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

**39th SESSION
1 – 3 November 2022**

Thursday, 3 November 2022

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

Presented by

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Convergence to IPSAS Ecuador

Undersecretary of Government Accounting
Ministry of Economy and Finances

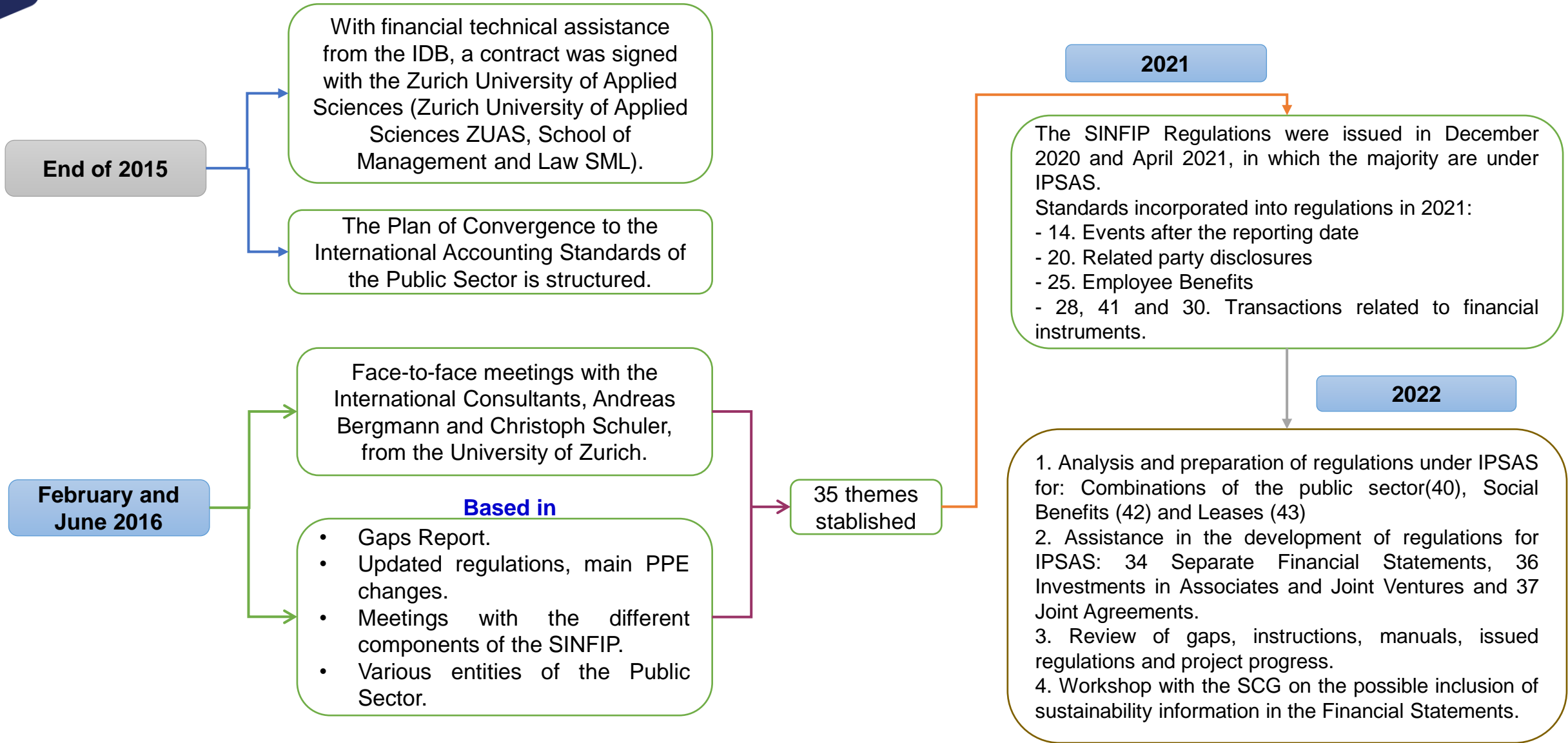
Mgtr. Cintia Catota Cruz
National Director for Public Assets

November 3th, 2022



GUILLERMO LASSO
PRESIDENTE

CONVERGENCE PLAN



ACCRUAL AND CURRENT SYSTEMS

YEAR 2001

The accrual principle and the budget-accounting association concept, have been the basis for recording financial information.

YEAR 2004

The public sector tends to integrate information with the center focused on government accounting.

YEAR 2008

The basic data of the eSIGEF system are matrices of accounting, budget and payment relationships. Information can be obtained at all levels both from the governing body of public finances and from each entity separately.

YEAR 2022

The MEF currently has a very advanced computer infrastructure that works in an integrated manner. The systems are operated by all the entities that make up the General State Budget, some subnational governments and public enterprise.

- ❑ eSIGEF with the programming and formulation modules, execution and budget liquidation, accounting and treasury.
- ❑ SPRYN, compensations and payroll system
- ❑ eSBYE, system of goods and inventories.

Through the eSIGEF's consolidation module, information is obtained monthly from the rest of the entities outside the PGE: subnational governments, public enterprises, so the consolidated financial statements of the Non-Financial Public Sector can be presented.

REQUIREMENTS AND BENEFITS OF CONVERGENCE

Role of the Government Authorities, GSB Entities, Subnational governments and Public Companies (Importance of the Process and its continuity).

Cultural change: concepts, habits.

Regulatory change for decision-making based on accounting management.



Purging of accounting balances for the transition to IPSAS.

Update of the General Catalog of Accounts and reclassification of balances to new accounts.

Internal and external training.

Applicable accounting regulations according to the Organic Code of Planning and Public Finances and its General Regulation with convergence to IPSAS.



Financial Information Box

ACCOUNTING IS A FUNDAMENTAL ELEMENT OF THE CONTROL OF PUBLIC FINANCES

ADVANCES

Normative

Government Accounting Technical Standards under IPSAS (scope, recognition, initial measurement, subsequent measurement, information to be disclosed). August 2022 update.

IPSAS certification

Preparation and Certification of officials of the Undersecretary of Government Accounting, with Ernst & Young and Association of Chartered Certified Accountants ACCA.

Training the non financial public sector

Training Plan for Entities of the General State Budget, Subnational Governments and Public Enterprises. Started in 2020 and will end in 2024.

Consolidation of Financial Information

Presentation of Financial Statements under IPSAS.

- Statement of Financial Situation.
- Statement of Financial Performance.
- Statement of Cash Flow.
- Statement of Budget Execution.
- Statement of Evolution of Patrimony.

Exchange of international experiences

- Member of the FOCAL group.
- Member of the ISAR group.
- Part of the Latin American Regional Alliance, ARL
- Virtual meetings with Peru, El Salvador, Chile

Conciliation of asset, liability and equity accounts

Depuración de saldos.
Notificaciones a entidades
Emisión de procedimientos e instructivos.

Changes in computer tools

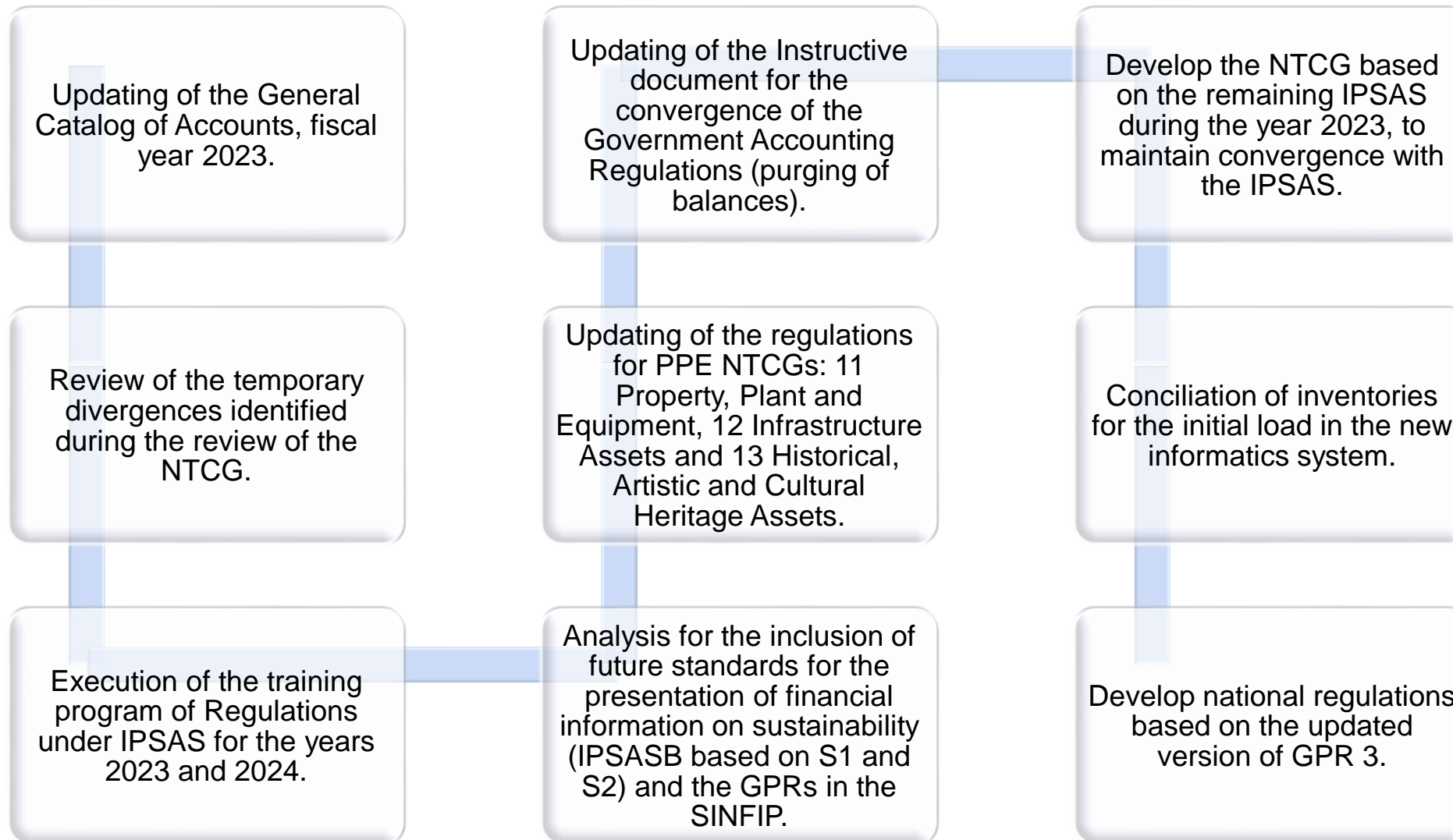
Incorporation of developments in the current computer tools, for the registration of operations under NICSP.

Continuity of the Convergence Project to IPSAS

Reduction of gaps: IPSAS versus Ecuadorian accounting regulations.

Issuance of regulations under IPSAS (standardized structure for assets, liabilities and equity regulations).

NEXT STEPS



Thank you