



Practitioner Advisory Group

AGENDA ITEM: PAGCP01- 04

December 5-6, 2019 - Nairobi, Kenya

PAG Terms of Reference

Summary	The paper sets out the role, scope and related management and operating procedures for the PAG.
Purpose/Objective of the paper	To provide the opportunity to discuss and clarify the purpose of the group to ensure that there is a common understanding and agreement among PAG members.
Other supporting items	None
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Actions for this meeting	<u>Comment on / confirm</u> the Terms of Reference
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Practitioner Advisory Group

Terms of Reference

1. Role

- 1.1 1.1 The objective of the Practitioner Advisory Group (PAG) is to provide a forum where representatives of Not for Profit public and private sector organizations or individuals interested in or affected by the development of international financial reporting guidance for Not for Profit Organizations (NPOs), (including those engaged in the preparation, audit, or evaluation of Not for Profit financial reports), can provide:
- Advice on the Technical Advisory Group (TAG) work program;
 - Advice on individual issues, including views on key technical issues or matters that may impede the adoption or effective implementation of international financial reporting guidance;
 - Advice on outreach to both maximise the inputs to the program and its overall effectiveness on implementation; and
 - Advice on other matters of relevance to the development of the Guidance as part of this program.

2. Membership

- 2.1 The PAG will comprise approximately 20 representatives drawn from public and private sector organizations, or individuals that are interested in or affected by the development and maintenance of high-quality international financial reporting guidance for the NPOs and interested in the quality, consistency, and transparency of NPO financial reporting worldwide. Members will initially appointed for a period of two years covering the development of the Consultation Paper.
- 2.2 The membership should provide, to the extent practicable, a balance of geographical representation and between preparers, auditors and professional accounting bodies, donors, other users, oversight bodies and National Accountancy Institutes. Nominations from existing regional or other networks is encouraged to maximise representation.
- 2.3 Nominations may be submitted by organizations or individuals. The nominated individuals should be knowledgeable about international accounting standards, NPO financial reporting or NPO finance management, and related issues.
- 2.4 Continuity of representation is expected, however, an organization represented on the PAG, with the prior permission of the PAG Chair, may occasionally send other representatives to a PAG meeting to be better able to contribute to discussions of the particular issues under review.



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3. Observers

- 3.1 International and regional organisations with an interest in NPO financial reporting will be able to nominate individuals to serve as PAG observers subject to any local capacity constraints.
- 3.2 Members of the public will be able to observe the meetings through a registration process in advance and subject to capacity constraints.

4. Chair

- 4.1 The PAG Chair will be nominated by Humentum. The inaugural PAG Chair will be Tim Boyes-Watson, Director Global Alliances & Advocacy, Humentum.
- 4.2 The PAG Chair will provide leadership to the PAG in ensuring that it receives timely and effective input that contributes to the development of high-quality Guidance. The duties of the Chair will include, but will not be limited to those necessary for the effective conduct of meetings of the PAG.
- 4.3 The PAG Chair will lead the process to ensure adequate representation at the PAG.

5. Technical Advisory Group

- 5.1 The role of the TAG will be to provide a forum where the TAG Secretariat can consult experienced individuals from National Standard Setters (NSS), on the overall approach and the key technical issues to be covered in the Guidance leading to its finalisation.
- 5.2 The objective of the PAG will be to provide input to and assist the Technical Advisory Group (TAG) with high-level advice from a practitioner perspective on the TAG's agenda and work program, technical advice on key aspects of the proposed Guidance and advice on other matters of relevance to TAG activities. The TAG will be convened by CIPFA and will be comprised of individuals nominated by national standard setters.
- 5.3 The PAG will provide input to the TAG through the formal record of its meetings. The TAG will consider the input and provide feedback to the PAG. The feedback will include how the TAG plans to address each point raised where a point is agreed, and provide an explanation if advice is not being taken up. PAG members have a right of response to the TAG position.

6. Operating Procedures

To ensure that the PAG operates efficiently and effectively, the following specific operating procedures are adopted.

6.1 *Meeting Details*

- 6.1.1 Generally, up to two physical meetings will be held each year, which will be held in a range of locations as proposed by the secretariat and agreed by the PAG. Additional PAG conference calls will be convened between the physical



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meetings as the discretion of the PAG Chair. The PAG Members and other meeting participants, will be notified of meeting dates well in advance.

6.1.2 The PAG Chair will assume the chairmanship of any meeting of the PAG at which he or she is present. In the absence of the PAG Chair, the PAG Chair will nominate a representative to act as chair.

6.1.3 The PAG Secretariat will be staffed by Humentum. It will provide administrative support for both the PAG's physical meetings and its conference calls.

6.2 *Meeting Agenda and Papers*

6.2.1 The PAG Chair, with appropriate consultation with the TAG Chair and Head of the IFR4NPO Program, CIPFA, sets the agenda for a PAG meeting, reflecting the TAG work program and project timetable.

6.2.2 Written materials supporting the PAG agenda items are provided prior to each meeting, highlighting issues for consideration.

6.2.3 Papers for the meetings will be issued at least one week ahead of each meeting, including virtual meetings.

6.2.4 There is no requirement for the PAG to reach consensus. Feedback from PAG meetings will be summarised with comments attributed to individual members. Feedback will then be provided on how the points have been addressed in TAG discussions.

6.3 *Confidentiality Requirements*

6.3.1 Materials that have not yet been made available to the public, for example through publication on the project website, should not be provided to third parties or used as a basis for comment to the media. PAG members may need to discuss the materials with colleagues or constituencies, however, they would be expected to put in place arrangements that enable the distribution of confidential material to be confined to a small group.

7. **Travel and subsistence costs**

7.1 As the project will be funded through donations, wherever possible PAG Members or the organisations they were nominated by are encouraged to meet their own travel, accommodation and other subsistence costs. However, funding will be made on a needs basis and will not preclude membership of the PAG.

8. **Transparency**

8.1 The membership, terms of reference, including the operating procedures of the PAG, will be published on the project website.



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- 8.2 PAG meetings will be open to the public. When considered necessary, the PAG Chair may arrange closed or private sessions, to which the public are not admitted, to deal with administrative and similar matters.
- 8.3 Members of the public will be able to access the agenda papers, including minutes, of the open sessions of the PAG meetings on the project website. Minutes of the open meetings will only be published after clearance by PAG members. Should minutes of any private sessions of the PAG meetings be prepared, they will be sent to the PAG Members and any other attendees only.

9. Review of the Terms of Reference

- 9.1 The Terms of Reference of the PAG will be reviewed after completion of the Consultation Paper. The review will include future membership, operations and scope of activities.

November 2019