

ISSN Online: 2616-4965



Adoption of International Public Sector Accounting Standard, Governance and Quality of Financial Reporting in Juba City Council, South Sudan

Bol John Goch Chol & Salome Musau

ISSN: 2616-4965

Adoption of International Public Sector Accounting Standard, Governance and Quality of Financial Reporting in Juba City Council, South Sudan

¹Bol John Goch Chol & ²Salome Musau

¹Postgraduate student, Kenyatta University, Nairobi Kenya

²Lecturer, Kenyatta University, Nairobi Kenya

*Email of the corresponding author: cholbolgoch1987@gmail.com

How to cite this article: Chol, B. J. G., & Musau, S. (2025). Adoption of International Public Sector Accounting Standard, Governance and Quality of Financial Reporting in Juba City Council, South Sudan. *Journal of Finance and Accounting*, 9(1), 93-105. <https://doi.org/10.53819/81018102t5355>

Abstract

The adoption of International Public Sector Accounting Standards (IPSAS) in South Sudan has been driven by increasing demands for financial transparency and accountability in the public sector. The Ministry of Finance and Economic Planning, Audit Chamber of South Sudan and Deloitte auditing company have played a key role in facilitating this transition, ensuring alignment with global accounting standards and the principles of government financial evaluation. Therefore, this independent study seeks to analyze conceptually and theoretically the developed and theoretical frameworks related to the comprehensive analysis of IPSAS and quality of financial reporting of Juba City Council, South Sudan, and to identify potentials gaps in the empirical literature by examining the impacts of IPSAS adoption. Challenges, benefits and long-term implications of these reforms were identified. Significance of this study is premised on helping Juba City Council accountants and economic managers improve financial reporting and also act as point of references for academic research. The study is grounded in theoretical frameworks that inform public sector accounting, including Institutional, political, resource dependency, public choice and agency theories, which provide insights into governance, compliance, and institutional accountability. From empirical literature reviewed, conceptual, contextual and methodological gaps were identified. Building from existing model, a new theoretical model was proposed with public policy sector and governance being the mediating variable and moderating variable respectively. The research puts forward that prospective research should rivet on assessing long-term outcomes IPSAS implementation. The study also concludes that that adopting these standards has significantly improved financial reporting accuracy and transparency despite governance challenges such as inadequate supervision and limited training hindering full realization of these benefits. The study recommends that Juba City Council should implement comprehensive capacity-building programs for accounting personnel while simultaneously developing a robust legal framework that mandates IPSAS compliance and harmonizes local regulations with international standards. Additionally, the Council should modernize financial recordkeeping systems through technological investments, establish independent audit committees, and promote a culture of transparency through regular publication of financial reports and citizen engagement in financial decision-making processes.

Keywords: *Quality reporting, public sector accounting standards, professional training, governance, legal compliance*

<https://doi.org/10.53819/81018102t5355>

1.0 Background of Study

Public sector accounting is an accounting system of financial record-keeping and management used by public entities to document and oversee their fiscal activities and outcomes (MS, 2019). Sonjaya (2024) further elucidates it as documentation, evaluation and reporting of financial activities and data within government institutions. Unlike private sector accounting, which prioritizes profit and shareholder value maximization, public sector accounting focuses on effective distribution and use of public funds to fulfill societal needs. Its uniqueness lies in its commitment to accountability, requiring transparency and strict compliance with legal and regulatory standards to ensure responsible governance and public trust. Traditional public sector accounting was historically based on single-entry bookkeeping, relying on a cash-based approach to record financial transactions. However, over time, this system has evolved with the introduction of modern accounting methods, particularly the accrual-based system, which aligns with widely accepted standards such as IPSAS (García, 2014).

In recent years, various developments have significantly influenced public sector accounting. Research indicates a global shift towards accrual accounting due to its role in enhancing financial transparency and accountability (Sonjaya, 2024). This transformation reflects a broader movement towards a results-oriented approach, where financial reporting focuses on performance measurement and efficiency (Wyk, 2004; Paterson, 2003). The adoption of accrual accounting has been motivated by the demand for a more transparent and comprehensive financial reporting system (Tao, 2012). The principles of new public management have played a crucial role in these changes, with accounting professionals largely advocating for reform, while government agencies and international organizations often exhibit reluctance (Vivian, 2018). According to Smith and Johnson (2023), the transition to accrual accounting is primarily driven by the need for governments to improve the precision and dependability of financial reporting, aligning with international best practices. Furthermore, Brown et al. (2024) highlight the significance of accrual accounting in strengthening decision-making processes within government institutions. By recognizing financial activities when they are incurred rather than when cash is exchanged, accrual accounting offers policymakers a more accurate representation of financial performance. Advancing government financial statements requires continuous development and implementation of International Public Sector Accounting Standards (IPSAS) to support this transition effectively.

1.1 Research problem

Sound public financial management (PFM) frameworks implementation remains a challenge in South Sudan. Although the Public Finance Management and Accountability Act (PFMA) provides a legal foundation for financial governance (Jair, 2006), its effectiveness is undermined by weak enforcement mechanisms. The 2006 Auditing Standards (SA 2006, sections 11-16) establish principles for expenditure control. However, inconsistencies in the implementation of PFM policies and weak oversight of government agencies have led to financial mismanagement. Inadequate controls, ineffective payment systems, and poor expenditure monitoring have resulted in the accumulation of substantial arrears. One of the key challenges facing the Juba City Council is the lack of trained personnel in IPSAS-compliant accounting practices. Aziz, Abd Rahman, and Anand (2016) highlight cash to accrual based accounting system transition presents significant financial and logistical challenges, particularly for resource-constrained local governments. Costs

associated with training programs, software upgrades, and restructuring financial management systems often pose barriers to successful implementation (Zainuddin & DiBella, 2015).

Additionally, Juba City Council lacks the necessary technological infrastructure to support IPSAS adoption. Similar to other local governments in developing countries, limited access to advanced financial management systems hinders the transition to modern accounting practices. Resistance to change also presents a significant obstacle. Public sector employees and political leaders accustomed to traditional accounting methods may resist IPSAS implementation due to concerns over complexity, lack of expertise, and cultural factors. Institutional weaknesses and governance challenges further complicate IPSAS adoption. The Juba City Council operates within a regulatory framework that lacks sufficient legislative backing to enforce IPSAS compliance (Munir, 2018). The institutional environment, characterized by bureaucratic inefficiencies and corruption risks, may impede efforts to improve financial transparency and accountability.

1.2 Objectives the study

This independent study seeks to ascertain impacts of IPSAS and governance implementation on quality of financial reporting in Juba city council. The specific objectives include;

1. To review conceptual and theoretical literature on IPSAS and governance implementation on quality of financial reporting in Juba city council.
2. To review the applicable empirical literature on IPSAS and governance implementation on quality of financial reporting in Juba city council.
3. To identify emerging conceptual, theoretical and empirical gaps from relevant literature on IPSAS and governance implementation on quality of financial reporting in Juba city council.
4. To advocate a suitable theoretical framework in response to the gaps to be recognized for guiding future studies on IPSAS and governance implementation on quality of financial reporting in Juba city council.

2.0 Literature Review

2.1 Theoretical Review

In a study of implementing globally recognized public sector accounting, concepts serve as foundations that influence the study design, statistical interpretation courses, and explanations of why particular styles occurred. In addition to creating guidelines for practitioners and policymakers, it enables a methodical approach to comprehending challenging events and anticipated behaviors. Researchers can offer insights into how and why the global public sector accounting trend is embraced by many nations and public agencies by developing theories from institutional, organizational, and public sector studies. The various theories that are considered to be of great significance to the study concept include: Resource dependency theory and agency theory.

2.1.1 Resource Dependency Theory

Advanced by Pfeffer & Salancik (1978) RDT posits that there is high reliance on external resources by firms such as funding, regulatory support and expertise for effective functioning. This dependence creates vulnerabilities, requiring organizations to develop strategies to secure essential resources while minimizing uncertainty. In the context of IPSAS adoption, public sector entities like Juba City Council must navigate resource constraints, including financial, technical, and

<https://doi.org/10.53819/81018102t5355>

human capital limitations, which impact their ability to implement international accounting standards effectively. The theory also highlights the role of external actors, such as international financial institutions, donor agencies, and regulatory bodies, in shaping governance reforms. Pfeffer (1972) argues that board composition reflects an organization's response to external dependencies. In public sector governance, this implies that Juba City Council's financial oversight structures should incorporate independent auditors and financial experts to enhance accountability and mitigate the risks associated with political and economic dependencies. Furthermore, resource dependency theory underscores the importance of capacity-building programs, training initiatives, and technological advancements in supporting IPSAS implementation.

2.1.2 Agency Theory

Proffered by Jensen and Meckling (1976), Agency Theory examines the relationship between principals (e.g., government authorities, taxpayers) and agents (e.g., public sector managers, financial officers) tasked with managing resources on their behalf. The theory highlights the challenges arising from conflicts of interest, where agents may prioritize personal or political interests over the objectives of the principal. This divergence creates agency costs, requiring mechanisms such as financial audits, regulatory oversight, and performance evaluations to align agent actions with principal interests. In IPSAS implementation, agency theory underscores the importance of accountability mechanisms to ensure that public sector managers in Juba City Council adhere to transparent financial reporting standards. Berle and Means (1932) emphasize that governance structures must include checks and balances to mitigate risks associated with information asymmetry, where agents possess more knowledge about financial activities than principals do. Effective IPSAS implementation, therefore, requires strong oversight bodies, clear reporting guidelines, and enforcement mechanisms to minimize agency costs and enhance governance in public financial management.

2.2 Empirical Review

Empirical Review entails research studies that have been done in the area of interest and more to the specifics of the research; the variables of concern.

2.2.1 Governance

In emerging economies like Uganda, research that ascribe corporate governance qualities at independence through the board, board performance and comprehension of strong economic reporting are no longer prevalent. While board independence has diminished, Nalukenge (2017) discovered that the governance functions and financial acumen of the board are intricately linked to the efficacy of internal controls in safeguarding the integrity of financial statements and providing stakeholders with a clear picture of the organization's financial health. In all other observations, Nalukenge (2018) discovered a significant correlation between adherence to international economic reporting standards and corporate governance, gauged by board economic expertise, independence and position overall performance. In their analysis Mansor (2013) speak to the fact that general control including reporting, decision making and financial control may not be achievable without corporate governance. Corporate governance is a key component that makes entities more efficient, governed, and controlled (Changezi & Saeed, 2014). As a result special stakeholders substantially affect economic reporting' process and outcome. Even though they

cross and verify the recorded records provided by the financial reports, economic reports in many organizations are entirely based on the decisions made by corporate governance players. Therefore, stating that financial reporting and corporate governance are connected is ideal. However, the producing area was not given particular attention by the aforementioned authors, thus their conclusions might not accurately represent the conditions within this sector.

According to Nalukenge (2020), board position performance in Uganda is significantly correlated with the transparency requirements of international economic reporting standards. In research on implementation of global economic reporting standards, Bananuka (2019) noted that the general adoption of international economic reporting in Ugandan MFIs is significantly correlated with the effectiveness of the board of administrators and financial knowledge. The aforementioned discussion makes it abundantly evident that previous corporate governance procedures, in conjunction with an unbiased board that possesses financial knowledge and effectively carries out its duties, can enhance financial statements, financial reporting and internal audits quality. Roussy and Brivot (2016) conducted an investigation into the ways in which audit committee members, the Institute of inner auditors and external auditors make decisions. According to their research, external auditors have two distinct perspectives that make internal auditing exceptional: internal auditors' abilities and inner audit independence degree, whereas the institute of inner auditors is well known for its outstanding practices and adherence to ideals. Internal audit quality is largely determined by how well management comprehends the audit evaluations. As indicators of internal audit quality, this study covers the following dimensions; competence, independence and adherence to professional standards. According to Bananuka (2018), an efficient internal audit measures the efficiency of internal controls, ensures adherence to legal requirement and participates in risk control.

Research on the relationship between internal auditing and financial institutions reporting standards is limited in developing economies particularly in Africa. Existing bibliographies uses evidence from the advanced international community to link financial reporting to internal auditing. Using data from 218 publicly traded US companies between 2000 and 2005, Prawitt (2006) found that the IAF fine limits control over earnings. According to Johl et al. (2013), if the internal audit characteristic outsources its operations, the internal audit fine is substantially linked to regular accruals. The study reveals a horrible correlation between internal audit satisfaction and regular accruals if outsourcing is not done and no political affiliations. A study by Bananuka (2018) revealed a substantial correlation between the attributes of internal auditing and the accountability of statutory corporations in Uganda. The results suggest that a rigorously conducted internal audit serves as a foundational element for reliable financial reporting, although the extent of its implementation in Ugandan financial institutions remains a relatively underexplored area of research. It is our contention that a well-executed internal audit enables an organization to achieve its financial reporting goals by introducing a systematic and structured approach to its internal operations, thereby fostering transparency and accountability. By functioning as a sentinel for a company's financial activities, internal auditing plays a vital role in enhancing the quality and integrity of financial reporting practices, ultimately contributing to more informed decision-making and stakeholder trust.

2.2.2 Quality of Financial Reporting

Financial reporting quality has been described in a variety of ways. Martinez Ferrero (2014) used it as an example to explain it due to the accuracy of the information documented in the financial statements of different companies. Enhancing the trustworthiness of reports that aid in decision-making through control is the aim of economic reporting. However, quality may vary because different businesses produce different ranges of the best financial statements (Oyugi 2020). It is also acknowledged that an organization's internal audit has advanced its operations. This is because a credible internal audit is accompanied by a good financial file, which in practice will provide a true reflection of the performance situation of the organization. Additionally, this will improve the organization's control over earnings (Ching 2015). Economic file excellence, according to the Economic Accounting Requirements board is determined by factors like relevance, dependability, transparency, and clarity. According to Chen (2013), a high satisfactory accounting fact is one that can at the very least, provide a number of stakeholders with statistical asymmetry. A study conducted by Angela and Aryancana (2017) identifies four specific categories of financial assessments that exemplify high-quality reporting: the balance sheet, statement of shareholders' equity, income statements, and cash flow statements. In addition, research by Shroff (2015) indicates that the dependability of financial reporting, along with a firm's ability to secure funding, contributes to an uptick in debt levels and enhances the financial and funding options available to a company.

Hasanaj and Kuqi (2019) contend that economic reporting encompasses financial statements along with various forms of communication that convey economic information, including earnings announcements, presentations via analysts, prospectuses, and press releases. They provide a data-driven critique, highlighting the need for traders to have access to accurate information and the incentives for managers to produce the necessary financial information. Additionally, other elements have been identified as influencing financial reporting quality for any organization. Lekamario (2017) investigated factors poignant to financial reporting quality among Kenyan county governments and determined that staff capacity, such as education on public financial management regulations, financial reporting systems, and governmental fiscal operations, is crucial for the development of workforce competence. According to the analysis, counties with effective and environmentally friendly staff recruitment and selection processes were able to hire competent and deserving people. The internal audit function was also identified in the study as another important component of financial reporting. Therefore, conclusion was that counties should establish an audit committee because it was thought that it may serve as a great addition to the internal audit branch's work.

Rahman and Akhter (2021) examined human capital investment impacts on financial institutions performance in Bangladesh. The observer's specific goals were to ascertain whether human capital currently plays a role in the high caliber of industrial banks financial reporting and to offer suggestions for changes that could be made to improve the overall performance of the aforementioned businesses. The application of structural equation modeling has been examined after statistics from 261 employees of commercial banks were gathered. According to the results, organizations that allocated their resources more toward staff training and education were more likely to see an improvement in their financial reporting quality. But according to the studies, employee training did not significantly enhance business banks' financial reporting. Ahmad (2015) aimed to determine whether or not employee ability development increases workers' potential for

<https://doi.org/10.53819/81018102t5355>

improved performance. Factors most likely to influence employee's work performance were examined. In order to do this, the observer examined an employee's internal motives which are likely to contribute to the development of their capabilities. Incentives are most likely offered for growth opportunities were also determined. Using quantitative research and banking business center stage employees, the study found that staff supervision did not significantly improve the satisfaction of financial reporting. Nevertheless, it was discovered that employees who were given the opportunity to develop their skills were more likely to do better than those who had not.

Otibine (2016) ascertained ability enhancement approaches influence on economic reporting in Kenya. The case observe layout employed in the study served as the blueprint for directing the examination. According to the observer, groups broaden their middle competencies and include them in the organizational commercial enterprise aims. They also found that the existence of possible improvement plans helps to boost employee engagement. It was also observed that when economic management training, service automation, and consumer education are implemented in the workplace, employees become more motivated. This leads to advancement of high-quality economic reporting, which consequently affects organizations' overall performance.

Internationally, public sector accounting fashionably has significantly advanced public sector financial reporting in selling transparency, duty and comparison. Gaps in its adoption and closing difficulties like constrained resources, legal boundaries, change defiance and standards complexity is an obstacle to the overall realization of IPSAS. Addressing these gaps needs political will, effective institutional potential, sturdy legal frameworks and continuous ability constructing programs. While IPSAS has made significant progress in standardizing public sector accounting globally, several challenges remain in its adoption and implementation. The gaps in contextual application, particularly in studies conducted in the USA and other developed nations, highlight variations that pose considerable obstacles to fully realizing the benefits of IPSAS (Christensen & Lapsley, 2011). Resistance to change in certain sectors, along with reluctance from public sector managers and politicians, may hinder IPSAS adoption. Concerns over complexity, costs, and the potential political consequences of transparent financial reporting contribute to this resistance. Public sector organizations may be unwilling to disclose financial information that could expose poor financial management (Lapsley & Pallot, 2000).

Gaps in legal compliance present significant confronts in IPSAS implementation. These contests arise when governments attempt to align their legal frameworks with IPSAS requirements. Mismatches between existing legal systems, financial management structures, and the principles mandated by IPSAS create obstacles to effective implementation. Legal compliance is a critical factor in ensuring the successful adoption and sustainability of IPSAS. IPSAS adoption faces a substantial challenge in the absence of legislative mandates for accrual accounting. Many countries have yet to update their public sector financial regulations to facilitate the transition from cash-based accounting to accrual-based systems. In numerous jurisdictions, laws and regulations either mandate cash accounting or fail to provide for accrual-based accounting, making it difficult to implement IPSAS effectively (Christensen & Lapsley, 2011).

Additionally, an inadequate legal framework for managing public sector budgets further complicates IPSAS adoption in some countries. Many public financial management systems have not been effectively aligned with IPSAS requirements, leading to inconsistencies between domestic legal frameworks and international accounting standards. For example, government

procurement policies, budgetary guidelines, and public auditing frameworks may conflict with IPSAS provisions on liability reporting, asset recognition, and revenue and expense disclosure (United Nations, 2012). Global public sector accounting trends have also led to inconsistencies in financial disclosure requirements. High-quality disclosures in financial statements, including non-financial information and contingent liabilities, are essential under IPSAS. However, in some jurisdictions, national laws and regulations do not require such disclosures, creating barriers to full compliance. In certain cases, governments may be legally restricted from disclosing specific financial information, further complicating adherence to IPSAS (Pallot & Lapsley, 2000).

2.2.3 Legal Compliance

Many public sector organizations face legal challenges when modifying their accounting processes due to long-established legal frameworks that dictate accounting standards. These regulations often specify how public funds must be recorded, managed, and reported, which may not align with IPSAS. While these standards advocate for an accrual-based approach, most national legal frameworks and regulations continue to mandate cash-based accounting. Implementing these changes requires significant legal reforms, which can be both time-consuming and politically challenging. Adjusting entrenched accounting practices demands substantial legislative amendments, making the transition to accrual accounting a complex process (OECD, 2014).

3.0 Research Methodology

The research methodology adopted for this study was a comprehensive literature review that synthesized findings from previous studies on IPSAS adoption, governance frameworks, and financial reporting quality in public sector organizations. This study systematically analyzed both theoretical foundations and empirical evidence related to IPSAS implementation in developing economies, with particular focus on contexts similar to Juba City Council. The review process involved examining peer-reviewed journal articles, institutional reports and relevant policy documents. Content analysis was applied to identify recurring themes, methodological approaches, and significant findings across the literature. The conclusions regarding the relationships between dependent and independent variables were derived through comparative analysis of previous research findings, with particular attention to contextual factors specific to South Sudan. Recommendations were formulated based on identified gaps in existing literature and practical implications suggested by the synthesized evidence, providing a foundation for future empirical investigations in this area.

4.0 Conclusions

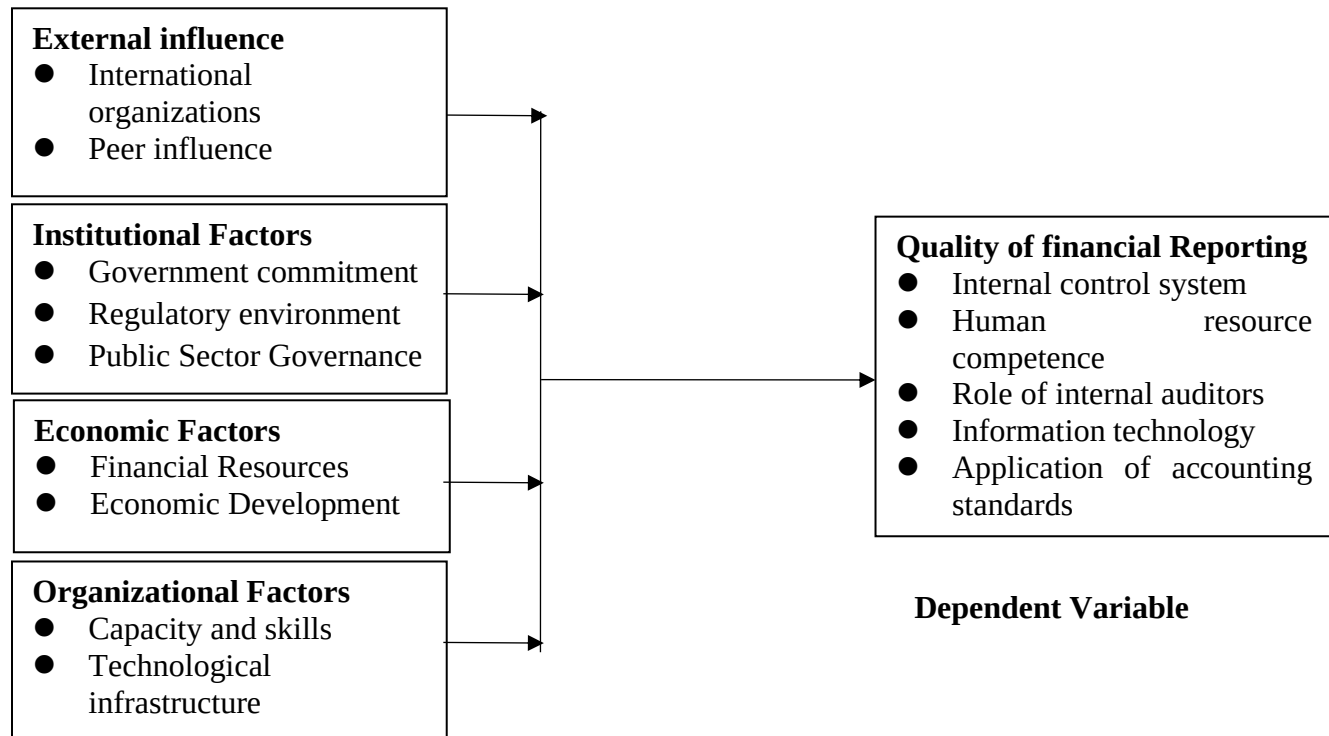
4.1 Emerging Knowledge gaps

Most authors have employed distinct methodologies and a wide range of variables, leading to gaps in knowledge. Consequently, several well-recognized gaps exist in understanding IPSAS adoption. These include limited data generation centers, inadequate institutional support, and the high turnover of qualified accounting and finance professionals. Additionally, many researchers have relied on original hypotheses, with theories serving as the foundation of their studies. Since theoretical frameworks form the core of any research, variations in the application of different theories often result in divergent findings.

4.2 Call for a New Theoretical Model

Building on both theoretical and empirical evaluations, this study proposes a new model to examine and explain the connection between IPSAS and financial reporting quality in Juba City Council. Each construct in this paper plays a crucial role in shaping the study's conceptual framework. The proposed model is summarized in the figure below:

Proposed Theoretical Model



Independent Variables

Author (2025)

International Public Sector Accounting and Quality of Reporting

The primary goal of IPSAS is to enhance financial reporting quality within public sector organizations, culminating in better resource allocation and more informed decision-making by governments. This, in turn, fosters greater transparency and accountability. Standardized reporting not only ensures consistency across various departments, including central and local governments, regulatory agencies and municipal bodies, but also aids in managing credit crises when dealing with international financial institutions such as the World Bank, the International Monetary Fund (IMF), and the African Development Bank (AfDB).

Proportion 1: International public sector accounting is recognized as a global best practice for public sector financial accounting and reporting.

International Public Sector Accounting Adoption

Adoption of International public sector accounting standard provide a globally accepted framework for financial reporting within public sector organizations, ensuring uniformity and transparency

Proposition 2: Public policy enables governments to make informed decisions, develop strategies to address societal challenges, and implement solutions effectively.

Effect of Public Sector Policy on the Quality of Financial Reporting

IPSAS adoption significantly influences financial reporting quality in Juba City Council. By aligning with global best practices, these policies impact various aspects of financial management, including taxation, public expenditure, and foreign trade.

Proposition 3: Public sector policies influence taxation, financial affairs, foreign trade, and overall government expenditure.

5.0 Conclusion and Recommendations

5.1 Conclusion

The study concludes that the adoption of International Public Sector Accounting Standards (IPSAS) by Juba City Council represents a significant step toward improving financial management practices in South Sudan's public sector, with notable enhancements in reporting accuracy, transparency, and accountability. Analysis of theoretical frameworks and empirical evidence demonstrates that IPSAS implementation has positively influenced the quality of financial reporting through standardization of accounting procedures, improved disclosure practices, and enhanced comparability of financial statements. However, the full benefits of IPSAS adoption remain constrained by persistent governance challenges, including inadequate supervisory mechanisms, limited institutional capacity, insufficient technical expertise among accounting personnel, and resistance to transitioning from traditional cash-based to accrual-based accounting systems. The research identifies critical barriers such as resource constraints, technological limitations, and the absence of comprehensive legislative frameworks necessary to enforce compliance with international standards.

Furthermore, the study concludes that effective IPSAS implementation requires a holistic approach integrating governance reforms, capacity building initiatives, and technological advancements to address the complex interplay between accounting standards, institutional environments, and human resource capabilities. Contextual factors unique to South Sudan, including its post-conflict status, developing economic infrastructure, and evolving public administration systems, significantly influence the outcomes of IPSAS adoption, necessitating customized implementation strategies rather than a one-size-fits-all approach. The research also highlights the crucial role of external stakeholders, including international financial institutions and donor agencies, in supporting sustainable implementation through technical assistance and resource provision. Continuous evaluation and monitoring of IPSAS implementation processes emerge as essential components for identifying implementation gaps, measuring progress, and making necessary adjustments to ensure that accounting reforms achieve their intended objectives of enhancing transparency, accountability, and financial decision-making within Juba City Council.

5.2 Recommendations

The study recommends that Juba City Council should prioritize comprehensive capacity-building initiatives aimed at enhancing the technical competence of accounting personnel through specialized training programs in IPSAS implementation, accrual-based accounting practices, and modern financial management systems. The Council should establish a robust legal and regulatory framework that clearly mandates IPSAS compliance, delineates enforcement mechanisms, and harmonizes local financial regulations with international standards to provide the necessary institutional backing for sustainable implementation. Financial recordkeeping systems should be significantly modernized through investment in appropriate technological infrastructure, including integrated financial management information systems that enable real-time tracking, reporting, and analysis of public financial data. The government should develop stronger accountability mechanisms by establishing independent audit committees, enhancing internal control systems, and implementing regular performance evaluations to ensure compliance with established standards and procedures. Public sector leaders should promote a culture of transparency by publishing comprehensive financial reports, holding public forums to discuss financial performance, and incorporating citizen feedback into financial decision-making processes.

The Council should develop a phased implementation strategy with clear milestones, realistic timelines, and adequate resource allocation to manage the transition from cash-based to accrual-based accounting effectively. Collaborative partnerships should be established with international organizations, academic institutions, and regional governments to facilitate knowledge exchange, resource sharing, and technical assistance throughout the implementation process. Juba City Council should institute regular monitoring and evaluation protocols to assess the impact of IPSAS implementation on financial reporting quality, governance effectiveness, and overall public financial management performance. Budget preparation processes should be reformed to incorporate participatory approaches, medium-term expenditure frameworks, and performance-based budgeting techniques aligned with IPSAS principles. Finally, the Council should establish dedicated units within the finance department specifically responsible for overseeing IPSAS implementation, providing technical guidance, and ensuring consistency in application across all government departments.

REFERENCES

- Ahmad, S. (2015). Green human resource management: Policies and practices. *Cogent business & management*, 2(1), 1030817. <https://doi.org/10.1080/23311975.2015.1030817>
- Bananuka, J., Nkundabanyanga, S. K., Nalukenge, I., & Kaawaase, T. (2018). Internal audit function, audit committee effectiveness and accountability in the Ugandan statutory corporations. *Journal of Financial Reporting and Accounting*, 16(1), 138-157. <https://doi.org/10.1108/JFRA-07-2016-0062>
- Brusca, I., & Martínez, J. C. (2016). Adopting International Public Sector Accounting Standards: a challenge for modernizing and harmonizing public sector accounting. *International Review of Administrative Sciences*, 82(4), 724-744. <https://doi.org/10.1177/0020852315600232>

- Changezi, N.I. and Saeed, A. (2013). Impact of Corporate Governance Framework on the Organizational Performance, *Journal of Management Policies and Practices*, 1 , 2, 1-8
- Christiaens, J. and Vanhee, C. (2012). *Handboek Accountancy in de Publieke en Nonprofitsector: Accounting, Financieel Management en Auditing*, Brugge: Die Keure
- García, F. M. (2014). Developments and challenges in public sector accounting. *Journal of Public Budgeting, Accounting & Financial Management*, 26(2), 345-366. <https://doi.org/10.1108/JPBAFM-26-02-2014-B005>
- Hasanaj, P., & Kuqi, B. (2019). Analysis of financial statements. *Humanities and Social Science Research*, 2(2), p17-p17. <https://doi.org/10.30560/hssr.v2n2p17>
- Jensen, G. R. (2023). International public sector accounting standards (IPSAS). In *Global encyclopedia of public administration, public policy, and governance* (pp. 6968-6976). Cham: Springer International Publishing. https://doi.org/10.1007/978-3-030-66252-3_2280
- Johl, K. S., Kaur Johl, S., Subramaniam, N., & Cooper, B. (2013). Internal audit function, board quality and financial reporting quality: evidence from Malaysia. *Managerial Auditing Journal*, 28(9), 780-814. <https://doi.org/10.1108/MAJ-06-2013-0886>
- Lapsley, I., & Miller, P. (Eds.). (2024). *The resilience of new public management*. Oxford University Press. <https://doi.org/10.1093/oso/9780198883814.001.0001>
- Lekamario, J. L. (2017). *Factors Affecting the Quality of Financial Reporting of County Governments in Kenya* (Doctoral dissertation, Kca University).
- Martínez-Ferrero, J. (2014). Consequences of financial reporting quality on corporate performance: Evidence at the international level. *Estudios de economía*, 41(1), 49-88. <https://doi.org/10.4067/S0718-52862014000100002>
- MS, D. (2019). Public Sector Accounting System-A Conceptual Analysis.
- Nalukenge, I., Taurigana, V., & Mpeera Ntayi, J. (2017). Corporate governance and internal controls over financial reporting in Ugandan MFIs. *Journal of Accounting in Emerging Economies*, 7(3), 294-317. <https://doi.org/10.1108/JAEE-02-2016-0018>
- Otibine, L. I. (2016). *Effects of capacity development strategies on the performance of the Department for International Development in Kenya* (Doctoral dissertation, University Of Nairobi).
- Oyugi, E.A. (2020). Effects of financial reporting quality on performance of companies listed at the Nairobi Securities Exchange (Masters Report, University of Nairobi).
- Paterson, A. (2003). *Financial Management in the Public Sector*. Pearson Education.
- Roussy, M., & Brivot, M. (2016). Internal audit quality: a polysemous notion? *Accounting, Auditing & Accountability Journal*, 29(5), 714-738. <https://doi.org/10.1108/AAAJ-10-2014-1843>
- Rowley (2008). Supports the idea that public choice theory helps analyze political behavior in resource allocation and financial decision-making

- Schipper, K. (2007). Required disclosures in financial reports. *The Accounting Review*, 82(2), 301-326. <https://doi.org/10.2308/accr.2007.82.2.301>
- Shroff, N. (2015). Real effects of financial reporting quality and credibility: Evidence from the PCAOB regulatory regime. *Available at SSRN*. <https://doi.org/10.2139/ssrn.2667969>
- Sonjaya, Y. (2024). Evolving Perspectives on Public Sector Accounting Practices. *Advances in Applied Accounting Research*, 2(2). <https://doi.org/10.60079/aaar.v2i2.175>
- Tawiah, V. (2023). The effect of IPSAS adoption on governance quality: evidence from developing and developed countries. *Public Organization Review*, 23(1), 305-324. <https://doi.org/10.1007/s11115-022-00625-w>
- Vivian, A. (2018). The Role of Accounting in Public Sector Reforms: A Case of Public Finance Management Act (PFMA). *Mediterranean Journal of Social Sciences*, 9(3), 127–136. <https://doi.org/10.2478/mjss-2018-0089>
- Wyk, J. van. (2004). *Public Sector Financial Management: A South African Perspective* (2nd ed.). Juta.