

PROSPECTS FOR THE ACTIVATION OF THE FINANCIAL BUDGET PREPARED IN ACCORDANCE WITH IPSAS 01 IN NON-PROFIT PUBLIC INSTITUTIONS - A STUDY ON A SAMPLE OF JUDGES FROM THE ACCOUNTING COUNCIL IN THE PROVINCE OF TLEMCCEN.

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Abstract:

This study aims to uncover the prospects of activating the financial budget prepared in accordance with the International Public Sector Accounting Standards (IPSAS 01) in non-profit public institutions, by targeting a sample of judges from the Accounting Council through the distribution of a questionnaire.

Among the main results obtained, based on the statistical results of the study, it was found that there is a high level of activation of the financial budget prepared according to IPSAS 01 in non-profit public institutions from the perspective of the judges of the Accounting Council. This is considered an important factor in increasing the effectiveness of the accounting disclosure process, achieving transparency and holding elected officials and managers of public administrations accountable. This is due to the benefits derived from the characteristics of the financial statements, such as comparability, recognition and measurement of assets and liabilities. It also aligns and converges the accounting practices of the public and private sectors. However, the adoption of accounting standards for the public sector varies from country to country, either partially or fully, as well as in terms of adoption methods, including only central or local government or both, as in Sweden and other countries.

Keywords: Financial budget, International Public Sector Accounting Standard (IPSAS 01), Not-for-profit public institutions, Accountancy Councils.

Introduction:

Many countries around the world are striving to improve public financial management to ensure transparency, credibility and accountability. The International Federation of Accountants (IFAC) has recommended the adoption of International Public Sector Accounting Standards (IPSAS) for the public sector, issued by the IPSASB (Abimbola , Olowookere, Adekunle , & Olufemi , 2023).

This council aims to address the challenges of bridging the gap between accounting systems, whether within or outside the country, and to indicate the alignment of accounting practices in the public sector. Therefore, it is necessary to consider a set of accounting

standards appropriate for the public sector, inspired by financial reporting standards. This institutional nature is based on the accrual basis of accounting, which is the same basis used in the private sector (Roje, Vasicek, & Vasicek, 2010) (Goumas & Karastogiannis, 2022).

The adoption of accounting standards for the public sector is also linked to the presence of external sources of financing and targeted international aid, especially for developing countries (Tawiah & Soobaroyen, 2022). This project started in 2014 with the publication of the conceptual framework by the International Public Sector Accounting Standards Board, which has been amended in subsequent releases, including initial recognition, subsequent measurement, disclosure, impairment and cost allocation, among others (Berger & M. M).

International Standard 01 defines the presentation of financial statements prepared on an accrual basis using five financial statements.

The adoption of public sector accounting standards is considered an important tool in the fight against corruption, especially in developing countries, according to the research paper by (Tawiah, 2023) , which used a generalised methodology on a sample of 77 developing countries between 2005 and 2017.

The purpose of this research paper is to examine the impact of the adoption of International Public Sector Accounting Standards (IPSAS) for the public sector, with a particular focus on the need to activate the balance sheet in public institutions in accordance with International Accounting Standard (IAS) 01, also known as Presentation of Financial Statements under IPSAS.

In recent times, many officials and politicians have considered the key points of modern accounting to be the attempt to unify private sector accounting with public sector accounting (Schmidhuber, Hilgers, & Hofmann, 2022).

In Belgium, for example, the accounting standard IPSAS 01 and the international accounting standard IPSAS 06 'Consolidated Financial Statements' have been adopted in accordance with international accounting for private companies (Bellanca & Vandernoot, 2013).

Problem statement:

What is the importance of activating the balance sheet prepared in accordance with International Accounting Standard (IAS) 01/IPSAS 01 in public administration from the perspective of the judges of the Accounting Council in the Province of Tlemcen?

Research hypothesis:

The activation of the balance sheet in public administration contributes significantly to the credibility and objectivity of the financial information prepared in accordance with IPSAS 01.

Research methodology:

We adopted a descriptive-analytical approach and conducted a questionnaire distributed to some judges in the province of Tlemcen. The data were analysed using SPSS software version 20.

Study plan:

In order to address the topic, the research was divided into two main axes: the first axis focuses on the fundamentals of the International Public Sector Accounting Standards (IPSAS) and the second axis focuses on the statistical study.

1- General concepts of International Public Sector Accounting Standards (IPSAS):

1-1 Characteristics and features of IPSAS:

It is necessary for developing countries to adopt International Public Sector Accounting Standards (IPSAS) because most advanced Anglo-Saxon countries operate under similar or stricter government accounting standards than IPSAS. Donors and funders in developing countries are increasingly pressing for improved financial reporting in line with IPSAS for the public sector. National standards can be adopted in line with IPSAS, which may differ and allow each country to make certain adjustments, such as terminology, definitions, etc. (Kidwell & Lowensohn, 2019).

1-2 Advantages of accrual accounting:

Moving from cash basis to accrual basis accounting has several implications:

Through accrual basis accounting, sustainability for the organisation can be achieved by providing more comprehensive and complete accounting and financial information to help decision makers.

Foreign investors also need to know the financial position and performance of the government in order to encourage foreign investment.

The use of accrual accounting results in more objective financial sustainability as it provides comprehensive financial reports that reflect financial data in terms of true and fair value.

Important information about the financial statements can be provided to its users, including stakeholders, through the recognition and recording of assets and liabilities (Ismail, Abdullah, & Zainuddin, 2023).

Transparency of expenses of not-for-profit organisations.

1-3 The similarities and the differences between the public accounts and the financial accounts: we will deal with them by means of table number (01).

| Standards | public accounting | Financial (general) accounting. |
|-------------------------------|---|---|
| theoretical principles | It is based on the theory of earmarked funds. | Based on the theory of moral personality. |
| legal nature | Based on financial systems, instructions, legislation and publications issued by associations, public bodies and professional bodies. | Relies on standards published by organisations to formulate applicable principles. |
| Accounting principles | Based on the cash basis of accounting and, for some operations, the modified cash basis of accounting. | - Is based on the accrual basis of accounting, i.e. adjustments are made at the end of each year to determine the expenses and income |

| | | |
|------------------------------------|--|--|
| | | required for the accounting period to produce the corresponding results. |
| Classification of accounts. | Restricted to the presentation of cash expenses and income. - Inventory related accounts are kept in statistical records outside the general ledger, i.e. there are no independent accounts in public accounting called profit and loss accounts, budgetary accounts or financial position accounts | Profit and loss accounts. - Balance sheet accounts: Assets, liabilities (equity) and capital accounts |

Abdulkarim, M. E., Umlai, M. I., & Al-Saudi, L. F. (2023). Culture, language, and accounting source reform: a new perspective on IPSAS implementation. *Journal of Accounting & Organizational Change*, 19(2), 376-400.

1-4 Classification of countries according to the degree of adoption of public sector accounting standards:

They are divided into five categories: countries that have partially adopted the standards and countries that have fully adopted the standards through legislation. The purpose of this table is to clarify each category.

Table number (02): Categories of countries for the adoption of public sector accounting standards.

| Categories | Countries |
|-------------------|--|
| Category 1 | Albania, Algeria, Argentina, Bangladesh, Barbados, Brazil, Cambodia, China, Kenya, El Salvador, India, Laos, Morocco, Slovakia, Uruguay. |
| Category 2 | Afghanistan, Cyprus, East Timor, Indonesia, Hungary, Lebanon, Maldives, Mongolia, Norway, Netherlands, Pakistan, Vietnam. |
| Category 3 | Japan, France, Italy. |
| Category 4 | South Africa, Azerbaijan, Uganda, Comoros, Peru |
| Category 5 | Australia, Britain, Canada, New Zealand, United States |

Source: Prepared by the researcher on the basis of Bellanca, S., & Vandernoot, J. (2013). Analysis of Belgian public accounting and its compliance with International Public Sector Accounting Standards (IPSAS) 1, 6 and 22. *International Journal of Business and Management*, 8(9), 122. Pages 128 and 127.

Category 1: Countries whose governments have undertaken legislative and policy reforms to adopt public sector accounting standards. These countries include Algeria, which recently attempted to adopt 17 public sector accounting standards through Laws 18-15 and 23-07. Algeria focused on a gradual adoption of these standards, emphasising the development of human resources capable of implementing financial accounting, expenditure control and financial oversight.

Category 2: This category also started to adopt public sector accounting standards and made legislative changes.

Category 3: These countries started to adopt public sector accounting standards in 2006. France, for example, has adopted 19 public sector accounting standards, and reforms were limited to the central government in 2010.

Category 4: These countries have completed the adoption of public sector accounting standards.

Category 5: These governments use an accounting system that is largely and comprehensively aligned with public sector accounting standards. This category includes countries such as Lithuania, Sweden and the United States, which have adopted these standards at both local and central levels.

1-5 Presentation of the financial statement (budget) according to the International Public Sector Accounting Standard IPSAS01.

Presentation of the financial statement (general budget) according to the International Public Sector Accounting Standard 01, presenting the financial data IPSAS01 (Cretu, Sîrbu, Gheonea, & Constandache, 2011).

We provide an applied example to illustrate how assets and liabilities are recorded according to the financial statements for non-profit organisations.

The accountant of the non-profit public institution relied on Organic Law 18-15 and Financial Law 07-23, which explain the transition from cash to accrual accounting, in particular the use of general accounting in public administrations. The accountant wanted to move from the theory of earmarked funds (cash basis) to the theory of personal morality (accrual basis) in order to divide the accounts and seek the accounting result required by the accrual basis, as opposed to relying solely on the presentation of expenses and income.

The public entity (municipality) had the following operations:

- Expenditure on renting buildings amounting to DZD 50,000.
- Revenue from the rental of machinery and vehicles amounting to DZD 70,000.
- Expenditure on health and environmental protection, including workers' clothing, refuse sacks and cleaning materials, amounting to DZD 30,000.
- Social expenses, including celebrations, parties and subsidies of DZD 60,000.- Vehicles and all transport equipment estimated at DZD 80,000.
- Office furniture: DZD 45,000.
- Infrastructure estimated at DZD 90,000.
- Value of land owned by the municipality: DZD 89,000.
- Buildings owned by the municipality: DZD 900,000.
- Computer programmes, memory and other equipment owned by the municipality estimated at DZD 60,000.
- Protected areas and gardens valued at DZD 890,000.
- Advances of DZD 40,000.
- Entitlements of employees amounting to DZD 85,000.
- Pensions: DZD 72,000.
- Capital contributed by other state bodies: DZD 78,000.

Required: To convert the assets and liabilities in accordance with IPSAS01, as the public entity has changed from the cash basis of accounting to the accrual basis of accounting.

Solution: Prepare and arrange the assets and liabilities of the municipality according to the (assets, liabilities) table number (03) based on the financial statements (IPSAS01).

| Assets | N | N-1 |
|---|----------------|----------------|
| -Current assets | – | |
| - Cash and cash equivalents | – | 45000 |
| - Accounts payable | – | 36000 |
| - Choices or options | – | 80000 |
| - Prepayments | – | 85000 |
| - Other current assets | | - |
| Current assets | – | 246000 |
| - Non-current assets | 1209000 | 450000 |
| - Trade and other payables | 70.000 | - |
| _Investments in associates | - | - |
| - Other financial assets | - | 50000 |
| - Infrastructure, buildings and equipment | 90.000 | - |
| - Land | 89000 | 80000 |
| - Leasehold improvements | 900000 | 1884000 |
| - Intangible assets | 60.000 | 90000 |
| - Other non-financial assets | 125.000 | - |
| Total assets | 1334000 | 2800000 |
| - Equity and liabilities | | |
| - Current liabilities | 140.000 | 100000 |
| - Trade and other payables | - | 500000 |
| Short-term borrowings | - | 70000 |
| - Long-term debt - financial portion | - | 30000 |
| - Current provisions | - | 100000 |
| - Employee benefits | 85000 | 150000 |
| _ Pensions | 72000 | 50000 |
| Total liabilities | 297000 | 1000000 |
| Net assets | 1037000 | 1800000 |
| - Net equity | – | |
| -Capital contributed by other government entities | 78000 | – |
| - Reserves | 890.000 | – |
| - Accumulated surplus (deficit) | 1037000 | – |
| - Minority interests | | – |
| Total net assets (equity) | 2005000 | 1800.00 |

Source: Prepared by the researcher based on Cretu, C., Sîrbu, C., Gheonea, V., & Constandache, N. (2011). Presentation of financial statements according to IPSAS-A challenge for professional accountants. EIRP Proceedings, 6, pages 491 and 492.

We have only presented the assets aspect to illustrate how public sector accounting standards can be used in the preparation of the financial statements. The following are the main features that can be derived:

- The ability to compare the current year with the previous year.
- Identification of fixed and current assets, for example for not-for-profit organisations.
- Identification and calculation of the financial result for the financial year, which was not present in the cash basis, as the result is included in property rights.
- The ability to identify accounts payable (such as receivables) and accounts receivable (such as payables) that have not benefited public entities.

2- Statistical study:

In order to conduct the study, a descriptive analytical approach was used to obtain the results, and the sample included some judges of the Accounting Council in the province of Tlemcen.

- Sample characteristics:

The sample characteristics included the educational qualification and years of experience of the judges of the Accounting Council in the province of Tlemcen, as shown in the following table:

Table number (04): Distribution of sample persons according to personal characteristics.

| Properties | Categories | Frequency | Percentage |
|----------------------------------|--------------------|-----------|------------|
| Educational Qualification | Bachelor's degree | 3 | 21.4% |
| | Master's degree | 6 | 42.9% |
| | Doctorate | 4 | 35.7% |
| | Total | 15 | 100% |
| Years of experience | Less than 5 years | 1 | 7.1% |
| | 5 to 10 years | 4 | 28.6% |
| | More than 10 years | 9 | 64.3 % |
| | Total | 15 | 100% |

Source: Prepared by the researcher based on the results of the SPSS programme.

From table number (04), it can be seen that 6 judges of the Council in the province of Tlemcen hold a Master's degree, representing 42.9% of the total sample, which makes them the majority group. On the other hand, 5 judges, representing 35.7%, hold a doctorate, followed by 3 judges, representing 21.4%, who hold a bachelor's degree. In terms of professional experience, 9 judges have more than 10 years of experience, representing 64.3% of the total sample, making them the majority group. On the other hand, there are 4 judges representing 28.6% who have 5 to 10 years of experience, followed by 1 judge representing 7.1% who has less than 5 years of experience.

- The questionnaire used in the research:

We relied on data collection through a questionnaire that consists of a section on personal characteristics and a section on the research axis, which consists of 10 statements that reflect the concept of implementing the prepared financial budget according to the International Public Sector Accounting Standard IPSAS 01.

- Scale used in the questionnaire:

We used a five-point Likert scale to measure the sample's response to the questionnaire statements, which consists of five options, as shown in the following table:

Table number (05): Options that make up the five-point Likert scale.

| Statements | Strongly agree | Agree | Neutral | Disagree | Strongly agree |
|------------|----------------|-------|---------|----------|----------------|
| The scale | 5 | 4 | 3 | 2 | 1 |

Source: Prepared by the researcher on the basis of the previous data.

In order to measure the attitudes of the respondents, points were assigned to these choices and the scale was divided into five ranges to determine the degree of agreement, as shown in the following table:

Table number (06): Weighted means and levels of agreement for the study sample.

| Direction | Preferred median | Degree of agreement |
|------------------|----------------------|---------------------|
| First direction | 1 to less than 1.8 | Very low |
| Second direction | 1.8 to less than 2.6 | Very low |
| Third direction | 2.6 to less than 3.4 | Medium |
| Fourth direction | 3.4 to less than 4.2 | High |
| Fifth direction | 4.2 to 5 | Very high |

Source: Prepared by the researcher.

We considered the means in table number (06) as the cut-off point between the levels of responses in the study instrument, indicating the average response to the statements or axis.

- Statistical methods used in the study:

We relied on the SPSS programme to carry out the statistical analysis of the data and to achieve the objectives set. We also used the following statistical tests:

1. Measurement of internal consistency.
2. Measurement of the coefficient of reliability.
3. Normal distribution test.
4. Descriptive analysis of sample characteristics.
5. Descriptive analysis of the research axis.
6. Statistical hypothesis testing to test the research hypothesis.

- Validity and Reliability of the Questionnaire:

Before proceeding with the analysis of the results, it is necessary to test the validity and reliability of the questionnaire used to collect the data, along with testing the normal distribution of the sample, as required by the statistical test related to the hypothesis.

- Internal consistency:

In order to determine various results related to the degree of correlation and significance of the statements in the questionnaire axis regarding the activation of the prepared financial budget according to the International Public Sector Accounting Standard IPSAS 01, we relied on the Spearman coefficient to measure the correlation value between the statements and the axis. Statement number 5 was excluded as it did not show any correlation with the axis.

Table number (07): Internal consistency of the statements in the axis of activation of the prepared financial budget according to IPSAS 01 International Accounting Standard in Public Administration.

| N° | Statement | Correlation Coefficient | Level of Significance |
|----|---|-------------------------|-----------------------|
| 01 | By providing clear information to users, the preparation of financial budgets in public administrations contributes to this. | 0.716 | 0.004 |
| 02 | Financial statements prepared in accordance with International Accounting Standard No. 01 contribute by providing comparative information for public administrations. | | |
| 03 | Financial budgeting in public administrations contributes by presenting information in a consistent way. | 0.718 | 0.004 |
| 04 | Financial budgets provide a true picture of information and expenditure in public administrations. | 0.684 | 0.007 |
| 06 | Financial budgets in public administrations show the depreciation of assets over time. | 0.888 | 0.000 |
| 07 | Financial budgets in public administrations disclose information to other creditors and debtors, as well as to suppliers and other creditors | 0.877 | 0.000 |
| 08 | Financial budgets in public administrations disclose results from previous years and compare them with the current year. | 0.797 | 0.001 |
| 09 | Financial budgets in public administrations show negative or positive cash balances | 0.758 | 0.002 |
| 10 | Financial budgets provide more accurate information in public administrations, facilitating internal and external audit processes. | 0.821 | 0.000 |

Source: Prepared by the researcher based on the results of the SPSS programme.

Table number (07) shows that the correlation coefficient values for the statements in the axis are between 0.6840 and 0.8880, with statistical significance lower than 0.05. This means that there is a significant correlation between each statement and the axis, which

confirms the internal consistency of the statements and the axis of activation of the prepared financial budget according to the International Public Sector Accounting Standard IPSAS 01.

- Reliability:

The research relied on the Cronbach's alpha test to ensure the reliability of the questionnaire, as one of the most commonly used measures of internal consistency, especially when there are multiple alternatives. The following table shows the results:

Table number (08): Questionnaire reliability test.

| Axis | Statements | Reliability Coefficient |
|--|------------|-------------------------|
| Activation of the prepared financial budget menu in accordance with the International Public Sector Accounting Standard IPSAS01 in public administration | 9 | 0.906 |

Source: Prepared by the researcher on the basis of the results of the SPSS programme.

Table number (08) shows that the reliability coefficient of the axis of activation of the prepared financial budget according to the International Public Sector Accounting Standard IPSAS 01 was 0.906, which is higher than 70%. This means the reliability and validity of the statements of the research questionnaire in measuring the intended purpose, and the potential applicability of the tool in similar conditions.

- Normal distribution test:

The research relied on the Shapiro-Wilk test to test the normal distribution of the data, as shown in the following table:

Table number (09): Normal Distribution Test.

| Axis | Probability Value |
|--|-------------------|
| Activation of the menu of the prepared financial budget in accordance with the International Accounting Standard IAS01/IPSAS01 in the public administration. | 0.5780 |

Source: Prepared by the researcher on the basis of the results of the SPSS programme.

Table number (09) shows that the significance level of the axis of activation of the prepared financial budget according to the International Public Sector Accounting Standard IPSAS 01 is 0.5780, which is greater than 0.05. This indicates that the data follow a normal distribution.

- Descriptive analysis of the axis of activation of the prepared financial budget according to IPSAS 01 International Accounting Standard in Public Administration:

The research relied on the mean and the level of agreement to describe the statements in the axis of activation of the prepared financial budget according to the International Accounting Standard IPSAS 01 from the perspective of the judges of the Court of Audit in the State of Tlemcen, as shown in the following table:

Table number (10): Descriptive analysis of the activation of the prepared financial budget according to the International Accounting Standard IPSAS 01.

| N° | Statement | Mean | Standard Deviation | Degree of Agreement |
|----|--|------|--------------------|---------------------|
| 01 | The preparation of financial budgets in public administrations contributes by providing clear information to its users. | 4.21 | 0,426 | Very High |
| 02 | Financial budgets prepared in accordance with International Accounting Standard No. 01 contribute by providing comparative information for public administrations. | 3.93 | 0,917 | High |
| 03 | The preparation of financial budgets in public administrations contributes by presenting information in a consistent manner. | 3.71 | 0,825 | High |
| 04 | Financial budgets give a true picture of the information and expenditure of public administrations. | 3.93 | 1,072 | High |
| 06 | Financial budgets in public administrations disclose the depreciation of assets over a period of time. | 3.79 | 1,051 | High |
| 07 | Financial budgets in public administrations disclose information to other creditors and debtors, as well as to suppliers and other creditors. | 3.93 | 1,072 | High |
| 08 | Financial budgets in public administrations disclose the results of previous years and compare them with the current year. | 3.79 | 0,975 | High |
| 09 | Financial budgets in public administrations show negative or positive cash balances. | 4.21 | 0,802 | Very High |
| 10 | Financial budgets provide more accurate information in public administrations and facilitate internal and external audit processes. | 4 | 0,961 | High |
| | Activation of the menu of the prepared financial budget in accordance with the International Public Sector Accounting Standard IPSAS01 in the public administration. | 3.94 | 0,695 | High |

Source: Prepared by the researcher based on the results of the statistical programme SPSS. Table number (10) shows that all statements in the axis achieved high levels of agreement, which can be ranked as follows:

- Statement 1 had a mean of 4.21 with a very high level of agreement, which indicates that the preparation of the financial budget in public administrations greatly contributes to the clear presentation of information to its users.
- Statement 9 had a mean of 4.21 with a very high level of agreement, indicating that the financial budget in public administrations strongly discloses negative or positive cash flows.
- Statement 10 had a mean of 4.00 with a high level of agreement, indicating that the financial budget in public administrations discloses accurate information, facilitating internal and external control.
- Statement 2 had a mean of 3.93 with a high level of agreement, indicating that the financial budget in accordance with the International Accounting Standard IPSAS 01 contributes significantly to the presentation of comparative information in public administrations.
- Statement 4 had a mean of 3.93 with a high level of agreement, indicating that the financial budget accurately reflects the information and expenditures of public administrations.
- Statement 7 had a mean of 3.93 with a high level of agreement, indicating that the financial budget in public administrations provides a high level of disclosure of other customers, debtors, suppliers and other creditors.
- Statement 6 had a mean of 3.79 with a high level of agreement, indicating that the financial budget in public administrations discloses the depreciation of assets over a period of time
- Statement 8 had a mean of 3.79 with a high level of agreement, indicating that the financial budget in public administrations discloses the results of previous years and compares them with the current year.
- Statement 3 had a mean of 3.71 with a high level of agreement, indicating that the preparation of the financial budget in public administrations contributes significantly to the consistency of presentation.

The overall mean for the axis was 3.94 with a high level of agreement, indicating a high level of activation of the financial budget prepared according to IPSAS 01 International Accounting Standard in Public Administration. In addition, the standard deviation was 0.6950, indicating that the estimates of the judges in the Tlemcen State Accounting Chamber were not widely dispersed.

Hypothesis testing:

To test this hypothesis, we relied on the mean value of 3 to test the statistical differences between the means of the judges' estimates in the Court of Accounts of the State of Tlemcen, whether to accept or reject the null or alternative hypotheses formulated as follows:

Null hypothesis (H₀): There is no statistical significance at the significance level of 0.05 for the activation of the prepared financial budget according to IPSAS 01 International Accounting Standard in Public Administration, from the perspective of judges in the Accounting Board of the State of Tlemcen.

Alternative hypothesis (H1): There is statistical significance at 0.05 level for the activation of the prepared financial budget according to IPSAS 01 International Accounting Standard in public administration, from the perspective of judges in the Accounting Board of the State of Tlemcen.

After testing the hypothesis and using the results of the SPSS programme, the following results were obtained, as shown in the following table:

Table number (11): Test of the level of activation of the prepared financial budget according to the International Accounting Standard IPSAS 01.

| Axis | Mean | Standard Deviation | Calculated T | Degree of Significance |
|--|------|--------------------|--------------|------------------------|
| Activation of the prepared financial budget menu in accordance with the International Public Sector Accounting Standard IPSAS01 in public administration | 3.94 | 0.6950 | 5.080 | 0.0000 |

Source: Prepared by the researcher on the basis of the results of the SPSS statistical programme.

The table number (11) indicates that the significance level of the axis reached a value of (0.0000) with a degree of freedom of (13). The calculated T-value was (5.080), which is greater than the tabular T-value (2.160) at a significance level of (0.05). This indicates the existence of statistically significant differences between the means of the judges' estimates in the Court of Audit of the Tlemcen State and the assumed value (3). Since the mean value of the axis was calculated as (3.94), the null hypothesis can be rejected and the alternative hypothesis can be accepted, which states that there is statistical significance at the significance level (0.05) for the activation of the prepared financial budget according to IPSAS 01 International Accounting Standard in Public Administration, from the perspective of the judges in the Accounting Chamber of the State of Tlemcen.

Conclusion:

Discussion of the results:

Through the examination of the perspectives of activation of the prepared financial budget according to the International Accounting Standard IPSAS 01 in public administration from the point of view of the judges in the Accounting Chamber of the State of Tlemcen, the following findings were obtained:

- The preparation of the financial budget in public administrations significantly contributes to the clear presentation of information to its users.
- The financial budget in public administrations provides a high level of disclosure regarding negative or positive cash balances.
- The financial budget provides a high level of disclosure about public administrations, facilitating internal and external control processes.
- The financial budget, in accordance with International Accounting Standard No. 01, contributes significantly to comparative analysis with other public administrations.

- The financial budget accurately reflects the information and expenditure of public administrations.
- The financial budget in public administrations provides a high level of disclosure in relation to other customers, debtors, suppliers and other creditors.
- The financial budget in public administrations provides a high level of disclosure regarding the depreciation of assets over a specified period.
- The financial budget in public administrations discloses the results of previous years and compares them with the current year.
- The preparation of the financial budget in public administrations contributes to a consistent presentation.
- There is a high level of activation of the financial budget prepared in accordance with the International Public Sector Accounting Standard IPSAS 01.

Verification of the research hypothesis:

Acceptance of the research hypothesis that there is a statistically significant relationship at the significance level of (0.05) for the activation of the prepared financial budget according to IPSAS 01 International Accounting Standard in Public Administration, from the perspective of the judges in the Accounting Board of the State of Tlemcen.

Recommendations and suggestions:

The adoption of international accounting standards for the public sector does not necessarily mean the adoption of all standards to achieve the desired goal, nor should it be hastily adopted with high percentages. In the case of Algeria, for example, it is suggested to focus first on International Accounting Standard No. 01 "Presentation of Financial Statements" and Standard No. 06, which involves standardising these statements in some non-profit public institutions to serve as a model for other public administrations.

The adoption of Standard No. 01 and Standard No. 06 should be based on samples from different administrations based on different activities. For example, the health sector and municipalities are different from educational institutions. The latter place a high value on achieving public benefit and are less concerned with positive results in the financial statements. However, for hospitals and municipalities, adopting these standards can lead to positive results and generate revenues and income that were not previously generated (when applying the cash basis of accounting).

In order to successfully adopt international accounting standards, it is important to focus on key factors, especially human resources, especially public accountants and expenditure officers. The oversight body should not only rely on the existing staff in public administrations, but also expand its efforts to include graduates from universities specialising in financial accounting and place them in relevant positions in order to save time and achieve the desired goals.

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