

IMPROVING GOVERNMENT ACCOUNTING AND FINANCIAL MANAGEMENT REPORTING IN IRAQ.

Aso Ahmed Abdullah

Department of Accounting and IT

Cihan University

100 Street, Musil Road

Erbil, Kurdistan-Iraq

P.O.Box: 0383-23

ABSTRACT: *The aim of this paper is to study and investigate the improvement of government accounting and financial reporting in Iraq (GAFMR), and then apply a theoretical model to explore accounting reform in the public sector model developed by (Luder 1992). Improving the structure of accounting and financial reporting for the public sector was reformed by previous researchers such as (Christensen 2002; Godfrey, Devlin & Merrouche 1996; Oliorilanto 2008; Saleh, 2007; Yamamoto 1999). The practice of the model allows the Accounting Board to integrate as well as to study a framework that theorises multifaceted internal and external factors, manipulating accounting adjustments and factors that can be barriers to and implementers of reform in Iraq. Recent years have seen improvements in terms of accuracy, accountability and integrity in some areas of Iraqi governmental accounting and financial reporting, but the Iraqi government still prepares their accounts on a cash-based accounting system rather than accrual-based accounting system. There are still calls from international organisations such as the International Monetary Fund (IMF) and Accounting bodies to adopt International Accounting Standards such as International Financial Reporting Standard (IFRS), to significantly improve government transparency and accountability as a means towards financial sustainability.*

KEYWORDS: **Governmental Accounting, Financial Statements and Management Reporting**

INTRODUCTION

Improving the framework of Iraqi GAFMR under International Accounting Standards, such as IFRS, concentrates on the management practices of the public sector towards adopting private sector practices plus the framework, with responsibility focusing on outcomes rather than progressions (Hood 1995; Francesco 2001; Painter 2006). Working towards improvements requires effort for competence and transparency into all fundamentals of the public sector (Boston 1987; Atreya & Armstrong 2002; Baird 2007; Mimba, Helden & Tillema 2007).

The paper has shown that there are regulations and accounting systems that are out dated, and that urgent reforms are needed and that it is necessary to publish comprehensive Governmental Accounting; including the three main important statements: Statement of Revenue and Expenditure, Statement of Financial Position and Cash Flow Statement. Financial reporting is the

best guide of responsibility however, accountability and transparency in Iraq still requires major improvement and also the need to tackle corruption in some public services.

There are many advantages in improving the structure of GAFRM in particular more accounting practice and linking it to the private sector. In addition the reform in shifting from cash based to accrual based accounts, plus improving practise techniques to measure and control activities (Clarke & Lapsley 2004; Venieris & Cohen 2004; Cohen, Kaimenaki & Zorgios 2007; Baird 2007).

In past decades there have been a number of research studies investigating improving government accounting and reforms to Public Management in developed countries (Hood 1995; Brignall & Modell 2000; Clarke & Lapsley 2004; Mimba, Helden & Tillema 2007). However, unfortunately there are limited research studies regarding developing countries such as Iraq and it makes it difficult for new research studies to compare their outcomes to past results (Atreya & Armstrong, 2002; Marwata & Alam 2006; Van De Ven & Poole 1995; Mimba, Helden & Tillema 2007).

There are serious issues of deficiency in accountability and transparency in governmental accounting and financial reporting and these problems have provided strong evidence that most of the developing countries such as Iraq face major problems. Some of the international organisations like the World Bank (WB) and Transparency International (TI), which is provides advice and support, are worried about the lack of progress as well as the concern that these problems are not only real but also continuing.

A significant form of research has been established, mostly in inspecting the nature of governmental accounting and financial reporting. Research in this category characteristically clarifies the practical application of accounting standards in the governmental settings and reporting disclosure, debates currently unsettled regarding the framework of preparing fair and accurate governmental accounting issues, and/or questions current practices in governmental accounting and financial reporting (Aruwa, 2002; Giroux and Apostolou, 1991; Hay and Antonio, 1990; Raman and Wilson, 1990; Lewis, Patton, and Green, 1988; and Ingram, Raman, and Wilson, 1987).

The introducing of good GAFMR to contain all of the public sector's revenue and expenditure, along with analysing the financial position will drive the country forward as well as help decision makers to have a clear view of better planning for the future. They are responsible for formulating financial and economic policies, effective coordination of Government financial operations and management of budget control. Accounting and financial reporting standards also help the Treasury to make better decisions about future planning to ensure public money that is invested generates a positive impact on the population.

LITERATURE REVIEW

Government Accounting (GA) is important to help political stability by ensuring government revenue is not wasted, and is managed and spent efficiently, effectively and transparently; and most importantly that it is appropriately spent on health care, education, transport and

infrastructure. The Iraqi government is obligated to provide accounting and financial reports for Parliament which needs to be approved by the Governmental Accounting Standard Board (GASB), an independent organisation that establishes and improves standards of accounting. Improving GA needs a reform to the framework in the area of financial reporting and management accounting through a typical shift in expectations of preparing Accounting reports, surrounding two types of change: the implementation in practice of new tools and techniques, plus some academic materials, and a practical movement in government accounting. This would lead towards a new theory type in which the accountant acts more in a consultative capacity, essential to managerial decision-making, rather than only as a provider of evidence (Philip and Dart, 2009, Johnson and Kaplan 1987, Burns and Vaivio, 2001). Since the liberation of Iraq in 2003, the Governmental Accounting went through a number of reforms and it has been encouraged by the International Accounting Board to adopt Accounting standards such as IFRS. The current system is democratic and the government is also under pressures to provide fair and accurate levels of revenue and government expenditure.

Shifting from cash accounting to accrual accounting has many objectives and the change can make a positive contribution towards the features of public sector accounting and financial reporting management, one of which is the use of accrual-based consolidated financial reporting. The advantages of accrual accounting are that it allows the presentation of more information on the financial performance and position of the Government. The accrual-based method of consolidated financial reporting comprises changes designed to abolish double counting of data where inter-entity transactions have occurred. However the basis of cash accounting is that it mainly concentrates on government revenue and expenditure in the current financial year. The weakness of cash-based accounting is that it mostly determines that public money has been paid within the limits information accepted by the government rather than following accounting standards. The simple aggregation of cash-based data of individual entities will result in a form of consolidated report, (Grossi, and Tagesson, 2007, Wise, 2004). The following section will look at the aims of a number of accounting reform models that have been developed, based on contingency theory to study accounting changes in public and private sectors. Changing from an old government accounting system to a modern and more information based system leads to important outcomes as it allows public sector organisations to supply complete and trustworthy evidence on public accounting and financial reporting management.

Adopting standard Accounting Models

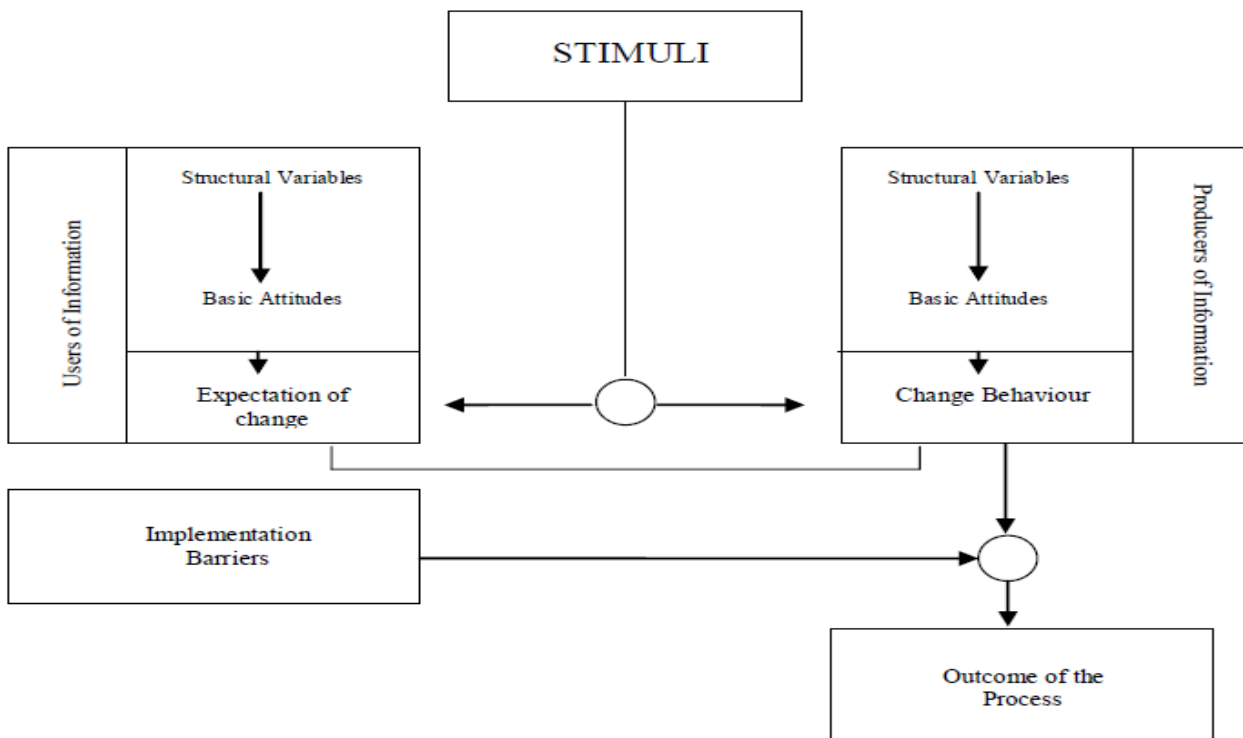
Public Sector

In 1992 Luder developed the accounting model to change public sector accounting and the aims of his research was to reform government accounting in nine developed countries (Germany, Denmark, the European Community, France, Sweden, United Kingdom, United States) in the mid to late 1980s and early 1990s. In 1994 Italy, Japan and Spain were included to the research and into Luder's original study. Luder's model has been studied and evaluated by several academics such as (Christensen 2002; Godfrey, Devlin & Merrouche 1996; Godfrey, Devlin & Merrouche 2001; Jaruga & Nowak 1996; Olorilanto 2008; Saleh 2006, 2007; Yamamoto 1999). Although

Luder’s Model (1990) is aimed at the public sector, the model outlines accounting change in a comparable way to that of Innes & Mitchells’ Model (1990).

The aims of Luder’s (1992) study was to analyse government accounting motivation, and Luder classifies together appropriate and communicative variables that are hypothetically significant in clarifying government accounting reform. The Contingency Model of government accounting motivation studied and applied only in developed countries to change their accounting system. The attempt of the research to move from traditional government accounting to a more informative system, such as moving from cash based to accrual based accounting. The outcome of his research contains the models’ four classes (see figure 1). First, stimuli; second, structural variables; third, characteristics of the political administrative system; and fourth, implementation barriers.

Figure 1: Contingency Model of Public Sector Accounting Innovations – Basic Model



(Source: Luder 1992, p. 2)

Stimuli an event relates to situational factors in the procedures of the financial problem, such as financial crisis, it occurs during the first period of the improvement procedure which create the need for enhanced evidence on the part of the users and increases and produces the willingness to provide such details.

For instance stimuli associated to fiscal stress, financial disgrace and financial catastrophe. the stimuli distresses those in top positions including politicians and authorities; and according to (

Luder, 1992, and 2002, and Chan 2004), it may come to light due to international mergers through accounting coordination, including create public management, donors conditionality, financial scandal and requirements of public sector reform. Stimuli are events that trigger the reform (Jones and Lüder, 2003:44). These include:

Table 1 Stimuli for Accounting Reform

ProbleProblemsms	Requirements by	Opportunities
<input type="checkbox"/> <input type="checkbox"/> Fiscal/economic crisis	<input type="checkbox"/> <input type="checkbox"/> Donor agencies	<input type="checkbox"/> <input type="checkbox"/> Software availability/renewal
<input type="checkbox"/> <input type="checkbox"/> Financial scandal	<input type="checkbox"/> <input type="checkbox"/> Public sector management approach	<input type="checkbox"/> <input type="checkbox"/> Availability of general accepted accounting concepts
<input type="checkbox"/> <input type="checkbox"/> Fragmentation of governmental financial management	<input type="checkbox"/> <input type="checkbox"/> Auditors	<input type="checkbox"/> <input type="checkbox"/> Change of parliamentary majority
<input type="checkbox"/> <input type="checkbox"/> Securing public sector reputation	<input type="checkbox"/> <input type="checkbox"/> Capital market	

1.

Source: Lüder and Jones (2003: 44)

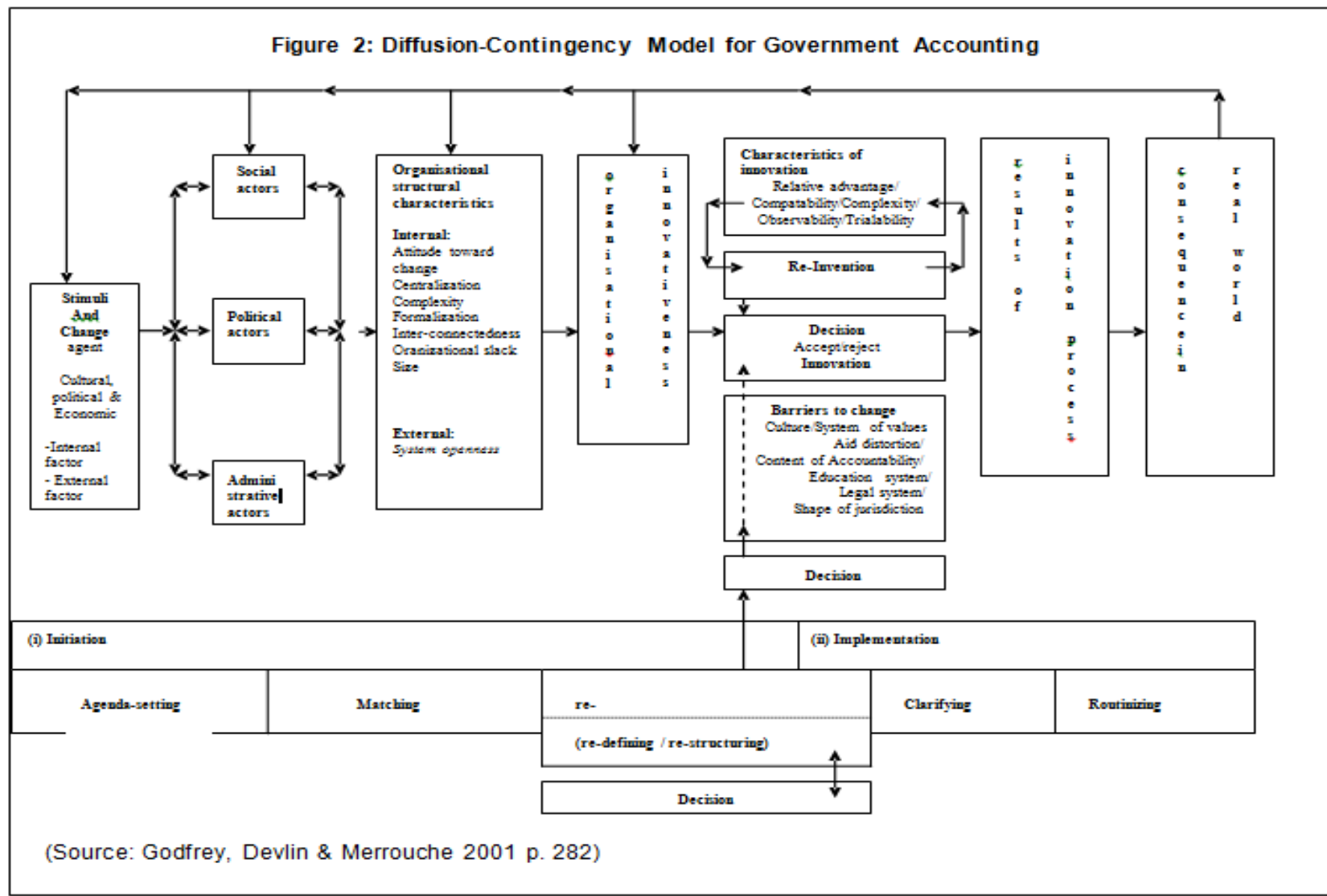
Structural variables this model relates to information procedures of features of the social and politico-administrative systems, which encourage the basic motivation of producers and users of sources to direct indication of a more instructive procedure of public sector accounting. Structural variable is all about the importance of the attitude of the user and procedure, societal culture, capital market and administrative.

Characteristics of the political administrative system states the importance of the political administrative system in the public sector that lead the elementary attitudes of who is going to use the information and the government who produce the information. These co-operations are an internal structure variable and assist in new theory towards a more informative framework of public sector accounting. For instance, this model could influence political completion, political culture and organisational culture.

Implementation barriers are the situations when circumstances that delay the process of implementation, therefore delaying, and in risky cases avoiding, the stage of development and progress it came with identifying the barriers and influence the conception of a more useful accounting system which is in principle required. For example the permitted system and staff with the necessary qualifications.

Luder's (1992) investigation highlighted that the key determination of the contingency model was for two reasons: firstly, it was anticipated to work as a structure for empirical investigations into governmental accounting reforms and to support in the evaluation of investigation conceded out by different researchers. Secondly, it was designed to generate additional study in approving, fabricating, adjusting and also practice it. Furthermore a number of academic scholars interested in the Luder 1992 model, investigated the contingency model by adding (See figure 2) and stipulating further variables to understand more the variation process (Godfrey, Devlin & Merrouche 1996).

Figure 2: Diffusion-Contingency Model for Government Accounting



Furthermore the Luder's model was investigated by another scholar Christensen (2002) who examined the development of accounting change in the New South Wales State Government of Australia. Christensen (2002) concentrated on the historical of the reform development and located importance on the main factors of change. Christensen's (2002) research acknowledged three categories of key performers: (1) promoters of change, (2) producers of information and (3) users of information.

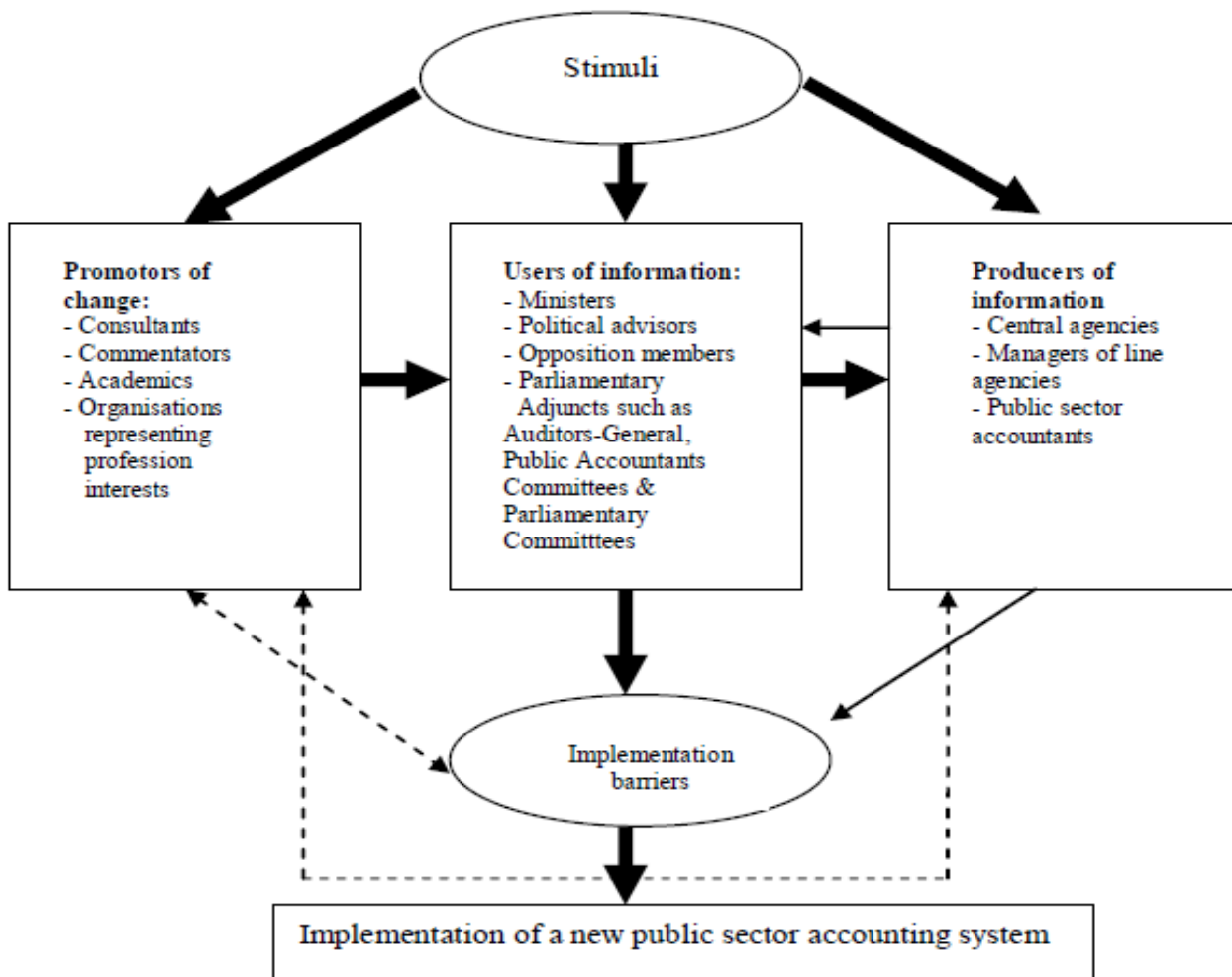


Figure 3: Process Model of Public Sector Accounting Change

(Source: Christensen 2002 p. 99)

Changes to Iraqi's public sector accounting can be delivered by encouraging academics scholars and governmental organisations, to support changes in the accounting system. Also it is important for central government to provide necessary resources to co-operate with accounting bodies such as Chartered Institute of Public Finance and Accountancy (CIPFA), Association of Chartered

Certified Accountants (ACCA) and Chartered Institute of Management Accountants (CIMA). Change can also be enthused by those who apply the information, for example the politicians and decision makers who have a duty and responsibility to serve the public and government.

It's very crucial for the Iraqi government to adopt a new accounting system; the change can be useful for other users such as Opposition politicians and Parliamentary adjuncts such as the Auditors-General Public Accounts Committees and Parliamentary Committees. Nevertheless, regardless of the willingness for change, (Luder's, 1992) model stated there can be some barriers to block the changes, for example attitude and characteristics internally and an accounting system that can limit the possibilities accessible to instrumental change. ACCA (2012) states that recent years have seen increasing attention on improving features of Governmental Accounting such as a move from cash based accounting system to an accrual-based accounting system around the world, especially in developing countries such as Iraq.

Government accounting and financial statement uses

The idea of the improvement of government accounting and financial management can lead towards some system of improvement and adopting standard models. The improvement theory is that all structures are connected to the accrual-based accounting system. The changes also contain ways of measuring efforts and Government accounting and financial statement uses (Oliorilanto 2008; Saleh 2006, 2007; Yamamoto 1999). There three main important statements most of the governments and private companies concentrate on are: statement of revenue and expenditure, statement of financial position or balance sheet and statement of cash flows. Each of those statements has a very crucial role and has strong links to economic conditions. Another benefit of financial statements is that they give the public a platform on which to hold local public services to account about the services they provide. To do this, people need accurate information and data about what decisions the public sector and government are taking, and how the government are spending public money. If the government publishes their data in open formats with reliable auditing, people will be able to use the data for many different purposes, especially investment projects. The measurement of improvement can be focused on revenue, public expenditure, assets, level of liabilities and monetary provisions.

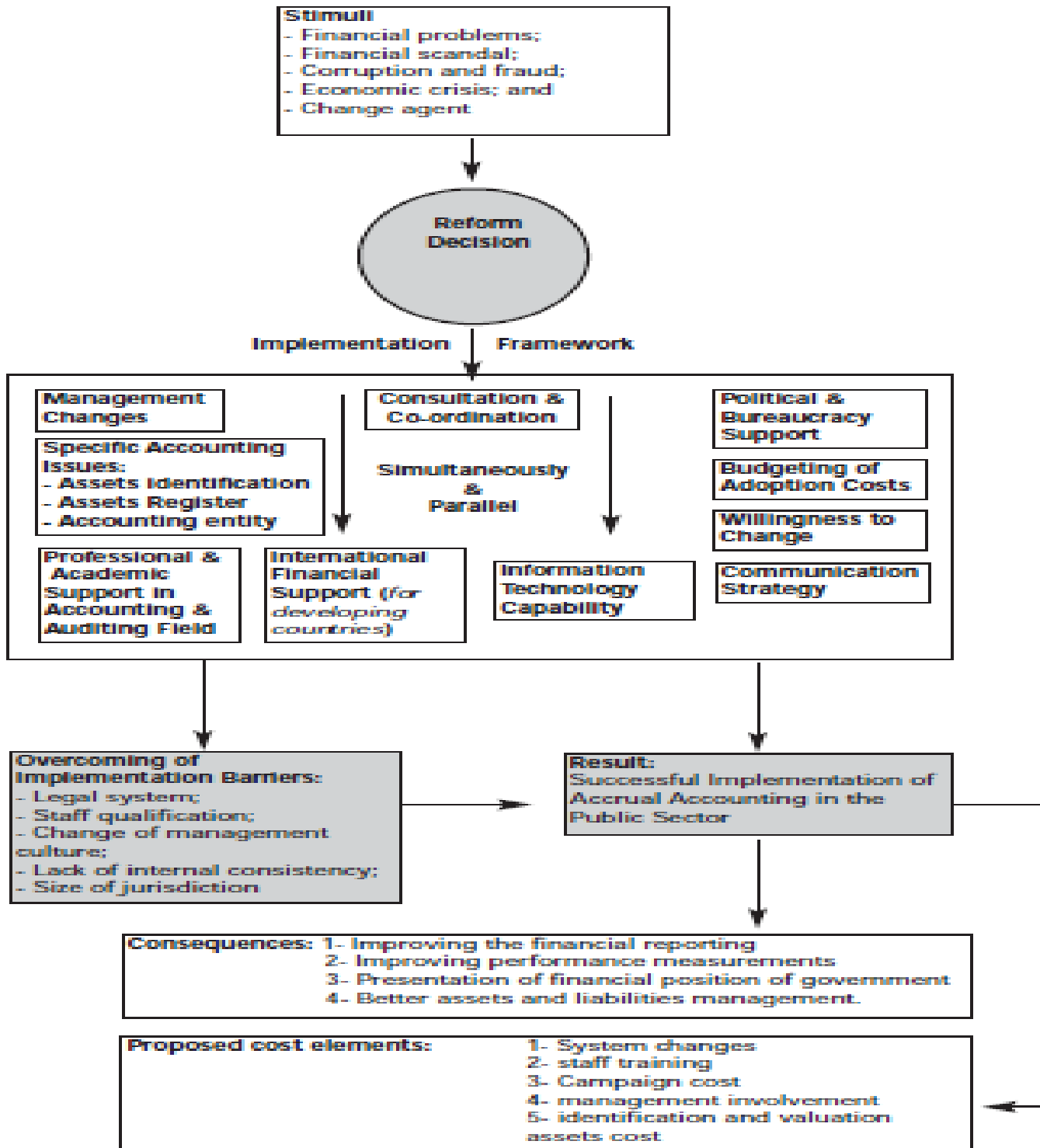


Figure 4: Process Model of Public Sector Accounting Change

(Source: Public Fund Digest, 2004)

Adopted new accounting framework in Iraq

The conclusions from (Luder, 1992, Godfrey, Devlin & Merrouche 2001 Christensen 2002), studies regarding changes in public sector accounting are that the model was developed to improve public sector accounting. The model was adopted in many developed countries such as Germany, Sweden, Japan and Australia, and has had a positive impact and contributed towards improving the image of public sector accounting. Each of the models have important roles, however the changes only happen where there is demand from users, for example politicians, investors and the public. The changes require staff attitude, motivation, and support from the government and also providing appropriate training.

Godfrey, Devlin & Merrouche (1996) investigated the contingency model in developing countries and indicated there is support and advice provided by international funding organisations and donor agencies. The Iraqi government are under intensive pressure and demand from international organisations and donor agencies such as the International Monetary Fund (IMF) and the World Bank (WB). In the meantime these organisations and donors are working side by side with developing countries in providing support, training and encouragement and can directly or indirectly stimulate the change process to adopt an accounting change model (Godfrey, Devlin & Merrouche 1996; Hood 1995). For example, Godfrey, Devlin & Merrouche (1996) highlighted that developing countries could change their accounting system for important reasons as follows.

Firstly, to meet international accounting standard bodies' requirements such as International Public Sector Accounting Standards (IPSAS), IMF, WB. Secondly, adopting a change model is necessary as it is beneficial not only to the government but also helps Foreign Direct Investment (FDI), for instance good governmental accounting motivates investors to invest. Thirdly, it is important for society as it helps the public to trust the government. Until now there is no Government Accounting Board (GAB) in Iraq, and the Iraqi Accounting system is Cash based. According to the Guardian (2012), Iraq came out as one of the top eight countries in the World for corruption, so the reform in accounting system is not only required to meet International Accounting Standards but also to improve the country's international reputation (Godfrey, Devlin & Merrouche 1996).

Poor Accounting and Auditing (AA) will have a negative impact on development outcomes. It weakens efforts for success and currently many private accounting institutions have been prevented access to basic public services which has had a direct impact on economic growth. It is now broadly recognised that international aspects of accountancy based corruption can have a significant impact on domestic governance and progress efforts (Kasurinen, 2002).

Ball and Pflugrath (2012) said the problem with poor Government Accounting practice is it does not assist the decision maker to make appropriate decisions, such as how to allocate resources and handle revenue and expenditure. Poor accounting and financial management reporting could lead to a financial crisis. The Iraqi government needs to make every effort to improve GAFMR and good accounting practices that will result in comprehensive and dependable reporting of the presentation of the current position by the government, as well as those that are audited. Improving responsibility and transparency are crucial to avoiding the problems highlighted by the sovereign

debt crisis. The IMF (2011) stated that weaknesses in government balance sheets are damaging the private sector and investors' confidence, through higher country risk premiums and the fears of write-downs on government debt holdings. Incomparable, strong and active accrual-based financial reporting systems, for example those based on (IPSASs), are essential to attractive accountability and transparency in government financial reporting.

Key drivers for improvement in Governmental Accounting

The Iraqi government has taken steps toward making improvements and challenging efficiency and effectiveness of current accounting control mechanisms. The key driver for GAFMR has to begin with freedom of economic independence for private accounting firms Ouda (2004). Also the government needs to work closely with Universities and scholars to encourage teaching in modern accounting and keeping in touch with accounting bodies. Many accounting professors are struggling to stay up to date with accounting reforms. Numerous universities in the country do not have contacts with accounting professional bodies which is leading to a gap between accounting theories, accounting practice, create human capacity and shortage of professional serving accountants.

Nevertheless there are high demands for accounting professionals from public and private sectors. To ease the demand, the Iraqi government needs to encourage private accounting bodies to work closely with universities on provide training for professional accounting qualifications. A major advantage of accounting bodies is that they will build capacity within the profession in Iraq, and in addition professional accounting bodies play a major role in tackling corruption and making accounting firms attractive amongst other bodies.

Improvement drivers contain government instructions, specialised associations, audit institutions, accounting bodies, scholars and universities. Those groups are key decision makers, they are professional, have expertise for any accounting change models and they have a crucial role for the reform, especially when it comes to debates and evaluating matters. It is worth mentioning that the politicians are central key players to change any systems, generally associates of government have the last word in any administrative reform. In respect of accounting change, the minister of finance holds the most important position to process the reform.

Another reason for adopting accounting change is due to financial crisis, economic downturn, budget deficit, high unemployment, corruption and government liability. For example when the Thai government was hit with a financial crisis they adopted accounting change. Also some European countries such as France and Finland changed their operation of model of accounting and financial reporting. The Iraqi public sector suffers from lack of value and quality administration information than the private sector. The producer of public sector information is provided with important capacities of data and information, which can be untrustworthy and late. Frequently there are too many objectives and goals, concentrated on inputs rather than outcomes or impact. Decision support is therefore poor, making it challenging to sustain decision making (Ross, 2011).

Nevertheless the Iraqi government is encouraging foreign companies to invest in different fields and at present large numbers of foreign companies are operating in Iraq such as USA Exxon Mobil,

Canadian Talisman Energy Inc. and Britain Sterling Energy; invest in rich natural resources, especially oil and gas. In the meantime these companies can have an advantage in terms of corporation tax and can apply different accounting systems in areas where the Iraqi government does not have enough accountancy expertise. Good government accounting is not only providing accurate information, but it also helps in economic growth and provides assurance to foreign investors. Johnson (2013) highlighted in the Financial Times the number of banks willing to open branches in Iraq such as Citigroup, JP Morgan and Standard Chartered.

Ross (2011) explained the issues of the public sectors of different countries are formed by numerous features, but they have similar barriers to challenges. Those contests create public sector performance management more difficult compared to the private sector. Usually by the private sector having an easy environment and effective development of best practice, assists companies to take advantage of resources and it makes public sector administration more frustrating as they are not able to use the same resources and benefit from them. Iraqi's experience with economic growth and the increasing interdependencies of public and private sectors creates the biggest challenge for the public sector to adopt standard accounting systems.

CONCLUSION AND RECOMMENDATION

This study has provided an argument for improving governmental accounting and financial reporting in Iraq, through application of a theoretical model developed by Luder, (1992 – 2001), Cobb, Helliard & Innes (1995), Christensen (2002), Kasurinen (2002), and Godfrey, Devlin & Merrouche (2001), by examining the contingent variables that might support accounting change in the public sector in a developing country, such as Iraq. The theoretical model has support for change in public sector accounting, it should link to the way private sector accounting systems operate, and the information should be accessible for users. Innes and Mitchell (1990) explained there are factors that might encourage change in public sector accounting and those factors can be the internal and external demands on an individual resulting in them to act certainly to create change. Nevertheless change can become a reality when actual and appropriate assisting circumstances are available. Improvement of accounting system can only happen by adopting accounting standards moving from traditional accounting to modern accounting systems, and a restructure of the accounting framework.

In 2005 Iraq announced a number of reforms to public sector financial management and the key purpose was to increase transparency, responsibility and accountability of the governmental agencies. Nevertheless, it has been established that the reform initiatives have failed to achieve the objectives of the improved transparencies and accountabilities as indicated by the public auditors. The main reason for the failure is due to a lack of high level of governmental agencies with qualified auditors to recognise the improvement from adopted accounting changes. Up to the date of this report, the Iraqi government has made little steps towards improving government accounting, because the demand of providing quality accounting information is not on the table. There is demand for information from different government agencies, but the politician and decision maker rarely use accounting information for decision making purposes.

Having an accurate accounting system and reliable financial reporting, highlights the availability of financial resources to utilise in order to achieve objectives in the best interest of the public. Nevertheless, the government should invest in human capacity, adopting good accounting systems and train governmental accountant officers and promote stewardship reporting, which prevents external reporting by the government. The Iraqi Accounting board should do everything they can to ensure government accounting officers are adequately trained and they should also update the financial system and link the government accounting system with International Accounting Standards, such as IFRS. It is also important to co-operate with recognised Accounting Bodies, as improving GAFMR is important in making the country attractive to outsiders to FDI. It also makes the public trust the government and tackles corruption, of which the Iraqi government suffers from extensively. There is a tendency towards improvement of corporate financial reporting through special funding to train public accounting officers and hence produce higher standards of performance.

This research finds the key to establishing whole governmental accounting is having financial statements audited by reliable and reputable auditing firms such as Deloitte and Price Waterhouse Coopers. The Iraqi Accounting Board has made significant progress in recent years in some areas and a number of reforms have been made. For example adopting IFRS and also encouraging Universities to co-operate and teach modern accounting. Moreover, the essentials of Iraqi constitutional agendas are sound in terms of basic A&A requirements; in most countries the corporate financial reporting framework contains the important fundamentals.

REFERENCES

- Aruwa, S.A.S (2002), Empirical Investigation of the Information Content of Published Government Financial Statements, M.Sc. *Accounting and Finance Thesis*, A.B.U., Zaria.
- Atreya, B & Armstrong, A (2002), "Evaluation of the applicability of NPM reforms to developing countries: a case from Nepal", Working Paper No. 17, *Victoria University*.
- Baird, K 2007, "Adoption of activity management practices in public sector organizations", *Accounting and Finance*, Vol. 47, No. 4, pp. 551-569.
- Ball, I, & Pflugrath, G (2012), 'Government Accounting: Making Enron look good', *World Economics*, 13, 1, pp. 9-26, Business Source Complete, EBSCOhost, viewed 23 October 2013.
- Boston, J (1987), "Transforming New Zealand's public sector: labour's quest for improved efficiency and accountability", *Public Administration*, Vol. 65, No.4, pp. 423-442.
- Burns, J. and Vaivio, J. (2001). Management Accounting Change. *Management Accounting Research* 12, 389-402.
- Chan, J. L., Jones, R. H., & Lüder, K. G. (1996). Modeling Governmental Accounting Innovations. *Research in governmental and nonprofit accounting*, 9, 1-19.
- 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.
- Clarke, P & Lapsley, I (2004), "Management accounting in the new public sector", *Management Accounting Research*, Vol. 15, No. 3, pp. 243-245.

- Cohen, S, E. Kalmenaki, E. & Zorgios, Y (2007), "Assessing it as a key success factor for accrual accounting implementation in Greek municipalities", *Financial Accountability & Management*, Vol. 23, No. 1, pp. 91-111.
- Cooper, P., & Dart, E. (2009). Change in the management accountant's role: drivers and diversity. *University of Bath, School of Management, Bath*.
- Godfrey, AD, Devlin, PJ & Merrouche, C (1996), "Governmental accounting in Kenya, Tanzania and Uganda", *Research in Governmental and Non-profit Accounting*, Vol. 9, pp. 193-208.
- Grossi, G., & Tagesson, T. (2007). Consolidated financial reports in local government: a comparative analysis of IPSASB and SCMA.
- Hood, C 1995, "The new public management" in the 1980s: variations on a theme", *Accounting, Organization and Society*, Vol. 20, No. 2-3, pp. 93-109.
- International Monetary Fund (2011) Global Financial Stability Report, April. International Monetary Fund Website, www.elibrary-data.imf.org (accessed April 2011).
- Johnson, S. (2013) *Iraq: can a dusty war zone become a golden opportunity*. [online] 06 October [Accessed on 10 October 2013]. Available at:
< <http://www.ft.com/cms/s/0/fb32e390-2a80-11e3-ade3-00144feab7de.html>>
- Johnson, H. and Kaplan, R. (1987). *Relevance Lost: The Rise and fall of Management Accounting*. Harvard Business School Press, Boston.
- Kasurinen, T. (2002), "Exploring management accounting change: the case of balanced scorecard implementation, *Management Accounting Research*, Vol. 13, pp. 323-343.
- Khalid Al-Ansary and Nayla Razzouk. (2013) *Iraq Generates Increased Revenue from Crude Exports in July the Bloomberg* [online] 20 August [Accessed on 24 January 2013]. Available at: <<http://www.bloomberg.com/news/2013-08-20/iraq-generates-increased-revenue-from-crude-exports-in-july.html>>.
- Lapsley, I (1999), "Accounting and the new public management: instruments of substantive efficiency or a rationalizing modernity?" *Financial Accountability & Management*, Vol. 15, No. 3, pp. 201-207.
- Lapsley, I & Pallot, J (2000), "Accounting management and organizational change: A comparative study of local government", *Management Accounting Research*, Vol. 11, No. 2, pp. 213-229.
- Lapsley, I & Wright, L (2004), "The diffusion of management accounting innovations in the public sector: a research agenda", *Management Accounting Research*, Vol. 15, No. 3, pp. 355-374.
- Luder, K. (1992), "A contingency model of governmental accounting innovations in the political-administrative environment", *Research in Governmental and Non-profit Accounting*, Vol. 7, pp. 99-127.
- Mimba, Ni Putu SH, Helden, GJV & Tillema, S (2007), "Public sector Performance measurement in developing countries: a literature review and research agenda", *Journal of Accounting & Organizational Change*, Vol. 3, No. 3, pp. 192-208.
- Mir, M., & Sutiyono, W. (2013). Public Sector Financial Management Reform: A Case Study of Local Government Agencies in Indonesia. *Australasian Accounting Business and Finance Journal*, 7(4), 97-117.

- Oliorilanto, RH 2008, "Contingency factors affecting the adoption of accrual accounting in Malagasy Municipalities", *International Journal on Governmental Financial Management*, vol. 8, No. 1, pp. 37-50.
- Ouda, H. (2004). Basic Requirements Model for successful implementation of accrual accounting in the public sector. *Public Fund Digest*, 4(1), 78-99.
- Painter, M 2006, "Thaksinisation or managerialism? Reforming the Thai bureaucracy." *Journal of Contemporary Asia*, Vol. 36, No. 1, pp. 26-47.
- Pallot, J. (1992). Elements of a theoretical framework for public sector accounting. *Accounting, Auditing & Accountability Journal*, 5(1), 38. Retrieved from <http://search.proquest.com/docview/211228089?accountid=14685>
- Ross, L. (2011). Public sector performance: A global perspective (No. id: 4642).
- Saleh, Z & Pendlebury, MW 2006, "Accruals accounting in government developments in Malaysia", *Asia Pacific Business Review*, Vol. 12, No. 4, pp. 421-435.
- The Association of Chartered Certified Accountants (2010) *Improving public sector financial management in developing countries and emerging economies*. [Online] London: ACCA. [Accessed on 12 September 2013]. Available at: <http://www.accaglobal.co.uk/content/dam/acca/global/PDF-technical/public-sector/tech-afb-ipsfm.pdf>.
- The Department for Communities and Local Government (2013). *Making local councils more transparent and accountable to local people* [online]. London [Accessed on 25 December 2013]. Available at: <https://www.gov.uk/government/policies/making-local-councils-more-transparent-and-accountable-to-local-people>.
- The guardian (2012), Corruption index 2012 from Transparency International. [Online] 11 November [Accessed on 11 November 2013]. Available at: <http://www.theguardian.com/news/datablog/2012/dec/05/corruption-index-2012-transparency-international>.
- Venieris, G & Cohen, S 2004, "Accounting reform in Greek universities: A slow moving process", *Financial accountability & management*, Vol. 20, No. 2, pp. 183-203.
- Wise V. (2004). Government consolidated financial reporting: harmonisation issues. Paper presented at Business and Economics Society International Conference, Island of Rhodes, Greece.
- Yamamoto, K 1999, "Accounting system reform in Japanese local governments", *Financial Accountability and Management*, Vol. 15, No. 3-4, pp. 291-307.