

EXAM PREPARATION FOR ACCA INTERNATIONAL PUBLIC SECTOR ACCOUNTING STANDARDS (IPSAS)

COURSE OVERVIEW

Since 1997, the International Public Sector Accounting Standards Board (IPSASB) has developed and issued 38 accrual standards, and a cash basis standard for countries moving toward full accrual accounting. Governments that report on a cash-basis do not account for significant liabilities, such as pensions and infrastructure development; as a result, the IPSASB encourages public sector entities to adopt the accrual basis of accounting—which will improve financial management and increase transparency resulting in a more comprehensive and accurate view of a government's financial position. Through our analysis of the standards, we will explore how to migrate an entity toward IPSAS compliance.

The financial and sovereign debt crises emphasized the need for better financial reporting by governments worldwide, and the need for improvements in the management of public sector resources. In this course we will tackle the objectives and introduce the key steps that allow an entity to move toward meaningful reform, including the adoption and implementation of accrual accounting and International Public Sector Accounting Standards (IPSAS).

Many governments, jurisdictions, and international institutions have already adopted IPSASs—many more are on the road to implementing the standards. This course will provide the knowledge and offer the skills needed to make the journey to IPSAS compliance.

TARGET COMPETENCIES

- Cost-benefit assessments for implementation
- Implementing Recommend Practice Guidelines
- The background necessary for the application of international accounting standards for the public sector
- The accounting treatments of assets, liabilities, equity, revenues, and expenses under IPSAS

COURSE OBJECTIVES

By completely attending this course, participants will be able to:

- Understand background and key characteristics of the public sector
- Understand IPSASs for accrual basis of accounting and cash basis of accounting
- Asses the strategy and work plan of the IPSASB
- Analyze the procedures for developing and reviewing accounting Standards

TARGET AUDIENCE

Professionals looking to enhance their knowledge of International Public Sector Accounting Standards (IPSAS), Finance professionals looking for a refresher on International Public Sector Accounting Standards (IPSAS).

NOTE

This course requires the use of laptops with Excel 2019/365. Delegates must bring their own laptops with Windows-based Excel fully installed.

COURSE METHODOLOGY

This course primarily relies on lecture and class discussion, although we also utilize in-class individual and group exercises to illustrate theory and practice relevant to financial decision-making regarding International Public Sector Accounting Standards (IPSAS). Class participants should bring a laptop to the course, preferably with Excel, and should have a basic familiarity with the workings of Excel software. Basic uses of Excel will be reviewed in class. A limited number of more advanced calculations will be explained in detail during the class.

COURSE OUTLINE

OVERVIEW

- Introduction and Background
- Structure and organization of IPSASB
- Objectives of the IPSASB
- Governance and oversight of the IPSASB
- Members of the IPSASB
- The strategy and work plan of the IPSASB

INTERNATIONAL ACCOUNTING STANDARDS FOR THE PUBLIC SECTOR

- Overview of international accounting standards for the public sector
- History of the International Public Sector Accounting Standards
- General purpose financial statements
- Authority of the International Public Sector Accounting Standards
- IPSASs for accrual basis of accounting and cash basis of accounting
 - Provisions for the transition from the cash basis to the accrual basis of accounting
- Background to the application of international accounting standards for the public sector
- Procedures for developing accounting standards
 - Process for reviewing & modifying IASB documents
 - Process for considering GFS reporting guidelines during development of IPSASs

IPSASB'S CONCEPTUAL FRAMEWORK FOR GENERAL PURPOSE FINANCIAL REPORTING BY PUBLIC SECTOR ENTITIES

- Background and key characteristics of the public sector
- Objectives and users of general-purpose financial reporting (GPFR)
- Qualitative characteristics
- Exploring the reporting entity
- Elements in the financial statements
 - Recognition in financial statements
- Measurement of assets & liabilities in financial statements
- Presentation in GPFR's Process for considering GFS reporting guidelines during development of IPSAS's

OVERVIEW OF ACCRUAL BASIS IPSAS AND RECOMMEND PRACTICE GUIDELINES (RPG'S)

- Introduction, discussion, and analysis of the IPSASs
 - IPSAS 1: Presentation of Financial Statements

- IPSAS 3: Accounting Policies, Changes in Accounting Estimates and Errors
- IPSAS 6: Consolidated & Separate Financial Statements
- IPSAS 33: First-time Adoption of Accrual Basis International Public Sector Accounting Standards
- IPSAS 34: Separate Financial Statements
- IPSAS 35: Consolidated Financial Statements
- Evaluation for the accounting treatments of assets, liabilities, and equity
 - IPSAS 5: Borrowing Costs
 - IPSAS 11: Construction Contracts
 - IPSAS 12: Inventories
 - IPSAS 13: Leases
 - IPSAS 15: Financial Instruments: Disclosure and Presentation
 - IPSAS 16: Investment Property
 - IPSAS 17: Property, Plant and Equipment
 - IPSAS 19: Provisions, Contingent Liabilities and Contingent Assets
 - IPSAS 21: Impairment of Non-Cash-Generating Assets
 - IPSAS 26: Impairment of Cash-Generating Assets
 - IPSAS 28: Financial Instruments: Presentation
 - IPSAS 29: Financial Instruments: Recognition and Measurement
 - IPSAS 30: Financial Instruments: Disclosures
 - IPSAS 31: Intangible Assets
- Evaluation for the accounting treatments of revenues and expenses
 - IPSAS 2: Cash Flow Statement
 - IPSAS 23: Revenue from Non-Exchange Transactions (Taxes and Transfers)
- IPSAS Implementation and reform Outlook
- Recommend Practice Guidelines
 - RPG 1: Long-Term Sustainability an Entity's Finances
 - RPG 2: Financial Statement Discussion and Analysis
 - RPG 3: Reporting Service Performance Information

COSTS VERSUS BENEFITS OF IMPLEMENTING ACCRUAL ACCOUNTING IN THE PUBLIC SECTOR

- Cost-benefit assessments for implementation
- Summary of expected benefits and positive impacts of implementing IPSASs
- Expected costs of implementing IPSASs
- 4 Expected challenges of IPSAS implementation

CLASS EVALUATION OF COURSE AND INSTRUCTOR