



**INTERNATIONAL FEDERATION  
OF ACCOUNTANTS**

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DATE: 16 JUNE 2003  
MEMO TO: MEMBERS OF THE IFAC PUBLIC SECTOR COMMITTEE  
FROM: JERRY GUTU  
SUBJECT: **PSC CONSULTATIVE GROUP**

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## **ACTION REQUIRED**

The Committee is asked to:

- **note** the agenda for a meeting with the Consultative Group on July 17, 2003 **and prepare to participate;**
- **note** the current status of the appointment process; and
- **note** the Consultative Group Membership profile, Operating Procedures and letter of Welcome to members.

## **AGENDA MATERIAL:**

<b>17.2</b> Agenda for Consultative Group meeting	pages 17.2
<b>17.3</b> Current status of appointment process	pages 17.3
<b>17.4</b> Consultative Group Membership profile and operating procedures	pages 17.4

## **BACKGROUND**

At its April 2003 meeting PSC was advised that 30 out of 67 individuals and organizations had confirmed their membership and participation in the Consultative Group.

The Committee approved the nominations to the Consultative Group and agreed that the group be activated with immediate effect and that an invitation to attend the next PSC meeting to take place in Vancouver, Canada be extended to all members of the group. However, it was anticipated that only those in the immediate region, North America, would be able to accept this invitation.

PSC chairman has sent a letter of welcome to all the members appointed to the group explaining the terms of reference, responsibilities of members and how the group would operate. PSC staff has proceeded to send reminders to all the remaining organizations and individuals selected to be part of the Consultative Group requesting nominations or confirmation.

Attached to this memorandum for your information are the following items:

- 17.2 Agenda for Consultative group meeting agenda;
- 17.3 Current status of appointment process; and
- 17.4 Consultative Group membership profile and operating procedures.

**PUBLIC SECTOR COMMITTEE CONSULTATIVE GROUP MEETING**

**VANCOUVER THURSDAY, JULY 17 – 1:00-2:00 PM**

<b>FORMAT</b>	Brief Presentation by PSC Chair and Discussion and Questions from Consultative Group Members This meeting will take place over lunch to which the Consultative Group Members are invited by PSC Chairman, Mr. Ian Mackintosh.
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**SESSION 1:00 – 2:00 PM, PSC WORK PROGRAM AND ROLE OF  
CONSULTATIVE GROUP**

**DETAILS OF THE PROGRAM WILL BE CONTAINED IN THE SECOND  
DISTRIBUTION OF THE AGENDA PAPERS.**

The current status of appointment process to the Consultative Group is that 49 nominations have been made so far with 16 outstanding nominations. The total number of the group is 65. The details are shown in the table below:

<b>Region</b>	<b>Nominations Confirmed</b>	<b>Nominations Outstanding</b>	<b>Remarks</b>
Africa	5	1	Only the African Development Bank nomination is outstanding.
Asia	5	2	Japan MOF & ASOSAI have yet to nominate
Europe including Russia	10	2	Denmark MOF & Hungary MOF yet to nominate
Latin America	3	2	OLACEFS –Auditors & Latin American Assoc of Public Acc Schools yet to nominate
North America	9	2	AAA & FASAB yet to nominate
Australasia/Pacific	8	1	Association of Public Accounts Staff of Australia & New Zealand yet to nominate
Middle East	2	5	ARABOSAI, Bankers Union, Chamber of Commerce, BADEA & ACC & Auditors Assoc yet to nominate
International	7	1	IVSC yet to confirm. 4 committees of IFAC are in this group.
<b>Totals</b>	<b>49</b>	<b>16</b>	The total number is 65 with 49 nominations made so far and 16 outstanding.

**CONSULTATIVE GROUP MEMBERSHIP**

<b>Region</b>	<b>Auditors Associations</b>	<b>Preparers/ Ministries, of Finance/ Accountants General etc</b>	<b>Academia</b>	<b>Regional Bodies</b>	<b>Independent Standard Setters/ Professional Bodies</b>	<b>Users incl. Lenders, Aid Agencies, Rating Agencies etc</b>	<b>Others eg Consultants, Individuals, Legislature</b>	<b>Organizations currently represented on PSC through members/observers &amp; technical advisors etc</b>	<b>Ex-PSC Members/Observers</b>	<b>Totals</b>
<b>Africa</b>	1. AFROSAI/ SADCOSAI Mr. Rajun Jugurnath	1. ESAAG Mr Bwoch	1. Prof. Ato Ghartey	1.ECSAFA Mr Lebohang Thotanyana	1. ASB OF SA*  2. KPMG Tunisia Mr Rached Fourati	1. AfDB		1. SAICA* 2. IPFA*		6
<b>Asia</b>	1. ASOSAI	1. Government of Hong Kong Treasury*	1. Indonesia Prof. Indra Bastian	1.Confederation of Asian & Pacific Accountants Mr Mohd Salleh bin Mahmud	1.Japanese Representative  2. India Representative Mrs Soma Roy Burman  3. Mongolia Institute of CPA Prof. Dondog		1. PRC Representative Mr Lou Hong	1. ADB*	Mr. M. Rafi*	7
<b>Europe/ Eastern Europe+</b>	1. National Audit Office of Netherlands Mrs Anneke van Zanen	1. Ministry of Finance of Croatia Mrs Vesna Vasicek  2. Ministry of Finance of Denmark  3. UARG Germany Federal Statistical Office Mr Hans Rehm  4. Swedish Financial Management Authority Mr Claes - Goran Gustavsson  5. Ministry of Finance Hungary  6. Ministry of Finance of Malta Mr Pierre Pace	1. Prof. Ricardo Mussari of Siena University of Italy	1. Federation of Experts Comptables Europeens (FEE) Mr Noel Hepworth, Fee Psc Chair  2. European Union Mr Brian Gray	1. French Professional Body of Accountants Mr Michel Prada		1. UNICON - MS OF RUSSIA Mr Alexander Verenkoy	1. OEC – Organization of Professional/ Expert Accountants (France)* 2. IDW (Germany)* 3. Royal Nivra (Netherlands)* 4.ICAS/CIPFA*		12
<b>Latin America</b>	1.OLACEFS	1. Ibero - American (Latin American Accountants General) Mrs Mercedes Vega Garcia Coordinator	1. Latin American Association of Public Accounting Fac & Schools	1. Inter American Accounting Association Ms. Edgar Nieto Sanchez	1. Latin American Federation of Internal Auditors Mr Genaro Soriano			1.IADB* 2. Mexican Institute of Certified Public Accountants* 3. Argentina Federation of Professional Accountants*		5
<b>North America</b>	1. CCOLA Mr John Noseworthy	1. GFOA - USA Mr Stephen Gauthier 2. AGA - USA Ms. Sharon 3. NASACT Mr Kinney Poynter	1. AAA		1. FASAB 2. CGA Mr David Rattray		1. Dr Bob Freeman  2. Dr Jesse Hughes	1. AICPA* 2. CICA* 3. GASB*	1. Mr. Ken Dye Former PSC Chair 2. Mr. Charles Coe	11

<b>Australasia/ Pacific</b>	1. ACAG Dr Arthur McHugh  2. AARF Mr Richard Mifsud  3. SPASAI Mr Todd Beardsworth	1. NZ Treasury Mr Ken Warren  2. Australian Dept of Finance & Treasury Mr Jim Kerwin  3. NLFMF. Mr. Malcolm Duce  4. HOTARAC Mr Craig Jeffrey		1. AFAANZ Mr Bryan Howieson		1. Association of Public Accounts Committees Staff of Australia & New Zealand		1. AASB* 2. CPAA* Public Sector Centre of Excellence 3. ICAA* 4. ICANZ*		9
<b>Middle East</b>	1. ARABOSAI	1. Union of Arab Bankers	1. Prof. Talal Abu Ghazaleh	1. General Union of Chambers of Commerce, Ind. & Agric of Arab Countries	1. Arab Society of Certified Accountants - Mr Esmat Fahmy Nagy	1. BADEA	1. Union of Arab Accountants & Auditors -			7
<b>Inter- national</b>	1. INTOSAI*	1. NATO Mr James Luedeke  2. IFAC- FMAC Mr Robin Mathieson		1. Institute of Internal Auditors Mr Jiwan Shourie  2. ACCA GLOBAL Mr Andy Wynne	1. IVSC Mr. Peter Clark  2. IFAC- IAASB Mr James Gunn		1. IFAC- ETHICS Mrs Gill Spaul  2. IFAC- EDUCATION Ms Claire Egan	1. IMF*/WB* 2. OECD * 3. WB*		8
<b>TOTAL</b>	11	18	6	9	11	3	7	0	2	65

**\*Those identified by an asterisk (\*) were proposed for membership to the Consultative Group. However, they currently have access to the PSC through PSC members/observers/technical advisors and therefore have not been included in the consultative group. They are not included in the count. These organizations will be reconsidered for inclusion on the Consultative Group once their members/observers and technical advisors retire from PSC.**

#### **ACCRONYMS**

AAA – American Accounting Association  
AARF – Australian Accounting Research Foundation  
AASB – Australian Accounting Standards Board  
ACAG – Australasian Council of Auditors General  
ACCA – Association of Chartered Certified Accountants  
ADB – Asian Development Bank  
AFAANZ – Accounting and Finance Association of Australia and New Zealand  
AfDB – African Development Bank  
AFROSAI – African Organization of Supreme Audit Institutions  
AGA – Association of Government Accountants of USA  
AICPA – American Institute of Certified Public Accountants  
ARABOSAI – Arab Organization of Supreme Audit Institutions  
ASCA – Arab Society of Certified Accountants  
ASOSAI – Asian Organization of Supreme Audit Institutions

BADEA – Arab Bank of Economic Development

CAPA – Confederation of Asian Pacific Accountants

*PSC July 2003 Vancouver Meeting*

CCOLA – Canadian Council of Legislative Auditors  
CGA – Certified General Accountants Association  
CICA – Canadian Institute of Chartered Accountants  
CIPFA – Certified Institute of Public Finance and Accountancy  
CPAA – Public Sector Centre of Excellence

ECSAFA – Eastern, Central and Southern African Federation of Accountants  
ESAAG – East and Southern Association of Accountants General

FASAB – Financial Accounting Standards Advisory Board  
FEE – Federation des Experts Comptables Europeens  
FMAC – Financial and Management Accounting Committee (IFAC)

GASB – Governmental Accounting Standards Board, United States  
GFOA – Governmental Finance Officers Association

HOTARAC – Heads of Treasuries of Australia

IAASB – International Auditing and Assurance Standards Board (IFAC)  
IADB – Inter-American Development Bank  
IBEROAMERICAN – Latin American Association of Accountants General  
ICAA – Institute of Chartered Accountants in Australia  
ICANZ – Institute of Chartered Accountants of New Zealand  
ICAS - Institute of Chartered Accountants of Scotland  
IDW – Institute of Certified Public Accountants (Germany)  
IFAC – International Federation of Accountants  
IIA – Institute of Internal Auditors  
IMF – International Monetary Fund  
INTOSAI – International Organization of Supreme Audit Institutions  
IPFA – Institute of Public Finance and Auditing  
IVSC – International Valuation Standards Committee

NASACT - National Association of State Auditors, Controllers and Treasurers, United States  
NATO – North Atlantic Treaty Organization  
NIVRA – Royal Netherlands Institute of Registered Accountants  
NLFMF – National Local Government Financial Management Forum (Australia)

OEC – Organization of Expert/Professional Accountants (France – Ordre des Experts Comptables)  
OECD – Organization for Economic Cooperation and Development  
OLACEFS – Organization of Latin American and Caribbean Supreme Audit Institutions

PRC – People's Republic of China

SAICA – South African Institute of Chartered Accountants  
SPASAI – South Pacific Association of Supreme Audit Institutions

UARG – Sub-committee of the conference of the Ministers of the interior of 16 federal states in Germany

WB – World Bank

## CONSULTATIVE GROUP OPERATING CRITERIA

### *Operating Procedures*

#### *Meeting details*

The Consultative Group is an electronic forum for interested parties to give their views and opinions on public sector financial reporting developments and issues. The need for meetings will be assessed as interest develops with members of the Group determining whether formal meetings are required. When a meeting is determined necessary such meeting will be held in public and may be followed by, or include, a regional seminar. Members of the public who wish to observe the Consultative Group meeting should register prior to the meeting and will be provided with Agenda papers relevant to the sessions for which they register. Public seats will be limited on a first come first serve basis as capacity permits.

#### *Role*

The Consultative Group is not a voting group, but provides a means by which the PSC can consult with and seek advice as necessary from a broad constituent group. The Group will operate as a proactive body, which is used to get feedback from various constituencies and act to communicate and promote IPSASs and the work of PSC.

#### *Meeting agenda and minutes*

PSC agenda papers and meeting minutes will be made available electronically to all Consultative Group members through the PSC portion of the IFAC web site.

#### *Confidentiality requirements*

Meeting agenda material and other non-public draft material made available to Consultative Group members may be marked “confidential” in certain circumstances. Consultative group members are responsible to maintain the confidentiality of such material. The confidential materials will not be provided to members of the public Gallery.

#### *Staff Support*

The PSC Secretariat will provide administrative support to the Consultative Group.

#### *Relationship with PSC Steering Committees*

The Consultative Group will be kept informed of PSC Steering Committees’ activities through access to minutes and meeting agenda materials. The PSC may from time to time invite certain Consultative Group members to join a PSC Steering Committee.

#### *Chairmanship*

The Consultative Group will be chaired by the chairman of PSC.

#### *Size*

As the Consultative Group will start off as an electronic forum flexibility in the size of the membership will be maintained.

#### *Review*

The PSC will regularly review the membership, terms of reference and operating procedures of the Consultative Group and amend procedures as necessary.

**LETTER OF WELCOME TO MEMBERS OF THE CONSULTATIVE GROUP  
FROM PSC CHAIRMAN**

May 18, 2003

PSC Consultative Group Member,

**Welcome to the PSC Consultative Group**

As Chairman of the Public Sector Committee of IFAC, I welcome you as one of the 65 initial members of our Consultative Group and congratulate you on your successful appointment.

At the recently held meeting of April 9-11, 2003 in Melbourne, Australia the PSC approved the nominations of 40 out of the possible 65 organizational and individual representatives proposed to the group with immediate effect. I anticipate that the remaining 25 positions will be finalized by mid 2003.

The roles of the PSC and its operating procedures are outlined in the Consultative Group Operating Procedures attached for your reference. As I am sure you are aware, the responsibility of being a representative includes the expectation that you will actively participate by electronic means on the issues covered by the PSC agenda materials made available to you. The group members will be kept informed of PSC activities through access to minutes and meetings agenda and other materials through electronic medium on the PSC section of the IFAC website.

The PSC will meet with members of the Consultative Group in conjunction with PSC meetings in each region. Consultative Group members are also encouraged to participate in the workshops and seminars run in conjunction with PSC meetings. All Consultative Group members are invited to attend these Consultative Group meetings. However, the PSC appreciates that in most cases it will only be possible for members in the immediate region to participate in such meetings. The PSC will seek advice from Consultative Group members on whether a full meeting may be required periodically. Since Consultative Group members and their supporting bodies fund their own participation in the Consultative Group, it is intended that the Consultative Group will conduct its business primarily by electronic means without the need for full meetings.. If a meeting is determined necessary, it will be held in public and may be followed by, or include, a regional seminar.

During 2003, the Public Sector Committee will be meeting on the following dates:

- July 16-18, Vancouver, Canada
- November 5-7, Berlin, Germany



The PSC section of the IFAC Website will include a sub-section for the Consultative Group to which members will be given access by means of username and password to gain access to PSC agenda, minutes and other resources. Your username and password to gain access to the IFAC PSC website will be sent to you individually. Instructions for its use will also be enclosed.

Agenda materials are posted on the IFAC PSC Website at least four weeks before the meeting to allow you time to study them and consult with your stakeholders.

Sincerely yours,



Ian Mackintosh,  
IFAC PSC Chair

**LETTER OF INVITATION TO NORTH AMERICAN REGION MEMBERS OF  
THE CONSULTATIVE GROUP TO PSC MEETING IN VANCOUVER**

Dear Member,

Invitation to North America members of PSC Consultative Group to attend the PSC meeting in Vancouver,  
July 16-18

You will by now have received a letter from the Chairman of PSC, Ian Mackintosh welcoming you to the Consultative Group of IFAC PSC as part of the initial members successfully nominated. As indicated in the letter of welcome the next PSC meeting is going to take place in Vancouver July 16-18 at Delta Pinnacle Hotel.

This meeting in your region co-hosted by CGA and CICA will be accompanied by an activity involving the consultative group members in a roundtable discussion on selected topics and a brief presentation on the terms of reference of the group as well as the work plan of PSC. You are invited to attend both the meeting throughout the entire period of July 16-18 as well as the special activities involving your group and other invited guests. As indicated in the operating procedures of the group sent out to you, members of the group are expected to meet their full costs of attendance as well as make their own arrangements on travel, subsistence and accommodation. In this connection PSC secretariat will only assist with provision of information. David Rattray on behalf of

CGA and Ron Salole on behalf of CICA are the coordinators on the program of the roundtable discussion as well as on other arrangements regarding the meetings and will be useful contacts in this connection.

You may proceed to contact Shafina Hajee, Sales Manager, Delta Pinnacle Hotel, 1128 West Hastings Street, Vancouver, BC, V6E 4R5 on telephone 604 639 4014 or fax 604 639 4027 or email [SHajee@deltahotels.com](mailto:SHajee@deltahotels.com) to make arrangements if you wish to attend. Please do not hesitate to contact me should you require further clarification. I look forward to working with you.

Jerry.  
May 30, 2003.

**PSC CONSULTATIVE GROUP**

**Members attending Lunch Meeting and then Round Table**

<b>Name</b>	<b>Position</b>
<b>Bob Freeman</b>	<b>Professor of Accounting, Texas Technical University</b>
<b>Charles Coe</b>	<b>Ex-Controller ADB and Ex-PSC Observer</b>
<b>David Rattray</b>	<b>Assistant Auditor General of Canada</b>
<b>Jesse Hughes</b>	<b>Professor of Accounting, Old Dominion University, Norfolk Virginia</b>
<b>Jim Luedeke</b>	<b>Controller, NATO</b>
<b>Ken Dye</b>	<b>Consultant (to be confirmed by 27.6.03)</b>