

Summary – Comments from the Sub-Committee on Study 14 (2nd Edition)

Background

As agreed at the last PSC meeting in Vancouver, a sub-committee has reviewed the draft Study 14 (2nd edition) *Transition to the Accrual Basis of Accounting: Guidance for Governments and Government Entities* out-of-session. The sub-committee comprised the Australian and Norwegian PSC members. The draft updated Study was sent to the sub-committee on 1 Sept 03. The role of the sub-committee is to review the marked-up document and make recommendations to the PSC. The PSC will need to formally agree the publication of the Study.

Comments

In general, the sub-committee members were supportive of the changes proposed by Staff. Most of the comments provided by the sub-committee were editorial and they have been processed.

One member proposed that since Chapter 9 is entitled “Cash”, it should deal with the asset “cash” only, rather than include a discussion of the requirements of IPSAS 2 *Cash Flow Statements* and the cash basis of accounting.

This is literally quite correct. Changing the title of the chapter to “Cash and Cash Flow Statements” would reflect the contents of the chapter. However, Staff have not made this change at this time. This is because this update to the Study was only to deal with additions or revisions necessary because of progress made on IPSASs or IASs/IFRSs since the last issuance of the Study. The content of this chapter has not changed substantially since the Study was first issued.