ICGFM

Ad Hoc Committee on Accounting Standards
May 2016
Goals

• Objective of Ad Hoc Committee on Accounting Standards
  – Formed in 2011
  – To prepare responses to the International Public Sector Accounting Standards (IPSAS) consultative papers and exposure drafts on behalf of the ICGFM
Membership

• Chair
  Michael Parry

• Members

Iheariyi Anyahara (Nigeria)  Hassan Ouda (Egypt)
Tony Bennett (UK)            Mark Silins (Australia)
Steve Glauber (US)           Nino Tchelishvili (Georgia)
Jesse Hughes (US)            Maru Tjihumino (Namibia)
Kennedy Musonda (Zambia)     Paul Waiswa (Uganda)
Anne Owuor (Kenya)           Andy Wynne (UK)
Approach

• All Exposure Drafts (EDs) and other discussion documents issued by IPSAS Board reviewed
• Comments submitted to IPSAS Board on all EDs and discussion documents
• Published with other comments on IPSASB website
Achievements

• 20 responses so far submitted by ICGFM to IPSAS Board

• In addition Compilation Guide for Developing Countries published in 2013, plus
  – Roadmap to Implement Compilation Guide for Developing Countries
  – Certificate of Conformance Program for Annual Financial Reports by Developing Countries
  – Self Assessment Field Test
ISSUES UNDER CURRENT CONSIDERATION BY THE ICGFM AD HOC COMMITTEE ON ACCOUNTING STANDARDS
Social Benefits

• Consultation Paper issued by IPSASB in July 2015
  – Follows on from earlier Discussion Paper
  – Complexity of issues and previous responses meant IPSAS Board then felt unable to issue an ED
• Comments on new Consultation Paper submitted by ICGFM January 2016
• IPSAS Board now considering comments and whether it is now able to issue an Exposure Draft on Social Benefits
Employee Benefits

- ED 59 “Amendments to IPSAS 25, Employee Benefits” published January 2016
- Comments and a paper submitted by ICGFM Standards Committee
  - Will be published in December 2016 International Journal on Government Financial Management (IJGFM)
  - ICGFM comments
    - Supported changes in ED 59,
      BUT
    - More broadly critical of IPSAS 25 and recommended a complete revision
Public Sector Combinations

• ED 60 “Public Sector Combinations” published January 2016
• Currently being reviewed by ICGFM Standards Committee
Cash Basis IPSAS

- Review of the Cash Basis IPSAS initiated by IPSAS Board in 2014
- ICGFM Standards Committee paper on Cash Basis submitted to IPSAS Board in March 2015
  - Paper published in IJGFM December 2015
- Correspondence with IPSAS Board indicated general acceptance by IPSAS Board of ICGFM ideas
- ED 61 “Amendments to: Financial Reporting under the Cash Basis of Accounting (the Cash Basis IPSAS)” published February 2016
  - Incorporates most of ICGFM views
  - ED 61 currently being reviewed by ICGFM Standards Committee
FUTURE ACTIVITIES
Need to broaden membership of Committee

• Present composition:
  – USA - 2
  – UK - 3
  – Europe - 1
  – Australia - 1
  – Africa (north and Sub-Saharan) - 6

• No representation from:
  – Asia (all regions)
  – Caribbean
  – Latin America
  – Eastern Europe
  – Russia or other former Soviet Union countries

• Members from these areas needed
Proactive inInitiating Reforms to IPSAS

• ICGFM members have practical experience of implementing IPSAS
  – Uniquely placed to identify issues and problems
• ICGFM Ad Hoc Committee on Accounting Standards will:
  – Invite ICGFM members to identify IPSAS issues and problems
  – Bring to attention of IPSAS Board practical IPSAS implementation problems
  – Proactively initiate discussions
Section in IJGFM on IPSAS Developments

• From December 2016 the International Journal on Government Financial Management will contain a section on IPSAS developments:
  – Issues under discussion
  – ICGFM responses and views
  – New IPSAS and other pronouncements issued