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

36th SESSION

30 October – 1 November 2019
Room XIX, Palais des Nations, Geneva

Friday, 1 November 2019
Morning Session

**Agenda item 4. Review of current developments in
international standards of accounting and reporting in the
public and private sectors**

Presented by

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**CERTIFIED
PUBLIC
ACCOUNTANTS**

International association

**THE ROLE OF PROFESSIONAL ORGANIZATIONS IN
IPSAS IMPLEMENTING IN THE COUNTRIES OF
EURASIAN REGION**

Vladimir Zharinov

President EICPA / Vice President CPA Russia

EICPA Association Map



EICPA


International Association of CPA Institutes


 CPA Russia


 CPA Belarus

 CPA Kazakhstan

 CPA Kyrgyzstan

 CPA Turkmenistan

 CPA Azerbaijan

 CPA Uzbekistan

 CPA Tajikistan

What are some good practices in implementing the International Public Sector Accounting Standards worldwide?



- **Make sure** you are not **unrealistic** in your timelines; don't try and do it too quickly.
- Prepare a **detailed roadmap** at the outset and use this as the basis for ongoing project management.
- Ensure the **support of all key stakeholders** and not just accountants who are preparing the financial statements.
For example: Parliamentarians, senior civil servants etc. should all be engaged in the process.
- Ensure **proper phasing**: there are c42 standards and some will take longer than others – *for example in some countries fixed assets can take some time to get full information for if historically record-keeping has been weak.*
- Make use of **IPSAS guidance especially IPSAS 33** on First-Time Adoption of IPSAS.

What can be done to facilitate timely preparation of public sector financial reports?



- **Proper planning** e.g. linking timetables for preparing financial statements to key phases in the budget cycle (this year's financial statements should inform next year's budget).
- **Use of automation** wherever possible (ERP, **Robotic process automation (RPA)**, **Blockchain**, **Application programming interfaces (APIs)**).
- Effective **engagement with auditors** who can if properly organised do interim audit to limit their year-end work.
- Tightly managed preparation process; **supervision of the year-end financial statements.**
- *There should be a very **detailed timetable** for the year-end financial statements preparation process and clearly assigned tasks within it.*

How can member States build the necessary human capacity to successfully implement IPSAS?

Capacity building

- **Training:** not just classroom but online too.
- **Employing/training qualified professional accountants** who have acquired/will acquire accruals accounting skills.
- **Recruiting staff to prepare the financial statements** who have similar experience of preparing accruals-based financial statements elsewhere e.g. in the private sector.
- **Ensuring that staff** who have the necessary knowledge are allocated posts where they can best use those skills.

What are some key challenges and benefits of Whole of Government Accounts?



Challenges:

- **Technical** – need for all consolidated entities to use consistent policies and reporting dates; need to eliminate inter-entity transactions and balances in the consolidated accounts.
(a nightmare in the UK for example as there are many different finance systems in use)
- **Political** – when done for the first time can generate some large and politically uncomfortable numbers e.g. in the UK the reserve for civil service pensions is huge (c1.3 trillion USD).

Benefits:

- Governments can see what they are spending money on and take action to reduce/redirect ineffective expenditure.
- Governments can assess the gap (plus or minus) between total revenues and expenditures more readily.
- It engages the public who are taxpayers and thereby helps with transparency and accountability.

IPSAS Implementation by CPA Russia



CPA RUSSIA

National Member Non for profit
Association for CPA professionals

New

Membership for PFM
accountants

New

Certificated In IPSAS (Rus)
CertIPSAS (Blockchain)

New

EXAMS IPSAS
Assessments

New Syllabus IPSAS
Implementation

IPSAS Implementation by EICPA Association

The members:

- «Certified Professional Accountant» (CPA Russia);
- «Union of Accountants and Auditors» (CPA Kyrgyzstan);
- «The Chamber of Accountants and Auditors of the Republic Kyrgyzstan»;
- «Institute of Certified Public Accountants in Kazakhstan» (CPA Kazakhstan);
- «Association of Certified Professional Accountants» (ACPA) (Kazakhstan).

The observers:

- «The Belarusian Society of Professional Accountants» (CPA Belarus);
- «Union of Economists of Turkmenistan» (CPA Turkmenistan).

Eurasian Regional accounting grouping, May 2014, Moscow



Education activity 2019-2020

Eurasian region IPSAS workshop: 18-19 September 2019 г. в Almaty, Kazakhstan (150 attendees & 110 online & grow).



Certificate in IPSAS (Rus). CertIPSAS (**Blockchain**)



Discussions with EEC and IFAC on IPSAS development in Eurasian region.

IPSAS Implementation by ERGAA

Accountancy Eurasia

Eurasian Region Group of
Accountants & Auditors
Nov. 2018, WCOA in Sydney

The members:

- «Certified Professional Accountant» (CPA Russia);
- SRO of Auditors Association «Sodruzhestvo» (Russia);
- «The Belarusian Society of Professional Accountants» (CPA Belarus);
- «Union of Accountants and Auditors» (CPA Kyrgyzstan);
- «The Chamber of Accountants and Auditors of the Republic Kyrgyzstan»;
- «Union of Auditors of Kazakhstan» (CPA Kazakhstan);
- «Association of Certified Professional Accountants» (ACPA) (Kazakhstan);
- «Uzbekistan National Association of Accountants and Auditors» (Uzbekistan);
- «Federation of Professional Accountants and Auditors» (Georgia).

The observers:

- «Union of Economists of Turkmenistan» (CPA Turkmenistan).

EUARICA

Eurasian Regional Initiative on Corporate Accountability

EUARICA's long term objective is to improve financial reporting and management of corporate and public finances in the participating countries, share lessons learned, and build PAOs capacity.

Education activity 2019-2020

Eurasian region IPSAS workshop: 18-19 September 2019 г. в Алматы, Kazakhstan (150 attendees & 110 online & grow).

IPSAS Monitoring group IPSAS in Eurasian Region by ERGAA.
IPSAS Round table is planed on June of 2020 in Bishkek.

The Eurasian Economic Union
the Republic Armenia, the Republic of Belarus, the Republic of Kazakhstan,
the Kyrgyz Republic and the Russian Federation



TREATY ON THE EURASIAN ECONOMIC UNION

“Section I GENERAL PROVISIONS

Article 1. Establishing the Eurasian Economic Union Legal Personality

1. The Parties hereby establish the Eurasian Economic Union (hereinafter “the Union”, “the EAEU”) ensuring free movement of goods, services, capital and labour within its borders, as well as coordinated, agreed or common policy in the economic sectors determined under this Treaty and international treaties within the Union.
2. The Union shall be an international organisation of regional economic integration and shall have international legal personality.

Article 2. Terms and Definitions:

.....

“**common economic space**” means the space consisting of the territories of the Member States implementing similar (comparable) and uniform economy regulation mechanisms based on market principles and the application of harmonised or unified legal norms, and having a common infrastructure;

.....”

Conclusions

There should be done to enhance IPSAS implementation in Eurasian region:

1. The key role of Regional **National** PAOs in knowledge delivery and maintaining IPSAS education system (CPD).
2. Bringing together PAOs, policymakers and regulators to discuss ways to facilitate and promote the adoption and implementation of IPSAS.
3. Knowledge sharing in the form of holding **More** international conferences, regional events and communities of practice with the participation of the leading international experts in the industry, facilitation of the common translation of the international accounting pronouncements into Russian language on ongoing basis.

EICPA

Thank you
for your attention!

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