



Sarawak Accrual Accounting Implementation

Benefits of Accrual Accounting

Transformation to Accrual Accounting is Key to National Advancement

- 1 **Financial institutes and credit rating agencies** prioritises sustainability of monetary policies and spending
- 2 **Expenditure commitments as well as the use of its provisions by the Government** is clearly stated and will not burden the future generations
- 3 Places Malaysia on **par with developed countries**; which is consistent with the Government's aspiration to attain the status of developed nation (e.g. France, New Zealand, Australia)
- 4 **Better financial management** through complete view of government **assets and liabilities**
- 5 Adds depth to the **accountability and transparency** of the management of public sector resources
- 6 **Meets international standards** of public sector financial statements as journey towards developed status



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More importantly, its about accounting under international standards

- The IPSASB is **one of four independent standard-setting boards** that are supported by the International Federation of Accountants (IFAC), the worldwide organization for the accountancy profession.
- The IPSASB aims to **enhance the quality and transparency of public sector financial reporting** by establishing high-quality accounting standards for use by public sector entities and promoting the adoption, and international convergence to IPSAS.
- The IPSASB has developed and issued a suite of **32 accrual standards (IPSAS Accrual)**, and a cash basis standard (IPSAS Cash).



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Accrual accounting is part of a wider finance reform

