

International Financial Reporting Frameworks: Specific Requirements for NPO Financial Reporting

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An example of NPO specific issues



- •An inflow of resources from a non-exchange transaction, other than services in-kind, that meets the definition of an asset shall be recognized as an asset when, and only when:
- (a) It is <u>probable</u> that the future economic benefits or <u>service potential</u> associated with the asset will flow to the entity; and
- (b) The fair value of the asset can be measured reliably.

WHICH IFRS is this?

Summary



"Charities and other non-governmental organizations (NGOs) increasingly work internationally with grants from government funding their development and relief activities, while private donors and international foundations are increasingly taking a global approach to their work. As a result, charities and other NGOs face a multiplicity of international grant regimes, often made more complex by the lack of an agreed approach to financial planning and reporting."





Key Findings by The Consultative Committee of Accountancy Bodies (CCAB)



- ➤ The majority of survey respondents (72%) indicated that they thought it would be useful to have international standards for financial reporting by not-for-profit organizations (NPOs) though respondents interpreted the term 'standards' in different ways.
- ➤ Many respondents, especially those involved with NPOs operating in developing countries, would welcome a standard if it could contribute to resolving the diverse and inconsistent demands from funders.

Key Findings by The Consultative Committee of Accountancy Bodies (CCAB). Cont.....



- ➤ However, 14% were opposed to an international NPO standard. The strongest objections appear to come from countries such as the UK, which already have well developed frameworks for NPO accounting.
- Results indicate that there is a demand for an international standard for financial reporting in the not-for-profit sector.

International Financial Reporting for the Not-for-profit sector



- Difficulties with definitions relating to NPO accounting issues and not-for profit concepts.
- ➤ If IFRS or IPSAS were used as a basis for an international financial reporting for NPOs, there would be a need for further standards to deal with NPO-specific accounting issues.
- Particular issues exist for NPO financial reporting, such as nonexchange transactions, fund accounting issues, narrative reporting and the valuation of NPO-specific assets.
- Many jurisdictions across the globe are currently trying to develop national financial reporting standards for NPOs.



International Financial Reporting for the Not-for-profit sector



THE SURVEY RESPONSES CAME FROM:

- ➤ 605 persons involved with NPO financial reporting in at least 179 countries
- Responses came from small community based NPOs up to large international NGOs
- ➤ 68% primarily involved with accrual accounts, and 24% with cash-based receipts and payments accounts
- ➤ Respondents using a wide range of existing financial reporting frameworks for the content of NPO financial statements.



Types of Donor Funding's we see in Kenya













Examples of Donors

- 1. Charitable Institutions i.e. Bill-Clinton Foundation, Belinda Gates etc.
- 2. Government Funded Donors i.e. USAID, UK AID, NORAD, SIDA etc.
- 3. Sub contracted Donors i.e. SSNC, DAI etc.
- 4. Donor Agencies i.e. EU, UN bodies etc..
- 5. Basket Fund Donors i.e. CDTF

Types of Donor Funding's Cont....



List of countries:

NAMES A	BBREVIATIONS	CODES	
Bilateral Partners			
1 Danish International Development Agency	DANIDA	001	
2 Government of Netherlands	NETH	003	
3 Swedish International Development Agency	SIDA	004	
4Government of Switzerland	SWITZ	005	
5 Government of Finland	FIN	006	
6Government of Belgium	BEL	007	
7Government of Italy	ITALY	011	
8 Government of Spain	SPAIN	012	
9German Development Bank (KFW-GER)	KFW	014	
10German Technical Cooperation (GIZ - GER)	GIZ	015	
11 French Development Agency (AFD-FRANCE)	AFD	016	
12Kuwait Fund for Economic Development	KUW	018	
13 Government of Saudi Arabia	SAUDI	019	
14Abu Dhabi	ABHU	020	
15 Government of Japan	JAPAN	021	
16Government of India	INDIA	023	
17Government of China	CHINA	025	
18 Canadian International Development Agency	CIDA	030	
19United States Agency for International Developmen	t USAID	031	
20Baylor College of Medicine (USA)	BCM	035	
21 United Kingdom (DFID)	DFID	040	

Types of Donor Funding's Cont....



Multi Lateral Partners:

	Multi-lateral Partners		
1	International Development Association	IDA	501
2	Global Environmental Trust Fund (GETF)	GEFT	502
3	Global Fund	GF	503
4	European Development Fund	EDF	505
5	European Investment Bank	EIB	506
6	African Development Bank	ADB/ADF	510
7	Arab Bank for Economic Development in Africa	BADEA	512
8	Organization of Petroleum Exporting Countries	OPEC	513
9	United Nations Development Programme	UNDP	517
10	United Nations Fund for Population Activities	UNFPA	519
11	United Nations Environmental Programme	UNEP	521
	United Nations International Children Education	UNICEF	522
12	Fund		
13	World Food Programme	WFP	523
14	Global Alliance Vaccine Initiative	GAVI	524
1.5	Food and Agricultural Organization	FAO	525
16	International Fund for Agricultural Development	IFAD	526

PSASB's strategic direction & IPSAS roadmap

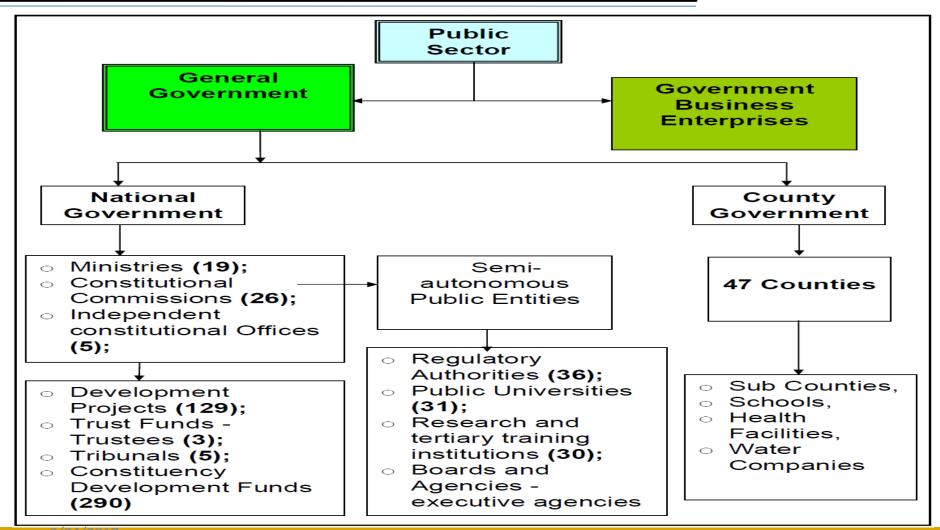


The PSASB in Kenya adopted the financial reporting standards applicable to public sector entities as follows:

- –National & County Governments –IPSAS Cash basis of accounting;
- -Semi Autonomous Government Agencies (SAGAs) -IPSAS accrual; and
- -State Corporations (Commercial) -IFRS.
- •The Standards became effective on 1st July 2014 and were communicated to the entities via Treasury Circular dated 1st July 2014 and subsequently gazette notice 5440 on 1st August 2014

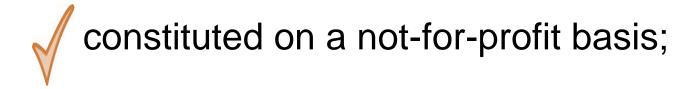
PUBLIC SECTOR AT A GLANCE





NPOs are defined by CCAB as organisations that were:







established for public benefit.

The confusion in Kenya



- ➤ IFRS, IFRS for SME and IPSAS are used infrequently, inconsistently in Kenya to determine the content NPO financial reports.
- What is IFRS for the public sector?
- Those involved in African NPOs being the most supportive to the idea of an international NPO standard, the most subject to reporting demands from funders and the most likely to use cash based receipts

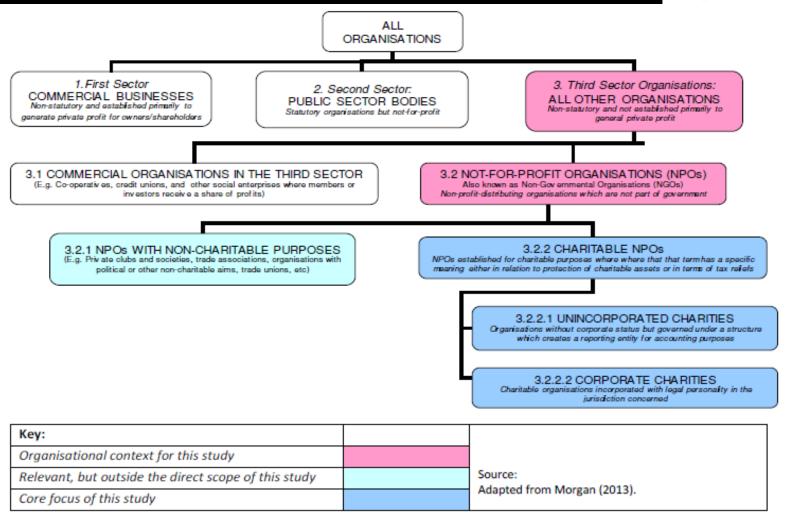
What is an NPO?



The term 'not-for-profit sector' can also be referred to as the 'third sector', 'community and voluntary sector', and 'civil society'. As shown in the next slide, the third sector comprises organizations that are neither for-profit entities nor public sector entities. NPOs exclude government entities, therefore the terms NPO and NGO (Non-Governmental Organization) are essentially equivalent. However, it is worth noting that some countries tend to see NGOs as being large NPOs with funding from other countries, as opposed to smaller community organizations, so the term "NGO" can suggest a certain type of organization in certain jurisdictions.

NPO's compared to other sectors





NPO's Kenya compared to other sectors (cont....)



- ➤ The term public benefit entity (PBE) which is used in the new UK accounting standard FRS102 is defined therein as "An entity whose primary <u>objective</u> is <u>to provide goods or services</u> for the <u>general public, community or social benefit</u> and where any equity is provided with a view to supporting the entity's primary objectives rather than with a view to providing a financial return to equity providers, shareholders or members"
- ➤ Charities Act 2011 [England and Wales], ss1-5. The English definition of charity focuses on two principles, being an organization which <u>has exclusively charitable purposes</u> and is established for <u>public benefit</u> a charity is not a specific legal structure (Morgan 2013, p. 23).

IAS and IFRS



International Accounting Standards (IAS) and International Financial Reporting Standards (IFRS) developed by the IASB have been adopted or adapted for use by publicly accountable firms in approximately 120 countries.

The IASB has also published IFRS for Small and Medium Enterprises (SMEs) for use primarily by smaller for-profit entities

IPSAS



- There is now also a growing motivation amongst public sector/state organizations in some countries to adopt International Public Sector Accounting Standards (IPSASs), issued by the International Public Sector Accounting Standards Board (IPSASB)
- ➤ The IPSASB is one of the standard setting boards of International Federation of Accountants (IFAC)5 and it has already issued over 30 accounting standards for public sector entities around the world.

Goals and Objectives of the IASB and IPSASB



- ➤ The goals of the IASB and IPSASB are similar. The IASB seeks to "to develop a single set of high quality, understandable, enforceable and globally accepted IFRSs" (IFRS Foundation, 2013).
- The IPSASB's objective is to "enhance the <u>quality</u> and <u>transparency</u> of public sector financial reporting by establishing high-quality accounting standards ... [and] promote the adoption and <u>international</u> convergence to IPSASS" (IPSASB, 2013a).
- ➤ Both the IASB and IFAC state that their work of developing and pronouncing internationally converged financial reporting standards is in the <u>public interest</u>.

Differences Between Sectors – different impacts on financial reporting



Common key factors	Different impacts on financial reporting		
Common key factors	NPOs	For-profit entities	Public Sector entities
A: Ownership			
Constitutional form	Extremely varied (Mulgan, 2001). Includes charitable trusts, charitable companies, member- owned organisations (co- operatives, community benefit societies, credit unions), community interest companies with shares, clubs, associations, established by royal charter	Limited by shares or guarantee (companies with a for-profit motive), limited liability partnership	Established by constitution or legislation
Ownership and residual interest	Classic non-owned entities with limited or weak property rights held by members or community at large	Equity providers of risk capital	The State (government and the people)
Share transferability and redemption	Very rare. On dissolution residual property goes to similar NPO. Transfer to for-profit entity only for full worth	Typically transferable. On dissolution residual funds to shareholders	Very rare. On dissolution, residual assets returns to public funds
Management and Control	As per governing document. Accountable to beneficiaries, members or mix of these. Governance roles often held by volunteers. Audits or similar may be required by constitution/regulator	As per governing document. Accountable to shareholders. Employed governors elected by shareholders. Audits or similar required for 'publicly accountable' entities	Organisations/individuals exercise control under statutory remit. Accountable to parliament. Employed governors appointed. Audits required by statute undertaken by Auditor General or appointee of the state
Voting rights	Typically membership/participation	Linked to number and type of shares	Democratic rights
Business Combinations and common control	Combine to further common aims (e.g. service delivery). No equity typically	Control in order to gain economic advantage	Government-defined boundaries. Control for purposes of probity and services provided

Differences Between Sectors – diffetrent impacts on financial reporting (cont....)



B: Beneficiaries

Business model and liabilities	Seek a balance to prudently manage scarce resources to meet	Minimise liabilities to maximise returns	Regulated through statute reflecting government
	goals		priorities
Constructive Obligations	These may be the main source of liabilities to beneficiaries, members or user of service provided	Minimised to those required to sell goods/services	Constructive obligations limited by statutory responsibilities
Economic purpose of concessionary finance	Often used to further social purpose of NPO, therefore non-financial reporting will be important	Concessionary finance offered to customers to induce purchase (underpinned by financial data)	Provided to induce changes in economic behaviour/ further purposes, therefore non- financial reporting will be important

Differences Between Sectors – diffetrent impacts on financial reporting (cont....)



C: Social Purpose			
Uneconomic activities and community cohesion	Not organised to make a profit. Often formed to increase community cohesion. Driven by social or ideological impulses	Requires economic return to survive	May also trade at below-cost to provide social benefits
Cash flows and exploitation of assets	Hold assets to further social objectives	Hold assets to further economic objectives ('service potential')	Hold assets to further social objectives
Volunteers	Significant volunteer input to outputs/ outcomes	No intentional volunteer involvement	May be some volunteer involvement but seldom
Social agenda and tax relief	Some if advanced by State (e.g. to charities, sports organisations)	Perhaps for specific economic purpose e.g. regeneration	Yes

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Differences Between Sectors – diffetrent impacts on financial reporting (cont....)



D: Financing

Business	No single business model,	Sale of goods and	Coercive power to tax provides
Model/Economic	depending on donations, income	services to produce	income along with sale of
return	from goods and services or both.	return on shares	goods/services. Surplus to
	Surplus most often used to	held by equity	public funds
	provide other goods and services	providers	
Income from non-	Dominant form of income is	No	Taxes comprise main form of
exchange	donations and grants which may		non-exchange revenue. Goods
transactions	have restrictions on use		and services may be non-
including gifts			exchange

The role of reporting and accountability



Due to the rapid increase in the influence of NPOs and their reliance on third party funding, interest into how they measure and manage performance has intensified. Such performance reporting is jurisdiction specific; indeed often NPOs prepare reports of different types and styles depending on the audience for that information. Further, financial reporting differs not only according to the potential users or audience for that information,

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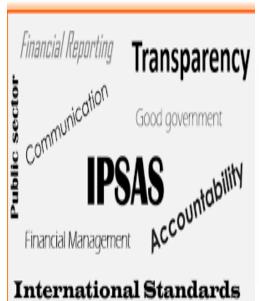
International Standards

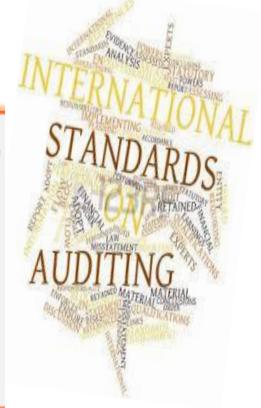


At present there are 2 sets of International Accounting Standards

➤IPSAS – public sector

>IFRS/IAS – for profit





A. Objectives of Financial Reporting





IASB states the primary objective of financial reporting is to provide financial information about the reporting entity that is useful to users in making decisions about providing resources to the entity

Issues for Clearer Rules





- There used be a dual objective of stewardship/accountability alongside decision usefulness
- 2. Discussion about the need to be forward looking and to assess whether 'the entity is using resources economically, efficiently, effectively and as intended, and whether such use is in their interests.

B.



Users want to make decisions about more than economic resources, but also social aims

EXAMPLE (click on the files to open)

REPORT 1	REPORT 2	REPORT 3
Bad Example (attached)	Medium Example (attached)	Strathmore (attached)

 $\frac{2}{2}$

Challenges with IFRS.



- 1. IFRS does not consider non-exchange revenue (funds received where the donor does not expect to personally receive goods or services of equal value in return. E.g. Receipt of pledges and requests, donated time)
- 2. Reporting of restricted or conditional grants/contracts
- 3. Liabilities imposed from endowments

Challenges with IFRS.



Reporting of fund-raising (harambee) and pledges—some reports net of expenses + others gross





- 5. Treatment of grants paid current period expenses or dividends from statement of changes in equity
- 6. What is an asset:
- There is an assumption that accrual accounting will be required for at least larger NPOs and therefore that assets will need to be valued and disclosed. IFRS defines an asset as "a resource controlled by the enterprise as a result of past events and from which future economic benefits are expected to flow to the enterprise and ". This focuses on the cash generating unit and the economic benefit to be derived from assets, and is at odds to the reason for holding assets in the not for- profit sector, as assets held by NPOs are most likely to be held for their service potential. On the contrary, the IPSASB recognizes the service potential of an asset proposing to define it as "a resource, with the ability to provide an inflow of service potential or economic benefits that an entity presently controls, and which arises from a past event". This would allow preparers to value an asset at a 'value in use' rather than an 'open market' value when assets are used for a purpose other than their best purpose. Also consider IPSAS requires the cost can be measured

²reliably.



Nevertheless, under IFRS such a decision creates both disclosure and valuation problems.

Further difficulties occur with the recognition and valuation of heritage assets in that <u>control of assets may be shared</u> (as for example, if the NPO must care for a monument which is readily accessible to the public) and the <u>control criterion</u> may not be met; **e**costs of obtaining a fair value (including impairment) may outweigh the benefits;

•valuation may not meet the underlying concepts of financial reporting (for example understandability, reliability, relevance).

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6. Treatment of Assets (Continued). IPSAS, IFRS, IFRS SME generally require assets to be accrued at cost.

QUESTION: Borehole by NGO given to community but community pays for the water to the NGO in kind by looking after it? Is the borehole an asset under IFRS, IPSAS? To the NGO or to the community? What about revenue?

QUESTION: Is Uhuru Park an asset to GoK? What type of asset it is, under IFRS, under IPSAS? IFRS don't mention Heritage Asset. IPSAS don't require measurement per IPSAS- IPSAS 17 and IPSAS 31 (Intangible). Study on Heritage Assets still going on Dec 2016.

IPSAS bring in the concept of holding assets for the service potential e.g Kenyatta National Hospital, KRC. IPSAS allows 'value in use' rather that fair value (OMV), when assets are used for purposes other than their best purpose





















QUESTION: Should KRC have impaired whole railway line or business?

- ✓ Consider treatment of impairment of CGU's for KRC. Definition of recoverable amount (RV) higher of an assets or CGU FV less costs to sell and value in use (PV of FCF + TV). IPSAS consider impairment (CV greater than RV) of non cash-generating units. Where an asset is held for service potential don't value by cash flow, instead value in use (depreciated replacement cost-value of replacement to remaining life))
- 7. Budget
- What's the budget the famous NPO question
- Focus on stewardship
- > IPSAS moving to disclosure of budgets. Recommended.
- 8. Equity/Funds
- IFRS definition of acquirer/ acquiree for merger/takeover but silent on NPO's as normally no defined acquirer
- Fund Accounting for NPO's. FASB; SORP(UK) allow restricted and unrestricted funds. IFRS is silent on fund accounting.

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- 9. The cash question
- Can we prepare amounts on cash basis?
- ➤ 80% of UK NPO's use cash basis, however, those that fall under SORP need to follow accrual accounting
- ➤ The proposed draft Kenya NPO Financial Reporting Guidelines (SOFREP) require all PBO's, regardless of size, constitution or complexity to use accrual based accounting



Adoption of IPSAS - Kenya



- PFM Act establishes the PSASB (Public Sector Accounting Standards Board)
- PSASB adopts
- 1. National Govt. + County Govt. IPSAS cash basis
- 2. Semi Autonomous Agencies IPSAS accrual
- 3. State Corporation IFRS

Adaption of IPSAS – Kenya Cont...



SOFREP

APPLICATION OF INTERNATIONAL FINANCIAL REPORTING STANDARDS

The following International Financial Reporting Standards (IFRS) have been identified as being relevant to PBOs in Kenya. The requirements of these IFRS have been considered and applied to suit the operations and transactions of PBOs.

	IFRS	IPSAS
Presentation of Financial Statements	IAS I	IPSAS I
Inventories	IAS 2	IPSAS 12
Statement of Cash Flows	IAS 7	IPSAS 2
Accounting Policies, Changes in Accounting Estimates & Errors	IAS 8	IPSAS 3
Events after the Reporting Period	IAS 10	IPSAS 14
Income Taxes	IAS 12	
Non-current Assets Held for Sale and Discontinued Operations	IFRS 5	
Financial Instruments: Disclosures	IFRS 7	IPSAS 30
Operating Segments	IFRS 8	IPSAS 18
Financial Instruments	IFRS 9	IPSAS 28
Consolidated Financial Statements	IFRS 10	IPSAS 6
Joint Arrangements	IFRS 11	IPSAS 8
Disclosure of Interests in Other Entities	IFRS 12	IPSAS 7
Revenue from Contracts with Customers	IFRS 15	
Property, Plant & Equipment	IAS 16	IPSAS 17
Leases	IAS 17	IPSAS 13
Employee Benefits	IAS 19	IPSAS 25
Accounting for Government Grants and Disclosure of Government assistance	IAS 20	
The Effects of Changes in Foreign Exchange Rates	IAS 21	IPSAS 4/9
Borrowing Costs	IAS 23	IPSAS 5
Related Party Disclosures	IAS 24	IPSAS 20
Interim Financial Reporting	IAS 34	
Impairment of Assets	IAS 36	IPSAS 21
Provisions, Contingent Liabilities and Contingent Assets	IAS 37	IPSAS 19
Intangible Assets	IAS 38	IPSAS 31
Investment Property	IAS 40	IPSAS 16
Agriculture	IAS 41	IPSAS 27
Presentation of Budget Information in Financial Statements		IPSAS 24

Uses of IFRS for SMEs



> Although not written for NFPs, it is clear that the SME Standard contains principles for recognition, measurement and presentation that are relevant to the preparation of financial statements by these entities. Since the SME Standard requires additional disclosures when compliance with its specific requirements are insufficient to enable users to understand the effect of particular transactions, events and conditions, providing additional not-for-profit specific information forms part of compliance with the SME Standard. Finally, the simplicity of the SME Standard lends itself to application in this sector.

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Context, concepts and principles



➤ The preface to the IFRS for SMEs notes that the standard is developed for profit- orientated entities. Section 1 prohibits entities that have public accountability from using the IFRS for SMEs. 'Public accountability' is defined in terms of debt and equity instruments traded in a public market or banks and similar institutions. This definition does not include not-for-profit organizations and consequently the IFRS for SMEs may be adapted for use by not-for-profits.

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Context, concepts and principles



> The IFRS for SMEs provides a robust and practical framework for preparing the financial statements on which not-for-profits can build. Not-for-profits are established for a social purpose but their public accountability is not to capital markets but to public stakeholders, normally funders, donors, financial supporters, service users and other beneficiaries, and, if applicable, to the organisation's members. Therefore a notfor-profit organisation should provide additional information to help stakeholders understand its activities and how funds have been used.

Illustrative statement of financial position



Note ref.	Statement of financial position	Total funds	Prior year funds
		unit	unit
	Assets:		
	Current assets		
	Cash		
	Trade and other receivables		
	Legacies, gifts and grants receivable		
	Inventories		
	Sub-total current assets		
	Non-current assets		
	Property, plant and equipment		
	Intangible assets		
	Financial assets: investments		
	Sub-total non-current assets		
	Total assets		
	Liabilities:		
	Current liabilities		
	Bank overdraft		
	Trade payables		
	Interest payable		
	Provision for grants payable		
	Sub total current liabilities		
	Non-current liabilities		
	Bank loans		
	Long-term employee benefit obligations		
	Obligations under finance leases		
	Provision for multi-year grants payable		
	Sub-total non-current liabilities		
	Total liabilities		
	Total net assets or liabilities		
	Retained funds and equity		
	Restricted funds		
2/24/2	Uprestricted funds		42
2/24/2	Share capital		74
	Total retained funds and equity		

Illustrative statement of income and retained funds



			Uphold Public Interest			
Statement of income and retained funds	Unrestricted funds	Restricted funds	Total funds	PRIOR YEAR Unrestricted funds	PRIOR YEAR Restricted funds	PRIOR YEAR Total funds
	unit	unit	unit	unit	unit	unit
Income and restricted gifts from:						
Donations and legacies						
Social purpose trading activities						
Other trading activities						
Investments						
Other						
Total						
Expenditure on:						
Raising funds and other trading activities						
Social purpose activities						
Other						
Total						
Net gains/(losses) on investments						
Net income (expenditure)						
Other recognised gains/(losses):						
Actuarial gains/(losses) on defined benefit pension schemes						
Other gains/(losses)						
Net movement in funds						
Reconciliation retained funds:						
Retained funds brought forward						
Transfers between unrestricted and restricted funds						
Distribut 24 \$ 2017 members						43
Retained funds carried forward						

Illustrative statement of cash flow



Statement of cash flows	Total funds	Prior year funds	Note
	unit	unit	
Cash flows from operating activities:			
Net cash provided by (used in) operating activities	×	(×)	
Cash flows from investing activities:			
Dividends, interest and rents from investments	×	×	
Proceeds from the sale of property, plant and equipment	×	×	
Purchase of property, plant and equipment	(×)	(×)	
Proceeds from sale of investments	×	-	
Purchase of investments	-	(╳)	
Net cash provided by (used in) investing activities	×	×	
Cash flows from financing activities:			
Repayments of borrowing	(╳)	(╳)	
Cash inflows from new borrowing	×	-	
Receipt of restricted funds subject to conditions that mean that they cannot be spent in the reporting period	×	×	
Net cash provided by (used in) financing activities	×	×	
Change in cash and cash equivalents in the reporting period	×	×	
Cash and cash equivalents at the beginning of the reporting period	×	×	
Change in cash and cash equivalents due to exchange rate movements $\frac{2}{2}$	×	(×)	44
Cash and cash equivalents at the end of the reporting period	×	×	

Trends for reporting in the future

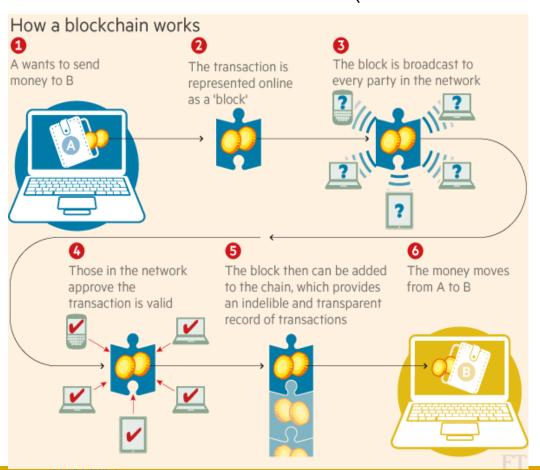


- 1. Increase disclosure on activities, objectives
- 2. Common reporting frameworks
- 3.UN moving to one common system and reporting Harmonized Approach to cash Transfers
- 4. Different countries, different rules
- 5. Developments by various regulators

Trends for reporting in the future. Cont.....



6. Block – chain (distributed ledger visible to all



- Future of charities and NPO's?
- Tracing each chain to the end?
- Future of audits?
- New entities like
 BitGive (K) project
- www.cleanworking.org
- Different types of social currency

Questions - Is IFRS for SME better for the NPO



- 1. The primary purpose of the management commentary is to ensure that the NPO is
- i. Publicly accountable
- ii. A marketing section aimed to get more funds
- iii. A requirement of IFRS
- iv. Stating its achievements, performance and difference it has made
- 2. Should auditors read the commentary and what training do they need on technical aspects of the NPO
- 3. Disclsoures required: YES or NO
- i. List of grants paid out
- ii. Name of the NPO's
- iii. Registration Number
- iv. Directors or trustees
- v. Related parties

Questions



- 5. KRCS receives 10,000 bags of maize at 25.12.16. Its year end is 31.12.16. It held the bags in its ware house at the year end. ANS: Section 13 IFRS SME)
- i. Should it be inventory or expensed?
- ii. The expiry date was 31.3.17 should it be impaired?
- 6. IPSAS require details on the long term sustainability of an entity's finances. What is Recommended Practice Guideline(RPG)?
- i. Long term sustainability
- ii. F/S analysis
- iii. Performance information

Questions



7. PPE is used to generate cash flows generally. How do you treat a store that distributes relief food solely for social purposes and not for cash flow? IFRS SME section 17.

8. 50 volunteers qualified accountants earning KES 100,000 each a month work voluntarily for KRCS. They are totally unpaid and do it for CSR. What value should KRCS accrue in its revenue? IFRS SME section 23 requires valuation where practical only.





Questions



