



PSAB's International Strategy Update Webinar

October 2021

Presenters



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Agenda

- International Strategy Decision
- Implementation Activities
 - GAAP Hierarchy
 - French Translation of IPSAS & IPSAS-PSAS Comparison
 - Board Responses to IPSASB Documents for Comment
 - Other International Influence Activities
- Upcoming IPSASB-related activities
 - Natural Resources
- Other International Activities



International Strategy Decision



International Strategy Decision

- On May 5, 2020, PSAB selected Option #2 for its International Strategy:
 - Adapt IPSAS principles when developing future standards
 - The option was formally adopted in Canada on April 1, 2021

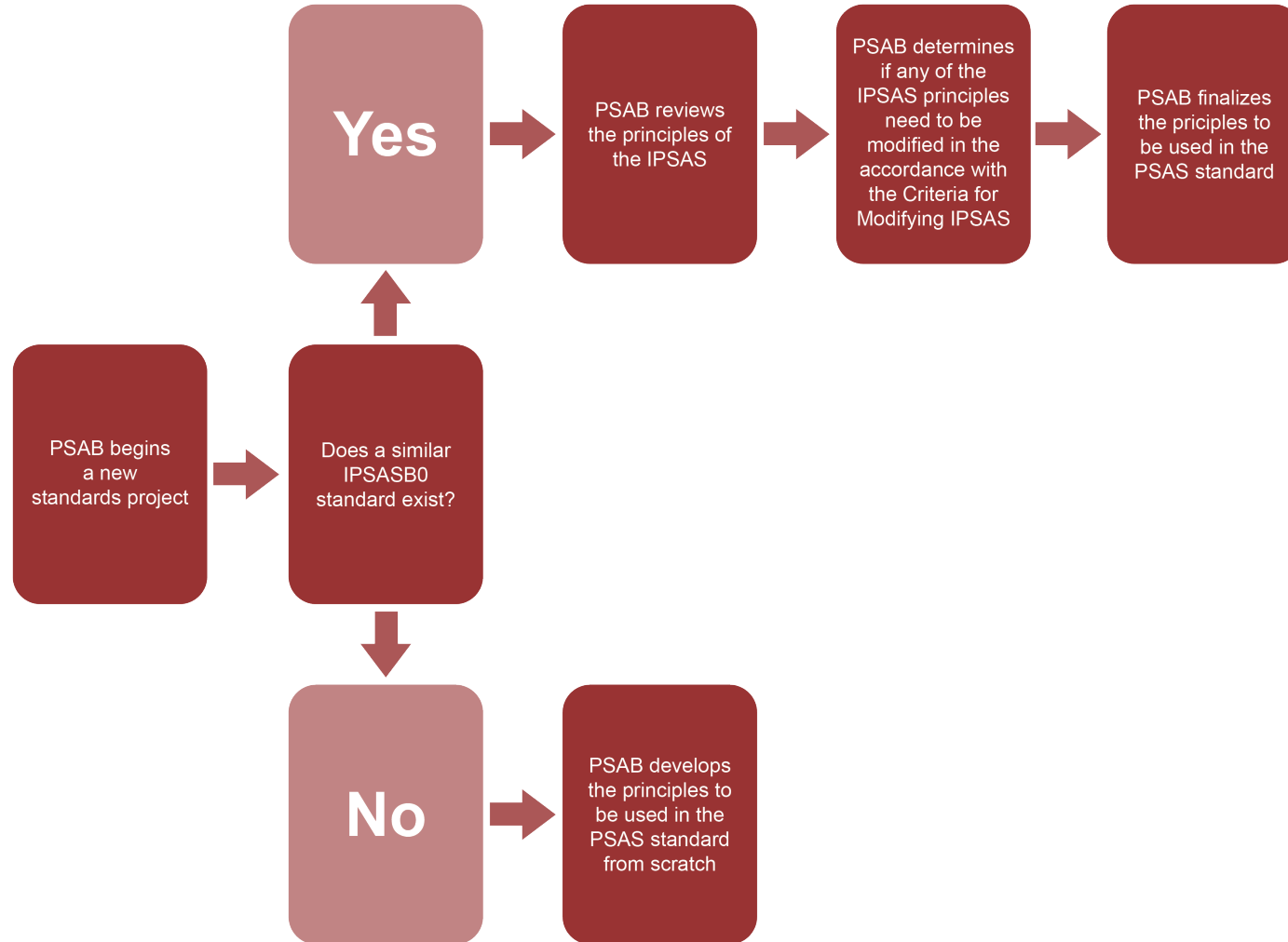
International Strategy Decision

- PSAB will continue to develop PSAS, but future standards based on the principles in IPSAS when an IPSAS already exists
 - Criteria for Modifying and Reviewing Principles in IPSAS applies
- **Prospective application to future standards**
 - PSAB has complete autonomy in determining which standards are developed
 - PSAB will continue to develop and set its own technical agenda
 - Retains the ability to review existing PSAS as part of its agenda

International Strategy Decision

- PSAB will continue to use its own conceptual framework and reporting model
- Decision will be implemented for new projects beginning April 1st, 2021
- Stronger international influence activities

How would this work in practice?





Implementation Activities



GAAP Hierarchy Update

- PSAB updated its existing GAAP hierarchy in Section PS 1150 to position IPSAS as the first accounting framework to consult when PSAS is silent, and an entity is developing or changing an accounting policy
- Prior to these amendments, the Handbook outlined several sources to consult on matters not covered by PSAS. No specific hierarchy was previously outlined between the sources

GAAP Hierarchy Update – How would this work in practice?

- Organization determines that it needs assistance in a matter not covered by primary source of PSAS or for assistance in applying a primary source of PSAS to specific circumstances
- Organization looks to IPSAS first for guidance on the matter
- Can look to other sources if IPSAS pronouncements are:
 - Not suited to the Canadian environment
 - Not consistent with PSAB's Conceptual Framework or other primary sources of GAAP
 - Not the most relevant in the circumstances

French Translation of IPSAS and IPSAS-PSAS Comparison

- 2018 Handbook of IPSAS, the most recent French translation of IPSAS, was shared on PSAB's [International Activities webpage](#)
- An IPSAS-PSAS comparison, first done in 2018, was updated and shared on PSAB's [International Activities webpage](#)

Board Responses to IPSASB Documents for Comment

- As part of the International Strategy decision, PSAB decided it would respond to all IPSASB documents for comment that were relevant to the Canadian environment
- PSAB has reviewed IPSASB's Work Program for the upcoming fiscal year and determined which documents it will respond to, and the level of consultation required for each document

Board Responses to IPSASB Documents for Comment (Continued)

- PSAB will respond to:
 - ED 76, Conceptual Framework Update: Chapter 7, Measurement of Assets and Liabilities in Financial Statements (in Progress)
 - Conceptual Framework – Limited Scope Update – Next Stage
 - ED 77, Measurement (in Progress)
 - ED 78, Property, Plant and Equipment (in Progress)
 - ED 79, Non-Current Assets Held for Sale and Discontinued Operations (in Progress)
 - Natural Resources (delayed until March/April 2022)
 - Mid-Period Work Program (in Progress)

Other International Influence Activities

- PSAB staff provides Canadian IPSASB -member briefings ahead of IPSASB meetings and virtual check-ins (enhanced)
- PSAB Chair attends some IPSASB Board meetings and provides periodic updates to PSAB (**new**)
- Canadian member of IPSASB invited to select PSAB meetings where the IPSASB-related activities are discussed (**new**)

Other International Influence Activities (continued)

- Quarterly meetings between PSAB and IPSASB Chairs and senior staff (*new*)
- Increased PSAB staff contact with IPSASB staff (*new*)
- PSAB staff engaging and participating in IPSASB project groups (*new*)



Upcoming IPSASB-related activities



Natural Resources

- March/April 2022 timeline for issuing CP
- Consultation Paper will be translated
- 5 roundtables to be held:
 - 1 Virtual Roundtable (English) – Focus on Federal and Provincial Comptrollers, and Auditor Generals
 - 1 Virtual Roundtable (English) – Focus on Municipalities
 - 1 Virtual Roundtable (English) – All other Public Sector Entities (including Government Not-for-Profits, Other Government Organizations, etc.)
 - 2 Virtual Roundtables (French) – For all French-speaking stakeholders

Other International Activities



Response to International Financial Reporting for Non-Profit Organizations (IFR4NPO) Consultation Paper

- The IFR4NPO consultation paper was issued as part of a global initiative to develop reporting guidance for not-for-profit organizations (NFPO) in jurisdictions that do not have NFPO accounting standards
- Consultation Paper divided into two parts
- PSAB and AcSB have both responded to Part I of the Consultation Paper

New International Sustainability Standards Board (ISSB)

- The IFRS Foundation is looking to establish a new International Sustainability Standards Board (ISSB)
- Canada has submitted a bid to host the headquarters of the new ISSB
- The IFRS Foundation is expected to announce its decision in November at the United Nations Climate Change Conference of the Parties (“COP 26”)



Questions?



International Activities Page

- PSAB has updated its [International Activities page](#) with the most recent information on PSAB's International Strategy
- Follow the page to keep updated of PSAB's International Strategy activities



For more information, visit www.frascanada.ca

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