

By: Caroline Aggestam-Pontoppidan, Ph.D.

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Accounting for social benefits, making financial statements more useful, the governance of the International Public Sector Accounting Standards Board (IPSASB) and agency-level financial reporting were four of the themes discussed at a recent international gathering of standards-setters.

The Organisation for Economic Co-operation and Development (OECD) hosted its 12th annual public sector accruals symposium March 8 and 9 at OECD headquarters in Paris. More than 60 delegates gathered to hear presentations on accounting standards and financial reporting. In addition, the International Monetary Fund (IMF) and the Statistical Office of the European Commission (EUROSTAT) discussed accrual accounting in the public sector.

The symposium began with presentations by the international standards-setting boards: IPSASB and the International Accounting Standards Board (IASB), IMF, EUROSTAT and three individual country's standards-setting boards. They were the Federal Accounting Standards Advisory Board (FASAB) for the United States, the Public Sector Accounting Standards Council (CNOCP) for France and the South African Accounting Standards Board (SAASB).

IPSASB focused on providing an overview of its strategic themes for 2010-2012, which cover the development of the Public Sector Conceptual Framework; maintenance of alignment with International Financial Reporting Standards (IFRS) and statistical accounting. IASB provided an update of its key standard-making activities—financial instruments, leases and revenue recognition. Special focus was placed on the joint project on investment entities by the Financial Accounting Standards Board (FASB) and the IASB. IMF and EUROSTAT both focused their presentations on recent

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development in government finance statistics. EUROSTAT provided a focus on the suitability of IPSAS for European Union member states.

The IMF and EUROSTAT then gave an update on accruals accounting in a few individual countries. The U.S. was represented by a FASAB representative, who offered an overview on recently completed projects and on prospective ongoing projects. Concerns had been raised about the costs versus the benefits of the federal financial reporting model. To address such concerns, it was noted that a few past studies have been reviewed and a future FASAB study is under consideration on the following issues:

- FASAB user needs study (citizen focus groups and surveys)
- OECD assisted survey regarding users of government-wide reports (2010)
- Federal Chief Financial Officers (CFO) Council report on results of CFO Act (financial statement audits at component entity level) (2011)
- OECD assisted survey of country practices regarding component entity reports (2011)

The second key component of FASAB's presentation concerned the notion of a federal entity, for which standards are now being developed. A few of the main questions considered by FASAB in working on such standards are:

- what to include (all entities "established by" the federal government or a subset)?
- how to present information (all consolidated, some separately displayed or disclosed)?

- what distinguishes "related" parties from parties included in governmental reports?

The South African standards-setter (ASB) provided an overview of their work in establishing accrual accounting standards for the public sector. It was explained in the presentation that the work combined the standards issued by the IPSASB, namely International Public Sector Accounting Standards (IPSAS) and IFRS while at the same time considering national requirements.

The CNOCP of France discussed its 2012-2013 work plan as well as an overview of a number of opinions issued during 2011. The CNOCP is an advisory body under the authority of the Minister for the Budget that publishes preliminary advice on all the legislative texts concerning accounting issues relevant to any entity within its jurisdiction. The opinions covered the service concession arrangements, segment reporting for central government and financial instruments.

After the presentations from the selected individual countries, the accruals symposium was dedicated to its three key thematic subjects: accounting for social benefits, making financial statements more useful to end users, and agency-level financial reporting.

Accounting for social benefits was the first of the three key thematic subjects of the symposium. The United States (Department of Treasury), New Zealand (the Treasury) and France (CNOCP and the Court of Audit) all addressed this topic. It was emphasized by the U.S. Department of Treasury that the objective of accounting for social benefits was to "help read-

ers assess whether future budgetary resources will likely be sufficient to sustain public services and meet obligations as they come due."

The second subject was that of making financial statements more useful to users. Presentations were provided by representatives from Australia, France and the United Kingdom. Recurring themes were the importance of transparency, accountability, completeness, comparability and the complementary information, which has the potential to support longer-term fiscal forecasting and management.

The third and final theme was that of agency-level financial reporting. Insight was given by the U.S. (FASAB), Spain (Ministry of Economy and Finance) and Sweden (National Financial Authority).

The two-day accruals symposium closed with some reflections on its future work program. To read more and to download the presentations given at the OECD accruals forum, go to www.oecd.org. ■



Caroline Aggestam-Pontoppidan, Ph.D. is an associate professor at Copenhagen Business School, Department of Accounting and Auditing. As a practitioner, Pon-

toppidan carries out assignments in the field of accrual accounting in the public sector at the international level.