

The General Budget under the Adoption of International Public Sector Accounting Standards (IPSAS)

Harmel Ibtissem ^{*1}, Diafi Nawel ²

¹ Financial and Accounting Studies Laboratory, Faculty of Economics Business and Management Sciences, Djillali Liabes University, Sidi Bel Abbes, Algeria, ibtissem.harmel@univ-sba.dz,

² Financial and Accounting Studies Laboratory, Faculty of Economics Business and Management Sciences, Djillali Liabes University, Sidi Bel Abbes, Algeria, pr.diafinawel1985@gmail.com,

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Abstract:

Against the backdrop of public financial reform in Algeria, this study aims to explore the anticipated impact of adopting the International Public Sector Accounting Standards (IPSAS) on improving both the preparation and execution of Algeria's general budget. To achieve this aim, a questionnaire was administered to a selected group of 45 practitioners, including ordonnateurs, public accountants, budget controllers, budget inspectors, and senior officials within the Ministry of Finance. The collected data were statistically analyzed using SPSS.

The results show that the Algerian government's adoption of IPSAS represents a fundamental step toward budgetary reform, with a notably significant positive impact of this adoption on enhancing the effectiveness and accuracy of both budget preparation and implementation.

Key Words: International Public Sector Accounting Standards, General Budget, Budgetary Reform, Accounting Reform.

JEL Classification: H72, H83, M40,

^{*} - Corresponding author: Harmel Ibtissem, e-mail: ibtissem.harmel@univ-sba.dz.

1. Introduction

Many governments have introduced profound reforms in their budgetary and accounting systems within the framework of modern public management, bringing administrative and accounting practices inspired by the private sector into the public sector in order to achieve efficiency and effectiveness in the use of public funds. To align with this orientation, the Algerian government embarked on a new budgetary reform designed to move from an input logic to a results- and performance-based logic, introducing programme-based budgeting that concentrates on results and objectives rather than on inputs.

Since accounting reform complements budgetary reform, it has become essential to overhaul the State's accounting framework. In particular, a shift is required from a cash-basis system that records revenue collection and expenditure payments toward an accrual-basis system drawn from IPSAS, which set out principles and rules for recording, measuring, and disclosing accounting transactions. This change aims to produce accurate and comprehensive financial statements that provide a true picture of the State's financial position, including assets, liabilities, revenues, and expenditures; in turn, this will have direct repercussions for the general budget.

In light of these developments, this study seeks to address the following main research question: **What is the impact of adopting IPSAS on improving the preparation and execution of Algeria's general budget?**

To explore this question in greater depth, two sub-questions have been formulated:

- Does the adoption of IPSAS have a statistically significant impact on improving the preparation of Algeria's general budget?
- Does the adoption of IPSAS have a statistically significant impact on improving the execution of Algeria's general budget?

Based on these sub-questions, the study tests the following hypotheses:

- The adoption of IPSAS has a statistically significant impact on improving the preparation of Algeria's general budget.
- The adoption of IPSAS has a statistically significant impact on improving the execution of Algeria's general budget.

Accordingly, the main objective of this research is :

To clarify, from a forward-looking perspective, how the adoption of IPSAS enhances the preparation and execution of Algeria's general budget.

To achieve this aim, the following research methodology was adopted :

The study employed a descriptive approach to examine both IPSAS and the general budget. A questionnaire was then used to explore, through a sample of practitioners, the prospective impact of adopting these standards on improving the preparation and execution of the general budget in Algeria.

Literature Review:

1. Ben meghnia Halima & Ben slimane Najibb, **The role of the International Public Sector Accounting in improving the quality of invormation provided by the financial statements within Organic Law 18-15**, Knowledge Aggregates Journal, Vol. 10, No. 02, 2024.

This study aims to clarify the importance of IPSAS and their role in improving the quality of information in the financial statements within the Algerian local public administration. Using a desprictive approach, data was collected via a questionnaire distributed across several municipalities and analysed using SPSS. The study found that the IPSAS is crucial for delivering more accruate ans reliable information, significantly improving error detection and anti-corruption efforts. This ultimately strengthens confidence in financial statement.

While this study focused on the importance of IPSAS for financial reporting quality, it did not clarify the expected impact of these standards on improving budget preparation and execution, which is precisely what our study seeks to address.

2. Akram Shteih and Hakim Boujtou, **The Adoption of the International Public Sector Accounting Standards (IPSAS) as a Mechanism to Modernize Algeria's Public Budget System: View of the French Experiment**, Review of Economic Reforms and Integration in the World Economy, Vol. 13, No. 02, 2019.

This study aimed to clarify the role of IPSAS in modernizing the public-budget system by analysing statistical data on Algeria's general budget for the period 2000–2019 and by presenting the French experience. The authors showed that Algeria suffers from low forecasting accuracy for revenues and expenditures, a weakness that necessitates updating the public-budget system and adopting IPSAS. Moreover, by examining the French case, the study demonstrated that these standards enhanced forecasting capacity for both revenues and expenditures while also improving control over government spending. Our study diverges from this work because it concentrates, from a forward-looking perspective, on the impact of IPSAS adoption on improving the preparation and execution of the general budget in Algeria.

3. Safaa Ahmed Mohammed and Roaa Mustafa Kamel, **The Impact of the International Public Sector Accounting Standards (IPSAS) on the Public Budget in Iraq**, Journal of Economics and Administrative Sciences, Vol. 24, No. 103, 2018.

The study focused on the impact of IPSAS adoption on Iraq's general budget, employing a questionnaire to collect and analyse data. Their findings indicated that accrual-basis accounting constitutes an essential element of general-budget reform. The study further underscored the importance of IPSAS in supplying information that strengthens budget planning and control. Although this research resembles our study with respect to the main question and research instrument, our study differs by examining the impact of IPSAS on the general budget through specific dimensions namely, resource allocation, identification of actual programme costs, and evaluation of programme performance areas that the previous study did not cover, in addition to other aspects that it did not address in detail.

2. Theoretical Framework

2.1. The State's General Budget

The general state budget is an essential instrument for allocating public resources so that society's collective needs security, education, health, infrastructure projects, and related services are satisfied. Because resources are limited whereas needs are numerous, the government must prioritise its policies and programmes, thereby using resources efficiently and achieving the intended outcomes (Aman, 2019, p. 8).

The budget serves as the State's action plan; in other words, it is a blueprint that sets out the programmes and projects selected for implementation. It therefore specifies projected expenditures and revenues with the aim of attaining the government's economic, social, and political objectives (Sakhraoui, 2022, p. 19). Its importance lies not only in estimating expenditures and revenues but also in functioning as a planning tool that enables the government to determine expenditure priorities and to allocate resources for policy execution. Consequently, the budget guides socio-economic development, improves living standards, and ensures that the government remains accountable to citizens.

Several approaches may be adopted when drafting the general budget. Earlier methods emphasised inputs; however, recent approaches focus primarily on outputs and results (Brusca & Labrador, 2016, p. 2).

In this context, the Algerian government took a significant step toward budgetary and accounting reform by promulgating a new legal framework, namely Organic Law No. 18-15 on Finance Laws. After more than five years of work on its implementation, the law entered into force in 2023 and seeks to introduce practices centred on results, transparency, and performance instead of on inputs.

Previously, Algeria relied on the traditional or input-based budget, under which appropriations were distributed on the basis of the previous year's budget without any link to programmes or objectives. This structure encouraged managers to consume credits irrationally so that their future budgets would not be reduced (Brusca & Labrador, 2016). Such behaviour fostered waste of public funds. Consequently, the government replaced the traditional budget with programme-based budgeting, meaning that appropriations are now allocated according to the objectives achieved through spending and not merely according to the amount spent.

2.2. Adoption of the International Public Sector Accounting Standards

The International Public Sector Accounting Standards Board (IPSASB) has issued accrual-based accounting standards that are tailored to public-sector entities. These standards referred to as IPSAS provide a coherent framework for the preparation and presentation of public financial statements, thereby improving reporting quality while promoting transparency and accountability in the public sector (Evangelos, Ioannis, Stergios, & Ioanna, 2020, p. 4). Although IPSAS draw primarily on the International Accounting Standards and International Financial Reporting Standards (IAS/IFRS) applied in private-sector practice, they incorporate additional provisions that address the distinctive needs of the public sector. By 2025 the IPSASB had promulgated fifty accrual-basis standards (forty remain in force after the withdrawal of ten). and one further standard, issued on a cash basis.

Moreover, IPSAS set out a body of accounting principles and rules that specify how accounting events and transactions are to be recognised, measured, recorded in financial statements, and disclosed to users. The overarching purpose of these standards is to furnish clear and precise information that offers a comprehensive picture of the State's financial position (Sinan Zuhair & Tgreed , 2022, p. 249). Accordingly, the resulting data support informed decisions on the allocation of public resources.

In Algeria, budgetary reform proceeds in lock-step with accounting reform. Organic Law No. 18-15 and Law No. 23-07 on public-sector accounting and financial management ushered in a three-track system. First, budgetary accounting monitors revenue and expenditure execution. Second, general accounting captures every transaction affecting assets, liabilities, and results on an accrual basis. Third, cost-analysis accounting traces the costs of activities and programmes. (Executive Decret No. 24-90, 2024, pp. 17-19)

Prior to adopting IPSAS, Algeria relied on cash-basis accounting, a system that recognizes revenue and expenditure solely when cash is received or paid. Although this system facilitates cash-flow monitoring, it fails to capture non-cash movements, such as variations in assets, liabilities, or debt, and therefore limits insight into the State's overall financial position (Acha & Ghouini, 2020, p. 375). This limitation generated several difficulties, notably reduced budget transparency and inefficient use of public funds. Under the current accrual-based framework, transactions are recorded and disclosed in the financial statements for the period to which they relate, irrespective of the timing of cash settlement. Consequently, the authorities obtain a more accurate view of the State's finances, identify and value fixed assets and inventories, and detect potential risks together with future obligations (Ayachi, 2018, p. 28).

To underpin the shift, Algeria released a new state accounting system and adopted seventeen state accounting standards (NCE) inspired by IPSAS and by France's RNCE. Nonetheless, transactions remain largely cash-based because significant hurdles persist: the inventory and valuation of public assets are unfinished, many entities still lack full valuations, and the NCE texts have yet to move past the draft stage.

2.3. Relationship between IPSAS and the General Budget

Effective budget formulation, implementation, and oversight all begin with the figures produced by the national accounting system. In fact, the budgetary cycle and the accounting framework reinforce one another at every stage (Yahya ALtaee & Abdullah, 2023, p. 192).

When financial reports follow a recognised framework such as IPSAS, each economic event is recorded in the period to which it genuinely relates. This practice strengthens transparency and accountability while offering a fair view of the State's financial condition (G. Gkouma & Filos, 2022, p. 66). With this, decision-makers can calibrate the budget more accurately, particularly by producing more reliable forecasts for both revenues and expenditures. Thus, the most channels through which the IPSAS influence budget preparation and execution are:

- *The transition from a cash basis to an accrual basis*

Under a cash-basis system, managers were assessed chiefly on their adherence to the appropriations authorised in the budget. The key issue, therefore, was whether public funds had been disbursed strictly within the limits laid down by the legislature. After the transition to accrual accounting the core principle underpinning IPSAS the assessment framework changes.

Performance is now measured by the extent to which managers achieve stated results, and the emphasis shifts to aligning allocated resources, rather than merely expended cash, with the outcomes delivered. This alignment permits a more accurate appraisal of programme efficiency and effectiveness. Moreover, accrual accounting enhances cost control because revenues and expenses are matched to the periods that generate them, while computed charges such as depreciation are recorded. Finally, continuous monitoring of budget execution, together with clearer lines of accountability, restricts opportunities for misuse of public resources (Rakoto & Lande, 2008, p. 3).

- *The IPSAS 24*

IPSAS and, more specifically, Standard 24 require every entity that must, or chooses to, publish its budget to compare the amounts voted in that budget with the actual figures recorded during execution and to present the comparison in its financial statements. In addition, the standard calls for disclosure of any material variance between the two sets of figures. Publishing actual results alongside the approved budget is essential for holding officials responsible for budget implementation to account. By complying with this requirement, public bodies meet their accountability obligations, promote transparency by demonstrating adherence to the authorised appropriations, and facilitate close monitoring of budget execution (G. Gkouma & Filos, 2022, p. 66).

In sum, the linkage between IPSAS and the general budget is tight, because the information generated under these standards exerts a substantial influence on both the preparation and the execution of the budget.

4. Empirical Study

3.1. Research Methodology:

To assess the anticipated impact of adopting the International Public Sector Accounting Standards (IPSAS) on the preparation and execution of Algeria's general budget, data were gathered through an electronic questionnaire that contained two main sections. First, a background section recorded the respondents' current positions, years of professional experience, academic qualifications, familiarity with IPSAS, and participation in training courses in budgetary and accounting reform. Second, a series of items explored perceptions of how IPSAS adoption could influence budget preparation and execution. An additional open-ended question invited respondents to describe obstacles that might hinder effective implementation of the standards.

The study population included ordonnateurs (authorising officers), public accountants, budget controllers, budget inspectors, and senior officials within the Ministry of Finance. This group was selected because its members possess direct knowledge of ongoing budgetary and accounting reforms. Using simple random sampling, the researchers distributed ninety questionnaires and received forty-five valid responses, producing a response rate of fifty % which is an acceptable figure for exploratory work.

Each response was coded on a five-point Likert scale, where 1 indicated strong disagreement, 2 disagreement, 3 neutrality, 4 agreement, and 5 strong agreement .

A pilot study was conducted with 10 participants to ensure the validity of the questionnaire items. This process confirmed the clarity and the comprehensibility of the items.

For the statistical analysis, IBM SPSS 25.0 Statistics was employed. The researchers applied several procedures: frequency counts, arithmetic means, standard deviations, a One-Way ANOVA, a Independent Samples Test, and a One-Sample T Test to evaluate the study hypotheses.

3.2. *Reliability and Validity:*

Reliability Analysis: To confirm the soundness and reliability of the dataset, Cronbach's alpha was calculated. Table 1 reports an alpha coefficient of 0.95, a value that indicates the instrument—and, by extension, the data collected—meets accepted reliability standards.

Table 1. Cronbach's Alpha Reliability Test

Dimension	Cronbach's α	N
Dimension 1	0.923	7
Dimension 2	0.899	7
Entire questionnaire	0.95	—

Source: Authors' elaboration based on SPSS output.

Factor Analysis: In order to assess the construct-validity of the questionnaire, the Kaiser-Meyer-Olkin Measure of sampling Adequacy and Bartlett's Test of Sphericity were calculated. The Table 2 Show the results of KMO and Bartlett's Test:

Table 2. KMO and Bartlett's Test

Kaiser-Meyer-Olkin Measure of sampling Adequacy	0.853	
Bartlett's test of sphericity	Approx. Chi-Square	516.330
	Df	91
	Sig.	0.000*

Source: Authors' elaboration based on SPSS output.

According to the results shown in the table above, the KMO measure of sampling adequacy was calculated at 0.853, which is considered to be acceptable. Additionally, Bartlett's test of sphericity was also statistically significant at $p < 0.05$, thus, indicating that the correlation matrix is appropriate for exploratory factor analysis. Both the results from KMO and Bartlett's test confirm the adequacy of the current data and provide evidence of construct validity.

3.2. *Results and Discussion:*

First: Descriptive analysis of respondents' general information

The table below presents the distribution of respondents' background characteristics. Among the 45 respondents, budget inspectors constitute 31.1 %, followed by public accountants at 24.4 %. Officials at the Ministry of Finance and ordonnateurs each account for 15.6 %, whereas budget controllers represent 13.3 %. A large majority, 73.3 %, hold a master's degree. In terms of professional experience, 57.8 % have between 11 and 15 years, 24.4 % have more than 15 years, and 17.8 % have 5 to 10 years. Most respondents report a medium level of familiarity with IPSAS, and 80 % have received training in budgetary and accounting reform.

Table 3. Distribution of respondents' general information

Variable	Category	Frequency	Percentage
Occupation	Ordonnateur	7	15.6 %
	Public accountant	11	24.4 %
	Budget controller	6	13.3 %
	Budget inspector	14	31.1 %
	Ministry of Finance official	7	15.6 %
Professional experience	5–10 years	8	17.8 %
	11–15 years	26	57.8 %
	More than 15 years	11	24.4 %
Academic qualification	Senior technician	2	4.4 %
	Bachelor's degree	5	11.1 %
	Master's/Magister	33	73.3 %
	Doctorate	5	11.1 %
Knowledge of IPSAS	Limited	8	15.9 %
	Medium	27	61.4 %
	Good	10	22.7 %
Training in budgetary and accounting reform	No	9	20 %
	Yes	36	80 %

Source: Authors' elaboration based on SPSS output

These results indicate that most respondents possess sufficient knowledge and experience regarding current reforms, thereby lending credibility to their answers.

Second: Descriptive analysis of the impact of IPSAS adoption on improving budget preparation in Algeria

Table 4 reports the arithmetic means, standard deviations, and agreement levels for the seven items measuring the impact of IPSAS adoption on budget preparation.

Table 4. Arithmetic mean and standard deviation for the perceived impact of IPSAS on budget preparation

No.	Item	Mean	Std. Deviation	Agreement
1	IPSAS adoption makes it easier to prepare programme-based budgets	4.1333	0.72614	Agree
2	Applying IPSAS improves the accuracy of revenue estimates	4.0889	0.79264	Agree
3	Using IPSAS helps identify expenditures accurately during the preparation phase	4.0889	0.76343	Agree
4	IPSAS adoption strengthens medium-term budget planning	4.0000	0.79772	Agree
5	Using IPSAS enhances the ability to forecast future expenditures	4.0889	0.76343	Agree

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6	IPSAS adoption supports more informed decisions on resource allocation	4.0222	0.72265	Agree
7	Applying IPSAS reduces gaps between projected and actual revenues and expenditures	3.9778	0.81153	Agree
Overall mean / standard deviation		4.0571	0.63626	Agree

Source: Authors' elaboration based on SPSS output

The composite mean of 4.0571 and the corresponding standard deviation of 0.63626 point to a strong consensus that IPSAS adoption markedly enhances the quality of budget preparation.

Third: Descriptive analysis of the impact of IPSAS adoption on improving budget execution in Algeria

Table 5 presents the arithmetic means, standard deviations, and agreement levels for the seven items assessing the impact of IPSAS adoption on budget execution.

Table 5. Mean and standard deviation for the impact of IPSAS adoption on budget execution

No.	Item	Mean	Std. Deviation	Agreement
1	IPSAS adoption helps determine the actual costs of budgeted programmes	4.0667	0.68755	Agree
2	IPSAS adoption assists in evaluating the performance of government programmes	4.0667	0.65366	Agree
3	Using IPSAS enhances transparency regarding budget execution outcomes	4.2444	0.74332	Strongly agree
4	IPSAS adoption improves control over budget execution	4.1111	0.74536	Agree
5	Using IPSAS aids in tracking actual revenues and expenditures against budget allocations	4.0889	0.70137	Agree
6	IPSAS adoption assists in identifying and clarifying any variances from the budget	3.8000	0.84208	Agree
7	IPSAS adoption strengthens accountability in budget execution	4.0889	0.79264	Agree
Overall mean / standard deviation		4.0667	0.58475	Agree

Source: Authors' elaboration based on SPSS output

The overall mean of 4.0667 and standard deviation of 0.58475 reflect a high impact of IPSAS adoption on enhancing budget execution.

3.3. Hypotheses Testing

- First hypothesis (H1)

There is a statistically significant impact of IPSAS adoption on improving budget preparation in Algeria at the 0.05 significance level. A one-sample t-test yielded the results shown in Table 6.

Table 6. One-sample t-test for the first hypothesis

Hypothesis	Calculated t	Sig.	df
Impact of IPSAS adoption on improving budget preparation	42.775	0.000*	44
N = 45			
*Significant at $\alpha \leq 0.05$; critical t-value = 1.680			

Source: Authors' elaboration based on SPSS output

Because the calculated t-value (42.775) exceeds the critical value and the p-value is less than 0.05, H1 is accepted. IPSAS-based financial reports link allocated resources to achieved results, facilitate programme-based budgeting, and, through unified principles and disclosure requirements on assets, liabilities, revenues, and expenditures, make budget estimates more accurate. The standards also demand disclosure of future expenditures and potential risks, thereby strengthening medium-term planning and supporting better resource-allocation decisions.

The One-Way ANOVA test was used to examine if there are statistically significant differences in the impact of IPSAS on improving budget preparation, based on the occupation and experience.

Table 7. One-Way ANOVA test

Variable	Source of variation	Sun of Squares	df	Mean Square	F	Sig. (p-value)
Occupation	Between group	1.699	4	0.425	1.055	0.392
Experience	Between group	0.173	2	0.87	0.206	0.814

Source: Authors' elaboration based on SPSS output

The result from Table 7 show that the p-value for Experience variable is 0.814, which is greater than 0,05. This means there is no statistically significant difference in opinions based on the experience of the respondents on the impact of IPSAS adoption on improving budget preparation. Similarly, the p-value for the occupation variable is 0.392, which is also greater than 0,05. Therefore, there is no statistically significant difference in opinions based on the respondents occupation.

To examine if there are statistically significant differences in the impact of IPSAS adoption on improving budget preparation, based on the training. An Independent Samples T-Test was employed.

Table 8. Independent Samples Test

Variable	t	df	Sig.	Mean Difference	Std. Error Difference
Training	-0.524	43	0.603	-0.11508	0.21974

Source: Authors' elaboration based on SPSS output

The p-value for training is greater than 0.05 (p-value ≥ 0.05). This indicates that there is no statistically significant difference in opinions on the impact of IPSAS adoption on improving budget preparation between the group that received training and the group that did not.

- Second hypothesis (H2)

There is a statistically significant impact of IPSAS adoption on improving budget execution in Algeria at the ($\alpha \leq 0.05$) significance level. Table 9 summarises the one-sample t-test results.

Table 9. One-sample t-test for the second hypothesis

Hypothesis	Calculated t	Sig.	df
Impact of IPSAS adoption on improving budget execution	46.653	0.000*	44
N = 45			
*Significant at $\alpha \leq 0.05$; critical t-value = 1.680			

Source: Authors' elaboration based on SPSS output

The table shows that the calculated t statistic is 46.653, higher than the critical value of 1.680, and that the probability level (Sig=0.000) lies below the 0.05 significance threshold. Consequently, the hypothesis is accepted: at $\alpha \leq 0.05$, adopting IPSAS has a statistically significant impact on improving budget execution in Algeria. This result can be attributed to the standards' reliance on accrual accounting, which links expenditures and revenues to the period to which they belong and, in turn, supplies clear information on the actual costs of government programmes, thereby supporting performance assessment. Moreover, Standard 24 obliges entities to compare budgeted amounts with the actual figures recorded during execution and to disclose any material variances. Such disclosure helps track real expenditures and revenues against the sums allocated, identify deviations, and enhance transparency regarding execution outcomes. In addition, the standards generate financial reports that facilitate oversight of budget implementation, enabling managers to be held accountable for the results achieved.

Table 10. One-Way ANOVA test

Variable	Source of variation	Sun of Squares	df	Mean Square	F	Sig. (p-value)
Occupation	Between group	0.946	4	0.237	0.671	0.616
Experience	Between group	0.003	2	0.001	0.004	0.996

Source: Authors' elaboration based on SPSS output

The One-Way ANOVA Test showed that the difference in opinions based on Occupation (p-value=0.616) and Experience (p-value=0.996) on the impact of IPSAS adoption on improving budget execution were not statistically significant.

Table 11. Independent Samples Test

Variable	t	df	Sig.	Mean Difference	Std. Error Difference
Training	0.132	43	0.895	0.3175	0.23981

Source: Authors' elaboration based on SPSS output

The Independent Samples Test confirmed that the difference in opinions based on training in the impact of IPSAS adoption on improving budget execution was also not statistically significant ($\text{Sig} \geq 0.05$).

In short, IPSAS adoption yields accurate and comprehensive data that clarify the State's financial position, thereby advancing both the preparation and the execution of the general budget. Nevertheless, respondents list a series of practical challenges. Chief among them is the absence of comprehensive implementation guidelines, the incomplete inventory and valuation of public assets, insufficient staff training in the standards, unclear divisions of responsibility between authorising officers and public accountants, outdated or fragmented information systems, and discrepancies within the new state accounting system.

4. CONCLUSION

This study focused on the prospective impact of adopting the International Public Sector Accounting Standards (IPSAS) on improving both the preparation and the execution of Algeria's general budget, recognising that these standards have not yet been implemented and that the country is still in a transitional phase of accounting reform. The findings confirm that IPSAS adoption represents a decisive step toward enhancing the State's budgetary processes. We concluded the following findings :

- The Algerian government has already introduced numerous budgeting and accounting reforms; the budgetary overhaul centres on programme-based budgeting, which links appropriations to achieved results. Transitioning to public-sector accounting standards and introducing three-dimensional accounting constitute integral elements of the accounting reform;
- IPSAS adoption is pivotal to budget-system reform because it materially influences both the preparation and the execution of the general budget;
- IPSAS provide an accounting framework for preparing and presenting financial reports that supply precise and comprehensive information on the State's financial position, ensuring that all transactions are recorded in the period to which they relate;
- IPSAS-based financial reports demonstrate the relationship between allocated resources and achieved results, thereby facilitating programme-based budgeting;
- Accrual accounting, a core principle of IPSAS, helps identify the actual costs of implemented programmes, enabling performance evaluation;
- IPSAS, particularly Standard 24, require comparison of budgeted amounts with actual execution figures and disclosure of any variances, thereby reinforcing oversight and accountability during budget implementation;
- Statistical analysis reveals a significant impact of IPSAS adoption on improving budget preparation in Algeria. IPSAS reports enhance forecasting accuracy for revenues and expenditures, bolster medium-term planning, and inform resource-allocation decisions across programmes;
- Statistical analysis also confirms a significant impact of IPSAS adoption on improving budget execution. IPSAS deliver reliable information that identifies true programme costs, supports performance assessment, and strengthens transparency, control, and accountability;

- Algeria faces difficulties in implementing IPSAS, including the absence of clear implementation mechanisms, challenges in inventorying and valuing State assets, delays in developing an integrated information system, limited training for responsible staff, overlapping responsibilities between authorising officers and public accountants, and inconsistencies in certain accounts within the new state accounting system.

Based on our findings, we recommend:

- The Algerian government should implement IPSAS effectively as a means of ensuring improved budget preparation and execution;
- Stakeholders—managers, controllers, and parliamentarians—should be sensitised to the importance of the financial information that IPSAS provide, particularly for budget preparation and implementation;
- For Algeria's transition to IPSAS to be successful, clear implementation mechanisms must be established. The transition requires a clear implementation strategy, forming a responsible committee to oversee the application of the standards and developing a detailed and time-bound plan. Furthermore, The State accounting standards (NCE) must be published to transform them from a draft into legally binding regulations for public accountants, and certain accounts in the new state accounting system should be revised;
- Qualified external experts should be engaged to value State assets and property for the preparation of the balance sheet; Without a credible valuation of assets, this opening balance sheet which is a cornerstone for preparing financial reports in accordance with IPSAS cannot be created;
- The delay in developing an integrated information system needs to be addressed as a matter of urgency, the reform cannot succeed without a digital system that connects all budgetary and accounting processes.
- Practical training courses should be organised for all parties involved in budgetary and accounting reform, focusing on the practical application of the standards rather than on basic concepts.

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6. Appendices :

Appendix 1: Reliability Statistics of the Overall Scale

Cronbach's Alpha	N of Items
,950	14

Appendix 2: Reliability Statistics of the Dimension 1

Cronbach's Alpha	N of Items
,923	7

Appendix 3: Reliability Statistics of the Dimension 2

Cronbach's Alpha	N of Items
,899	7

Appendix 4: Construct Validity (KMO and Bartlett's Test)

Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		,853
Bartlett's Test of Sphericity	Approx. Chi-Square	516,330
	df	91
	Sig.	,000