INDEX

accountability 13-14, 14-15	gains/losses 331, 332	available-for-sale investments
accounting estimates 102-4	measurement 329–31	295
accounting policies 101-5,	recognition 329	awareness training 385
118–19	amortized cost 297-8, 299	
accounting practices 11–16	annual pay leave 247–8	Ball, Ian 14, 16
accounts payable 243-4	annual rent 261	bank deposits 295
accrual-based IPSAS 23, 29,	approved budgets 38	bank overdrafts 353
33	ASHI see After-Service Health	benefits
see also IPSAS 33	Insurance	employee 243, 244-54,
accrual/accrual-based	assets	415
accounting	biological 328–34	of IPSAS 394–5
cash basis IPSAS 352	Conceptual Framework 38,	social 243, 254–5
IFAC recommendations 16	42, 43–50	bequests 218
key concepts 35-53	concession 179, 182–4	biological assets 328–34
principles-based 35–6	contingent 258, 262, 263,	Biosev Group 332–4
transition to IPSAS	267	BIPM see International Bureau
397-404	current 64, 167–73	of Weights and Measures
see also IPSAS 33	disposal of 153, 266	bonds 296
accruals 258-9	exchange revenue 229-30	bonus payments 248
accrued liabilities 243-4	finance leases 195	borrowing costs 144–6
actuarial valuations, UNESCO	grantor accounting 179	capitalization 145–6
251	heritage 131-2, 150	disclosures 146
adjusting events 106, 107	infrastructure 132-3,	long-term assets 144-6
adoption paths 396-404	182-4	qualifying assets 144-5
IPSAS cash to full accrual	jointry controlled 320,	borrowings 219
accounting 397-8	322–3	bridge construction example
modified to full accrual	measurement bases 43, 44,	177–8
accounting 398–404	45–7, 50	budget information
non-compliancy to IPSAS	net 72–3	budget vs actual amounts
cash accounting 397	non-exchange revenue	366–8
see also first-time adoption	210–14, 215	cash basis IPSAS 364-8
Africa see South Africa	ownership risks/rewards	key definitions 365
After-Service Health Insurance	191	presentation 364–8
(ASHI) 251	PP&E 129-33	transition to IPSAS 403-4
agents 220	right to use 189	budget reporting 271–83
see also principal-agent	self-constructed 130-1	comparing budget/actual
accounting	service concession 179,	amounts 276–80
aggregation 58-9	182–4	definitions of terms 275
agriculture 327–34, 337	see also financial assets;	disclosures 280, 281-3
biological assets 328-34	long-term assets	excessive deficit procedure
disclosure 331–4	associates 317–18	272
examples 331, 332-4	assumption price 49, 50	financial statements
fair value 329–31, 332	Austria 128, 139-42	273–83

Trim: 235mm $\times 187$ mm

432

Index

Printer: Yet to Come

budget reporting (Continued) third-party payments non-accumulating 247-8 IPSAS 24 273-83 359-60 compound financial instruments use of 368-70 nature of budgets 276 notes to statements 281-3 cash equivalents Conceptual Framework 5, 28, OECD example 273 cash basis IPSAS 352-3 35 - 53overview of presentation cash flow statements assets, measurement 38, 76-80 280 42, 43–50 presentation 273-83 financial instruments background/purpose 36 reconciliations 277-8 287 - 8chapter contents 39-53 Stability and Growth Pact cash flow statements 76-89, chapters listed 37 272 - 3336 content 36-53 terminology 275 cash equivalents 76-80 examples 40-1 WHO examples 274, classification of cash flows financial reporting 39, 278-9, 281-3 52 - 3disclosures 79-80, 88-9 financial statements 41-53 budgets, approved 38 GPFRs 39, 42, 49, 51-2 "build-operate-transfer" financing activities 82-3, arrangement 177 87-8 liabilities, measurement foreign currency cash 80 38, 42, 43–50 capitalization 130, 144-6 investing activities 82, 87 objectives 39 cash 241, 287-8 non-cash transactions 80-1 preface 37-8 cash basis IPSAS 351-72 OECD disclosure note presentation in GPFSs 49, 51 - 2budget information 364-8 79-80 cash vs accrual accounting operating activities 81-2, qualitative characteristics 352 39 - 4184–6 classification of cash presentation/structure 81-4 recognition 41-3 receipts 358 restricted cash 77-80 reporting entities 41 taxation 85-6, 88 consolidation 361-4 role and authority 39 controlled cash 353-4 UNESCO examples 77, WHO example 52-3 disclosures 360-1, 370-2 see also International 78, 82–3 cash receipts and payments, external assistance 368 Public Sector financial statements 355, statement of 355–9 Accounting Standards 364-8 eash transfers 241 Board cash/cash-based accounting conceptual training 385 foreign currency 364. 365 IFAC recommendations 16 concessions see service transition to IPSAS 397-8 Kline Municipality concession arrangements example 358-9 see also cash basis IPSAS consolidated financial Maldives Civil Aviation statements 308-17 close family members 110, 113 Authority 356–7, 366–8 commencement date of lease disclosures 316-17 mandatory part 351-2, 190 establishing control communication 384-5, 392-4 353-68 309 - 11nature of information comparative information exceptions 311-12 required 361 budget/actual amounts impairment losses 315 276-80 non-mandatory part 351–2, loss of control 314-15 370-2presentation of financial power indicators 309 reporting on net basis 357 statements 60 preparing 311-12 South African examples compensated absences 247-8 procedures 312-14 362-4, 366 accumulating 247 requirements 313-14 statement of cash receipts annual pay leave example South African example and payments 355–9 247 - 8310-11, 362-4

JWBK790-Aggestam

Index

433

Trim: 235mm $\times 187$ mm

transitional provisions	related party disclosures	depreciated replacement cost
315–16	111–12	approach, PP&E 136
types of arrangements	transferred funds 211–12	depreciation 134-6, 402
309–10	controlled cash 353-4	derivatives 288–9
consolidations 307–26	controlled entity, definition 308	design stage, transition to
associates, investments in	controlling entity, definition 308	IPSAS 382
317–19	cost of fulfilment 48, 50	diminishing balance
cash basis IPSAS 361-4	cost model	depreciation method 135
consolidated financial	intangibles 153	disclosures 109-22
statements 308–17	investment property	agriculture 331–4
disclosure of interests in	159–60	associates, investments in
other entities 326	PP&E 134–6, 401–2	318–19
hyperinflationary	cost plus contracts 235	borrowing costs 146
economies 337	cost of release 48, 50	budget reporting 280,
joint ventures 319–25	costs/costing	281–3
separate financial	amortized cost 297-8, 299	cash basis IPSAS 360–1,
statements 308, 325	construction contracts	270-2
strategic investments	235–8	cesh flow statements
307–26	inventories 170	79–80, 88–9
transition relief for 364	PP&E 128–9, 130–1	consolidated financial
construction contracts 234–8	credit risk 301, 303–4	statements 316–17
contract revenue/costs	crises, financial 15, 407	construction contracts
235–8	cumulative catch up method 297	238
cost plus contracts 235	currency, foreign 80, 304–5,	employee benefits 253–4
disclosures 238	364, 365	errors 105
fixed price contracts 235,	currency risk 302, 304–5	events after reporting date
236–8	current assets 167–73	106
percentage of completion	definition 64	exchange revenue 230
method 236–8	inventory 168–73	financial instruments
UNOPS example 234–5	types 167	300–5
what they involve 234	current liabilities, definition 64	GGS 116–22
constructive obligation 259–60,	current value measurements 45	hyperinflationary
265	1 120	economies 337
contingent assets/liabilities 253,	de-recognition 138	intangibles 153–4
262, 263, 267	debt	interests in other entities
see also provisions and	forgiveness 218	307, 326
contingencies	long-term fiscal	inventories 172–3
contracts construction 234–8	sustainability 343–4, 345	investment property 159–60
		leases 202–5
equity instruments 289–90	sovereign debt crisis 15, 407	
financial guarantee 292 onerous 261	Defence Ministry, UK 70, 105	non-exchange revenue 222–4
contributions received in		PP&E 142–4
advance 243–4	deferred payments 226 defined benefit plans 249–51,	provisions and
control	415	contingencies 266–9
consolidations 309–11,	funded plans 250	RPGs 341, 347–8
314–15	unfunded plans 250–1	segment reporting 93
intangibles 148	defined contribution plans	service concession
joint ventures 319–23	248–9, 415	arrangements 184–5
Joint ventures 319-23	270-2, 713	arrangements 104–3

Index

Printer: Yet to Come

disclosures (Continued) statement of changes in net fair presentation 56-7 statement of financial assets/equity 72–3 fair value performance 69 see also financial liabilities agriculture 329-31, 332 see also related party ERP see Enterprise Resource definition 192 disclosures Planning fair value model 159-60 discontinued operations 92-3 errors 104-5 financial instruments disposal of assets 153, 266 298-9, 300-1 estimates, changes in 102-4 dividends European Union (EU) 271–3 impairment 162 cash flow statements 83, 87 events after reporting date transition to IPSAS 401, events after reporting date 105 - 8405, 406 adjusting/non-adjusting 106 family members 110, 113 exchange revenue 229 events 106, 107 FAO see Food and Agriculture financial instruments authorizing statements for Organization 291 - 2issue 105 finance leases 190-2, 195-203 donations 218 disclosure 106 financial assets/liabilities 285-300 dividends 106 amortized cost 297-8 Ecology Ministry for the French going concerns 106 State 401 excessive deficit procedure, EU cash/cash equivalents economic entity, definition 308 287 - 8economic life, definition 192 definition 286-7 exchange revenue 207-9, economic useful lives. 225 - 30disclosures 300 definitions 152 assets 229-30 WHO example 294-5 employee benefits 243, 244-54 conditions to be met financial crises 15, 407 ASHI 251 227 financial guarantee contracts bonus payments 248 disclosures 230 292 compensated absences dividends 229 financial instruments 285-305 exclusions 225 247 - 8amortized cost 297-8 disclosures 253-4 interest 229 categories 293 key principles 415-16 measurement 225–7 compound instruments 291 recognition 225, 228 definition 385 long-term 416 derivatives 288-9 multi-employer plans rendering of services 252 - 3228 - 9disclosures 300-5 post-employment 245 royalties 229 dividends/interest/losses/ 248-51, 415 sale of goods 227-8 gains 291-2, 299 fair value 298-9, 300-1 profit-sharing 248 expenditure 133-4, 239-42 short-term 245, 246-7, 415 financial assets 285-9, expenses 207, 239-42 classification of 69 292-300 termination 245, 416 transition to IPSAS 402-3 definition 208 financial liabilities 285–9, UNESCO examples 251, inventory 171-2 292 - 8252 - 3non-exchange expenditure IAEA examples 287, 290, UNJSPF 250-1 239-42 overheads 171 WHO examples 243–4, impairment 299-300 overview 240 245 - 6initial recognition 292 Enterprise Resource Planning presentation 69–71 measurement 292-300 (ERP) 155-6, 402, 404 recognition 239-42 offsetting 292, 300 statement of financial presentation 289-92 equity instruments 285-6, 289-90 performance 68-71 public sector 31 method of accounting 315, subsequent, PP&E puttable instruments 289 322 133-4 recognition 292-300

Trim: 235mm $\times 187$ mm

Index

Printer: Yet to Come

risks/risk management 301–2, 303 UNWRA example 302–5	IPSAS 24 273–83 liability measurement 43–50	general government sector (GGS) 116–22 accounting policies
what they are 285–9	measurement bases 43–9,	118–19
WHO example 294–6	50	disclosure 116–22
financial liability model 179-80	notes 73–6	investments in other
see also financial	preparation frequency 400	sectors 119
assets/liabilities	presentation 56–60,	nature of 118
financial performance see	273–83, 364–8	New Zealand 120–2
statement of financial	recognition 41–3	role/objective of IPSAS 22
performance	RPG 2 344-6	117
financial position see statement	separate 308, 325	statistical reporting 117–18
of financial position	structure 60–89	general purpose financial
financial reports/reporting	transition to IPSAS 400	reports (GPFRs)
Conceptual Framework 39,	WHO example 52–3	Conceptual Framework 39,
52–3	year end changes 61	42, 49, 51
hyperinflationary	see also cash flow	elements of 42
economies 335-7	statements; consolidated	examples of users 55–6
New Zealand 121	financial statements;	financial statements 55–6
public sector accounting	statement of	RPGs 348
practices 14–16	financing activities 82–3, 87–8	general purpose financial
WHO example 52–3	fines 218	statements 49–53
financial risk management	first-time adoption	Generally Recognised
301–2, 303	non-exchange revenue	Accounting Practice
see also risks/risk	221–2	(GRAP), South Africa
management	PP&E and transition 142	111-12, 310-11, 366
Financial Statement Discussion	statement of financial	geographical segments 90
and Analysis (RPG 2) 344-6	performance 71	GGS see general government
financial statements 55–108	statement of financial	sector
accounting changes 100-4	position 65–7	gifts 218
asset measurement 43–50	see also IPSAS 33:	global convergence of public
authorizing for issue 105	transition to IPSAS	sector accounting 14–16
budget reporting 273–83	fiscal sustainability, long-term	going concerns 57–8, 106
cash basis IPSAS 355	339–44, 345	goods 227–9, 241
364–8	fit-gap analysis 383	government business enterprises
complete set 61	fixed price contracts 235, 236–8	(GBEs) 5–6, 30, 347
Conceptual Framework	fixed production overheads 171	government/governance
41–53	Food and Agriculture	IPSASB 23–8
content 60-89	Organization (FAO) 381	South African spheres of
discussion/analysis 344-6	foreign currency 80, 304–5,	111–12
elements 41	364, 365	transition to IPSAS
errors 104–5	forgiveness, debt 218	379-81
events after reporting date	funds/funding 26, 91	whole-of-government
105–8	2 /	accounts 90
frequency 60–89	G20 countries 16, 407	GPFRs see general purpose
general purpose 49–53	gains 266, 291–2, 331–2, 336	financial reports
GPFRs 55–6	gap analysis 390–2	grant of a right to the operator
hyperinflationary	GBEs see government business	model 179–80
economies 336	enterprises	grantor accounting 175, 179–82
		6 11, 13

436 Index

Printer: Yet to Come

grants 210-11, 214, 217-20 IFAC see International identifiable assets 147-8 Federation of Accountants internally generated 150-2 GRAP see Generally Recognised Accounting IFRS see International Financial long-term assets 146-57 Practice Reporting Standards measurement 148-9, Greece 15 impairment 160-6 152 - 3guarantees 182, 292 action indicated 161 non-exchange transactions guidelines, recommended disclosures 164-6 practice 339-48 fair value less costs to sell objective/scope of IPSAS 31 147 162 "held for sale" investments financial instruments recognition 148-9, 152-3 299-300 32.1-2revaluation model 153 held-to-maturity investments indicators 162 separately purchased 149 long-term assets 160–6 transitional provisions heritage assets 131-2, 150 loss 133-4, 163-4, 219, 154 - 7UNESCO example 156-7 historical cost 45, 47-8, 50 315 Hoogervorst, Hans 16 recoverable amount 162 interest 83, 229, 291-2 interest paid 83 hyperinflationary economies scenarios in IPSAS 26 161 327, 335–7 stages in process 161-2 interest rate risk 304 consolidation 337 testing 163 interest-free loans 219 UNESCO example 165-6 disclosure 337 internally generated intangibles economies ceasing to be value in use 162 150-2, 155 implementation stage, transition International Accounting 337 financial reporting 335-7 to IPSAS 382 Standards Board (IASB) 16, gains/losses on net in-kind, services 219 22 - 4monetary position 336 inception date, leases 190 International Accounting indicators of 335 India 369 Standards (IASs) 7-8 International Atomic Energy restated financial information statements 336 budget 364-8, 403-4 Agency see IAEA examples comparative 60, 276–80 International Bureau of IAEA examples location of 51 Weights and Measures accounting policy 102 long-term fiscal (BIPM) 102-4 cash/cash equivalents sustainability 341–2 International Federation of Accountants (IFAC) 3, 16, organization of 51-2 events after reporting date presented in GPFRs 49, 18-20, 407-8 108 International Financial 51 - 3Reporting Standards (IFRS) finance leases 199-200 service performance 346–8 financial assets 287 statement of cash receipts 7 - 8financial instruments 287, and payments 355-9 International Public Sector 290, 291 infrastructure assets 132–3, Accounting Standards inventories 172-3 182 - 4(IPSAS) PP&E 125, 129-30, 135 initiation stage, transition to brief descriptions 409–12 IPSAS 382 elements of 43 provisions and intangibles 146-57 IFRS equivalents 7-8 contingencies 267 segment reporting 91 control of 148 worldwide interest 408 IASB see International cost model 153 see also International Accounting Standards Board disclosures 153-4 Public Sector IASs see International disposal of 153 Accounting Standards Accounting Standards Board; IPSAS...; exchanges of assets 149 Iceland 176, 417-42 transition to IPSAS heritage assets 150

171

170 - 1

PP&E 168, 169

measurement 170

net realizable value

437

Index

Printer: Yet to Come

International Public Sector transition to IPSAS 400-1, IPSAS 16 (Investment Accounting Standards Board 404, 405, 406 Property) 157-60 (IPSASB) 3-4, 17-32 variable production IPSAS 17 (Property, Plant accountability 13 overheads 171 and Equipment) 124-44, current aspects 20-2 investing activities 81, 82, 87 400 - 2due process 22 investment property 157-60 IPSAS 18 (Segment Reporting) events that shaped the changes in use 158 89-100 board 18-20 disclosures 159-60 IPSAS 19 (Provisions, governance 23-8 Contingent Liabilities and disposal 159 IASB cooperation 22–3 long-term assets 157-60 Contingent Assets) 254–5, 257-69 IASB documents modified measurement 157-8 by 24 recognition 157-8 IPSAS 20 (Related Party IPSAS 33-8 29-30 investments Disclosures) 109–16 Likierman Review 19-20. in associates 317-19 IPSAS 21 (Impairment of Non-Cash-Generating strategic 308-17 members 21-2 IPSAS 1 (Presentation of Assets) 160-6 IPSAS 22 (Disclosure of new projects 31–2 Financial Statements) 6, new pronouncements 56–60, 400 Information about the 28 - 30IPSAS 2 (Statement of Cash General Government Sector) objectives of 21, 28 116-22 Flows) 76-89 oversight 23-8 IPSAS 3 (Accounting Policies, PSAS 23 (Revenue from PSC 18-20 Changes in Accounting Non-Exchange Transactions) 209 - 24Review Group options Estimates and Errors 24 - 8100 - 5IPSAS 24 (Presentation of reviewing/modifying IPSAS 5 (Borrowing Costs) Budget Information in documents 23-4 144 - 6Financial Statements) IPSAS 6 (Consolidated and Strategy Consultation 30, 273-83, 403-4 Separate Financial IPSAS 25 (Employee Benefits) Statements) 307-8, 308-17, Strategy and Work 244-54, 402-3 322 program 32 IPSAS 26 (Impairment of IPSAS 7 (Investments in two ways of addressing Cash-Generating Assets) issues 23 Associates) 307–8, 315, 160 - 6work agenda 21 317-19, 322 IPSAS 27 (Agriculture) work in process 28 IPSAS 8 (Interests in Joint 327-34, 337 Ventures) 307-8, 319-25 IPSAS 28 (Financial work-in-progress 30-2 Instruments: Presentation) see also Conceptual IPSAS 9 (Revenue from Framework 285, 288, 289–92, 298, 302 Exchange Transactions) inventory 168–73 225 - 30IPSAS 29 (Financial defining costs 170 IPSAS 10 (Financial Reporting Instruments: Recognition and disclosure 172-3 in Hyperinflationary Measurement) 285, 288-9, expensing 171–2 Economies) 335–7 292-4, 296-300, 302 IPSAS 11 (Construction fixed production overheads IPSAS 30 (Financial Contracts) 234-8 Instruments: Disclosures) IAEA example 172–3 IPSAS 12 (Inventories) 285, 298, 300-2 initial recognition 169-70 168 - 73IPSAS 31 (Intangible Assets)

IPSAS 13 (Leases) 140,

IPSAS 14 (Events after the

Reporting Date) 105–8

187-205

146 - 57

175-85

IPSAS 32 (Service Concession

Arrangements: Grantor)

438 Index

Printer: Yet to Come

IPSAS 33 (First-Time Adoption	leases 187–205	long-term assets 123–66
of Accrual Basis IPSASs)	classification 190–2,	borrowing costs 144–6
consolidations 308, 316,	193–4	intangibles 146–57
318, 324	determining when it is a	investment property
IPSASB 29	lease 188–90	157–60
long-term assets 142	disclosures 202–5	key questions to ask 124
measurement of revenue	examples 196-200, 204-5	non-current 123-66
221–2	finance 190–2, 195–203	PP&E 124-44
transition to IPSAS 376,	lessee accounting 194–200	long-term benefits 416
399, 404–6	lessor accounting 200–1	long-term fiscal sustainability
IPSAS 34 (Separate Financial	onerous contracts 261	339–44, 345
Statements) 29–30, 307–8,	operating 190-1, 195,	losses
325	201–5	agriculture 331, 332
IPSAS 35 (Consolidated	OSCE case study 140–2	financial instruments
Financial Statements) 29–30,	right to use an asset 189	291–2, 299–300
307-8, 316-17	risks/rewards of owning	hyperinflationary
IPSAS 36 (Investments in	asset 191	economies 336
Associates and Joint	sale and leaseback	in pairment 133–4, 163–4,
Ventures) 29–30, 307–8, 319,	transactions 201–2	299, 315
325	substance over form 193–4)·
IPSAS 37 (Joint Arrangements)	UNESCO examples 200,	Malaysia 369–70
29–30, 307, 325	204–5	Maldives Civil Aviation
IPSAS 38 (Disclosure of	leave, classification of 258-9	Authority 356–7, 366–8
Interests in Other Entities)	legal obligation, past events	mandatory part of cash basis
29–30, 307, 326	259	IPSAS 351-2, 353-68
IPSAS adoption see IPSAS 33;	lessees 194–200, 202–4	see also cash basis IPSAS
transition to IPSAS	lessors 200–1, 203–4	market risk 301
IPSASB see International	liabilities	market value 46, 48, 50
Public Sector Accounting	accrued 243-4	materiality 58–9
Standards Board	AŠHI 251	measurement bases 43-9, 50
IPSASB Governance Review	Conceptual Framework 38,	assets 43, 44, 45–7, 50
Group (Review Group) 24–8	42, 43–50	entity/non-entity specific
	contingent 258, 262, 263	44, 50
Joint United Nations	finance leases 195	entry/exit values 44-5, 50
Programme on HIV/AIDS	grantor accounting	examples 44, 48, 50
(UNAID) 66-7, 71	179–80, 181	in financial statements
joint ventures 319–25	measurement bases 44,	43–9, 50
binding arrangements	47–50	liabilities 44, 47–50
319–20	non-exchange expenditure	observable/unobservable
disclosures 325	241–2	measures 44–5, 50
joint control 319–23	non-exchange revenue	reflecting time value of
proportionate	215	money 45
consolidation 324	see also financial	summary 50
transitional provisions 324	assets/liabilities	Memorandum of Understanding
types of 320–3	Liberia 368–9	(MoU) 22-3
judgements 75	Likierman Review 19-20, 23	minimum lease payments,
	liquidity risk 301	definition 192
Kline Municipality example	loans 219, 297–8, 303	Ministry of Defence, UK 70,
358–9	LOLF standards, France 402	105

assets not considered as

changes under IPSAS 33

debt forgiveness 218

grants received 210-11

measurement 215-24

principal-agent 220

recognition 211-12,

services in-kind 219-20

disclosures 222-4

donations 218

liabilities 215

217-18

fines 218

gifts 218

212

bequests 218

221 - 2

439

Index

Printer: Yet to Come

miscellaneous provisions tax revenue 207-10. 268-9 215 - 17mitigation, OSCE case study transferred assets 211-14, 390 - 2215 388 MoU see Memorandum of transitional provisions Understanding 221 - 2multi-employer plans 252–3 UNESCO examples 219, 223 - 4net assets 72-3 non-exchange transactions 38, net basis reporting 84 129-30, 150 388 net realizable value 170-1 non-mandatory part of cash net selling price 46–7, 50 basis IPSAS 351-2, 370-2 New Public Management see also cash basis IPSAS (NPM) 19-20 notes to financial statements New Zealand (NZ) 120-2, 137, 73 - 6184 - 5budget reporting 281–3 Nigeria 397 disclosures required 73–4 non-adjusting events 106, 107 discontinued operations non-cash transactions 80-1 non-current assets see estimating uncertainty long-term assets 74 - 6non-exchange expenditure events after the reporting payments 239 - 42date 108 inclusions required 73-4 accounting for 241–2 cash transfers 241 OECD disclosure note goods and services 241 79-80 two section, 73 lack of standard for 239 types of 240-1 UNESCO examples 77, 78 UNESCO example 242 use of estimates 75–6 NPM see New Public views of liability 241–2 non-exchange revenue 207-24, Management 230 NZ see New Zealand

> OECD see Organisation for Economic Cooperation and Development offsetting 59-60, 292, 300 onerous contracts 261 operating activities 81-2, 84-6 operating leases 190-1, 195, 201 - 5Organisation for Economic Cooperation and Development (OECD) 79-80, 273 Organisation for Security and Co-operation in Europe (OSCE) case studies 128, 139-42, 388-95

adoption over three years 389-90 adoption without budget benefits of adoption 394–5 communication 392-4 gap analysis 390-2 mitigation 390-2 observation of UN system PP&E 139-42 training 394–5 transition to IPSAS 388-95 overdrafts 353 overheads 171 ownership of assets 191 partnerships 184–5 past events 259–60 pay, annual leave 247–8 payables 258-69 bonus 248 deferred 226 minimum lease 192 pensions 242 statement of cash receipts and 355-9 by third parties 359–60 PBE see Public Benefit Entity pensions 242, 343 see also post-employment benefits percentage of completion method 228-9, 236-7 performance 14, 346–8 see also statement of financial performance policies 101-5, 118-19 post-employment benefits 245, 248-51, 415 PP&E see property, plant and equipment present obligation 260 present value 264 presentation

aggregation 58-9

budget information 364-8

440 **Index**

Printer: Yet to Come

presentation (Continued)	property see investment	contingencies 257, 262–4
budget reporting 273–83	property; property, plant and	disclosures 266–9
cash basis IPSAS 364–8	equipment	exclusions from IPSAS 19
cash flow statements	property, plant and equipment	257
81–4	(PP&E) 124–44	IAEA example 267
comparative information	capitalization threshold	key definitions 258
60	130	leave, classification of
fair presentation 56–7	cost model 134–6, 401–2	258–9
financial instruments	de-recognition 138	measurement 263–4
289–92	definition 126	onerous contracts 261
financial statements 56–60,	depreciation 134-6, 402	past events 259–60
273–83, 364–8	disclosures 142–4	payables 258–69
going concerns 57–8	Ecology Ministry for the	provisions 257–9, 263–4,
GPFRs 49, 51	French State 401	265
IPSAS 1 58–9	elements of cost 128–9	restructuring 261–2, 264–6
IPSAS 24 273–83, 403–4	examples 44, 127–31, 135,	WFP example 268–9
materiality 58–9	143–4, 400, 401	PSC see Public Sector
offsetting 59–60	heritage assets 131–2	Committee
statement of financial	IAEA examples 125,	Public Benefit Entity (PBE),
performance 69–71	129–30, 135	• NZ 120–2
principal-agent accounting	infrastructure assets 132–3	public sector accounting
231–4	initial recognition 128–9	practices 11-16
distinguishing principal	inventory 168, 169	accountability 13-14
from agent 232	New Zealand classes 137	convergence of 11, 14–16
grants received 220	non-exchange transactions	transparency 11-12, 14-15
identification aspects	129–30	public sector assets/liabilities 38
231–4	objectives/scope of IPSAS	public sector combinations,
impacts on accounting	17 125–6	IPSASB 30
231–4	OSCE case study 139–42	Public Sector Committee
principal-agent relations	professional judgment	(PSC), IFAC 18-20
233	138–42	public sector entities
UNOPS example 233–4	revaluation model 136–8	cash basis IPSAS 368
principles-based accrual	self-constructed assets	Conceptual Framework
accounting 35–6	130–1	preface 38
prior period errors 104	subsequent expenditure	discontinued operations 92
production overheads 171	133–4	external assistance 368
professional judgment 138-42	transition to IPSAS 400-2,	and IPSAS 4-6
profit-sharing 248	405	key characteristics 413-14
project management of	transitional provisions 142	non-exchange revenue 207
transition 375, 377-95, 406	UN example 400	regulatory role 38
continuous activities	UNDP example 127–8	public sector programs 38
384–6	UNESCO example 131,	public sector specific financial
implementation summary	143–4	instruments 31
386–95	use and control 126-8	public-private partnerships
manager perspective	vehicle useful life 139	184–5
377–95	proportionate consolidation 324	see also service concession
OSCE case study 388–95	provisions and contingencies	arrangements
process of transition 382-4	257–69	puttable financial instruments
project boards 380–1	accruals 258-9	289

JWBK790-Aggestam

441

Index

IPSAS 20 required quality management 386 restructuring disclosures 114 events that may be receipts 355-9 management 112-13 included 265 gains from asset disposal recognition significant influence 111 - 12agriculture 329 exchange revenue 225, substance over form minimum content of plan 228 113 265 expenses 239-42 UNDP example 114-15 provisions and financial instruments WHO example 116 contingencies 261-2, 292-300 relevance 40 264-6 rendering of services 228-9 retrospective application of financial statements 41–3 intangibles 148-9, 152-3 rent, annual 261 policy 101 inventories 169–70 replacement cost 46, 50 revaluation model 136-8, 153, investment property 157-8 reporting 401 - 2joint control 321 revenue 207-38 events after reporting date leases 195 105 - 8construction contracts 234-8 non-exchange revenue on net basis 357 definitions 201 211-12, 217-18 reporting entities 41 PP&E 128-30 statistical 38, 117-18 exchange 207–9, 225–30 see also budget reporting; sale of goods 227-8 long-term fiscal recommended practice financial reports/ sustainability 343, 345 guidelines (RPGs) 339-48 reporting; Reporting. non-exchange 207-24, 230 Financial Statement segment reporting principal-agent accounting Reporting on the Long-Term 220, 231-4 Discussion and Analysis (RPG 2) 344-6 Sustainability of an Entity's statement of financial Reporting on the Finances (RPG 1) 339–44, performance 67-8, 71 Long-Term 345 Review Group, IPSASB Sustainability of an dimensions of Governance 24-8 Entity's Finances sustainability 342–4, right to use an asset 189 (RPG 1) 339-44, 345 345 risks/risk management encouraged disclosures Reporting Service financial instruments Performance 341 301-2,303Information (RPG 3 form/content of long-term fiscal 346-8 information 342 sustainability 342-4, reconciliations 277-8 345 objective 340-1 regulatory role, public sector overview 340 provisions 264 entities 38 reporting information transition to IPSAS 386 "rehabilitate-operate-transfer" 341 - 2royalties 229 arrangement 177 sustainability overview RPGs see recommended related party disclosures 109–16 practice guidelines close family members 110, Reporting Service Performance rules-based accounting 36 113 Information (RPG 3) 346-8 control 111-12 sale of goods 227–8 definition of related party disclosures 347-8 sale and leaseback transactions 110 overview diagram 347 201 - 2types of service 346-7 segment reporting 89-100 general government sector 116 - 22requirement stage, transition to disclosures 93 identifying related parties IPSAS 382, 383-4 discontinued operations restricted cash 77-80 111 92 - 3

Printer: Yet to Come

segment reporting (Continued)	social benefits 243, 254-5	statistical reporting 38,
and fund accounting 91	South Africa	117–18
identifying segments	budget information	straight-line depreciation
89–91	example 366	method 134–5
major programmes	consolidations 310–11,	strategic investments see
example 94–6	362–4	consolidations
UNESCO example 97–100	GRAP 111-12, 310-11,	Strategy Consultation, IPSASB
UNOPS example 92	366	30, 31
whole-of-government	sovereign debt crisis 15, 407	Strategy and Work Program,
accounts 90	Stability and Growth Pact, EU	IPSASB 32
self-constructed assets 130-1	272–3	subsequent expenses, PP&E
separate financial statements	stakeholders 392	133–4
308, 325	statement of cash flow see cash	substance over form
separately purchased	flow statements	example 40–1
intangibles 149	statement of cash receipts and	leases 193–4
service concession	payments 355–9	related party disclosures
arrangements 175–85	statement of changes in net	113
bridge construction	assets/equity 72–3	sustainability 339–44, 345
example 177–8	statement of comparison of	54544144511ty 555 11, 515
"build-operate-transfer"	budget and actual amounts	taxation
177	277–9, 366–8	calculation example 217
concession assets 182–4	statement of financial	cash flow statements 85–6,
disclosures 184–5	performance 67–72	88
financial liability model	expenses 68–71	non-exchange revenue
179–80	first-time adoption 71	209–10, 215–17
grant of right to the	hyperinflationary	revenue 207–10, 215–17
operator model 179–80	economies 336	taxable events 216
grantor accounting 175,	management disclosures	types of taxes 216
179–82	69	termination benefits 245, 416
mixed concessions	presentation methods	third parties 158, 359–60
	69	
example 181	\ \	"tone at the top" 380, 406
"rehabilitate-operate- transfer" 177	UK Ministry of Defence	training 384–5, 394–5, 406
	2013 70	transferred assets 210–14
scope of IPSAS 32 177	UNAID example 71	conditions 213–14
typical features 178	UNESCO example 68	control of funds 211–12
service performance 346–8	statement of financial position	recognizing 211–12
service segments 90	62–7	restrictions 214
services	additional information	stipulations on 212–13
in-kind 219	required 65	transition to IPSAS 375–406
long-term fiscal	current/non-current	best practice 386–8
sustainability 342–3,	63–5	business case 381, 382
345	first-time adoption 65–7	challenges 377, 396
non-exchange expenditure	hyperinflationary	critical components
241	economies 336	378–80
rendering of 228–9	included items 64–5	governance aspects
share capital 65	share capital 65	379–81
short-term benefits 245, 246–7,	UNAID example 66–7	Iceland case study 417–24
415	UNESCO example 62–3	implementation aspects
significant influence 111–12,	statements see financial	380, 386–95
317–18	statements; statement of	IPSAS 33 376, 399, 404–6

Index

(UNICEF) 381

Index

Printer: Yet to Come

443

key success factors 378 United Nations Development long-term fiscal Programme (UNDP) 114-15, Nigerian adoption 397 sustainability 343 127 - 8OSCE case study 388-95 transition to IPSAS 376-7, post-implementation stage United Nations Economic and 381, 383, 385-8, 400-1, 386 Social Commission for Asia 403-4 pre-implementation and the Pacific (UNESCAP) see also IAEA examples; conditions 379 385 United Nations... range of situations 376, United Nations Educational, UNJSPF see United Nations 396-404 Scientific and Cultural Joint Staff Pension Fund stages of adoption 382 Organization (UNESCO) UNOPS see United Nations starting point for 396–404 examples Office for Project Services transition period 389–90, cash flow statements 77, UNRWA see United Nations 404-5, 405 78,82-3Relief and Works Agency UN adoption 376-7, 381, employee benefits 251, useful lives 139, 152 383, 385, 386–8, 400, 252 - 3impairment 165-6 value in use 47, 50, 162 see also adoption paths; intangibles 156-7 variable production overheads project management of leases 200, 204-5 171 transition non-exchange expenditure ventures, joint 319–25 transitional provisions 242 Vienna, Austria 128, 139–42 consolidated financial non-exchange revenue WFP see World Food statements 315-16 219, 223-4 intangibles 154-7 PP&E 131, 143-4 Programme segment reporting 97–100 joint ventures 324 WHO see World Health non-exchange revenue statement of financial Organization 221 - 2performance 68 whole-of-government accounts statement of financial PP&E 142 90 see also transition to position 62–3 work of IPSASB 21, 28, **IPSAS** transition to IPSAS 383 30 - 2transparency 11-12, 14-15 World Food Programme (WFP) United Nations Joint Staff treasury single accounts 360 Pension Fund (UNJSPF) 12-13, 268-9, 328 Treaty on Stability, 252 - 3World Health Organization United Nations Office for (WHO) examples Coordination and Government, EU 271-2 Project Services (UNOPS) budget reporting 274, 278-9, 281-3 examples UN see United Nations contributions received in construction contracts UNAID see United Nations 234 - 5advance 243-4 Programme on HIV/AIDS principal-agent accounting employee benefits 243-4, uncertainty 74-6, 264 233 - 4245 - 6UNDP see United Nations segment reporting 92 financial instruments Development Programme United Nations Programme on 294-6 UNESCAP see United Nations HIV/AIDS (UNAID) 66-7, financial reports/ Economic and Social 71 statements 52-3 Commission for Asia and the United Nations Relief and related party disclosures Pacific Works Agency (UNRWA) 116 United Kingdom (UK) 70-1, worldwide interest in IPSAS United Nations (UN) 408 United Nations Children's Fund Elaboration on

Compiled by Marian Preston at INDEXING SPECIALISTS (UK) Ltd., Indexing House, 306A Portland Road, Hove, East Sussex BN3 5LP United Kingdom.

Accountability 14

year end changes 61

JWBK790-IND JWBK790-Aggestam Printer: Yet to Come October 31, 2015 8:42 Trim: 235mm × 187mm

Attp://www.pbookshop.com