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

35th SESSION

24 - 26 October 2018

Room XVII, Palais des Nations, Geneva

Friday, 26 October 2018

Morning Session

Agenda item 4.

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

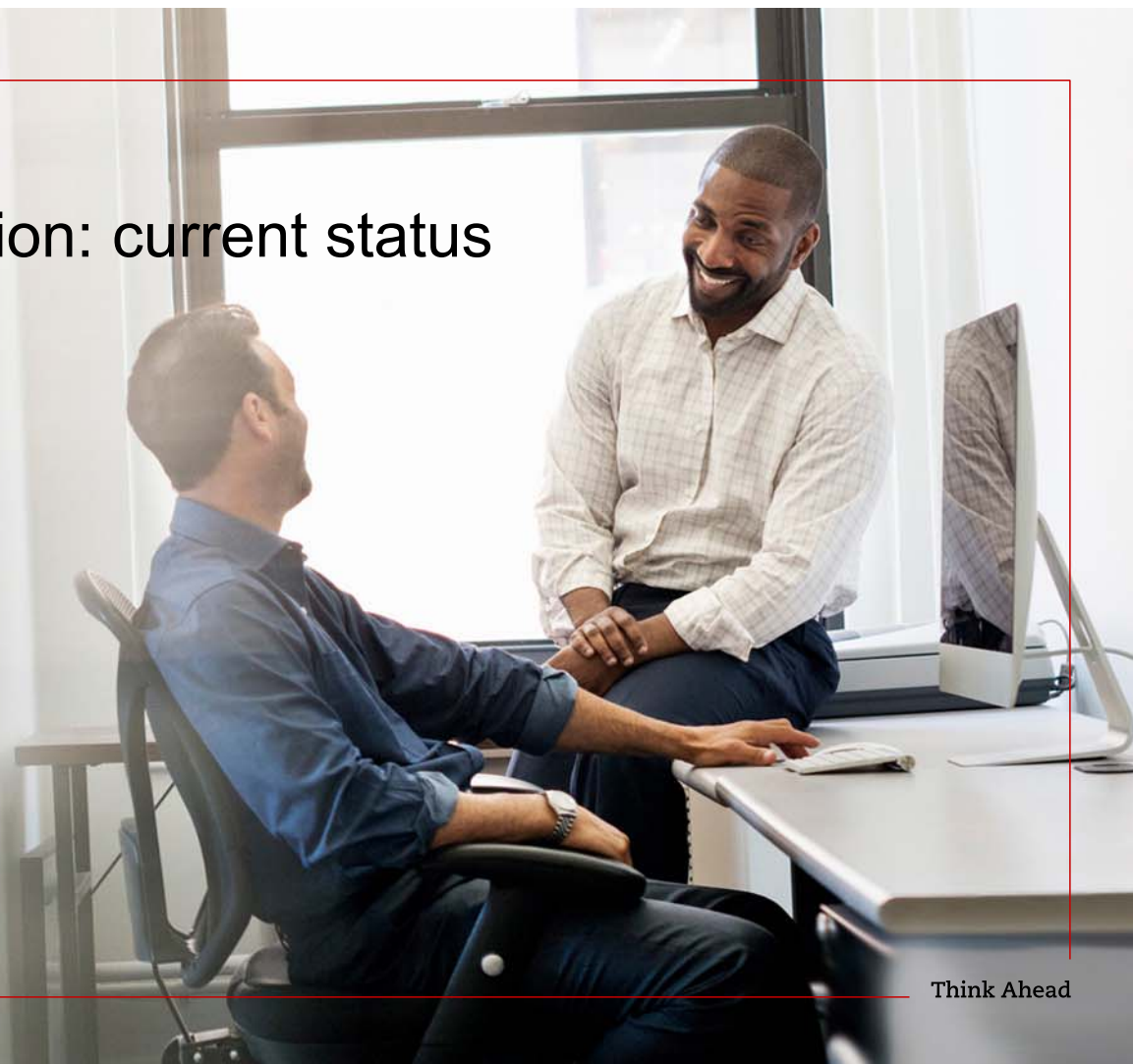
Presented by

Iain Mansfield
Head of Public Sector
ACCA

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IPSAS implementation: current status and challenges

Iain Mansfield
Head of Public Sector
ACCA



ACCA's Global Reach

104

offices around the world

Global footprint that closely matches many multinational organisations

503,000

Students

Students and members in

179

countries

180+

different nationalities

208,000

Members

- ACCA staffed offices
- ▲ ACCA active centres
- ACCA global accountancy partnerships and agreements

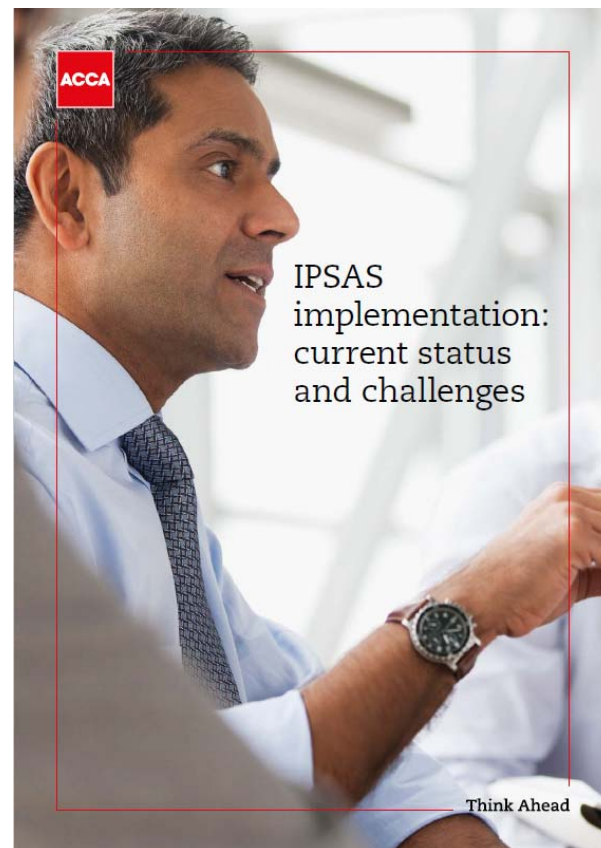
57% of ACCA members based outside UK

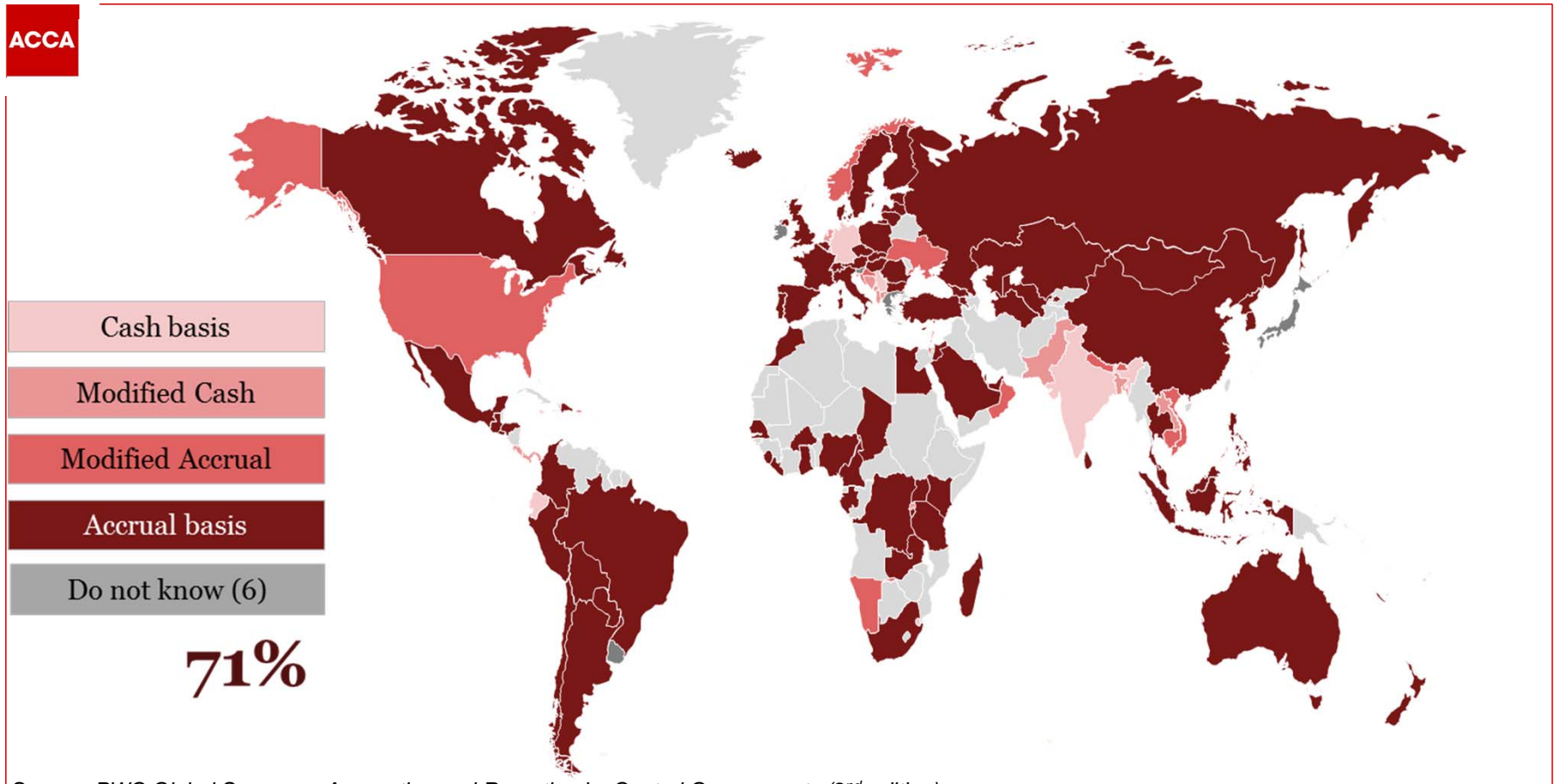
81% of ACCA students based outside UK

IPSAS Implementation Report

Overview of *International Public Sector Accounting Standards* (IPSAS) progress and challenges in 29 countries. The report covers:

- Benefits of IPSAS adoption;
- Roadmap to adoption;
- Country-specific descriptions and challenges grouped into 5 regions.





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

Benefits of IPSAS adoption

- Greater accountability and transparency
- Better decision making
- Improved efficiency
- Data consistency and application
- Sound financial management
- Professionalisation and access to talent
- Broader economic and social advantages
- Government stability
- International comparability



Think Ahead

A Roadmap to Adoption

- Stakeholder buy-in
 - Effective (and constant) communication
 - Requires political will and champions
- Effective project and change management
 - Phased vs big bang implementation
 - Cost of implementation (training, consultants, IT upgrades)
- Structural and legal transformation
 - New laws and governance practices
- Proper skills and staffing levels
 - Balance of internal and external resources

IPSASB's Strategy and Work Plan: Proposed Projects

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 and their Impact on Financial Reporting
IPSAS 22, Disclosure about the General Government Sector
Asset Retirement Obligations

Theme B: IFRS Convergence

Update of IPSAS 18, Segment Reporting
IASB 'catch up' (ad hoc, 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

Interaction with the Sustainable Development Goals

- More consistent reporting between countries helps support monitoring of progress to SDGs.
 - Allows greater comparability.
 - Provides reassurance and confidence donors.
- Use of IPSAS can interact positively with other reporting initiatives, e.g.
 - <IR> Framework
 - GRI UNGC Business Reporting on the SDGs
 - SDG Compass



Implementation requires us to work together

- Private, public and not-for-profit sector can all help to make a success of IPSAS implementation:
 - International organisations are powerful convenors and communicators – e.g. UNCTAD’s ISAR programme or IFAC through the ‘Accountability Now’ initiative.
 - Professional accountancy bodies can help increase awareness of the need for transparent financial reports – and provide training on accountancy standards.
 - Donors can support the professionalisation of public sector financial management.
 - Audit firms can share their experience and capabilities to improve the public finance management training environment.
- Transparent financial reports that increase accountability, improve public sector financial management and better decision-making and ultimately superior value for money for taxpayers should be the ultimate goal.

The ACCA logo is a red square with the letters 'ACCA' in white, bold, sans-serif font.

Think Ahead

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visit accaglobal.com**