

To: AOSSG members **Date:** 9 September 2013
From: Christina Ng **Agenda item:** 2.2
Subject: Report of the first AOSSG Train-the-trainer Program

Overview

The IFRS Train-the-Trainer (TTT) sessions organised jointly by the AOSSG and Nepal Accounting Standards Board (NASB) were held on 23-25 June 2013 at the Trade Tower Business Centre, Kathmandu.

The AOSSG coordinator and trainers' feedback on the TTT is provided in the 'overall assessment' of this report.

Training materials

- The training materials focussed on key aspects of the standards, for example, the revenue recognition criteria, and included many case studies that test the knowledge of participants and encourage discussions.
- Training materials for six out of eight of the topics were contributed by PricewaterhouseCoopers (PwC). Materials for IAS 7 and IAS 8 were developed by AASB staff.
- Materials provided by PwC for IAS 18, IAS 21, IAS 32 and IAS 39 had to be tailored to suit the level of participants' knowledge. For example, the materials required more background to the standards and simple/relevant examples and case studies.

Overall assessment

- The content of the materials provided by PwC, revised by AOSSG trainers, was appropriate for the use of the TTT.
- However, note that PwC does not have materials for many of the other topics we will need to cover for further TTT sessions (see attached listing). Accordingly, if the WP decides to proceed with future TTT, more time will need to be allocated to develop materials on topics where PwC materials are not available.

Trainers

- AOSSG trainers who were involved in the TTT were:
 - Christina Ng - staff of Australian Accounting Standards Board (with a focus on facilitating each TTT session and coordinating the overall TTT);
 - Ajit Viswanath and Anand Banka - members of the Institute of Chartered Accountants, India;
 - Sungho Joo - staff of the Korea Accounting Standards Board; and
 - Christine Lau and Kar Wai Siew - staff of the Malaysian Accounting Standards Board.
- A seventh trainer (staff member of the Institute of Chartered Accountants, Pakistan) was initially expected to partner with Sungho but faced unforeseen issues with travelling. Ultimately, Sungho

had to undertake the sole lead trainer on IAS 11 *Construction Contracts* and IAS 18 *Revenue* and other trainers (Christina, Christine and Kar Wai) collectively assisted Sungho (where necessary).

- In addition to delivering the allocated topics, all trainers were expected to contribute technical knowledge and practical experience where relevant on all topics.

Overall assessment

- Participants were complimentary of all trainers for their training techniques and IFRS knowledge. Lead trainers found it helpful to have the assistance of other trainers and their shared knowledge and experience.
- In the future, those AOSSG trainers scheduled to conduct TTTs who subsequently become unavailable should provide a capable replacement. Otherwise, the preparation for training can be burdensome on other trainers.

Trainers' preparation time

- AOSSG trainers were provided training materials one month prior to the TTT and were expected to have reviewed the materials prior to arriving in Kathmandu.
- Trainers were expected to arrive in Kathmandu on 19 June 2013 (three days before the TTT commenced) to coordinate the training plans, continue training preparation and edit materials (where necessary); and expected to depart after 25 June 2013 to assist other lead trainers on other topics.
- Most trainers arrived by 19 June and departed by 26 June.

Overall assessment

- The allocated preparation time (one month) was appropriate, however, a longer preparation time would be required if more than three topics were allocated per trainer.
- Arriving at least three days prior to the commencement of the TTT was also appropriate and necessary to allow for unforeseen circumstances (in this case, in relation to the loss of one trainer and allowing preparation time for other trainers to assist).
- All trainers should be committed to be present throughout the TTT program (refer to 'TTT program timeline' below for an issue encountered with timing of the training sessions).

TTT program timeline

- Nine technical topics were planned to be delivered but, due to timing issues, only seven topics were covered over the three days (refer to table below).
- Each topic was delivered by at least two lead trainers (with the exception of IAS 11 and IAS 18 mentioned above).
- An outline of the topic allocation is below.

Topics	Lead trainers	Time (allocated)	Time (actual)
Introduction to IFRS (Framework)	Christina Ng	Day 1 (1 hour)	Day 1 (15 minutes) Due to lack of time, this topic was delivered in part
IAS 1 Presentation of Financial	Ajit Viswanath	Day 1 (2.5 hours)	Day 1 (3.5 hours)

Topics	Lead trainers	Time (allocated)	Time (actual)
Statements	and Anand Banka		
IAS 7 Statement of Cash Flows	Anand Banka	Day 1 (1.5 hours)	Day 1 (1.5 hours)
IAS 8 Accounting Policies, Changes in Estimates and Errors	Anand Banka	Day 1 (1.5 hour)	Day 1 (1.5 hour)
IAS 11 Construction Contracts	Sungho Joo	Day 2 (1.5 hours)	Day 2 (1.5 hours)
IAS 18 Revenue	Sungho Joo	Day 2 (3.5 hours)	Day 2 (4 hours)
IAS 21 The Effects of Foreign Exchange Rates	Christine Lau and Kar Wai Siew	Day 2 or 3 (1.5 hours)	Due to lack of time, this topic was not delivered
IAS 32 Financial Instruments: Presentation (in part as planned)	Christine Lau and Kar Wai Siew	Day 3 (1.5 hours)	Day 3 (2 hours)
IAS 39 Financial Instruments: Recognition and Measurement (in part with a focus on non-derivative aspects as planned)	Christine Lau and Kar Wai Siew	Day 2 or 3 (2.5 hours)	Day 2 (1 hour) and Day 3 (3 hours)

Overall assessment

- Day 1 training was delayed by approximately 45 minutes due to late participant arrivals and facility setup issues.
- AOSSG trainers responsible for IAS 1, IAS 7 and IAS 8 had to leave Kathmandu early on Day 2 which meant that it was necessary to complete those topics by the end of Day 1.
- As a result, there was insufficient time to deliver the training on the Framework on Day 1. This topic will need to be covered again at a future TTT (if any).
- A scheduling error in Day 3 TTT (the itinerary promised an end time of 3:00 p.m.) led to insufficient time to deliver IAS 21. At least 2 hours should be allotted to any topic for future TTT (if any).
- Insufficient time was allocated to IAS 32 and IAS 39 as the overall level of participants' knowledge on these topics was lower than expected. There is a need to cover these topics again at a future TTT (if any) perhaps with more case studies to ensure that participants are able to deliver training on these topics on their own.

Training format

- The training was delivered with the assumption that participants' knowledge of IFRS was basic.
- The style of the training was to encourage discussions among participants and working through case studies in groups and individually, instead of a lecture-style training.

- Participants were provided with a USB with all the trainers' materials (slides, trainers/speakers' notes, case studies with solutions and other reference materials) upon completion of the 3-day TTT.

Overall assessment

- Trainers found that this training format was effective as they observed that most participants were engaged in discussions with the trainers and amongst themselves.
- When considering future TTT sessions in Nepal, we can assume that participants would have had between basic and intermediate IFRS knowledge, though with limited experience in IFRS application.

Participants

- At least 34 participants, excluding members of NASB, were registered to attend the TTT. 14 participants were from the regulatory bodies (Auditor's General, Central Bank, Financial Comptroller General Office, Inland Revenue Department, Insurance Board and Securities Board) and 20 participants were from public practice.
- Some participants had attended an intensive IFRS course in April 2013 and grasped key concepts and application of IFRS well, while others had more difficulty with the sessions.
- On average, no more than four NASB members attended each of the TTT sessions.

Overall assessment

- Most participants were engaged in discussions and asked relevant questions, including possible IFRS application issues. Most participants could understand key concepts but only half the participants were able to rationalise/explain their thinking process using the learning points.
- To enable a more focused TTT, the number of participants in future TTT (if any) should be reduced to 20-25. AOSSG trainers observe that half the participants are ready to be potential IFRS trainers (whereas the other half were still learning about IFRS).
- With no more than four NASB members attending the TTT sessions, it is difficult to assess whether the aim of the TTT (to build the NASB standard-setting capacity) is being met. Nevertheless, some participants of the TTT include technical subcommittee members of the NASB, that is, practitioners/preparers that consult to the NASB regarding IFRS matters. It is, therefore, important to ensure that these participants continue to be trained in IFRS if it remains an aim of the program that the NASB is equipped with the relevant 'experts'.

Training environment

- The size of the training room was appropriate. The training was set up classroom style but some participants (at the back half of the class) had difficulties seeing the slides due to the large number of participants and the placement of the slide projection.
- Two handheld microphones were provided to trainers.
- Other training aids such as the white board were not helpful due to lighting issues. No flipchart was provided.

Overall assessment

- The quality of the learning environment could be improved by providing at least three handheld microphones, paper flipchart, considering better placement of the slide projection.

Overall usefulness of the TTT

- A full analysis of participants' evaluation of the TTT is provided in Agenda paper 2.3.
- Most participants personally requested AOSSG trainers to conduct further TTT sessions in Nepal.
- The AOSSG trainers' assessment was that it was worthwhile conducting the TTT sessions as they observed most participants were engaged in the discussions and demonstrated interest about IFRS and their application.

Points considered by Working Party members

Based on the overall assessment made above, suggested key changes to the next TTT program were considered.

- A recommendation to the NASB was that the number of participants needs to be more realistic, that is, reduced to a maximum of 20. In addition, NASB needs to identify participants that have some degree of IFRS knowledge (for example, those who have attended prior IFRS courses), have the potential/capability to provide training and are committed to providing further training sessions. The further training should be scheduled as part of the NASB's IFRS adoption plan.

NASB response: Agreed with the recommendations. However, due to the commitment between the NASB and participants from the first TTT, it is difficult to manage the exclusion of participants for the next TTT.

- The IFRS topics of the next TTT session needs to be more targeted based on the needs of NASB, instead of covering all standards/topics. For example, it was apparent at the first TTT that 'financial instruments' was a topic where participants had significant knowledge gaps. Subject to consultation with the NASB, other specialised topics such as insurance and those relating to group reporting (IFRS 3, IFRS 10 or IAS 27, IFRS 11, and IAS 28) could also be the focus of the next TTT.

NASB response: The NASB considers most topics would be relevant to most participants, except for the more specialised topics such as insurance, especially as Nepal is adopting IFRS for the first time. Having said that, the NASB will reassess what topics would be most relevant in the Nepal context.

- In addition to the current training format (that includes reiteration of key concepts, discussion of case studies and IFRS application issues), we could incorporate a 'practice training' session for participants, with the guidance of AOSSG trainers. For example, participants could take on the 'trainer' role, and develop examples/application issues, explain to the class the rationale for arriving at their conclusion and encourage discussion among other participants.

NASB response: Agreed with the recommendations.

- The training program could focus on no more than two topics per day to allow time for participants to conduct their own practice training session. On average, each topic should be allocated approximately 3.5 hours for completion to allow time for more complex topics and participants' practice training session.

NASB response: Agreed with the recommendations.