



# **IPSASB Strategy and Work plan for 2019-2023**

# Overview of process

- IPSASB implementing strategy and work plan 2015-2018.
- ASB implementing work programme 2017-2020.
- IPSASB consulting on strategy and work plan for 2019-2023 → June 2018.
- ASB will consult on work programme for 2021-2023 in 2<sup>nd</sup> half of 2018.




# **IPSASB'S current strategy and work plan – 2015 to 2018**



# Strategy

## *2015 – Leading through change*

Strengthening public financial management and knowledge globally through increasing adoption of accrual based IPSAS by:

- Developing high quality public sector financial reporting standards.
  - Developing other publications for the public sector.
  - Raising awareness of IPSAS and the benefits of their adoption.
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# Projects for 2015 to 2018

Completed	In progress
IPSAS 33 First Time Adoption of Accrual Basis IPSAS	Social Benefits
IPSAS 34-38 Interests in Other Entities	Financial Instruments
IPSAS 39 Employee Benefits	Revenue (various components)
IPSAS 40 Public Sector Combinations	Non-exchange Expenses
The Applicability of IPSAS	Public Sector Measurement\ (two components)
RPG 3 – Reporting Service Performance Information	Public Sector Financial Instruments
	Infrastructure Assets
	Heritage

**Refer Figure 1 of consultation document**




# Proposed strategy for 2019 to 2023?




# Revised strategy

*Strengthening public financial management globally through increasing adoption of accrual based IPSAS:*

- Developing IPSAS and other high-quality financial reporting guidance for the public sector.*
  - Raising awareness of IPSAS and benefits of accrual adoption.*
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# Challenges for the IPSASB

- Gaps in literature to address PS issues.
  - Certain IPSAS are not aligned to latest version of IFRS.
  - Accessibility of FS for non-specialist users, and civil society need improvement.
  - Capacity in jurisdictions impedes ability to undertake accrual adoption & increases length of adoption.
  - Guidance on using accrual information to strengthen PFM needs work.
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# Challenges for the IPSASB

- Considering how the IPSASB can help constituents to contribute to standard setting and other work.





# SMC #1

**Do you agree with the IPSASB's  
proposed strategic objective for  
2019-2023?**





# Proposed work plan for 2019 to 2023?

# Strategic themes

	Strategic themes
<b>Theme A</b>	Set standards on public sector issues.
<b>Theme B</b>	Maintain convergence with IFRS.
<b>Theme C</b>	Develop guidance to meet users' broader financial reporting needs.
<b>Theme D</b>	Promote IPSAS adoption and implementation.
<b>Theme E</b>	Advocate the benefits of accrual in strengthening public financial management.



# SMC #2

**Do you agree with the IPSASB's five proposed strategic themes for the 2019-2023 period?**



# Snapshot

Theme	Project
<b>Standards for public sector issues</b>	Natural resources
	Discount rates
	Differential reporting
	Limited scope review of Conceptual Framework
<b>Maintain convergence with IFRS</b>	<i>Revise IPSAS 18 Segment Reporting</i>
	Narrow scope amendments and Improvements Project
<b>Develop guidance to meet broader financial reporting needs</b>	No specific proposals. Monitor comments on ED 63, other reporting initiatives.
<b>Promote adoption and implementation of IPSAS</b>	No specific proposals.
	Continue level of support (At a Glance, FAQs, webinars, annual handbook, training materials to support IPSAS understanding)
<b>Advocate the benefits of accrual in strengthening PFM</b>	Liaison with international organisations, forums.

# Criteria for selecting projects

Criteria	Description
Prevalence	Whether the financial reporting issue is widespread amongst public sector entities.
Consequences	Whether the issue impairs the ability of the financial statements to provide useful and transparent information for accountability and decision-making.
Urgency	Whether the emerging issue has recently gained significance and therefore requires consideration in the near term.
Technical and resource considerations	Whether a technically sound solution to the issue can be developed within a reasonable time period using available resources.



# SMC #3

**Do you agree with the criteria the IPSASB has used in deciding the proposed issues to add to its work plan for 2019-2023?**





# Theme A

## Project

## Overview

### Natural resources

Extracted resources, natural resources such as water, natural phenomena and living species.

### Discount rates

Assets and liabilities with long settlement dates.  
Low/negative interest rates may not appropriately reflect time value of money.

Linkage with measurement project, consider conceptual basis for existing requirements for discounting across IPSAS.

### Differential reporting

Less complex requirements for small and medium sized public sector entities. Balance between alleviating capacity issues, and considering accountability for public funds.

### Limited scope review of Conceptual Framework

Considering principles in IASB's final CF, evaluate need for changes to existing IPSASs for recognition and measurement.



# SMC #4

**Do you agree with the projects the IPSASB's proposes to prioritise for addition to the work plan for 2019-2023 on Theme A?**






# Theme B

## Revise IPSAS 18 *Segment Reporting*

- Align with IFRS 8 as part of convergence strategy.
- Stakeholders raised concerns about quality and usefulness of IPSAS 18 information.

Narrow scope convergence projects and improvements.






# SMC #5

**Do you agree with the project the IPSASB proposes to prioritise for addition to the work plan for 2019-2023 on Theme B?**





# Theme C

- No new proposals.
  - Monitor comments on ED 63 on RPG 1.
  - Monitor work of other initiatives, Integrated Reporting, Corporate Reporting Dialogue, IASB project on Better Communication in Financial Reporting.
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# SMC #6

**Are there any other projects in Appendix A you believe should be added to the Work Plan for 2019-2023?**



# SMC #7

**Under themes D and E, the IPSASB will actively monitor the work of others and look for appropriate opportunities to engage and support that work.**

**Do you agree with the IPSASB's proposed approach under these themes? Are you aware of any ongoing initiatives that the IPSASB should monitor/be involved in?**



**Other issues?**

