CORE CONCEPT

Accrual Accounting and IPSAS in the Saudi Public Sector: Ministry of Finance Transition Project

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Technical depth: Practitioner · **Practical mode:** Case study

Introduction

Since the Royal Order of December 2016, every Saudi government entity has been required to move from cash to accrual accounting based on IPSAS, through the Ministry of Finance's Accrual Accounting Transformation Project. The aim is to show the full cost of services, controlled assets and obligations. Transitions still stall on incomplete asset registers, unvalued infrastructure, missing accruals and budget data held in Etimad that does not reconcile to accrual balances. This Core Concept course takes public sector finance teams from readiness assessment to the opening statement of financial position, ending with an Accrual IPSAS Transition Roadmap.

Course Objectives

- Assess an entity's readiness for accrual IPSAS against the Ministry of Finance transition requirements across policies, data, systems and people
- Apply the principal accrual IPSAS requirements for revenue, transfer expenses, property, plant and equipment, employee benefits and provisions
- Build an opening statement of financial position using the IPSAS 33 exemptions and recognised valuation approaches
- Reconcile budget execution reporting in Etimad with accrual financial statements and government finance statistics
- Identify transition risks in leases, service concessions, financial instruments and data migration and apply controls to each
- Produce an accrual IPSAS transition roadmap that can be presented to senior finance leadership for approval

Target Audience

- Finance managers leading accrual accounting reform in Saudi ministries, authorities, universities and agencies
- Chief accountants responsible for general ledger, closing and financial statements in government entities
- Budget and treasury managers reconciling budget execution with financial reporting
- Asset and property managers accountable for registers, valuation and depreciation
- Internal audit and financial control managers reviewing transition controls

Course Outline

Day 1: Why Accrual: The Saudi Reform Mandate and Current-State Assessment

- Cash, Modified Cash, Modified Accrual and Full Accrual Bases Compared
- Royal Order No. 13059 and the Ministry of Finance Accrual Accounting Transformation Project
- Fiscal Transparency Drivers: IMF Fiscal Transparency Code and PEFA 2016 Indicators
- IPSASB Conceptual Framework: Users, Qualitative Characteristics and Elements
- Accrual Readiness Diagnostic: Policies, Data, Systems and People

Day 2: The IPSAS Framework and Key Standards

- IPSAS 1 Financial Statements and IPSAS 24 Budget-to-Actual Comparison
- IPSAS 47 Revenue and IPSAS 48 Transfer Expenses
- IPSAS 45 Property, Plant and Equipment and IPSAS 46 Measurement Bases
- IPSAS 39 Employee Benefits and IPSAS 19 Provisions and Contingencies
- IPSAS 35 Consolidation and the Reporting Entity Boundary

Day 3: Building the Opening Position

- IPSAS 33 Transitional Exemptions and the Three-Year Relief Period
- Asset Register Build: Existence, Completeness and Deemed Cost
- Heritage and Infrastructure Asset Valuation Methods
- Receivables, Payables and Accruals Cut-Off Procedures
- Ministry of Finance Unified Government Chart of Accounts and GFSM 2014 Mapping

Day 4: Risks, Controls and Problem Areas

- IPSAS 43 Leases and IPSAS 32 Service Concession Arrangements
- IPSAS 41 Financial Instruments: Loans, Guarantees and Impairment
- Budget Execution on Etimad and Accrual Reporting Reconciliation
- ERP Configuration and Data Migration Control Checklist
- Transition Risk Register and General Court of Audit Readiness Review

Day 5: Case Work and the Transition Roadmap

- Saudi Ministry Case Study: Opening Statement of Financial Position Review
- Municipal Infrastructure Case Study: Asset Valuation Challenge
- Entity Policy Manual Alignment with the Ministry of Finance Accounting Policies and Procedures Manual
- Accrual IPSAS Transition Roadmap Build
- Peer Challenge Panel and Roadmap Defence

Skills You Will Gain

- Accrual Readiness Assessment
- IPSAS Technical Application
- Public Asset Valuation
- Opening Balance Preparation
- Budget and Accrual Reconciliation
- Government Chart of Accounts Mapping
- Transition Risk Management
- Accounting Policy Development

Why Attend This Course

- Return to work with an Accrual IPSAS Transition Roadmap for your own entity, already tested against peer challenge
- Explain to decision-makers what accrual reporting will reveal about assets, liabilities and the cost of services
- Avoid the asset, cut-off and Etimad reconciliation problems that most often delay a first set of accrual statements
- Compare reform experience with finance peers from Saudi ministries, authorities, universities and municipalities

Conclusion

Moving to accrual IPSAS changes what a Saudi government entity knows about its own finances, but only if assets are found and valued, obligations are recognised and systems are ready. This course moves from the national reform mandate and the main standards, through the building of an opening position on the Ministry of Finance's unified chart of accounts, to the risk areas that delay adoption. The final day turns that material into an Accrual IPSAS Transition Roadmap, giving participants a structured and phased plan they can present to leadership and begin to execute.