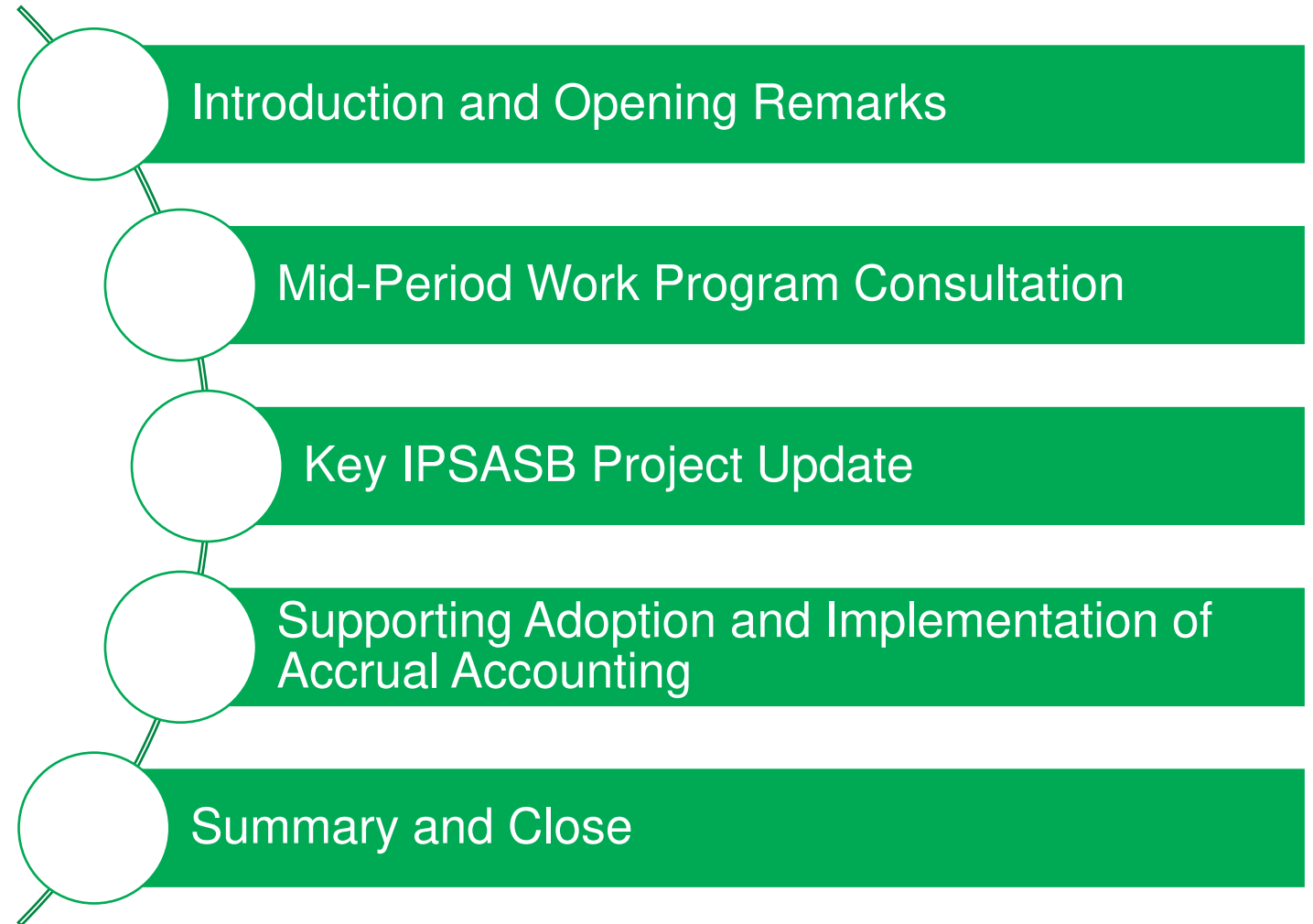


ASIA REGIONAL ROUNDTABLE

October 2021

Session Overview



Opening Remarks

Today's Panelists

Ian Carruthers



IPSASB
Chair

Ross Smith



Program
and
Technical
Director

Dave Warren



IPSASB
Deputy
Director

Laura Leka



IFAC
Principal,
PAIB and
Public
Sector

IPSAS / IPSASB background

Only global financial reporting standards for public sector

Specifically addressing key public sector issues

37 accrual basis IPSAS (plus the Cash Basis IPSAS)

Conceptual Framework supporting IPSAS development

Based on private sector IFRS where appropriate

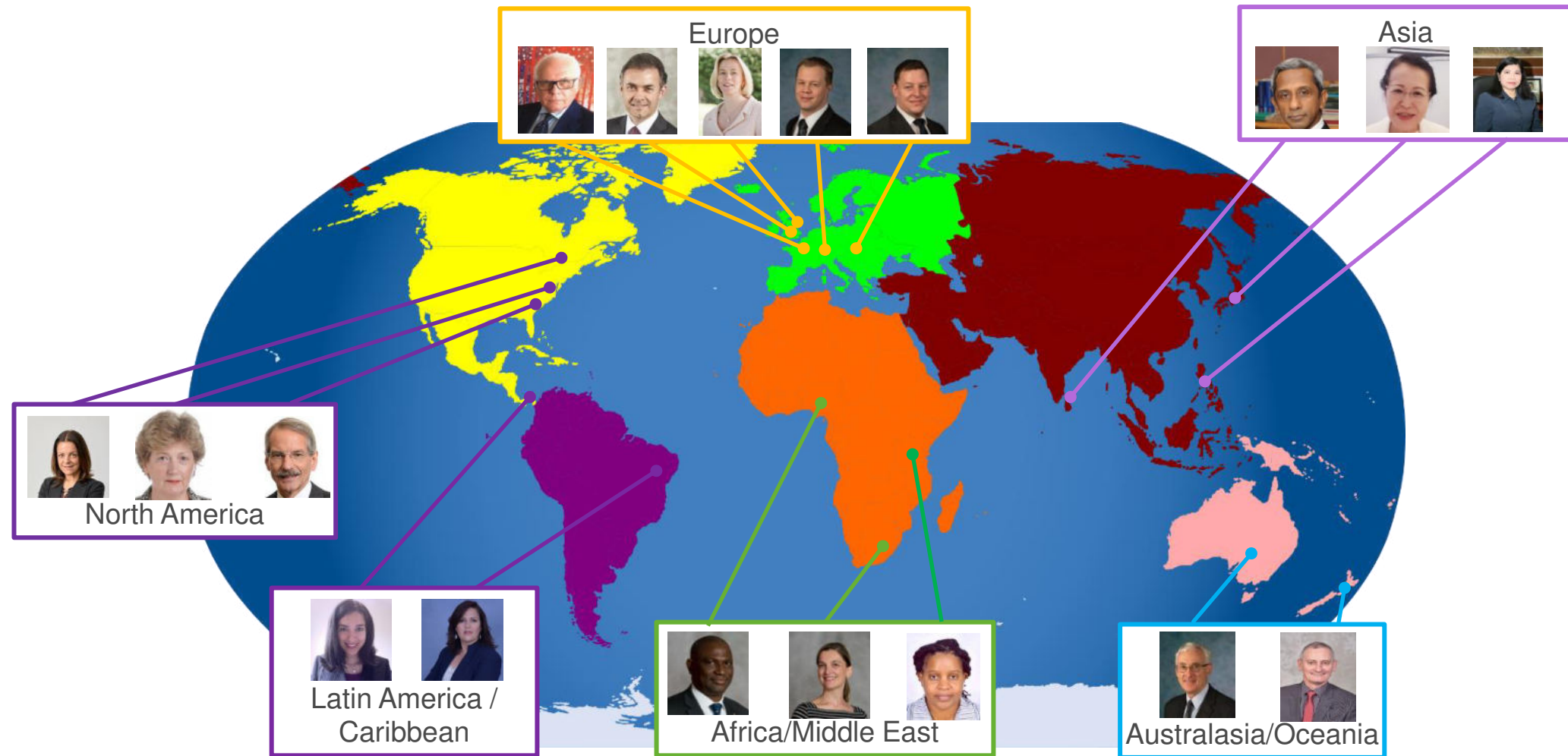
Government Finance Statistics (GFS) alignment process

Independent governance (PIC) and advisory arrangements (CAG)

Remunerated Chair

17 other volunteer Board members with variety of professional backgrounds

IPSASB



Strategy and Work Plan 2019-23

Strengthening Public Financial Management (PFM) globally through increasing adoption of accrual-based IPSAS.



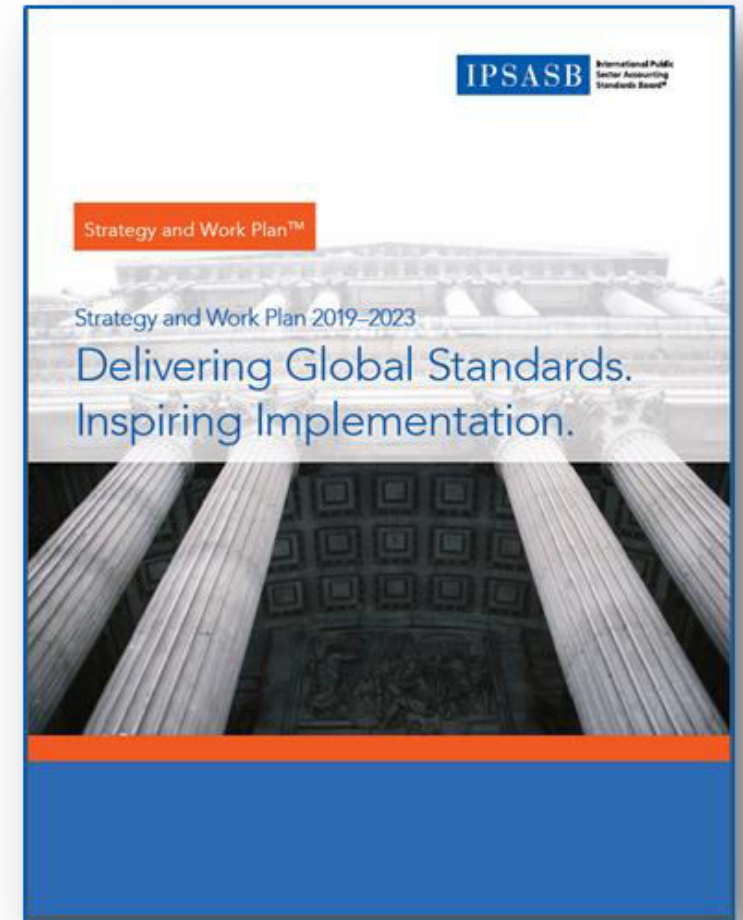
Delivered through two main areas of activity, both of which have a public interest focus:

Delivering Global Standards

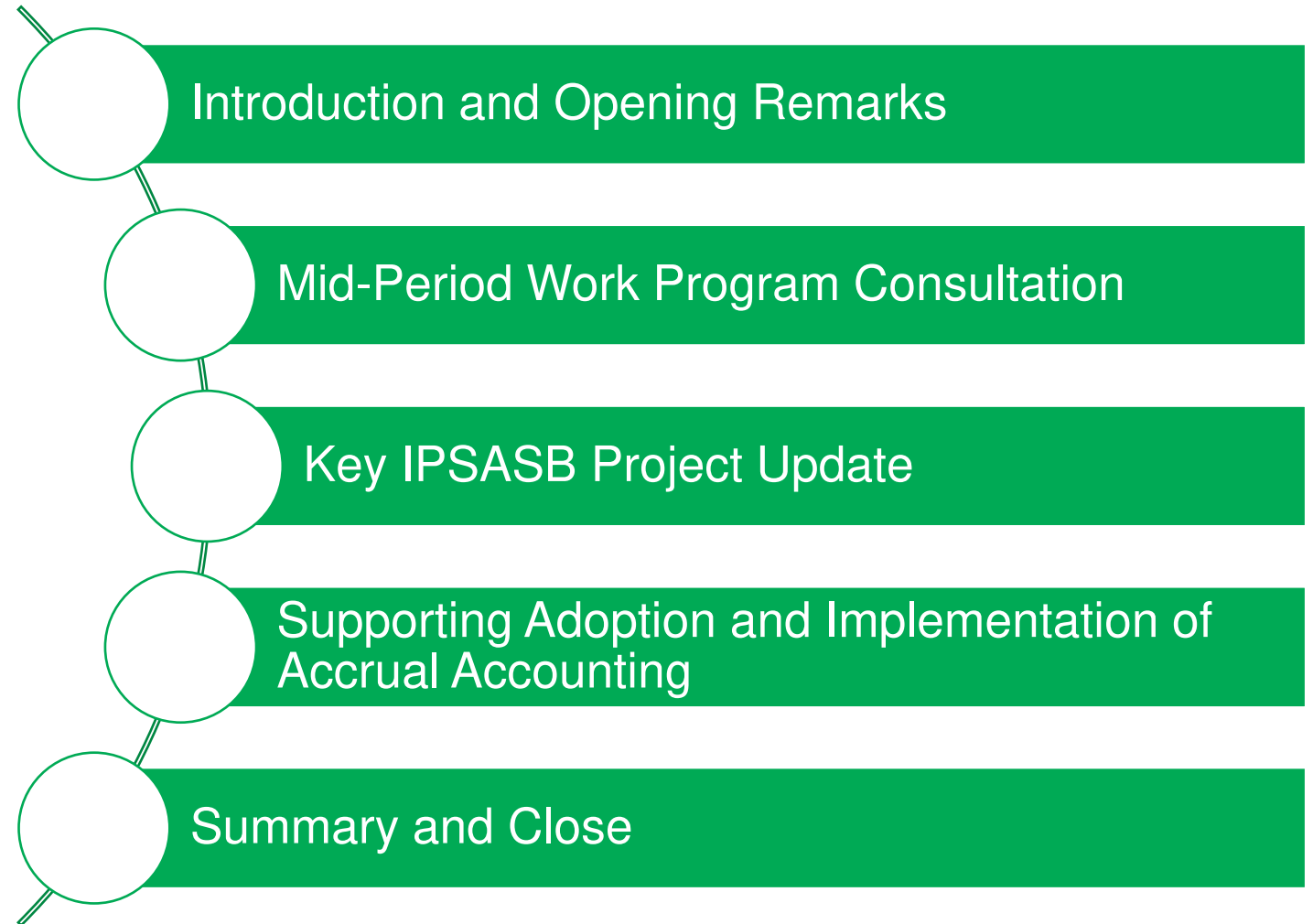
Developing and maintaining IPSAS and other high-quality financial reporting guidance for the public sector

Inspiring Implementation

Raising awareness of IPSAS and the benefits of accrual adoption



Session Overview

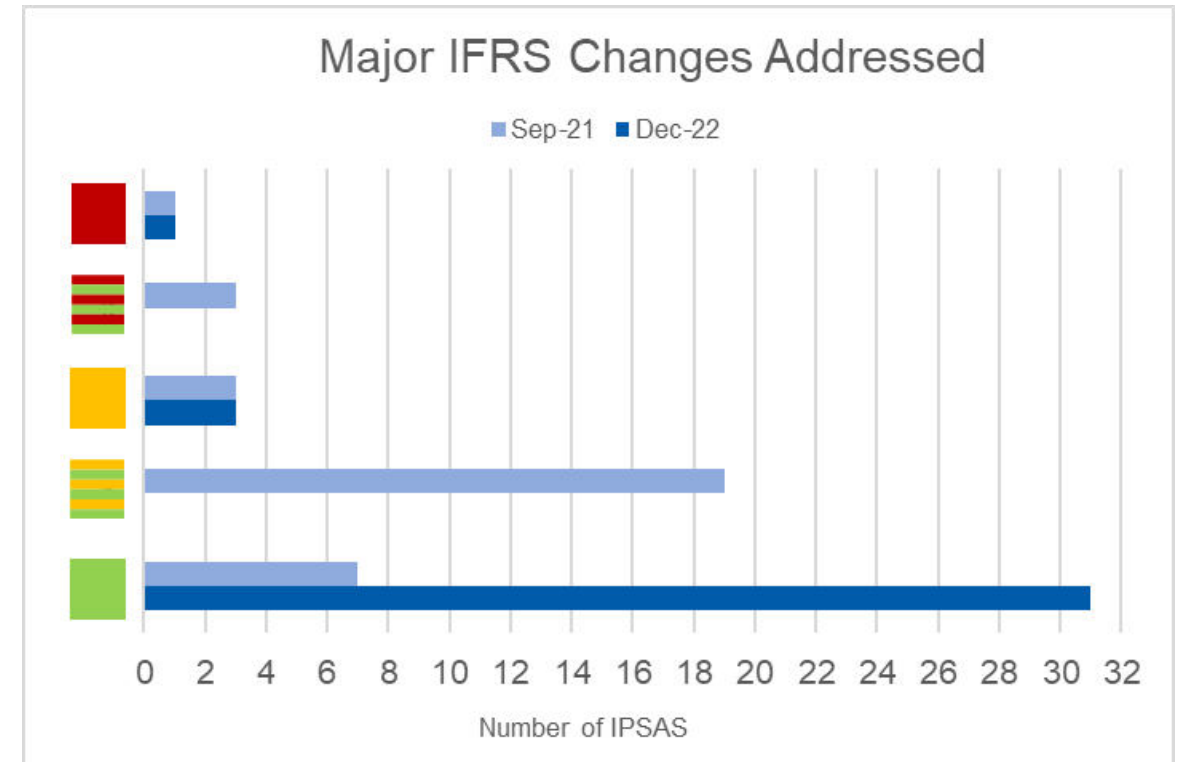
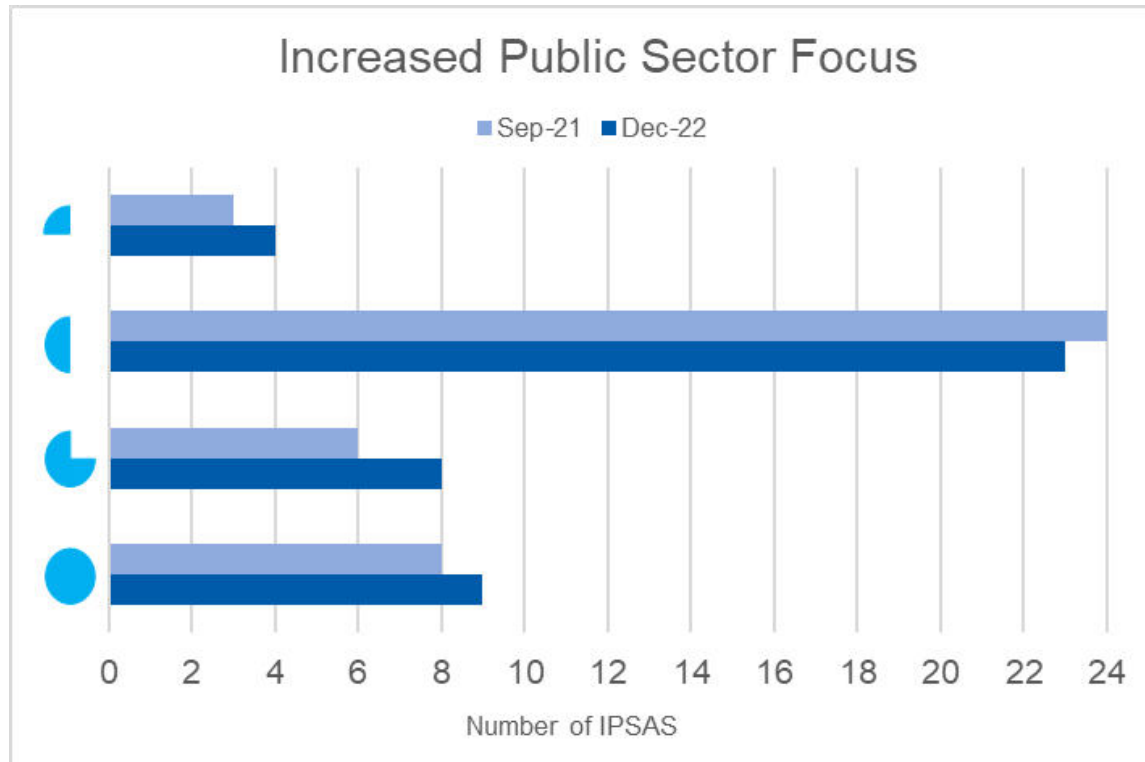


Current IPSASB Work Program

Project	Public sector specific	IFRS alignment
Revenue: - Revenue With Performance Obligations (IFRS 15 aligned) - Revenue Without Performance Obligations (IPSAS 23 update)	ED 70 ED 71	✓
Transfer Expenses	ED 72	
Leases	ED 75	✓
Conceptual Framework: Limited-Scope Update	ED 76	
Measurement	ED 77	✓
Heritage	ED 78	
Infrastructure Assets	ED 78	
Assets Held for Sale & Discontinued Operations	-	ED 79
Natural Resources	✓	✓
Retirement Benefit Plans	✓	✓

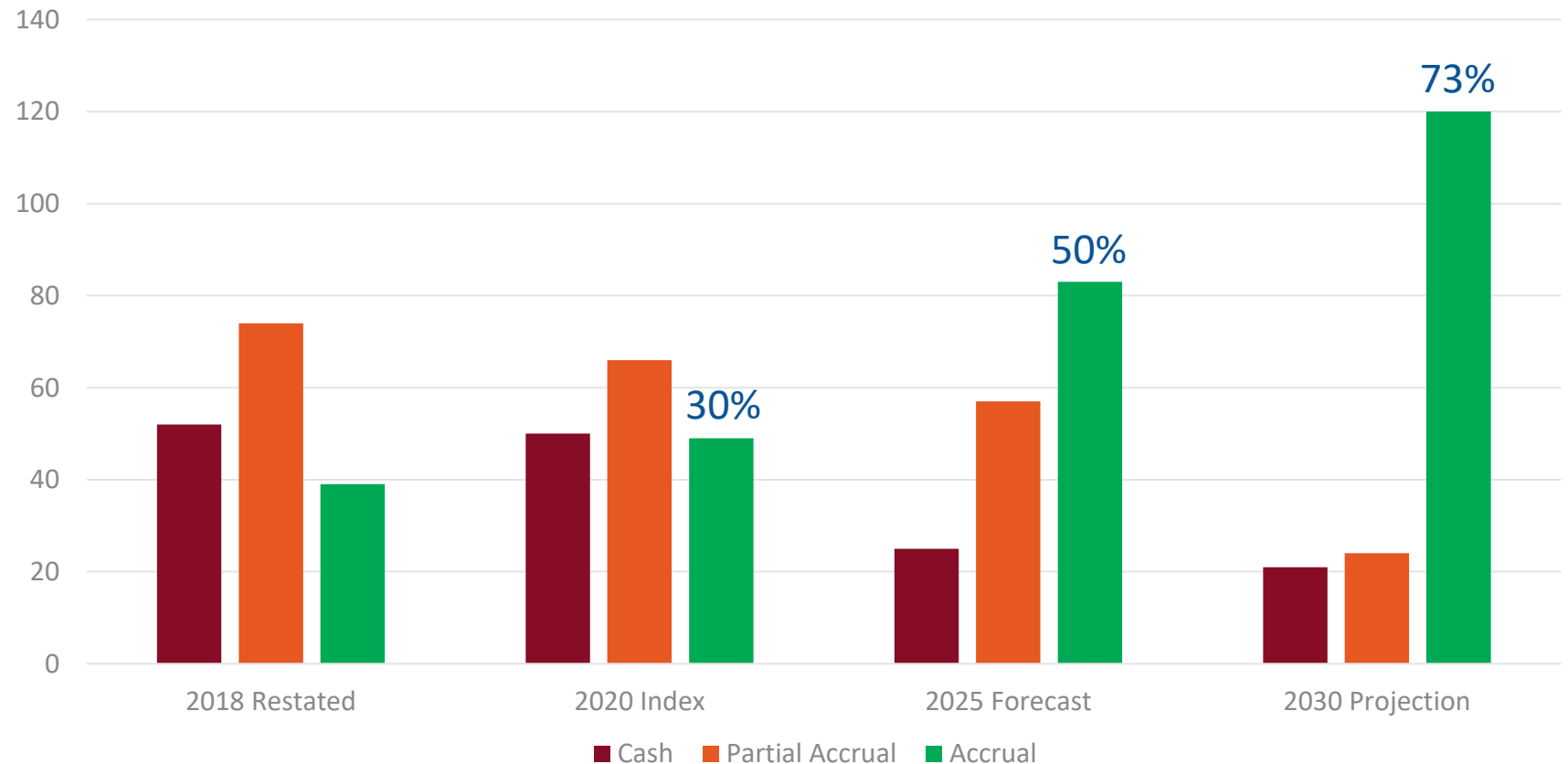
2022: Reshaping the IPSAS suite

8 IPSAS approvals projected by year end.....



Balance needs of current and future users – Effective dates

Public Sector Accountability Index



IPSAS usage and influence increasing in parallel

Scope

Strategy

- Remain in place throughout the 2019-2023 period

Work Program

- Limited-scope consultation to obtain input in developing Work Program priorities
- Project Prioritization



Prioritized Projects

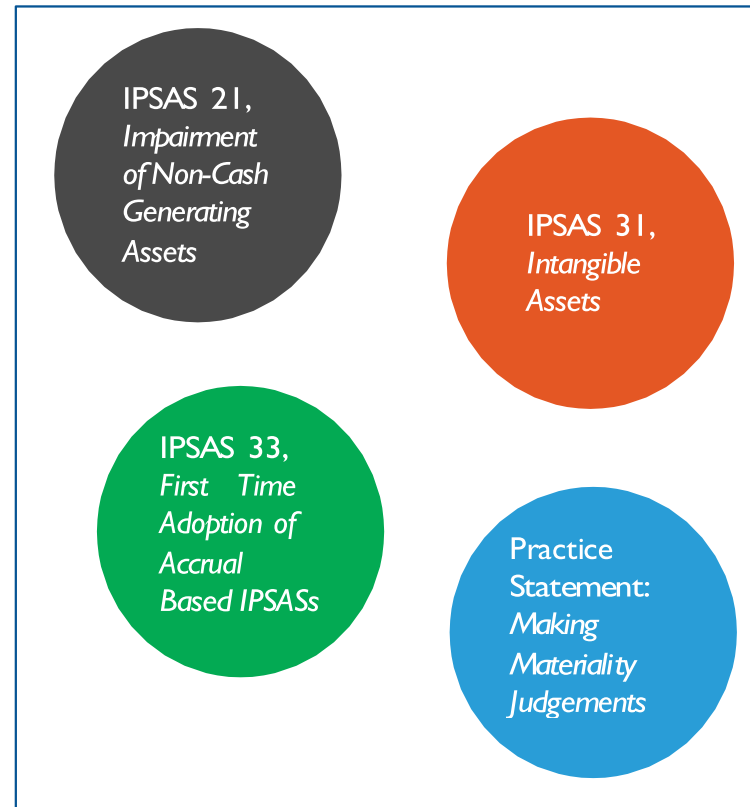
4 Minor projects:

- Support IPSAS implementation
- Address IPSAS inconsistencies
- Fill important guidance gaps (e.g. electromagnetic spectrum)

2 Major projects:

- Avoid further significant recognition and measurement changes
- Facilitate IPSAS usage for decision-making and accountability
- Encourage accrual adoption

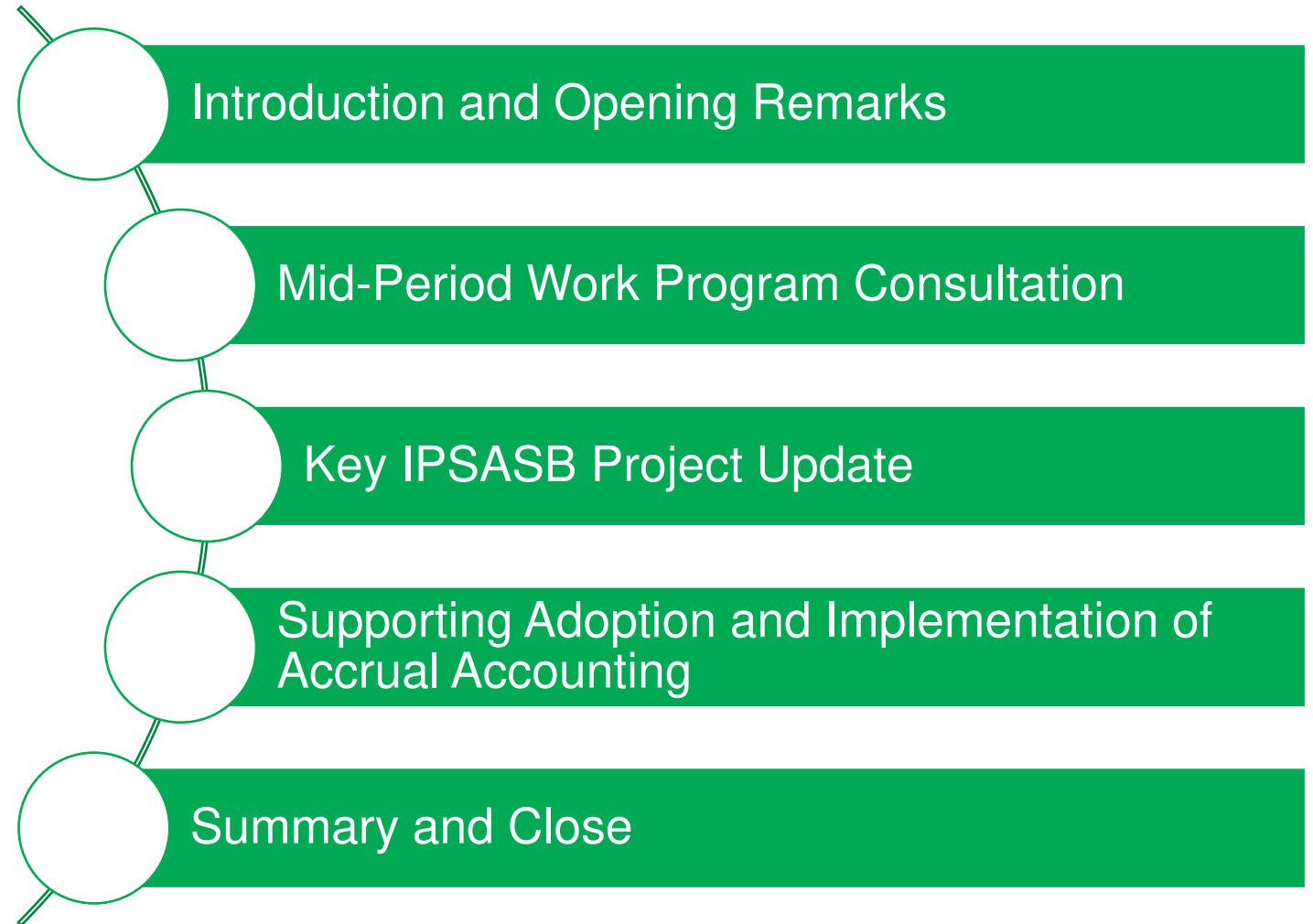
Minor projects



Major projects



Session Overview



Measurement – Key Proposals

Initial Measurement

Subsequent Measurement: Clarification

Fair Value as Measurement Basis

Public Sector Specific Measurement Basis

Appendices



Measurement – Current Operational Value

The value of an asset used to achieve the entity's service delivery objectives at the measurement date

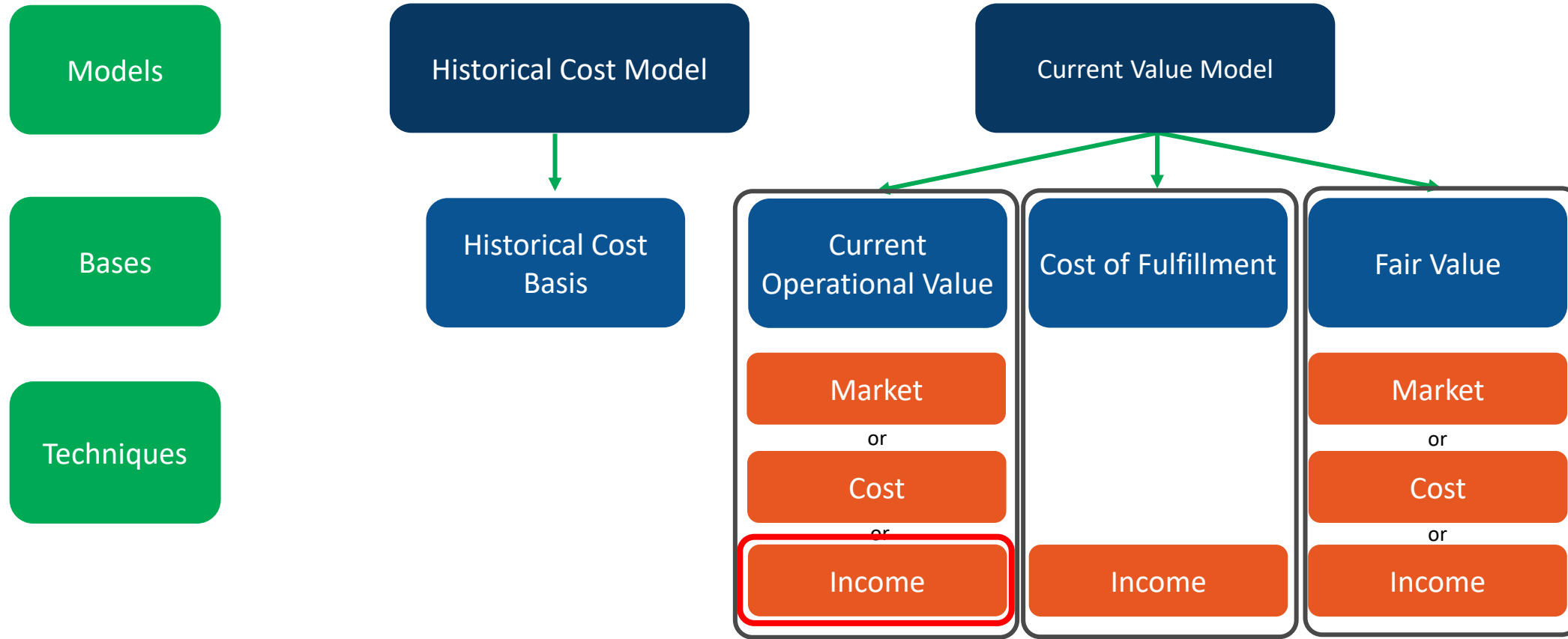
Developed for the public sector

Measured based on “current use”



Measurement – Measurement Hierarchy

Subsequent Measurement



Natural Resources – Project Scope

Natural resource description

- Resource under IPSASB Conceptual Framework
- Naturally occurring; and
- In its natural state

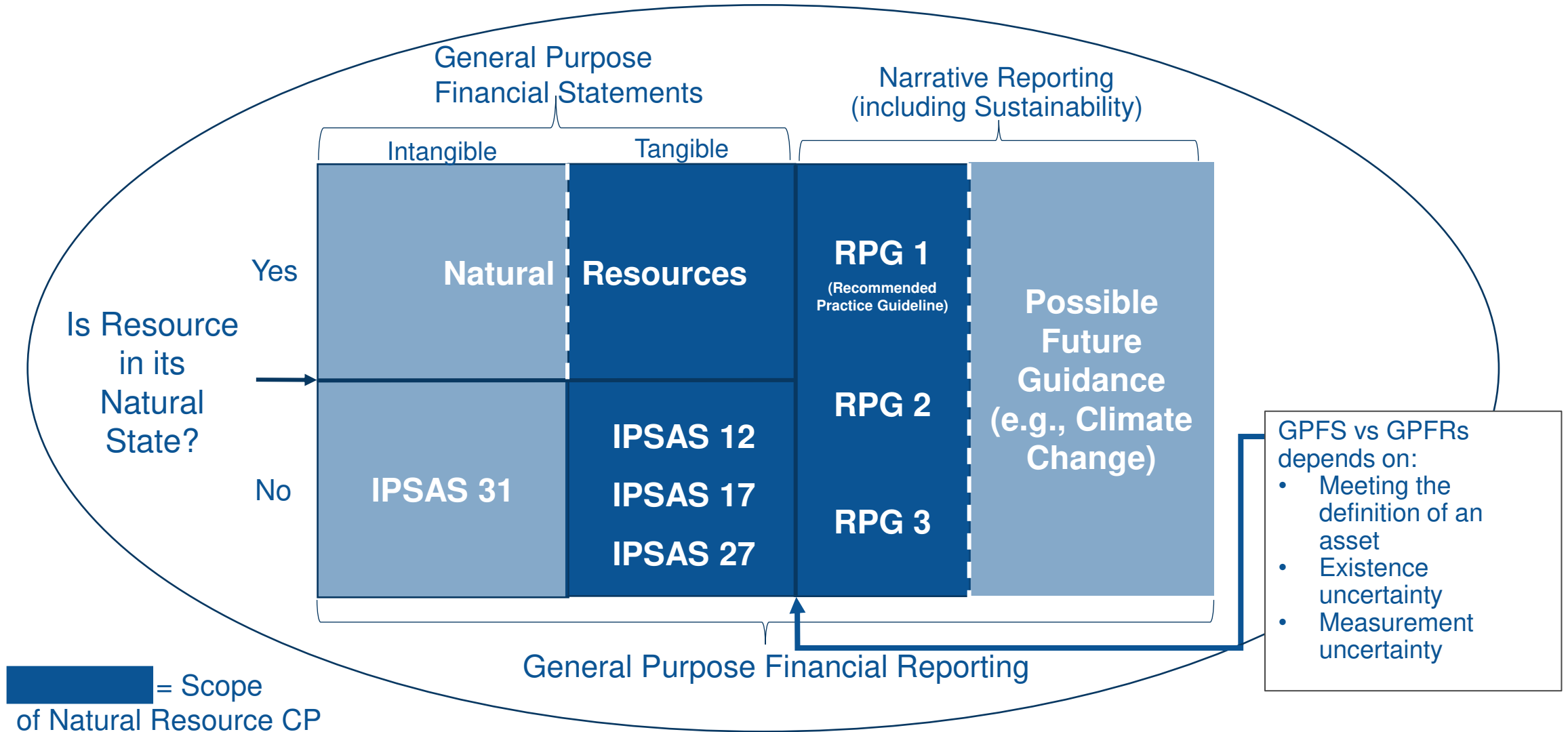
If not in natural state, then apply existing IPSAS
e.g. Inventory, Agriculture etc

Challenges in defining what human intervention
comprises e.g. conservation expenditure?

Addressing tangible assets only – Intangibles in
later project

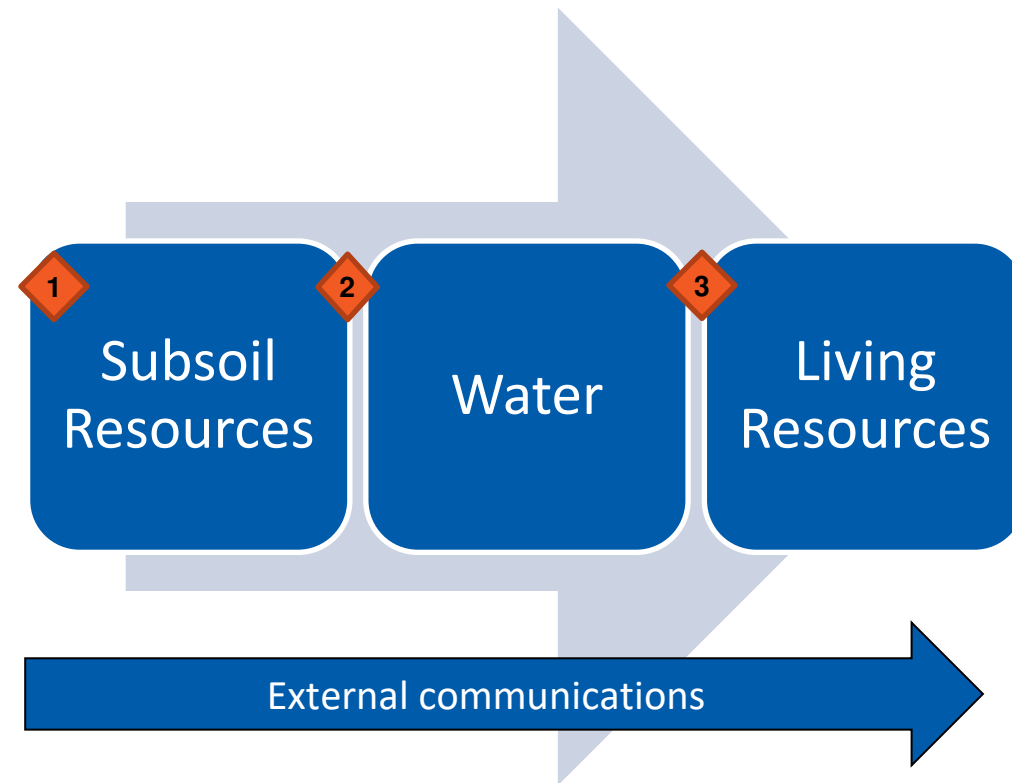


Natural Resources – General Description



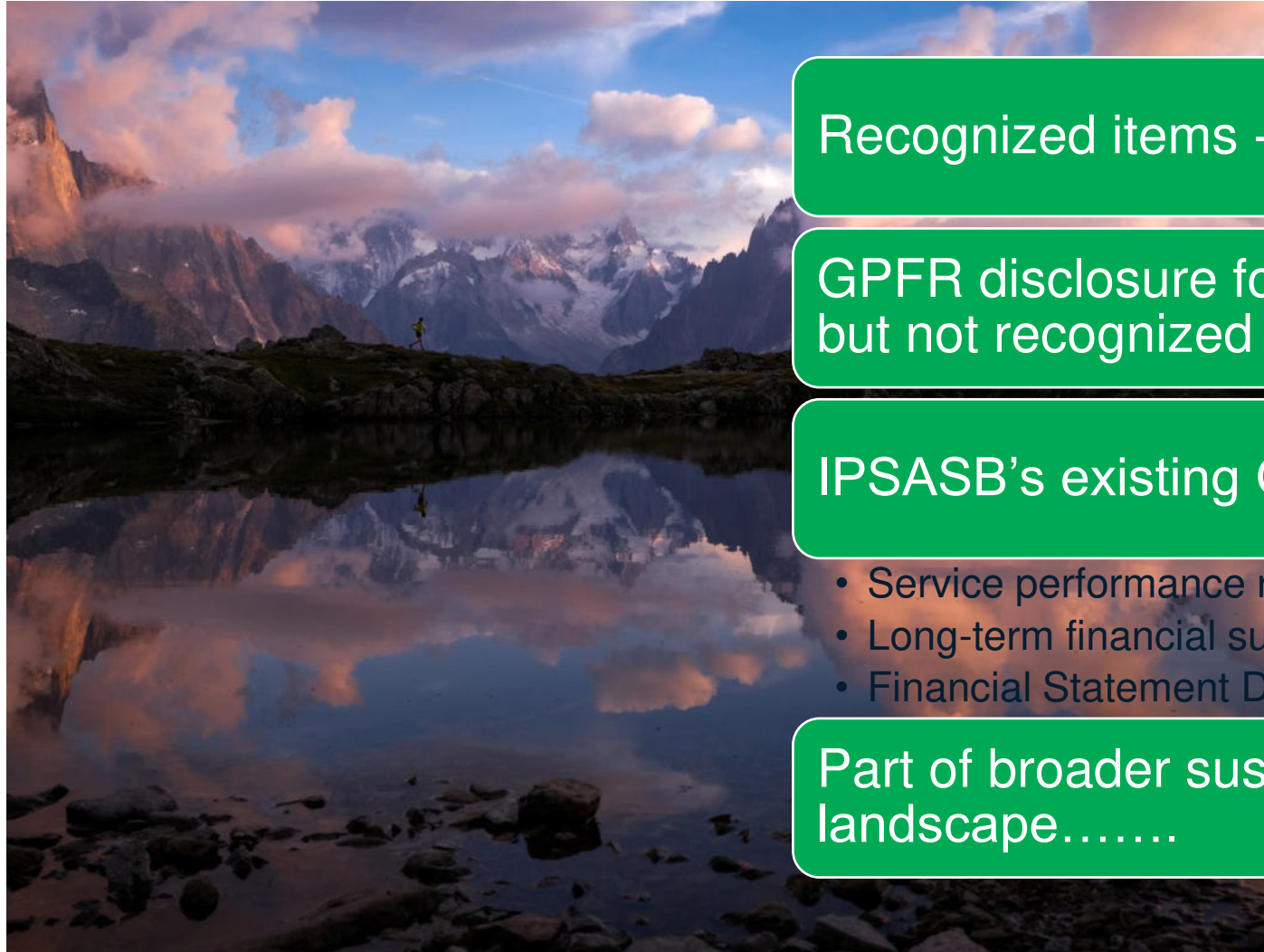
Natural Resources – Project Work Plan

Complete project in phases to maintain focus and delivery:



Phase 1 Major Milestones	Date
Approve Project Brief	2020
Develop and approve Consultation Paper covering: <ul style="list-style-type: none"> • General issues on natural resources • Deep dive on subsoil resources, water, and living resources 	2021/2022
Develop and approve Exposure Draft	2023
Develop and approve final standard	2024
External communications	Throughout

Natural Resources – Presentation Issues



Recognized items - GPFS disclosures

GPFR disclosure for items meeting asset definition but not recognized

IPSASB's existing GPFR guidance:

- Service performance reporting
- Long-term financial sustainability
- Financial Statement Discussion & Analysis

Part of broader sustainability reporting landscape.....

Sustainability Reporting: Action Already Taken

Standards Program

Thought Leadership and Resources

Consultation Paper
[April] 2022
Comments due: [July 31, 2022]

Natural Resources



The screenshot shows the IPSASB website with a navigation bar at the top. The main header reads "SUSTAINABILITY REPORTING". Below this, there is a "Message from the IPSASB Chair" section featuring a portrait of the chair and text about the organization's role in addressing climate change. To the right, a sidebar titled "OTHER USEFUL RESOURCES" lists several documents: "SUSTAINABLE DEVELOPMENT GOALS (SDGs)", "UN GLOBAL COMPACT (UNGC)", "GUIDANCE ON SOCIAL RESPONSIBILITY (ISO 26000)", "IFAC SUSTAINABILITY STANDARDS RESOURCES", "EVOLVING CLIMATE ACCOUNTABILITY: GLOBAL REVIEW", and "FOCUSING ON VALUE CREATION IN THE PUBLIC SECTOR".



The screenshot shows the "STAFF QUESTIONS AND ANSWERS" document from June 2022. It is titled "CLIMATE CHANGE: RELEVANT IPSASB GUIDANCE". The document explains that the publication is issued by the staff of the International Public Sector Accounting Standards Board (IPSASB) to discuss the relevance of International Public Sector Accounting Standards (IPSAS) and related Recommended Practice Guidelines (RPG) to reporting on both climate change and the United Nations' (UN's) Sustainable Development Goals (SDGs) in the general purpose financial reports (GPFR) of public sector entities. It also includes a "Background" section and a disclaimer at the bottom.

Sustainability Reporting: Forward Approach



Promote urgent
action using
current IPSASB
RPG guidance

Influence ISSB
set-up discussions:
CEO Group
Observer

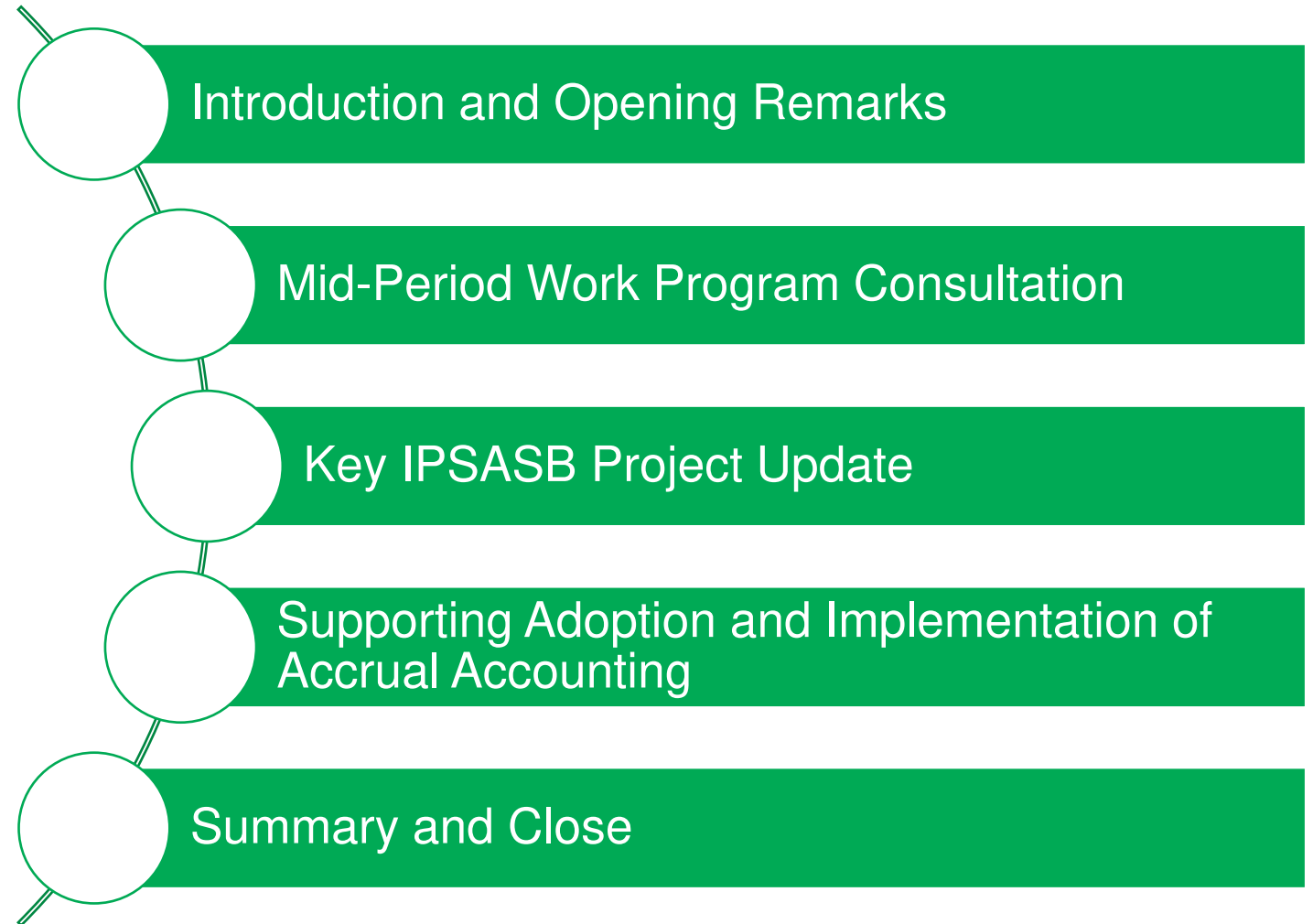
Input to
International
Statistical Standards
update

Share updates
on guidance
development and
sector experience

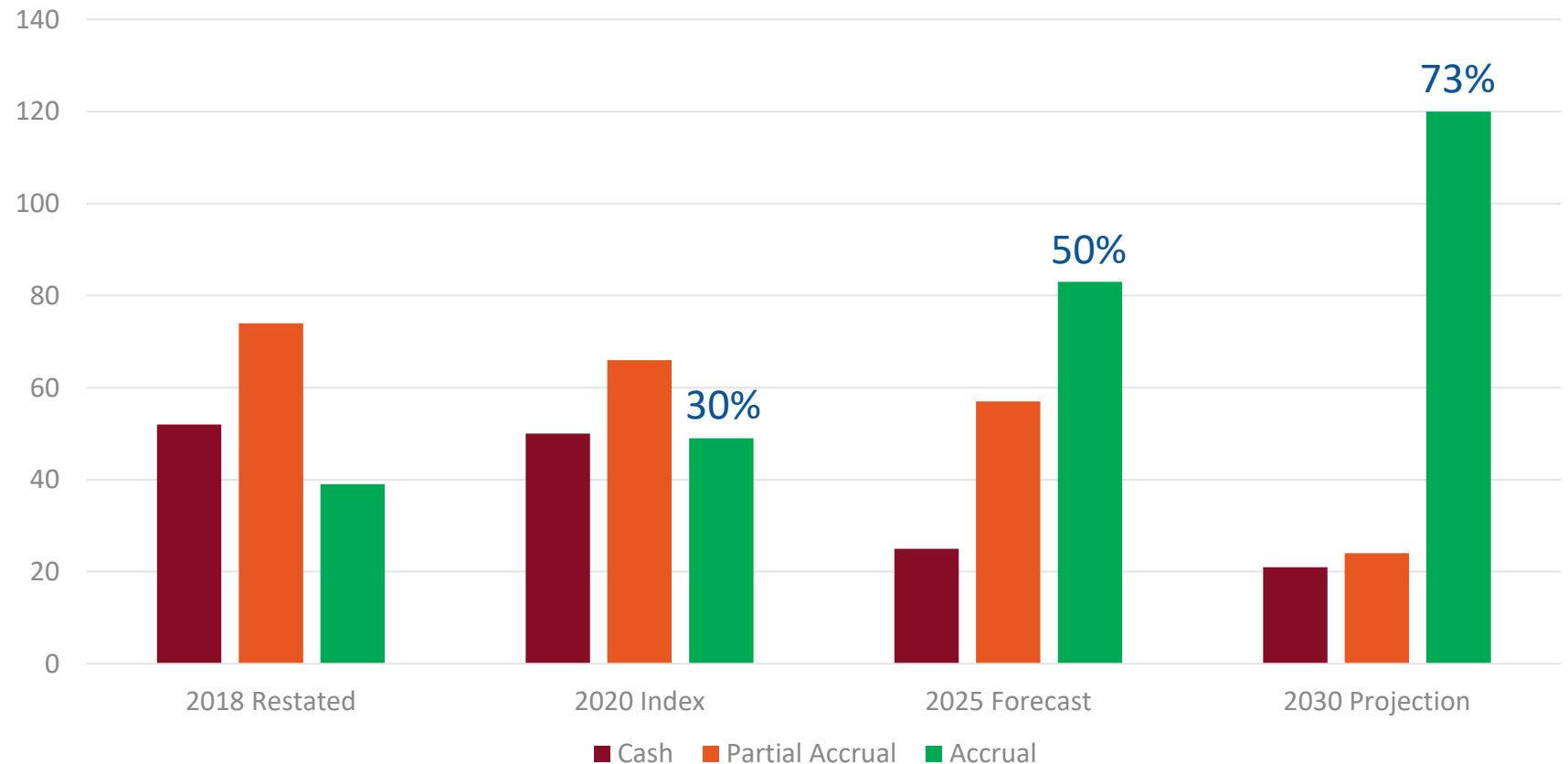
**Public Sector leadership
without getting ahead of ISSB**

(International Sustainability Standards Board)

Session Overview



Public Sector Accountability Index



IPSAS usage and influence increasing in parallel

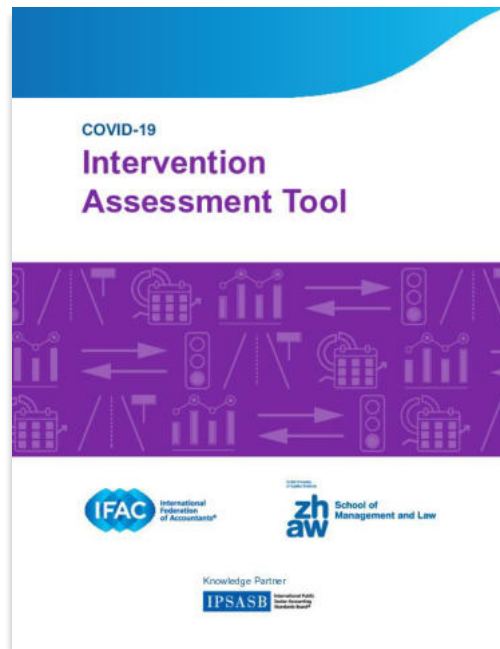
Promoting IPSAS adoption and implementation: *IPSASB Theme D*

National-level support opportunities

Activity	IPSASB	PAOs / IFAC	Governments	Consultants / Contractors	Supranational & Regional Organizations	Auditors
Promoting adoption	✓	✓	✓	✓	✓	✓
Supporting IPSAS implementation						
Financial Support			✓		✓	
Capacity Development		✓	✓	(✓)	(✓)	
Technical Guidance	✓	(✓)	✓			(✓)
Practical Guidance		(✓)	✓	✓	(✓)	(✓)
Continuing Professional Development		✓	✓			

Supporting IPSAS Adoption and Implementation

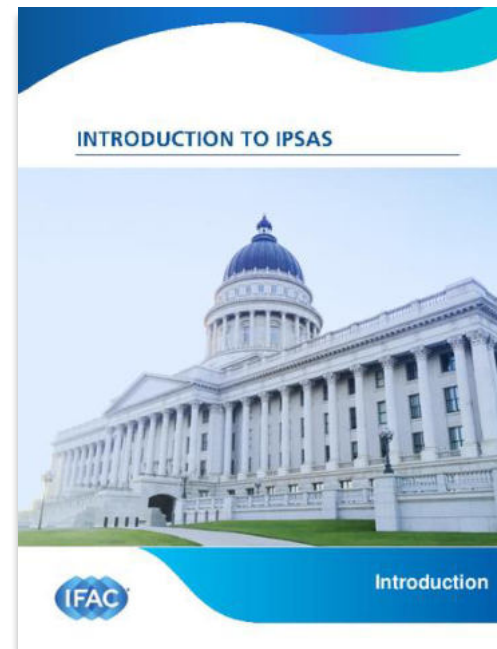
COVID-19 Intervention Assessment Tool



International Public Sector Accountability Index



Train the Trainer: Introduction to IPSAS



Pathways to Accrual (update of 2010 Study 14)

Coming soon –
Pathways to
Accrual

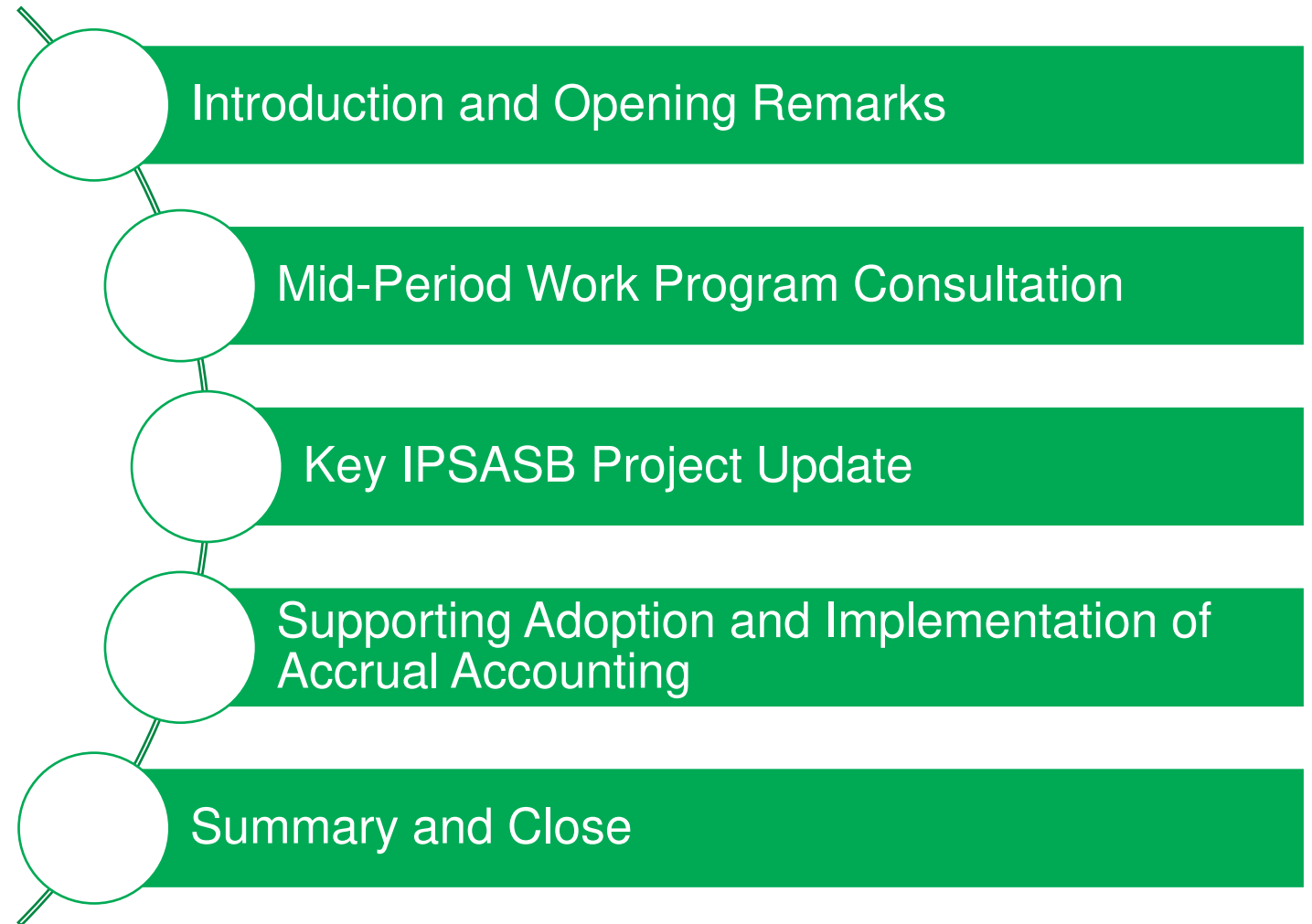
Pathways to Accrual – Coming Soon

Interactive tool including:

- An overview of the wider context in which the transition to the accrual basis of accounting may occur
- A discussion of various transition paths that entities choosing an incremental implementation process may adopt
- Identification of the main tasks (and issues) associated with recognition of assets, liabilities, revenues, and expenses
- Some implications of adopting accrual basis IPSAS
- Practical examples and case studies, with links to relevant documents and guidance



Session Overview



GRAZIE VINAKA
TERIMA KASIH
THANK
YOU TAKK
merci

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니
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謝
謝

ありがとう



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