

Foreword

Public sector reform is no longer confined to the developed countries. It will be unfair, even for the sake of academic argument, to claim that there have been no reforms with regard to improving the quality of public services in developing countries. The developing countries are increasingly reforming their public sectors to make them less greedy of scarce public resources, more efficient, more competitive and more customer-focused. One of the most important reforms is the public sector accounting reform. Accounting and reporting in the public sector are the sole sources of information for monitoring and making effective management decisions and achieving the accountability and transparency in the public sector. Therefore, this current issue focuses mainly on the accounting reform in the public sector of developing countries.

The first article of this issue deals with the adoption of IPSAS in the public sector of Indonesia. In this article, Ibrahim Wijaya and his colleagues have attempted to investigate the conformity of the contents of Indonesian Government Accounting Standards with IPSASs. The findings of this study indicated that Indonesian Government Accounting Standards have already presented five elements of financial reports recommended by IPSASB, namely, balance sheet, cash flow statement, operating statement, statement of changes in net assets/equity, and accounting practices and financial statement notes.

The second article focuses on public sector accounting and financial reporting reforms in Sri Lanka. In this paper, Nagalingam Nagendrakumar has addressed the implementation process of the accounting and financial reporting reforms and argues that it should be appropriate to the context of international and country-specific constituents and should map sequential steps which should be logically appropriate for institutionalizing the reforms. The findings suggested that there is a need for a more pragmatic approach to identifying the right accounting reforms and their implementation.

The third article deals with the lack of actual use of accounting information in the public sector by different users, as they claim that this information is not practice-relevant. In this paper, Hassan Ouda has used a Practice-oriented Co-design Approach with the aim of conceptualizing a dynamic model for designing an accrual accounting and financial reporting system. This system can produce the practice-relevant financial information which takes into account the diverging needs of different stakeholders and can be used and appreciated by politicians and other users.

In the fourth article, Tetiana Iefymenko and Liudmyla Lovinska deal with the experience of Ukraine in implementation of IPSAS in the context of cooperation with the United Nations.

In the last contribution, Michael Parry and Jesse Hughes describe a structured but flexible approach to sequencing the modernisation of government financial reporting. The paper recognises the dual issues of moving to accrual accounting and expanding the reporting entity (consolidation), and the fact that such modernisation of financial reporting is likely to extend over many years.

We hope the articles in this issue will stimulate discussion on contemporary problems of public organizations. If you would like to participate in such discussions, please contribute to the next issue of this Journal and/or attend future ICGFM events. We would also be pleased to receive reviews and suggestions for future issues. Send them to icgfm@icgfm.org.

We look forward to hearing from you!

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