

**RESEARCH PAPER**

**DEBATES ON ACCRUAL ACCOUNTING IN THE PUBLIC SECTOR:  
A DISCREPANCY BETWEEN PRACTITIONERS AND ACADEMICIANS**

Marissa M. Hassan

Graduate School of Economics, Nagoya University

**DEBATES ON ACCRUAL ACCOUNTING IN THE PUBLIC SECTOR:  
A DISCREPANCY BETWEEN PRACTITIONERS AND ACADEMICIANS**

**ABSTRACT**

This study aims at revisiting the debates surrounding accrual accounting in the public sector and presenting how discrepancy of opinions—either supporting or not supporting—occurs based on the contributors of the literature. This research is conducted by examining literature concerning the use of accrual-based accounting in the public sector based on the sources and the opinions. Findings show that most sources from practitioners opt for accrual accounting while most of literatures from academicians were not in support of accrual accounting. This finding suggests that there is a missing link between academic accounting research and professional practice in the public sector. The differing views infer that academic research and accounting practice in the public sector are largely working as worlds apart with each working in their own separate scopes.

**Keywords:** public sector accounting, accrual, practitioners, academicians.

## I. INTRODUCTION

Accounting for governments and government agencies has been always known on a cash basis. It was not until the early 1980's when governments started to move to accounting principles that are similar to the ones used in the private sector. This movement is a part of New Public Management (NPM) where accounting holds a crucial role as an instrument to support public sectors in order to improve their performances (Hood, 1991, 1995).

The movement to accrual accounting was pioneered by developed countries namely Australia and New Zealand. The migration to full accrual accounting by these countries is a part of the public sector reform brought by the NPM ideology (Hood, 1995). Following the steps of developed countries, developing and emerging countries are also in the process of either adopting, already implemented, or still constructing their own accrual-based governmental accounting standards. However, while changes were brought by internal pressures in developed countries, in developing countries, changes were induced by external factors such as the role of the International Monetary Fund, the World Bank and the Asian Development Bank (James and Manning, 1996). Moreover, these multinational organizations worked conjointly with international accountancy professional bodies such as International Federation of Accountants (IFAC) to facilitate changes in the system of government accounting in developing countries (Hepworth, 2003; Sutcliffe, 2003).

Even though the gradual move to accrual accounting has been internationalized, the dispute on the transformation of financial accounting in the public sector, and in particular the desirability of accrual accounting, is extensive and still open. Furthermore, the move from cash toward accrual in the governments raises several issues relating both the benefits derived from the accrual accounting system and the difficulties of the new accounting practices. Aside from the benefit of external accountability, it is believed that by incorporating accrual accounting fairer picture of economic conditions including asset depreciations and amortizations, and the addition of long-term perspective on organizational resources and debt can be achieved (Athukorala & Reid, 2003). Whilst the benefits of a fairer picture of economic conditions by adopting accrual accounting have been reported, difficulties arise in the process of creating the portrait of economic condition itself. The main identified difficulties are related to the reporting entity and aggregate consolidation, and the recognition and valuation of assets (Carlin, 2004a).

This study aims at revisiting the debates surrounding accrual accounting in the public sector and presenting how discrepancy of opinions occurs based on the contributors of the literature. The findings then will be explored further to understand why such discrepancy occurs and what it indicates concerning accounting academic research and professional practice in the public sector. In order to do so, new institutional theory is used to explain the accounting change. According to this theory, accounting constitutes a legitimating institution (Richardson, 1987). Moreover, in the case of adopting accrual accounting, the government might seek legitimacy for its operations by conforming to measures of operating results employed by private sector organizations and, increasingly, other governments that form a significant part of its environment. This change to legitimacy-seeking is known with the term of institutional isomorphism which refers to the phenomenon of organizations within an environment becoming more homogeneous

for political, legitimacy, or social purposes. DiMaggio and Powell (1983) identify three mechanisms through which institutional isomorphic change occurs—coercive isomorphism, normative isomorphism, and mimetic isomorphism. The theory in institutional isomorphism is planned to be used in further research to explain why discrepancy of attitudes between academicians and practitioners regarding public sector accrual accounting occurs and how governments' movement toward accrual accounting is related to such discrepancy.

The research is conducted by examining literature concerning the use of accrual-based accounting in the public sector. Literature was collected through the period when NPM led the change to accrual accounting which was around 1980s until 2012. This body of literature was then categorized based on the sources into two main types: practitioners and academicians. Practitioners are both from officials (authored by international organizations, government officials, ministries, departments, committees and or other similar sources) and industries (authored by international and regional accountants, accounting firms, and other professional bodies). Next, the literature is reviewed to understand the view of the author regarding the use of accrual accounting in the public sector. These contributions then will be presented, trends will be drawn and analyzed, and arguments in favor and not in favor of accrual accounting will be noted.

The remainder of the paper is organized as follows: section 2 provides information regarding the international move to accrual accounting; section 3 provides an overview of new institutional theory; section 4 explains the methodology used in this research; section 5 presents the results achieved and the analysis of the result; finally the last section will conclude the study and explain the direction for future research.

## **II. PUBLIC SECTOR ACCRUAL ACCOUNTING: AN INTERNATIONAL VIEW**

### **II. 1. NEW PUBLIC MANAGEMENT**

New Public Management (NPM) is a term that was coined in the early 1980's to indicate a shift towards a new public management style. According to Hood (1995), this era had two fundamental features: "public sector distinctiveness" and "rules versus discretion" (p. 96). The first feature, "public sector distinctiveness", means that the differences between public sector and private sector should be reduced or removed which is often marked by creating segregation or unbundling organizations into separate entities, increasing competition between public sector entities or between public sector and private sector, practicing proven private sector management style, and putting more discipline on the use of economic resources (Hood, 1995). The second feature, "rules versus discretion", was stated to explain that public administration in this era was set to increase accountability by establishing clear assignment of responsibility, constructing measurable standards and instituting performance measurement, and putting more emphasis on results, rather than on procedures and controls (Hood, 1995).

The NPM era and its characteristics mainly focused on how to adapt commonly applied private-sector management styles into public sector. The philosophy behind this movement is the preconception that private sector management styles are superior compared to the public sector

administrative processes. One form of adaptation induced by NPM is the use of accrual accounting which is a common accounting basis used in the private sector.

Accounting has played a crucial role in NPM-reforms. Hood (1995) stated that a shift toward “accountingization” was central to this change of modes of public management. The term “accountingization” was used to indicate the introduction of explicit cost categorization in areas where costs were formerly only aggregated, pooled or undefined (Hood, 1991, 1995). Since the one center of NPM is to increase accountability, accounting serves as a vital tool to achieve transparency and to measure accountability which can be attained by presenting information on the performance of a public sector entity in monetary units. Moreover, in NPM, public sector officials are prone to skepticism which means that their activities need to be closely costed and evaluated by accounting practices (Hood, 1995). As a result, conventional cash accounting which was formerly used in the public sector is considered not appropriate any longer to achieve a transparent and accountable management. Cash accounting in the public sector is viewed to pay attention merely on the execution of budget and compliance to the legal system, rather than on how to manage economic resources effectively (Pallot, 1998). Therefore, in NPM, the use of accrual accounting is considered appropriate since this system allows public officials to know the full costs to their various activities, to get a comprehensive view on an entity’s assets and liabilities, and also to monitor the return on investment and financial sustainability.

Subsequent to the spread of NPM philosophies, governments in numerous countries have embraced private sector management styles, including the way of thinking and the models or methodology used (Guthrie et al., 1999). Guthrie (1999) also noted that his change has not occurred only in state-owned or public enterprises, but also in the core functions within the governments. Under the umbrella of NPM, public sector bodies have transformed their financial statement to incorporate accrual accounting principles which are believed to be the vital tool to achieve transparency and accountability. It is believed that several driving forces such as the wish to infuse more financial awareness into the decision-making process in the public sector and the demand to provide comprehensive, transparent, and accountable information to all stakeholders are the reasons behind these reforms (Guthrie et al., 1999). The information presented is expected to help both government officials in the decision making, and citizens and/or other stakeholders to measure the extent to which revenues meet the full cost to deliver public service. The influential actors in bringing about these NPM-related reforms are politicians, financial institutions, management consultants, scholars, the media, and international organizations (Pina and Torres, 2003).

The decision to move to accrual accounting might seem without problem since accrual accounting constitutes as the proven method in the private sector. However, the different nature of public sector compared to private sector creates certain difficulties and limitations to which extent should these changes be implemented. The concern of generalizing accounting standards across sectors has always been a long-debated issue since the early NPM movement until recently. For example, Mautz (1981) argued on the differences between public sector and private sector and criticized that, "forcing financial accounting and reporting into the business balance sheet and income statement models will fail to meet the needs of most of the interests to be served" (p. 60). Furthermore regarding this matter, Buhr (2012) explained the following:

On the surface, it may seem that accrual accounting, as developed for the private sector, could be imported directly into the public sector, but the extent to which this could be done produced the most notable tension in the introduction of accrual accounting to government. (p. 289)

A number of literature have also paid attention to the differences between public sector and private sector that possibly will make the implementation of accrual accounting not as easy as it sounds (see for example Athukorala & Reid, 2003; Barton, 2004; Chan, 2003). According to these sources, there are a number of important ways on how public sector differs from private sector. These differences include:

- (1) Activities in the public sector are not intended to make profit, thus, the style of accounting which is mainly intended to measure profit is not appropriately applicable in the public sector;
- (2) In the public sector, the sovereignty of government means that the elected government has regulatory powers such as to confiscate upon taxes on its people and to manage government resources while in the private sector this particular type of power does not exist;
- (3) Most transactions in the public sector are non-exchange transactions which means that revenues received (e.g. from taxes) do not provide equal value in return while the services provided (e.g. for building infrastructures) do not receive equal value in return. Consequently, the principle to match revenues earned and costs incurred (called the matching principle) which is used in accrual accounting therefore is not applicable in public sector setting;
- (4) Assets in government are comprised of wider range of types that private sector does not have to deal with. These assets, including infrastructures, military and heritage assets, are mainly not used to generate revenues. Moreover, since the nature of these assets is unique compared to those in private sector, the valuation and the decision and methods used to depreciate assets are debatable; and
- (5) Compared to the private sector, government is held accountable in a broader way and also to a wider scope of stakeholders.

Over the time, a number of researchers have noted that accounting has dominated NPM reforms and agendas (see for example Hood, 1995 and Guthrie et al., 1999), while other researchers questioned if the change to accrual accounting was just rhetoric to support bigger hidden purposes of the reform (see for example Carlin & Guthrie, 2009; Guthrie, 1998). While accrual accounting in its position in NPM related reforms have been questioned in a number of ways, it does not stop the global movement to accrual accounting.

## **II. 2. AN OVERVIEW OF INTERNATIONAL MIGRATION TO PUBLIC SECTOR ACCRUAL ACCOUNTING**

Cash basis and accrual basis have been known as two end points of a spectrum in accounting. Prior to the adoption of accrual basis, accounting in public sector has been

traditionally to varying extent based on expenditure basis of accounting which is at the cash end of the spectrum. Regarding this practice Buhr (2012) explained that “although an expenditure basis of accounting can be depicted as a cash basis of accounting, many governments actually went through a cash, modified cash, modified accrual, accrual transition process” (p. 288). Following the agendas of NPM, the adoption of an accrual accounting has become the main reform in order to enhance public sector accountability and transparency.

The move toward a comprehensive accrual accounting in the world has been pioneered by Australia and New Zealand in the late 1980s (see for example Buhr, 2012; Carlin, 2004a). The latter country became the first nation to implement accrual accounting at both a national and agency level and to produce its financial statements on a full accrual basis (Carlin, 2004a, Baker & Morina, 2006). While the inclination toward accrual accounting in New Zealand had been shown by the early 1980s when many government trading enterprises started to implement the system, it was not until the late 1980s when the government officially enforced the implementation of accrual accounting (Pallot 1996 and Carlin, 2004a). The change toward accrual accounting was part of a wave of government reform brought on primarily by fiscal difficulties (see for example Pallot, 1996; Halligan, 1997). During this time, the government produced two pieces of legislation, the State Sector Act 1988 and the Public Finance Act 1989, and by December 1990, all existing New Zealand government departments had moved to accrual accounting leading to the production of accrual based whole government reports for the following year (Ball et al., 1999).

While the migration to accrual accounting in New Zealand is in a whole-of-government basis, in Australia, the change was initiated by a local government (Christensen, 2002). In Australia, the drive for change came along the election in 1988 where the appointed leader of New South Wales (NSW), Nick Greiner, promoted an “NSW Initiated” vision of running the government like a business (Christensen, 2002 and Carlin, 2004a). In the course of his leadership, Greiner also requested the production of The Curran Report which proposed the adoption of a “corporate management framework” in the governmental environment (Groom, 1990, p. 144). Prepared by NSW Commission of Audit, the report contains several recommendations, including the implementation of accrual accounting which was seen as a radical measure at the time (Curran, 1988 and Groom, 1990). The adoption of accrual accounting and reporting in NSW government was achieved within a proposed timeframe of a three year roll out period which was in advance of the implementation of the same system in other states (Walker, 1995).

The change toward accrual accounting in both Australia and New Zealand is primarily brought by internally-induced NPM reforms, either caused by fiscal stress or by the enthusiasm of politicians to introduce business-like management system in the governments. In point of fact, for most developed countries, the decision to adoption of accrual accounting is mainly related to NPM reform (see for example Lye et al., 2005; Pallot, 1996; Christensen, 2002; Buhr, 2012; Baker & Morina, 2006; Ellwood, 2002; Brorstrom, 1998; Paulsson, 2006; and Bac, 2002). Ellwood (2002) suggested that the transformation to accrual accounting in United Kingdom (UK) can be attributed to NPM reform led by “perceived need for improved information” (p. 587). In the other hand, the reform of public sector accounting in Canada was caused by the coercive influence from the Office of the Auditor General of Canada supported by the normative influence of the Canadian Institute of Chartered Accountants’ Public Sector Accounting Board

(Baker & Morina, 2006). Moreover, in Sweden, the change was a part of a wider public sector reform preceded by the acceptance of “norm maker” ideas of to conduct efficient management as in the private sector (Brorstrom, 1998, p. 328 and Paulsson, 2006). To conclude, a comparative study in Anglo-American countries (Australia, Canada, New Zealand, the United Kingdom, and the United States) conducted by Buhr (2012) revealed that the motivation to adopt accrual accounting in these countries can be attributed to the 1980s philosophy of NPM.

The migration to accrual accounting in developed countries is followed by the same movement in developing countries. While changes were induced by internal pressures in developed countries, in developing countries, however, changes were driven by the requirement to comply with the rules issued by international financial authorities such as the International Monetary Fund (IMF), the World Bank and the Asian Development Bank (James and Manning, 1996). New Zealand in particular has been regarded as highly successful in its accrual accounting implementation, thus, became the exemplary used by international donor organizations in developing countries (Bale & Dale, 1998). Exemplary to this situation is the study conducted by Adhikari & Mellemlvik (2011) where it is indicated that government accounting developments in Nepal demonstrate that “the country has been widely exposed to the accounting ideas and practices introduced and disseminated by international organizations and donors” (p. 134). Similar situations also occurred in Ghana (Abu, 2009), Fiji (Alam & Namdan, 2008 and Sharma & Lawrence, 2008), Indonesia (Marwata & Alam, 2006), and Sudan (El-Batanoni & Jones, 1996) where the changes toward accrual accounting in these nations were induced by international donors.

The migration toward accrual accounting has become internationally widespread in a relatively constrained period of time. The changes toward accrual accounting in developed countries are primarily brought by internally-induced NPM reforms. On the other hand, the same movement in developing and emerging countries is mostly driven by the external pressures from international financial authorities. The movement to accrual accounting, while increasingly pervasive, has taken place with continuous debates and disagreements.

## **II. 3. THE ROLES OF PRACTITIONERS IN PUBLIC SECTOR ACCRUAL ACCOUNTING**

### **II. 3. 1. INDUSTRIES**

The most prominent industry in regard of its relationship with the movement to accrual accounting is International Federation of Accountants (IFAC). IFAC, presenting itself as “the global organization for the accountancy profession”, consists of member bodies and associates from countries around the world representing accountants in public practice, education, government service, industry, and commerce (IFAC, 2011, p.2). IFAC members are comprised of professional accountancy organizations which are recognized as substantial national organizations within their countries.



In the late 1986, IFAC established the Public Sector Committee (PSC) which is formed to address the needs of those involved in public sector accounting, reporting, and auditing on a coordinated world basis (Sutcliffe, 2003). PCS members, drawn from IFAC member bodies, are supported by technical advisors drawn from the accounting professions and observed by multilateral lending agencies and other regional and international organizations (Sutcliffe, 2003 and Hepworth, 2003). Following the Asia-Pacific economic crisis, a program to develop international public sector accounting standard for governments and other public entities was developed in response to the need from international lending agencies which demanded transparent and accountable management and usage of their fund (Harding, 1998; Sutcliffe, 2003; and Hepworth, 2003). The high quality accounting standards are expected to bring more qualified financial reporting by governments and their agencies. This is consistent with IFAC's (2011) statement about the importance of international standards in the public sector:

In the public sector, international standards ensure that governments and other public entities are held to the same level of accountability as the private sector. This is especially relevant as many governments, in addressing the global financial crisis, have assumed vastly expanded financial responsibilities and are seeking ways to prevent future sovereign debt crises. Both of these situations highlight the need for greater transparency and accountability in the public sector. (p. 2)

The public sector standard setting program is funded by IFAC, the Asian Development Bank (ADB), the International Monetary Fund (IMF), and the United Nations Development Program (UNDP), and the World Bank (Sutcliffe, 2003 and Hepworth, 2003). Changing its name to International Public Sector Accounting Standard Board (IPSASB) in May 1996, to present days, the committee has produced 32 accrual-based and one cash-based International Public Sector Accounting Standards (IPSAS). These standards are derived from International Financial Accounting standards (IFRS)—formerly known as International Accounting Standards (IAS)—with some adjustments necessary for the public sector. The main differences include measurement rules for non-cash-generating assets, measurement and recognition rules for non-exchange revenues, and public-sector-friendly terms and presentation of financial reports.

### **II. 3. 2. OFFICIALS**

Officials, ranging from international lending organizations/donors, standard setter organizations, policy makers, to direct practitioners in ministries, departments, and other governmental entities in the public sector, influence the movement to accrual accounting in a number of ways. First, international organizations whose interest is to ensure that their fund will be used accordingly work conjointly with professional bodies to produce accounting standards that, if applied, will increase transparency and accountability in the public sector. With the background of Asia-Pacific economic crisis, international lending donors and agency were demanded to be more confident about the usage of the fund meaning that the loan receiving countries should provide proper assurance regarding the transparency and accountability of the activities. The crisis bore witness to the need to strengthen the international financial system. Focusing on the necessity to strengthen international financial system, international

organizations are demanded to participate in ensuring a transparent and accountable use of their funds. Regarding this matter, the chief of KPMG stated that: "...declared that banks and world lending organisations 'owe a duty to their shareholders' to ensure proper performance measures are in place when they lend money to developing countries" (KPMG, 1999, p. 1); and "it is not sufficient just to make a loan; the loan performance should be monitored closely by the lender throughout the life of the loan and not be dependent upon just the annual audits" (KPMG, 1999, p. 2).

The international community called upon international lending organizations and other professional bodies to construct standards/cores as means through which financial strengthening can be achieved. International organizations then started to work conjointly with professional accounting body (in this case IFAC) to develop accounting standards for the public sector (Sutcliffe, 2003 and Hepworth, 2003). In developing the accounting standards, an independent body was form, and in the present days this body is known as IPSASB. IPSASB members, who came from professional accounting bodies from across the world, then work together to develop high-quality accounting standards to be used in the public sector. This process of developing public sector accounting standards was funded by international organizations in hope that it could facilitate changes in the system of government accounting in developing countries (Hepworth, 2003 and Sutcliffe, 2003). The rationale for this action is that these international organizations expect that the accounting standards—when being implemented in the public sector—could give more assurance regarding the transparent and accountable use of their funds/loans. By implementing proper accounting techniques, the inherent risk of frauds, corruptions and/or other improper use of fund will decrease. Succeeding their use in the private sector, accrual accounting standards are believed to be more superior to reduce this risk.

Policy makers also play role in the movement to accrual accounting. Policy makers—with pressures either from internal fiscal conditions or from international lending organizations—construct policy/regulation regarding the decision to implement accrual accounting in governmental environment. Especially in the case of developing countries, the pressure from international lending agencies is inevitably strong, requiring a whole-country financial reform—with the movement to accrual accounting as an important part —as prerequisites to receive the fund. These organizations often advise on the use of standards prepared by IFAC to ease the process of transformation. Policy makers enact rules and regulations regarding the implementation of accrual accounting based on IPSAS standards, requiring their use by direct practitioners in ministries, departments, and other governmental entities.

### **III. INSTITUTIONAL THEORY**

According to new institutional theory, one of the factors that may have influence on organizational success is the extent to which an organization is able to achieve and preserve legitimacy in its environment. Richardson (1987) suggested that accounting constitutes as a legitimating institution. Suchman (1995) tries to define legitimacy in a broad way that incorporates both evaluative and cognitive dimensions: "Legitimacy is a generalized perception

or assumption that the actions of an entity are desirable, proper, or appropriate within some socially constructed system of norms, values, beliefs, and definitions” (p. 574). Organizations seek legitimacy for many reasons which are to enhance either continuity or credibility and/or to seek active support or merely passive acquiescence (Suchman, 1995). From the perspective of the public sector, legitimacy might be pursued from other national governments, international organizations, investors, groups of interest, and citizens of own country (Baker & Morina, 2006).

According to Neu (1992), management of an organization may mimic the accounting practices of other apparently successful organizations for legitimacy and technical reasons. In the public sector environment setting, government might seek legitimacy for its actions—including the decision to adopt accrual accounting—by following to measures employed by the private sector, other governments, and even international organizations (Baker & Morina, 2006). When an organization adapts to certain measures thus resulting in homogeneity with other organizations within its environment, the legitimacy of this organizations will ultimately increase. According to new institutional theory, the process of adapting institutionally acceptable practices where organizations resemble each other both culturally and structurally is recognized as institutional isomorphism (DiMaggio & Powell, 1983).

DiMaggio and Powell (1983) identify three mechanisms through which institutional isomorphic change takes place: coercive isomorphism which stems from political influence and legitimacy problems, mimetic isomorphism which is standard response to uncertainty, and normative isomorphism which is associated with professionalization. While all three mechanisms intermingle in empirical setting, they tend to derive from different conditions thus leading to different result (DiMaggio and Powell. 1983).

According to DiMaggio & Powell (1983), coercive isomorphism results from “both formal and informal pressures exerted on organizations by other organizations upon which they are dependent and by cultural expectations in the society within the organizations function” (p. 150). The natures of how these pressures are felt in the organizations differ, might they be felt as forces, persuasion, or even invitation. In the context of public sector accrual accounting, a form of coercive isomorphism is when international lending agencies (such as the IMF, the World Bank, ADB, or UNDP) exert on the use of accrual accounting on developing countries as a required prerequisite to be able to exercise the loan.

Mimetic isomorphism emerges under the condition of uncertainty which acts as a powerful force encouraging organizations to imitate other successful organizations (DiMaggio and Powell, 1983). Enhancing legitimacy or avoiding loss of legitimacy has been the desired outcome of mimetic isomorphism. Related to mimetic isomorphism, Baker and Morina (2006) noted that “while these organizations may not be certain about what they should do when facing challenges, by adopting structures and processes used by similar organizations, they are at the very least being seen to be doing *something*” (p. 88). In the perspective of accrual accounting in the public sector, the concept of mimetic isomorphism can be perceived in the case of developing countries following the accounting measure used in developed countries where its application has been successful. The practice of accrual accounting in developed countries is perceived as legitimate, thus, by following the mentioned practice, developing countries hoped that they can enhance their legitimacy or at least avoid further loss of legitimacy.

According to DiMaggio and Powell (1983), normative isomorphism is derived from two aspects of professionalism. First is the resting of formal education and of legitimation of a cognitive base and the second one is the growth of professional network that cross organizations and between which new models are diffused (DiMaggio & Powell, 1983). Normative isomorphism represents the influences of what are perceived as normal standards and conduct. This type of isomorphism explains how professional networks facilitate information exchange across organizations and thereby diffusion of new practice is achieved, leading to similar behavior by members of distinguishable professional groups. In the context of public sector accrual accounting, NPM related reforms in governmental organizations can be perceived as one form of normative isomorphism. Adapting business management styles, which are seen as superior, means conforming to the practice of professions from the private sector. This action leads to the application of the same measures in both public and private sectors.

Coercive, mimetic, and normative isomorphism can result in increased homogeneity which is comprehended as a way to increase legitimacy within an organization. Where legitimating activities do occur, however, decoupling may exist. Decoupling represents a divergence of legitimacy-seeking activities and technical activities (Baker & Morina, 2006). It means that even though legitimating formal structures are being maintained, actual activities will vary based on technical requirements. In the case that decoupling occurs, adopting accrual accounting as a legitimacy-seeking activity will not result in the changes it was intended to effect (Baker & Morina, 2006).

#### **IV. METHODOLOGY**

This study tries to revisit the debate concerning accrual accounting in the public sector using publicly available archive documents. The research is conducted by examining literature concerning accrual-based accounting in the public sector. A body of literature was collected through the period when NPM led the change to accrual accounting which was around 1980 until 2012. The literature was obtained through searches in publicly available materials—mostly through Proquest—by using the keywords of “accrual”, “public sector” and/or “government”, and “accounting”. Literature from non-serial publications, official reports, and conferences has been included particularly if they have been cited by other references in term of public sector accrual accounting. Relevant papers, ranging from ones discussing about public sector accrual accounting in general to those merely pointing out a segment of accrual accounting in the public sector are included. In total, 224 sources authored by both practitioners and academicians were examined, identified, and categorized based on the sources and the view regarding public sector accrual accounting.

The papers collected were categorized based on the sources into two main types: practitioners and academicians. Practitioners are both from officials (authored by international organizations, government officials, ministries, departments, committees and other similar sources) and industries (authored by accountants, accounting firms, and other professional bodies). The attribution of sources is based on the authors’ position when the related papers were written which is displayed at the authors’ information section. Co-authored papers are included

only if all of the authors are from the same category (either from industries, officials, or academicians). Next, the papers were reviewed to understand whether the author is in favor, not in favor, or still questioning regarding the use of accrual accounting in the public sector. Papers merely stating about facts or neutral in their presentation are excluded from the list.

There are several limitations to this research. First, it should be noted that the list provided does not cover all literature regarding the debate on public sector accrual accounting but it does cover substantial contributions on the field of public sector accrual accounting. Second, literature from practitioners in particular were selected in a more “unsystematic” way (such as from institutions’, organizations’, and/or governments’ official websites) since most of the reports/publications from either industries or officials are limitedly published in indexed publications. Third, literature collected is biased to sources mostly from Australia and New Zealand. This problem is inevitable because the emergence of accrual accounting is pioneered by these nations thus resulting in the abundant debates regarding its use. Fourth, while several emerging research in developing and emerging countries are also included in the data, it shows that there is still lack of English-written literature from these countries. Fifth, though the categorizations used in this research—especially in the classifying of author’s opinion/view—are conducted in an objective way, they are still subject to arguments or debates. However, the list nonetheless provides an overview of the differing opinions on accrual-based public sector accounting.

Christensen (2007) has listed papers on public sector accrual accounting in comparable manner, thus, some of the literature might referred to those of Christensen’s work with author’s own judgment. However, there is a significant difference between the previous study by Christensen and this study. While Christensen (2007) explained about the trend on the debate in public sector accounting and highlighted about the limited research in the managerial impact of public sector accrual accounting, this study is conducted to understand how the different sources of literature could yield discrepancies on the view regarding public sector accrual accounting and what implication it brings to the practice of professional practice.

This research is a part of a more comprehensive research designed to further analyze how institutional isomorphism could explain the discrepancy on the opinion regarding public sector accrual accounting or instead how the opinions of practitioners could relate to institutional isomorphism.

## **V. RESULT AND ANALYSIS**

### **V. 1 RESULT**

. The literature on accrual accounting and reporting in the public sector has been rapidly increasing since the birth of NPM in 1980s. The list of the literature used in this research is presented in Table 1. Table 1 is useful in identifying the sources of public sector accrual accounting contributions from 1980s to 2012. The data are presented in chronological order

based on the year of the publication in order to simplify the reading and to present an overview of differing opinions between practitioners and academicians.

Attribution of authors' view in each literature is conducted objectively by analyzing the whole context of the paper, not merely a segmented or partial view. In Table 2, samples of quotes from literature supporting, not supporting, and questioning public sector accrual accounting are presented. In order to present an objective and unbiased view, quotes are mostly derived from either conclusion or abstract of the paper.

## V. 2 ANALYSIS

**Figure 1 Number of Publications throughout Periods from 1980s to 2012**

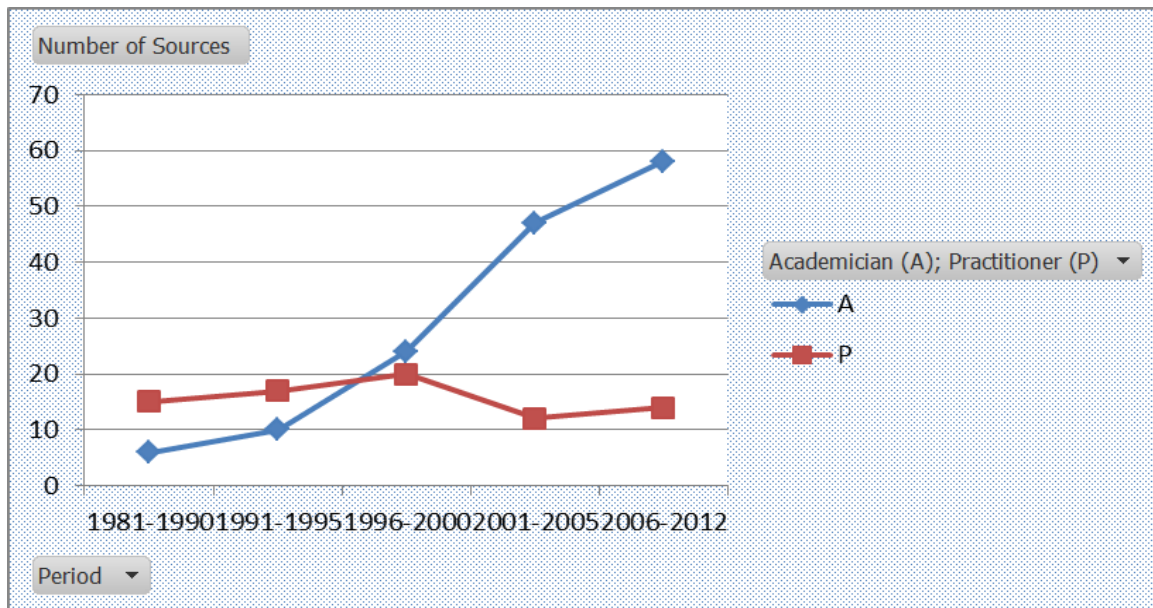


Figure 1 provides the information regarding the number of sources throughout the periods from 1981 to 2012 based on the contributors, be it from academics or from practitioners. The years were categorized into periods so that the analysis can be done in a more comprehensive manner. In Figure 1 we can see that for the period 1981-1990 and 1991-1995, the number of literature from practitioners is consistently higher than the number of literature from academicians. Nevertheless, from the period of 1996-2000, the sources from academicians started to outnumber those from practitioners. For the period until 1995, the total sources from practitioners outnumbered those of academicians by a factor of 2:1 in total. However by 2012, this situation turned otherwise when the number of literature from academicians started to outweigh the sources from officials and industries by a factor of 2:1 in total.

The trend of changing in the number of contributors especially from academicians are shown in Figure 1 where the significance of the period of 1996-2000 as crossover points. This

tendency can be distinguished as the period of full adoption of accrual accounting in the public sector in pioneering countries namely Australia and New Zealand. This period was marked at two significant points where by year 1990, all New Zealand government departments in existence at the time had migrated to an accrual accounting environment, leading to the production of the first accrual based whole of government reports a year later (Ball et al., 1999) and by the year 1993 where New South Wales (NSW) became the first government in Australia to convert to full accrual accounting (Christensen, 2007).

The number of sources from practitioners tends to be stable over the time. Regarding this matter, Christensen (2007) claims that the industries and officials were more concerned in the topic of accrual accounting in its formative years while academicians started to show interest in this topic after the initial implementation of public sector accounting. However, the trend of source from practitioners in Figure 1 shows that the interest of practitioners presented in publications and/or reports is mostly stable. Taking into account that sources from practitioners over the time are mostly advocacy in nature and lack of empirical proof (Carlin, 2004a and Christensen, 2007), the stable trend can be interpreted in one of two ways:

- (1) The opinion saying that practitioners show interest in public sector accrual accounting merely during its formative years where there is no empirical data is inaccurate. The trend could be interpreted that the interest of practitioners to accrual accounting remains the same, although there might be indifference from this side of the research regarding the use of empirical data because of the difficulty of acquiring such data in a public sector context.
- (2) Practitioners *do* show more interest in public sector accrual accounting during its formative years meaning that any point in time during the period of 1980s until 2012 is always correlated with a country's decision to implement accrual accounting into its governmental environment. To support this assumption, it can be understood that during the period of 1980 to 1995, public sector accrual accounting had been adopted by the pioneering countries: New Zealand and Australia. Moreover, during the period of 2006 to 2012, contributions from practitioners significantly increased. This trend might indicate the same interest from officials and industries for the formative years of public sector accrual accounting in developing or emerging countries. Some emerging countries during this period were just adopting or trying to adopt full accrual into their governmental accounting. Several of these are government of Romania which tried to implement full accrual accounting starting from 2006 (Cristina Silvia & Crina, 2008); government of the Republic of Indonesia which has fully constructed a new set of standards based on accrual by the end of 2011 (Harun & Haryono, 2012); to Nigeria which is still considering whether to adopt accrual accounting into its public sector activities (Chukwunedu & Okoye, 2011).

**Figure 2 Opinions Regarding Public Sector Accrual Accounting throughout Periods from 1981 to 2012**

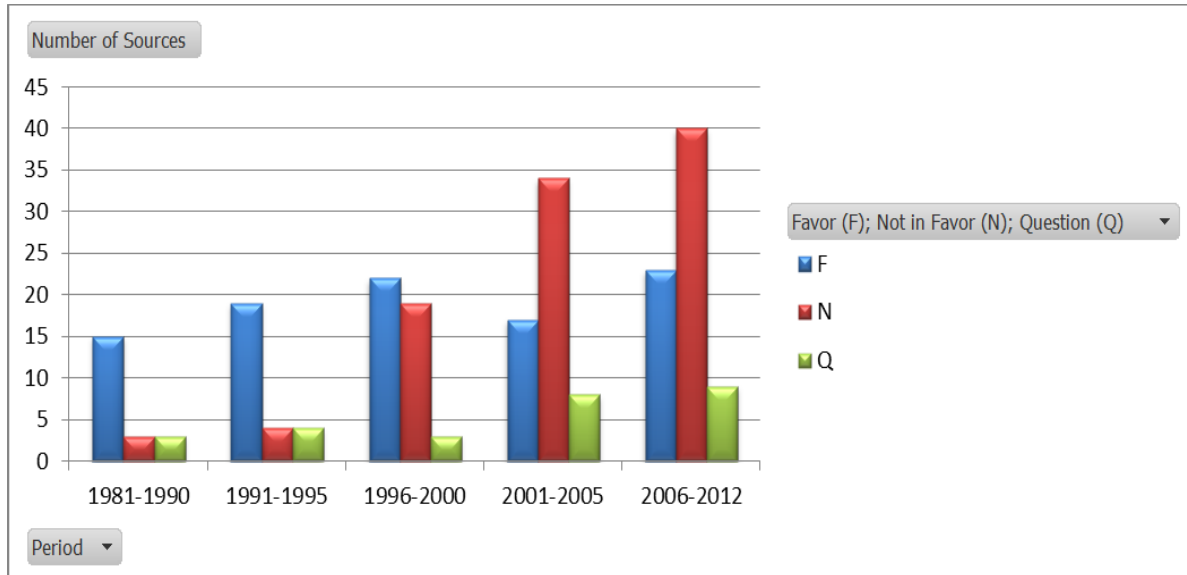


Figure 2 shows the change in the proportion of the contributions expressing opinions in favor of public sector accrual accounting. Clear change in the trend whether in favor or not in favor regarding accrual accounting is apparent whereby the early period is dominated by literature that was in support of accrual accounting while the latter period is dominated by contributions which are not in support of accrual accounting. By the period of 2001-2005, contributions not in support of accrual accounting is growing overwhelmingly, with the total sources not in support of accrual accounting for this period double in number of those in support of accrual accounting. This situation shows a rapid change at which by the period right before that, the period of 1996 to 2000, the number of sources in favor of accrual accounting is slightly higher than those not supporting accrual accounting. This trend creates a timeline-picture of a changing literature at a comprehensive level of examination.

The trend of changing in proportion of contributions also indicates that before the implementation of public sector accrual accounting, there were generally positive views on accrual accounting which was seen superior to other alternative systems (see for example Churchill, 1992; Mellor, 1996). According to Carlin (2004a), because the lack of data-gathering environment, the early literature mostly was advocacy in nature and proved their claim based on emotive grounds. Based on Carlin’s view, after the initial adoption of accrual accounting in the public sector, researchers were then being able to conduct a study with more empirical findings. These empirical studies then resulted in arguments not supporting public sector accrual accounting ranging from difficulties in implementation to high cost of technology and professional accountants.



**Figure 3 Cumulative Views regarding Accrual Accounting in the Public Sector**

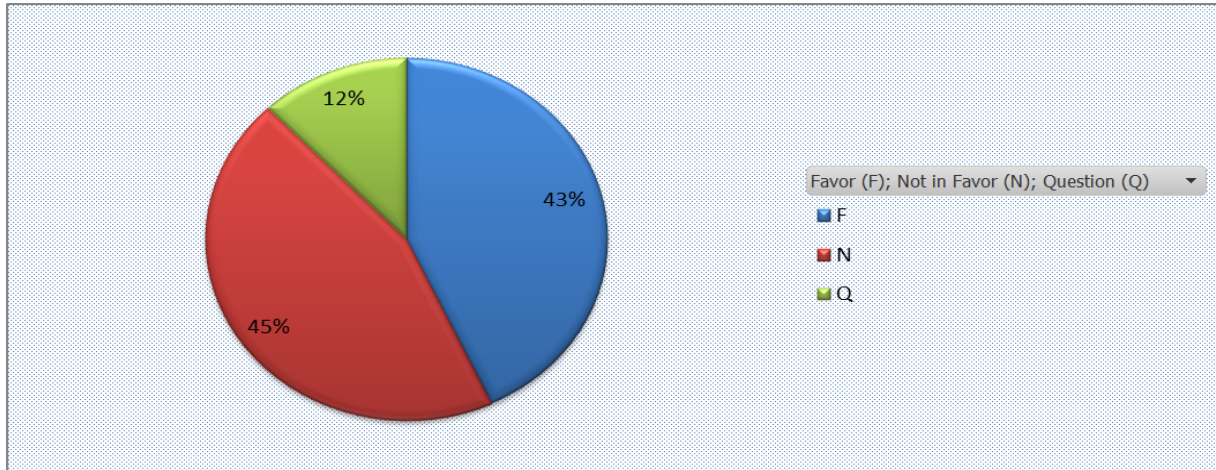
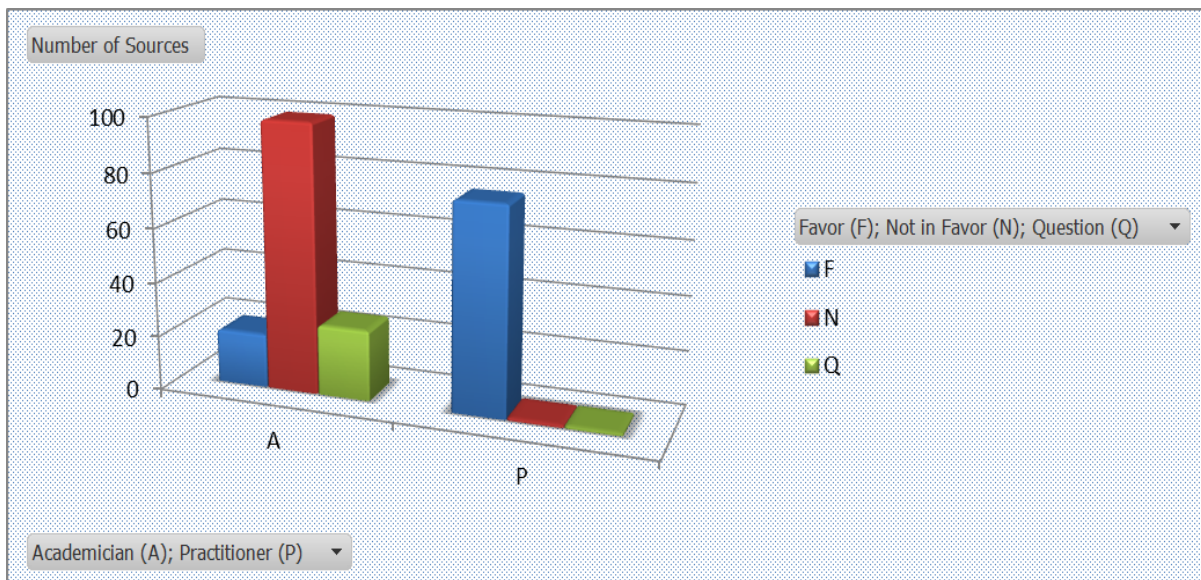


Figure 3 shows the cumulative views regarding accrual accounting public sector. From the figure it can be understood that the views in support of accrual accounting and those not supporting accrual accounting are almost a tie with 43% and 45% respectively. These percentages indicate that the debate regarding public sector accrual accounting is still continuing to the present days considering that none of either view greatly outnumbered the other one.

**Figure 4 Distributions of Opinions on Accrual Accounting in the Public Sector**



Perhaps the most interesting finding in this study is how the proportion of opinions differs widely between academicians and practitioners. A huge proportion from practitioners

sources opt for accrual accounting while most of literature from academicians was not in support of accrual accounting. Out of 80 sources from practitioners, 77 sources (around 97%) are in support of accrual accounting. On the other hand, out of 144 sources from academicians, only 20 sources (around 14%) are in favor of accrual accounting. Most sources from academicians (69%) are not in favor of accrual accounting.

Literature from practitioners, mostly advocacy in nature and lack of empirical evidence, expresses supports for accrual accounting in the public sector and even encourages the widespread adoption of the proclaimed superior system in the governmental organizations. Reappearing themes in this body of work pertain to the desirability of accrual accounting or why the implementation of accrual accounting should take place. Some literature justifies and advocates the adoption of accrual accounting on grounds of inevitability (OECD, 1993). Other sources have justified their assertion that public sector organizations should adopt accrual accounting and by referencing to the assertion that accrual based reporting systems are superior to alternative systems (Public Sector Committee, 1996; Churchill, 1992; Mellor, 1996). Through this body of work, accrual accounting is perceived as the appropriate tool to overcome the problem of transparency, accountability, corruption, and other misconducts.

Literature from academicians can be categorized into two ways: research that is conducted based on empirical evidence and research which is—like practitioners’—advocacy or argumentative in nature. During the early years, this condition is inevitable due to lack of data-gathering environment. Research in the early years are mostly argumentative on theoretical lenses, whether in general theme of why accrual accounting is not appropriate for the public sector based or more specific to the difficulty of treatment of public asset in accrual accounting (see for example Mautz, 1981; Pallot, 1990; Pallot, 1992). Over the years, where it is possible to gather data to be used as empirical evidence, the arguments regarding the valuation, measurement, and depreciation of public assets still continue, but the research are conducted in empirical manners (see for example Molland & Clift, 2008). However, while data-gathering environment has become more accessible, the number of academic research that are done empirically is still limited. This problem might be attributed to the difficulty of gathering hard evidence on the relationships between one particular reform and related changes in performance within a complex environment (Carlin, 2004a). The situation is aggravated when the adoption of accrual accounting is accompanied by recombination administrative structures, leading to difficulties in generating trend data or making valid cross sectional comparisons.

The most important thing of this research is to understand why there is a dichotomy of opinions between practitioners and academicians regarding public sector accrual accounting between practitioners and academicians. This finding may suggest that there is a missing link between academic accounting research and professional practice in the public sector. There needs to be more communication and coordination between accounting practice and academicians.

### **V. 3. ARGUMENTS SUPPORTING ACCRUAL ACCOUNTING IN THE PUBLIC SECTOR**

Literature from practitioners is generally supportive toward public sector accrual accounting. That body of literature which expresses support for the widespread adoption of accrual accounting and financial reporting throughout the public sector is generally characterized by the advocacy tone and the lack of empirical evidence put forward to support its claims (Christensen, 2002 and Carlin, 2004a). Accrual accounting was constituted as a desirable method in public management on essentially emotive grounds (Carlin, 2004a). Reappearing themes in this body of work pertain to the desirability of accrual accounting or why the implementation of accrual accounting should take place. Carlin (2004a) also suggests that this body of work does not provide explanation about the aftermath or the effects after the implementation of accrual accounting. The views on literature supporting public sector accrual accounting can be characterized as the following:

- (1) Accrual accounting is being used successfully in the private sector, thus, its implementation in the public sector would be sensible (see for example Egol, 1987; Regan, 1987). Moreover, by using the same accrual basis, it is expected that public sector entities will be comparable to private sector ones.
- (2) Accrual accounting provides better financial information for the basis of government accountability (see for example Ball et al., 1999). Financial report from accrual accounting is believed to be more comprehensive, simple and easier to understand, harder to manipulate, and more comparable and consistent (see for example Athukorala & Reid, 2003).
- (3) Unlike cash accounting, the implementation of accrual accounting is considered to be less prone to manipulations (see for example DioGuardi, 1992).
- (4) By applying accrual accounting, governments will be able to measure its activities for example by separating between current and capital costs (see for example Athukorala & Reid, 2003).
- (5) The adoption of accrual reporting will enhance transparency, both internally and externally (Micallef, 1994; OECD, 1993). By adopting accrual accounting, asserted increases in transparency, particularly internal transparency, are said to in turn drive greater organizational performance, primarily through improved resource allocation (Churchill, 1992a; OECD, 1993; Likierman, 2000). Moreover, accrual accounting will also improve external accountability (see for example Robson, 1987).
- (6) Accrual accounting allows organizations to identify the full cost of their various activities, again leading to greater efficiency, better resource allocation and improved performance (see for example Rowles, 2002).
- (7) Accrual accounting reduces supports better liquidity management, provides a basis for pricing products and services, and provides information for managing resources (see for example Athukorala & Reid, 2003).

Some literature supports the usage of accrual accounting in the public sector provided several preconditions are met before the implementation (see for example Diamond 2002; Bartos, 2003; Hepworth, 2003; Tudor & Mutiu, 2004). The preconditions advised range from cultural acceptance to creating supportive information technology and providing qualified accountants.

Without meeting these factors, it is possible that implementation of accrual accounting will result in vain.

#### **V. 4. ARGUMENTS NOT SUPPORTING ACCRUAL ACCOUNTING IN THE PUBLIC SECTOR**

The arguments criticizing accrual accounting in the public sector can be categorized into 2 levels: theoretical level and implementation level. For the theoretical level, the arguments presented are one or more of the following:

- (1) The nature of public sector is different from the private sector. Activities in the public sector are not intended to make profit, thus, the style of accounting which is mainly intended to measure profit is not appropriately applicable in the public sector.
- (2) The principle to match revenues against costs is not applicable in the public sector (see for example Barton, 1999; Monsen & Nasi, 2001). This is because most transactions in the public sector are non-exchange transactions which means that revenues received (e.g. from taxes) do not provide equal value in return while the services provided (e.g. for building infrastructures) do not receive equal value in return.
- (3) Assets in government are comprised of wider range of types that private sector does not have to deal with. These assets, including infrastructures, military and heritage assets, are mainly not used to generate revenues. Moreover, since the nature of these assets is unique compared to those in private sector, the valuation and the decision and methods used to depreciate assets are debatable (see for example Pallot, 1992; Carnegie & West, 1997; Carnegie & Wolnizer, 1995; Barton, 2000).
- (4) The change to accrual accounting has always been connected with other public-sector reforms thus it should be seen as a rhetoric part of the reforms (see for example Mellet & Williams, 1997; Guthrie, 1998, Kelly & Wanna, 2004; Newberry & Pallot, 2005).

In the implementation level, the arguments presented are one or more of the following:

- (1) Implementation and ongoing operation are difficult and expensive (see for example João Baptista da et al., 2007; Ezzamel et al., 2005, Webster & Hoque, 2005). The implementation of accrual accounting needs complicated accounting system and technology. Moreover, sometimes governments lacks of qualified accounting personnel who can manage the system. Regarding this matter, Mellet (2002) provides an insight into some of the absurdities which have resulted from the adoption of accrual accounting.
- (2) In contrast with NPM claims, by implementing accrual accounting, the roles of managerial and political within governmental environment become less clear ( see for example Liguori et al., 2009).

- (3) Implementation of accrual accounting in a number of public sectors has produced confusing financial statements (Pallot, 1997; Barton, 1999; Mellett, 2002, Barton, 2004).
- (4) Unlike the promoted benefit of reduced manipulation, accrual accounting in the public sector is—like other accounting system—prone to manipulation (see for example Newberry, 2002). This argument disapproves the claims that a particular model of accounting offers greater transparency. Moreover, in the context of the private sector there exists a burgeoning literature on the susceptibility of accrual accounting and financial reporting to obfuscation and diminished transparency (Carlin, 2004).
- (5) Some research evidence which suggests that the costs of implementing accrual based accounting and reporting may have outweighed the benefits (Jones & Puglisi, 1997).

## **VI. CONCLUSIONS AND FURTHER RESEARCH**

This study aims at revisiting the debates surrounding accrual accounting in the public sector and presenting how discrepancy of opinions—either supporting or not supporting—occurs based on the contributors of the literature. Although the debates regarding public sector accrual accounting have been mentioned in a number of literature, the topic about connection between academic research and research from practitioners has rarely been touched. This study contributes to both professional practice and academic accounting research by showing how attitudes toward accrual accounting differ between practitioners and academicians. The result of this study shows that a huge proportion from practitioners sources opt for accrual accounting while most of literature from academicians was not in support of accrual accounting. The finding suggests that there is a missing link between academic accounting research and professional practice in the public sector. The differing views infer that academic research and accounting practice in the public sector are largely working as worlds apart with each working in their own separate scopes. Academicians and practitioners, instead of working together to contribute to the development of accrual accounting, are more like separate parties pursuing their own agendas. Moreover, there is lack of a direct role for academic accounting research or researchers in the design of accrual accounting standards. What have to be done in the future for public sector accounting is to bridge the gap between academicians and practitioners. There needs to be more communication and coordination between accounting practice and academicians.

From new institutional theory viewpoint, the supporting arguments from practitioners regarding accrual accounting in the public sector function as proof or evidence that institutionalism does occur with accounting as the legitimating force. The general position of practitioners in the debate proves—in a unique way—the relation between governments' migration to accrual accounting and institutional isomorphism, especially on coercive and mimetic ones. Although normative, coercive, and mimetic isomorphism cannot be fully separated, there should be future research on how the position of practitioners in the debate relates to the movement to accrual accounting in developed and developing countries.

## REFERENCES

- Abu, S. R. (2009), "Independent financial auditing and the crusade against government sector financial mismanagement in Ghana", *Qualitative Research in Accounting and Management*, Vol. 6 No. 4, pp. 224-46.
- Adhikari, P., & Mellemvik, F. (2011), "The rise and fall of accruals: A case of nepalese central government", *Journal of Accounting in Emerging Economies*, Vol. 1 No. 2, pp. 123-43.
- Aiken, M. (1994), "Parliamentary sovereignty and valuation accruals: uncongenial conventions", *Financial Accountability & Management*, Vol. 10 No. 1, pp. 17-32.
- Agasisti, T., Arnaboldi, M., & Catalano, G. (2008), "Reforming financial accounts in the public sector: The case of universities", *The Irish Accounting Review*, Vol. 15 No. 1, pp. 1-29.
- Aggestam-Pontoppidan, C. (2011), "Selecting international standards for accrual-based accounting in the public sector: IPSAS or IFRS?", *The Journal of Government Financial Management*, Vol. 60 No. 3, pp. 28-32.
- Agulhas, B. (2002), "Public sector", *Accountancy SA*, p. 24.
- Alam, M., & Nandan, R. (2008), "Management control systems and public sector reform: A fujian case study", *Accounting, Accountability & Performance*, Vol. 14 No. 2, pp. 1-28.
- Allan, P. (1991), "The Financial Management Improvement Program of the New South Wales Treasury", *Australian Journal of Public Administration*, Vol. 50 No. 2, pp.107-16.
- Alty, V. (2009), "Public sector accounting: Transforming government or bean counting?", *Chartered Accountants Journal of New Zealand*, Vol. 88 No. 5, p. 46.
- Andriani, Y., Kober, R., & Ng, J. (2010), "Decision usefulness of cash and accrual information: Public sector managers' perceptions", *Australian Accounting Review*, Vol. 20 No. 2, pp. 144-53.
- Anessi-Pessina, E., Nasi, G., & Steccolini, I. (2010), "Accounting innovations: A contingent view on italian local governments", *Journal of Public Budgeting, Accounting & Financial Management*, Vol. 22 No. 2, pp. 250-71.
- Arnaboldi, M., & Lapsley, I. (2009), "On the implementation of accrual accounting: A study of conflict and ambiguity", *European Accounting Review*, Vol. 18 No. 4, pp. 809-36.
- Athukorala, S. L., & Reid, B. (2003), *Accrual budgeting and accounting in government and its relevance for developing member countries*. Manila: Asian Development Bank.
- Awty, A. (2002), "Time for debate", *Australian CPA*, Vol. 72 No. 4, pp. 40-1.
- Awty, A. (2003), "Accrual world", *Australian CPA*, Vol. 73 No. 1, pp. 30-1.
- Bac, A. D. (2002), "Dutch private sector and local government accounting regulations: A comparison", *Journal of Public Budgeting, Accounting & Financial Management*, Vol. 14 No. 4, pp. 595-618.
- Bailey, L. P., & Leaby, B. A. (1994), "Governmental accounting for debt: What do practitioners want?", *The Government Accountants Journal*, Vol. 43 No. 1, p. 55.

- Baker, R., & Morina, D. R. (2006), "Forces leading to the adoption of accrual accounting by the Canadian federal government: An institutional perspective", *Canadian Accounting Perspectives*, Vol. 5 No. 1, pp. 83-112.
- Bale, M., & Dale, T. (1998), "Public sector reform in New Zealand and its relevance to developing countries", *The World Bank Research Observer*, Vol. 13 No. 1, 103-21.
- Ball, I. (1994), "Reinventing government: lessons learned from the New Zealand Treasury", *Government Accountants Journal*, Vol. 43, p. 20.
- Ball, I, Dale, T., Eggers, W, & Sacco, J. (1999), "Reforming financial management in the public sector: lessons us officials can learn from new Zealand", *Reason Public Policy Institute, Washington*, pp. 1-26.
- Barrett, P. (1992), "Financial Reporting for the Australian Public Sector", In *Royal Institute of Public Administration Australia National Council Conference, Sydney*.
- Barton, A. (1999), "Public and private sector accounting - the non-identical twins", *Australian Accounting Review*, Vol. 9 No. 2, pp. 22-31.
- Barton, A. D. (2000), "Accounting for public heritage facilities—assets or liabilities of the government?", *Accounting, Auditing & Accountability Journal*, Vol. 13 No. 2, pp. 219-36.
- Barton, A. (2003), *Accrual accounting in government: a review of its applications, achievements and problems, and proposals for reform*, CPA Australia, Melbourne.
- Barton, A. D. (2004), "How to profit from defence: A study in the misapplication of business accounting to the public sector in Australia", *Financial Accountability & Management*, Vol. 20 No. 3, pp. 281-304.
- Barton, A. (2005a), "Professional accounting standards and the public sector—a mismatch", *Abacus*, Vol. 41 No. 2, pp. 138-58.
- Barton, A. (2005b), "The conceptual arguments concerning accounting for public heritage assets: A note", *Accounting, Auditing & Accountability Journal*, Vol. 18 No. 3, pp. 434-40.
- Barton, A. (2007a), "Accrual accounting and budgeting systems issues in Australian governments", *Australian Accounting Review*, Vol. 17 No. 1, pp. 38-50.
- Barton, A. (2007b), "Accrual accounting and budgeting systems issues in Australian governments - a rejoinder", *Australian Accounting Review*, Vol. 17 No. 3, pp. 75-84.
- Barton, A. (2008), "Land Under Roads-A Financial Bonanza OR Fool's Gold?", *Australian Accounting Review*, Vol. 9 No. 17, pp. 9-15.
- Barton, A. (2009), "The use and abuse of accounting in the public sector financial management reform program in Australia", *Abacus*, Vol. 45 No. 2, p. 221.
- Barton, A., & Boxall, P. F. (1998), *Cash and Accrual Budgets for Central Government: an analysis of their comparative roles*, Australian Society of Certified Practising Accountants.
- Barton, A. D., Carnegie, G. D., Wolnizer, P. W., & Newberry, S. (2002), "Public-sector accounting: A common reporting framework? A rejoinder", *Australian Accounting Review*, Vol. 12 No. 3, pp. 41-9.

- Bartos, S. (2003), "Creating and sustaining innovation", *Australian Journal of Public Administration*, Vol. 62 No. 1, pp. 9-14.
- Beauchamp, T. (2009), "Municipalities on the move", *CA Magazine*, Vol. 142 No. 7, pp. 49-51.
- Blondal, J. R. (2003), "Accrual accounting and budgeting: key issues and recent developments", *OECD Journal on Budgeting*, Vol. 3 No. 1, pp. 43-60.
- Boorsma, P. B., & Nol, N. P. (1997), "Capital Budgeting in Dutch Central Government", *Public Budgeting and Financial Management*, Vol. 8, pp. 597-611.
- Bourn, M. (1993), "Should we go the kiwi way?", *Accountancy*, Vol. 111 No. 1194, pp. 88-9.
- Bowrey, G. (2007), "Have recent financial reforms improved financial accountability in the Australian Commonwealth public sector?", *Australasian Accounting Business & Finance Journal*, Vol. 1 No. 3, p. 34.
- Boxall, P. (1998), "The revolution in government accounting", *Australian CPA*, Vol. 68 No. 3, pp. 18-20.
- Bradbury, S. (1997), "The Global Revolution", *Accountancy-International Edition*, Vol. 70.
- Brorstrom, B. (1998), "Accrual accounting, politics and politicians", *Financial Accountability & Management*, Vol. 14 No. 4, pp. 319-33.
- Buhr, N. (2012), "Accrual accounting by Anglo-American governments: Motivations, developments, and some tensions over the last 30 years", *Accounting History*, Vol. 17 No. 3, pp. 287-309.
- Bunea-Bontas, C., & Petre, M. C. (2009), *Arguments for introducing accrual based accounting in the public sector*, Rochester, Rochester.
- Burritt, R. L., McCrae, M., & Benjamin, C. (2008), "What Is A Public-Sector Asset?", *Australian Accounting Review*, Vol. 6 No. 11, pp. 23-8.
- Cangiano, M. (1996), "Accountability and Transparency in the Public Sector: The New Zealand Experience", *SSRN eLibrary*.
- Caperchione, E. (2003), "Local government accounting system reform in Italy: A critical analysis", *Journal of Public Budgeting, Accounting & Financial Management*, Vol. 15 No. 1, pp. 110-45.
- Carlin, T. M. (2003), "Accrual output-based budgeting systems in Australia - a great leap backwards?", *Australian Accounting Review*, Vol. 13 No. 2, pp. 41-7.
- Carlin, T. M. (2004a), *Accrual accounting & financial reporting in the public sector: Reframing the debate*, Rochester, Rochester.
- Carlin, T. M. (2004b), "Output-based management and the management of performance: Insights from the Victorian experience", *Management Accounting Research*, Vol. 15 No. 3, pp. 267-83.
- Carlin, T. M. (2005), "Debating the impact of accrual accounting and reporting in the public sector", *Financial Accountability & Management*, Vol. 21 No. 3, pp. 309-36.



- Carlin, T., & Guthrie, J. (2001), "The new business of government budgeting: Reporting non-financial performance information in victoria", *Australian Accounting Review*, Vol. 11 No. 3, pp. 17-26.
- Carlin, T. M., & Guthrie, J. (2009), *Accrual output based budgeting systems in australia: The rhetoric-reality gap*, Rochester, Rochester.
- Carnegie, G. and West, B. (2003), "How well does accrual accounting fit the public sector". *Australian Journal of Public Administration*, Vol 62 No. 2, pp. 83-6.
- Carnegie, G. D., & West, B. P. (2005), "Making accounting accountable in the public sector", *Critical Perspectives on Accounting*, Vol. 16 No. 7, p. 905.
- Carnegie, G. D., & Wolnizer, P. W. (1995), "The financial value of cultural, heritage and scientific collections: an accounting fiction", *Australian Accounting Review*, Vol. 5 No. 9, pp. 31-47.
- Carnegie, G. D., & Wolnizer, P. W. (1997), "The Financial Reporting of Publicly-owned Collections: Whither Financial (market) Values and Contingent Valuation Estimates?", *Australian Accounting Review*, Vol. 7 No. 13, pp. 44-50.
- Carnegie, G., & Wolnizer, P. (1999), "Unravelling the rhetoric about the financial reporting of public collections as assets", *Australian Accounting Review*, Vol. 9 No. 1, pp. 16-21.
- Carpenter, G. J. (1986), *Accrual accounting: Issues and policy implications for departments and non-business government entities*, Australian Society of Accountants.
- Carpenter, G. J. (1987), "Accrual Accounting and Parliamentary Appropriations—Are They Compatible", In *National Government Accounting Convention, Perth, Australian Society of Accountants*.
- Cenar, I. (2011), "Financial reporting in education institutions the implications of the transition to accrual accounting", *Annales Universitatis Apulensis : Series Oeconomica*, Vol. 13 No. 1, pp. 22-33.
- Chan, J. L. (2003), "Government accounting: An assessment of theory, purposes and standards", *Public Money & Management*, Vol. 23No. 1, pp. 13-20.
- Chan, J. L. (2006), "Ipsas and government accounting reform in developing countries".
- Chang, C. J., Chen, G., & Chow, C. W. (2008), "Exploring the desirability and feasibility of reforming china's governmental accounting system", *Journal of Public Budgeting, Accounting & Financial Management*, Vol. 20 No. 4, pp. 482-509.
- Cheney, G. (2006), "United nations adopts full accrual accounting", *Accounting Today*, Vol. 20 No. 19, pp. 14-6.
- Christensen, M. (2002), "Accrual accounting in the public sector: The case of the new south wales government", *Accounting History*, Vol. 7 No. 2, pp. 93-124.
- Christensen, M. (2003), "Without 'reinventing the wheel': Business accounting applied to the public sector", *Australian Accounting Review*, Vol. 13 No. 2, pp. 22-7.
- Christensen, M. (2007), "What we might know (but aren't sure) about public-sector accrual accounting", *Australian Accounting Review*, Vol. 17 No. 1, pp. 51-65.

- Christensen, M., & Parker, L. (2010), "Using ideas to advance professions: Public sector accrual accounting", *Financial Accountability & Management*, Vol. 26 No. 3, p. 246.
- Christiaens, J. R. (2003), "Accrual accounting reforms in belgian local governments: A comparative examination", *Journal of Public Budgeting, Accounting & Financial Management*, Vol. 15 No. 1, pp. 92-109.
- Christiaens, J., & Rommel, J. (2008), "Accrual accounting reforms: Only for businesslike (parts of) governments", *Financial Accountability & Management*, Vol. 24 No. 1, p. 59.
- Chukwunedu, O. S., & Okoye, E. I. (2012), "The Introduction of Accrual Accounting in the Public Sector of Nigeria - The Perception of Auditors, Preparers of Financial Statements and Accounting Academics", *SSRN eLibrary*.
- Churchill, M. (1992a), "Accrual accounting in the public sector", *Australian Accountant*, Vol. 62 No. 5, p. 39.
- Churchill, M. (1992b), "The winds of change", *Australian Accountant*, Vol. 62 No. 2, p. 17.
- Churchill, M. (1992c), "Asset valuation", *Australian Accountant*, Vol. 62 No. 3, p. 35.
- Clark-Lewis, M. (1996), "Government accrual reports: are they better than cash?", *Australian Journal of Public Administration*, Vol. 55 No. 1, pp. 86-7.
- Cohen, S. (2009), "Cash Versus Accrual Accounting Measures in Greek Municipalities: Proxies or Not for Decision-Making?", *SSRN eLibrary*.
- Conn, N. (2008), "Reservations about governments producing balance sheets", *Australian Journal of Public Administration*, Vol. 55 No. 1, pp. 82-5.
- Connolly, C., & Hyndman, N. (2006), "The actual implementation of accruals accounting: Caveats from a case within the UK public sector", *Accounting, Auditing & Accountability Journal*, Vol. 19 No. 2, pp. 272-90.
- Cooper, K. (1998), *Public sector accounting and accountability in Australia*, University of New South Wales Press.
- Copley, P. A., & Cheng, R. H. (1997), "The new governmental reporting model: is it a 'field of dreams'?", *Accounting Horizons*, Vol. 11 No. 3, pp. 91-101.
- CPA Australia. (2000), *Beyond Bean Counting 2000—A Benchmark of Effective Financial Management in The Australian Public Sector*, Public Sector Centre of Excellence, Melbourne: CPA Australia.
- CPA Australia. (2012a), *Leadership and influence in the public sector*, CPA Australia, Melbourne.
- CPA Australia. (2012b), *Promoting improved transparency, accountability and economic policy for governments: the Australian experience*, CPA Australia, Melbourne.
- Cristina Silvia, N., & Crina, F. (2008), *The evolution of public accounting in romania in the post-communist period*. Rochester, Rochester.
- Curran, C. (1988), "Focus on Reform: Report on the State's Finances by the New South Wales Commission of Audit", *NSW Government Printer, Sydney*.

- Curristine, T., Lonti, Z., & Joumard, I. (2007), "Improving public sector efficiency: Challenges and opportunities", *OECD Journal on Budgeting*, Vol. 7 No. 1, pp. 41,1D,2D,3D,4D,5D,6D,7D,8D,9D,10D,11D,12D,13D,14D,15D,16D,17D,18D,19D,20D,21D,22D,23D,24D,25D,26D,27D,28D,29D,30D,31D,32D,33D,34D,35D,36D,37D,38D,39D,40D,41D.
- Diamond, J. (2002), "Performance Budgeting--Is Accrual Accounting Required?", *International Monetary Fund*, Vol. 2.
- DioGuardi, J. J. (1992), *Unaccountable Congress: It Doesn't Add Up*, Gateway Books.
- Egol, M. (1987), "Can accrual accounting work in Government", *Can Accrual Accounting work in Government*, pp. 1-7.
- El-Batanoni, K., & Jones, R. H. (1996), "Governmental accounting in the Sudan", *Research in Governmental and Nonprofit Accounting*, pp. 209-18.
- Ellwood, S. (2002), "The financial reporting (r)evoluton in the UK public sector", *Journal of Public Budgeting, Accounting & Financial Management*, Vol. 14 No. 4, pp. 565-94.
- Ellwood, S. (2003), "Bridging the GAAP across the UK public sector", *Accounting and Business Research*, Vol. 33 No. 2, pp. 105-21.
- Ellwood, S., & Newberry, S. (2007), "Public sector accrual accounting: Institutionalising neo-liberal principles?", *Accounting, Auditing & Accountability Journal*, Vol. 20 No. 4, pp. 549-73.
- Euske, K. J., & Blondin, P. W. (1985), "Accrual accounting in a federal agency", *The Government Accountants Journal*, Vol. 34 No. 3, p. 42.
- Ezzamel, M., Hyndman, N., Åge Johnsen, Lapsley, I., & Pallot, J. (2005), "Accounting, accountability and devolution: A study of the use of accounting information by politicians in the northern ireland assembly's first term", *The Irish Accounting Review*, Vol. 12 No. 1, pp. 39-62.
- Gårseth-Nesbakk, L. (2011), "Accrual accounting representations in the public sector - A case of autopoiesis", *Critical Perspectives on Accounting*, Vol. 22 No. 3, pp. 247-58.
- Guthrie, J. (1998), "Application of accrual accounting in the australian public sector - rhetoric or reality?", *Financial Accountability & Management*, Vol. 14 No. 1, pp. 1-19.
- Guthrie, J. (1999), "A critique of the application of accrual accounting to the public sector", In C. Clark and D. Corbett (eds), *Reforming the Public Sector: Problems and Solutions*.
- Guthrie, J., Olson, O., & Humphrey, C. (1999), "Debating developments in new public financial management: The limits of global theorising and some new ways forward", *Financial Accountability & Management*, Vol. 15 No. 3, pp. 209-28.
- Guthrie, J., Parker, L., & L, M. E. (2003), "A review of new public financial management change in Australia", *Australian Accounting Review*, Vol. 13 No. 2, pp. 3-9.
- Groom, E. (1990), "The curran report and the role of the state", *Australian Journal of Public Administration*, Vol. 49 No. 2, pp. 144-54.

- HA, v. W. (2007), "Is the transformation of public sector financial reporting in south africa's provincial governments on track?", *Meditari Accountancy Research*, Vol. 15 No. 2, pp. 65-75.
- Halligan, J. (1997), "New public sector models: Reform in Australia and New Zealand", *Public sector reform: Rationale, trends and problems*, pp. 17-46.
- Harding, F. (1998), "Together we can change the world", *Executive Accountant*, Vol. 27 No. 2, p. 9.
- Harun, H., & Haryono, P. K. (2012), "Accounting change and institutional capacity: The case of a provincial government in indonesia", *Australasian Accounting Business & Finance Journal*, Vol. 6 No. 2, pp. 35-49.
- Harun, H., Karen, V. P., & Eggleton, I. (2012), "Institutionalization of accrual accounting in the indonesian public sector", *Journal of Accounting & Organizational Change*, Vol. 8 No. 3, pp. 257-85.
- Henderson, S. (1996), "A revolution in government accounting", *Australian Accountant*, Vol. 66 No. 9, p. 5.
- Hepworth, N. (2003), "Preconditions for successful implementation of accrual accounting in central government", *Public Money & Management*, Vol. 23 No. 1, pp. 37-43.
- Higgins, G. (2009), "Government's move to accrual accounting", *Accountancy SA*, pp. 20-1.
- Hood, C. (1991), "A public management for all seasons?", *Public Administration*, Vol. 69 No. 1, p. 3.
- Hood, C. (1995), "The 'new public management' in the 1980's: variations on a theme", *Accounting, Organizations and Society*, Vol. 20 Nos.2/3, pp. 93-109.
- Hooper, K., Kearins, K., & Green, R. (2005), "Knowing 'the price of everything and the value of nothing': Accounting for heritage assets", *Accounting, Auditing & Accountability Journal*, Vol. 18 No. 3, pp. 410-33.
- Hopper, T. (1986), "Private sector problems posing as public sector solutions", *Public Finance and Accountancy*, Vol. 3, pp. 11-3.
- Humphrey, C. (2005), "The questionable nature of 'third hand' public sector accounting solutions: A case for change?", *European Accounting Review*, Vol. 14 No. 3, pp. 475-85.
- ICA Ireland. (2007), "Public sector accrual accounting", *Accountancy Ireland*, Vol. 39 No. 2, p. 18.
- IFAC. (2003), *Transition to the accrual basis of accounting: guidance for government and government entities*.
- IFAC. (2011), *Overview of ifac*.
- IFAC. (2012), *Public sector financial management transparency and accountability: the use of international public sector accounting standards*.
- Ives, M. (1992), "25 years of state and local governmental financial reporting - an accounting standards perspective", *The Government Accountants Journal*, Vol. 41 No. 3, p. 1.

- Jacobs, K. (2009), "Beyond commercial in confidence: Accounting for power privatisation in victoria", *Accounting, Auditing & Accountability Journal*, Vol. 22 No. 8, pp. 1258-83.
- James, O., & Manning, N. (1996), "Public management reform: A global perspective", *Politics*, Vol. 16 No. 3, pp. 143-9.
- Jayne, E. B. (2005), "Beneath the 'beyond bean counting' reports: Research, professional practice and politics in the public sector", *Accounting, Accountability & Performance*, Vol. 11 No. 1, p. 25.
- João Baptista da, C. C., Camões, P., J., Jorge, S. M., & Fernandes, M. J. (2007), "Conformity and diversity of accounting and financial reporting practices in portuguese local government", *Canadian Journal of Administrative Sciences*, Vol. 24 No. 1, pp. 2-14.
- Johnstone, D. (1999), "Public-Sector Outsourcing and Charging in-house Bidders for their use of Capital", *Australian Accounting Review*, Vol. 9 No. 17, pp. 33-41.
- Jones, S., & Puglisi, N. (1997), "The Relevance of AAS 29 to the Australian Public Sector: A Cause for Doubt?", *Abacus*, Vol. 33 No. 1, pp. 115-32.
- Jones, R. (1998), "The conceptual framework of resource accounting", *Public Money and Management*, Vol. 18 No. 2, pp. 11-6.
- Jorge, S. M., Carvalho, J. B. d. C., & Fernandes, M. J. (2007), "Governmental accounting in portugal: Why accrual basis is a Problem", *Journal of Public Budgeting, Accounting & Financial Management*, Vol. 19 No. 4, pp. 411-46.
- Josep, L. C. (2006), "The international situation vis-À-vis the adoption of accrual budgeting", *Journal of Public Budgeting, Accounting & Financial Management*, Vol. 18 No. 1, pp. 1-26.
- Kara, E. (2011), "Accounting recording system on accrual basis at local authorities in turkey: An application in gaziantep local municipality", *International Journal of Business and Social Science*, Vol. 2 No. 15.
- Karan, R. (2003), "Selective Commercialisation of Public-Sector Accounting and its Consequences for Public Accountability", *Australian Accounting Review*, Vol. 13 No. 31, pp. 15-25.
- Kelly, J., & Wanna, J. (2004), "Crashing through with Accrual-Output Price Budgeting in Australia Technical Adjustment or a New Way of Doing Business?", *The American Review of Public Administration*, Vol. 34 No. 1, pp. 94-111.
- Klout, L. (2006), "Budget reporting in local government: Problem or solution?", *Australian Accounting Review*, Vol. 16 No. 3, pp. 72-81.
- Klout, L. (2009), "Performance measurement and accountability in an australian fire service", *The International Journal of Public Sector Management*, Vol. 22 No. 2, pp. 128-45.
- Kober, R., Lee, J., & Ng, J. (2010), "Mind your accruals: Perceived usefulness of financial information in the australian public sector under different accounting systems", *Financial Accountability & Management*, Vol. 26 No. 3, p. 267.
- KPMG. (1999), "KPMG chief urges global lenders to put their own house in order", *Accountant*, p. 1.

- Kullberg, D. R. (1987), "For fiscal accountability, US should adopt accrual method", *Financier*, Vol. 11 No. 7, p. 49.
- Lambert, M. (1992), "Implementation of Financial Management Reforms in the Budget Sector: The New South Wales Experience", In *Royal Institute of Public Administration Australia Financial Reporting for the Australian Public Sector Conference*.
- Lapsley, I. (1986), "Capital asset accounting in UK non-trading organisations", *Financial Accountability & Management*, Vol. 2 No. 4, p. 273.
- Lawrence, S., & Wynne, A. (2009), "Accounting for government in the global south: Do global solutions match local problems?", *Australasian Accounting Business & Finance Journal*, Vol. 3 No. 2, pp. 1-25.
- Lee, J., & Fisher, G. (2007), "The perceived usefulness and use of performance information in the Australian public sector", *Accounting, Accountability & Performance*, Vol. 13 No. 1, pp. 42-73.
- Likierman, A. (2000), "Changes to managerial decision-taking in U.K. central government", *Management Accounting Research*, Vol. 11 No. 2, pp. 253-61.
- Lye, J., Perera, H., & Rahman, A. (2005), "The evolution of accruals-based crown (government) financial statements in New Zealand", *Accounting, Auditing & Accountability Journal*, Vol. 18 No. 6, pp. 784-815.
- Ma, R., & Mathews, R. (1992), "What's wrong with ED 55?", In *Accounting Forum*, p. 5.
- Ma, R., & Mathews, R. (1993), "Financial reporting by government departments: ED 55—a dissenting view", *Australian Journal of Corporate Law*, Vol. 3 No. 1, pp. 67-88.
- Mack, J., & Ryan, C. (2007), "Is there an audience for public sector annual reports: Australian evidence?", *The International Journal of Public Sector Management*, Vol. 20 No. 2, pp. 134-46.
- Mackintosh, I. (1993), *Accrual Accounting for Departments and the Whole of Government: Costs, Benefits and Opportunities*, Australian Society of Certified Practising Accountants.
- Marwata & Alam, M. (2006), "The interaction amongst reform drivers in governmental accounting changes: the case of Indonesian local government", *Journal of Accounting & Organizational Change*, Vol. 2 No. 2, pp. 144-63.
- Mautz, R. K. (1981), "Financial reporting: Should government emulate business? the chairman of GASBOC recommends probing the significant differences between these entities", *Journal of Accountancy (Pre-1986)*, Vol. 152 No. 2, p. 53.
- McCrandell, J. Q. (1995), "Does fixed assets accounting make sense in the public sector", *CMA*, Vol. 69 No. 2, p. 38.
- McGrae, M., & Aiken, M. (1994), "AAS 29 And Public-Sector Reporting: Unresolved Issues", *Australian Accounting Review*, Vol. 4 No. 8, pp. 65-72.
- McGregor, W. (1999), "The pivotal role of accounting concepts in the development of public sector accounting standards", *Australian Accounting Review*, Vol. 9 No. 17, p. 3-8.

- McPhee, I. (2006), "Financial management in the public sector: how accrual accounting enhances governance and accountability", *CPA Australia Public Sector Finance and Management Conference*.
- Mellett, H. (2002), "The consequences and causes of resource accounting", *Critical Perspectives on Accounting*, Vol. 13 No. 2, pp. 231–54.
- Mellett, H., Marriott, N., & Macniven, L. (2009), "Devolution, accruals accounting and asset management in nhs wales", *Financial Accountability & Management*, Vol. 25 No. 4, p. 435.
- Mellett, H., & Williams, J. (1997), "Accountability and the accounting regime in the public sector: Some messages from the NHS", *Journal of management in Medicine*, Vol. 11 No. 5, pp. 269-78.
- Mellor, T. (1996), "Why governments should produce balance sheets", *Australian Journal of Public Administration*, Vol. 55 No. 1, pp. 78-81.
- Micallef, F. (1994), "New era for government departments", *Charter*, Vol. 65 No. 1, p. 60.
- Micallef, F. (1997), "Financial reporting by governments: The big picture", *Charter*, Vol. 68 No. 1, pp. 50-1.
- Micallef, F., & Peirson, G. (1997), "Financial reporting of cultural, heritage, scientific and community collections", *Australian Accounting Review*, Vol. 7 No. 13, pp. 31-7.
- Mignot, H., & Dolley, C. (2000), "Are AAS 29 financial statements useful?", *Accounting Research Journal*, Vol. 13 No. 1, pp. 51-61.
- Miley, F., & Read, A. (1999), "An examination of whole of government financial reporting", *Public Sector Centre of Excellence (Australian Society of Certified Practising Accountants, Melbourne)*.
- Molland, A., & Clift, R. (2008), "Has the management of infrastructure assets (IAs) improved with the use of the accrual method in local government?", *Asian Review of Accounting*, Vol. 16 No. 2, pp. 97-108.
- Monsen, N. (2002), "The case for cameral accounting", *Financial Accountability & Management*, Vol. 18 No. 1 pp., 39-72.
- Monsen, N. (2008), "Governmental accounting in norway: A discussion with implications for international development", *Financial Accountability & Management*, Vol. 24 No. 2, p. 151.
- Monsen, N., & Näsi, S. (2001), "Comparing cameral and accrual accounting in local governments", *International Comparative Issues in Government Accounting*, pp. 135-57.
- Montesinos, V., & Bargues, J. M. V. (1996), "Spanish contribution", *Perspectives on Accrual Accounting*, p. 17.
- Mulgan, R. (2008), "Public sector reform in new zealand: Issues of public accountability", *Public Administration Quarterly*, Vol. 32 No. 1, pp. 1-32.
- Naik, B. (2005), "A cruel accounting", *CA Magazine*, Vol. 138 No. 10, pp. 44-6.

- Neu, D. (1992), "The social construction of positive choices", *Accounting, Organizations and Society*, Vol. 17 No. 3, p. 223.
- Newberry, S. (2001), "Public-sector accounting: A common reporting framework?", *Australian Accounting Review*, Vol. 11 No. 1, pp. 2-7.
- Newberry, S. (2002a), "The conceptual framework sham", *Australian Accounting Review*, Vol. 12 No. 3, pp. 47-9.
- Newberry, S. (2002b), "Intended or unintended consequences? resource erosion in new zealand's government departments", *Financial Accountability & Management*, Vol. 18 No. 4, pp. 309-30.
- Newberry, S., & Pallot, J. (2005), "A wolf in sheep's clothing? wider consequences of the financial management system of the new zealand central government", *Financial Accountability & Management*, Vol. 21 No. 3, pp. 263-77.
- Newberry, S., & Pont-Newby, S. (2009), "Whole of government accounting in new zealand: The ownership form of control", *Public Money & Management*, Vol. 29 No. 4, p. 235.
- Ng, C., & Shead, B. (1999), "Major issues associated with the reporting of government net worth", *Australian Accounting Review*, Vol. 9 No. 19, pp. 61-8.
- Nyland, K., Inger, J. P., & Katarina Östergren. (2009), "Same reform - different practices?", *Journal of Accounting & Organizational Change*, Vol. 5 No. 1, pp. 35-61.
- OECD. (1993), "Accounting for what? The value of accrual accounting in the public sector", *Occasional Papers on Public Management*.
- Pallot, J. (1990), "The nature of public assets: A response to mautz", *Accounting Horizons*, Vol. 4 No. 2, p. 79.
- Pallot, J. (1992), "Elements of a theoretical framework for public sector accounting", *Accounting, Auditing & Accountability Journal*, Vol. 5 No. 1, p. 38.
- Pallot, J. (1994), "The development of accrual-based accounts for the government of new Zealand", *Advances in International Accounting*, Vol. 7, p. 289.
- Pallot, J. (1996), "Innovations in national government accounting and budgeting in New Zealand", *Research in Governmental and Nonprofit Accounting*, pp. 323-48.
- Pallot, J. (1997), "Infrastructure accounting for local authorities: technical management and political context", *Financial Accountability & Management*, Vol. 13 No. 3, pp. 225-42.
- Pallot, J. (1998), "New public management reform in New Zealand", *International Public Management Journal*, Vol. 1 No. 1, pp. 1-18.
- Parker, L., & Gould, G. (1999), "Changing public sector accountability: critiquing new directions", In *Accounting forum*, Vol. 23 No. 2, pp. 109-35. Blackwell Publishers Ltd.
- Paulsson, G. (2006), "Accrual accounting in the public sector: Experiences from the central government in Sweden", *Financial Accountability & Management*, Vol. 22 No. 1, pp. 74-62.
- Peck, J. (2009), "Has public sector accounting gone full circle?", *Chartered Accountants Journal of New Zealand*, Vol. 88 No. 8, p. 40.



- Peter van der Hoek, M. (2005), "From Cash to Accrual Budgeting and Accounting in the Public Sector: The Dutch Experience", *Public Budgeting & Finance*, Vol. 25 No. 1, pp. 32–45.
- Peter van der Hoek, M. (2010), "Accountability in the public sector: The dutch experience", *Bulletin of the Transilvania University of Brasov. Economic Sciences. Series V*, Vol. 3, pp. 341-52.
- Pilcher, R. (2000), "AAS 27: An issue of implementation", *AUSTRALIAN CPA*, Vol. 70 No. 2, pp. 54-7.
- Pilcher, R., & Dean, G. (2009), "Implementing IFRS in local government: Value adding or additional pain?", *Qualitative Research in Accounting and Management*, Vol. 6 No. 3, pp. 180-96.
- Pina, V., & Torres, L. (2003), "Reshaping public sector accounting: An international comparative view", *Canadian Journal of Administrative Sciences*, Vol. 20 No. 4, pp. 334-50.
- Pinnuck, M., & Potter, B. N. (2009), "The quality and conservatism of the accounting earnings of local governments", *Journal of Accounting and Public Policy*, Vol. 28 No. 6, p. 525.
- Points, R. J., & Bradbury, S. (2001), "International public sector accounting standards", *The Journal of Government Financial Management*, Vol. 50 No. 1, pp. 48-53.
- Pollitt, C. (2003), "Public management reform: reliable knowledge and international experience", *OECD Journal on Budgeting*, Vol. 3 No. 3, pp. 121-36.
- Potter, B. (2002), "Financial accounting reforms in the australian public sector: An episode in institutional thinking", *Accounting, Auditing & Accountability Journal*, Vol. 15 No. 1, pp. 69-93.
- Public Accounts Committee. (1988), *Reports of proceeding of accrual accounting seminar*, NSW parliament, Sidney.
- Public Accounts Committee. (1996), *Pioneers-Progress but at a Price: Implementation of Accrual Accounting in the NSW Public Sector*, Report 100 (10/51).
- Rayegan, E., Parveizi, M., Nazari, K., & Emami, M. (2012), "Government accounting: An assessment of theory, purposes and standards", *Interdisciplinary Journal of Contemporary Research in Business*, Vol. 3 No. 9, pp. 521-31.
- Redburn, F. S. (1993), "How should the government measure spending? the uses of accrual accounting", *Public Administration Review*, Vol. 53 No. 3, p. 228.
- Regan, E. (1987), "Accrual accounting in government", *Can Accrual Accounting Work in Government*.
- Reginato, E. (2010), "Accountability perspectives in italian municipality accounting systems: The gap between regulations and practices", *Public Administration Quarterly*, Vol. 34 No. 4, pp. 552-90.
- Richardson, A. J. (1987), "Accounting as a legitimating institution", *Accounting, Organizations and Society*, Vol. 12 No. 4, p. 341.

- Richardson, R. (1996), "Opening and Balancing the Books: The New Zealand Experience", In *IFAC Perspectives on Accrual Accounting*, Occasional Paper 3, New York: Public Sector Committee.
- Robb, A., & Newberry, S. (2007), "Globalization: Governmental accounting and international financial reporting standards", *Socio - Economic Review*, Vol. 5 No. 4, pp. 725-54.
- Roberts, B. (1993), "Towards a More Commercial Focus", *Readings in Accounting Developments in the Public Sector 1992-93*, Melbourne.
- Robinson, M. (1998a), "Accrual accounting and the efficiency of the core public sector", *Financial Accountability & Management*, Vol. 14 No. 1, pp. 21-37.
- Robinson, M. (1998b), "Measuring compliance with the golden rule", *Fiscal Studies*, Vol. 19 No. 4, pp. 447-62.
- Robinson, M. (2002a), "Financial control in Australian government budgeting", *Public Budgeting & Finance*, Vol. 22 No. 1, pp. 80-93.
- Robinson, M. (2002b), "Accrual accounting and Australian fiscal policy", *Fiscal Studies*, Vol. 23 No. 2, pp. 287-300.
- Robinson, M. (2009), "Accrual budgeting and fiscal policy", *OECD Journal on Budgeting*, Vol. 9 No. 1, pp. 75-103.
- Robson, K. (1987), "Should accrual accounting apply to the public sector?", *Can Accrual Accounting work in Government*.
- Robson, K. (1988), "Views on accrual accounting", In *Report of Proceedings of the Accrual Accounting Seminar*, Report No. 38, pp. 1-19.
- Rowles, T. (1991), "Infrastructure and heritage asset accounting", *Australian Accountant*, Vol. 61 No. 6, p. 69.
- Rowles, T. (2002), "Heritage assets get SACed", *CA Charter*, Vol. 73 No. 7, pp. 50-1.
- Rutherford, B. A. (1992), "Developing a conceptual framework for central government financial reporting: intermediate users and indirect control" *Financial Accountability & Management*, Vol. 8 No. 4, pp. 265-80.
- Ryan, M. (1990), "Pressure on Victoria to Adopt Accrual Accounts", *New Accountant*, Vol. 3 No. 20, p. 1.
- Salinas, F. J. (2002), "Accrual budgeting and fiscal consolidation in the EMU", *Contemporary Economic Policy*, Vol. 20 No. 2, pp. 193-206.
- Sanderson, I. (2009), "The worldwide credit crisis: Is it a public accounting crisis? a thought leadership issue", *Accountancy SA*, pp. 14-6.
- Sanderson, I., & Frans, v. S. (2008), "Ipsas: Improving accountability across the world", *Accountancy SA*, pp. 26-7.
- Schick, A. (2007), "Performance budgeting and accrual budgeting: Decision rules or analytic tools?", *OECD Journal on Budgeting*, Vol. 7 No. 2, pp. 109-38.
- Shand, D. A. (1983), "Government accounting: true and fair?", Third Coopers & Lybrand Accounting Education and Research Conference, ANU, Canberra.

- Shand, D. A. (1990), "Australia moves to accrual accounting: problems and prospects", In J. Forster and J. Wanna (eds), *Budgetary Management and Control: the Public Sector in Australasia*. McMillan, Melbourne. Pp. 149-50.
- Sharma, U., & Lawrence, S. (2009), "Global remedies for local needs: Corporate governance and public sector reforms in Fiji", *Pacific Accounting Review*, Vol. 21 No. 3, pp. 260-85.
- Sheehan, P. (2005), "Accounting for government activities in australia: The state of the budgets", *Australian Accounting Review*, Vol. 15 No. 1, pp. 62-70.
- Stalebrink, O. J. and Sacco, J. F. (2003), "An 'austrian' perspective on commercial accounting practices in the public sector", *Accounting Forum*, Vol. 27 No. 3, pp. 339-58.
- Stanton, P., & Stanton, J. (1998), "The questionable economics of governmental accounting", *Accounting, Auditing & Accountability Journal*, Vol. 11 No. 2, pp. 191-203.
- Steccolini, I., & Anessi Pessina, E. (2008), *Accruals accounting in italian local governments: Is it working? can it work?*, Rochester, Rochester.
- Suchman, M. C. (1995), "Managing legitimacy: Strategic and institutional approaches", *Academy of Management Review*, Vol. 20 No. 3, p. 571.
- Sutcliffe, P. (1984), "Financial reporting in the public sector - a framework for analysis and identification of issues", *Australian Accountant*, Vol. 54, p. 1003.
- Sutcliffe, P. (2003), "The standards programme of IFAC's public sector committee" *Public Money & Management*, Vol. 23 No. 1, pp. 29-36.
- Thompson, G. D. (2001), "The impact of new zealand's public sector accounting reforms on performance control in museums", *Financial Accountability & Management*, Vol. 17 No. 1, pp. 5-21.
- Thornton, S. (1999), "Accounting in an accrual world", *Public Finance*, pp. 20-1.
- Tickell, G. (2010), "Cash to accrual accounting: One nation's dilemma", *The International Business & Economics Research Journal*, Vol. 9 No. 11, pp. 71-8.
- Timoshenko, K., & Adhikari, P. (2010), "A two-country comparison of public sector accounting reforms: Same ideas, different paths?", *Journal of Public Budgeting, Accounting & Financial Management*, Vol. 22 No. 4, pp. 449-86.
- Tudor, A. T. (2006), *The reform of the romanian local public governments accounting in the context of the european integration*, Rochester, Rochester.
- Tudor, A. T., & Mutiu, A. (2004), "Cash Versus Accrual Accounting in Public Sector", *SSRN eLibrary*.
- Vickland, S., & Nieuwenhuijs, I. (2005), "Critical success factors for modernising public financial management information systems in bosnia and Herzegovina", *Public Administration & Development*, Vol. 25 No. 2, pp. 95-104.
- Vinnari, E. M., & Näsi, S. (2008), "Creative accrual accounting in the public sector: 'milking' water utilities to balance municipal budgets and accounts", *Financial Accountability & Management*, Vol. 24 No. 2, p. 97.

- Walker, N. (1987), "Accrual accounting for the government sector", In *Australian Society of Accountants Victorian State Congress*.
- Walker, R. G., & Shand, D. A. (1990), *Should there be common standards for the public and private sectors?*, Australian Society of Accountants.
- Walker, R. G. (1995), "What does it all mean?", *Proceedings of the Seminar on Accrual Accounting: The Scorecard to Date, 13 December 1994*. The Committee, NSW Parliament.
- Warren, K. (1996), "Implementing Accrual Accounting in Government: The New Zealand Experience", *Occasional Paper*, p. 1.
- Webster, A. (1998), "Improving performance: Accrual accounting points the way ahead", *Australian CPA*, Vol. 68 No. 3, pp. 24-6.
- Webster, C., & Hoque, Z. (2005), "Cost information in the new public-sector environment: Cost accounting change in a state-owned hospital", *Australian Accounting Review*, Vol. 15 No. 3, pp. 47-54.
- West, B., & Carnegie, G. D. (2010), "Accounting's chaotic margins", *Accounting, Auditing & Accountability Journal*, Vol. 23 No. 2, pp. 201-28.
- Woolfe, J. (2004), "Its reputation plunging, EU races to accrual standards", *Accounting Today*, Vol. 18 No. 10, pp. 3-42.
- Wynne, A. (2003), "Do private sector financial statements provide a suitable model for public sector?", *European Group of Public Administration*, Oerias, Portugal.
- Wynne, A (2004), "Is the move to accrual based accounting a real priority for public sector accounting?".

## Appendix

**Table 1 List of Literature on Accrual Accounting Public Sector from 1980s to 2012**

Year	Author	Academician (A); Industry (I); Official (O)	Favor (F); Not in Favor (N); Question (Q)	Academician (A); Practitioner (P)	Period
1981	Mautz	A	N	A	1981-1990
1983	Shand	O	F	P	1981-1990
1984	Sutcliffe	O	F	P	1981-1990
1985	Euske & Blondin	A	Q	A	1981-1990
1986	Hopper	A	N	A	1981-1990
1986	Carpenter	O	F	P	1981-1990
1986	Lapsley	A	N	A	1981-1990
1987	Egol	I	F	P	1981-1990
1987	Kullberg	I	F	P	1981-1990
1987	Regan	I	F	P	1981-1990
1987	Walker	I	F	P	1981-1990
1987	Carpenter	O	F	P	1981-1990
1987	Robson	O	F	P	1981-1990
1988	Robson	O	F	P	1981-1990
1988	Curran	O	F	P	1981-1990
1988	Public Accounts Committee	O	F	P	1981-1990
1990	Walker & Shand	A	Q	A	1981-1990
1990	Pallot	A	Q	A	1981-1990
1990	Ryan	I	F	P	1981-1990
1990	Shand	I	F	P	1981-1990
1990	Groom	O	F	P	1981-1990
1991	Allan	O	F	P	1991-1995
1991	Rowles	I	F	P	1991-1995
1992	Ma & Mathews	A	N	A	1991-1995
1992	Pallot	A	N	A	1991-1995
1992	Rutherford	A	Q	A	1991-1995
1992	Churchill-c	I	F	P	1991-1995
1992	Churchill-a	I	F	P	1991-1995
1992	Churchill-b	I	F	P	1991-1995
1992	DioGuardi	I	F	P	1991-1995
1992	Barrett	O	F	P	1991-1995
1992	Lambert	O	F	P	1991-1995
1992	Ives	O	F	P	1991-1995

<b>Year</b>	<b>Author</b>	<b>Academician (A); Industry (I); Official (O)</b>	<b>Favor (F); Not in Favor (N); Question (Q)</b>	<b>Academician (A); Practitioner (P)</b>	<b>Period</b>
1993	Ma & Mathews	A	N	A	1991-1995
1993	Mackintosh	I	F	P	1991-1995
1993	Roberts	I	F	P	1991-1995
1993	Redburn	O	F	P	1991-1995
1993	OECD	O	F	P	1991-1995
1993	Bourn	A	F	A	1991-1995
1994	Aiken	A	Q	A	1991-1995
1994	McGrae & Aiken	A	Q	A	1991-1995
1994	Pallot	A	F	A	1991-1995
1994	Ball	O	F	P	1991-1995
1994	Micallef	O	F	P	1991-1995
1994	Bailey & Leuby	O	F	P	1991-1995
1995	Carnegie & Wolnizer	A	N	A	1991-1995
1995	Walker	A	Q	A	1991-1995
1995	McCrandell	O	F	P	1991-1995
1996	Warren	I	F	P	1996-2000
1996	Burritt et al.	A	N	A	1996-2000
1996	Clark-Lewis	O	N	P	1996-2000
1996	Cangiano (IMF)	O	F	P	1996-2000
1996	Mellor	O	F	P	1996-2000
1996	Public Accounts Committee	O	F	P	1996-2000
1996	Pallot	I	F	P	1996-2000
1996	Richardson	I	F	P	1996-2000
1996	Montesinos & BARGUES	I	F	P	1996-2000
1996	Henderson	I	F	P	1996-2000
1997	Mellett & Williams	A	N	A	1996-2000
1997	Boorrsma & Nol	A	Q	A	1996-2000
1997	Carnegie & Wolnizer	A	N	A	1996-2000
1997	Copley & Cheng	A	F	A	1996-2000
1997	Jones & Puglisi	A	N	A	1996-2000
1997	Micallef & Peirson	A	F	A	1996-2000
1997	Pallot	A	Q	A	1996-2000
1997	Bradbury	O	F	P	1996-2000
1997	Micallef	O	F	P	1996-2000
1998	Stanton & Stanton	A	N	A	1996-2000
1998	Barton & Boxall	A	N	A	1996-2000
1998	Cooper	A	N	A	1996-2000

<b>Year</b>	<b>Author</b>	<b>Academician (A); Industry (I); Official (O)</b>	<b>Favor (F); Not in Favor (N); Question (Q)</b>	<b>Academician (A); Practitioner (P)</b>	<b>Period</b>
1998	Guthrie	A	Q	A	1996-2000
1998	Jones	A	Q	A	1996-2000
1998	Robinson-a	A	N	A	1996-2000
1998	Robinson-b	A	N	A	1996-2000
1998	Bale & Dale	O	F	P	1996-2000
1998	Boxall	I	F	P	1996-2000
1998	Webster	I	F	P	1996-2000
1999	Barton	A	N	A	1996-2000
1999	Carnegie & Wolnizer	A	N	A	1996-2000
1999	Guthrie	A	N	A	1996-2000
1999	Johnstone	A	N	A	1996-2000
1999	Ng & Shead	A	N	A	1996-2000
1999	Parker & Gould	A	N	A	1996-2000
1999	Ball et al.	O	F	P	1996-2000
1999	McGregor	I	F	P	1996-2000
1999	Miley & Read	I	F	P	1996-2000
1999	Thornton	I	F	P	1996-2000
2000	Barton	A	N	A	1996-2000
2000	Mignot & Dolley	A	F	A	1996-2000
2000	Pilcher	A	N	A	1996-2000
2000	CPA Australia	I	F	P	1996-2000
2000	Likierman	O	F	P	1996-2000
2001	Carlin & Guthrie	A	N	A	2001-2005
2001	Monsen & Nasi	A	N	A	2001-2005
2001	Newberry	A	N	A	2001-2005
2001	Thompson	A	N	A	2001-2005
2001	Points & Bradbury	O	F	P	2001-2005
2002	Barton et al.	A	Q	A	2001-2005
2002	Mellett	A	N	A	2001-2005
2002	Monsen	A	N	A	2001-2005
2002	Newberry-a	A	Q	A	2001-2005
2002	Newberry-b	A	N	A	2001-2005
2002	Potter	A	N	A	2001-2005
2002	Robinson-a	A	Q	A	2001-2005
2002	Robinson-b	A	N	A	2001-2005
2002	Rowles	A	F	A	2001-2005
2002	Salinas	A	F	A	2001-2005

Year	Author	Academician (A); Industry (I); Official (O)	Favor (F); Not in Favor (N); Question (Q)	Academician (A); Practitioner (P)	Period
2002	Diamond	O	F	P	2001-2005
2002	Agulhas	I	F	P	2001-2005
2002	Awty	I	F	P	2001-2005
2003	Karan	A	N	A	2001-2005
2003	Barton	A	N	A	2001-2005
2003	Carlin	A	Q	A	2001-2005
2003	Carnegie & West	A	N	A	2001-2005
2003	Chan	A	F	A	2001-2005
2003	Ellwood	A	Q	A	2001-2005
2003	Guthrie et al.	A	Q	A	2001-2005
2003	Pollitt	A	N	A	2001-2005
2003	Stalebrink & Sacco	A	N	A	2001-2005
2003	Wynne	I	N	A	2001-2005
2003	IFAC	I	F	P	2001-2005
2003	Blondal	O	F	P	2001-2005
2003	Bartos	O	F	P	2001-2005
2003	Hepworth	I	F	P	2001-2005
2003	Christiaens	A	N	A	2001-2005
2003	Awty	I	F	P	2001-2005
2003	Christensen	A	N	A	2001-2005
2003	Caperchione	A	N	A	2001-2005
2003	Athukorala & Reid	O	F	P	2001-2005
2004	Wynne	A	N	A	2001-2005
2004	Barton	A	N	A	2001-2005
2004	Carlin-b	A	Q	A	2001-2005
2004	Kelly & Wanna	A	N	A	2001-2005
2004	Tudor & Mutiu	A	F	A	2001-2005
2004	Woolfe	I	F	P	2001-2005
2005	Barton-b	A	N	A	2001-2005
2005	Barton-a	A	N	A	2001-2005
2005	Carlin	A	N	A	2001-2005
2005	Carnegie & West	A	N	A	2001-2005
2005	Hooper et al.	A	N	A	2001-2005
2005	Humphrey	A	N	A	2001-2005
2005	Newberry & Pallot	A	N	A	2001-2005
2005	Sheehan	A	N	A	2001-2005
2005	Peter van der Hoek	A	N	A	2001-2005



<b>Year</b>	<b>Author</b>	<b>Academician (A); Industry (I); Official (O)</b>	<b>Favor (F); Not in Favor (N); Question (Q)</b>	<b>Academician (A); Practitioner (P)</b>	<b>Period</b>
2005	Lye et al.	A	F	A	2001-2005
2005	Webster & Hoque	A	N	A	2001-2005
2005	Vickland & Nieuwenhuijs	I	F	P	2001-2005
2005	Ezzamel et al.	A	N	A	2001-2005
2005	Jayne	A	N	A	2001-2005
2005	Naik	I	F	P	2001-2005
2006	Paulsson	A	Q	A	2006-2012
2006	Connolly & Hyndman	A	N	A	2006-2012
2006	Tudor	A	N	A	2006-2012
2006	Chan	A	F	A	2006-2012
2006	McPhee	I	F	P	2006-2012
2006	Cheney	O	F	P	2006-2012
2006	Kloot	A	N	A	2006-2012
2007	Ellwood & Newberry	A	N	A	2006-2012
2007	Jorge et al.	A	N	A	2006-2012
2007	Barton-b	A	N	A	2006-2012
2007	Barton-a	A	N	A	2006-2012
2007	Christensen	A	Q	A	2006-2012
2007	HA	A	N	A	2006-2012
2007	João Baptista da et al.	A	N	A	2006-2012
2007	Mack & Ryan	A	N	A	2006-2012
2007	Lee & Fisher	A	N	A	2006-2012
2007	Curristine et al.	O	F	P	2006-2012
2007	ICA Ireland	I	F	P	2006-2012
2007	Schick	O	F	P	2006-2012
2007	Bowrey	A	N	A	2006-2012
2007	Robb & Newberry	A	N	A	2006-2012
2008	Conn	I	Q	P	2006-2012
2008	Barton	A	N	A	2006-2012
2008	Cristina Silvia & Crina	A	F	A	2006-2012
2008	Agasisti et al.	A	Q	A	2006-2012
2008	Sanderson & Frans	I	F	P	2006-2012
2008	Molland & Clift	A	F	A	2006-2012
2008	Chang et al.	A	Q	A	2006-2012
2008	Alam & Nandan	A	N	A	2006-2012
2008	Steccolini & Anessi Pessina	A	N	A	2006-2012
2008	Mulgan	A	N	A	2006-2012

<b>Year</b>	<b>Author</b>	<b>Academician (A); Industry (I); Official (O)</b>	<b>Favor (F); Not in Favor (N); Question (Q)</b>	<b>Academician (A); Practitioner (P)</b>	<b>Period</b>
2008	Vinnari & Näsi	A	N	A	2006-2012
2008	Christiaens & Rommel	A	N	A	2006-2012
2008	Monsen	A	N	A	2006-2012
2009	Carlin & Guthrie	A	N	A	2006-2012
2009	Cohen	A	N	A	2006-2012
2009	Bunea-Bontas & Petre	A	Q	A	2006-2012
2009	Higgins	I	F	P	2006-2012
2009	Jacobs	A	N	A	2006-2012
2009	Arnaboldi & Lapsley	A	N	A	2006-2012
2009	Nyland et al.	A	N	A	2006-2012
2009	Barton	A	N	A	2006-2012
2009	Lawrence & Wynne	A	N	A	2006-2012
2009	Sanderson	I	F	P	2006-2012
2009	Kloot	A	N	A	2006-2012
2009	Pilcher & Dean	A	N	A	2006-2012
2009	Beauchamp	I	F	P	2006-2012
2009	Peck	A	N	A	2006-2012
2009	Alty	A	N	A	2006-2012
2009	Mellet et al.	A	N	A	2006-2012
2009	Newberry & Pont-Newby	A	Q	A	2006-2012
2009	Pinnuck & Potter	A	Q	A	2006-2012
2009	Robinson	O	F	P	2006-2012
2010	Tickell	A	N	A	2006-2012
2010	Timoshenko & Adhikari	A	N	A	2006-2012
2010	Andriani et al.	A	F	A	2006-2012
2010	Christensen & Parker	A	Q	A	2006-2012
2010	Reginato	A	N	A	2006-2012
2010	Peter van der Hoek	A	N	A	2006-2012
2010	Anessi-Pessina et al.	A	N	A	2006-2012
2010	West & Carnegie	A	N	A	2001-2005
2010	Kober et al.	A	F	A	2006-2012
2011	Aggestam-Pontoppidan	A	F	A	2006-2012
2011	Gårseth-Nesbakk	A	Q	A	2006-2012
2011	Adhikari & Mellemvik	A	N	A	2006-2012
2011	Cenar	A	F	A	2006-2012
2011	Kara	A	F	A	2006-2012
2012	Chukwunedu & Okoye	A	F	A	2006-2012

<b>Year</b>	<b>Author</b>	<b>Academician (A); Industry (I); Official (O)</b>	<b>Favor (F); Not in Favor (N); Question (Q)</b>	<b>Academician (A); Practitioner (P)</b>	<b>Period</b>
2012	IFAC	I	F	P	2006-2012
2012	Harun & Haryono	A	N	A	2006-2012
2012	Harun et al.	A	N	A	2006-2012
2012	CPA Australia-a	I	F	P	2006-2012
2012	Rayegan et al.	A	F	A	2006-2012
2012	CPA Australia-b	I	F	P	2006-2012

**Table 2 Samples of Quotes from Literature Supporting, Not Supporting, and Questioning Public Sector Accrual Accounting**

Year	Author	Sources*	View**	Quotes
1991	Rowles	I	F	"A clear understanding of the financial position ... is necessary for optimal allocation of scarce resources by decision makers." (p. 72)
				"... suggest that practical problems can be overcome within a framework of traditional accounting concept." (p. 73)
1992	Churchill-a	I	F	"Many public sector organizations have gone a long way to achieving most of the improvements available from the adoption of accrual accounting systems. But there are many yet to embrace it and enjoy its benefits." (p. 42)
1993	OECD	O	F	"Satisfactory resolution of perceived difficulties with whole of government reporting on an accrual basis is not an impediment to benefits being achieved from its implementation at the programme, agency or departmental level." (p. 19)
				"... experience with whole of government reporting in one country suggests perceived difficulties on this score may not be insurmountable." (p. 19)
1994	Micallef	O	F	"... departments should be accountable not only for the expenditure of funds ... but also for the efficient management of resources ...." (p. 34)
				"The reporting of such information will increase the relevance of general purpose financial reports for economic decision making." (p. 34)
1995	McCindell	O	F	"... fixed asset accounting should be included as one of the factors to be considered in the future reform in public sector management." (p. 38)
1998	Bale & Dale	O	F	"This requirement significantly reduces the government's ability to manipulate the aggregates between years and prevents 'off-budget' manipulations." (p. 112)
1999	Ball et al.	O	F	"In the past ten years, the New Zealand government's financial-management systems have been completely reengineered. Cash accounting has been jettisoned in favor of accrual accounting..... The New Zealand public sector is widely recognized as more efficient and effective than it was a decade ago." (p. 31)

Year	Author	Sources*	View**	Quotes
2000	Likierman	O	F	"U.K. central government is in the middle of a change process from cash to accrual-based accounting .... This article sets out some of the concerns .... It suggests that while conclusions cannot yet be drawn because the process of change is still in progress, many of the concerns may well be premature." (p. 253)
2002	Diamond	O	F	"... the adoption of accrual accounting should be seen as an integral part of wider budget-system reform." (p. 27)
				"Indeed, implementation of an accrual-based system for government accounting ... Is perhaps only worthwhile in the context of an overall transformation of public sector management." (p. 27)
2003	Awty	I	F	"Full accrual accounting will bring the full valuations of the assets on to the balance sheet." (p. 31)
				"The move to accrual accounting should ensure greater public sector accountability." (p. 31)
2003	Bartos	O	F	"When all these factors apply, there is a high likelihood ... some major innovation in the public sector being successfully implemented." (p. 14)
2003	Hepworth	I	F	"For accrual accounting to be successfully introduced a whole series of preconditions need to exist." (p. 43)
2004	Tudor & Mutiu	A	F	"... it needs an accounting system which records economic events when they occur, instead of when cash is paid in or out, and hence it needs a greatly improved IT system, and improved administrative procedures ...." (p. 11)
2006	McPhee	I	F	"Accrual accounting and budgeting have made a significant contribution to public sector administration." (p. 10)
				"... the real benefits of the more comprehensive information have been at the organisational level." (p. 10)
2009	Robinson	O	F	"An accrual budgeting system ... is compatible with good fiscal policy." (p. 98)
				"A fiscal policy focused on accrual fiscal aggregates can, moreover, be very effective." (p. 98)
2012	IFAC	I	F	"The need for accrual-based public sector accounting is recognized by many governments around the world that already prepare financial statements on an accrual basis." (p. 3)
1981	Mautz	A	N	"... forcing financial accounting and reporting into the business balance sheet and income statement models will fail to meet the needs of most of the interests to be served ...." (p. 60)

Year	Author	Sources*	View**	Quotes
1986	Lapsley	A	N	"... it is evident that practising accountants in LAs are as implacably opposed to depreciation accounting ...." (p. 292)
				"... there is no market for many local authority assets ...." (p. 292)
				"A further, major difficulty is the failure to make the distinction between financial accountability for conventional stewardship purposes and management accounting for internal control ...." (p. 292)
1998	Robinson-a	A	N	"The analysis in this paper suggests that 'full' cost information is of much less use than is usually presumed." (p. 35)
1999	Carnegie & Wolnizer	A	N	"Collections held in public domain ... cannot be quantified in monetary terms for financial reporting purposes." (p. 19)
1999	Barton-a	A	N	"The attempt by PSASB to generalise all their accounting standards across the enormous range of operating environments covered by the private sectors and the public sector must be reconsidered.... If they are not, the information produced cannot satisfy the qualitative characteristics of useful information; particularly those of relevance, reliability, and understandability." (pp. 30-31)
2001	Carlin & Guthrie	A	N	"The empirical review of performance indicator disclosure in recent Victorian budget papers reveals considerable turmoil in indicator disclosure." (p. 24)
				"These difficulties should be viewed in the light of the technical characteristics of the reform process ...." (p. 24)
2001	Newberry	A	N	"The misleading nature of financial statements that appear the same as business-sector statements and yet based on significantly different interpretations could well bring discredit to the whole accounting profession." (p. 6)
2003	Caperchione	A	N	"A survey conducted on sample LGs confirms the weaknesses of the reform. As far as external communication is concerned, financial reports prepared after the reform do not help citizens in understanding the financial situation of Local Governments ...." (p. 142)

Year	Author	Sources*	View**	Quotes
2004	Wynne	I	N	"... the change to Programme and Performance Budgeting .... It then failed in both areas. The move to accrual based accounting could be following the same pattern." (p. 28)
2004	Ellwood & Newberry	A	N	"The manner in which accrual accounting has been developed in the public sector has the effect of privileging decisions, which advance the privatisation aspect of the neo-liberal agenda." (p. 566)
				"... accrual accounting development in the public sector is merely the application of business sector practices intended to provide a 'read across' or be 'sector neutral' misleads." (p. 567)
2004	Barton	A	N	"Their financial statements illustrate how the misapplication of business accrual accounting and its associated management practices lead to misleading representations of their financial results." (p. 298)
2005	Ezzamel et al.	A	N	"... the research does not provide strong support for the idea that the accounting information has led to more rational decision making ...." (p. 54)
2007	Jorge et al.	A	N	"... at present moment, there is still a huge gap between the potentialities claimed for the governmental accounting reform and its reality, budgetary accounting within the integrated new system is still the most important given its major role in providing cash-based budgetary information." (p. 437)
2010	West & Carnegie	A	N	"The essential character of university libraries is not financial .... Trying to express non-financial resources in financial terms is a 'border-crossing' activity that is inevitably accompanied by uncertainty, subjectivity and ambiguity." (p. 221)
2011	Adhikari & Mellemvik	A	N	"Taking into account the experience of Nepal, the present paper argues that it is unlikely that accrual accounting will be implemented successfully, particularly in the context of developing countries ...." (p. 138)
1990	Pallot	A	Q	"Importing ideas without modification from the commercial sector is often inappropriate, particularly with respect to such fundamental concepts as assets." (p. 85)
				"Rather than arguing ... that 'facilities' are not assets, a broader concept of assets ... has been advocated." (p. 85)
				"It is hoped that these comments will succeed ... in keeping the debate alive." (p. 85)

<b>Year</b>	<b>Author</b>	<b>Sources*</b>	<b>View**</b>	<b>Quotes</b>
1998	Guthrie	A	Q	"In summary, the one clear message that emerges from the above analysis of the accrual accounting reforms in Australia is that there remains considerable room (and indeed there is a need) for further debate and research." (p. 16)
2006	Paulsson	A	Q	"At first sight, the present study seems to confirm the results from other empirical studies, i.e., that accrual accounting information is less useful in public organisations. However, a more detailed analysis of the data clearly shows that this overall result does not give the full picture of the use of accrual accounting information ...." (p. 60)

\* O = officials; I = industries; A = academicians

\*\* F = favoring; N = not in favor; Q = questioning