**PEMPAL, TCOP Assets’ Working Group**

**Summary of Video Conference – 10 December 2013**

On 10 December 2013, the PEMPAL TCOP thematic group on Public Assets Accounting participated in a videoconference to discuss a range of issues which had been identified in Skopje, Macedonia, where the group was first formed. The meeting agenda is provided below.



In attendance were representatives from Ukraine, Moldova, Georgia, Kazakhstan and Macedonia. Ms Natalia Sushko, representative of the State Treasury of Ukraine facilitated the meeting. Mr Ion Chicu, TCOP Advisor also participated from Moldova, as did TCOP Advisor, Mark Silins, who joined the group via telephone from Australia. The videoconference lasted three hours.

Two major issues were on the agenda for discussion.

In Skopje, the Working Group developed an Activity Plan which was circulated electronically to attendees, who were requested to review it and provide any comments or suggestions during the video-link. The action plan is embedded below.



The Working Group was generally satisfied with the plan. Kazakhstan suggested that the plan be extended to also focus on financial assets. The working group also agreed that the plan should extend to the plenary meeting in Moscow, and members agreed to consider additional issues beyond the suggestion from Kazakhstan.

The action plan also identified the major activity for the remainder of 2013 being the development of a questionnaire on non-financial assets. The draft questionnaire was loaded onto the web using survey monkey and working group members were requested to review the draft and provided comments back to the resource team as a priority. The final questionnaire is to be circulated to all member countries for comment, and the results of the survey will be a primary topic for a presentation at the plenary meeting in Tbilisi, Georgia from 10-12 February 2014.

The final item on the agenda was a presentation by Mark Silins who was invited by the working group to present an overview of the Australian Government Accounting Framework.



Mr Silins provided general background to government in Australia, particularly focusing on the differences to TCOP countries, the general public financial management reform agenda which has taken place since the 1980s, and more specifically, the implementation of accrual accounting and budgeting in the Australian government.

Mr Silins also provided specific insight into the development of the Australian Accounting Standards which integrates public and private sector accounting standards and the fact that Australia has also developed its own Government Financial Statistics Manual based on GFSM2001.

The working group had a range of specific questions which they posed to Mr Silins including:

* How is land valued (is it fair value and how is this determined) and is it depreciated and could you provide more information on the treatment of land under roads (a specific accounting standard in Australia)?
* Could you provide more information on heritage and cultural assets and the mechanism for valuation and calculating depreciation?
* Do the Australian accounting standards take into account the fiscal code and tax code
* Who is responsible for revaluation of assets in Australia?
* Could you please provide the list of 54 standards along with a specific example of a dual standard (Australia has dual standards for profit and not-for-profit entities)?
* How are fully depreciated assets dealt with in Australia and other countries?

Mr Silins provided some general responses to the questions, as detailed responses were not possible given the limited time during the videoconference. Mr Silins agreed to provide written responses for Tbilisi and the working group also requested a follow-up presentation and discussion on these issues. Mr Silins also suggested that if participants identify any further issues or areas of interest they should send them via email.

The next meeting of the TCOP thematic group on Public Assets Accounting will be held in February 2014, in Tbilisi, Georgia.