

**Report to the INTOSAI Governing Board
On the activities of the Subcommittee on Accounting and Reporting
20-21 November 2012 – Chengdu, China**

Chair: Auditor General of Canada

Mr. Michael Ferguson was appointed Auditor General of Canada on 28 November 2011 for a 10 year term replacing former Auditor General Sheila Fraser as Chair of the Subcommittee on Accounting and Reporting.

Current Mandate of Subcommittee

To study issues concerning public sector accounting and financial reporting, including the following tasks:

- Observe and participate in the meetings of the International Federation of Accountants - International Public Sector Accounting Standards Board's (IFAC-IPSASB) regarding public sector accounting standards setting activities;
- Prepare periodic reports for the INTOSAI membership about current and planned IPSASB activities; and
- Facilitate information exchange and knowledge sharing among SAIs.

Work Plan 2011-2013

1. Submit a project proposal to the Professional Standards Committee (PSC) to withdraw selected *Guidance for Good Governance* (INTOSAI GOV) in the 9200 series to be replaced with links to International Public Sector Accounting Standards (IPSAS). Once approved by the PSC, the proposed withdrawal will be submitted for INTOSAI-wide public exposure as required by the *Due Process for INTOSAI Professional Standards*.
2. Regarding the document entitled: "*The importance of an independent standard-setting process*" prepared by the subcommittee and endorsed at INCOSAI XX, finalize the steps to have it recognized as an INTOSAI GOV.
3. As observer of the IFAC-IPSASB, OAG Canada will continue to provide regular IPSASB updates to the INTOSAI membership through:
 - regular presentations at PSC meetings;
 - posting of IPSASB meeting updates (following each meeting) on the Subcommittee's webpage; and
 - links to relevant studies/documents issued by IPSASB on the Subcommittee's webpage.

Accomplishments to date

At its June 2011 meeting in New Zealand, the PSC Steering Committee approved the subcommittee's proposal that the document entitled "*The importance of an independent standard setting process*" be included as an INTOSAI GOV. Final GOV numbering is pending.

In July 2011, the subcommittee issued for public exposure – with a deadline for comments in October 2011 – a proposal to withdraw INTOSAI GOVs in the 9200 series and replace with more relevant materials already prepared by other bodies. With the assurance that the Due Process had been followed, the PSC Steering Committee – at its May 2012 meeting in South Africa – concurred with the withdrawal and informed the Steering Committee that the PSC

Chair would inform the Governing Board¹ of the withdrawal in the PSC's report to the Governing Board meeting in November 2012 in China.

In his capacity as technical advisor, the OAG Canada representative (Stuart Barr) attended four meetings of the IFAC-IPSASB in Brasilia, Brazil (December 2011), Düsseldorf, Germany (March 2012), Toronto, Canada (June 2012) and Norwalk, USA (September 2012). Attendance at upcoming future meetings is scheduled. In order to keep INTOSAI members informed, a link to the IPSASB web site highlighting the summary of the Board meetings was included on the Accounting and Reporting subcommittee's web site.

¹ The INTOSAI Governing Board confirmed the decision of the PSC Steering Committee to withdraw the INTOSAI GOVs 9200, 9210, 9220 and 9230 and to decide on whether the withdrawal of those GOVs shall be submitted to the INCOSAI for final decision as final (extract from the Minutes of the November 2012 63th Governing Board meeting held in China).