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**Intergovernmental Working Group of Experts on  
International  
Standards of Accounting and Reporting  
(ISAR)**

**35th SESSION**

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Morning Session

**Agenda item 4.**

**Issues of practical implementation of international standards  
of accounting and reporting in the public and private sectors**

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# Issues of practical implementation of IPSAS

UNCTAD Intergovernmental Working Group of Experts  
on International Standards of Accounting and Reporting,  
35th session

Barbara Pabersath, Austrian Court of Audit (ACA), INTOSAI

## Implementation in Austria

- traditionally cash basis accounting – invented 250 years ago
- 2013: change from cash basis accounting to accrual accounting
- rules and regulations for the accrual accounting are embedded in the national accounting law
- high accordance with IPSAS at the central level  
the change for local level is scheduled for 2020

# Challenges in the Implementation

- biggest challenging parts where the national accounting law does not coincide with IPSAS:
  - consolidation (state level and local level)
  - pension liabilities
  - restatements
  - recognition of assets in respect of taxes
- ‘frozen’ national accounting law

## Lessons Learnt

- accrual accounting provides more information and can be well used as decision support
- close cooperation with a mutual understanding of the overarching goal:  
manage processes rather than payments
- for an integrative overview: accrual budgeting
- staff and quality control in all processes:  
capacity building is needed in all areas
- one integral part of a successful implementation: Audit
- the implementation is rather a marathon than a sprint

## Audit related Issues

- missing or inadequate processes
- various records of transactions when there is no appropriate legal regulation
- main problem:  
due to the lasting cash based accounting tradition  
no economical assignment but cash based assignment



**Many thanks for your attention!**