

IFAC Issues Policy Position Paper on Enhancing Organisational Reporting

The International Federation of Accountants (IFAC), recently issued Policy Position Paper 8, Enhancing Organisational Reporting, to emphasise the importance and usefulness of reporting broad-based information beyond that which is provided in traditional financial reporting. Enhanced organisational reporting provides a more complete view of an organisation's position, performance, and longer term potential and sustainability, and is in the public interest. It provides important information for both internal and external stakeholders to support managing and directing operations, decision making, promoting transparency, and the discharge of accountability. The accountancy profession has a history of involvement in developing and improving reporting processes and controls, and identifying and reporting key financial and other information. IFAC believes that the accountancy profession has a key role to play in enhancing organisational reporting.

(Source: <http://www.ifac.org/>)

IASB Announces New Staff Group to Focus on Disclosure Initiative

The International Accounting Standards Board (IASB) recently announced the formation of a new staff group to work on its Disclosure Initiative. The IASB has been developing short- and medium-term strategies to address concerns about how financial information is disclosed. The work gained momentum after the IASB's public Discussion Forum on Disclosure, which was held in London in January this year. The initiative brings together members of the IASB's standard-setting team with the eXtensible Business Reporting Language (XBRL) team. The creation of a combined team of standard-setting and electronic reporting experts reflects the increasing importance of electronic filing of financial information. The integration of the XBRL team into the IASB's work programme also completes a major aspect of the recent strategic review of XBRL by the International Financial Reporting Standards (IFRS) Foundation Trustees, who oversee the work of the IASB.

(Source: <http://www.ifrs.org/>)

IFAC, IPSASB Represented at World Bank Group-IMF Seminar

IFAC Chief Executive Officer Faye Choudhury and International Public Sector Accounting Standards Board (IPSASB) Deputy Chair Ron Salole recently participated in

a World Bank Group-International Monetary Fund (IMF) seminar, *Strengthening Fiscal Transparency and Government Accounting*, held last month in Washington, DC. The seminar was part of the World Bank Group-IMF 2013 Annual Meeting, bringing together central bankers, ministers of finance and development, private sector executives, and academics to discuss issues of global concern, including the world economic outlook, poverty eradication, economic development, and aid effectiveness. The panel explored the importance of accrual accounting, opportunities and challenges with its implementation, and the role that the International Public Sector Accounting Standards (IPSASs) play for transparency and quality of government accounting. The event also featured regional briefings, press conferences, and other events focused on the global economy, international development, and the world's financial systems. The IMF also used the seminar to launch the new Fiscal Transparency Code, which will serve as a basis for a renewed push for greater fiscal transparency.

(Source: <http://www.ifac.org/>)

IASB Proposes Limited Amendments to the IFRS for SMEs

The International Accounting Standards Board (IASB) recently published for public comment an Exposure Draft of proposed amendments to the *IFRS for SMEs*, which it developed based on its initial comprehensive review of the *IFRS for SMEs*. When it issued the *IFRS for SMEs* in July 2009, the IASB stated its plans to undertake an initial comprehensive review of the *IFRS for SMEs* to enable it to assess the first two years' experience that entities would have had in implementing it and to consider whether there is a need for any amendments. In many jurisdictions, companies started using the *IFRS for SMEs* in 2010. Consequently, the IASB commenced its initial comprehensive review in 2012. In order to assist in the process of identifying which items to consider for amendment the IASB issued a Request for Information in June 2012 to seek public views and consulted with the SME Implementation Group, an advisory body to the IASB. After considering the feedback it received, and taking into account the fact that the *IFRS for SMEs* is still a new Standard, the IASB only proposes to make limited amendments to the *IFRS for SMEs*. Most of the proposed amendments clarify existing requirements or add supporting guidance, rather than propose changes to the underlying requirements in the *IFRS for SMEs*. Consequently, for most SMEs, the proposals are expected to improve understanding of the existing

requirements, without having a significant effect on the entity's financial reporting practices and financial statements. The proposals are open for comment until March 3, 2014.

(Source: <http://www.ifrs.org/>)

IFRS for SMEs Training Module 26 Share-based Payment

The IFRS Foundation Education Initiative has posted online a new module of its training material on the IFRS for SMEs: Module 26 Share-based Payment.

Module 26 covers Section 26 Share-based Payment of the IFRS for SMEs, which specifies the accounting for share-based payment transactions. Share-based payment transactions can be equity-settled, cash-settled or can provide a choice of whether the entity settles the transaction in cash (or other assets) or by issuing equity instruments.

(Source: <http://www.ifrs.org/>)

The Accountancy Profession and Employers Can Do More to Prepare Accountants for Finance Leadership

New IFAC Discussion Paper kindles global debate on finance leadership and professional accountants. To stimulate a global debate on preparing accountants for finance leadership, IFAC, the global organisation for the accountancy

profession, recently released a new Discussion Paper, *The Role and Expectations of a CFO*. The paper features five principles that highlight the changing expectations, scope, and mandate of the chief financial officer (CFO) and finance leadership roles and recommends actions professional accountancy organisations and employers can take to prepare professional accountants for career progression to finance leadership. These principles and recommended actions raise awareness of the implications for the education, training, and development of professional accountants. The Discussion Paper will be used as a basis to engage professional accountancy organisations, employers, and other stakeholders to share and enhance approaches to preparing professional accountants for finance leadership. The Discussion Paper is also important to the regulatory community, which strives for well-governed and managed organisations. The CFO is a critical part of a chain of actors—including the governing body, chief executive officer, audit committee, and auditor—that share responsibility for ensuring sustainable value creation, as well as relevant organisational reporting. The advantages that professional accountants'

training, expertise, and experience bring to the CFO role are not always recognised, especially professional accountants' combination of ethical and technical mindsets with business acumen and organisational awareness. A panel of finance leaders from China and the PAIB Committee debated the key requirements and expectations of finance leadership and highlight what professional accountants needed to do to prepare for leadership roles at the Global PAIB Forum, hosted by the Chinese Institute of Certified Public Accountants in Beijing, China, in October, 2013. The Forum will facilitate discussion and encourage closer relationships between professional accountants, professional accountancy organisations, employers, and other stakeholders.

(Source: <http://www.ifac.org/>)

International Donor Initiative Releases Report Assessing Accountancy's Global Landscape

As part of the continuing effort to strengthen the accountancy profession globally, the *Professional Accountancy Organisation Global Development Report* was released recently. The

report is an initiative of MOSAIC, the Memorandum of Understanding to Strengthen Accountancy and Improve Collaboration. The report was created to provide an assessment of professional accountancy organisation (PAO) development at the global, regional, and national levels. Through its 10 key findings, the report establishes the success factors and challenges associated with building a strong, sustainable accountancy profession supported by an effective PAO. The report's key findings include the importance of undertaking PAO development comprehensively at the national level; strengthening legal and regulatory foundations; furthering implementation of international standards; and supporting internal strengthening of PAOs. The findings will provide direction for the MOSAIC Steering Committee in its future endeavors. MOSAIC is a historic Memorandum of Understanding that sets out the basis for improving cooperation and collaboration between IFAC, international donors, and the international development community. With 13 signatories, it provides the foundation for an aligned approach to increase the capacity of PAOs and improve the quality of financial management systems in emerging economies. The PAO Global Development Report was co-financed by the African Development Bank, Asian Development Bank, Inter-American Development Bank, and World Bank.

(Source: <http://www.ifac.org/news>)