

Qualification and Education Framework for Accountants in the Public Sector in Armenia

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CFRR >>
Centre for Financial
Reporting Reform




PULSAR 

Public Sector Accounting and Reporting Program

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Finance

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Swiss Confederation

Federal Department of Economic Affairs,
Education and Research EAER
State Secretariat for Economic Affairs SECO

Public Sector in Armenia



1. State administrative institutions
2. Municipal administrative institutions
3. State non-commercial organizations
4. Municipal non-commercial organizations

Public Sector in Armenia



If Public sector non-commercial organization meets the following requirement:

1. has the right to conclude a contract
2. has the right to make financial and operational decisions,
3. sells goods and services at a profit or full cost recovery
4. Going concern of activity does not depend on state funding
5. Controlled by a public sector organization

then applies International Financial Reporting Standards

Public Sector Accounting Legislative Framework



1. The Law on Accounting of Public Sector Organizations of the Republic of Armenia, 2014
2. The Public Sector Accounting Standards of the Republic of Armenia, 2014
3. Exemplary Guide to Documenting and Documentation of the Operations of Public Sector Organizations, 2016
4. Guidance on fair value valuation of land and buildings in public sector entities, 2016
5. Public Sector Accountants' Qualification procedures, 2019

About 20 Legal act for regulating the public sector during 2014-2021

APSAS /Armenian Public Sector Accounting Standard/



● Consists of 32 Sections

1. Public sector organizations
2. Concepts and pervasive principles
3. Presentation of financial statements
4. Statement of financial position
5. Statement of financial performance
6. Statement of changes in equity
7. Statement of cash flow
8. Notes to financial statements
9. Consolidated and separate financial statements
10. Accounting Policies, Estimates and Errors
11. Property, Plant and Equipment
12. Intangible assets
13. Investment property
14. Agriculture
15. Non-produced (naturally occurring) tangible assets
16. Valuables

APSAS /Armenian Public Sector Accounting Standard/



● Consists of 32 Sections

- | | |
|--|--|
| 17. Inventories | 25. Revenue from exchange transactions |
| 18. Leases | 26. Revenue from non-exchange transactions |
| 19. Financial instruments | 27. Borrowing costs |
| 20. Investments in an associates | 28. Employee benefits |
| 21. Investments in joint arrangements | 29. Changes in Foreign Exchange rates |
| 22. Combinations and goodwill | 30. Events after the reporting date |
| 23. Provisions, Contingent Liabilities and Contingent Assets | 31. Related Party Disclosures |
| 24. Liabilities and Net Assets | 32. Service concession arrangements |

Comparison APSAS with IPSAS



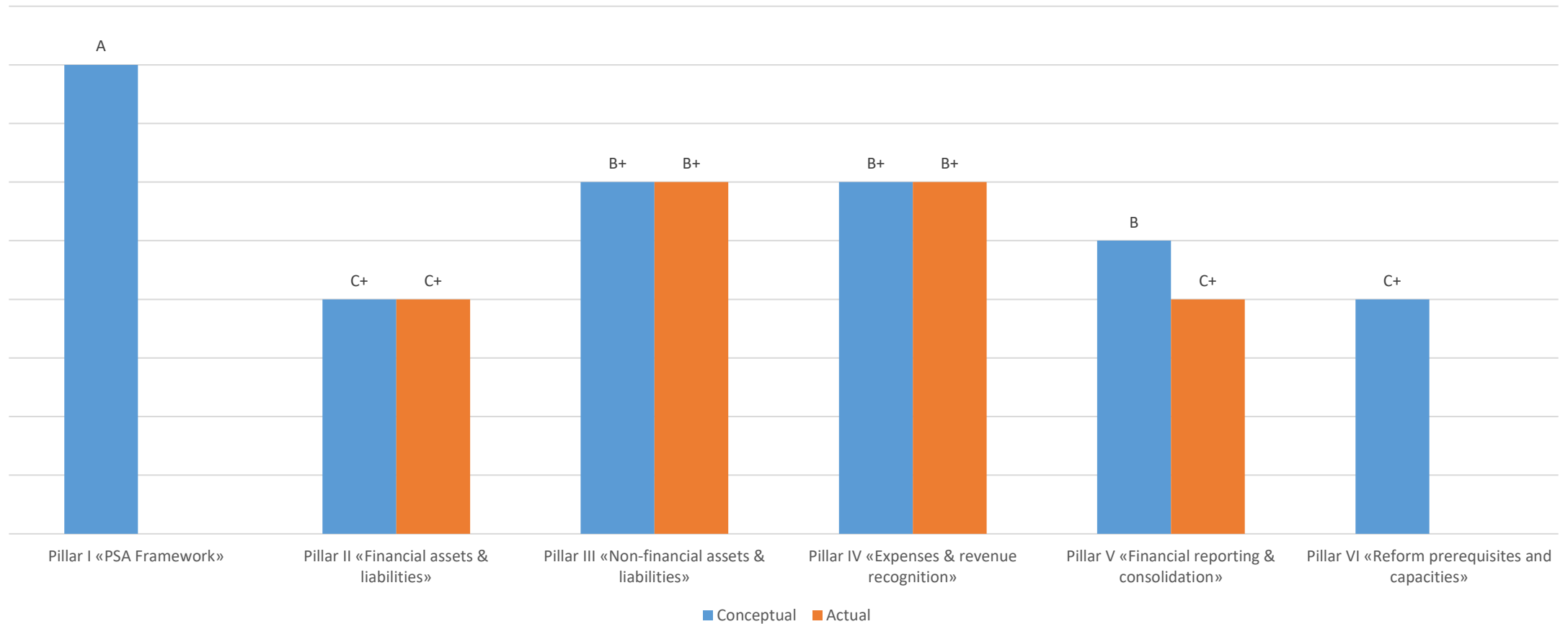
- APSAS was adopted based on IPSAS.
- APSAS covered over 25 of the IPSAS currently in force, the only exceptions being rather specialized areas such as Financial Reporting in Hyperinflationary Economies.

Comparison APSAS with IPSAS



APSAS	IPSAS		APSAS	IPSAS
2-8	1		21	37
7	2		22	40
9	34.35		23	19
10	3		25	9
11	17		26	23
12	31		27	5
13	16		28	39
14	27		29	4
17	12		30	14
18	13		31	20
19	28,29,30		32	32
20	36			

The Quality of the Public Sector Accounting System /PULSE assessment/



State Institutions and Organizations Requiring PSA Qualification



- 60 State and Municipal administrative Institutions
- State and community non-commercial organizations, whose budget financing amount exceeded 400 million drams according to the results of the previous year.
- Total approximate number is 120

Public Sector Accountants (PSA) Qualification



- The procedure was adopted in 2019 by order of the Minister of Finance, RA
- For the purpose of conducting qualification examinations Qualification Committee was established by the Minister of Finance, RA
- The qualification of an accountant is carried on the basis of the results of the qualification examination
- The MOF developed and approved questionnaire consists of 600 questions and case problems

Public Sector Accountants (PSA) Qualification



The applicant must

- a) have a higher economic education, or
- b) have higher education and at least 18 months of professional work experience, or
- c) have general secondary education or secondary professional education (technical school, college and etc.) and 3 years of professional work experience, or
- d) is employed in a public sector organization in position of head of the accounting service.

Professional Working Experience for PSA Qualification Application



Working experience in fields:

- Accounting,
- Finance,
- Tax,
- Auditing,
- Economy,
- methodologist, expert, supervisor, consultant, scientific worker, lecturer, specialist works.

Public Sector Accountants (PSA) Qualification



The exam is conducted using a computer program consisting of randomly selected 75 tests, taking into account the following proportion:

- a) public sector accounting standard (APSAS) - 30 questions,
- b) chart of accounts for accounting of RA public sector organizations - 15 questions,
- c) regulatory legislation of public sector accounting in RA -10 questions,
- d) legal acts regulating tax relations in RA - 10 questions,
- e) Case problems - 10 questions.

Public Sector Accountants (PSA) Qualification



- Duration of Exam is 2 hours,
- Qualification score is 55 from 75 possible
- Qualification is valid for 5 years
- No CPD requirements
- Number of Public Sector Qualified Accountants is 439 as of November, 2024

Higher Educational Institutions in Armenia



- Non State Institutions – 23
- State Institutions – 27
- Foreign Institutions - 4

Of which

- Economic Institutions - 25

Armenian State University of Economics /ASUE/



Faculties:

- Management
- Regulation of Economy and International Economic Relations
- Finance
- Marketing and Business Organization
- Accounting and Audit
- Computer Science and Statistics

Number of Chairs - 20

Armenian State University of Economics /ASUE/



- Total number of students (bachelor and master)- approx. 9 000 000.
- Bachelor 4 years, Master 1.5 year.
- Total number of bachelor students in the Faculty of Accounting and Audit per year - approx. 270. Over 1000 students in 4 years.
- Number of master study students in Chair of Financial accounting is 25 in the year 2024.
- growth percentage of master study students number over the past three years is 70%

Armenian State University of Economics /Bachelor/



ELECTIVE COURSES	
	Tax law
	Economic law
	Accounting of Insurance Companies
	Public Sector Accounting
	Application of IT In Financial Accounting
	Data Science
	Internal Control
	Complex Economic Analysis

Armenian State University of Economics /Master/




	CORE COURSES
1	Financial Statements Preparation
2	Business law
3	Tax Accounting and Administration
4	Automated Accounting Systems in Trade
5	Financial Statements Analysis
6	Accounting and Financial Statements in Banks
7	Consolidated Financial Statements
8	Public Sector Accounting
9	Audit and Internal Control

Armenian State University of Economics

/key benefit/



Exemption Accreditation Think Ahead 

This is to certify that

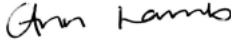
Armenian State University of Economics

Bachelor in Accounting and Taxation - Accounting and Taxation Specialty

is an

ACCA Accredited Programme


Valid from: 01 January 2024
Valid until: 31 December 2028



Ann Lamb
Director – Professional Qualifications

Association of Chartered Certified Accountants

This certificate remains the property of ACCA and must not in any circumstances be copied, altered or otherwise defaced.
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Exemption Accreditation Think Ahead 

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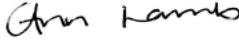
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Armenian State University of Economics /Master/ Public Sector Accounting /Course program/



- Public sector accounting system
- The structure of financial statements of public sector organizations, principles of preparation
- Accounting of fixed assets for public sector organizations
- Features of investment property accounting
- Accounting of high value assets, Valuables
- Accounting of intangible assets
- Accounting of inventory
- Cash accounting and cash flow statement
- Equity Accounting
- Peculiarities of liability accounting
- Accounting of income and expenses

Armenian State University of Economics /Master/ Public Sector Accounting



- One of the main goals of the program is to prepare students for qualifying exams
- Tutors are invited specialists:
 - Public Oversight Board (POB) member
 - Head of Monitoring of Financial Statements and Audit Regulation Department (MOF)

Key Development Areas and Next Steps



- Develop Compliance with Revised International Education Standards (IESs)
 - Initial Professional Development – Technical Competence
 - Initial Professional Development – Professional Skills
 - Initial Professional Development – Professional Values, Ethics, and Attitudes
- Integration of Sustainability Reporting Topics into the Education System
- Development and Integration of Module on Ethics
- New Competence Area for Assurance and Learning Outcomes


Thank you!



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