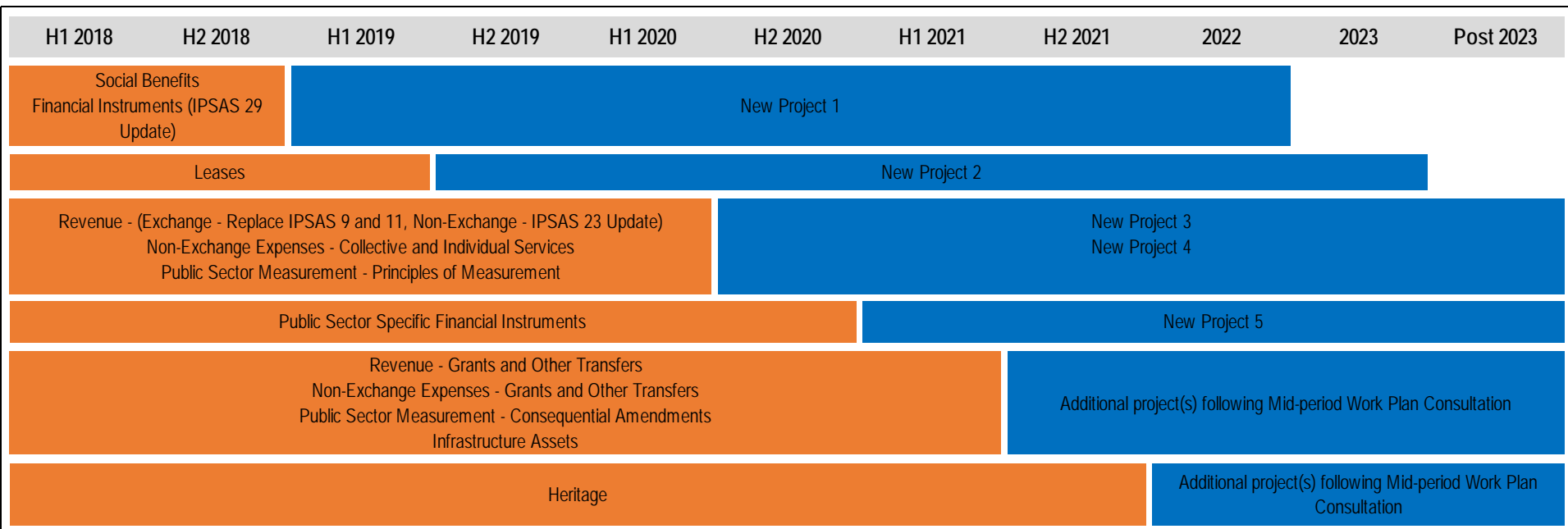
Raise awareness among other potential advocates – INTOSAI, capital markets, ratings agencies, civil society groups

Participate in key events and engage in the work of others in the PFM space

Encourage development of accrual impact evidence base – key role of the academic community

Influence guidance development by other professional groups, e.g. Government Finance Statistics (GFS)

Current and Future Projects – Timeline



Current projects

Future projects

Where to Submit a Comment

publications-resources/ipsasb-proposed-strategy-and-work-plan-2019-2023

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Publication Type Source English

Exposure Drafts and Consultation Papers

IPSASB[®]

Published: Feb 02, 2018

English

Comments due by:
Jun 15, 2018

Submit comment

IPSASB Proposed Strategy and Work Plan 2019-2023

The International Public Sector Accounting Standards Board[®] (IPSASB[®]) has published the Strategy and Work Plan for 2019-2023.

The draft Strategy emphasizes the importance of International Public Sector Accounting management reforms and proposes the following strategic objective:

- *Strengthening Public Financial Management (PFM) globally through increasing adoption of IPSAS*
 - *Delivered through two main areas of activity, both of which have a public interest:*
 - *Developing IPSAS and other high-quality financial reporting guidance for the public sector*
 - *Raising awareness of IPSAS and the benefits of accrual adoption.*

This Consultation provides an opportunity for constituents to comment on the IPSASB's plan priorities for the period 2019-2023. Please submit your responses by June 15, 2018.



Thank you!

www.ipsasb.org
