

3 Central government accounting standards

3.1 In October 2019, the Government agreed to the transition of central government departments and offices to a new accrual accounting framework.¹ This framework is based on the International Public Sector Accounting Standards (IPSAS).²

3.2 The Department of Public Expenditure, Infrastructure, Public Service Reform and Digitalisation (the Department of Public Expenditure) is developing a range of Central Government Accounting Standards (CGAS). The CGAS, which apply to all government departments and offices, are being implemented on a phased basis.³ The implementation of the CGAS will formalise accrual accounting financial reporting alongside the existing cash accounting framework.

3.3 The first nine (priority) CGAS are effective for the 2024 year of account and subsequent periods. These standards primarily relate to the statement of financial position.⁴

3.4 Departments and offices unable to fully comply with the CGAS for 2024 were required to seek approval from the Department of Public Expenditure for a temporary derogation. As part of the application for approval, departments and offices were required to submit a plan with a reasonable timeline for achieving compliance with the relevant standards. Where non-compliance continues into future accounting periods, approval for further temporary derogations will be required for each period.

3.5 This examination was undertaken to review progress made by departments and offices in complying with the relevant CGAS for 2024. The examination team reviewed relevant documentation and engaged with officials from the Department of Public Expenditure.

3.6 Twelve departments and offices and one departmental fund received temporary derogations from one or more of the CGAS for 2024 (see Figure 3.1).⁵ The most significant area where derogations were sought and granted was in respect of property, plant and equipment (CGAS 17). Almost all votes with substantial real property did not implement CGAS 17 from 1 January 2024.

3.7 The Department of Public Expenditure stated that of the nine priority CGAS, compliance with CGAS 17, Property, plant and equipment would be the most difficult for a small number of departments and offices.

- Those with extensive property holdings which may not have been either valued or previously registered.
- A transition period of at least five years would be needed to allow all departments to fully develop their systems, register and map property and complete valuations.⁶

¹ See 'Planned migration to accrual accounting' section, published in the *Report on the Accounts of the Public Services 2022*, chapter 6, [Financial management shared services: implementation progress](#).

² IPSAS are developed by the International Public Sector Accounting Standards Board, which is primarily funded by the International Federation of Accountants.

³ The CGAS also apply to the Houses of the Oireachtas Commission, the National Training Fund and the Social Insurance Fund.

⁴ [Circular 23/2023: Central Government Accounting Standards](#) issued to heads of departments on 18 December 2023.

⁵ The derogations related to one or more elements of the relevant CGAS.

⁶ [CGAM 17 Property, Plant and Equipment](#) requires that departments/offices should seek to transition within a five-year period. Departments/offices with complex and extensive holdings of land and buildings may receive sanction to increase the transition period to seven years.

1 [Circular 19/2024: Central Government Accounting Standards 2025](#) issued to heads of departments on 9 December 2024.

3.8 Five votes and one departmental fund have indicated full compliance by 2025. The remaining seven votes have indicated longer timeframes of two to five years. A further seven CGAS will be effective for the 2025 year of account and subsequent periods.¹

Figure 3.1 Temporary derogations for the CGAS, introduced in 2024^a

Standard	Vote in receipt of derogation ^b	Date of derogation ^c	Proposed implementation date ^d
12 Inventory	—	—	—
13 Leases	Vote 13 Office of Public Works	19 September 2025	2025
	Vote 34 Housing, Local Government and Heritage	20 August 2025	2025
17 Property, plant and equipment	Vote 13 Office of Public Works	17 April 2025	Within three years ^e
	Vote 21 Irish Prison Service	20 March 2025	2025
	Vote 22 Courts Service	26 March 2025	2025
	Vote 24 Justice	26 March 2025	2025
	Vote 26 Education	20 March 2025	2027
	Vote 29 Environment, Climate and Communications	11 March 2025	Within transition period ^f
	Vote 30 Agriculture, Food and the Marine	11 March 2025	2026
	Vote 34 Housing, Local Government and Heritage	25 March 2025	2029
	Vote 36 Defence	20 March 2025	2029
	Vote 40 Children, Equality, Disability, Integration and Youth	11 March 2025	2026
	Social Insurance Fund	12 June 2025	2025
19 Provisions, contingent liabilities and contingent assets	Vote 6 Office of the Chief State Solicitor	23 July 2025	2025
	Vote 24 Justice	26 March 2025	2025
21 Impairment non-cash generating assets	Vote 13 Office of Public Works	17 April 2025	2025
26 Impairment cash generating assets	Vote 13 Office of Public Works	17 April 2025	2025
31 Intangible assets	—	—	—
32 Service concession arrangements	Vote 29 Environment, Climate and Communications	11 March 2025	2028
39A Short term employee benefits	Vote 20 An Garda Síochána	1 April 2025	2025

Source: Department of Public Expenditure, Infrastructure, Public Service Reform and Digitalisation. Analysis by the Office of the Comptroller and Auditor General.

- Notes:
- a [Circular 23/2023](#) (Central government accounting standards) requires accounting officers to state if sanction for a transitional derogation has been received in the statement of accounting policies and principles. They are also required to state that they have a plan to comply within a reasonable timeframe.
 - b The derogation received may relate to one or more elements of the relevant standard.
 - c This reflects the date of the derogation letters issued by the Department of Public Expenditure.
 - d This is based on the detail included in the relevant derogation letter, appropriation account or correspondence with the Department of Public Expenditure.
 - e The Office of Public Works has indicated, in its 2024 appropriation account, that full compliance with CGAS 17 is expected within three years.
 - f The Department of Public Expenditure has indicated that the default position for implementation of CGAS 17 is within the transitional period of five years from the effective date. It expects that the implementation of CGAS 17 by Vote 29 will become clearer in due course.