



Technical Advisory Group

AGENDA ITEM: TAGCP01- 4

October 3-4, 2019 - London, United Kingdom

Terms of Reference

Summary	The paper sets out the role, scope and related management and operating procedures for the TAG.
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 TAG members.
Other supporting items	None
Prepared by	Ian Carruthers

Actions for this meeting	<u>Comment on/confirm</u> the Terms of Reference
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Technical Advisory Group

Draft Terms of Reference - June 2019¹

1. Role

- 1.1 The role of the Technical Advisory Group (TAG) in the development of non-mandatory internationally-applicable financial reporting guidance for Not-for-Profit Organisations (NPOs) (the Guidance) 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 that it covers, as well as its finalisation

2. Membership

- 2.1 The TAG will comprise individuals that are interested in or affected by the development of high-quality international financial reporting guidance for the NPOs and interested in the quality, consistency, and transparency of NPO financial reporting worldwide. Members are likely to be NSS staff or board members, with a mix of recent practical experience in setting accounting standards, in preparing auditing, or using financial reports, and in accounting education relevant to the NPO sector. They will provide independent technical expertise and advice on the guidance as individuals rather than on behalf of NSS and / or organisations in which they are employed.
- 2.2 There will be no formal limit on TAG Member numbers, though the aim is to have 10 to 15 members at the start of the project. They should provide, to the extent practicable, a balance of geographical representation. Nominations may be submitted by organizations or individuals. Members will initially serve for up to two years covering the development of the Consultation Paper. Membership will then be renewable for three years, or the remaining duration of the project, whichever is longer.
- 2.3 Ideally the same individual should attend all meetings and teleconferences. However, a NSS that has nominated a TAG Member might occasionally send other suitably qualified individuals to a TAG meeting who were better able to contribute to discussions of the specific issues under review, or to act as an alternate.

¹ Included as Appendix B to the Invitation to Nominate letters



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3. Observers

- 3.1 The International Financial Reporting Standards Foundation and other international and regional organisations with an interest in NPO financial reporting will be able to nominate individuals to serve as TAG observers.

4. TAG Chair

- 4.1 The TAG Chair will be nominated by CIPFA. The inaugural TAG Chair will be Ian Carruthers in his role as Chair, CIPFA Standards.
- 4.2 The TAG Chair will provide leadership to the TAG 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 TAG.
- 4.3 The TAG Chair will lead the process to ensure adequate representation at the TAG.

5. Practitioner Advisory Group

- 5.1 The objective of the Practitioner Advisory Group (PAG) will be to provide input to and assist the TAG through providing 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 PAG will be convened by Humentum and will be comprised of individuals from the NPOs community as well as auditors, donors, National Accountancy Institutes and Government agencies that oversee NPOs.

6. Operating Procedures

To ensure that the TAG 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 the same locations as the meetings of the International Forum of Accounting Standards Setters (IFASS). Additional TAG conference calls will be convened between the physical meetings as the discretion of the TAG Chair. The TAG Members and other meeting participants, will be notified of meeting dates well in advance.
- 6.1.2 The TAG Chair will assume the chairmanship of any meeting of the TAG at which he or she is present. In the absence of the TAG Chair, the TAG Chair will nominate a representative to act as chair.
- 6.1.3 The TAG Secretariat will be staffed by CIPFA. It will provide administrative support for both the TAG's physical meetings and its conference calls.



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6.2 *Meeting Agenda and Papers*

6.2.1 The TAG Chair, in consultation with the TAG Secretariat, will set the agenda for TAG meetings. The process and work programme followed will require the group to consider the views of PAG members, as well as feedback gathered through research and the public consultations. TAG members are expected to support the facilitation of wide stakeholder engagement that best ensures the Guidance is relevant to stakeholders.

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

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. TAG 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 TAG Members or the organisations they were nominated by are encouraged to meet their own travel, accommodation and other subsistence costs. However, funding to meet the incremental subsistence costs of attending physical TAG meetings will be available, with a small budget that could be applied towards travel costs.

8. **Transparency**

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

8.2 TAG meetings will be open to the public. When considered necessary, the TAG 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 TAG meetings on the project website. Minutes of the open meetings will only be published after clearance by TAG members. Should minutes of any private sessions of the TAG meetings be prepared, they will be sent to the TAG Members and any other attendees only.

September 2019