BRIEFING TO
HIGH LEVEL COMMITTEE ON MANAGEMENT

By
Chandru Ramanathan
Chair, Task Force

24 September 2012
Washington, D.C.
PRESENTATION STRUCTURE

- IPSAS adoption status
- Recent Task Force activities
- Future of system-wide IPSAS project
### IPSAS ADOPTION STATUS

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- 24 Organizations
- Completed
- In progress
- Received Unqualified Audit Opinion
Sharing of experiences

- Increasing emphasis on post implementation issues
  - Property management challenges
  - Review of accounting policies – change of external auditors
  - Getting financial information from non-finance people
  - IT system changes, including ERP functionality
  - Improving the closure process and frequency of reporting
  - Sustaining IPSAS-compliance
    - IPSAS is highlighting more gaps

- Facilitation for sharing
  - Web-based discussion forums
  - Focus Groups
IPSAS Board related

- IPSAS continues to evolve
  - Four submissions of UN system views to IPSASB on their publications
  - Two more submissions in the pipeline
- Participation in quarterly meetings and dissemination of information
Management of Accounting Diversity

- Comparison of Financial Statements:
  - Phase 3 completed in Sep. 2012:
    - Comparative analysis of liabilities
    - Review of information accompanying financial statements (getting ready for upcoming standards on ‘Financial Statement Discussion & Analysis’)
  - Phase 4: will include 2012 IPSAS implementers

- Model note prepared on UNJSPF Accounting Treatment and Disclosure
Focus Groups

- IPSAS Dividends
  - Common approach to measurement
    - Benefits to Operations, Financial Management
    - Short & medium term
  - Costs - triggered by IPSAS-compliance

- Donor Reporting
  - Comparability affected by policy differences

- Statement of Internal Control (SIC)
  - IPSAS-inspired but much more than the Finance function
  - Differing maturity levels of organizations necessitate templates adapted to differences

- Accounting treatment for common premises
  - Greater convergence of views
LOOKING BEYOND 2013

Recommendations by Task Force and FB Network:

- **For 2014-2015**
  - Reduced resources of $1.562 million, by eliminating 1 P-4
  - 1 P-5, 1 P-4 & 1 GS, supplemented by consultants
  - Billing only for $862,205 net of prior years’ savings ($700k)
  - Compared to billing of $1.896 million for 2012-2013

- **Beyond 2015** (for ongoing IPSAS compliance support)
  - Institutionalize support under CEB framework
  - Reduce resources further
  - Retain expertise at senior level

HLCM approval requested for budget for 2014-2015
& to request review before end-2015, for institutionalizing beyond 2015.
THANK YOU