



Intro music fades in

Voiceover 1 – Intro music overlaid

You're listening to the In Brief podcast.

In this episode, hear a plain and simple overview of PSAB's May 2018 release of documents for comment on its Conceptual Framework, Reporting Model and International Strategy proposals.

Voiceover 2 - Silence

We have just released several documents for comment on topics that will impact stakeholders for decades to come.

- The Statement of Concepts for A Revised Conceptual Framework for the Canadian Public Sector
- The Statement of Principles for A Revised Reporting Model for the Canadian Public Sector

AND

- A Consultation Paper Reviewing PSAB's Approach to International Public Sector Accounting Standards

These documents for comment are a once-in-a-generation opportunity to take part in driving the future of PSAB and the standards it sets.

We need you to weigh in on the Concepts Underlying Financial Performance project's proposed concepts and principles that will affect public sector standard setting and financial reporting for years to come.

At the same, we need you to consider the criteria PSAB expects to consider in evaluating options for a new international strategy that best serves the public sector in Canada.

It's a lot to ask of our stakeholders. We know that. But these documents have been issued at the same time to ensure you consider them together.

Why?

Because regardless of what PSAB ultimately decides, we believe that an in-depth review of the Canadian conceptual framework and reporting model can inform how you will evaluate the decision-making criteria and the various options laid out when it comes to our international strategy.

We believe in transparency and ensuring you have all the information you need to make informed decisions.

Transition music

Voiceover 2 – Silence

When it comes to our Concepts Underlying Financial Performance project, PSAB is proposing changes to its conceptual framework and reporting model for a few different reasons:

- A standard setter needs to periodically review its conceptual framework to ensure it remains relevant.
- Stakeholders asked PSAB to look at the conceptual framework to ensure it properly reflects – and is grounded – in the public sector environment.
- Some standards-level issues made some stakeholders question the foundations of public sector financial reporting and they asked PSAB to reconfirm whether they remain appropriate.

So we are making changes through the following actions:

One – we will Issue a revised conceptual framework to replace two Sections in the Public Sector Accounting (PSA) Handbook

- Section PS 1000, Financial Statement Concepts and
- Section PS 1100, Financial Statement Objectives

And two – we will issue a revised financial statement presentation standard that would replace Section PS 1201, Financial Statement Presentation.

Developing these proposals took time: time for consultation, testing of alternatives, ensuring the proposals meet the needs of all public sector entities; and time for ensuring that the proposals provide PSAB with the tools to deal with future issues and are responsive to stakeholder needs.

We are confident that we have taken into consideration all the feedback we have received to create a proposed reporting model that is aspirational and gives PSAB the tools to deal with current – and emerging – issues.

Transition music

Voiceover 2 – Silence

In our 2017-2020 Strategic Plan, we determined the time was right to review our current international strategy of influencing the International Public Sector Accounting Board.

As a starting point, we have written a Consultation Paper that introduces stakeholders to the decision making criteria PSAB expects to consider in evaluating the international strategy that best serves the public sector. The Consultation Paper applies the criteria to four options PSAB believes are viable international strategies.

The criteria PSAB has developed to date include:

- Canadian influence over the standard-setting process
- Quality of accounting standards
- Transition costs
- International alignment
- Due process; and
- Use of standard-setting resources.

Transition music

Voiceover 2 – Silence

It goes without saying that the outcomes of these projects may have broad implications in the role the Board plays in developing Public Sector Accounting Standards in Canada. So we'll be doing extensive outreach.

In addition to formal consultations, these documents will be discussed at upcoming Public Sector Accounting Discussion Group meetings and at a number of events across the country.

We have a number of supporting materials to help you navigate through the various documents for comment and support you in developing your responses to our proposals.

Voiceover 1 – Extro music overlaid

Visit www.frascanada.ca/psabbigprojects2018 to access all the documents for comment and read our supporting materials.

Comments on the Statement of Concepts and Statement of Principles are due November 28, 2018.

Comments on the Consultation Paper are due September 28, 2018.

We look forward to hearing from you.

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