

#### **Financial Statement**

Summary of accounting policies

12

2014

- Management is responsible for FS's preparation in accordance with IPSAS under the Modified Accrual Basis of Accounting and for such internal control as management determines is necessary to enable the preparation of FS to be free from material misstatement, whether due to fraud or error.
- •Auditor is responsible to express an sufficient and appropriate opinion on FS, to conduct the audit in accordance with International Standards, ethical requirements and to obtain reasonable assurance whether the FS are free from material misstatement.

PEMPAL' TCOP-Thematic Group

**Financial Reporting Consolidation Guidance** 

### **Financial Statement**

Summary of accounting policies

12

2014

- Opinion: FS are prepared, in all material respects, in accordance with IPSAS under the Modified Accrual Basis of Accounting.
- Other requirements: the audit testing includes examining that goods and services have been procured in accordance with the relevant financing agreement etc.
- Restriction on use and distribution: the audit report is intended solely for the entity and government and should not be used or distributed to other parties.

PEMPAL' TCOP-Thematic Group

## **Financial Reporting Consolidation Guidance**

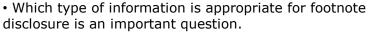
# **Financial Statement** 12 Notes to the annual FS 2014 •General: The entity composition consists in units and subunits Basis of preparations: comprising... Significant accounting policies: foreign currency transactions, recognition of income and expenses, taxation, VAT expense etc. Funding, Contribution Consultant services Incremental operating costs Cash at banks Appendices (supplementary schedules) **PEMPAL' TCOP-Thematic Group Financial Reporting Consolidation Guidance**

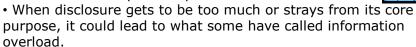
### Accounting Is an Art, Not a Science

#### **Question? Answer**

### "All or nothing"

level of footnote disclosure - checklist approach





- Improving communication between preparers and users of FS is a long-standing goal sharing by all stakeholders.
- Preparers, auditors and regulators should embrace the use of well-reasoned judgment to determine relevant footnote disclosures.

Take control of gov.money and star managing its finances like the pros.

Footnote as the role of advertising on entity performance



2014