

Agenda Item 10: Cash Basis IPSAS

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IPSASB Meeting

March 7 – 10, 2017

Washington D.C., USA

Objective of Session

- To note a high-level analysis of constituent comments to Exposure Draft (ED) 61 *Amendments to Financial Reporting Under the Cash Basis of Accounting (The Cash Basis IPSAS)*
- Provide staff with a broad direction for next steps

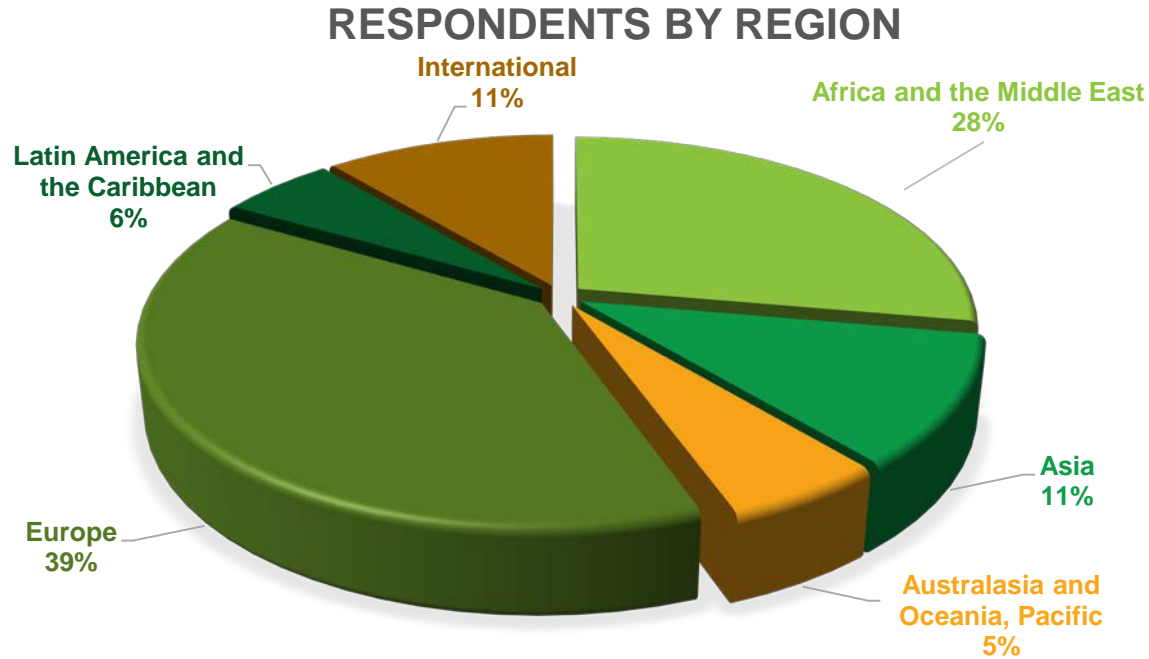
Background to ED 61

- Cash Basis IPSAS issued January 2003 (amended 2007) consists of 2 parts
 - *Part 1 – Requirements (requirement)*
 - *Part 2 - Encouraged Disclosures (encouragement)*
- Feedback revealed Cash Basis IPSAS not widely adopted
- However, 2014 Strategy consultation identified need for Cash Basis IPSAS

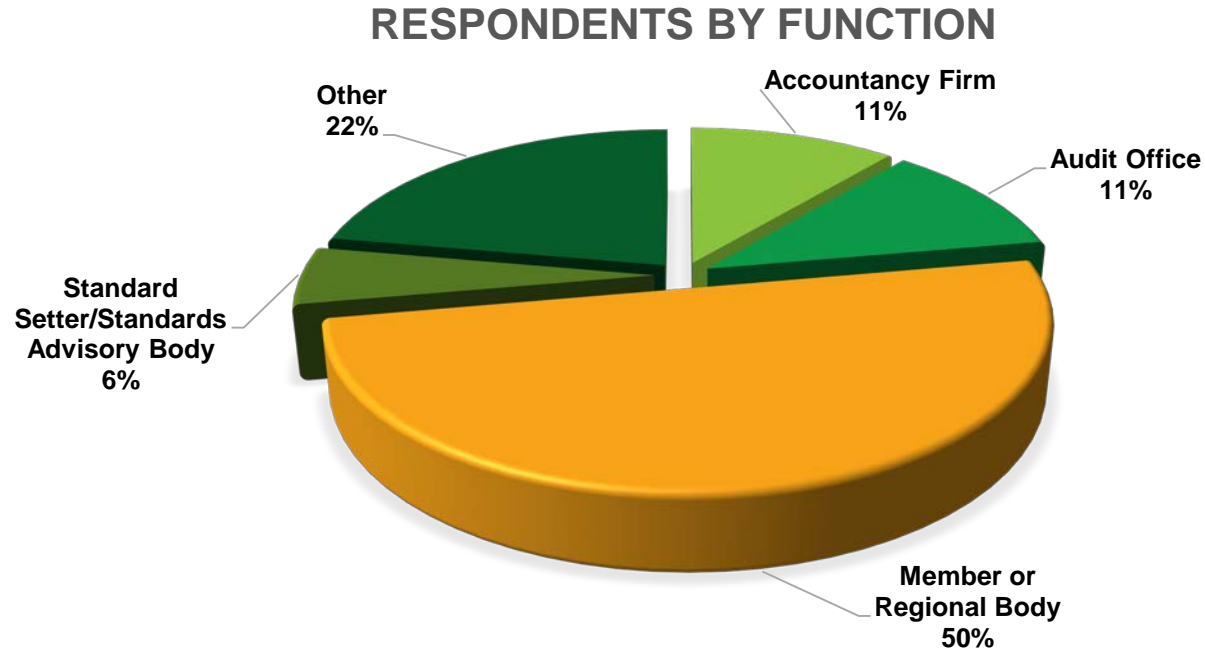
ED 61 proposals

- SMC 1 – Relocate from Part 1 (requirement) to Part 2 (encouragement):
 - *Preparation of consolidated financial statements*
 - *Disclosure of information about external assistance*
 - *Disclosure of information about payments made by third parties*
- SMC 2 – ‘Housekeeping’ type amendments – to ensure requirements and encouragements in Cash Basis IPSAS are better aligned with accrual IPSASs

Analysis – Respondents by Region

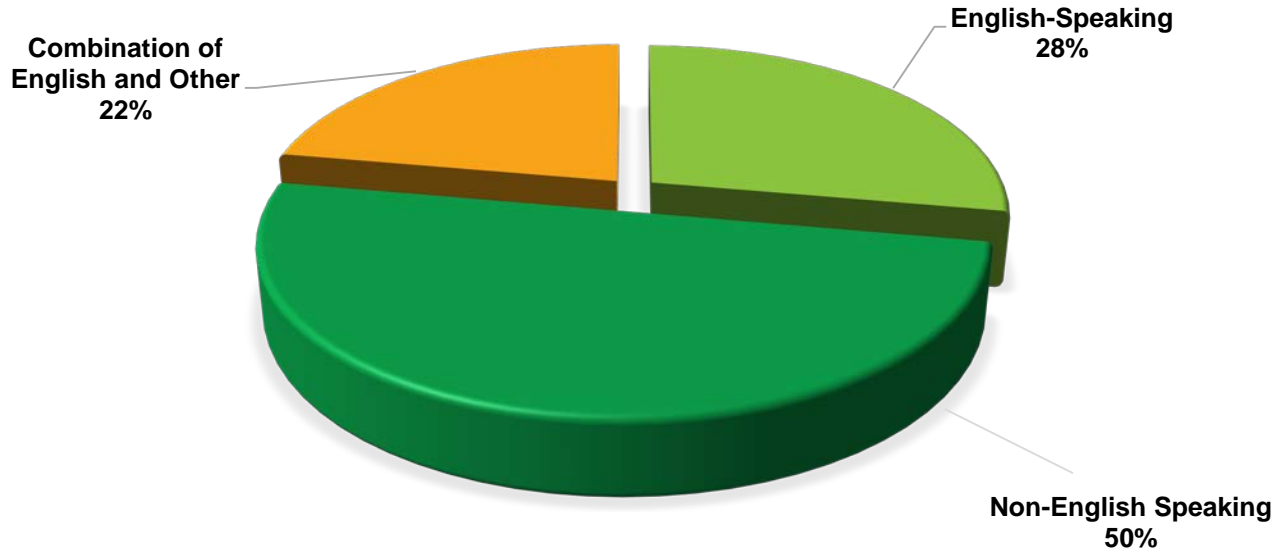


Analysis – Respondents by Function



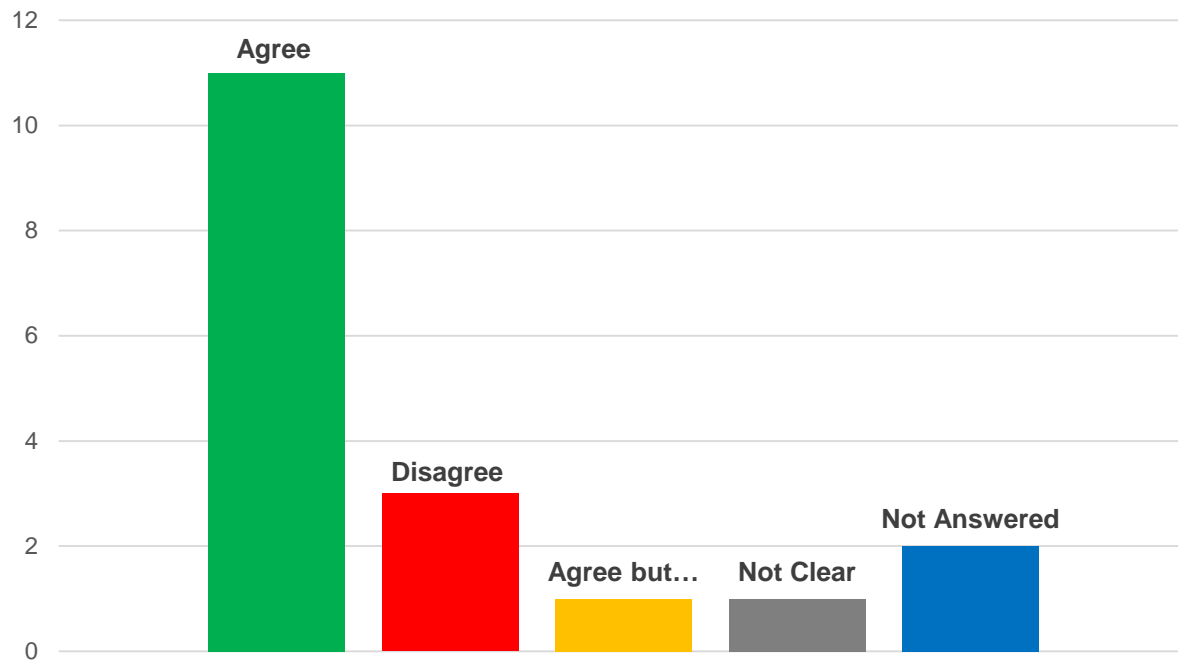
Analysis – Respondents by Language

RESPONDENTS BY LANGUAGE



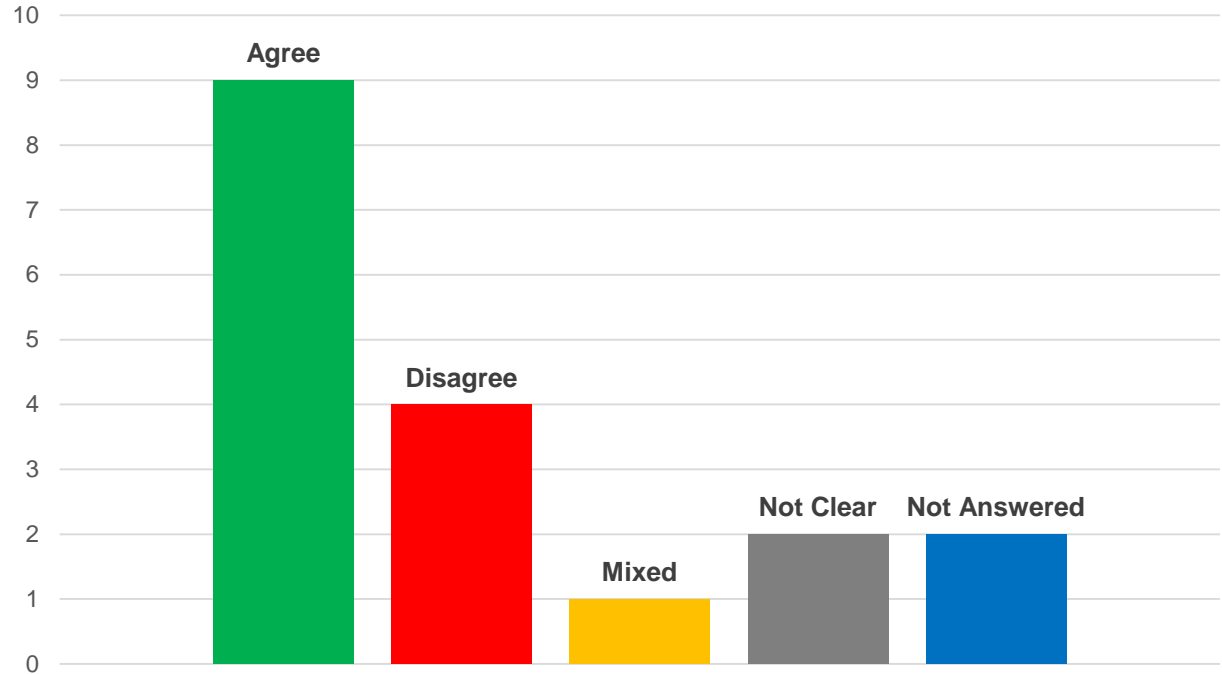
SMC 1(a) - re Consolidation

SMC 1(a) proposes that the requirement to prepare consolidated financial statements be relocated from Part 1 to Part 2



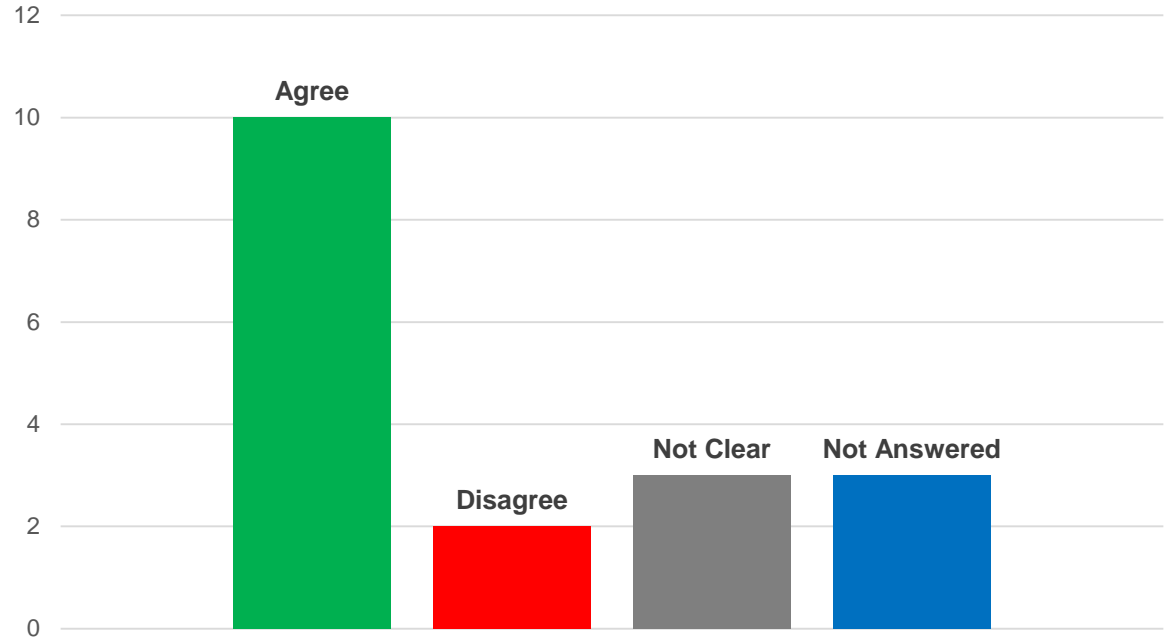
SMC 1(b) - re External Assistance

SMC 1(b) proposes that the requirement to disclose information about external assistance be relocated from Part 1 to Part 2



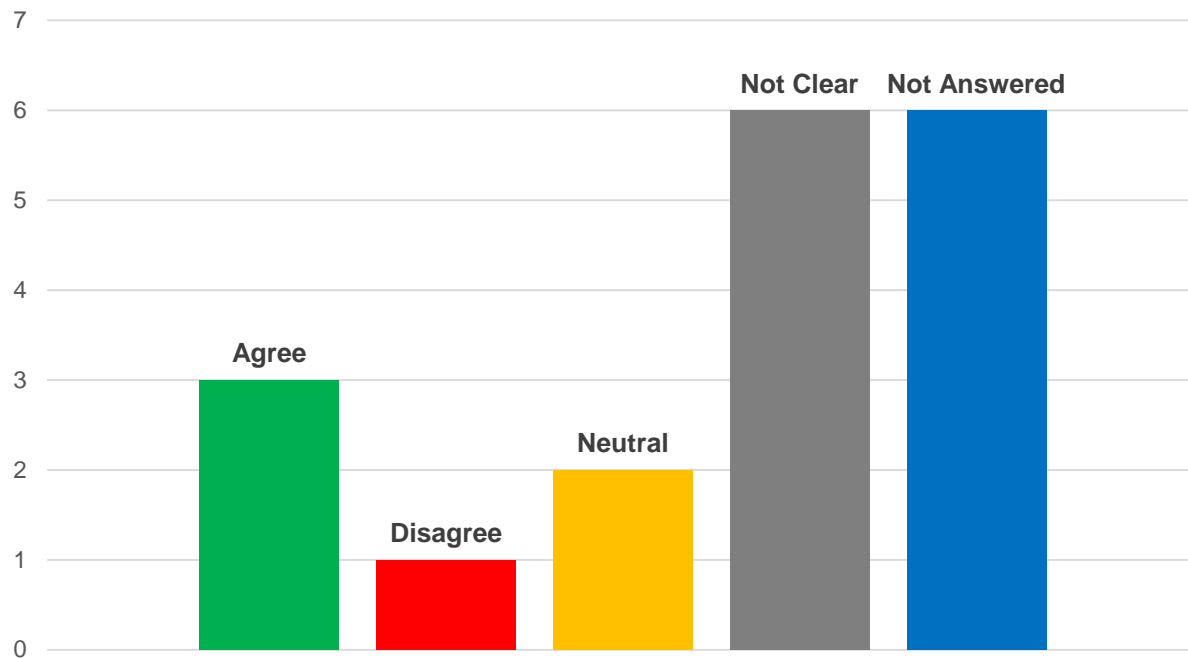
SMC 1(c) - re Payments by 3rd Parties

SMC 1(c) proposes that the requirement to disclose information about payments made by third parties be relocated from Part 1 to Part 2



SMC 2 - Updating Cash Basis for Accrual Developments

SMC 2 Any requirements or guidance in the accrual IPSASs that should be included in the Cash Basis IPSAS in the future?



Next steps

- June 2017 meeting
 - Review of Responses
 - Discussion of Responses
- September 2017 meeting (if necessary)
 - Review of draft Amendments to IPSAS
 - Approval of Amendments to IPSAS
- Any further directions?