

**To: IPSASB Technical Director**

**Date: August 2014**

### **Questions**

***1. Do you agree with the IPSASB's tentative view on its strategic objective for the period from 2015 forward? If not, how should it be revised?***

Yes, I agree with the strategic objectives.

However, it should be extended to also include “**develop IPSAS implementation guidance**”. A lot of awareness has been created in Africa and the countries want to implement the standards but don't know “how to”. While I acknowledge the Board roles as that of standard setting, to meet the increasing demand of countries wanting to implement the standard, the Board should play the instrumental and stop gap role of developing necessary implementation tools. This should include: strategy to implement IPSAS; template financial statements especially for countries that have made a decision to transition to accrual based IPSAS over a number of years, a framework that such countries can use etc. Constantly, countries are requesting for such a **framework** as they have moved beyond cash basis of reporting. On the other hand, especially in Africa, there is limited expertise to develop such guidance hence the need for the Board to step in. The Board should consider inviting partners to develop the guideline and hence address resource gap. The above would address existing risk where consultants are providing wrong advice to Governments: say to apply Cash Based IPSAS where a country has already moved beyond cash basis of reporting.

***2. Do you think that the two outcomes identified are appropriate for achieving the strategic objective? If not, what outcomes do you think are more appropriate?***

Since the strategic objectives are linked to Public Finance Management, I am of the view that the outcomes should also be closely aligned to the expected outcome of a country operating an effective PFM system, namely: aggregate fiscal discipline and stability, strategic and efficient allocation of resources and delivery of quality services to citizens.

***3. Do you think that the outputs identified will assist in achieving the outcomes? If not, what outputs do you think the IPSASB should focus on?***

In respect to presentations, speeches and other outreach activities in order to engage with stakeholders, I am of the view that the Board should:

- a. Extend the stakeholders to include professional accountancy organizations, the Cabinet (in addition to the Minister of Finance) and civil society organizations.

The PAOs should serve as the Board's ambassadors in promoting the standards in the countries especially with the Government authorities, support the Government to implement the standards by developing implementation strategies and guidelines and holding Government hands throughout the process, including IPSAS subjects in the professional and technician qualification etc. Engaging the entire cabinet will enhance the knowledge on the importance and contribution of the standards on service delivery. Civil Societies empowerment would accelerate the demand for good governance which requires application of the standards.

- b. "Sharpen" the awareness message to focus on improved fiscal discipline and service delivery by adopting the standards i.e. focus on why. In this regard, the Board should consider designing brochures with such a message that can be used by the IPSAS ambassadors. The discussion with the Government authorities should not be adopt IPSAS standards but rather to enhance service delivery, it is important for the country to have quality financial information which can be produced by adopting IPSAS standards.

***4. What changes to feedback mechanisms should the IPSASB make to ensure it is fully informed about the views of its stakeholders?***

- Use questionnaires or survey with professional accountancy bodies (annually)
- Use questionnaires or survey with Accountant –Generals (annually). Develop a data base of AGs.

***5. Do you agree with the five key factors the IPSASB considers in deciding to initiate a project and assessing its priority? Are there other factors you think should be considered?***

Agreed

***7. Of the three options identified in relation to the Cash Basis IPSAS, which would you recommend the IPSASB select? Please provide the rationale for your recommendation.***

Retain the Cash Basis IPSAS and complete the review project using existing IPSASB resources with proviso that the Board develops a framework that can be used by countries that are transitions to accrual based standards over a number of years (as mentioned in 1 above).

The Cash Basis standards would be relevant and of benefit to the countries that are in the initial stages of developing their financial reporting regimes in the public sector. It is important to have a standard that they can refer to.

***8. Considering the various factors and constraints, which projects should the IPSASB prioritize and why? Where possible please explain your views on the description and scope of the project.***

Yes, prioritize ensuring that IPSAS standards that are based on IFRS are updated regularly to ensure they are in line with the latest respective IFRS. This will address existing perception that there are major differences between IPSAS and IFRS and also enhance quality.

Please note that the above are personal comments and are not of the organization that I serve in.

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