



6th AIST Annual Seminar

on

Public sector accounting system reform and cash management

Workshop on accounting reform implementation

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Presentation of the opening balance sheet

The Moroccan experience

Rachid Amghar

Head of division-

General Treasury of the Kingdom of Morocco (TGR)

Public sector accounting reform – the Moroccan experience

General framework



I. Reform legitimacy

II. Reform structure

III. Opening balance sheet

IV. Lessons learnt and challenges

I. Legitimizing factors for the public sector accounting reform



The state accounting reform covers three essential dimensions:

- The strategic dimension;
- The political dimension;
- The legal dimension.

II. Reform structure: The framework for drawing up the opening balance sheet



- **Principles**
- **Fundamentals**
- **Constraints**

III. Reform structure: Approach for drawing the opening balance sheet



➔ Main characteristics of selected approaches:

- Gradual and progressive approach;
- Approach giving priority to financial stakes and significant areas;
- Approach based on targeting the most important assets by bringing into play the “ministerial advantage”;
- Approach based on progressive identification and on a long term multiplication.

➔ The short term objective is to develop an opening balance sheet that reflects by and large all major interests.

IV. Review of the main opening balance sheet items



- Differ according to the importance of the assets which are to be identified and valorized:
 - ❑ The comprehensive method for:
 - Building stock;
 - Road infrastructure;
 - Hydraulic infrastructure;
 - State shares;
 - Financial assets.
 - ❑ The partial method for:
 - Intangible assets;
 - State reserves.
 - ❑ No reconstitution for:
 - Assets of insignificant value (e.g. IT equipment).

IV. Review of the main balance sheet items



- The main opening balance sheet items being targeted:
 - ❖ Assets: Fixed asset refer to tangible, intangible and financial:
 - For tangible assets, identification and valorization were mainly focussed on:
 - the states' building stock;
 - road infrastructure;
 - hydraulic infrastructure;
 - transport equipment.

IV. Review of the main balance sheet items



- ❑ **For intangible assets:** the identification and valorization were focussed on software bought/ in-house products, licences and patents (pilot programmes on this subject have been initiated at the Central Directorates within the Ministry of Economy and Finance);
- ❑ **For financial assets:** the identification and valorization were focussed on state shares, capital grants, membership affiliation fees to international organisations, loans and advances the state pays to certain organisations;
- ❑ **For reserves:** the identification and valorization were focussed on the pharmacy stock of the Ministry of Health, supplies and other HCAP.

V. Review of the main balance sheet items

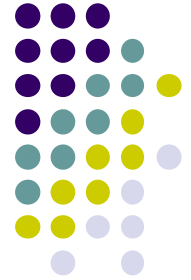


- ❖ Liabilities were focussed on:
 - ❑ financial debt;
 - ❑ non-financial debt;
 - ❑ Provisions for risks and liabilities;
 - In the case of provisions for risks and liabilities: the scope shall be limited to the litigations the state is involved in.
 - ❑ Off-balance-sheet commitments :
 - Commitments received;
 - Commitments given

The opening balance sheet at 31.12.2010 only contains data regarding received commitments.

Efforts are being made, together with the concerned administrations, for identifying and valorising commitments given.

Conclusion



The success of the state accounting reform relies on three types of factors:

- Factors resulting from pre-existing conditions;
- Strategic factors;
- Management and reform governance factors.



The accounting reform is a collective effort, based on the contributions of all parties and associating different actors (public accountants, authorising officers, managers...) in the task of overcoming a collective challenge: that of making a success out of this reform that concerns each and everyone of us.



Merci
pour votre attention