

International Update

IFAC Launches “Future-Fit” Series to Address Changing Role of Accountants in Business

With a changing and uncertain business environment, Chief Financial Officers (CFOs) and finance functions must evolve to sit at the heart of decision making within their organisations, according to a series launched recently by IFAC (the International Federation of Accountants). The series includes:

- A vision for the CFO and finance function;
- Future-fit accounting roles for the next decade; and
- An evaluation tool to help guide organisations in finance function transformation.

With more demanding customers and societal expectations, achieving long-term value creation and success has never been more challenging for businesses. The CFO and finance function of today and tomorrow needs to provide information and analysis that supports decisions about all aspects of an organisation’s business model and value creation. As business partners, they need to communicate how value is created today, how it will be created in the future, and if profitability is sustainable.

To be at the heart of decision making, effective CFOs and finance functions must deliver:

- **Actionable insights** to support strategic and operational planning and decisions;
- **Performance analysis** to steer the organisation toward achieving objectives, targets, and long-term profitability, as well as to ensure alignment between strategy, planning and delivery;
- **Enterprise risk management** to manage uncertainty, opportunities, and risks in the context of business objectives and the external environment;
- **Effective communication and storytelling** on all aspects of an organisation’s business model and value creation;
- **Trust and confidence** in the governance of the organisation, and in the quality of data, processes, systems and reporting through adequate control and security; and
- **Integrity and professionalism** to encourage ethical behaviour and decision making throughout an organisation to ensure sustainable value creation.

It is incumbent upon various stakeholders – organisations, professional accountancy organisations (PAOs), and individuals – to help prepare future-fit accountants in business.

For organisations, developing a finance function vision will help identify the enablers of change and ensure that the finance function is fit-for-purpose to partner with the business. IFAC’s evaluation tool is meant to help boards and management teams identify strengths and areas of improvement for their finance team.

For PAOs, there are three priority areas to develop future-ready accountants in business: engaging accountants in business and their employers, advancing accountancy education, and promoting the value of the accounting profession.

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

IPSASB Issues Exposure Draft to Address Accounting for Public Sector Specific Financial Instruments

The International Public Sector Accounting Standards Board (IPSASB) released an Exposure Draft (ED), Public Sector Financial Instruments, Amendments to IPSAS 41, *Financial Instruments*. Stakeholders comment on Exposure Draft 69 sought by December 31, 2019. The ED provides guidance on how to account for a number of important categories of financial instruments that are unique to the public sector. The proposed new Standard will augment existing guidance in IPSAS 41, *Financial Instruments*, and improves that Standard’s requirements by introducing guidance on:

- Monetary gold;
- Currency in circulation;
- IMF quota subscriptions; and
- Special Drawing Rights.

To access the Exposure Draft and its summary At-a-Glance document, or to submit a comment, visit the IPSASB website, www.ipsasb.org. Comments on the Consultation Paper are requested by **December 31, 2019**. The IPSASB encourages IFAC members, associates, and regional accountancy organisations to promote the availability of this Consultation Paper to their members and employees.

(Source: <https://www.ipsasb.org/>)

Investor Perspectives: Proposed Amendments to IFRS 17

The International Accounting Standards Board (Board) had issued an exposure draft that proposed targeted amendments to IFRS 17, making it easier for insurers to explain their results, to respond to concerns and challenges raised by the stakeholders during the implementation of as IFRS 17.

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