

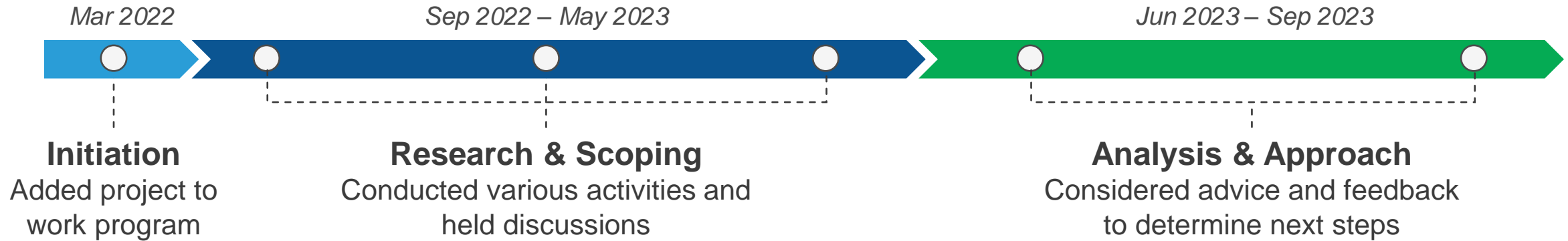
# DIFFERENTIAL REPORTING

IPSASB Meeting – September 2023

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# Objective of the Differential Reporting Initiative



- ✓ **Reflect on findings** from research and scoping activities
- ✓ **Acknowledge potential inconsistencies and challenges** with a standard-setting approach (i.e., development of an international differential reporting model)
- ✓ **Understand the public sector need**
- ✓ **Consider other options** to address that need

# Objective of the Differential Reporting Initiative

## Analysis

### **The public sector user need:**

- Resource and capacity limitations amplify challenges in navigating, understanding, and applying full IPSAS
- IPSAS Handbook continues to grow
- Existing resources are not sufficiently helping entities navigate, thereby understand and apply, IPSAS

### **Additional support navigating IPSAS:**

- Provides relief in response to identified need
- Is consistent with IPSASB's approach on past initiatives
- Is a non-standard-setting approach

## Recommendation

### Objective

- Facilitate the development of practical support material, to help public sector entities better access, understand, and apply IPSAS



# Output from the Differential Reporting Initiative

## Objective

- Facilitate the development of practical support material, to **help public sector entities better access, understand, and apply IPSAS**

## Content

- Consider **nature and types** of transactions and balances
- Apply **materiality**
- Refer to **relevant IPSAS** and other **resources**

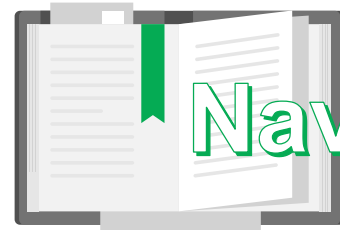
## Format

- Balance **impact, time** to market, **resource** demand
- Need **pragmatic, timely, effective** support
- Take a **balanced approach**



# Navigating IPSAS

# Output from the Differential Reporting Initiative



## Navigating IPSAS



### Purpose and content

Helps a public sector entity:

- Consider its **transactions** in the context of **materiality**;
- Identify **relevant IPSAS** for **common** transactions;
- Obtain a high-level understanding of applicable **accounting principles**; and
- Find other helpful **resources**.

### Time to market

1-2 years

### Format

Static PDF (first edition)



### Execution

- Developed by a **strategic partner organization**
- Ongoing involvement by:
  - **IPSASB Staff**
  - **User/Preparer Panel** of volunteers



### In the future

- **Review**: Did it achieve objective?
- **Determine**: Improvements? Additions?

# Output from the Differential Reporting Initiative

## Summary



## Navigating IPSAS



Can help public sector entities identify its **transactions**, apply **materiality**, and better understand and apply IPSAS **principles** to **common public sector transactions**.



Can be developed by a **strategic partner organization**, with support from **staff** and a potential **User/Preparer Panel**.



Intended to **meet objective** of Differential Reporting initiative and provide **pragmatic, timely, effective support** to meet public need.

## Recommendation

- **Endorse** development of “*Navigating IPSAS*”
- **Empower** staff to source strategic partner organization to take on the work
- **Establish** a User/Preparer Panel comprised of volunteers
- **Communicate** intended approach and proposed output