



Future of Public Sector Accounting

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Future of Public Sector Accounting: Session outline

- Background – IPSASB and IPSASs
- Current position and work programme
- Developing the 2019-2023 Strategy and Work Plan

The IPSAS Board and its outputs

- Independent Standard Setting Board under auspices of IFAC
- Executive Chair (75% WTE)
- 17 other volunteer board members from around world
- Toronto-based – Secretariat of 8
- Independent governance (PIC) and advisory arrangements (CAG)
- 35 IPSASs (accrual basis) covering main areas of government activity, 1 cash basis standard as ‘stepping stone’ to accrual
- 3 Recommended Practice Guidelines (RPGs)
- Public Sector Conceptual Framework

Public Sector Conceptual Framework

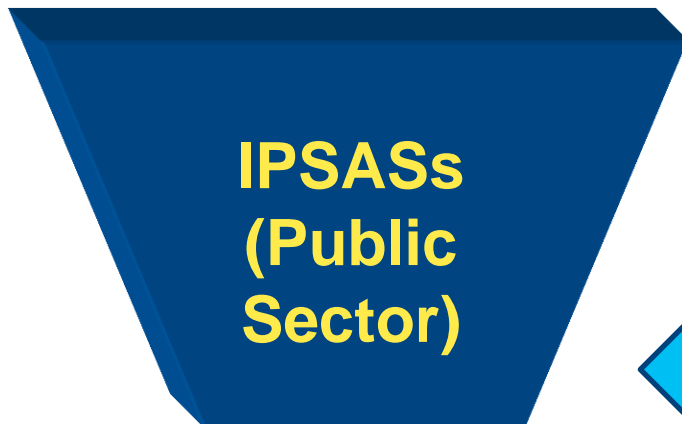
Preface - Characteristics of the Public Sector that influence Public Sector Accounting



IPSASs: Convergence with IFRSs



- Terminology
- Public sector examples
- Public sector issues
- Public sector guidance



Strengthening Public Financial Management and knowledge globally through increasing adoption of accrual-based IPSASs by:

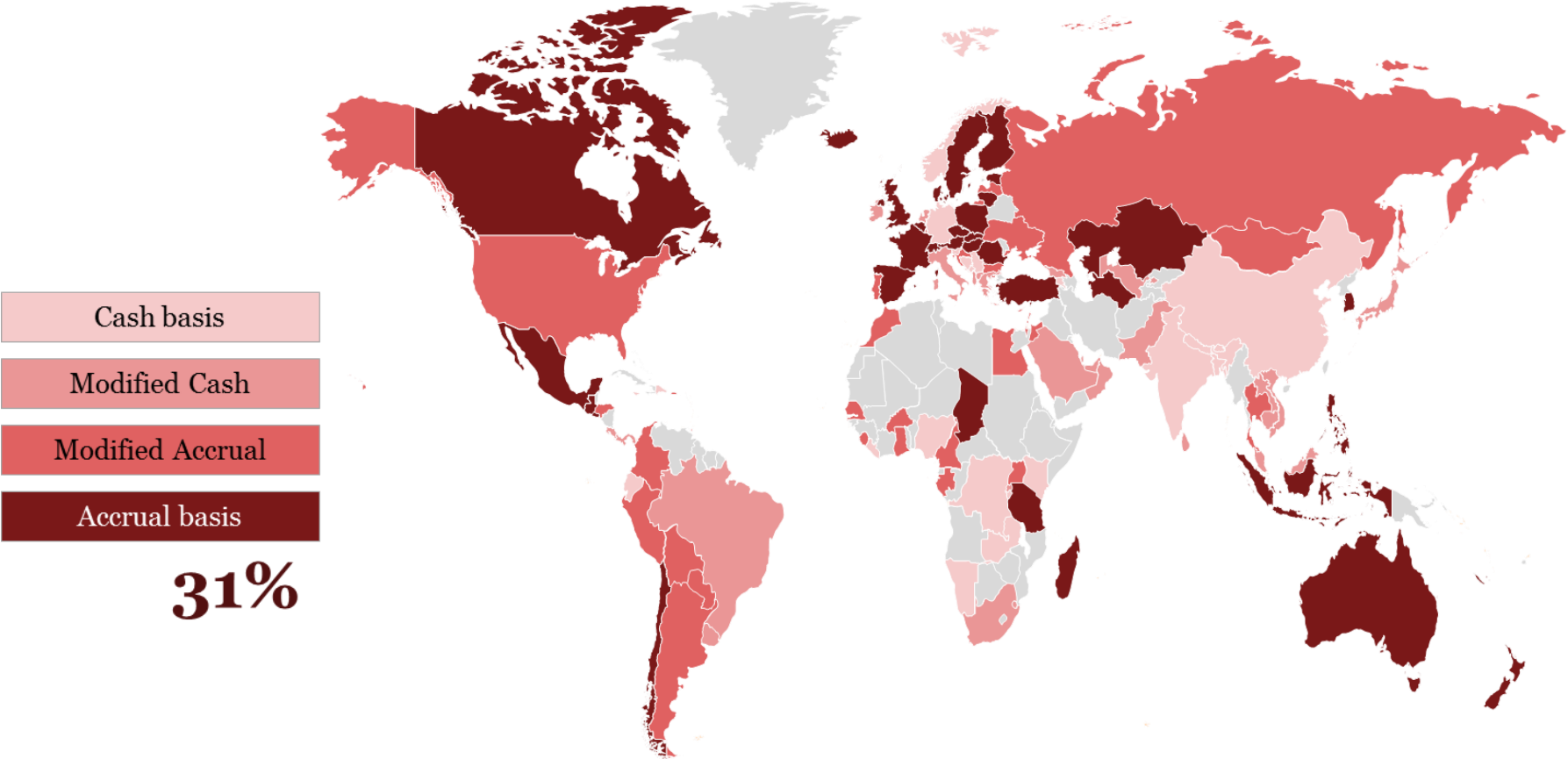
- Developing high-quality financial reporting standards
- Developing other publications for the public sector
- Raising awareness of the IPSASs and the benefits of their adoption

Current IPSASB work programme: Key projects 2016 - 2018

Project	Public sector specific	IFRS convergence
Social Benefits	✓	
Revenue & Non-Exchange Expenditure	✓	✓
Heritage	✓	
Financial Instruments	✓	✓
Leases		✓
Public Sector Measurement (starting March 2017)	✓	
Infrastructure Assets (starting June 2017)	✓	
Cash Basis IPSAS (limited-scope update)	✓	

IPSASs implementation – Position in 2015

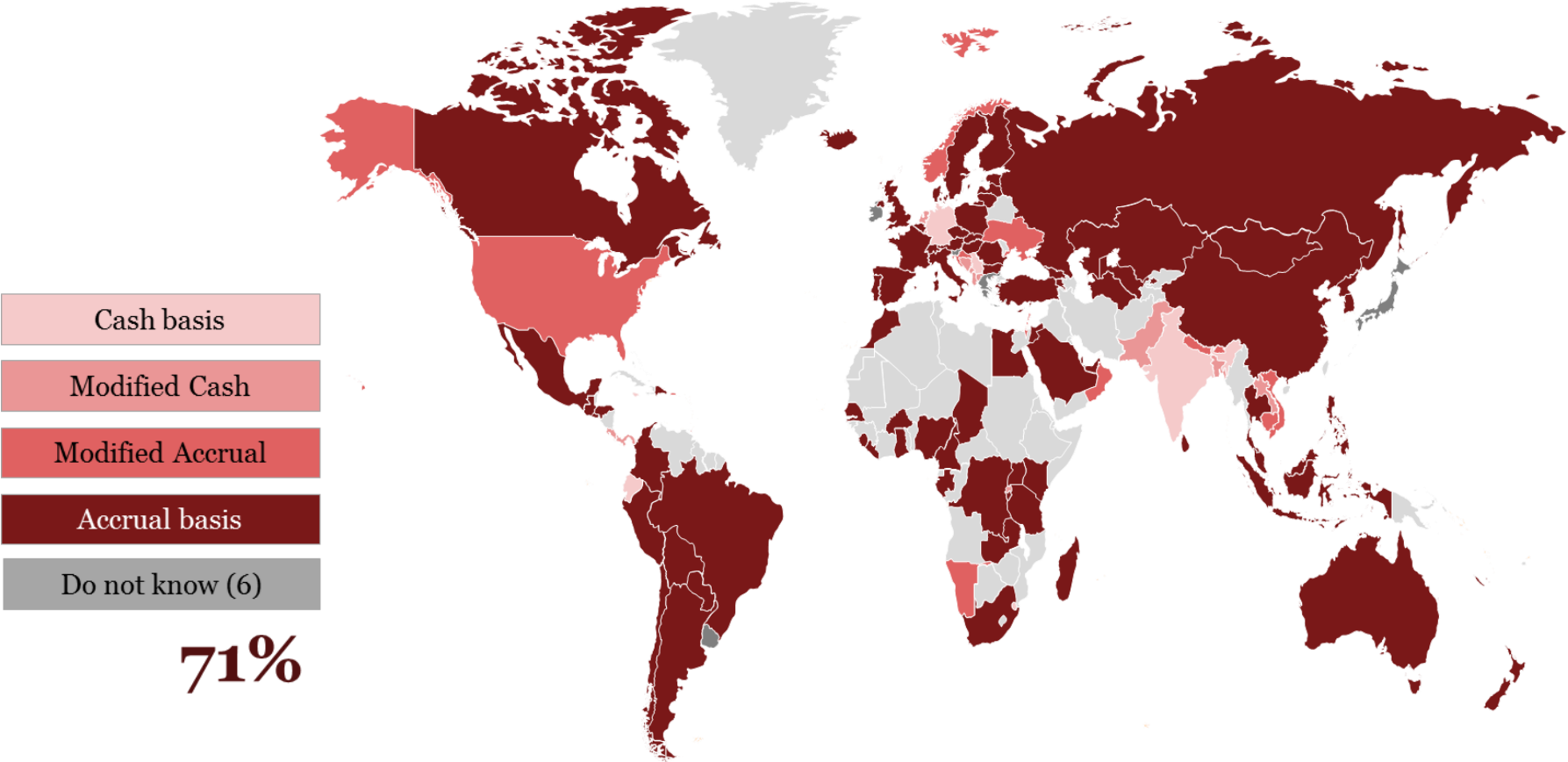
Still great diversity in current central government accounting landscape



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

IPSASs implementation - Future plans

But the 5-year trend toward accrual accounting is clear.....



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

IPSASB Opportunities

- Momentum in IPSASs adoption generally:
 - Developed world – e.g. New Zealand, Portugal, Canada?
 - Developing world: Latin America, SE Asia, Africa
- European Public Sector Accounting Standards (EPSASs)
 - Appear more likely to be based closely on IPSASs?
- Increasingly complete set of standards
- 2017 = 20th Anniversary of starting IPSASs development:
 - World Bank / IMF event (Transparency & beyond) 6th March
 - Public Sector Standard Setters Forum (Zurich 2017)
- Next Work Plan consultation (in 2018 for 2019 onwards)

2019-2023 Strategy / Work Plan challenges

- Complexity of PFM landscape
- Coordination with other stakeholders?
- Relative balance between:
 - Addressing public sector-specific issues?
 - Maintaining (increasing?) IFRS convergence?
 - Alignment with Government Finance Statistics?
 - Improving communication of financial information?
- IPSASB's role be in adoption and implementation?
- How do these demands fit with available resources?
- Development work during 2017
- Public consultation H1 2018 – Finalise H2 2018.

Questions, Discussion & Further Information



- Visit our webpage <http://www.ipsasb.org/>
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