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Organisation de Coopération et de Développement Economiques  
Organisation for Economic Co-operation and Development

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English - Or. English

**PUBLIC GOVERNANCE AND TERRITORIAL DEVELOPMENT DIRECTORATE  
PUBLIC MANAGEMENT COMMITTEE**

**Working Party of Senior Budget Officials**

**THE 4th ANNUAL OECD PUBLIC SECTOR ACCRUALS SYMPOSIUM**

**ANNOTATED AGENDA**

**OECD Headquarters, Paris  
9-10 February 2004**

*Chairman: Mr. Ian McPhee, Deputy Secretary, Department of Finance and Administration, Australia*

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**Working Party of Senior Budget Officials  
Network on Financial Management**

**THE 4<sup>TH</sup> ANNUAL OECD PUBLIC SECTOR ACCRUALS SYMPOSIUM**

**Paris, 9-10 February 2004**

**Chairman: Mr. Ian McPhee**

**Deputy Secretary, Department of Finance and Administration, Australia**

**ANNOTATED AGENDA**

***Monday, 9 February 2004***

**9:30-10:00 Welcome and Opening Remarks by Chairman and OECD Secretariat**

*This session will include an update by the OECD Secretariat on accrual developments in individual Member countries.*

**10:00-11:00 Report by the International Accounting Standards Board (IASB)**

*The International Accounting Standards Board will present a general report on its activities, including the Improvements Project and an update on convergence between International and United States accounting standards, as issued by the Financial Accounting Standards Board (FASB).*

*The IASB will also provide information on specific projects of relevance to the public sector, including the Reporting Comprehensive Income activity.*

*This will provide background to the discussion of governments adopting GAAP-IPSAS.*

*The session will include a lead presentation by Mr. Kevin Stevenson, Director of Technical Activities, International Accounting Standards Board. The floor will then be opened to discussion among all delegates.*

11:00-11:30 Coffee

**11:30-13:00 Specific Transactions (I) and Report by the IFAC Public Sector Committee**

*The session will focus on the treatment of two specific transactions:*

- *Non-exchange revenue*
- *Social policy obligations*

*The IFAC Public Sector Committee has recently completed an extensive study of these issues and has issued an Invitation to Comment on its draft conclusions. Delegates will*

*have an opportunity to exchange views on these issues and provide feedback to the IFAC Public Sector Committee.*

*The IFAC Public Sector Committee will also update delegates on its work program and other recent developments, including the formation of an independent review panel for the PSC.*

*The session will include lead presentations by Mr. Philippe Adhémar, Chairman and Mr. Paul Sutcliffe, Executive Director, IFAC Public Sector Committee. The floor will then be opened to discussion among all delegates.*

13:00-14:30 Lunch Break

**14:30-16:00 Specific Transactions (II)**

*This session will be devoted to a discussion on varying practices in Member countries for the treatment of certain transactions, assets and liabilities. It will build on the discussion of these issues at previous meetings and seek to further advance dialogue on their appropriate treatment. The specific issues to be discussed will include:*

- *Military equipment (update)*
- *Heritage assets*
- *Credit programs - loans and guarantees*
- *Provisions, commitments, contingent assets and contingent liabilities*
- *Employer's pension schemes*
- *Others*

*An official from a Member country will introduce each issue. The floor will then be opened to discussion among all delegates.*

*The Chairman will determine the timing and length of discussion of each item according to the progress of the meeting.*

16:00-16:30 Coffee Break

**16:30-18:00 Valuation Issues**

*This session will focus on the various facets of valuation. This will include a discussion on historical cost versus current value. It will also focus on the definition of current value – Is it fair (market) value? Is market value relevant in the public sector context? What is the role of Depreciated Replacement Cost?*

*The session will include lead presentations by Mr. John Edge, Chairman, International Valuation Standards Committee (IVSC), and by individual Member countries on recent developments in their respective countries. The floor will then be opened to discussion among all delegates d.*

*The session will also include a discussion of the different approaches taken to the calculation of depreciation in a GAAP and a statistical framework, specifically the use of the “perpetual inventory model” in statistics.*

**18:00-20:00 Cocktail Hosted by the OECD**

*Salle George Marshall, Château de la Muette*

***Tuesday, 10 February 2004***

**9:30-11:00 Adopting Accruals**

*This session will focus on how governments can get the most from their investment in accruals - from a public finance, economic policy-making, managerial, parliamentary and transparency perspectives.*

*The session will also discuss the implications of adopting accrual accounting, while not adopting accrual budgeting.*

*Finally, the session will discuss how government financial statements can best be structured in order to present financial information in a user-friendly manner.*

*Following lead-in presentations from individual Member countries, the floor will be opened to discussion among all delegates.*

11:00-11:30 Coffee Break

**11:30-13:00 Harmonization of Accounting and Statistical Reporting**

*The session will review the differing treatment of specific transactions according to accounting (GAAP-IPSAS) and statistical (GFS) reporting and options for harmonizing them. A Catalogue of Issues will be distributed ahead of the meeting highlighting areas of difference.*

*This session will include a presentation by Ms. Lucie Laliberte, Senior Adviser, Statistics Department, International Monetary Fund and chair of the International Task Force on Harmonizing Public Accounts-ITFHPA. See Notes for further information on the ITFHPA.*

*Mr. Ian Mackintosh, Regional Financial Management Advisor, World Bank and Chairman of ITFHPA's Working Group I on GFS-GAAP/IPSAS harmonization will lead the discussion of individual items in the Catalogue of Issues. Delegates will have the opportunity to discuss each issue raised.*

**13:00 Closing Remarks by Chairman and OECD Secretariat**

## **NOTES**

### **MEETING LOCATION**

1. The meeting will take place at OECD Headquarters which is located at 2 rue André Pascal in the 16<sup>th</sup> arrondissement (district) of Paris. The closest metro station is “La Muette”.
2. The meeting will commence promptly at 9.30 a.m. Please be advised that for security reasons you will need to show your passport or national identity card in order to receive an entry pass. Please allow 10-15 minutes to finish these security formalities.
3. Please complete the attached Registration Form ahead of the meeting in order to facilitate entry formalities.

### **UPDATE ON ACCRUAL DEVELOPMENTS**

4. Member countries are encouraged to submit one-page updates on accrual developments in their respective countries and to verify that the financial management information contained in the OECD Budgeting Database on accrual practices in their respective countries is accurate. The OECD Budgeting Database is available on-line at [www.oecd.org/gov/budget](http://www.oecd.org/gov/budget).
5. Please submit this information to the Secretariat one week in advance of the meeting so that it can be properly analysed. The Secretariat’s presentation at the start of the Symposium will be based on this information. The one-page updates will also be assembled and distributed at the meeting.

### **HARMONIZATION OF GFS/GAAP-IPSAS – CATALOGUE OF ISSUES**

6. As noted, the Secretariat will circulate ahead of the meeting a Catalogue of Issues highlighting areas of difference in the treatment of specific transactions according to accounting (GAAP-IPSAS) and statistical (GFS) reporting and options for harmonizing them. This will serve as background information for the last session.

### **INTERNATIONAL TASK FORCE ON HARMONIZATION OF PUBLIC ACCOUNTS**

7. The Accruals Symposium will take place in conjunction with the meeting of the International Task Force on Harmonization of Public Accounts. Its mandate is attached. The Working Groups of the Task Force will meet jointly with the Accruals Symposium. Working Group I will meet in the afternoon of Tuesday, 10 February (to be confirmed). The full Task Force will meet on Wednesday, 11 February. Delegates to the Accruals Symposium are encouraged to attend these meetings. Further details on these meetings will be forwarded shortly.

**INTERNATIONAL TASK FORCE  
on HARMONIZATION of PUBLIC ACCOUNTS**

***MANDATE***

The objective of the ITFHPA is to study the feasibility of harmonization between the different international government accounting and statistical standards. These include the 1993 System of National Accounts (SNA), the 1995 European System of Accounts (ESA), the Government Finance Statistics Manuel (GFSM2001), the International Accounting Standards (IAS) / International Financial Reporting Standards (IFRS), and the International Public Sector Accounting Standards (IPSAS). IPSAS are based on IAS / IFRS and future references will be made to IPSAS only, except in cases where there is any divergence between them.

Specifically, the ITFHPA is mandated:

- *To identify differences that exist between the various standards in the treatment of specific transactions, assets and liabilities.*
- *To identify areas where harmonization between the various standards is considered feasible and desirable, and to take action to affect the necessary amendments.*
- *To identify areas where harmonization between the various standards is not considered feasible or desirable, and to assess the implications of remaining differences between the standards.*
- *To make recommendations to the Inter-Secretariat Working Group on National Accounts (ISWGNA), for amending the SNA*

The ITFHPA consists of a Steering Group, the Task Force itself, and two Working Groups.

The Steering Group of the Task Force consists of representatives of the relevant international organizations and associations engaged in this work and individual countries that have demonstrated major efforts in this field. At present the Steering group is composed of:

- The IMF, the OECD, the International Federation of Accountants-Public Sector Committee (IFAC-PSC), Eurostat, the European Central Bank (ECB), and the International Accounting Standards Board (IASB)
- Australia and the United Kingdom. Additional countries may join the Steering Group in accordance with the above criteria.

The Task Force itself consists of senior statisticians and senior accounting policy officials from all interested countries, as well as representatives of international organizations.

Working Group I of the Task Force will focus on harmonization issues between GFSM 2001 and IPSAS. (Issues identified as relevant to the other Working Group or other fora will be referred to the Task Force for further action as required).

Working Group II of the Task Force will focus on harmonization issues between GFSM 2001 and SNA/ESA. (Issues identified as relevant to the other Working Group or other fora will be referred to the Task Force for further action as required).

The ITFHPA is chaired by the IMF. Working Group I of the Task Force is chaired by IFAC-PSC. Working Group II is chaired by the OECD. The OECD provides the Secretariat for the Task Force and its component groups.

Meetings of the Task Force and the Working Groups will take place in conjunction with relevant OECD meetings of senior accounting policy and statistics officials.



## 4<sup>th</sup> OECD ACCRUALS SYMPOSIUM

Paris, 9-10 February 2004

### REGISTRATION FORM

(TO BE COMPLETED FOR EACH PARTICIPANT)

NAME (in block letters) \_\_\_\_\_

FIRST NAME \_\_\_\_\_

JOB TITLE \_\_\_\_\_

ORGANISATION \_\_\_\_\_

MAILING  
ADDRESS \_\_\_\_\_

\_\_\_\_\_

COUNTRY \_\_\_\_\_

TELEPHONE \_\_\_\_\_

FACSIMILE \_\_\_\_\_

E-MAIL ADDRESS \_\_\_\_\_

**Please return the completed form to:**

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