

IX MEETING ON ACCOUNTING AND BUDGETARY ISSUES IN CENTRAL BANKING

Santiago, Chile, 20 - 22 October 2004

Conclusions and recommendations

57 representatives from 16 Central Banks in Latin America, the Caribbean, Europe and Asia participated in the IX Meeting on Accounting and Budgetary Issues in Central Banking, held in Santiago de Chile on 20-22 October 2004. The participants discussed the International Standards on Financial Information (IFRS), focusing the debate around those provisions relevant to central banking accounting practices. The meeting was divided into three working groups and drafted considerations on the specific aspects of central banking accounting, and agreed to the following conclusions and recommendations:

1. The countries in the region show a tendency to adopt IFRS as part of their accounting systems.
2. The meeting noted that IFRS do not cover some financial operations typical to Central Banks; however, they do cover standards whose applicability to central banking is not yet agreed, such as IAS 7, IAS 21, IAS 32, and IAS 39. The participants stated that, depending on the consensus reached in each country, Central Banks should be particularly careful when implementing the following IAS: 11, 12, 14, 19, 20, 22, 24, 27, 28, 29, 31, 33, 34, 35, and 41.
3. It is advisable to study IFRS in order to establish in what cases Central Banks justifiably do not implement specific standards.
4. To this end, each Central Bank is to analyze its own accounting system and present results to the Accounting Committee by 30 May at the latest. Central Banks were advised to review the IFRS version issued on 31 December 2004.

5. It is most important to analyze the consistency between IFRS and the Accounting Standards for Central Banking Operations prepared by the Accounting Committee.
6. It was recommended that CEMLA's Accounting and Budget Committee draft a technical explanatory note on why certain IFRS are or are not implemented in central banking, including relevant cases where gaps have been identified between IFRS and the Criteria, and the advisability of harmonizing them. Once approved by the Meeting of the Committee, this note will be sent to CEMLA for its distribution among the authorities of member Central Banks.
7. It was recommended that CEMLA organize IFRS training courses and promote the harmonization of criteria to assess accounting within the scope of internal auditing at central banks.
8. The representatives of Banco de México asked for another delegation to take over their role at the Committee; the Central Bank of Brazil is no holding this position.

Santiago, Chile, 22 October 2004