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

- Government Finance Statistics
- Non-exchange Transactions
- Role of the approved Budget
- Characteristics of Assets/Liabs
- Role as Regulator
- Longevity
### IPSASs development - Phases to date

**1997 - 2001**
- IFAC PSC starts IPSAS development programme
- First 21 IPSASs based on IASB equivalents, interpreted as necessary

**2002 - 2009**
- Development of first public sector specific IPSASs (22 - 24)
- IFRS convergence (IPSASs 25 – 32)
- Start of Conceptual Framework project

**2010 - 2015**
- Conceptual Framework completed 2014
- First Time Adoption & IFRS convergence maintained (IPSASs 33-38)
- First public work plan consultation
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)
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

<table>
<thead>
<tr>
<th>Project</th>
<th>Public sector specific</th>
<th>IFRS convergence</th>
</tr>
</thead>
<tbody>
<tr>
<td>Social Benefits</td>
<td>✓</td>
<td></td>
</tr>
<tr>
<td>Revenue &amp; Non-Exchange Expenditure</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>Heritage</td>
<td>✓</td>
<td></td>
</tr>
<tr>
<td>Financial Instruments</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>Leases</td>
<td></td>
<td>✓</td>
</tr>
<tr>
<td>Public Sector Measurement (starting March 2017)</td>
<td>✓</td>
<td></td>
</tr>
<tr>
<td>Infrastructure Assets (starting June 2017)</td>
<td>✓</td>
<td></td>
</tr>
<tr>
<td>Cash Basis IPSAS (limited-scope update)</td>
<td>✓</td>
<td></td>
</tr>
</tbody>
</table>
IPSASB: Current challenges

• Delivering the work plan:
  • 6 important public sector projects being developed from scratch
  • Technically difficult
e.g. first Social Benefits project put on hold after 6 years pending completion of Conceptual Framework
  • Longer timelines due to need for stakeholder engagement
    (CP, ED then IPSAS)

• Bedding down relationships with PIC and CAG

• Strengthening advocacy from key international institutions
  – IMF, World Bank, regional development banks

• Creating demand from other stakeholders:
  – Capital markets, politicians, civil society, politicians
IPSASB Opportunities

• Increasingly complete set of standards
• 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?
• 2017 = 20th Anniversary of starting IPSASs development:
  – World Bank / IMF event (Transparency & beyond) 6th March
  – Public Sector Standard Setters Forum (Zurich 2017)
• 2018 Strategy & Work Plan consultation
  – Bridging gaps / improving links between IPSASs and other PFM tools?

• Complexity of PFM landscape
• Increasing coordination with other stakeholders
• Relative balance between:
  – Addressing public sector-specific issues?
  – Maintaining (increasing?) IFRS convergence?
  – Increasing IPSAS-based information usage for GFS?
  – Improving communication of financial information?
• IPSASB’s role in adoption and implementation?
• How do these demands fit with available resources?
• Develop consultation document during 2017
• Public consultation H1 2018 – Finalise H2 2018.
Questions, discussion & further information

- Visit our webpage http://www.ipsasb.org/
- Or contact us by e-mail:
  IPSASB Chair: iancarruthers@ipsasb.org
  Technical Director: johnstanford@ipsasb.org