

A man with short dark hair, wearing a blue checkered suit jacket, a light blue checkered shirt, and a blue patterned tie, stands in a modern office building. He is leaning on a glass railing with his right hand. The background shows a multi-story office building with glass railings and indoor plants.

**INTERVIEW BY THE ACCOUNTANT  
GENERAL MR ANDREAS ANTONIADES**  
**“My vision is the Treasury to be  
established as a modern, innovative,  
reliable and effective organization”**

**M**y vision is the Treasury to be established as a modern innovative, reliable, and effective organization, supporting the public financial management and the public procurement, whilst contributing to public accountability, rational decision making, the combat against corruption and to delivery of services of value.

**Mr Antoniadis explains how he plans for the transition into the IPSAS standards by the Treasury of the Republic.**

**The main axis for priority for turning the vision into realistic goals include the simplification of the regulatory framework, the digitalization of processes and the focus on compliance with results.**



**The interview of him is as follows:**

**How do you feel about the new role you have taken on?**

I feel honoured to be appointed as Accountant General by the President, heading the Treasury of the Republic. At the same time, I translate my appointment to an obligation for selfless provision of services, strong commitment, impartial dedication and hard work to produce tangible results for the benefit of our citizens.

I consider as the main weapons to fulfill my obligation my relevant academic knowledge and professional expertise, as well as my 25 years of professional experience in the private sector, in the public sector in Cyprus and in the EU institutions. But, most importantly, the trust I have on the most valuable "asset" of our organisation, our management and staff.

My intent is to demonstrate the abilities of a leader, and not of a boss, better serving the public interest rather than servicing the Government.

**What are your priorities for 2024 and for the following years?**

My vision is the Treasury to be established as a modern, innovative, reliable and effective organisation, supporting public financial management and public procurement, and contributing to public accountability, and rational decision making, combating corruption and to service delivery.

The main axes to turn the vision into realistic goals that bring outcomes are the simplification of the regulatory framework, the digitalisation of processes and balancing focus on compliance with results. Our strategic plan comprises both short-term actions and medium-to-long-term projects.

Short-term actions (the so-called 'early winners') for 2024 include rationalisation of the regulatory framework governing public financial management, enhancing the automatic sending of information to our stakeholders, strengthening of transparency in public procurement and smart preparation for tender competitions.

The main projects of our organisation are the professionalisation in public procurement, the upgrade/ replacement of information systems serving public financial management and the transition to accrual accounting. For the achievement of the Treasury's goals, we work as a team together with the Deputy Accountant General, in full cooperation with our senior management and the rest of our staff which comprises not only of accountants but includes other supporting staff such as clerical, administrative, police staff etc, totaling approximately 700 persons.

**How do you see the cooperation with the Government, the Ministry of Finance and other government officials?**

The Treasury of the Republic is an independent office, not a mere

ministerial department, which directly reporting to the Minister of Finance. As Accountant General, I am accountable to the Council of Ministers, and since every decision has its financial aspects, I have been establishing cooperation for supporting all Ministries and Deputy Ministries across the Government. In addition, we completed in 2023 the positioning of professional accountants in every ministry/ deputy ministry who function as CFOs. They head the Financial Services Directorates which include Treasury's staff who combine the information they gather with business objectives to deliver constructive advice at the highest level. But the main field of our responsibilities, being supporting public financial management, is derived from the Constitution and is relevant to the economic, fiscal and budgetary policy formulation, implementation and monitoring. Besides, our Proposals to the Council of Ministers are very often submitted by the Minister of Finance. Therefore, my cooperation with the Minister of Finance and the Director General is very close and fruitful. However, our duties as Treasury are not restricted to our constitutional ones but extended through legislation or Council of Minister decisions, covering the wider public sector, as well. One example is public procurement where, as the Competent Authority, the legislative and regulatory framework we have established covers semi-government and other public organisations, including local authorities. Therefore, our cooperation with wider public sector officials is also key.

### **How do you intend to handle the transition of the Treasury of the Republic to IPSAS standards?**

The transition to accruals accounting through the adoption of International Public Sector Accounting Standards (IPSAS) is a major reform for the Treasury of the Republic, as it involves the introduction of new policies, procedures, and digital tools, as well as multiple changes in the modus operandi of the Treasury's activities. In order to manage the transition to IPSAS, the Treasury put in place a detailed Action Plan and a dedicated team of highly qualified and experienced individuals, responsible to implement all necessary policies, processes and tools that will allow the implementation of the Action Plan and the adoption of accruals accounting principles. We have also set-up a Technical Committee with representatives from the Ministry of Finance, the Internal Audit Office and the Statistical Service (and the National Audit Office as observers), which monitors the progress of the accrual project team, ensuring that the activities undertaken are in line with the approved Action Plan.

To facilitate the collection of the financial information, the accruals project team developed an innovative digital tool for the collection of relevant information from the Central Government and established internal and external trainings on IPSAS, and on the

Treasury's new accounting policies. At the same time, we have been operating an internal helpdesk. To enable the move towards accrual accounting and the preparation of the Consolidated financial statements, the Treasury is also in the process of procuring a financial reporting and consolidation tool, which is planned to be implemented by the end of 2025.

### **How does the Treasury of the Republic proceed with the transition process to accruals accounting?**

In the process of transitioning towards accruals accounting, the Treasury has already accomplished a number of significant milestones. More specifically, we have:-

- (i) introduced new accounting policies aligned with accruals-based IPSAS;
  - (ii) identified, catalogued, and measured, in line with IPSAS, the Government's tangible and intangible assets and liabilities;
  - (iii) introduced a methodology to measure the impairment of Financial Instruments, in line with IPSAS 41;
  - (v) prepared, since 2020, an unofficial Opening Balance Sheet which is rolled over on an annual basis; and
  - (iv) prepared template financial statements on an accrual basis.
- According to the current timeline for the introduction of accrual accounting, we aim to prepare the first Unofficial Separate Financial Statements for the Year End 2025. I am confident that the transition will be effectively managed despite its difficulties and complexities, leading to the successful adoption of the accrual basis for accounting, in line with IPSAS standards.

### **What are your views of the prospects for the economy and the State's financial capabilities?**

The global economy has been suffering from the recent geopolitical and other crises such as the COVID-19 pandemic, the sanctions against Russia in the wake of the invasion in and the recent war in Gaza, adversely impacting inflation and the interest rates, disrupting global supply chains, halting tourism activities etc. It is not difficult to predict the future. The prediction is that it is unpredictable. Therefore, from the EU perspective, as President Macron said, "We can no longer depend on others to feed us, care for us, inform us, finance us".

In line with the EU Fiscal Governance reforms, we should focus on the effective implementation of projects under the Cyprus Recovery and Resilience Plan which bring sustainable benefits for the economy and society, aiming to support digital, green and inclusive growth.

Furthermore, the national budgetary framework needs to follow a new strategic approach, by shifting from the incremental to the zero-based approach. I consider that the addition of more flexibility in our chart of accounts, the emphasis on high-value



added spending in combination with challenging past practices, and the rationalisation of budgetary expenditure constitute solid steps for the way forward.

The above would assist in better managing unexpected situations and addressing new challenges that will arise.

**As an ICPAC Member who has also served as vice-chair of ICPAC's Public Sector Committee, what do you consider the role of ICPAC. How would you like your cooperation with the Institute to be?**

It has been a privilege to serve ICPAC's Public Sector Committee. The profession has a significant role to play in the public sector and I believe ICPAC's contribution could be of vital importance to achieve this. The guidance and the supervision ICPAC is providing to its members, who amount few hundreds and are positioned as

senior staff in the public sector, towards the continuous professional development program and training, ensures that they follow a professional path which:-

- (i) is up to date with all recent developments;
- (ii) is complimentary to the role of the government as an employer; and
- (iii) requires them to adhere to ethical standards necessary to exercise public management in a fair manner.

In my opinion, the cooperation between the two organisations is sound, with a positive contribution to serving the public interest. However, there is always room for further improvement. This could be achieved by regular updates on the profession's recent developments, the common preparation of training material and the issue of publications, exchanging views on enhancing the provision of services to our stakeholders. Our cooperation could take the form of a Memorandum of Understanding. ■

## Who is who

**Andreas Antoniadis was appointed Accountant General on 4 August 2023. Previously, he was a Director of Financial Services in the Treasury of the Republic and was positioned as Head of Accounting and Financial Management of the Ministry of Finance since April 2023.**

**He is a chartered accountant, member of the Institute of Chartered Accountants in England and Wales (ICAEW) and member of the Institute of Certified Public Accountants of Cyprus (ICPAC) since 2002. He was the Secretary and, later, Vice-Chairman of the Public Sector Committee of the ICPAC during the period from 2006 to 2010.**

**He holds a degree in Economics (BA Honours), majoring in Accounting and Finance, as well as a Master's degree in Business Administration (MBA with Merit). In 2010, he obtained a professional education certificate in Public Financial Management from the Harvard Kennedy School, after getting a full scholarship from the US Fulbright Scholarship Commission. He has 25 years of experience in the private sector, in the public sector in Cyprus and in the EU institutions. He worked in a big audit firm in Cyprus for a period of six years and has been serving the public sector from various positions associated with public financial management since 2004.**

**During the period from 2010 to 2016, he offered his services to the European Court of Auditors in Luxembourg, as attaché and, later, as Head of Cabinet of the Cypriot Member, Mr Lazarou S. Lazarou, whose main responsibility was the audit of the reliability of the accounts of the European Union, as well as the public governance of the European Commission.**

