

Converting to IFRS

Project Management Guide

IFRS can have major commercial implications for companies. A project management approach can smooth the process.

Preparing for the impact of IFRS

IFRS Project Management Guide

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This document seeks to address general business and financial issues and we have taken care in its preparation. Mazars or Moss Adams cannot accept any responsibility for loss incurred by any person, association or entity as a result of acting, or failing to act, on any material in this publication. Specialist advice should always be sought in relation to your particular circumstances.

The impact of IFRS on your business

The impact of IFRS

IFRS will impact many areas of your company's business beyond the accounting and finance departments. Figure 1 identifies the key ways in which the adoption of IFRS will have on the different areas of your business, both internally and externally.

These examples emphasise the need to consider, and potentially include, many representatives from different departments within your organisation when preparing for the impact of IFRS.

The adoption of IFRS affects many areas of your business. It brings with it threats, but also presents opportunities.

Accounting & Finance

- Identification of key IFRS differences
- IFRS accounting policies review
- Convergence of current GAAP policies with IFRS
- IFRS training
- Changes to reporting packages and consolidation processes
- Changes to management information

Marketing & Communications

- External IFRS communication plan for stakeholders and other users of financial statements
- Internal IFRS communication plan for employees and board members

Subsidiaries & Business Units

- The need for IFRS impact assessments
- IFRS training
- IFRS reporting packages

Information Systems

- Impact of IFRS on overall systems
- Short-term versus long-term solutions
- IFRS business user requirements and functional specifications
- IFRS systems changes
- Systems changes and parallel runs

Internal Audit & Risk Management

- Impact of IFRS on business and risk management policies
- Control systems
- IFRS compliance tests
- Liaison with external auditors

Human Resources

- Recruitment of staff with IFRS experience
- Revisions to performance incentives
- IFRS training, change management and communication

Figure 1: How IFRS impacts your business

The adoption of IFRS will certainly bring with it many opportunities for your business, however your business will also be presented with some threats. Figure 2 identifies some of the main opportunities and threats, that organisations face when converting from their current GAAP to IFRS.

Possible threats to your business

Possible threats to your business include the following:

- The introduction of IFRS will change the reported results and financial position of your business and potentially introduce greater volatility into reporting
- The perception of stakeholders and the market is likely to be affected by these changes
- Conversion to IFRS will have unique repercussions for each country, depending on how each national GAAP differs
- IFRS conversion is likely to place additional burdens on existing resources
- IFRS may be more complex to apply on an ongoing basis especially with rapid changes in requirements
- Many companies will be affected by the complexities of IAS 39 'Financial Instruments – Recognition and Measurement'

Opportunities for your business

Opportunities for your business include the following:

- A common set of accounting principles will help companies with operations in different countries and facilitate cross border transactions
- IFRS will potentially better reflect the underlying economics of a transaction
- The single reporting regulations will facilitate greater access to the financial markets at a lower cost of capital
- IFRS will provide a high quality, global set of standards upon which to monitor financial performance. This should facilitate improved communications with analysts, investors, financial markets and other users of the financial statements
- The conversion process is an appropriate time to re-engineer information systems, internal management reporting and internal performance measures
- It is also an excellent opportunity to ensure that financial information is obtained in the most effective and efficient way

Figure 2: The main threats and opportunities of IFRS

‘Big Bang’ or project management?

Companies are faced with a decision to either leave the conversion process until as late as possible or to manage the process over a longer timescale.

Choosing your approach

The decision as to whether to start the conversion to IFRS early or to wait until much nearer the deadline requires careful consideration. A correct decision will be based upon an assessment of all relevant factors, and will vary from company to company, depending on its particular circumstances. The principal question therefore for your business is whether to leave the IFRS conversion process until as late as possible, the ‘Big Bang’ approach, or to manage the process over a longer timescale, the project management approach. A brief discussion of each approach is set out below.

‘Big Bang’ approach

In our view, the Big Bang approach may be appropriate for small or simple entities, but is likely to be a high risk strategy for other businesses.

The advantages include:

- The conversion process will be condensed into a short, intensive timeframe.
- All relevant international standards will have been finalised without needing to track changes in standards.
- The later conversion is left, the more time there is to understand IFRS requirements.

The disadvantages include:

- There will be little understanding of the time and resources required.
- There will be little understanding of the financial impact of the changes.
- There may be resource and knowledge constraints which make it very difficult or costly to meet if everything is left to the last minute.
- Unexpected implications of conversion will potentially not leave enough time to resolve problems before deadlines.

Project management approach

We believe, for the following reasons, that generally the most appropriate approach will be to adopt the holistic project management approach in order to assess the full scope and requirements of an IFRS conversion project on your business:

- This will be a major project for large or complex businesses
- There will need to be a comprehensive evaluation of IFRS in order to fully understand the financial impact
- The IFRS conversion should take place over a manageable timescale, as the longer the project is delayed, the more difficult and expensive the process is likely to become.

Figure 3 identifies the principal scoping requirements of an IFRS Conversion Project.

Project overview

The scope of an IFRS conversion project may include the following:

- Analysing the impact on the reported results and financial position
- Planning the conversion project, including budgeted costs, timescales and responsibilities
- Assessing the information needs to determine what changes will be required to the information systems
- Determining possible courses of action and implementation strategies (including the possible need for temporary solutions)
- Identifying any resource constraints. Solutions include training of existing staff, recruiting new staff or outsourcing
- Implementing procedures, including liaison between the Finance, Information Systems, Risk Management, Human Resources and other departments affected by the changes
- Developing a communication strategy, both internally to the board and employees, and externally to stakeholders and the market
- Regularly reviewing progress, including ensuring that the project is on time and to budget, and will produce the required information.

Figure 3: Scope of an IFRS Conversion Project.

A project management approach to IFRS

Key project management principles

All projects, whether big or small, require effective:

- Leadership that provides direction and motivation;
- Management to co-ordinate, organise and communicate the project; and
- Execution accomplished through teamwork and obtaining the right individuals with the appropriate skills to complete the milestones and tasks.

When considering how to apply a project management approach to your IFRS conversion, there are several important project management principles to bear in mind. The six principles listed in Figure 4 will be discussed in more detail throughout this guide in order to demonstrate how they can be applied to your IFRS conversion.

Leadership, communication and structured planning are key to implementation of IFRS.

1. Tailored solution:

A service solution that meets your specific needs and objectives.

2. Integrated team approach:

A well thought-out project structure, clear roles and responsibilities and combined teams of your staff working with technical specialists and consultants.

3. Milestone planning:

Summary and detailed planning of identifiable milestones showing the status of the project and highlighting any problems.

4. Issues management:

Identifying problems to ensure they are resolved quickly and effectively.

5. Communication:

Ensuring that all information is communicated effectively throughout the project teams.

6. Technical methodology:

Documenting IFRS adjustments in a logical and structured way.

Figure 4: Key project management principles

1. Tailoring the solution

The project management solution will need to be tailored to meet your specific requirements. There are many factors that should be considered when assessing the project management requirements of an IFRS conversion. Project management can be implemented at a full, medium or low scale depending on the needs of your company, your IFRS goals and overall project objective.

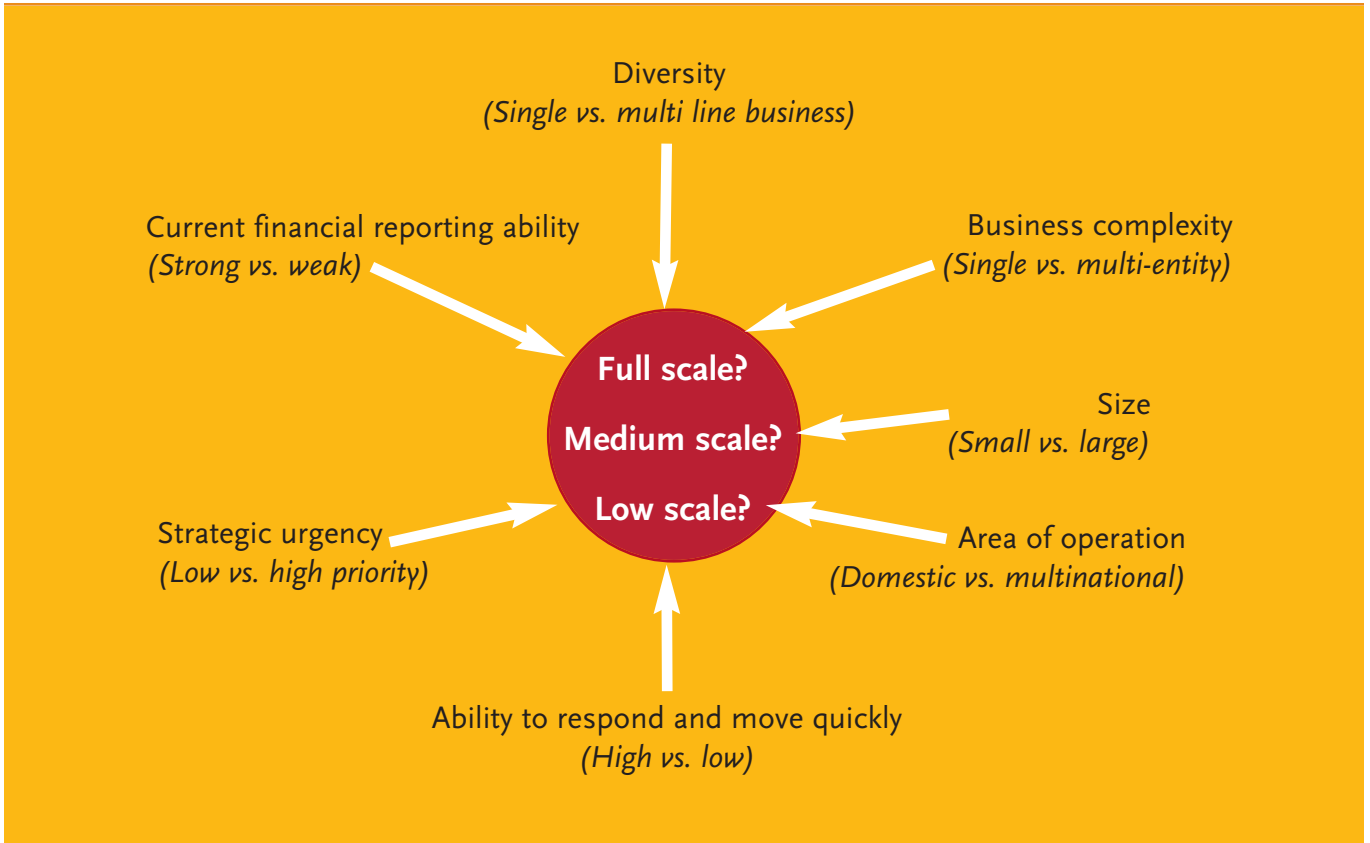


Figure 5: Tailoring the solution

It is also important to establish your organisation’s principle objective with regard to time, cost and quality. Ordinarily businesses need to strike a balance between these often conflicting elements and therefore the project management approach for the IFRS conversion will need to understand and meet these objectives.

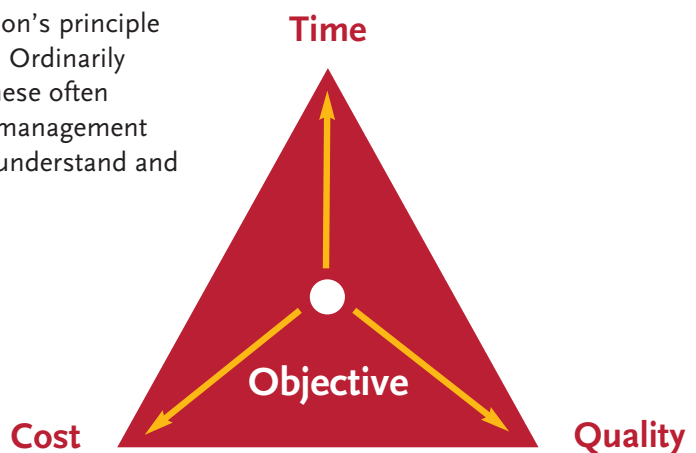


Figure 6: Balancing time, quality and cost

2. Team integration

Team integration has three key areas which all need to be established and co-ordinated in order to ensure an overall effective project management approach:

- Establishing a project team structure;
- Identifying roles and responsibilities; and
- Ensuring integration of teams.

Project team structure

The IFRS project team will need to be structured in a way that takes into account the unique situation of your company by assessing your objectives, needs, resource availability, timescales and interdependencies.

It is also necessary to consider the need for specialist teams (for example in areas such as tax, pensions, derivatives, systems) and the involvement from various business departments and divisions throughout your organisation, including, internal audit, risk management, human resources, investor relations, legal, subsidiaries and business units.

Figure 7 provides an example of an IFRS conversion project team structure for full scale project managed conversion, but which can be adapted for a medium or low scale project.

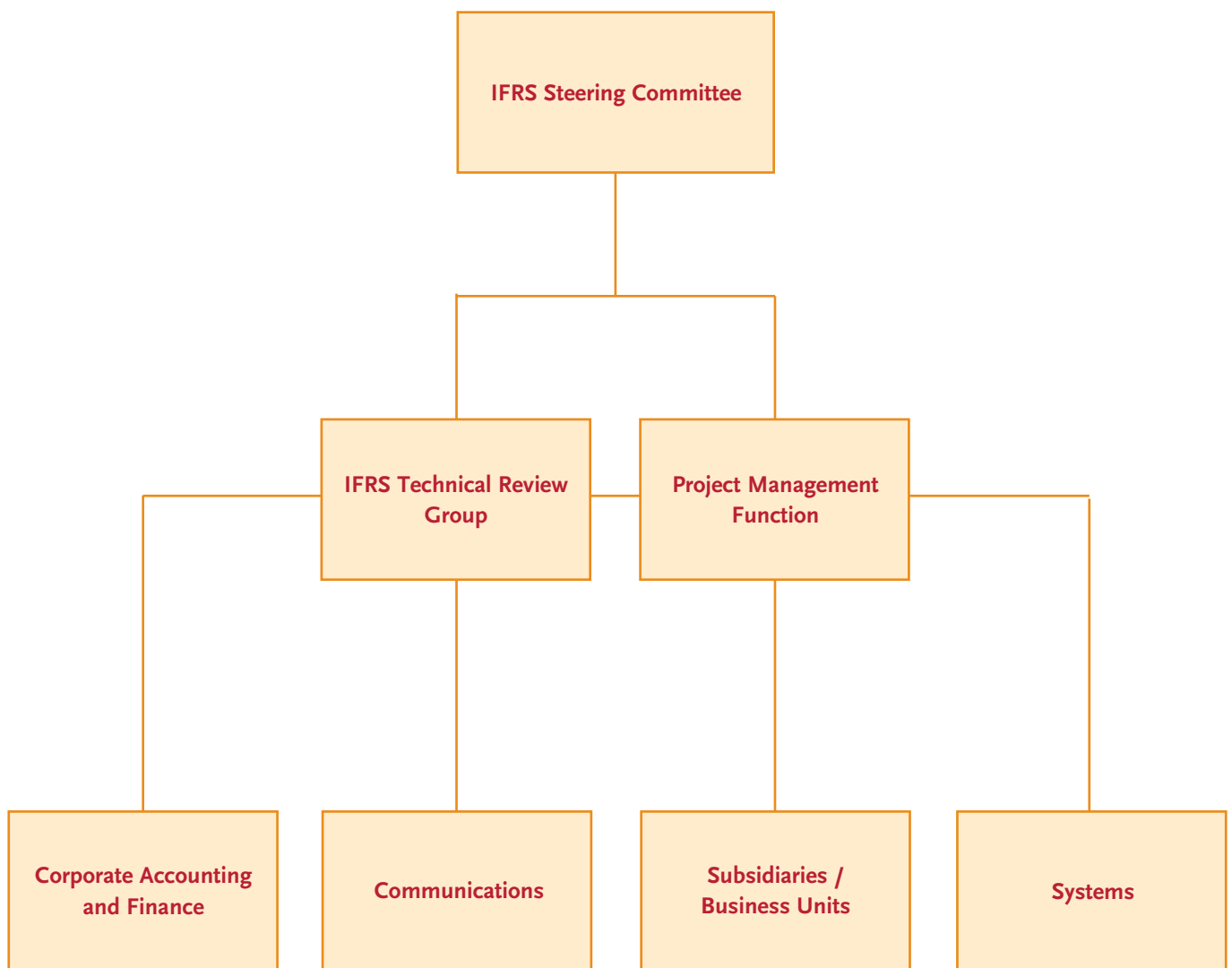


Figure 7: IFRS project team structure for a full scale project management.

Roles and responsibilities

At the outset of the IFRS conversion project, it is essential that all project team members are clear as to what their individual roles and responsibilities are throughout the whole of the project management process.

This will enable all other members of their team and the other teams within the project structure to know what their responsibilities are and how everyone can work together to achieve the project's objective.

Figure 8 provides examples of the types of roles and responsibilities for each project team for a full scale IFRS project.

Project team	Roles and responsibilities
IFRS Steering Committee	<ul style="list-style-type: none"> • Strategic project guidance to ensure alignment with business strategies and goals • Top level accountability with the power to “make things happen”
IFRS Technical Review Group	<ul style="list-style-type: none"> • Technical accounting issues resolution process approval • Acts with the authority of the Steering Committee to ensure that all issues are resolved • Advice on IFRS accounting policies and complex technical areas
Project Management Function	<ul style="list-style-type: none"> • Support and inform the Steering Committee • Overall management and co-ordination of all activities through project teams and issues management • Monitor the progress of the project at all times
Corporate Accounting & Finance	<ul style="list-style-type: none"> • Assess financial impact of IFRS • Draft skeleton format IFRS financial statements • Establish IFRS accounting policies • Develop IFRS group reporting package and consolidation process • Consolidate IFRS information • Interpret and explain IFRS results
Communications	<ul style="list-style-type: none"> • Develop IFRS internal and external communication plan • Arrange for IFRS training throughout the business • Liaise with Finance to communicate IFRS information
Subsidiaries/ Business Units	<ul style="list-style-type: none"> • Perform IFRS accounting conversion • Complete IFRS group reporting package
Systems	<ul style="list-style-type: none"> • Assess systems impact • Develop systems implementation and testing plan • Implement necessary system amendments

Figure 8: Roles and responsibilities for full scale IFRS managed project

Integrated teams

Project teams can be structured to include IFRS specialists, project management consultants and other external advisors who work as integrated team members with your staff to undertake the conversion process. An integrated team approach helps to ensure that the resource needs are met, while ensuring that individuals within your company develop IFRS knowledge and expertise throughout the project.

Figure 9 outlines an example of an integrated team approach for IFRS conversions, although there are many possible scenarios in which certain teams and advisors would not be necessary. In some cases, the “project teams” may only require to be composed of one or two key individuals.

Project teams	Company	Our specialist
Steering Committee	<ul style="list-style-type: none"> • CFO and/or • Financial Controller • Senior Financial Executives 	<ul style="list-style-type: none"> • Partner and/or • IFRS technical specialist
Technical Review Group	<ul style="list-style-type: none"> • Financial Controller • Senior Financial Executives 	<ul style="list-style-type: none"> • IFRS technical specialist • Project Manager or Shadow advisor
Project Management	<ul style="list-style-type: none"> • Project Manager (Senior Financial Manager with CFO level access and authority) 	<ul style="list-style-type: none"> • Project Manager or Shadow advisor
Corporate Accounting & Finance	<ul style="list-style-type: none"> • Senior Financial Manager • Accounting & Finance employees 	<ul style="list-style-type: none"> • IFRS technical specialist • Experienced shadows or secondees
Communications	<ul style="list-style-type: none"> • Investor Relations, HR, and/or Finance Manager(s) 	<ul style="list-style-type: none"> • IFRS technical specialist
Subsidiaries/Business Units	<ul style="list-style-type: none"> • Financial Controllers of subsidiaries/business units 	<ul style="list-style-type: none"> • Local technical specialist or audit manager
Systems	<ul style="list-style-type: none"> • IT Director 	<ul style="list-style-type: none"> • IT specialist

Figure 9: An integrated team approach

3. Milestone planning

High-level plans

Developing the project milestone plan requires an understanding of the ‘big picture’, as well as an awareness of the logic of the steps necessary to reach the project objective. The purpose of the project milestone plan is to visually demonstrate what must be done, by whom or what team and by when.

A summary or high-level plan should be created first, which identifies the key milestone phases and work to be completed, and then more detailed plans should be developed.

Figure 10 provides an example of a high-level summary plan showing the three key phases for an IFRS conversion process and the different stages and milestones that could be required within each phase.

PHASE I		PHASE II		PHASE III	
Project scoping Steering Committee <ul style="list-style-type: none"> Mobilise Steering Committee Define project scope Agree strategic fit Project Management <ul style="list-style-type: none"> Develop overall project organisation Outline work plans Establish project team structure Estimate effort/costs Define resource requirements Accounting & Financial Reporting <ul style="list-style-type: none"> Define key financial areas and reporting units Prepare IFRS impact assessment Estimate of financial impact of IFRS Prepare pro-forma IFRS accounts IFRS overview training Systems <ul style="list-style-type: none"> Define high-level systems impact 	Project set-up and launch Steering Committee <ul style="list-style-type: none"> Adopt the IFRS strategy Project Manager <ul style="list-style-type: none"> Define roles and responsibilities Create project plans Recruit and train team Define project communication and reporting process Accounting & Financial Reporting <ul style="list-style-type: none"> Understand the company's current accounting policies Define IFRS financial statements and required IFRS management information Simulate impact on consolidation Subsidiaries <ul style="list-style-type: none"> Perform IFRS impact assessment Systems <ul style="list-style-type: none"> Complete preliminary business requirements 	Accounts conversion and operational analysis Steering Committee <ul style="list-style-type: none"> Meet periodically to review project status and address any significant issues Accounting & Financial Reporting <ul style="list-style-type: none"> Identify differences between current GAAP and IFRS Document required IFRS accounting policies and disclosures Draft IFRS accounting policies and procedures manual Develop conversion steps (data required to produce IFRS information) Revise subsidiary reporting packages to capture IFRS information Project Management <ul style="list-style-type: none"> Co-ordinate project communication and issues management. Draft company's IFRS communication plan Communication <ul style="list-style-type: none"> Develop IFRS communication plan Systems <ul style="list-style-type: none"> Identify systems IFRS development needs Produce IFRS functional requirements and begin to make changes Develop systems implementation plan 	Design Steering Committee <ul style="list-style-type: none"> Approve IFRS accounting policies and procedures Understand and interpret IFRS results Accounting & Financial Reporting <ul style="list-style-type: none"> Finalise IFRS accounting policies and procedures Issue IFRS subsidiary reporting packages Consolidate IFRS numbers Subsidiaries <ul style="list-style-type: none"> Complete IFRS conversion and group reporting packages Communications <ul style="list-style-type: none"> Deliver IFRS workshops and communication sessions across the business Systems <ul style="list-style-type: none"> Implement IFRS systems changes Test systems changes Begin parallel run Address all issues and bugs 	Integrate change Steering Committee <ul style="list-style-type: none"> IFRS project sign-off Accounting & Financial Reporting <ul style="list-style-type: none"> Produce IFRS financial statements Deliver IFRS update training Project Management <ul style="list-style-type: none"> Hold post-implementation review of IFRS project Communication <ul style="list-style-type: none"> Communicate externally IFRS results Systems <ul style="list-style-type: none"> Go live with IFRS systems 	

Figure 10: IFRS High-level plan

4. Managing issues

A process needs to be established to identify problems and resolve issues. A record should be maintained from the outset to track the status of all issues and to maintain a history of what the project issues were and how they have been resolved.

Figure 13 shows a typical example of how issues could be managed for an IFRS conversion project.

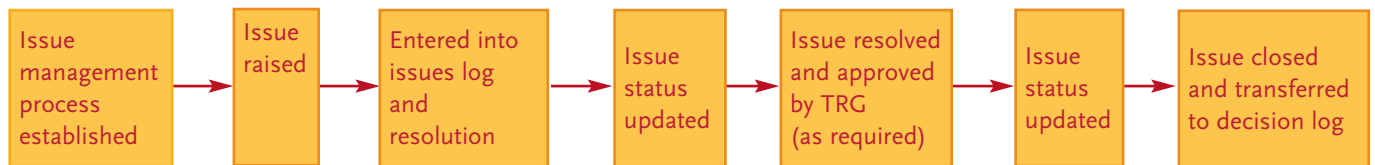


Figure 13: Issues management

5. Communication

All project team members should be clear on how to contact other members, when key meetings are to be held, or decisions made, issues resolved or milestones achieved.

Some of the communication principles and tools of a project based approach are as follows:

Meetings management

- Well organised with clear purpose
- Agendas distributed to focus meeting
- Minutes taken to capture key reports, actions required, issues or risks raised and decisions reached
- Different meetings for different teams with different purposes

Status reporting

- Regular project team status updates reported to project manager
- Communication process and procedures agreed at the outset (Example: Every 2 weeks on Friday an email status update is due from each team leader identifying completed milestones, key issues and forthcoming milestones and actions)

Templates

- Project status reports
- Issue resolution memos
- Risk registers
- Action log and task checklist

Information storage and organisation

- Maintain a complete history of the project
- Located centrally
- Contains IFRS technical data, project organisation and tools and project instructions and decisions
- Accessible to project team members
- Used for new project team member orientation
- Organised, easy to understand and quick to set up (e.g. IFRS network drive with project team folders or lever arch filing system)
- Information typically includes project team contact list, team structure, roles and responsibilities, milestone plans, issues logs, project status reports, IFRS technical information, issue memos, and meeting agendas/minutes

6. Technical methodology

Financial statements should be converted to IFRS in a disciplined, consistent and comprehensive manner.

High-level impact assessment

A high-level assessment of the current GAAP to IFRS differences, including disclosure requirements should be conducted. This assessment acts as an initial project scoping document by identifying the key accounting areas that will be impacted.

Financial statements conversion

Once the high-level impact analysis is completed, the details of the financial statements conversion process will need to be undertaken. To achieve this, there will first need to be a strong understanding of your current accounting policies.

You will need to then consider the accounting options that are allowed under IFRS and then agree and approve the IFRS accounting policies that will be adopted. It is important to recognise that, in addition to deciding what the IFRS accounting policies will be, you should evaluate the current accounting policies to determine if the local GAAP policies should be changed in order to converge towards IFRS and eliminate GAAP differences.

Once you have developed and agreed your IFRS accounting policies, the required journal entries and the conversion work steps should be drafted for each major financial statement line item. Any issues or interdependencies (i.e. impacts on other financial areas, systems information, subsidiary reporting, etc.) related to the IFRS conversion for the area should also be identified.

Throughout this process, issues will be identified and resolved. Finally, IFRS financial statements will be produced and an IFRS checklist should be completed to ensure that all necessary information and disclosure requirements have been captured to verify compliance with IFRS.

A visual depiction of the IFRS financial statements conversion process is shown in Figure 14.

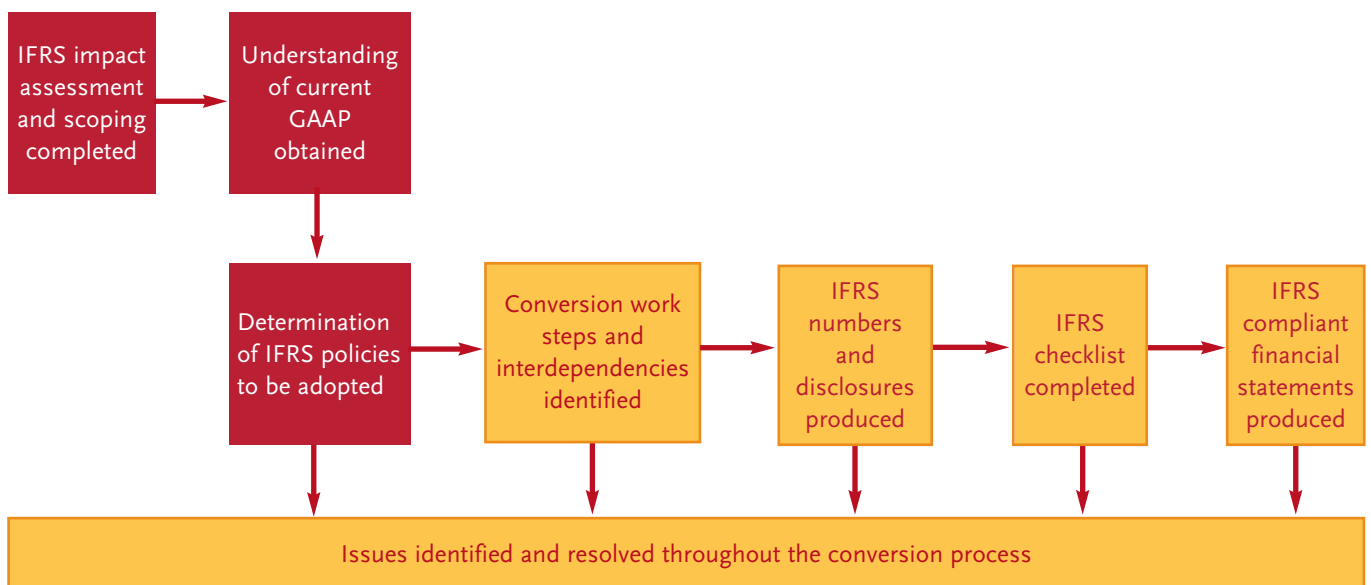


Figure 14: IFRS financial statements conversion process

Appendix 1

How we can help

We recognise that International Financial Reporting Standards will have a significant impact for businesses and is committed to supporting you through this important change. Mazars and Moss Adams have a proven IFRS technical conversion methodology and Project Management Approach, as well as the expertise and experience to help you accomplish your IFRS conversion in a cost-effective and efficient way.

Our Project Management Approach (PMA)

By using our PMA we can assist you in undertaking an IFRS conversion by providing:

- a **structured approach** for managing your IFRS conversion process;
- a **disciplined** and **tailored** method of working that can be modified to the needs, size, and culture of your company; and
- a proven approach to **managing change** within your business.

Benefits to your company

Our PMA will help to ensure there is:

- clear understanding of the project objective and the work that needs to be performed;
- control over both the process and the outcome;
- effective knowledge transfer throughout your business;
- management by exception; and
- clear value for money.

Summary of our PMA tools

Figure 15 provides a summary of the key aspects and tools of our PMA.

<p>Tailored approach</p> <ul style="list-style-type: none"> • PMA considerations matrix • Objective setting • Initial scoping exercise • Low, medium and high-level implementation tools 	<p>Issues management</p> <ul style="list-style-type: none"> • Issues management process • Issues log • Issues resolution report • Technical Review Group • Risk management process
<p>Integrated project teams</p> <ul style="list-style-type: none"> • Steering Committee • Project management • Project teams 	<p>Communication</p> <ul style="list-style-type: none"> • Meetings management • Status reports • Templates • Information storage and organisation
<p>Milestone planning</p> <ul style="list-style-type: none"> • Summary plan (high level) • Milestone plan (more detailed) • Task checklists (very detailed) 	<p>Technical methodology</p> <ul style="list-style-type: none"> • Training • Accounts conversion methodology • IFRS impact assessment • IFRS accounts conversion trail

Figure 15: Project Management Approach (PMA)

Impact of IFRS conversion	How we can help
IFRS conversion	<ul style="list-style-type: none"> • IFRS impact assessment • Provision of IFRS technical specialists • IFRS technical advice and training • Secondees for IFRS conversion work • Preparation of IFRS accounting policies manual and group reporting instructions and packages • IFRS disclosure checklists • IFRS versus GAAP comparisons • Illustrative IFRS financial statements
Project management	<ul style="list-style-type: none"> • Full or part-time project manager or “shadow” • Project co-ordination • Project management consulting, set up and training • IFRS project management templates
Systems	<ul style="list-style-type: none"> • Controls-based audit of IFRS changes
IFRS training	<ul style="list-style-type: none"> • Delivery of tailored IFRS training • IFRS update training, workshops and seminars
Tax	<ul style="list-style-type: none"> • Tax planning and advice
Valuations	<ul style="list-style-type: none"> • IFRS 3 valuations of intangible assets • IFRS 2 share option valuations
Financial instruments	<ul style="list-style-type: none"> • IAS 39 ‘Financial Instruments: Recognition and measurement’ technical consultancy advice
Internal audit and risk management	<ul style="list-style-type: none"> • IFRS technical advice
Communication	<ul style="list-style-type: none"> • Development of communication strategy

Figure 16: IFRS assistance

Appendix 2

The Praxity Alliance and Mazars' IFRS experience



Praxity - a global alliance of independent firms

Mazars is a founding member of the international Praxity Alliance. Praxity is a global alliance of independent firms which allows international access to the expertise of professional accounting and auditing firms.

Whilst respecting the independence of each firm and without any territorial exclusivity, the Praxity members work well together and share the same high standards of quality of service and professional ethics.

Handpicked to be the best

An alliance is as strong as its participating firms and the Praxity alliance is unashamedly selective in nature.

Moss Adams and Mazars have a significant and varied IFRS conversion experience.

We have worked with large multinational companies on full IFRS conversions, assisted smaller companies with IFRS impact assessments, as well as provide support for the adoption of specific IFRS standards, such as IAS 39.

Over the page are some examples of our recent IFRS conversion projects.

A Praxity Participants Profile:

- Offer global access to highly efficient accounting, assurance, and corporate finance and tax advisory services.
- Share an entrepreneurial attitude and common values; independence, accessibility, efficiency, integrity, respect, transparency and the need to excel.
- Expertise in a wide range of industrial and business sectors.
- Offer in-depth local knowledge, as well as international focus.
- A collective commitment to high quality and ethical accounting solutions.
- Size, strength and leadership positioning with strategic geographic relevance (in the top 10 in their region or country).
- Senior-level members are directly involved in client business matters.
- Responsive, practical and tailor-made solutions are the common goal.

Case study 1: Financial statement conversion from UK GAAP to IFRS for AIM-listed film production company

Mazars has performed the first-time conversion of the UK GAAP financial statements to IFRS for an AIM-listed film production company.

The company approached Mazars to provide them with assistance for their first-time transition to IFRS from UK GAAP for both the consolidated and company financial statements.

The project was principally desk-based for both the Mazars working group and the financial controller, however we worked closely together in order to obtain the necessary financial figures for inclusion in the financial statements – in this project there were only very simple IFRS numerical adjustments required upon transition, for example adjustments to goodwill amortisation and deferred taxation.

Mazars assisted by:

- Preparing and producing the IFRS financial statements;
- Ensuring the appropriate IFRS disclosure requirements were met;
- Providing the appropriate IFRS technical expertise for first-time transition; and
- Providing time-saving advantages for the client.

Case study 2: IFRS impact assessment for medium- sized manufacturing company

Mazars has undertaken an IFRS impact assessment for a medium-sized UK manufacturing company.

The company approached Mazars to provide them with IFRS technical knowledge and advice in preparation for the first-time transition to IFRS from UK GAAP for the company. The aim being to produce an IFRS impact assessment report to identify the key areas of recognition, measurement and disclosure that IFRS adoption would have on the company's financial statements.

The project involved gaining a sound understanding of the business's operations and was conducted at both the client's premises and Mazars' offices in order to ensure that appropriate information was obtained whilst minimising the disruption to the client's business as much as possible. The project team consisted of a small group including the financial controller, a dedicated member of the client's finance team and two Mazars IFRS technical specialists.

Mazars assisted by:

- Preparing and producing an IFRS impact assessment report, including an IFRS issues log;
- Preparing and producing the first-time IFRS financial statements, with appropriate disclosures;
- Providing the appropriate IFRS technical expertise for understanding IFRS and first-time transition; and
- Providing skilled resource to save time for the client.

Case study 3:

Adoption of IAS 39 for leading UK integrated energy company

Mazars has project managed and provided IFRS technical support for an IAS 39 conversion project of a leading UK integrated energy company.

The company was required to produce IAS 39 compliant financial statements following their acquisition by a European energy group that reports under IFRS. The adoption of IAS 39 required significant systems changes and impacted the business at many different levels.

The project involved a core working group of over 20 individuals from finance, middle office, front office, risk management, systems, operations and settlements. A full scale project management approach was implemented, consisting of a dedicated project manager and project teams supported by Mazars IAS 39 technical specialist.

Mazars assisted by:

- Providing a project manager to work alongside the company project manager;
- Establishing the project management structure, milestone plan, issues management and communication process;
- Performing IAS 39 reviews of over 150 contracts in the organisation;
- Delivering IAS 39 training across the company;
- Assisting in the development of hedge accounting documentation as required by IAS 39; and
- Advising on technical IAS 39 accounting and risk management issues.

The project took 5 months to complete and within that time frame the company had implemented IAS 39 across this complex organisation.

Case study 4:

IFRS project management conversion for a leading multinational

Mazars has been involved in a complicated full IFRS conversion project for a leading multinational group, which has numerous subsidiaries located around the world.

The project was organised at the corporate level and involved many people including key project managers and more than 20 members of the consolidation team. Beyond the core corporate group, IFRS conversion teams were established at subsidiary level.

Some of the key project work stream included:

- IFRS impact assessments both at the corporate level and subsidiary levels;
- Creation of an IFRS Accounting Policies & Procedures manual;
- Roll-out of IFRS subsidiary reporting packages and consolidation procedures; and
- IFRS training across the group.

Mazars assisted by:

- Providing IFRS technical specialist advice throughout the conversion process;
- Delivering IFRS technical training across the group;
- Creating IFRS Accounting Policies & Procedures manuals;
- Advising on the changes required to be made to the IFRS subsidiary reporting packages; and
- Supporting with the resolution of logistical and technical problems throughout the project.

Please get in touch...

Mazars is an international business advisory and accounting firm with an integrated network comprising 10,500 employees and over 400 partners. As an international professional services firm with a strong European presence, Mazars pools IFRS expertise throughout Europe to resource IFRS assignments.

Mazars has IFRS technical specialist in office throughout Europe, the United Kingdom and the United States.

For more information about the Praxity members throughout the United States please see the following websites:

- Moss Adams LLP (www.mossadams.com)
- Plante & Moran PLLC (www.plantemoran.com)
- Weiser LLP (www.weiserllp.com)
- BKD LLP (www.bkd.com)
- Dixon Hughes PLLC (www.dixon-hughes.com)
- Feeley & Driscoll P.C. (www.fdcpa.com)

Please contact your local office for more information and support on converting to IFRS.

UK contact:

Steven Brice

Partner, Financial Reporting Advisory

T: 020 7063 4410

E: steven.brice@mazars.co.uk

