



Treasury Community of Practice GROUP 1

- Represented countries:

**Azerbaijan, Georgia,
Kazakhstan, Moldova, the
Russian Federation,
Tajikistan, Ukraine**



Problems that countries face in the course of implementing modern international practices in accounting and financial reporting in the public sector. Practices of countries in addressing them or proposed options of solving them.

The issue of using IFRS FA or creation of national standards that adapt IFRS FA

The group:

Use of IFRS FA by means of adapting them through the National standards of FR FA.

Allows developing systems of accounting and financial reporting on the basis of the IFRS FA in the conditions of the national legislation (regulation).

Russia, Ukraine, Kazakhstan – a priority area.

Other approach is possible in the private sector.

Mark Silins - sustained:

IFRS FA is the basis of the conceptual approaches.

Risks of the approach:

The existing national practices should not be perceived as a reason not to carry out reforms.

Implementation of the standards for the sake of enhancing the efficiency of public finance management.

Conversion to using the National FRS is a stage of the general program of reforming the public administration.

The issue of using the fair value when converting to the method of accrual

The group:

The cost of evaluation exceeds the value of the asset.

The market value is used for a group of assets (to investment assets, privatization, etc.)

It is important to proceed from the efficiency of carrying out the evaluation.

Russia – a priority area.

The standard is at “fair value” - Azerbaijan.

Mark Silins :

It is important to evaluate the goals of carrying out evaluations of costs

Market sales, recovery, replacement.

The question of “related items” a building and a land plot.

Risks:

Any decision related to the value of an asset and its accounting using the accrual principle is related to taking physical INVENTORY (Kazakhstan)

The issue of taking physical inventory of the property (assets) in case of using the accrual method

Group: INVENTORY

Before the standards are implemented;

- *As a mandatory prerequisite for implementing the Standards;*
- *As mandatory conditions for preparing a report.*

Data of the REPORT are confirmed by the results of taking physical inventory.

Mark Silins: sustained

Accuracy of the reporting data – a priority.

Risks:

Taking physical INVENTORY should not become a reason for delaying the process of converting to the accrual method of implementing the standards.

Well balanced steps in reforming all spheres of managing the state property.

The issue of training staff on sites, such training is an important element of the reform

The group: The role of the Ministry of Finance and of the Treasury

- **Methodological support;**
- **Enlightenment (trainings) (Georgia)**
- **Training.**

Methodological support of any format.

Mark Silins: sustained

Qualifications of personnel determines the success of the reform.

There should be very high degree of studying all stages of the reform and willingness to implement it.

Automation of the accounting process, teaching how to work with automation aids.

The common problem originator and originator of the methodology in the face of Ministries of Finance and Treasuries.



THANK YOU!

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