

The Influence of Custom Values on Implementation of Accrual-Based IPSAS in Tanzanian Public Corporations

Williard Yohana Kalulu

Research Scholar, Department of Accounting and Finance, The University of Dodoma, Dodoma, Tanzania

Abstract - Accounting and auditing matters are central and have a justifiable connection to organizational and national development. The purpose of this paper is to assess the influence of custom values on implementation of accrual-based IPSAS in public corporations in Tanzania. To attain this objective qualitative and quantitative research approaches were used whereby cross-sectional survey research design techniques of data compilation method were used. Both primary data and secondary data were involved in the form of interviews, document reviews and survey. Systematic and unsystematic random sampling and purposively sampling was used as sampling procedures in the study, this study involved with the sample size of 99 respondents from the Public Corporation. The findings reveal that statutory control is positively related to the implementation of accrual-based IPSAS while transparency and conservatism were found to be negatively related to the implementation of accrual-based IPSAS. The findings also revealed that only conservatism was found to be insignificantly related to the implementation of accrual-based IPSAS. The study recommended that the accrual-based IPSAS should be embraced by all stakeholders and prescribed as a basis for the preparation of public sector financial statements. Thus, the parliament and other government bodies should influence the implementation of accrual-based IPSAS in public sector organizations.

Keywords- Custom Values, IPSAS, Public Corporations, Tanzania

I. INTRODUCTION

Accounting and auditing matters are central and have a justifiable connection to organizational and national development. With this recognition, the Government of Tanzania has made several reforms in the accounting sector to welcome transparency, accountability, trust, and mobilizes resources. As such, the accounting sector in Tanzania has evolved through several phases which co-existed with the kind of policies that existed. From the colonial era, the Government Accounting Practice of the colonial masters furnishes the account of the government after the union of Zanzibar and Tanganyika and existed between 1965 and 1967. The Government also went conducting training in 1972 and 1973 to young Tanzanians to equip them with accounting principles and knowledge to oversee financial matters. There followed an establishment of the Act of Parliament and an independent organ known as the National Board of Accountants and Auditors in 1971– 1975. This was established to oversee accounting and audit matters as well as regulate all accounting

issues in the country. In enhancing accountability and transparency, the NBAA produced Accounting Standards to be used in the country. International Accounting Standards were adopted early in 2004 in Tanzania as a reporting framework for the private and public sectors. Before adopting the entities, the country used different standards of which some were issued by NBAA. These included the Tanzania Statements of Standard of Accounting Practices, TSSAPs (1983); Tanzania Statements of Accounting Guideline, TSAGs (2000); Tanzania Statements of Recommended Accounting Practice, TSRAP (2001); Tanzania Financial Accounting Standards, TFAS (2001); and Tanzania Financial Reporting Standards, TRFS 1(2012). Since there was no IFRS/IPSAS in governing director's disclosures in the country, TRFS 1 was used for the purpose (NBAA report, 2012).

However, accounting during all these phases depended on cash basis only, which was, later revealed to affect the quality of financial information for users to make informed decisions. Thus, the accrual accounting system was adopted and implemented globally to address this weakness (Jones, 2010; Pendlebury, 2010). The cash basis of accounting and accrual basis are two major classifications of accounting basis (Hornigren, Harrison, and Oliver, 2012). The cash basis of accounting is a practice at which a transaction is recognized whenever cash is received or paid. For a transaction to be recognized, cash is received or paid to honor a respective transaction. The cash basis report is only cash receipt and payment made without statements of financial position. On this basis, all non-cash items or transactions are not included (Hornigren et al., 2012). This mode of reporting is used by many government and public sector entities irrespective of its deficiency (Jones, Pendlebury, 2010). Between 2007 and 2011, Tanzania adopted the IPSAS cash basis and began using it to prepare accounts of the central government whereas memorandum information related to assets, liabilities, significant controlled entities and public debt were disclosed (CAG Report, 2008; IMF Mission Report, 2007).

The accrual basis of accounting is defined differently by various scholars and organizations. IFAC PSC (2010) defines the term as a method of recording accounting business events regarding revenue earned and expenses incurred rather than where cash is paid or received. IPSASB (2019) adds that the accrual helps to recognize events related to revenue and

expenses when they occur and not only when cash is received or paid. A more consolidated definition of accrual basis of accounting is provided by IFRS (2010) as the effects caused by events and circumstances on a reporting entity's financial records to be claimed in the period which those effects occur without considering cash receipts and payments during that period. It is related to financial records than just events recognized in the accounts and financial statements of the specific periods as per the matching concept. Accordingly, under accrual basis of accounting, the mandatory statements to be prepared and presented include a statement of financial position, statement of financial performance, cash flows statements, statement of changes in net assets or equity, statement of budget versus actual amount as well as notes and schedules to financial statements.

These standards are issued by the International Public Sector Accounting Standards Board-IPSASB which is one of the standing independent boards of International Federation of Accountants. The cash basis of accounting IPSAS was released by IPSASB in 2003, many countries and governments implemented this and mainly by least developed countries to enhance public financial reforms. IPSAS cash basis was used as a preparatory step towards the accrual-basis of accounting IPSAS (Adhikari et al., 2015). However, there is no specific country which has fully complied with the implementation of a cash basis which is reflected in cash flow statements of the respective government (PWC, 2013). Many governments have opted for the modified cash basis of accounting under which assets other than cash can be disclosed. Furthermore, liabilities, loans, prepayments, receivables, and creditor payables information are disclosed (Adhikari et al., 2015).

The modified cash basis of accounting is a mixture of accrual accounting and cash basis of accounting. It is not among the recognized reporting framework and, thus, countries are not expected to have full compliance. Thus, the accrual basis of accounting provides the best reporting framework for financial statements. This is because it gives fair information which is useful for decision making and promotes public resources management (Deloitte, 2017). This takes into consideration the accounting and recognition of all assets, liabilities, revenues, expenses, and capital or equity as compared to the two prior bases, i.e., cash basis or modified cash basis (IPSAS Conceptual Framework, 2017; Trang, 2012).

To promote transparency and comparability between different jurisdictions, the NBAA in 2004 adopted the international financial reporting standards – IFRS on behalf of the Government to be used by Private Sector, commercial and non-commercial public sector entities and local government authorities. IFRS was adopted by LGAs and other public entities for there were no public sector standards. Further, in 2006, the NBAA adopted the international public sector accounting standards - IPSAS for the public sector entities. IPSAS cash basis was used by the Central Government as a reporting framework from 2007 to 2012 and the local

government authorities adopted and implemented IPSAS accrual to prepare and present financial statements since 2008.

These reforms were undertaken to increased demand and request to improve service deliverance and the management of resources for the betterment of the public at large. These were driven by the need to improve performance in necessary financial obligations, lack of proper resources management, inadequate financial information and data to promote decision making to those charged with governance, lack of staff motivation and poor infrastructure. There was a further need to improve the accountability and transparency and mobilization of resources in Tanzania. Thus, the Government adopted and began to implement IPSAS accrual in all public sector entities starting with the Central Government in 2011/2012 and later on extended to all public sector entities by the year 2013-2014.

The IPSAS has become a worldwide revolution in government accounting reforms. Many national governments and government institutions have started implementing the accounting reforms to bring into line with IPSAS. These are a result of the demands from the public to increase transparency and accountability over the management of the financial affairs of governments, government institutions, and international governmental organisations (Chan, 2006; Christiaens et al., 2015; Navarro Galera and Rodríguez Bolívar, 2007; Tickell, 2010). All these reforms are undertaken by public organizations with the sense of improving the quality of financial information to equip those charged with governance to make well-informed decisions. Before this revolution, most of the government institutions in emerging economies relied significantly on the Generally Accepted Accounting Principles (GAAP). These acted as the principal move towards accounting for the utilization of public resources. Also, GAAP has neither been able to uphold the intensity of responsibility, comparability, and transparency within the community nor harmonise international trade and commerce between emerging nations and the developed world (Ijeoma and Oghoghomeh, 2014).

The IPSAS is equally implemented in both the developed and developing countries and has had improved eminence in the financial information, mostly in the public corporations to reinforce the openness of public financial records and promote responsibility to those charged with governance and add value to be more informed decision makers (Anton, Pisani Gagna, 2012; Ilie and Miose, 2012; IPSAS, 2019).

Globally, there have been many reforms under the umbrella of the New Public Management or NPM since the 1980s (World Bank, 2008). The new reform under the NPM is a phenomenon which focuses on the marketization and/or application of various theories and principals to improve service deliverance to the public at large. These reforms have highly taken place in developed countries and they are now the aspired role models for the implementation of accrual accounting. The implementation of accrual accounting is promoted to enhance accountability, transparency, and trust amongst the users who

eventually make well informed decisions (Christiaens et al., 2015; Connolly, 2006; Hyndman, 2006).

Unlike developed countries, many African countries have not effectively achieved the implementation of accrual accounting and, thus, have not produced good results. This gives an implication that many third world countries have chipped into implementing the standards before they have had enough preparation for accounting professional, resources as well as infrastructures (Christiaens et al., 2015; Connolly and Hyndman, 2006). The available report by ACCA shows that only 25 percentages of countries in the world has adopted and implement the International Public Sector Accounting Standards.

In Tanzania, the whole process for implementation of the accrual-based accounting followed from various challenges noted from the implementation of the Public Financial Management Reform Programme, Phase III (PFMRP III) which sought to improve public financial management. These challenges included undue focus on programme activities and their details, lack of awareness about the accrual accounting in the public sector, poor execution of programme-based budgeting system (PBB), and the integration and harmonization of ICT systems. As such, accrual-based IPSAS in the country was introduced to address such challenges and enhance financial management reforms. This recovers accountability and transparency in public resources management. Accrual accounting is thus better well matched to planning of resources to equip those charged with governance with quality financial information. It also assists in improving the level of decision-making in financial information inside public corporations and give responsibility and openness of the state of affair of the entity (Dabbicco, 2015). Despite many studies about the adoption, implementation, and determinant of factors influencing accrual basis accounting implementation in public sectors, the process has not been satisfactory in the country.

The Government's focus has been on reforming operation systems, such as improving the preparation and presentation of financial reports for decision making to those charged with governance, enhancing revenue collection resources, enhancement of integrated financial management systems, and human resources management systems. In performing these reforms, the Government of Tanzania has implemented financial management reform programmes which were conducted in different phases from I to IV. Further initiatives taken by the government included training of accounting officers, accountants, auditors and public authority committee members, introduction of electronic gateway for revenue collection known as GePG, introduction of National Data Centre, and amendment of legislation governing resource management. These reforms were undertaken to support the implementation of IPSAS to produce desired results (Ilie & Miose, 2012). Despite the efforts to ensure that transparency and accountability of resources mobilization and management in the public sector are enhanced as well as improving capacity

for decision making, the factors influencing successful implementation of the IPSAS have not been studied (CAG Report 2017/2018 and 2018/2019 and technical assistance report IMF mission 2019).

Several studies have been conducted in both developed and developing countries (Ijeoma and Oghoghomeh, 2014, Matekela, 2018, Nadia (2015), Salia, 2018, Tanjeh, 2016). These studies have focused on the implementation of IPSAS, challenges, expectations and benefits of accrual accounting implementation, factors influencing the acceptance and adoption of IPSAS. In 2017, the ACCA prepared and produced a report which shows the status of implementation of accrual based international public sector accounting standards in the global world and revealed the level of adoption and implementation of these standards. However, the question of factors influencing implementation of international public sector accounting standards in public corporation remain un answered. Many of the studies conducted focused on the adoption of international public sector accounting standards in various countries and entities, impeding factors that lead to implementation of international public sector accounting standards and the implementation of the accrual accounting.

To the best of my knowledge and understanding the researches on the implementation of accrual IPSAS in public corporations are scarce. While most studies ignored the public corporations, there was an apparent gap about the implementation of these standards in public corporations to assist users to be well informed in decision making. Therefore, this study was undertaken to fill up the knowledge gap on the factors influencing successful implementation of accrual accounting in public sectors in public corporations in Tanzania a case of Tanzania Broadcasting Corporation.

II. LITERATURE REVIEW

The empirical literature examined how other studies stated and reported on issues relating to factors that affect implementation of accrual accounting. Matekele (2018) in his study in the Local Government Authorities (LGAs) implementation of accrual IPSAS, indicated that staff experience, understanding of the standards, capacity building, skills enhancement and participation of professional accountants can influence implementation of accrual accounting. Furthermore, the study noted that publication of financial information in agreeable format improves transparency and accountability which eventually contribute significantly to influence execution of accrual-based IPSAS in the LGAs.

However, gender and professional qualification has great contribution to the LGAs in adopting these standards. Education level is another factor which has positive persuaded while age with number of years of service for LGAs staff were reported to have a negative impact on adoption and implementation of IPSAS. Similarly, Okungu (2015) featured a study relating to the impact of implementation of International Public Sector Accounting Standards on financial reporting in Public Sector in Kenya. In this study, qualitative

methodology administered by a questionnaire circulated to respondents who mainly were accountants in the central government in Kenya. This study pointed out that as it is important for adoption and implementation of the high-quality related standards to improved responsibility in government resources management, comparability, transparency and reliability of public sector financial information in Kenya. The study mainly focused on the IPSAS adoption and implementation in Central Government including forty-seven Counties in Kenya. However, this study applied descriptive method in analyzing data collected of which it did not bridge the gap on model for Accrual accounting in decision making which resulted in the attention to perform Facto analysis that shows the magnitude of each variable in the model.

Generally, the finding from this study narrated that there are costs associated with the implementation of IPSAS accrual. Further, the capacity of staff to undertake the reform is a challenge which poses another increment in training cot to equip staff with technicalities to perform the changes. Therefore, in ensuring that implementation is smoothly undertaken it is important to set aside budget for training and other related tasks. Furthermore, donors externally push for changes to be undertaken but don't provide resources or funds to ensure that implementation is accomplished as required. In addition, the study finding showed that politician can influence the implementation of accrual IPSAS to a successful achievement.

Sayed-Ahmad, (2019) conducted the study on Impact of Implementing IPSAS on Public Organizations and factors that influenced users to resist in implementation of accrual basis IPSAS in Lebanon. In this study, the researcher reported several factors including partner's opinion, technology changes and system enhancement. Furthermore, the issue of lack of top management support and personal successful for adopting the changes to enhance reliability of financial information becomes a challenge. The study reflected that employee from accounting profession are prepared to accept and implement accrual-based IPSAS.

Whitefield and Savvas (2016) fielded a study on the adoption and implemented of accrual accounting IPSAS in United Nations agencies. IPSAS became a resolution and agreement by the UN General Assembly in improving reporting mechanism the study reports that IPSAS have brought about steadiness in financial reporting and enhanced decision making as well as improved the internal control systems in UN Agencies. However, the adoption and implementation of IPSASs have experienced many challenges during and after implementation period; these challenges include high implementation cost of the system, lacked or inadequate trained staff on IPSASs, resistance to change by management and complication of the standards.

In his study, Tanjeh (2016) revealed the acceptance and adoption of IPSAS in government entities can improve the reliability of the financial information. This study recommended that lack of knowledge and awareness has

become a stabling block for implementation. Therefore, knowledge and skills in IPSAS must be communicated to executives, those charged with governance and those involved in lawmaking in the government. The study concluded by reporting that capacity building, continuous development programs as well as management.

III. RESEARCH METHODOLOGY

To attain this objective qualitative and quantitative research approaches were used whereby cross - sectional survey research design techniques of data collection method were used. Both primary data and secondary data were involved in the form of interviews, document reviews and survey. Systematic and unsystematic random sampling and purposive sampling was used as sampling procedures in the study, this study involved with the sample size of 73 respondents from staffs.

Econometric Model Development: Multiple Linear Regression model was used determining the influence of custom values on implementation of accrual-based IPSAS in public corporations in Tanzanian public corporations. The reason of choosing the multiple linear regression model is due to the reality that the dependent variable of the research is "*continuous in nature*" therefore; the multiple linear regression model is fitting for this study.

$$Y_{EG} = \beta_0 + \beta_1 X_1 + \beta_2 X_2 + \varepsilon \dots \dots \dots (i)$$

Whereby: Y_{EG} = Accrual – based implementation; β_0 = Intercept Term, β_1 = Intercept of Variables, X_1 = Custom Values, X_2 = Stimuli factor;

ε = Error Term

IV. RESULTS AND DISCUSSION

A Professional Qualification of the Respondents

Most of the respondents 55% (30) were Certified Public Accountant (CPA), 28% (16) had no any professional qualification, and 9% (5) had other professional qualification, while 4% (2) were in Association of Chartered Certified Accountants (ACCA) and Accounting Technician Certificate (ATEC) were 4 % (2) (see Table 4.1). Following the factor analysis as depicted in Table 1 , professional qualification was found with factor rotation below the cut-off point of 0.5 and it was dropped in the analysis. The analysis made in this study revealed that professional qualification did not have significant effect to the implementation of IPSAS. This finding contrasts the findings of the study by Tanjeh (2016) who reported that there is positive association between professional certification and the level of implementing the accrual-based IPSAS. Also, Zeghal & Mhedhbi (2006) supported that well-trained and qualified accountant promotes successful and satisfactory implementation of accrual accounting. More of this is reiterated by Zeghal & Mhedhbi (2006) that education level to be positively related with the implementation of IPSAS. It is, however, important to understand that the training should be on the specific field of

implementation. Though the accountants and auditors in this study were educated, they could be lacking education on the implementation of IPSAS. The following table summarized the demographic characteristics of the respondents of the study.

Table 1: Demographic Characteristics of the Respondents

Sex	Frequency (N=55)	Percent
Male	30	55
Female	25	45
Marital Status		
Married	29	52
Divorced	2	4
Widowed	2	4
Unmarried	22	40
Professional qualification		
Non	16	28
ATEC	2	4
CPA	30	55
ACCA	2	4
Others	5	9

Source: Field Data 2022

B. Normality Test

The study used Shapiro-Wilk tests for Normality to measure the normal distribution of variables used in this research in this model. Table 4.7 below presents the results

Table 2: Shapiro-Wilk W test for normal data

Variable	Obs	W	V	z	Prob>z
Implementation IPSAS	55	0.986	0.686	-0.809	0.791
Statutory Control	55	0.974	1.301	0.564	0.286
Transparency	55	0.991	0.468	-1.630	0.948
Conservatism	55	0.977	1.179	0.354	0.362
Knowledge	55	0.981	0.981	-0.041	0.516
Management Support	55	0.984	0.816	-0.436	0.668
Staff Experience	55	0.977	1.174	0.343	0.366
Years of Experience	55	0.996	0.224	-3.212	0.999
Age	55	0.993	0.358	-2.204	0.986
Education	55	0.931	3.512	2.694	0.004

Source: Field data, 2022

Table 2 above presents the normality test results for the variables used in this study. From the results, all the variables that have a probability greater than 0.05 are normally distributed and those variables that have a probability less than 0.05 are not normally distributed. The results indicate that education has a probability value of 0.004 which is less

than 0.05, which indicate that education data are not normal distributed. All other variables except for education follow a normal distribution.

C. Multicollinearity

The study employed Variance Inflation Factor (VIF) to diagnose for the presence of multicollinearity for the independent variables under custom value factors, applicative factors, and demographic values. The table below presents the results.

Table 3: Multicollinearity

Variables	VIF	1/VIF
Custom Values:		
Statutory Control	3.64	0.2748
Conservatism	3.33	0.3004
Transparency	2.36	0.4243
Mean VIF	3.11	
Applicative Factors:		
Staff Experience	1.67	0.5971
Management Support	1.5	0.6672
Knowledge	1.2	0.8323
Mean VIF	1.46	
Demographic Attributes:		
Years of Experience	3.61	0.2773
Age	3.45	0.2901
Education	2.02	0.4944
Mean VIF	3.03	

Source: Field data, 2022.

Table 3 above presents the multicollinearity results for the independent variables used in this study. The results demonstrate that there is no multicollinearity among the variables used in all three models since the Variance Inflation Factor for all variables is less than 5.

D. Test for Heteroscedasticity

In this study, Breusch Pagan test was done to diagnose whether there is a presence of heteroscedasticity in the regression model to be used for data analysis. Table 4 below presents the heteroscedasticity results for this study.

Table 4: Heteroscedasticity Test

Breusch-Pagan / Cook-Weisberg test for heteroscedasticity		
Ho: Constant variance		
Variables	chi2(1)	Prob > chi2
Implementation_Ipsas (Custom values factors)	3.45	0.0634
Implementation_Ipsas (Applicative factors)	1.51	0.2187
Implementation_Ipsas (Demographic attributes)	2.34	0.1259

Source: Field data, 2022.

Table 4 above presented the heteroscedasticity results for the three-regression model used in this study. The Breusch Pagan tested the null hypothesis of constant variance (homoskedasticity). From the results above, the probability chi2 for all models were above 0.05 which made it fail to reject the null hypothesis of constant variance, thus the models used in this study are free from heteroscedasticity.

E. Influence of Custom Values on Successful Implementation of Accrual-Based IPSAS

An analysis was done to determine the influence of custom values on successful implementation of accrual-based IPSAS. The custom value factor is one of the independent variables used to measure the implementation of accrual-based IPSAS. These variables included conservatism, statutory control, and transparency which were analysed to examine how they influence the implementation of accrual-based IPSAS. Table 4.10 presents the regression results for custom value and IPSAS implementation. Based on analysis the R-Square is 0.594, which imply that, the independent variables in a model explain 59.4% of the variability of dependent variable in the analysis. The analysis revealed that there is a strong association between independent variables and the dependent variable

Table 5: Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.771 ^a	.594	.536	.61552
a. Predictors: (Constant), conservatism, Transparency, Statutory Control				

Source: Field Data 2020

Table 5 presents the analysis of variance results from the regression analysis. The results show F-value of 10.238, and the p-value associated with F value is 0.000 which is significant. This means that the independent variables (Statutory control, conservatism, and Transparency,) have a statistically significant relationship with the dependent variable (IPSAS Implementation).

Table 6: Analysis of Variance

Model	Sum of Squares	Df	Mean Square	F	Sig.	
1	Regression	11.636	3	3.879	10.238	.000 ^b
	Residual	7.956	21	.379		
	Total	19.592	24			
a. Dependent Variable: implementation_ IPSAS						
b. Predictors: (Constant), Conservatism, Transparency, Statutory Control						

Source: Field Data 2022

Table 6 outlines the findings of the level of competence in the implementation of the accrual-based IPSAS. Three independent variables were included in the analysis to assess their impact on implementation of accrual-based IPSAS. The independent variables used in this analysis are free from

multicollinearity problem. This implies that the predictor variables do not influence one another. The regression study found a strong regression model at 59.4% and the average relationship statistically significant (P= 0.000). The results from this analysis confirmed the reliability of independent variables in explaining the Implementation of accrual-based IPSAS.

Table 7: Regression Ccoefficients

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.	
	B	Std. Error	Beta			
1	(Constant)	.322	.649		.496	.625
	Statutory Control	1.232	.484	.673	2.544	.019
	Transparency	-1.478	.316	-.997	-4.673	.000
	Conservatism	-.622	.638	-.247	-.975	.340

Source: Field Data 2022

The regression coefficients for statutory control are 1.232 and it is significant at 1% conventional level. This shows that statutory control has a positive and significant relationship with the implementation of accrual-based IPSAS. Statutory control requires financial statements to strict comply with accounting standards during preparation and presentation of financial information. This strictness positively affects the compliance level of preparers and in return preparers of financial information positively respond in implementation of accrual-based IPSAS. The findings of this study are consistent with the Custom Values Theory which argues that culture, legal, and uniformity are the distinguishing values in ensuring things get done. So, creating rules and regulation which guarantee a strict implementation of accrual-based IPSAS for public sectors would be a main catalyst for a successful implementation of accrual-based IPSAS.

The study analysis revealed that, Transparency was negatively related to the implementation of accrual-based IPSAS which showed a coefficient of (-1.478) this relationship is significant at 1%. This implies that publishing financial statements for public sectors does not contribute to the implementation of the accrual-based IPSAS though it promotes openness, disclosing vital financial information of public organization lead to public trust on the organization, and does not influence the implementation of IPSAS. These findings are inconsistent with those of the study conducted by Matekele (2018) who found that publication of financial information in agreeable format improves transparency and accountability which eventually significantly contribute to influence execution of accrual-based IPSAS in the LGAs. While this may sound as conservatism to be insignificant and negatively related to IPSAS implementation(Bentley & Franklin, 2013; Borker, 2013; Vergauwen & Alem, 2005), their reluctance could be caused by the lack of knowledge and skills to implement IPSAS.The lack of knowledge and skills makes the accountants and auditors indecisive about the potential implications or results of adopting, such accounting

principles. This on the other hand means that they have a pessimistic attitude towards adopting such accounting procedures. Consequently, thought they do not declare their reluctance to implement the new accounting principles, their withdrawal from implementing it are an indirect declaration of their reluctance.

V. CONCLUSION

The study concluded that statutory control is positively related to the implementation of accrual-based IPSAS while transparency and conservatism were found to be negatively related to the implementation of accrual-based IPSAS. The findings also revealed that only conservatism was found to be insignificantly related to the implementation of accrual-based IPSAS.

The study recommended that the accrual-based IPSAS should be embraced by all stakeholders and prescribed as a basis for the preparation of public sector financial statements. Thus, the parliament and other government bodies should influence the implementation of accrual-based IPSAS in public sector organizations.

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